

# MASTER AGREEMENT NEGOTIATIONS

Commonwealth of Pennsylvania

And

Council 13, American Federation of State, County  
and Municipal Employees, AFL-CIO

Commonwealth Proposals

March 29, 2011

THE COMMONWEALTH RESERVES THE RIGHT TO ADD TO, MODIFY, OR REVISE THE FOLLOWING PROPOSALS WITHOUT PREJUDICE TO ANY PAST, PRESENT OR FUTURE CONTRACTUAL INTERPRETATION. IN SOME CASES, PROPOSALS ARE CLARIFICATION OF EXISTING RIGHTS AND SHALL NOT BE CONSTRUED TO CONSTITUTE A WAIVER OF SUCH RIGHTS.

*Commonwealth Proposals  
AFSCME Master Agreement  
March 29, 2011*

DURATION  
(Article 46)

TERMINATION – ARTICLE 46

Three year contract: July 1, 2011 – June 30, 2014

SALARIES & WAGES  
(Article 19)

SALARIES AND WAGES – ARTICLE 19

Negotiations over salaries and wages must take into account the severe fiscal constraints and challenges currently facing the Commonwealth, including the pension funding crisis and the escalation of health care costs for active and retired employees.

Consistent with the need to achieve significant cost-savings through these negotiations, the Commonwealth puts forth the following salary proposal:

- o July 1, 2011 -- Roll-back the 4.0% general pay increase received by bargaining unit members in October 2010. Place employees on the salary schedule which existed prior to October 2010, at their current step.
- o July 1, 2012 – 2.0% general pay increase (to those employed on July 1, 2011)
- o July 1, 2013 – 2.0% general pay increase (to those employed on July 1, 2011)

Effective July 1, 2011, eliminate service increments and/or cash payments for those employees who are at or above the maximum step of their pay scale group.

It is the intent of the Commonwealth to negotiate over the compensation structure to be applicable to employees hired after July 1, 2011.

HEALTH BENEFITS  
(Article 25)

HEALTH BENEFITS – ARTICLE 25 – SECTIONS 1 & 3

Given the burden of escalating health care costs, and the added costs of complying with the new national health care legislation, the Commonwealth proposes that the level of employer contributions will not exceed \$400 bi-weekly during the term of this agreement (inclusive of the employer contributions related to the repayment of the PEDTF deferral.)

The Commonwealth further proposes to renegotiate the level of employee contributions (Sections 3.a, 3.c) for the PEDTF during the term of this agreement. Such negotiations will include consideration of establishing employee contributions on the basis of premium, rather than pay, as well as creating a tiered structure for employee contributions based on demographic status (e.g., single vs. family).

It is the intent of the Commonwealth to negotiate over the provision of different health benefit entitlements, and higher employee contributions for employees hired on or after July 1, 2011 than for current employees.

Establish a new base medical plan that is less costly than the current least costly plan(s), from which employees may buy-up to more costly medical plans.

The Commonwealth wishes to discuss the value of continuing the Get Healthy Program provided for in Section 3.b inclusive of the phasing out and/or elimination of associated waivers.

Delete Section 3.c (relates to evaluative process with respect to reserve levels).

HEALTH BENEFITS – ARTICLE 25 – SECTION 4.a

Continuation of health benefits for eligible employees on sick leave without pay, parental leave without pay or family care leave without pay limited to 12 weeks in accordance with FMLA entitlement.

HEALTH BENEFITS – ARTICLE 25 – SECTION 6

The Commonwealth proposes to limit its obligation to pay the cost of REHP coverage (other than retiree contributions), pursuant to Section 6a, through such mechanisms as the establishment of a set contribution rate for REHP coverage, a limit on the duration of such benefits, and/or enhanced retiree contributions.

Delete grandfather provisions throughout Section (housekeeping)

## HEALTH BENEFITS – ARTICLE 25 – SECTION 8

Replace current language with: "Prior to January 2014, the parties agree to meet and discuss the impact of Health Care Exchanges and other features of national health care reform on the existing active health care program."

## TEMPORARY REDUCTIONS IN STAFFING & SCHEDULES - (New Article)

Notwithstanding any other provision of the collective bargaining agreement, including without limitation the Hours of Work provisions (Article 6), Seniority provisions (Article 20), and Leave Without Pay provisions (Article 17), the Commonwealth shall have the sole discretion to reduce staffing and the length of the work week and/or work day on a temporary basis with an attendant reduction in pay. Any leave time mandated pursuant to this provision shall not be counted as hours worked for overtime purposes, but shall be counted as time worked for all other benefits. The Employer will provide notice to the affected employees seven days in advance of such reductions.

## HOURS OF WORK (Article 6)

### HOURS OF WORK – ARTICLE 6 – SECTION 5, PARAGRAPH 1

Non-emergency schedule changes with less than two weeks notice can be made, provided that the employer gives notice to the Union and the employee by telephone or otherwise at least 48 hours before the change is to take effect.

### HOURS OF WORK – ARTICLE 6 – SECTION 5, PARAGRAPH 2

Clarify that economic reasons, including but not limited to the avoidance of overtime and/or the equalization of weekend work, shall also constitute legitimate operational reasons for changing the schedule of a Monday through Friday employee to include a Saturday and/or Sunday.

### HOURS OF WORK – ARTICLE 6 – NEW SECTION

Employees covered by Act 102 of 2008 Prohibition of Excessive Overtime in Healthcare Act will be subject to a 2-hour call off requirement.

OVERTIME  
(Article 20)

OVERTIME – ARTICLE 20 – SECTION 1.a

Delete the phrase "in excess of eight hours in any work day or." (Pay premium overtime in excess of 40 hours in a work week.)

OVERTIME – ARTICLE 20 – SECTION 2

Delete paid leaves for purposes of computing overtime pay (Holidays, Annual Leave, Compensatory Leave, Personal Leave, Sick Leave and Administrative Leave).

OVERTIME – ARTICLE 20 – SECTION 3

Delete. (Currently requires the payment of double time under certain conditions.)

OVERTIME – ARTICLE 20 – SECTION 5

Delete (currently requires that Employer attempt to equalize overtime).

CALL TIME – ARTICLE 22 – SECTION 1

Delete third sentence and replace with: "When the work assignment that is the reason for the call time has been completed, the employer will have the discretion to permit the employee to leave the work site (unless the employee's scheduled work shift has commenced) or to assign additional work to the employee."

CALL TIME – ARTICLE 22 – SECTION 4

Delete current language and replace with; "Prescheduled overtime for periods of less than three hours is not considered call time."

MEAL PERIODS  
(Article 8)

MEAL PERIODS – ARTICLE 8 – SECTIONS 2.a & 2.b

Eliminate the obligation of the employer to furnish a meal. Delete any and all references to meal allowances/reimbursements for employees in non-overnight travel status throughout the Master Agreement, including the \$8.00, \$7.75 and \$3.50 reimbursements. Conform all contract provisions to this change.

LEAVE ISSUES

(Articles 10, 11, 13, 14, 17, 18, 24 & 41)

HOLIDAYS – ARTICLE 10 – SECTION 1

Delete two (2) holidays

HOLIDAYS – ARTICLE 10 – SECTION 2 (Housekeeping)

Delete references to Scotland School For Veterans' Children and Scranton State School For The Deaf.

HOLIDAYS – ARTICLE 10 – SECTION 6

Amend Section 6 to add Martin Luther King Jr.'s Birthday, President's Day, Columbus Day, and Veterans Day (in addition to the Day after Thanksgiving) as holidays on which an employee is compensated at the employee's regular hourly rate of pay for hours worked on those holidays.

PERSONAL LEAVE DAYS – ARTICLE 11

Eliminate personal leave.

VACATIONS – ARTICLE 13 – SECTION 1

Eliminate higher earning rate for employees with over 25 years of service, per the following leave earning schedule:

Leave Service Credit  
(Includes All Periods of  
Commonwealth Service)

Maximum Annual Leave  
Entitlement Per Year

Up to 3 Years:

Annual Leave will be  
Earned at the rate of  
2.70% of all Regular  
Hours Paid

37.5 Hr. Workweek:  
75.0 Hrs. (7 days)  
40.0 Hr. Workweek:  
80.0 Hrs. (7 days)

Over 3 Years to 15 Years  
Inclusive:

Annual Leave will be  
earned at the rate of  
5.77% of all Regular  
Hours Paid

37.5 Hr. Workweek:  
112.5 Hrs. (15 days)  
40 Hr. Workweek:  
120 Hrs. (15 days)

Over 15 Years:

Annual Leave will be earned at the rate of 7.70% of all Regular Hours Paid

37.5 Hr. Workweek;  
150 Hrs. (20 days)  
40 Hr. Workweek;  
160 Hrs. (20 days)

**SICK LEAVE AND BEREAVEMENT LEAVE – ARTICLE 14 – SECTION 1**

Decrease the sick leave accrual rate to provide a maximum of eight (8) days per year, in accordance with the following schedule:

	Maximum Sick Leave Entitlement Per Year
Sick Leave will be earned at the rate of 3.09% of all Regular Hours Paid	37.5 Hr. Workweek: 60.0 Hrs. (8 days) 40 Hr. Workweek: 64.0 Hrs. (8 days)

Modify the rate at which employees shall be paid for sick leave hours used, in accordance with the following schedule:

Sick Leave Hours Used In Leave Year	% of Regular Rate
Up to 37.5/40.0 Hours	100%
Over 37.5/40.0 Hours	70%

**SICK LEAVE AND BEREAVEMENT LEAVE – ARTICLE 14 – SECTION 7**

Eliminate payout for employees hired on or after July 1, 2011. For current employees, freeze existing sick leave quota balances as of the end of the pay period in which June 30, 2011 falls. Sick leave earned after July 1, 2011 will not be paid out under any circumstance. Frozen quotas will be paid in accordance with the schedule in the current contract. Sick leave used first will be deducted from newly earned days before deducting leave from the quota that was frozen.

**SICK, PARENTAL, FAMILY LEAVE – ARTICLES 17, 18 & 41**

Change the eligibility period for a qualifying absence from a rolling year to a fixed 12 month period.

Reduce the entitlement for leave under these provisions to twelve weeks, in accordance with the Family and Medical Leave Act.

**LIFE INSURANCE -- ARTICLE 24 -- SECTION 2. a**

Continuation of 100% State-paid insurance coverage for eligible employees on sick leave without pay, parental leave without pay or family care leave without pay limited to 12 weeks in accordance with FMLA entitlement.

**WORK RELATED INJURIES**  
**(Article 26)**

**WORK RELATED INJURIES -- ARTICLE 26 -- SECTION 6**

Reduce the health benefits entitlement for an employee on work related injury leave from one (1) year to the period of leave entitlements under SPP.

**WORK RELATED INJURIES -- ARTICLE 26 -- SECTION 7**

Reduce the return right of an employee on work related injury leave from three (3) years to one (1) year or the length of employee service whichever is less.

**CLASSIFICATION**  
**(Article 27)**

**CLASSIFICATION -- ARTICLE 27 -- SECTION 1 (Housekeeping)**

Classification grievances shall be processed through the Expedited Classification Grievance Procedure.

**CLASSIFICATION -- ARTICLE 27 -- SECTION 3**

Modify the threshold for out of class payment for higher level work from five (5) full cumulative days in a calendar quarter to five (5) full consecutive workdays in a calendar quarter.

**CLASSIFICATION -- ARTICLE 27 -- SECTION 6**

Delete. (Currently provides for the Job Evaluation Committee)



SENIORITY/FURLOUGHS  
(Article 29/Appendix F)

SENIORITY – ARTICLE 29 – SECTION 1.c (Housekeeping)

Employees who are in the Armed Forces of the United States, including National Guard or Reserve, who have completed their first period of enlistment and are deployed for war, shall receive seniority credit for furlough purposes in accordance with Veteran's Preference Act.

SENIORITY – ARTICLE 29 – SECTION 5.b & 6.b

When promoting without examination, the employer may choose from among the first (5) eligible employees with the greatest Master Agreement seniority who are in the classification immediately below the vacancy in the seniority unit and who are determined relatively equal in skill and ability.

SENIORITY – ARTICLE 29 – SECTION 7 (Housekeeping)

Incorporate active side letters into furlough provisions.

SENIORITY – ARTICLE 29 – SECTION 7/APPENDIX F

Create separate furlough unit for part-time employees.

SENIORITY – ARTICLE 29 – SECTION 7.b & 7.c

Bumping rights shall be limited to an employee's current class and lower classes in the employee's current class series.

SENIORITY – ARTICLE 29 – SECTION 9.b

Recall lists for furloughed employees shall be maintained for a period of one year after the effective date of the furlough.

SENIORITY – ARTICLE 29 – SECTION 19

Master Memorandum-covered employees shall maintain bumping rights to Master Agreement-covered positions in the affected employee's most recently held rank and file classification, and lower classes in the class series of the most recently held rank and file classification.

ORGANIZATIONAL SENIORITY UNITS BY AGENCY –  
APPENDIX F

Modify the Seniority/Furlough units to reflect each agency's organizational structure.

MISCELLANEOUS PROVISIONS  
(Article 35)

EMPLOYEE BENEFITS AND WORKING CONDITIONS –  
ARTICLE 35 – SECTION 6

Provide that past practices may be changed by the Employer after meet and discuss with the union.

MILEAGE REIMBURSEMENT RATE – ARTICLE 35 – SECTION 7  
(Housekeeping)

Reimburse personal vehicle mileage at the Internal Revenue Service (IRS) rate, rather than the U.S. General Services Administration (GSA) rate.

TOBACCO USE – ARTICLE 35 – NEW SECTION

Policies concerning tobacco usage at the work site, including prohibitions against tobacco use, may be established by the Employer after meet and discuss with the Union.

DRUG & ALCOHOL TESTING – ARTICLE 35 – NEW SECTION

Commonwealth agencies shall have the right to establish drug and alcohol testing programs that provide for reasonable suspicion, return-to-duty and/or follow-up testing of employees. The scope of testing and cut-off levels shall conform to those established by the U.S. Department of Health and Human Services in the Mandatory Guidelines for Federal Workplace Drug Testing Programs.

Notes:BELANGER ON 1 C/3

{\*BELANGER ON 1 C/3\*}

<mos>Plasma H - No Cutlines (W) \ \  
{PENNSYLVANIA BUDGET } </mos>

ANALYSTS ALSO POINT OUT THE MORE "CIVIL" TONE THAT EXISTS RIGHT NOW IN PENNSYLVANIA AS THESE NEGOTIATIONS BEGIN BETWEEN THE STATE AND UNIONIZED WORKERS-- REMEMBER WISCONSIN?

THEY SAY PART OF THE REASON FOR THAT PROBABLY STEMS FROM THE FACT CORBETT IS NOT DEMANDING CHANGES TO UNION'S COLLECTIVE BARGAINING RIGHTS.. CHOOSING TO FOCUS MORE ON THESE COST DRIVERS INSTEAD.

Notes:3 SHOT ON 3

{\*KIM ON 3\*}

BOTH SIDES NEED TO STRIKE A DEAL ON A LABOR AGREEMENT BY JUNE 30TH.

{THANK YOU, MATT BELANGER}

TAKE SOT

{\*SOT\*}  
 <OPEN ON TAPE  
 GOOD EVENING, I'M BRIAN ROCHE.  
 I'M KIM LEMON.  
 TOUGH BUDGET TIMES.. AND WE  
 ARE ALL BEING ASKED TO SHARE THE  
 PAIN.  
 THE LATEST... THOUSANDS OF STATE  
 EMPLOYEES.  
 {\*BRIAN ON 2\*}  
 NEWS 8 HAS LEARNED.. GOVERNOR  
 TOM CORBETT'S FIRST OFFER CALLS  
 FOR DEEP CUTS... AND UNION LEADERS  
 SAY, "NO WAY"... SETTING UP WHAT  
 SOME SAY WILL BE AN UGLY FIGHT:>

Duration:0:29

Notes:OUTUCE- UGLY FIGHT  
TAKE SOT

{\*\*\*SOT\*\*\*}

<mos>CG: Banner (W) \ \ \ \  
{PENNSYLVANIA BUDGET } </mos>

<"17:08 I think it is very much so a slap in the face.

39:01 If some of the stuff is still on the table  
June 30th, we've got problems...">

Duration:0:08

Notes:Outcue:"... we've got  
problems."  
Notes:3 SHOT ON 3

{\*KIM ON 3\*}  
 '8 ON YOUR SIDE' GOVERNMENT  
 REPORTER MATT BELANGER IS HERE  
 WITH CORBETT'S FIRST OFFER TO ONE  
 OF THE BIGGEST LABOR UNIONS.  
 {\*BELANGER ON 3\*}  
 AND OTHER UNION LEADERS ARE  
 USING THIS AS A MARKER OF WHERE