

Solidarity Update

A publication of the Alaska State
Employees Association AFSCME Local 52, AFL-CIO



SUMMER

2015

A Letter From ASEA Executive Board President

Sisters and Brothers,

Thank you to all ASEA union members around the State for standing together and successfully lobbying their legislators to honor our union contracts. For the 2015 Legislature to not honor our negotiated contract would have sent a message throughout our State that we are not valued for our commitment to our jobs and the stability we bring to the economies where we live and work.

Thank you to our union staff that organized and led our union demonstrations and kept us informed as to what, where and when.

Thank you to our Executive Director, Jim Duncan (Senator Duncan). As ASEA Local 52 members, we depend on his knowledge of the legislative process to help us navigate through the maze. He did not disappoint. His counsel, calm demeanor and communication with legislators and me, throughout this ordeal, was an invaluable asset to ASEA Local 52. Fate Putman, ASEA's Legislative Lobbyist, also provided invaluable assistance in communicating with the legislature during the sessions.

Thank you to the members of the House of Representatives Alaska Independent Democratic Coalition: Chris Tuck, Matt Claman, Harriet Drummond, Les Gara, Max Gruenberg, David Guttenberg, Andy Josephson, Scott Kawasaki, Sam Kito, Jonathan Kreiss-Tompkins, Dan Ortiz, Geran Tarr and Adam Wool.

We also want to recognize the members of the House Majority who stood by the commitment

they made to the Independent Democratic Coalition by maintaining and honoring our contract in the final budget.

Finally, a **Thank you** to Governor Walker for his strong support and leadership in honoring the commitments made to ASEA and the other Unions.

We have won a battle we should not have had to fight and, unfortunately, we have more battles ahead. It appears that we are putting out one fire after another. For that reason I have a request.

During this legislative session, ASEA members called, emailed and marched. We banded together. Some of us gave interviews which renewed my faith in the strength and power of coming together as one. ASEA members stood up for themselves and their sisters and brothers and for our union. Let us keep the momentum going. Let us not forget that we are sisters and brothers. Let us be our sisters' and brothers' keepers.

Sisters and brothers, we belong to the largest union in the State of Alaska, ASEA Local 52, and I know that if we continue to stand up for our union and each other we can continue on the road to success. We can continue to fight for a safe working environment and salaries that allow us to support our families and give back to the communities in which we live.

WE ARE UNION!

Sister Val Kenny
President ASEA Local 52

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Alaska's 29th Legislative Session Comes To An End

A predictably tight year for state finances in Alaska turned chaotic as the Senate Majority in the Alaska Legislature sought to avoid paying negotiated wage increases to state employees and Gov. Bill Walker warned of a partial government shutdown.

The State's FY2016 operating budget—effective July 1, 2015—passed the

Legislature on April 27 with deep across-the-board cuts, as well as language introduced by members of the Senate Finance Committee at the last moment and without public testimony to eliminate state employee Cost of Living Adjustments (COLA).

ASEA members responded strongly with messages and calls to

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Famous Words of Solidarity

"We don't bat an eye at CEOs and Hollywood producers making millions of dollars. At the same time, public officials, acting as corporate shills, run around the country denouncing proposals to raise the minimum wage. We live in a nation where it's routine to deny countless Americans what they need so that we can continue to give a few what they merely want. -Bill Doyle, Pipefitter, Newsweek June 19, 1995

(From Great Labor Quotations Sourcebook and Reader By: Peter Bollen)

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legislators over the notorious Amendment 7 (http://www.akleg.gov/basis/get_documents.asp?session=29&docid=6025) passed by the Senate Finance Committee on April 2. The amendment removed appropriations from the budget for COLAs negotiated in all state employee labor contracts and barred the Governor from paying them.

The collective bargaining agreement (CBA) between ASEA/AFSCME Local 52 and the State of Alaska had included a 2.5% COLA increase for some 8,650 members effective July 1, 2015.

ASEA members continued to seek their legislators' support to honor state labor contracts as the budget moved to the Senate floor, where it was eventually passed on April 3 without restoration of contract funding. In a 16-4 vote, only Senate Democrats Sen. Dennis Egan, Sen. Johnny Ellis, Sen. Berta Gardner, and Sen. Bill Wielechowski opposed the new budget.

The State House had passed its own version of the budget weeks earlier on April 12 and a procedural vote was due on the House floor over whether to accept or reject the Senate's changes. ASEA members contacted their lawmakers in the House to urge rejection of the new budget and the message was heard: the bill failed without a single vote in favor.

A conference committee was appointed on April 7 to reconcile the House and Senate versions of the budget. The resulting legislation would then return to the two legislative chambers for a simple up-or-down vote.

As the conference committee re-opened the operating budget, ASEA members were offered a final chance to request the restoration of state labor contract funding. Unfortunately, two of the three Senate appointees to the conference committees—Sen. Pete Kelly and Sen. Anna MacKinnon—were the very architects of the crisis who introduced the language stripping COLA increases from the operating budget in the Senate Finance Committee.

ASEA Executive Director Jim Duncan

issued a press release on April 15 (http://afscmelocal52.org/asea-files/ASEA_pr_state-budget_15apr15.pdf) to underscore the Legislature's obligation to honor state employee contracts. Among many points, he stressed that contractual wage increases are not independent of other terms in a complex labor agreement.

"ASEA accepted meager 1% increases that did not keep up with inflation in the first two years of the contract to arrive at an agreement that was acceptable to both sides. In the end the ASEA Contract provided for a reasonable 2.5% wage increase for the third year after bargaining on all issues, monetary and otherwise," he said.

Duncan also noted that, beyond interfering in negotiations that had occurred and been approved years earlier, the action would set a disturbing precedent. "If the Legislature upholds these disingenuous and selective cuts for state workers, they are effectively saying some obligations are not worth honoring—and that's not the way we do business in Alaska."

Despite the pressure to restore COLA funding to the budget and power to amend, the output of the conference committee was not significantly different from what had passed the Senate. Votes on the reconciled operating budget took place quickly in the House and Senate, passing both chambers along Majority/Minority lines.

Though the Legislature had passed a budget for the Governor to sign, the budget process was still far from over.

The State faces a profound budget deficit as revenue from its oil reserves, already at deep discount, dropped significantly with the dramatic decline in global oil prices. In round numbers, Alaska needed to draw \$3 billion from its savings to match \$2 billion in revenue to pay for the \$5 billion budget passed by the Legislature.

The anticipated source for the \$3 billion balance was the Constitutional Budget Reserve (CBR), though an appropriation on this scale requires a three-quarter vote of each chamber. The

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Did You Know?

Did You Know That:

The Continental Congress approved the final wording and dated the Declaration of Independence on July 4, 1776.

The fancy handwritten copy is displayed at the National Archives in Washington D.C.



Midnight Sun Chapter in Fairbanks Rally



Anchorage Chapter Rally



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House Minority, the same legislators who stood up for state employees by opposing the budget, held the keys to a successful vote in the House to release the CBR funds.

The House Minority announced it would not be voting in favor of a CBR draw—leaving the budget only partially funded—unless amendments, including the restoration of state employee contract funding, were added to the budget.

With the legislative budgeting process complete and the Legislature adjourned after 98 days, Gov. Walker announced on Apr. 27 a special legislative session to address unresolved issues including the partially funded operating budget, a bill to establish sexual assault education in schools, and Medicaid expansion.

SPECIAL SESSION 1

In brief, the Legislature accomplished very little during the Governor's special session other than to meet the technical requirements of the proclamation. After legislative action stalled completely, Gov. Walker prepared employees and residents on May 18 for a possible partial government shutdown effective July 1.

"As you know, the Legislature was not able to reach a compromise to get the required votes to access funds in the Constitutional Budget Reserve," he wrote. "Later today, I will sign the budget bill the legislature passed in April. However, I have little choice but to veto the unfunded items in the bill.

"Should the Legislature not pass a fully budget before July 1st, I will ensure the money that is in HB 72 is used for critical priorities such as life, health, and safety," the Governor continued. "One consequence of HB 72 being unfunded for 2016 is most State employees will receive a layoff notice in early June if the Legislature fails to pass a fully funded budget by that time."

On May 21 the Legislature adjourned the Governor's special session after 24 days and immediately called themselves back into a second special session to consider the operating budget crisis on their own terms.

SPECIAL SESSION 2

The House Minority and its priorities remained the key to accessing the CBR for a

fully funded operating budget. However, an idea proposed by Speaker of the House Rep. Mike Chenault and introduced as a bill by the House Finance Committee on May 26 and would move \$5 billion from the accessible Alaska Permanent Fund earnings reserve to the inaccessible Permanent Fund principal account—effectively making the job of funding the operating budget more difficult and lowering the requirements for drawing \$3 billion from the CBR.

An end run around a three-quarters vote for CBR funding found resistance from six House lawmakers in the Majority who objected in an open letter on May 22 to the manipulation of the Permanent Fund for political expediency. "On behalf of our constituents, we feel compelled to express to you our serious misgivings regarding a plan to transfer funds from the Permanent Fund Earnings Reserve as part of a mechanism to fund the Fiscal Year 2016 operating budget," the letter stated.

As the second special session continued, an operating budget compromise began to take shape in the State House that Independent/Democratic Minority members could support. The compromise included additional education funding, increased funding for a variety of state programs, and approval of the state employee contracts. The House passed their compromise operating budget 39-1 on May 29.

ASEA members again contacted their senators to encourage support for the House budget compromise bill as it advanced toward a vote in the Senate. The bill was heard in the Senate Finance Committee, still co-chaired by Sen. Pete Kelly and Sen. Anna MacKinnon, and the committee again stripped out the COLA funding with the compromise language.

The Senate passed the amended operating budget on along party lines, 15-4, on June 1. The House, in turn, voted the same day to reject changes made by the Senate and a second conference committee was appointed to reconcile the two versions for another up-or-down vote in each chamber.

After a June 1 deadline for a fully funded operating budget was missed, the State of Alaska sent out some 10,000 layoff announcements to state employees in order to fulfill a notification requirement for a partial government shutdown if the budget did not receive full funding by July 1.

As the operating budget moved through the new conference committee, ASEA members began contacting their legislators with a message asking that they communicate support for the House compromise budget to their fellow legislators on the conference committees.

Compromise finally prevailed during the second conference committee. House appointees to the committee defended the deal struck between the House Majority and the Independent/Democratic House Minority. Senate appointees had few options but to reconsider and finally accept the House compromise operating budget that would honor the state labor contracts and grant access to full funding from the CBR.

The Majority in the State House formally announced the budget deal in a June 10 press release. "This is a compromise that offers real solutions to the present impasse," said Rep. Mark Neuman, House Finance Committee Co-chair. He was echoed by Finance Co-chair Steve Thompson, saying "We're keeping Alaskans employed with this budget and that's what matters the most."

The final FY2016 Operating Budget was
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Break Time For Nursing Mothers

Break Time For Nursing Mothers Understanding Your Rights is a new informational piece that ASEA has put together to help nursing mothers understand their rights in the workplace if they do not have a designated area in their building.

This brochure is available at all ASEA offices, at New Hire orientation and it can be downloaded from the website:
www.afscmelocal52.org

*Break Time For
Nursing Mothers*



*Understanding
Your Rights*

Solidarity Update

ASEA HEALTH TRUST NEWS



ASEA Health Trust 2015/2016 Plan Year - What You Need To Know

The Health Trust Plan Year starts July 1, 2015 and runs through June 30, 2016. There were several changes to your benefits this year outlined in your Open Enrollment materials sent to your home in May. One thing that did not change is the monthly contribution rate for full-time employees. This is the fifth year in a row without an increase!

Reminders:

- Plans A, B, & D have an **Annual Deductible** which starts each year on

July 1. This is the amount you pay for covered expenses each Plan Year before the Plan starts to pay most benefits.

- The **Annual Out-of-Pocket Limit** also starts each year on July 1. This is the maximum amount you pay for covered medical expenses in a year, not including your deductible.

- Did you enroll in a **HCRA for the 2014/2015 Plan Year**? Remember, reimbursable claims for the 2014/2015

Plan Year may be incurred through September 15, 2015 and must be received or postmarked by November 15, 2015.

Need More Information? You can always read details about your benefits in the Plan Booklet, available on the Health Trust website at aseahealth.org. Or, call the Health Trust Administrator at 866 - 553-8206 (toll-free).

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passed overwhelmingly by both chambers on June 11. Layoff notices issued on June 1 for a partial government shutdown were immediately rescinded.

Without the commitment of Gov. Walker, the moderate legislators in the State House—notably the Independent/Democratic House Minority, and the Democratic Minority in the State Senate, the odds of winning this legislative battle would have been much worse.

ASEA members and their legislative allies are due much credit for defending the value of state employees and negotiated agreements. As in past years, state employees faced risk and reward during the legislative season. This round, perhaps more than most, demonstrates the importance of electing legislators and a governor who share your views on the value of state service.



ASEA
STRONG



ASEA STRONG

During the month of June, ASEA members and staff got an up close and personal experience with their other sisters and brothers from AMEA and PSEA with the AFSCME Strong training.

AFSCME Strong, or in Alaska – ASEA Strong, is about engaging members of our union one conversation at a time. ASEA Strong is about strengthening our Union by standing up for our jobs, our families and our futures. Through this campaign, we will be connecting with a majority of our union's members in one-on-one conversations. Active members will be in your area wanting to have a conversation with you about strengthening our union.

If you are an Anchorage Chapter member, you will have an opportunity to win a flat screen t.v., to be raffled on July 31st, simply by having a conversation with an ASEA Strong activist.