

**ASSEMBLY BILL**

**No. 334**

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**Introduced by Assembly Member Pescetti  
(Principal coauthor: Assembly Member House)**

February 11, 1999

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An act relating to state employees, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 334, as introduced, Pescetti. State employees: compensation increase and employer-employee relations.

(1) Existing law appropriates funds for the support of state agencies, including amounts necessary for employee compensation.

This bill would appropriate to the Controller a sum sufficient to provide all state employees a salary increase of 5% retroactive to July 1, 1998, and an additional salary increase of 5% as of April 1, 1999, from the General Fund, unallocated special funds, federal funds, and any other fund from which state employees are compensated. The salary increase for state employees represented by a state bargaining unit that has entered into a memorandum of understanding for the 1998–99 fiscal year with the state employer and approved by the Legislature pursuant to the Ralph C. Dills Act and state employees who are excepted from coverage under the Ralph C. Dills Act would be reduced for these employees, as specified, by any salary increase received on July 1, 1998, and

any salary increase received after July 1, 1998, but before December 31, 1998.

(2) Existing law requires that a memorandum of understanding between the Governor and recognized employee organizations be submitted to the Legislature and requires approval by the Legislature if the memorandum of understanding requires the expenditure of funds.

This bill would provide that the terms of specified memoranda of understanding between the Governor and recognized employee organizations that were in effect until June 30, 1995, or June 30, 1996, shall govern relations between the state employer and the applicable employee organizations until June 30, 1999.

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

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. (a) Except as provided in subdivision  
2 (b) and notwithstanding Chapter 10.3 (commencing  
3 with Section 3512) of Division 4 of Title 1 of the  
4 Government Code, a sum sufficient to provide all state  
5 employees with a salary increase of 5 percent retroactive  
6 to July 1, 1998, and an additional salary increase of 5  
7 percent as of April 1, 1999, is hereby appropriated to the  
8 Controller from the General Fund, unallocated special  
9 funds, federal funds, and any other fund from which state  
10 employees are compensated.

11 (b) (1) This subdivision shall only apply to (A) state  
12 employees represented by a state bargaining unit that has  
13 entered into a memorandum of understanding for the  
14 1998–99 fiscal year prepared pursuant to Section 3517.5 of  
15 the Government Code and approved by the Legislature  
16 pursuant to Section 3517.6 of the Government Code, and  
17 (B) state employees who are excepted from coverage  
18 under the Ralph C. Dills Act (Chapter 10.3 (commencing  
19 with Section 3512) of Division 4 of Title 1 of the  
20 Government Code).



1 (2) A state employee subject to this subdivision shall  
2 receive the following salary increases:

3 (A) A salary increase of 5 percent retroactive to July  
4 1, 1998, less any salary increase the state employee  
5 received as of July 1, 1998.

6 (B) A salary increase of 5 percent as of April 1, 1999,  
7 less any salary increase the state employee received July  
8 1, 1998, but before December 31, 1998.

9 (c) Nothing in this section shall be construed to  
10 appropriate an amount to the Controller that would  
11 increase the salary of any state employee by an amount  
12 in excess of 5 percent retroactive to July 1, 1998, and an  
13 additional 5 percent as of April 1, 1999.

14 SEC. 2. Notwithstanding any other provision of law,  
15 the provisions of the memorandum of understanding  
16 prepared pursuant to Section 3517.5 of the Government  
17 Code and entered into by the state employer and the  
18 employee organizations representing state employees in  
19 State Bargaining Units 1, 2, 3, 4, 7, 9, 10, 11, 12, 13, 14, 15,  
20 17, 18, 20, and 21 that were in effect until June 30, 1995,  
21 shall govern relations between the state employer and  
22 the applicable employee organization until June 30, 1999.

23 SEC. 3. Notwithstanding any other provision of law,  
24 the provisions of the memorandum of understanding  
25 prepared pursuant to Section 3517.5 of the Government  
26 Code and entered into by the state employer and the  
27 employee organizations representing state employees in  
28 State Bargaining Unit 5 that was in effect until June 30,  
29 1996, shall govern relations between the state employer  
30 and the applicable employee organization until June 30,  
31 1999.

32 SEC. 4. This act is an urgency statute necessary for the  
33 immediate preservation of the public peace, health, or  
34 safety within the meaning of Article IV of the  
35 Constitution and shall go into immediate effect. The facts  
36 constituting the necessity are:

37 In order that changes made by this act with respect to  
38 state employees may be implemented at the earliest  
39 possible time, it is necessary for this act to take effect



1 immediately.

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