

Senate Bill No. 615

Passed the Senate April 2, 1998

Secretary of the Senate

Passed the Assembly March 26, 1998

Chief Clerk of the Assembly

This bill was received by the Governor this ____ day
of _____, 1998, at ____ o'clock __M.

Private Secretary of the Governor



CHAPTER ____

An act to amend Sections 18903, 19056.5, 19141, 19142, 19702, 19786, 19798, 19815.41, 19816.2, 19817, 19841, 19994, 19994.1, 19994.2, 19997, 19997.3, 19997.4, 19997.5, 19997.6, 19997.7, 19997.8, 19997.11, 19997.13, and 22822 of, to add Sections 18523.1, 19170.1, 19818.7, 19818.11, and 22955 to, and to add Article 2.1 (commencing with Section 21078) to Chapter 12 of Part 3 of Division 5 of Title 2 of, the Government Code, and to add Section 10295.1 to the Public Contract Code, relating to state employees, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 615, Burton. State employees.

(1) Existing law provides that if any provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees requires the expenditure of funds, those provisions of the memorandum of understanding shall not become effective unless approved by the Legislature in the annual Budget Act.

This bill would approve provisions that require the expenditure of funds of a memorandum of understanding entered into between the state employer and a specified employee organization, and would provide that the provisions of any memorandum of understanding that require the expenditure of funds shall become effective even if the provisions of the memorandum of understanding are approved by the Legislature in legislation other than the annual Budget Act.

(2) Existing law generally requires state agencies to adopt regulations pursuant to procedures set forth in the Administrative Procedure Act, but exempts the Department of Personnel Administration from the Administrative Procedure Act with respect to regulations that apply exclusively to state employees in State



Bargaining Unit 5. Existing law provides alternative procedures for the department to use in the adoption, amendment, or repeal of regulations that apply exclusively to state employees in State Bargaining Unit 5.

This bill would also exempt the Department of Personnel Administration from the Administrative Procedure Act with respect to regulations that would apply exclusively to state employees in State Bargaining Unit 6. This bill would make applicable to state employees in State Bargaining Unit 6 the same alternative procedures for the department to use in the adoption, amendment, or repeal of a regulation that apply to state employees in State Bargaining Unit 5, including, among other things, a public comment period, preparation of specified information relative to the proposed rule action, public notice, a public hearing, and publication in the California Code of Regulations.

(3) Existing law contains various provisions relating to civil service and employer-employee relations between the state and its employees, and contains comparable provisions that apply only to state employees in State Bargaining Unit 5.

This bill would enact comparable provisions, with respect to appointments from a general reemployment list, reinstatements, probationary periods, layoffs, demotions, nonmerit statutory appeal hearings, the use of broadband classifications, and demonstration projects on classification, compensation, and related projects that would apply to state employees in State Bargaining Unit 6.

(4) Existing law, with specified exceptions, provides that all contracts entered into by any state agency for the hiring or purchase of a variety of goods and services, including equipment, supplies, textbooks, and repair or maintenance, are void unless approved by the Department of General Services.

This bill would exempt contracts entered into by the Department of Personnel Administration for employee benefits, training services, or both, for state employees in



State Bargaining Unit 6 from this requirement of Department of General Services' approval.

(5) Existing law, the Public Employees' Retirement Law, establishes the Public Employees' Retirement System, and sets forth the provisions for its administration and the delivery of benefits to its members.

This bill would establish the State Peace Officers' and Firefighters' Defined Contribution Plan for state peace officer or firefighter members in State Bargaining Unit 6 to supplement the benefits provided under the Public Employees' Retirement System. This bill would establish the State Peace Officers' and Firefighters' Defined Contribution Plan Fund in the State Treasury for the plan and provide that all moneys in the fund are continuously appropriated for payments of the plan.

(6) Existing law, the Public Employees' Medical and Hospital Care Act, provides health benefits plan coverage to public employees and annuitants meeting the eligibility requirements prescribed by the Board of Administration of the Public Employees' Retirement System. A provision of that act prescribes eligibility requirements for permanent intermittent state employees.

This bill would provide that if the above provision is in conflict with the provisions of a memorandum of understanding reached pursuant to the Ralph C. Dills Act, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of the memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(7) Existing law, the State Employees' Dental Care Act, provides dental care plan coverage to public employees and annuitants meeting the eligibility requirements prescribed by the Board of Administration of the Public Employees' Retirement System.

This bill would provide that notwithstanding particular provisions of the act, employees in State Bargaining Unit 6 who meet specified qualifications may receive a



percentage of the employer's contribution payable for annuitants if the employees are credited with 10 or more years of state service and would provide that the amount of payment would be based upon the member's completed years of state service.

(8) This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares that the purpose of Section 2 is to adopt an agreement pursuant to Section 3517 of the Government Code entered into by the state employer and recognized employee organizations to make any necessary statutory changes in health, retirement, salary, or other benefits.

SEC. 2. The provisions of the following memorandum of understanding, prepared pursuant to Section 3517.5 of the Government Code, and entered into by the state employer and State Bargaining Unit 6, California Correctional Peace Officers Association, and that requires the expenditure of funds, are hereby approved for the purposes of Section 3517.6 of the Government Code.

SEC. 3. Notwithstanding Section 3517.6 of the Government Code, the provisions of any memorandum of understanding that require the expenditure of funds shall become effective even if the provisions of the memorandum of understanding are approved by the Legislature in legislation other than the annual Budget Act.

SEC. 4. Section 18523.1 is added to the Government Code, to read:

18523.1. (a) Notwithstanding Section 18523, this section shall only apply to state employees in State Bargaining Unit 6.

(b) "Class" means a group of positions sufficiently similar with respect to duties and responsibilities that the same title may reasonably and fairly be used to designate



each position allocated to the class and that substantially the same tests of fitness may be used and that substantially the same minimum qualifications may be required and that the same schedule of compensation may be made to apply with equity.

(c) The board may also establish “broadband” classes for which the same general title may be used to designate each position allocated to the class and which may include more than one level or more than one specialty area within the same general field or work. In addition to the minimum qualifications for each broadband class, other job-related qualifications may be required for particular positions within the class. When the board establishes a broadband class, these levels and specialty areas shall be described in the class specification, and the board shall specify any instances in which these levels and speciality areas are to be treated as separate classes for purposes of applying other provisions of law.

SEC. 5. Section 18903 of the Government Code is amended to read:

18903. (a) (1) For each class there shall be maintained a general reemployment list consisting of the names of all persons who have occupied positions with probationary or permanent status in the class and who have been legally laid off or demoted in lieu of layoff.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. For each class there shall be maintained a general reemployment list consisting of the names of all persons who have occupied positions with probationary or permanent status in the class and who have been legally laid off, demoted in lieu of layoff, or transferred in lieu of layoff.

(b) Within one year from the date of his or her resignation in good standing, or his or her voluntary demotion, the name of an employee who had probationary or permanent status may be placed on the general reemployment list with the consent of the appointing power and the board. The general reemployment list may also contain the names of persons



placed thereon by the board in accordance with other provisions of this part.

SEC. 6. Section 19056.5 of the Government Code is amended to read:

19056.5. (a) Notwithstanding any other provision in this part and except as provided in subdivision (b), if the appointment is to be made from a general reemployment list, the names of the three persons with the highest standing on the list shall be certified to the appointing power.

(b) Notwithstanding subdivision (a), this subdivision shall apply only to state employees in State Bargaining Unit 6. If the appointment is to be made from a general reemployment list, the name of the person with the highest standing on the list shall be certified to the appointing power.

SEC. 7. Section 19141 of the Government Code is amended to read:

19141. This section applies only to a permanent employee, or an employee who previously had permanent status and who, since that permanent status, has had no break in the continuity of his or her state service due to a permanent separation. As used in this section, “former position” is defined as in Section 18522, or, if the appointing power to which reinstatement is to be made and the employee agree, a vacant position in any department, commission, or state agency for which he or she is qualified at substantially the same level.

Within the periods of time specified below, an employee who vacates a civil service position to accept an appointment to an exempt position shall be reinstated to his or her former position at the termination either by the employee or appointing power of the exempt appointment, provided he or she (a) accepted the appointment without a break in the continuity of state service, and (b) requests in writing reinstatement of the appointing power of his or her former position within 10 working days after the effective date of the termination.

The reinstatement may be requested by the employee only within the following periods of time:



(a) At any time after the effective date of the exempt appointment if the employee was appointed under one of the following:

(1) Subdivision (a), (b), (c), (d), (e), (f), (g), or (m) of Section 4 of Article VII of the California Constitution.

(2) Section 2.1 of Article IX of the California Constitution.

(3) Section 22 of Article XX of the California Constitution.

(4) To an exempt position under the same appointing power as the former position even though a shorter period of time may be otherwise specified for that appointment.

(b) Within six months after the effective date of the exempt appointment if appointed under subdivision (h), (i), (k), or (l) of Section 4 of Article VII of the California Constitution.

(c) (1) Within four years after the effective date of an exempt appointment if appointed under any other authority.

An employee who vacates his or her civil service position to accept an assignment as a member, inmate, or patient helper under subdivision (j) of Section 4 of Article VII of the California Constitution shall not have a right to reinstatement.

An employee who is serving under an exempt appointment retains a right of reinstatement when he or she accepts an extension of that exempt appointment or accepts a new exempt appointment, provided the extension or new appointment is made within the specified reinstatement time limit and there is no break in the continuity of state service. The period for which that right is retained is for the period applicable to the extended or new exempt appointment as if that appointment had been made on the date of the initial exempt appointment.

When an employee exercises his or her right of reinstatement and returns to his or her former position, the service while under an exempt appointment shall be deemed to be time served in the former position for the



purpose of determining his or her seniority and eligibility for merit salary increases.

If the termination of an exempt appointment is for a reason contained in Section 19997 and the employee does not have a right to reinstatement, he or she shall have his or her name placed on the departmental and general reemployment lists for the class of his or her former position.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. Within four years after the effective date of an exempt appointment if appointed under any other authority.

An employee who vacates his or her civil service position to accept an assignment as a member, inmate, or patient helper under subdivision (j) of Section 4 of Article VII of the California Constitution shall not have a right to reinstatement.

An employee who is serving under an exempt appointment retains a right of reinstatement when he or she accepts an extension of that exempt appointment or accepts a new exempt appointment, provided the extension or new appointment is made within the specified reinstatement time limit and there is no break in the continuity of state service. The period for which that right is retained is for the period applicable to the extended or new exempt appointment as if that appointment had been made on the date of the initial exempt appointment.

When an employee exercises his or her right of reinstatement and returns to his or her former position, the service while under an exempt appointment shall be deemed to be time served in the former position for the purpose of determining his or her eligibility for merit salary increases.

If the termination of an exempt appointment is for a reason contained in Section 19997 and the employee does not have a right to reinstatement, he or she shall have his or her name placed on the departmental and general



reemployment lists for the class of his or her former position.

SEC. 8. Section 19142 of the Government Code is amended to read:

19142. (a) Every person accepts and holds a position in the state civil service subject to mandatory reinstatement of another person.

(b) (1) Upon reinstatement of a person any necessary separations are effected under the provisions of Section 19997.3 governing layoff and demotion except that (A) an employee who is not to be separated from state service need not receive advance notification as provided in Section 19997.13, and (B) seniority shall not be counted as provided in Section 19997.3 when this would result in the layoff of the person who has the reinstatement right. Under such a circumstance, qualifying service in classes at substantially the same or higher salary level is the only state service that shall be counted for purposes of determining who is to be separated.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. Upon reinstatement of a person any necessary separations are effected under Section 19997.3 governing layoff and demotion except that an employee who is not to be separated from state service need not receive advance notification as provided in Section 19997.13.

SEC. 9. Section 19170.1 is added to the Government Code, to read:

19170.1. (a) Notwithstanding Section 19170 for state employees in State Bargaining Unit 6, the board shall establish for each class the length of the probationary period. The probationary period which shall be served upon appointment shall be not less than six months nor more than two years.

(b) The board may provide by rule: (1) for increasing the length of individual probationary periods by adding thereto periods of time during which an employee, while serving as a probationer, is absent from his or her position; or (2) for requiring an additional period not to exceed the length of the original probationary period when a



probationary employee returns after an extended period of absence and the remainder of the probationary period is insufficient to evaluate his or her current performance.

SEC. 10. Section 19702 of the Government Code is amended to read:

19702. (a) A person shall not be discriminated against under this part because of sex, race, religious creed, color, national origin, ancestry, marital status, physical disability, or mental disability. A person shall not be retaliated against because he or she has opposed any practice made an unlawful employment practice, or made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this part. For purposes of this article, “discrimination” includes harassment. This subdivision is declaratory of existing law.

(b) As used in this section, “physical disability” includes, but is not limited to, impairment of sight, hearing, or speech, or impairment of physical ability because of amputation or loss of function or coordination, or any other health impairment that requires special education or related services.

(c) As used in this section, “mental disability” includes, but is not limited to, any mental or psychological disorder, such as mental retardation, organic brain syndrome, emotional or mental illness, and specific learning disabilities.

(d) Notwithstanding subdivisions (b) and (c), if the definition of disability used in the Americans with Disabilities Act of 1990 (Public Law 101-336) would result in broader protection of the civil rights of individuals with a mental disability or physical disability, as defined in subdivision (b) or (c), then that broader protection shall be deemed incorporated by reference into, and shall prevail over conflicting provisions of, the definitions in subdivisions (b) and (c). The definitions of subdivisions (b) and (c) shall not be deemed to refer to or include conditions excluded from the federal definition of “disability” pursuant to Section 511 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12211).

(e) If the board finds that a person has engaged in discrimination under this part, and it appears that this practice consisted of acts described in Section 243.4, 261, 262, 286, 288, 288a, or 289 of the Penal Code, the board, with the consent of the complainant, shall provide the local district attorney's office with a copy of its decision and order.

(f) (1) If the board finds that discrimination has occurred in violation of this part, the board shall issue and cause to be served on the appointing authority an order requiring the appointing authority to cause the discrimination to cease and desist and to take any action, including, but not limited to, hiring, reinstatement, or upgrading of employees, with or without backpay, and compensatory damages, which, in the judgment of the board, will effectuate the purposes of this part. Consistent with this authority, the board may establish rules governing the award of compensatory damages. The order shall include a requirement of reporting the manner of compliance.

(2) Notwithstanding paragraph (1), this paragraph shall apply only to state employees in State Bargaining Unit 6. If the board finds that discrimination has occurred in violation of this part, the board shall issue and cause to be served on the appointing authority an order requiring the appointing authority to cause the discrimination to cease and desist and to take any action, including, but not limited to, hiring, reinstatement, or upgrading of employees, with or without backpay, adding additional seniority, and compensatory damages, which, in the judgment of the board, will effectuate the purposes of this part. Consistent with this authority, the board may establish rules governing the award of compensatory damages. The order shall include a requirement of reporting the manner of compliance.

(g) Any person claiming discrimination within the state civil service may submit a complaint that shall be in writing and set forth the particulars of the alleged discrimination, the name of the appointing authority, the persons alleged to have committed the unlawful



discrimination, and any other information that may be required by the board. The complaint shall be filed with the appointing authority or, in accordance with board rules, with the board itself.

(h) Complaints shall be filed within one year of the alleged unlawful discrimination or the refusal to act in accordance with this section, except that this period may be extended for not to exceed 90 days following the expiration of that year, if a person allegedly aggrieved by unlawful discrimination first obtained knowledge of the facts of the alleged unlawful discrimination after the expiration of one year from the date of its occurrence. Complaints of discrimination in adverse actions or rejections on probation shall be filed in accordance with Sections 19175 and 19575.

(i) When an employee of the appointing authority refuses, or threatens to refuse, to cooperate in the investigation of a complaint of discrimination, the appointing authority may seek assistance from the board. The board may provide for direct investigation or hearing of the complaint, the use of subpoenas, or any other action which will effect the purposes of this section.

SEC. 11. Section 19786 of the Government Code is amended to read:

19786. (a) When a civil service employee has been reinstated after military service in accordance with Section 19780, and any question arises relative to his or her ability or inability for any reason arising out of the military service to perform the duties of the position to which he or she has been reinstated, the board shall, upon the request of the appointing power or of the employee, hear the matter and may on its own motion or at the request of either party take any and all necessary testimony of every nature necessary to a decision on the question.

(b) If the board finds that the employee is not able for any reason arising out of the military service to carry out the usual duties of the position he or she then holds, it shall order the employee placed in a position in which the board finds he or she is capable of performing the duties



in the same class or a comparable class in the same or any other state department, bureau, board, commission, or office under this part and the rules of the board covering transfer of an employee from a position under the jurisdiction of one appointing power to a position under the jurisdiction of another appointing power, without the consent of the appointing powers, where a vacancy may be made available to him or her under this part and the rules of the board, but in no event shall the transfer constitute a promotion within the meaning of this part and the rules of the board.

(c) (1) If a layoff is made necessary to place a civil service employee in a position in the same class or a comparable class in accordance with this section, the layoff shall be made under Section 19997.3, provided that no civil service employee who was employed prior to September 16, 1940, shall be laid off as a result of the placing of an employee in the same class or a comparable class under this section.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. If a layoff is made necessary to place a civil service employee in a position in the same class or a comparable class in accordance with this section, the layoff shall be made under Section 19997.3.

(d) The board may order the civil service employee reinstated to the department, bureau, board, commission, or office from which he or she was transferred either upon request of the employee or the appointing power from which transferred. The reinstatement may be made after a hearing as provided in this section if the board finds that the employee is at the time of the hearing able to perform the duties of the position.

SEC. 12. Section 19798 of the Government Code is amended to read:

19798. In establishing order and subdivisions of layoff and reemployment, the board, when it finds past discriminatory hiring practices, shall by rule, adopt a process that provides that the composition of the affected work force will be the same after the completion of a



layoff, as it was before the layoff procedure was implemented. This section does not apply to state employees in State Bargaining Unit 5 or 6.

SEC. 13. Section 19815.41 of the Government Code is amended to read:

19815.41. (a) Notwithstanding subdivision (e) of Section 19815.4, this section shall apply only to state employees in State Bargaining Unit 5 or 6.

(b) The director shall hold nonmerit statutory appeal hearings, subpoena witnesses, administer oaths, and conduct investigations in accordance with Department of Personnel Administration Rule 599.859 (b)(2).

(c) The director may, at his or her discretion, hold hearings, subpoena witnesses, administer oaths, or conduct investigations or appeals concerning other matters relating to the department's jurisdiction.

(d) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 14. Section 19816.2 of the Government Code is amended to read:

19816.2. Notwithstanding any other provision of this part, regulations and other provisions pertaining to the layoff or demotion in lieu of layoff of civil service employees that are established or agreed to by the department shall be subject to review by the State Personnel Board for consistency with merit employment principles as provided for by Article VII of the California Constitution. This section does not apply to state employees in State Bargaining Unit 5 or 6.

SEC. 15. Section 19817 of the Government Code is amended to read:

19817. This article applies only with respect to regulations that apply exclusively to state employees in



State Bargaining Unit 5 or to state employees in State Bargaining Unit 6.

SEC. 16. Section 19818.7 is added to the Government Code, to read:

19818.7. (a) Notwithstanding Section 19818.6, this section shall apply only to state employees in State Bargaining Unit 6.

(b) The department shall administer the Personnel Classification Plan of the State of California including the allocation of every position to the appropriate class in the classification plan. The allocation of a position to a class shall derive from and be determined by the ascertainment of the duties and responsibilities of the position and shall be based on the principle that all positions that meet the definition of a class pursuant to Section 18523.1 shall be included in the same class.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of the memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(d) A broadband project may not change the terms and conditions of employment covered by a memorandum of understanding entered into pursuant to the Ralph C. Dills Act (Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1), unless there is a written agreement with respect to the project between the department and the recognized employee organization representing the affected employees.

SEC. 17. Section 19818.11 is added to the Government Code, to read:

19818.11. (a) This section shall apply only to state employees in State Bargaining Unit 6.

The department may, directly or through agreement or contract with one or more agencies, conduct demonstration classification, compensation, and related projects. “Demonstration project”, for the purposes of



this section, means a project that uses alternative classification, compensation, and other personnel management policies and procedures to determine if a change would result in cost savings, improved efficiency, or both cost savings and improved efficiency in the existing personnel management system.

(b) Nothing in this section shall infringe upon or conflict with the merit principles as embodied in Article VII of the California Constitution.

(c) The establishment of a demonstration classification, compensation, or related project shall not be limited by the lack of specific authority in this division or by the existence of any statute or regulation that is inconsistent with actions to be taken in the demonstration project.

(d) Prior to implementation of a demonstration project, the department shall adopt regulations specifying the impact of the project on employee status, compensation, benefits, and rights with regard to transfer, layoff, promotion, and demotion. These regulations are not subject to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340), (Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11400), and Chapter 5 (commencing with Section 11500) of Part 1 of Division 3), and shall automatically expire after five years from the date of adoption or at the end of the demonstration project, whichever is earlier. Nothing in this section shall affect the rights of employees included within demonstration projects, except those rights directly pertaining to the subject matter of the demonstration project.

(e) The department shall notify each house of the Legislature when a demonstration project is undertaken. The department shall also evaluate each project at its conclusion and notwithstanding Section 7550.5, shall prepare and submit a summary of the evaluation to each house of the Legislature that includes a discussion of the following:



(1) The purpose of the proposed demonstration project that specifically states the goals or objectives of the project.

(2) The cost projections and methods by which savings, if any, may be calculated.

(3) A definitive mechanism by which the value and success, if any, of the demonstration project may be quantified as feasible. This mechanism shall include specific numerical objectives that must be met or exceeded if a demonstration project is to be judged successful.

(f) A demonstration project may not change the terms and conditions of employment covered by a memorandum of understanding entered into pursuant to the Ralph C. Dills Act (Chapter 10.3 (commencing with Section 3512) of Division 4 of Title 1), unless there is a written agreement with respect to the project between the department and the recognized employee organization representing the affected employees.

SEC. 18. Section 19841 of the Government Code is amended to read:

19841. (a) Notwithstanding Section 11030, whenever a state officer or employee is required by the appointing power because of a change in assignment, promotion, or other reason related to his or her duties to change his or her place of residence, the officer, agent, or employee shall receive his or her actual and necessary moving, traveling, lodging, and meal expenses incurred by him or her both before and after and by reason of the change of residence. The maximum allowances for these expenses shall be as follows: the costs of packing, transporting, and unpacking 11,000 pounds of household effects, traveling, lodging, and meal expenses for 60 days while locating a permanent residence, storage of household effects for 60 days, and additional miscellaneous allowances not in excess of two hundred dollars (\$200). The maximum allowances may be exceeded where the director determines that the change of residence will result in unusual and unavoidable hardship for the officer or employee, and in those cases the director shall determine



the maximum allowances to be received by the officer or employee.

(b) If a change of residence reasonably requires the sale of residence or the settlement of an unexpired lease, the officer or employee may be reimbursed for any of the following expenses:

(1) The settlement of the unexpired lease to a maximum of one year. Upon the date of surrender of the premises by the employee who is the lessee, the rights and obligations of the parties to the lease shall be as determined by Section 1951.2 of the Civil Code.

The state shall be absolved of responsibility for an unexpired lease if the department determines the employee knew or reasonably should have known that a transfer involving a physical move was imminent before entering into the lease agreement.

(2) In the event of residence sale, reimbursement for brokerage and other related selling fees or charges, as determined by regulations of the department, customarily charged for like services in the locality where the residence is located.

(c) This subdivision shall apply to state employees in State Bargaining Unit 5 or 6. If the change of residence is caused by a layoff, the application of this section shall be at the discretion of the department based upon the recommendation of the appointing power.

(d) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 19. Section 19994 of the Government Code is amended to read:

19994. (a) (1) When the state takes over and there is transferred to it a function from any other public agency, the department may determine the extent, if any, to which the employees employed by the other



public agency on the date of transfer are entitled to have credited to them in the state civil service, seniority credits, accumulated sick leave, and accumulated vacation because of service with the former agency. Granting of seniority credit under this section is subject to review by the State Personnel Board pursuant to Section 19816.2.

(2) Notwithstanding paragraph (1), this paragraph shall apply only to state employees in State Bargaining Unit 5 or 6. When the state takes over and there is transferred to it a function from any other public agency, the department may determine the extent, if any, to which the employees employed by the other public agency on the date of transfer are entitled to have credited to them in the state civil service, seniority credits, accumulated sick leave, and accumulated vacation because of service with the former agency.

(b) The department shall limit that determination to the time any transferred employees were employed in the specific function or a function substantially similar while in the former agency and the seniority credits and accumulated sick leave and accumulated vacation shall not exceed that to which each employee would be entitled if he or she had been continuously employed by the State of California. This section is applicable to any function heretofore transferred to the state, whether by state action or otherwise, as well as to any future transfers of a function to the state, whether by state action or otherwise.

SEC. 20. Section 19994.1 of the Government Code is amended to read:

19994.1. (a) An appointing power may transfer any employee under his or her jurisdiction: (1) to another position in the same class; or (2) from one location to another whether in the same position, or in a different position as specified above in (1) or in Section 19050.5.

(b) (1) When a transfer under this section or Section 19050.5 reasonably requires an employee to change his or her place of residence, the appointing power shall give the employee, unless the employee waives this right, a



written notice of transfer 60 days in advance of the effective date of the transfer. Unless the employee waives this right, the appointing power shall provide to the employee 60 days prior to the effective date of the transfer a written notice setting forth in clear and concise language the reasons why the employee is being transferred.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. When a transfer under this section or Section 19050.5 reasonably requires an employee to change his or her place of residence, the appointing power shall give the employee, unless the employee waives this right, a written notice of transfer 60 days in advance of the effective date of the transfer unless the transfer is in lieu of layoff, in which case the notice shall be 30 days in advance of the effective date of the transfer. Unless the employee waives this right, the written notice shall set forth in clear and concise language the reasons why the employee is being transferred.

(c) If this section is in conflict with a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the memorandum of understanding requires the expenditure of funds, it shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 21. Section 19994.2 of the Government Code is amended to read:

19994.2. (a) (1) When there are two or more employees in a class and an involuntary transfer is required to a position in the same class, or an appropriate class as designated by the State Personnel Board, in a location that reasonably requires an employee to change his or her place of residence, the department may determine the methods by which employees in the class or classes involved are to be selected for transfer. These methods may include seniority and other considerations.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5



or 6. When there are two or more employees in a class and an involuntary transfer is required to a position in the same class, or an appropriate class as designated by the State Personnel Board, in a location that reasonably requires an employee to change his or her place of residence, the department may determine the methods by which employees in the class or classes involved are to be selected for transfer. These methods may include seniority and other considerations, including special skills.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 22. Section 19997 of the Government Code is amended to read:

19997. (a) Whenever it is necessary because of lack of work or funds, or whenever it is advisable in the interests of economy, to reduce the staff of any state agency, the appointing power may lay off employees pursuant to this article and department rule. All layoff provisions and procedures established or agreed to under this article shall be subject to State Personnel Board review pursuant to Section 19816.2.

(b) Notwithstanding subdivision (a), this subdivision shall apply to state employees in State Bargaining Unit 5 or 6. Whenever it is necessary because of lack of work or funds, or whenever it is advisable in the interests of economy, to reduce the staff of any state agency, the appointing power may lay off employees pursuant to this article and department rule.

SEC. 23. Section 19997.3 of the Government Code is amended to read:

19997.3. (a) (1) Layoff shall be made in accordance with the relative seniority of the employees in the class of layoff. In determining seniority scores, one point shall be



allowed for each complete month of full-time state service regardless of when the service occurred. Department rules shall establish all of the following:

(A) The extent to which seniority credits may be granted for less than full-time service.

(B) The seniority credit to be granted for service in a class that has been abolished, combined, divided, or otherwise altered under the authority of Section 18802.

(C) The basis for determining the sequence of layoff whenever the class and subdivision of layoff includes employees whose service is less than full time.

(D) Any other matters as are necessary or advisable to the operation of this chapter.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. Layoff shall be made in accordance with the relative seniority of the employees in the class of layoff. In determining seniority scores, one point shall be allowed for each complete month of full-time state service regardless of when the service occurred. Department rules shall establish all of the following:

(A) The extent to which seniority credits may be granted for less than full-time service.

(B) The basis for determining the sequence of layoff whenever the class and subdivision of layoff includes employees whose service is less than full time.

(C) Any other matters as are necessary or advisable to the operation of this chapter.

(b) For professional, scientific, administrative, management, and executive classes, the department shall prescribe standards and methods by rule whereby employee efficiency shall be combined with seniority in determining the order of layoffs and the order of names on reemployment lists. These standards and methods may vary for different classes, and shall take into consideration the needs of state service and practice in private industry and other public employment.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of



understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding incurs either present or future costs, or requires the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 24. Section 19997.4 of the Government Code is amended to read:

19997.4. (a) For the purposes of determining seniority pursuant to paragraph (1) of subdivision (a) of Section 19997.3, the term “state service” shall include all service that is exempt from state civil service.

(b) Notwithstanding subdivision (a), this subdivision shall apply only to state employees in State Bargaining Unit 5. For the purposes of determining seniority pursuant to paragraph (2) of subdivision (a) of Section 19997.3, the term “state service” shall include service that is exempted from state civil service by subdivisions (e), (f), (g), (i), and (m) of Section 4 of Article VII of the California Constitution.

(c) Notwithstanding subdivision (a), this subdivision shall apply only to state employees in State Bargaining Unit 6. For the purposes of determining seniority pursuant to paragraph (2) of subdivision (a) of Section 19997.3, the term “state service” shall include service that is exempted from the state civil service by any of the following:

(1) Subdivision (e), (f), (g), (i), or (m) of Section 4 of Article VII of the California Constitution.

(2) Subdivision (a) of Section 4 of Article VII of the California Constitution if an employee provides to the appointing power a copy of his or her official employment history record by July 1, 1999, or within six months of appointment to the state civil service.

SEC. 25. Section 19997.5 of the Government Code is amended to read:

19997.5. (a) Separations that are necessary by reason of reinstatement of an employee or employees after recognized military service as provided for in Section 19780 shall be made by layoff. In making these



separations, the regular method of determining the order of layoff shall be used unless this would result in the layoff of an employee who has been reinstated in the class and subdivision of layoff under Section 19780, and in the retention of an employee who was appointed in the class and subdivision of layoff during the time such a reinstated employee was on military leave. Under these circumstances, seniority shall not be counted as provided in Section 19997.3. Instead, service in the subdivision of layoff that qualifies under Section 19997.3 for credit is the only state service that shall be counted.

Whenever such a layoff results in the demotion to a lower class of an employee who has been reinstated after recognized military service as provided in Section 19780, the resulting layoff, if any, in the lower class shall be made as though that reinstated employee had been in that lower class at the time he or she went on military leave.

Any layoff occurring within one year after reinstatement of an employee after recognized military service shall be presumed to have been necessary by reason of reinstatement of an employee or employees under Section 19780 unless the department determines that the reason for layoff is clearly not related to the reinstatement.

(b) Notwithstanding subdivision (a), this subdivision shall apply to state employees in State Bargaining Unit 5 or 6. Separations that are necessary by reason of reinstatement of an employee or employees after recognized military service as provided for in Section 19780 shall be made by layoff. In making these separations, the regular method of determining the order of layoff shall be used.

SEC. 26. Section 19997.6 of the Government Code is amended to read:

19997.6. (a) A veteran, except a veteran who was reinstated from military leave, shall in the event of layoff receive seniority credit for recognized military service if the veteran entered the state service after discharge, the end of the national emergency, or the end of the state military emergency.



(b) Seniority credit for recognized military service shall be computed as if it were service in the class to which the employee was first given permanent civil service or exempt appointment after his or her entry into the state service following recognized military service.

(c) Seniority credit for recognized military service shall not exceed one year's credit if the veteran had no state service prior to entering the military service.

(d) This section shall become operative on July 1, 1993.

(e) Notwithstanding subdivisions (a), (c), and (d), this subdivision shall apply to state employees in State Bargaining Unit 5 or 6. A veteran, except a veteran who was reinstated from military leave, shall in the event of layoff receive a maximum of one year's seniority credit for recognized military service if the veteran entered the state service after discharge, the end of the national emergency, or the end of the state military emergency. For purposes of this subdivision, "recognized military service" means service in a military campaign or expedition for which a medal was authorized by the government of the United States in accordance with Section 300.1 of Title 12 of the California Code of Regulations.

SEC. 27. Section 19997.7 of the Government Code is amended to read:

19997.7. (a) Employees in the class under consideration, up to the number of positions to be abolished or discontinued, shall be laid off in the order as determined under this part. As between two or more of these employees who have the same score, veterans shall have preference in retention. Other ties shall be resolved according to department rule that shall take into consideration other matters of record before names are drawn by lot.

(b) Notwithstanding subdivision (a), this subdivision shall apply to state employees in State Bargaining Unit 5 or 6. Employees in the class under consideration, up to the number of positions to be abolished or discontinued, shall be laid off in the order as determined under this part. As between two or more employees who have the same



score, veterans shall have preference in retention. Other ties shall be determined by lot.

SEC. 28. Section 19997.8 of the Government Code is amended to read:

19997.8. (a) (1) In lieu of being laid off an employee may elect demotion to: (A) any class with substantially the same or a lower maximum salary in which he or she had served under permanent or probationary status, or (B) a class in the same line of work as the class of layoff, but of lesser responsibility, if such a class is designated by the department. Whenever a demotion requires a layoff in the elected class, the seniority score for the demoted employee shall be recomputed in that class. The appointing power shall inform the employee in the notice of layoff of the classes to which he or she has the right to demote. To be considered for demotion in lieu of layoff an employee must notify his or her appointing power in writing of his or her election not later than five calendar days after receiving notice of layoff.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. In lieu of being laid off an employee may elect demotion to: (A) any class with substantially the same or a lower maximum salary in which he or she had served under permanent or probationary status, or (B) a class in the same class series as the class of layoff, but of lesser responsibility, or (C) a class in a related line of work as the class of layoff, but of lesser responsibility, if such a class is designated by the department. Whenever a demotion requires a layoff in the elected class, the seniority score for the demoted employee shall be recomputed in that class if necessary. The appointing power shall inform the employee in the notice of layoff of the classes to which he or she has the right to demote. To be considered for demotion in lieu of layoff an employee must notify his or her appointing power in writing of his or her election not later than five calendar days after receiving notice of layoff.

(b) Demotions in lieu of layoff, and layoffs resulting therefrom, shall be governed by this article and shall be



made within the subdivisions approved by the department for this purpose. These subdivisions need not be the same as those used to determine the area of layoff under Section 19997.2.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 29. Section 19997.11 of the Government Code is amended to read:

19997.11. (a) (1) The names of employees to be laid off or demoted shall be placed upon the reemployment list for the subdivision, if such a subdivision was designated, upon the departmental reemployment list and upon the general reemployment list, for the class from which the employees were laid off or demoted. The department may also place these names upon the general reemployment list for any other appropriate classes as the department determines.

(2) Notwithstanding paragraph (1), this paragraph shall apply only to state employees in State Bargaining Unit 5. The names of employees to be laid off, demoted in lieu of layoff, or transferred in lieu of layoff shall be placed upon the reemployment list for the subdivision, if such a subdivision was designated, upon the departmental reemployment list and upon the general reemployment list, for the class from which the employees were laid off, demoted in lieu of layoff, or transferred in lieu of layoff. The department may also place these names upon the general reemployment list for any other appropriate classes as the department determines.

(3) Notwithstanding paragraph (1), this paragraph shall apply only to state employees in State Bargaining Unit 6. The names of employees to be laid off, demoted in lieu of layoff, or transferred in lieu of layoff shall be



placed upon the reemployment list for the subdivision, if such a subdivision was designated and upon the departmental reemployment list, for the class from which the employees were laid off, demoted in lieu of layoff, or transferred in lieu of layoff. The department shall also place such names upon the general reemployment list only for the entry level class within the employee's primary demotional pattern. This general reemployment list shall be a rule of one name.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 30. Section 19997.13 of the Government Code is amended to read:

19997.13. (a) (1) An employee compensated on a monthly basis shall be notified that he or she is to be laid off 30 days prior to the effective date of layoff and not more than 60 days after the date of the seniority computation. The notice of layoff shall be in writing and shall contain the reason or reasons for the layoff. An employee to be laid off may elect to accept this layoff prior to the effective date thereof.

(2) Notwithstanding paragraph (1), this paragraph shall apply to state employees in State Bargaining Unit 5 or 6. An employee compensated on a monthly basis shall be notified that he or she is to be laid off 30 days prior to the effective date of layoff. The notice of layoff shall be in writing and shall contain the reason or reasons for the layoff. An employee to be laid off may elect to accept this layoff prior to the effective date thereof.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a



memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 31. Article 2.1 (commencing with Section 21078) is added to Chapter 12 of Part 3 of Division 5 of Title 2 of the Government Code, to read:

Article 2.1. State Peace Officers' and Firefighters'
Defined Contribution Plan

21078. (a) The State Peace Officers' and Firefighters' Defined Contribution Plan is hereby established for state peace officer and firefighter members in Bargaining Unit 6 that have become subject to this article by memorandum of understanding, as provided by Section 3517.5. The plan shall supplement the benefits provided by this part and shall be a qualified governmental plan, as prescribed by Section 401 of Title 26 of the United States Code.

(b) The plan may be provided to state peace officer or firefighter members who are either excluded from the definition of state employee in subdivision (c) of Section 3513, or are nonelected officers or employees of the executive branch of government and are not members of the civil service, and who supervise employees in a bargaining unit that is subject to this article, provided, however that the Department of Personnel Administration has approved their inclusion for coverage under this article.

(c) The board shall notify the Department of Personnel Administration when it is prepared to implement the plan.

(d) "Plan" for the purposes of this article means the State Peace Officers' and Firefighters' Defined Contribution Plan.

21078.1. (a) The State Peace Officers' and Firefighters' Defined Contribution Plan Fund is hereby established in the State Treasury to accept member and employer contributions. Notwithstanding Section 13340,



this fund is continuously appropriated without regard to fiscal years for the purposes of this article.

(b) The cost of administering this article shall be paid solely from the members' individual accounts.

21078.2. (a) The contributions made by the employer, and the member if any, to the plan shall be credited to the member's individual account. The contributions made by the employer and the member to the plan shall be subject to the limitations prescribed by Sections 401(a)(17) and 415(c) of Title 26 of the United States Code.

(b) The member's individual account in this plan shall consist of the contributions made by the employer on his or her behalf, the contributions made by the member, if any, and any earnings attributed to investments made from the member's individual account.

(c) Notwithstanding the rate of interest payable on member contributions pursuant to any other provision of this part, the board, after deducting the costs of administering this article, shall credit the individual account of a member with interest at the net earnings rate compounded each June 30.

(d) Member contributions, if any are made, shall be considered as contributions "picked up" by the employer, as specified by Section 414(h)(2) of Title 26 of the United States Code.

(e) The plan shall permit members to roll over contributions to or from another qualified plan, in accordance with federal requirements.

(f) The board may adopt rules and regulations, as it deems necessary, to ensure that the plan complies with the requirements imposed on defined contribution plans for governmental employers by Title 26 of the United States Code.

(g) The board shall have exclusive control over the administration and the investment of the fund. The board shall operate under the prudent person rule in its investment strategy and adopt all of the safeguards and diversity specified in Article 6 (commencing with Section 20190) of Chapter 2.



21078.3. (a) The employer contribution for a member who participates in this plan shall be determined pursuant to a memorandum of understanding.

(b) The rate of contribution for a member who participates in this plan, if so required, shall be determined pursuant to a memorandum of understanding.

21078.4. (a) All contributions made to this plan shall be held in trust for the benefit of the members and their beneficiaries. These contributions shall remain in the member's individual account until his or her permanent separation from state service, death, or retirement.

(b) Upon permanent separation from employment, the member shall be entitled to receive a lump sum distribution of the contributions in his or her individual account, plus the accumulated earnings to the date of the distribution.

(c) A participating member who permanently transfers to another state bargaining unit shall no longer be entitled to receive the employer contribution. However, if he or she had been making member contributions, he or she may elect to continue to participate in this plan under the same rate of contribution.

(d) The board shall determine the necessary procedure under which the member's contributions may be rolled into or out of this plan.

(e) Upon the death of a member, the beneficiary, as defined in Section 20019, may elect to receive a lump sum distribution of the member's individual account or receive a monthly annuity. The death benefit is separate and distinct from any other preretirement death benefits the beneficiary is eligible to receive from the system on account of the member's death.

(f) Upon the member's retirement, the member shall elect the manner in which his or her individual account shall be distributed. In lieu of a lump sum payment, the member may elect to receive a monthly payment from his or her individual account, in a manner approved by the board and subject to the limitations imposed by



Sections 401(a)(9) and 401(a)(31) of Title 26 of the United States Code and any other applicable federal tax code requirements for maintaining the qualified plan status of this system. This monthly payment may be included with any other monthly allowance payable to the member for services rendered the system. However, monthly payments from this defined contribution plan shall not be subject to any cost-of-living adjustments prescribed in this part.

(g) The board may contract with an insurance, annuity, mutual fund, or any other qualified company to provide members with an opportunity to purchase an annuity from their accounts at the time of retirement.

(h) The distribution of the member's individual account to a participating member, or his or her beneficiary, shall be in a manner approved by the board and subject to the conditions and limitations imposed by Title 26 of the United States Code and any other applicable federal tax code requirements for maintaining the qualified plan status of this system.

SEC. 32. Section 22822 of the Government Code is amended to read:

22822. (a) Notwithstanding any other provision of this chapter, with respect to state officers and employees, a permanent intermittent employee, who has an appointment of more than six months and works at least half time, shall be eligible to enroll or register not to enroll for health benefits within 60 calendar days after having been credited with a minimum of 480 paid hours within one of two designated 6-month periods in a calendar year. To continue benefits, a permanent intermittent employee must be credited with a minimum of 480 paid hours in a designated 6-month period or 960 paid hours in two consecutive designated 6-month periods. For the purposes of this section, the designated 6-month periods are January 1 through June 30 and July 1 through December 31 of each calendar year.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of



understanding shall be controlling without further legislative action, except that if the provisions of the memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

SEC. 33. Section 22955 is added to the Government Code, to read:

22955. (a) Notwithstanding Sections 22953 and 22954, an employee in Bargaining Unit 6 who becomes a state member of the Public Employees' Retirement System after January 1, 1998, and who is included in the definition of state employee in subdivision (c) of Section 3513 shall not receive any portion of the employer's contribution payable for annuitants, pursuant to Sections 22953 and 22954, unless the employee is credited with 10 years of state service at the time of retirement.

(b) The percentage of employer's contribution amount payable for postretirement dental care benefits for an employee subject to this section shall be based on the funding provision of the plan and the member's completed years of state service at retirement as shown in the following table:

Credited Years Service	Percentage of Employer Contribution
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20	100

(c) This section shall only apply to state employees who retire for service.



(d) Benefits provided to an employee subject to this section shall be applicable to all future state service.

(e) For purposes of this section, “state service” means service rendered as an employee or an appointed or elected officer of the state for compensation. In those cases where the state assumes or has assumed from a public agency a function and the related personnel, service rendered by that personnel for compensation as employees or appointed or elected officers of that local public agency shall not be credited, at retirement, as state service for the purposes of this section, unless the former employer has paid or agreed to pay the state agency the amount actuarially determined to equal the cost for any employee dental benefits which were vested at the time that the function and the related personnel were assumed by the state. For noncontracting local public agencies the state department shall certify the completed years of local agency service to be credited to the employee to the Public Employees’ Retirement System at the time of separation for retirement.

(f) Whenever the state contracts to assume a local public agency function, completed years of service rendered by the personnel for compensation as employees or appointed or elected officers of the local public agency shall be credited as state service only upon a finding by the Department of Finance that the contract contains a benefit factor sufficient to reimburse the state for the amount necessary to compensate the state fully for postretirement dental benefit costs for those personnel.

(g) This section shall not apply to employees of the California State University or the Legislature.

SEC. 34. Section 10295.1 is added to the Public Contract Code, to read:

10295.1. For employees in State Bargaining Unit 6, contracts entered into by the Department of Personnel Administration for employee benefits, occupational health and safety, or training services shall be exempt from the requirements set forth in Section 10295 and do not require the approval by the Department of General Services.



SEC. 35. (a) It is the intent of the Legislature that Section 19818.11 of the Government Code which permits the development and implementation of demonstration projects, also include provisions that address the ever increasing need to improve the delivery of health care benefits to employees located in rural areas of the state.

(b) The Legislature finds and declares both of the following:

(1) Historically, the delivery of health care in rural areas of the state has been costly, limited in coverage, and inconsistent.

(2) Participants in designing a demonstration project pursuant to Section 19818.11 of the Government Code should look toward achieving long-term, broad, and cost-effective coverage that can improve health care for both workers and their families.

SEC. 36. It is the intent of the Legislature that the Department of Personnel Administration shall endeavor to maintain appropriate compensation, benefits, and personnel policies under its statutory jurisdiction for supervisory correctional peace officers by considering factors that include, but are not limited to, the compensation, benefits, and personnel practices given to correctional peace officers in state government.

SEC. 37. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order that the provisions of this act relating to state employees may become effective at the earliest possible time, it is necessary that this act go into immediate effect.



Approved _____, 1998

Governor

