

INTERNATIONAL UNION OF OPERATING ENGINEERS

Craft-Maintenance Division State of California Unit 12
Locals 3, 39 & 501, AFL-CIO

It's Time to End the Pay Cuts Governor Newsom – November 19, 2020

Again, the Governor's Department of Finance got it wrong. Just last month the Department of Finance reluctantly announced to Union leaders that the revenue streams were far out pacing those projected back in March and April of this year when the pandemic began.

Since the start of the fiscal year in July, tax revenue has come in consistently higher than expected. Through October, California has collected \$11.3 billion more in tax revenue than anticipated according to the Department of Finance.

The pay cut that was forced on the various state employee unions was projected to save approximately \$2.4 billion. Obviously, there is plenty of additional revenues to make the pay cuts unnecessary.

Through out the pandemic the high wage earners have been mostly unscathed by the impact of the virus and have continued to keep their jobs and California's revenue stream up. Federal stimulus checks for individuals and increased unemployment help has also increased California revenue in the short term.

The evening before the Legislative Analyst's Office released their report, Senate President Pro Tem Toni Atkins previewed the rather rosy economic outlook. She said her priorities for the extra money would be for schools, local governments, COVID-19, and homelessness.

What about state employees Ms. Atkins? Why is there no mention of rescinding the pay cuts for state employees?

While Governor Newsom works on his budget proposal for fiscal year 2021-2022 that he will present to lawmakers in January, why is there no mention from him of rescinding the pay cuts for state employees?

The Legislative Analyst Office in their report estimates that the State of California will see a surplus next year way beyond what Governor Newsom expected when they created the current \$202 billion state budget. The surplus is estimated to be around \$26 billion.

It's time for State employees to stand up and make their voices heard.
Contact your local assembly member or senate member and tell them that it is time to end the pay cuts!

You should call the Senate Pro Tem's office also.

UNION STRONG!

Steve Crouch, Director of Public Employees and Chief Negotiator