



Election Impact

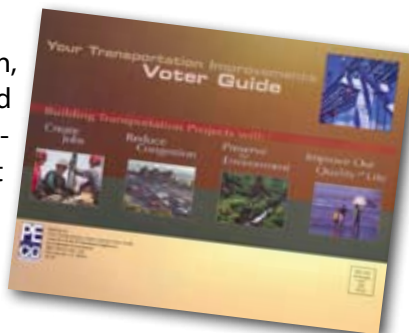


On election night and in the weeks following, Alyson Huber, a candidate in the Tenth Assembly District, trailed her opponent. However, when all the absentee votes were finally counted, she emerged the victor in one of several tight races this year. This gave the Democrats a 51 to 29 margin in the Assembly while retaining a 25 to 15 edge in the Senate. (This dropped to 24 to 15 when a State Senator resigned after the election to accept a County Supervisor post.)



Passage of the State Budget or other funding or urgent legislation requires two-thirds approval in each house, which is 54 votes in the Assembly and 27 in the Senate. Thus, votes from both parties are needed to pass significant legislation.

For the November election, PEGC sent a mailer entitled "Your Transportation Improvements Voter Guide" to about 800,000 high propensity (likely) voters, with recommendations on candidates and ballot measures. Fifty-nine of the 62 PEGC-endorsed candidates for the Assembly and Senate were successful and the voters agreed with PEGC's position on 4 out of 5 ballot measures.

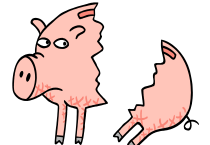


The election also meant the end of the terms of Assembly Speaker Fabian Nunez and Senate President pro Tem Don Perata. Both were "termed out" under the law limiting the number of years an individual can serve in the legislature. Earlier this year, Speaker Nunez resigned his post and Assembly Member Karen Bass was elected as the Speaker. On November 30, Senator Perata's term came to an end and Senator Darrell Steinberg became the new President pro Tem.



Both leaders and more than two dozen new legislators immediately faced a difficult task – an estimated \$27 billion

General Fund Budget deficit over the next 18 months, due primarily to the slumping economy and reduced tax revenues. The Governor has called a Special Session to address these problems but, as this is written, there's been no progress thus far in developing a solution.



A combination of budget cuts and revenue enhancements (tax increases) have been proposed by a variety of sources to address the budget shortfall as the State is expected to run out of cash to pay its bills as early as February. Governor Schwarzenegger, State Controller John Chiang, State Treasurer Bill Lockyer, and many others have sounded the alarm, but thus far, the Legislature has been unable to agree on anything resembling a resolution of the problem. The Governor said that if something isn't done soon to address the deficit, such measures as layoffs may be necessary.

On a more positive note, Senator Darrell Steinberg, Governor Schwarzenegger, and President-Elect Barack Obama have all strongly advocated substantial investments in infrastructure to get the economy going again. President Elect Obama has discussed a highway and bridge program on a scale larger than anything since the beginning of the Interstate Highway program in the 1950s. He is also advocating substantial investments in other infrastructure to create jobs and get the economy moving. Caltrans is preparing a list of projects which could go to construction within six months if federal funding is made available.



PEGC has been heavily involved in working with a variety of organizations to generate additional funding for infrastructure and other programs and to ensure that State Engineers and related professionals are a significant part of the solution to creating jobs, building infrastructure, and developing programs to address climate change.

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Supervisors Still Waiting



More than two months after the approval of the State Budget and almost six months after the fiscal year began, PEGC-represented supervisors and managers have still not received their pay increases. Unit 9 engineers and related professionals received raises ranging from 7.7% to 10.1%, effective July 1, 2008.

In the past three years, supervisors and managers received the same percentage increases as Bargaining Unit Seniors. This year, that has not occurred, at least not yet. PEGC has been constantly meeting with and pressuring the Department of Personnel Administration (DPA), representing the Governor, to implement the raises. Thus far, DPA has not refused, but they have not taken action.

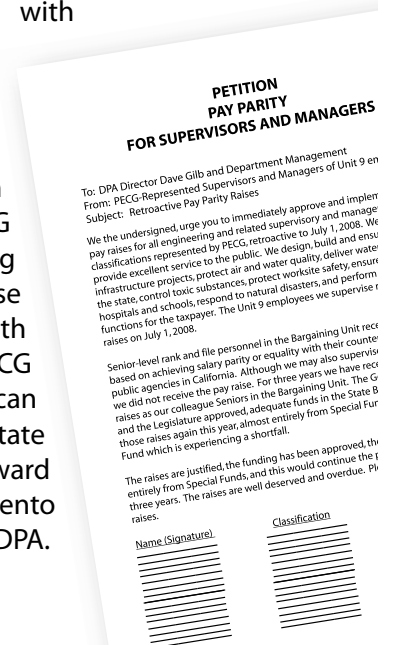
It is certainly true that California and the nation are in tough economic times, unemployment is rising, and the State's General Fund is facing a substantial shortfall. However, the pay raises for PEGC-represented employees are based on achieving parity with their counterparts in other public agencies. 95% of the PEGC-represented employees are paid through Special Funds, which do not have a deficit, rather than the General Fund. During the past budget cycle, the Governor proposed funding to fully pay the raises, the Legislature approved the proposal, and the Governor signed the Budget authorizing the



funding. There is no reason to deny the raises. Seniors in the Bargaining Unit received raises, while Supervisory Seniors did not. In a few cases, Supervisors are being paid less than the employees they supervise.

All supervisory and managerial PEGC members received an email encouraging them to write to DPA Director Dave Gilb and their Department Director, requesting that the raises be paid immediately, retroactive to July 1. Currently, petitions are being circulated throughout the PEGC Sections to gather signatures to present to management with the same

request. If you wish to sign a petition but have not seen one, either contact your PEGC Section Officer or go to the PEGC website at www.pegc.org to obtain a copy. Please return the petitions with signatures to your PEGC Section leaders so they can present them to local state management and forward them to the PEGC Sacramento Office for presentation to DPA.



Return Service Requested

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