

Senate Bill 566

S.T.E.P.S Act (Steps to Economic Parity in Salaries)

Senator Connie M. Leyva (D-Chino)

SUMMARY

Senate Bill 566 restores 5% salary steps for 20,000 California State University (CSU) support staff, many of whom are the lowest-paid employees at the university system—such as custodians and groundskeepers. This legislation will provide parity with California’s other 233 state agencies and over 210,000 state employees.

BACKGROUND

In 1996, following an impasse in contract negotiations, the CSU Board of Trustees took an unprecedented action by unilaterally abolishing employee salary steps that were in place for 50 years. For 25 years, the CSU has now been unwilling to reinstate salary steps. It remains the only state agency that eliminated salary steps for its support staff and is the only state agency that does not provide salary steps for its support staff.

PROBLEM

Over the years, CSU employee salaries have not progressed in an equitable manner to their counterparts and attempts to address this inequity have been futile.

The inability by support staff to move through salary ranges has resulted in new hires earning higher salaries than existing employees. On average, new hires earn \$780 per month more than existing employees who work in the same classification. This disparity has created a nearly \$110 million inversion gap between the salaries of newly-hired and long-employed CSU employees.

As CSU staff salaries became marginalized, a 2017 state audit determined that CSU management positions grew at twice the rate of support staff, with annual earnings of half a billion dollars for those management positions. The California State

Auditor concluded that the CSU could not justify the growth in management positions or their compensation.

In 2019, another state audit revealed a CSU budget surplus of \$4 billion, of which \$2 billion are ongoing discretionary funds. A slight percentage correction would rectify a long history of salary inequities. The annual cost of SB 566 is approximately \$85 million.

SOLUTION

SB 566 will correct the inequities that have existed for CSU support staff for 25 years and ensure that they have the right to earn a wage that is competitive and on par with their counterparts.

By restoring 5% salary steps, this bill will ensure that 20,000 CSU employees have the same wage opportunities as every other state employee.

STATUS

Introduced – February 18, 2022

SUPPORT

CSU Employees Union (Sponsor)
SEIU State Council (Co-sponsor)
California Teamsters, AFL-CIO (Co-sponsor)

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