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Assembly
California Legislature



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PUBLIC EMPLOYMENT AND RETIREMENT**

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AGENDA

Wednesday, May 10, 2023
10 a.m. - State Capitol, Room 444

INFORMATIONAL HEARING

SUBJECT: Strengthening California through the public sector and its workforce

1) Overview of the Public Sector in California

- Dr. Sara Hinkley, Policy and Research Specialist, University of California at Berkeley Labor Center
- Kathryn Lybarger, President, California Labor Federation, AFL-CIO, and President, American Federation of State, County Municipal Employees (AFSCME), AFL-CIO, Local 3299
- Tia Orr, Executive Director, Service Employees International Union (SEIU) California
- Brian K. Rice, President, California Professional Firefighters

2) Local Government

- Gabriel Maldonado, Temporary Employee/Youth Counselor, San Mateo County, AFSCME Local 829
- Sandra Beltran, Nurse, Los Angeles County Olive View Medical Center, SEIU Local 521
- Sofia Martinez, Janitor, San Diego County, SEIU-United Service Workers West
- Lisa Palombi, President, AFSCME District Council 36

3) Education

- Jeff Freitas, President, California Federation of Teachers, AFT, AFL-CIO
- David Schapira, Director of Government Relations, California School Employees Association
- Matt Mason, Chief Steward, Teamsters Local 2010, California State University, Sacramento,

4) State

- Dr. Savannah Hunter, Associate Research and Policy Specialist, University of California at Berkeley Labor Center
- Irene Green, Vice President for Bargaining, SEIU Local 1000
- Kathleen Bowsher, AFSCME Local 2620

5) Public Comment

6) Closing Remarks

MANY STATE WORKERS DO NOT EARN ENOUGH TO COVER A BASIC FAMILY BUDGET

Ensuring that California workers are earning a living wage is essential for a full recovery from the economic upheaval caused by the COVID-19 pandemic. Yet even the state government, one of California's largest employers with more than 200,000 employees, has failed to provide living wages to a large portion of its workforce. This has resulted in many of the State of California's working families facing enormous challenges including food insecurity and an untenable rent burden.

SEIU Local 1000 is the largest public sector union in the state, covering almost half of all state government workers. An analysis of wages for state workers represented by SEIU Local 1000 shows that large numbers do not earn enough to attain financial stability. Though coastal regions are the most unaffordable, workers in all parts of the state face self-sufficiency challenges.

STATE WORKERS REPRESENTED BY SEIU LOCAL 1000 LACK SUFFICIENT WAGES TO MEET BASIC NEEDS.

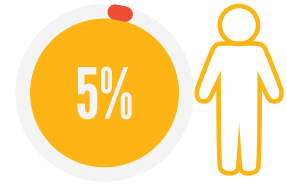
Share of full-time state workers represented by SEIU Local 1000 who earn less than the wage required to support various family sizes:



More than **one-third (35%)** of state workers represented by SEIU Local 1000 would be unable to support a family of four even with a working partner earning the same wage.



More than **two-thirds (69%)** of these state workers would be unable to support themselves and one child on their own.



Five percent of state workers represented by SEIU Local 1000 lack sufficient income to provide for just their own basic needs.

Despite providing services that are vital to the state of California, sizable shares of state workers represented by SEIU Local 1000 do not earn a family-sustaining wage even when working full time. Interviews with state workers reveal that some need to work overtime or multiple jobs to afford a decent living.

WHAT DOES IT TAKE TO STAY AFLOAT IN CALIFORNIA?

Based on the MIT living wage calculator, which measures income adequacy by accounting for both family composition and geography, the 2022 self-sufficiency wage in California for

- **a single adult is \$21.24**
- **a family with two working adults and two children is \$30.06**
- **a family with one working adult and one child is \$43.44**

MANY STATE WORKERS ACROSS OCCUPATIONS CANNOT MAKE ENDS MEET

Share of full-time state workers represented by SEIU Local 1000 in various occupations **unable** to support a family of four with a partner earning the same wage:



Building & Maintenance

100%



Healthcare Support

80%



Office & Admin

77%



Production

72%



Food Prep

69%

[Supporting my family] just depends on how much overtime I do.
-Susanna, food preparation worker, Kings County

Many struggling state workers represented by SEIU Local 1000 are employed in occupations that provide services that are essential to the public's health and quality of life, including custodians, health care workers, and librarians. Further analysis of all state workers, using data from the American Community Survey and California Department of Human Resources, reveals that workers of color and women are overrepresented in many of the lowest earning occupations in state government, including health care support, office and administration, and food preparation. Without meaningful gains in wages, existing racial, and gender disparities in pay will persist or worsen.

We're making barely \$15 and some change an hour while the cost of living is skyrocketing.
-Jason, building and maintenance worker, LA Area

During the pandemic, we were expected to be there, no matter what, regardless of how much we were exposed to those who had COVID. We were still expected to be there.
-Efrain, employee in California Prison Industry Authority

I work a side job, too. So I have to have that extra money to basically get through the month.
-Karen, custodian in downtown LA

Interviews conducted by the UCLA Labor Center with SEIU Local 1000 members illustrate the financial struggles faced by California state employees.

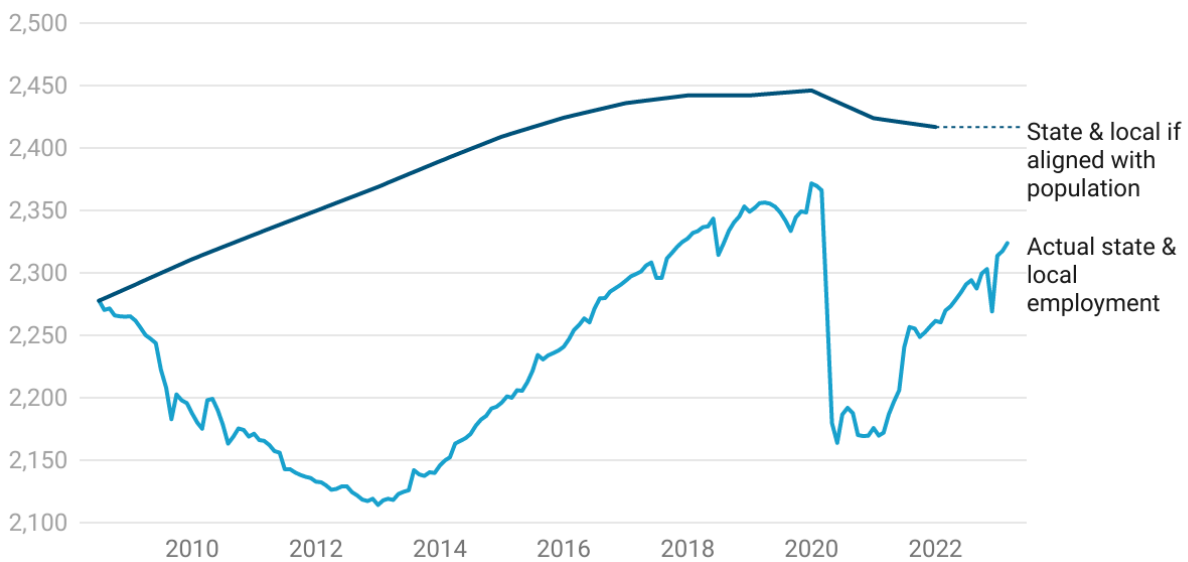
Source: UC Berkeley Labor Center Analysis of SEIU Local 1000 payroll data (August 2022).

Additional analysis is available on the UC Berkeley Labor Center website:



California State Assembly Committee on Public Employment and Retirement
 May 10, 2023 Hearing: Strengthening California through the Public Sector and Its Workforce
 Graphics referenced by Dr. Sara Hinkley, UC Berkeley Labor Center

California state and local employment has failed to keep up with population growth since the Great Recession



Employment in thousands. Employment data through March 2023; population estimates through January 2022.

Chart: Sara Hinkley, UC Berkeley Labor Center • Source: BLS Current Employment Statistics / Census Population Estimates
 • Created with Datawrapper

California public sector employment, 2008-2023

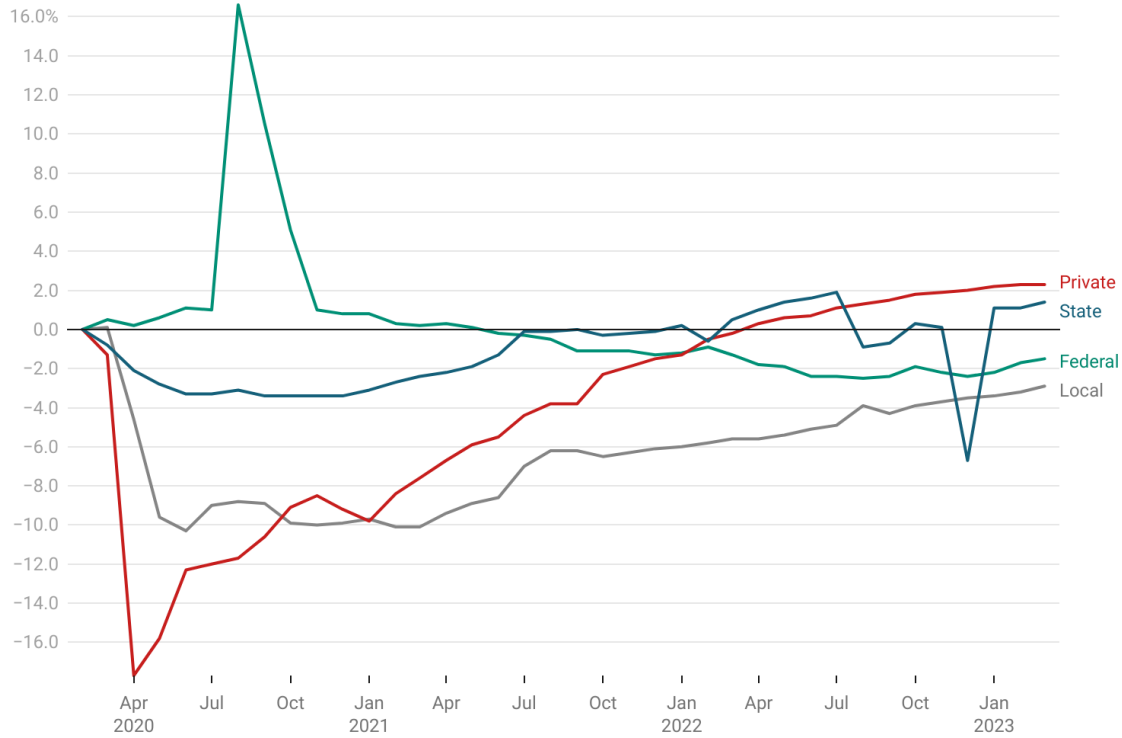
Sector	July 2008	Feb 2020	Mar 2023	Employment change since Feb 2020	% change since 2020	% change since 2008
Federal	249,000	252,000	249,000	(3,700)	-1.0%	-0.1%
State	495,000	541,000	549,000	7,400	1.0%	10.8%
Local	1,782,000	1,828,000	1,775,000	(53,200)	-3.0%	-0.4%
Public	2,425,000	2,636,000	2,601,000	(34,800)	-1.0%	7.3%
Private	12,819,000	15,051,000	15,396,000	344,700	2.0%	20.1%

July 2008 was the peak of government employment before the Great Recession. February 2020 was the peak before the COVID-19 pandemic. March 2023 is the most recent data available from BLS.

Table: Sara Hinkley, UC Berkeley Labor Center • Source: BLS Current Employment Statistics (seasonal) • Created with Datawrapper

California public employment recovery lags private sector

February 2020 to March 2023



Seasonally adjusted, indexed to February 2020 employment

Chart: Sara Hinkley, UC Berkeley Labor Center • Source: BLS Current Employment Statistics (seasonal) • Created with Datawrapper

Demographic composition of California employment sectors, 2022

Composition	Private	Federal	State	Local
White	35%	45%	45%	39%
Black	5%	11%	10%	9%
Hispanic	41%	28%	29%	36%
Asian	18%	16%	15%	14%

Table: Sara Hinkley, UC Berkeley Labor Center • Source: CPS Outgoing Rotation Groups 2022. Data from Economic Policy Institute. 2023. Current Population Survey Extracts, Version 1.0.40 • Created with Datawrapper

