



California
LABOR
Federation



August 17, 2022

The Honorable Jose Medina
Chair, Assembly Higher Education Committee
1020 N Street, Room 173
Sacramento, CA 95814

RE: SB 410 (Leyva) – Public postsecondary education: California State University: nonfaculty staff employees: merit salary system. – SUPPORT

Dear Assemblymember Medina,

On behalf of the below listed labor organizations and representatives of non-faculty staff at the California State University (CSU), we write in strong support of SB 410, which will direct the CSU to implement a merit-based salary step structure for non-faculty staff in accordance with the findings and recommendations produced by the CSU salary study funded by the Legislature.

The CSU has struggled to attract and retain talent, as wages have not kept up with the market rate and employees have faced growth potential challenges in their public service careers. CSU is the nation’s largest 4-year public university, where non-faculty staff are essential to helping students and campuses thrive and grow, but stagnating wages have left many of these dedicated employees struggling to make ends meet. Representatives of CSU non-faculty staff have worked for years to resolve challenges with the CSU to reinstitute a salary step structure, but CSU has yet to address the issue.

In 2021, the Legislature allocated \$2 million to the CSU via SB 129 (Chapter 69, Statutes of 2021) to fund a salary study for non-faculty CSU staff to assess their wage structure and other issues. The independent consultant hired to conduct the study, Mercer, made several key findings upon its completion of the study in April 2022. Mercer identified significant wage compression, meaning that new hire salaries are often extremely close to salaries of senior staff. Mercer also performed a market assessment, which looked at regional public and private employers for similar occupations as well as higher education institutions in and out of the state and found that, on average, CSU staff salaries are 12% behind the market average with multiple job families being more than 20% behind the market average. To rectify these issues, Mercer recommended a 9-step salary system, which will help support wage growth and a living wage for the non-faculty staff at the CSU. Moreover, the salary step structure

will significantly improve pay equity at the CSU, where both racial- and gender-based wage disparities were identified, as noted by the Sacramento Bee and LA Times in June.

Specifically, the measure implements a nine-step system which includes annual merit salary increases of 5% for the first five years to bring salaries to the market median, followed by three separate 5% merit increases every two years, and a final step three years later for a total of nine steps over 15 years. These provisions would be automatically incorporated into any relevant memorandum of understanding (MOU) or collective bargaining agreement (CBA) entered into, or renewed, by the CSU on or after January 1, 2023.

We must ensure that employees are paid a competitive, living wage, especially as the CSU continues to grow. The implementation of salary steps for non-faculty staff at the CSU will begin to correct wage stagnation issues that have persisted and worsened for 25 years. **For these reasons, the below organizations are pleased to support SB 410 and respectfully urge your “AYE” vote on this important measure.**

Sincerely,

California State University Employees Union

California Teamsters Public Affairs Council

California Faculty Association

California Labor Federation

SEIU California State Council

United Auto Workers Local 4123

Union of American Physicians and Dentists

Statewide University Police Association

Academic Professionals of California

American Federation of State, County, and Municipal Employees

cc: Members, Assembly Higher Education Committee
Senator Leyva