

State workers push for 'Public Employee Bill of Rights'

Unions claim private contractors are taking jobs that can be done more cheaply by public employees

MICHAEL SHAW | STAFF WRITER

California relies too much on large corporate contracts when it should be economizing by using its own work force, say unions pushing for a "Public Employee Bill of Rights" to protect state workers.

It's the latest swing of the pendulum in the privatization debate, which asks whether government is cheaper and more efficient with its own workers or with outside contractors.

Last month, Service Employees International Union 1000 — the state's largest union representing 95,000 state workers — stepped up the campaign with a report that said the state spent \$210 billion on private contracts over the past nine years, with more than half of the money spent on personal services contracts going to only 13 companies.

The report used data compiled by the Department of General Services and uploaded by state agencies, which are required to report their contracts but don't always do so.

The claim that these expenditures represent a "hidden branch of government" are part of the justification for the new bill, which would offer state workers the first shot at jobs instead of contractors when it's determined they would be the cheaper alternative.

Sacramento Democratic Assemblyman Roger Dickinson introduced Assembly Bill 1655, which offers a host of other



The state spent \$210 billion on private contracts over the past nine years, according to labor claims.

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protections along with the first-in-line for jobs provision, such as reducing the amount of time supervisors would have to discipline workers.

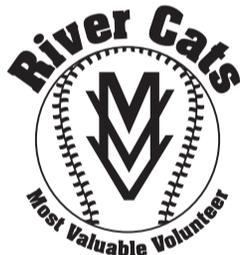
The bill cleared its first committee last week on a partisan vote, with Democrats

in support and one of the committee's two Republicans voting against with the other abstaining. The bill is sponsored by the Union of American Physicians and Dentists, whose representatives say they are fighting perceptions that government

works better and cheaper when jobs are outsourced.

"If someone can do a job that the state can't, go ahead," said the bill's author,

CONTINUED ON PAGE 17



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CONNECTING THE BUSINESS COMMUNITY

FROM PAGE 16

Dr. Stuart Bussey, president of the union and previously a state worker for 19 years. "But all things being even, if our own workers can do a job as cheap as someone else, we should keep them."

A 'PERVERSE APPROACH'

But some say the Legislature is not focusing on the right issues as Gov. Jerry Brown stumps for his tax proposals on the ballot to raise funds to balance California's budget.

"My initial thought is that we're having a debate now where you're going to raise taxes on the private sector while offering more protections for government employees," said Mitch Zak, a Republican advisor and co-owner of Randle Communications in Sacramento. "It's a perverse approach to bringing California back. California has the most protected employees in the nation."

Zak said policy should focus instead on aiding the private sector in creating jobs. While he has represented several industries in the past, he's not acting on behalf of any particular client on the issue.

Last week, the National Federation of Independent Business California chapter released findings of a report arguing that small independent contractors are under siege by state actions as well. The report says agencies are attempting to restrict independent contracting in California — which, the group contends, will harm the economy.

However, the organization and others seeking to protect business interests have not taken a position on Dickinson's bill. And for all the bluster about the protections for state employees, the bill has drawn only tepid criticism.

WAITING TO BE WHITTLED DOWN

AB 1655 contains several protections — Bussey admitted to taking a shotgun approach with it.

"Try for everything and get some of it," he said.

It would allow for peer-review committees for professional staff. Bussey said doctors or dentists sometimes are evaluated by people who don't have the commensurate experience or education.

It also would require any "adverse action" investigation of an employee to be completed within one year, rather than the current standard of three years after the cause for discipline first arose. According to the American Federation of State, County and Municipal Employees, the provision would prevent the abuse of the investigation process, which some agencies can delay for years. The union said witnesses can retire from service or forget the circumstances of an investigation under the current deadlines.

Similar attempts to pass a bill of rights for state workers have failed twice before, according to people familiar with the current bill, which been amended once already and is likely to be narrowed as it proceeds, said Doug Chiappetta, spokesman for UAPD.

As written, state employees would be given priority over contractors in filling permanent, overtime and on-call positions. It's not entirely clear how it would be determined whether using existing state workers would be more economical on a case-by-case basis, but supporters say they don't want to exclude contractors when they can save state money.

SEIU's report claims that using outside contractors can drive up costs because long-term contracts are often repeatedly extended without competitive bidding. According to the report, the top 100 personal services contracts range from \$110 million to a \$2.38 billion contract with IBM.

The bill started with discontent from

physicians and dentists employed by the state, some of whom complained that contractors are given better shifts and working conditions, discretion about overtime and other perks that the state workers do not get.

But Bussey said the bill is necessary because state agencies aren't following the rules when it comes to notification. Unions have several memoranda of understanding that require agencies to reveal when outside contractors are used.

"We're supposed to be notified, but a lot of times we aren't," Bussey said. "You find out after the fact that the state hired a company to do the work."



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