



SB-410 Public postsecondary education: California State University: nonfaculty staff employees: merit salary system. (2021-2022)

SHARE THIS:



Date Published: 09/06/2022 09:00 PM

ENROLLED SEPTEMBER 06, 2022

PASSED IN SENATE AUGUST 31, 2022

PASSED IN ASSEMBLY AUGUST 31, 2022

AMENDED IN ASSEMBLY AUGUST 23, 2022

AMENDED IN ASSEMBLY AUGUST 15, 2022

AMENDED IN ASSEMBLY JUNE 30, 2021

AMENDED IN SENATE MARCH 03, 2021

CALIFORNIA LEGISLATURE— 2021–2022 REGULAR SESSION

SENATE BILL

NO. 410

Introduced by Senator Leyva

February 12, 2021

An act to add Section 89521 to the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 410, Leyva. Public postsecondary education: California State University: nonfaculty staff employees: merit salary system.

Existing law establishes the California State University, under the administration of the Trustees of the California State University, as one of the segments of public postsecondary education in this state. The California State University system comprises 23 institutions of higher education. Existing law requires the trustees to provide by rule for the government of their appointees and employees, as specified.

This bill would require the California State University to implement a merit 9-step salary system for all California State University nonfaculty staff employees that runs for 15 years, as provided.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

- (a) The California State University is comprised of 23 campuses and the office of the Chancellor of the California State University.
- (b) The California State University educates more than 480,000 students each year.
- (c) California State University faculty and nonfaculty staff employees are key to the success of the California State University and its mission to provide world-class educational opportunities and serve as California's engine of opportunity.
- (d) There are nearly 30,000 California State University nonfaculty staff employees across 13 bargaining units.
- (e) In 2021, the Legislature passed and the Governor signed Senate Bill 129 (Chapter 69 of the Statutes of 2021) and Senate Bill 170 (Chapter 240 of the Statutes of 2021), which appropriated \$2,000,000 to the California State University to evaluate the salary structure of nonfaculty staff employees. The comprehensive review would evaluate the existing salary structure, examine issues of salary inversion and compression, and provide recommendations, if applicable, for alternative salary models for California State University nonfaculty staff employees.
- (f) The Chancellor of the California State University, in coordination with the California State University Employees Union, Service Employees International Union Local 2579, and Teamsters Local 2010, selected Mercer as the independent consultant to assess and complete a review of the California State University's wage structure for nonfaculty staff employees.
- (g) In April 2022, Mercer completed their research and found all of the following:
 - (1) Mercer identified significant wage compression, meaning that new hire salaries are often extremely close to salaries of senior nonfaculty staff employees.
 - (2) Mercer determined that, on average, California State University nonfaculty staff employees salaries are 12 percent behind the market average. The market assessment looked at regional public and private employers for similar occupations and higher education institutions in and out of the state.
 - (3) Mercer found that over 80 percent of employees and their managers favored a return to a predictable, equitable step system and had a low degree of confidence in the Open Range system.
- (h) To address these wage issues, Mercer recommended implementing a nine-step salary system that will help support wage growth and a living wage for California State University nonfaculty staff employees.
- (i) After the release of the salary study by Mercer, the California State University Employees Union completed an assessment that found that the merit salary steps would significantly reduce pay equity concerns at the California State University for women and workers of color.

SEC. 2. Section 89521 is added to the Education Code, to read:

89521. Notwithstanding any other law:

- (a) The California State University shall implement a merit nine-step salary system for all represented California State University nonfaculty staff employees that runs for 15 years, consistent with the findings of the study described in subdivision (f).
- (b) Under the merit nine-step salary system established pursuant to this section, each represented California State University nonfaculty staff employee shall be placed in the step based on their existing years of employment as a represented California State University nonfaculty staff employee.
- (c) Language that effectuates this section shall automatically be incorporated into any pertinent memorandum of understanding or collective bargaining agreement entered into, or renewed, by the California State University on or after January 1, 2023.
- (d) Any costs associated with the implementation of this section that are incurred by the California State University shall be paid for using existing resources of the California State University.
- (e) It is the intent of the Legislature that each represented California State University nonfaculty staff employee reach market median for that campus by year five in the merit nine-step salary system.
- (f) It is the intent of the Legislature that the California State University take action to implement the salary step system consistent with the findings of the salary study authorized and completed for represented California State University nonfaculty staff employees that was developed pursuant to subprovision (k) of Provision 2.5 of Schedule (1) of Item 6610-001-0001 of Section 2.00 of the Budget Act of 2021 (Chapters 69 and 240 of the Statutes of 2021).

(g) It is the intent of the Legislature that the California State University work with the authorized employee representatives of each bargaining unit to implement this section.