

SEBAC Tentative Agreement

Breaking it Down, Understanding the History & Preparing for the Next Steps

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LAST REVISED: 3/10/2022



Your bargaining team spent hours of their own time to negotiate your contract, in many cases for 12 plus consecutive hours of Zoom meetings, past midnight, and through weekends and state holidays without compensation in order to provide you the best possible contract this negotiation cycle. If you see one of your negotiators, be sure to thank them for their sacrifice and volunteerism. Next contract, consider joining the struggle, many hands make light work.

What's in the Agreement?

General Wage Increases (GWI), Steps/Increments, One-Time Payments & More

Your local agreement may contain many changes that are important to you, and you will learn about them from your local union. Below we describe the parts of the agreement that the Unions negotiated together through the Coalition, and so are common to everyone.

Fiscal Year	General Wage Increase	Steps
7/1/21-6/30/22	2.5% (retro-active to 7/1/21)), Plus a one-time payment of \$2,500	Increment, Step (retroactive to AI Date)
7/1/22-6/30/23	2.5%, Plus a one-time payment of \$1,000	Increment, Step
7/1/23-6/30/24	2.5%	Increment, Step
7/1/24-6/30/25	Reopened for Negotiations	Reopened for Negotiations

How can I calculate my wages & steps?

For FY Ending 2022, multiply your current salary by 1.025 (which is equal to a 2.5% GWI). Then multiply that by your step/increment (which is dependent on your bargaining unit).

Take this number and multiply again by 1.025 to calculate your salary in FY Ending 2023 before Step/Increment. And again, multiply that by your step/increment (which is dependent on your bargaining unit).

Once more, take that latest number and multiply one more time by 1.025 and then again multiply by your step/increment (which is dependent on your bargaining unit) to calculate your salary for FY ending 2024.

Remember, a reopener in FY Ending 2025, does not mean that there will be a 0% GWI or no steps. It just means that wages and steps will be re-negotiated with the Administration.

In May you will receive \$2,500 one-time payment, plus retroactive payment for the 2.5% GWI plus step/increment starting in July 2021.

A few months later, in July, you will receive another \$1,000 one-time payment plus an additional 2.5% GWI plus step/increment.

*Not all units use steps, for those units please refer to your local leaders.

What does a Reopener Mean for You?

The 4th Year is a Reopener, but That Does Not Mean O's!



FY '21-'22

Plus a \$2,500 one-time
payment



FY '22-'23

Plus a \$1,000 one-time
payment



FY '23-'24



FY '24-'25

More Details Below

By negotiating together, Coalition unions were able to secure a fair GWI pattern at each table.

After 6 years of O's in the past 12 years, SEBAC members will have three guaranteed years of 2.5% raises, plus a \$2,500 one-time payment for FY '21-'22 and a \$1,000 one-time payment for FY '22-'23. Pursuant to the existing SEBAC pension agreements, both one-time payments are pensionable.

The 4th year of this Contract is a reopener, meaning that it will be re-negotiated. It does not mean a 0% or no steps.

SEBAC won this strong contract only through solidarity. By working together and refusing to fall apart, all 35 local bargaining tables moved forward with strong contracts.



** Year 1 does not apply to JPE because their contract end on 6/30/22

What is a Step Increase?

WHAT IS A STEP INCREASE?

A step increase is a salary increase from one pay rate to the next higher rate within the established salary range for the class or position.

Steps are typically about 2% of payroll for the State of Connecticut.

Each job class has a varied amount of steps that are required before an employee reaches the "top step".

WHY IS THERE A STEP SYSTEM?

Public employees have a step system in an effort to save the state and taxpayers money.

HOW DO STEP INCREASES SAVE MONEY?

Step increases allow the State to hire talented, knowledgeable and skilled workers at a lower rate. As that employee spends more time in that position they are offered step increases which increase their pay incrementally until they reach "top step". Without step increases, all employees would be hired at the top step rate. The vast majority of workers are not yet at top step (and some will never get there before they retire).

Job classes have anywhere from 8 to 20 step increases before workers reach "Top Step".

Connecticut used to offer automatic step increases to state employees, recognizing the need for consistent steps for recruitment and retention purposes. Now we need good contracts to ensure steps.

Only about 33% of the 43,000 state workers are at Top Step at any given time because of missed steps, compared to the typical 50%.

Bargaining Timeline

Ratification is only the first step of the process to reaching an approved Contract.

We are confident that through member action at the State Capitol, at virtual public hearings, in the media, and in the streets, we will have enough legislators voting in favor of our Contract. If we win, it'll be implemented in May., with an effective retroactive July 1, 2021.

This Agreement is good for state employees and the people we serve.

Review "What's in the Agreement?" to see what you can expect to your paycheck if the legislature approves.

**January,
2021**

Started bargaining with the State

**July 1,
2021**

Contract Expires

**February
28, 2022**

Bargaining Tables Reach TA

**March,
2022**

Ratification Process

**By April 1,
2022**

Contract is sent to Legislature for Approval

**Sometime
between
April 15-
May 4,
2022**

Contract is Finalized and Goes into Effect



SEBAC History of Sacrifices

FY Ending	General Wage Increase	Steps	Lump Sum if Over Max Step
2010	Between 2.5%-3% **	No	No
2011	0%	Increment, Step **	If in Contract
2012	0%	No	No
2013	0%	No	No
2014	3%	Increment, Step	If in Contract
2015	3%	Increment, Step	If in Contract
2016	3%	Increment, Step	If in Contract
2017	0%	No	No
2018	0%	No	No
2019	0%	No	If in Contract, Lump Sum +\$1,000 if Totaling over \$2,000
2020	3.5%	Increment, Step	If in Contract
2021	3.5%	Increment, Step	If in Contract

Further Sacrifices & Savings in Healthcare and Pension from 2009, 2011, and 2017 Agreements have Produced Billions in On-Going Savings.

In the fiscal years starting after the great recession began in FY 2009, budget crises have left state employees taking the equivalent of pay freezes in 6 in 12 fiscal years

(the pay freeze was split between two fiscal years in FY 10 and 11).

In 4 of those 6 years of pay freeze, state employees who had a lump sum over the max actually took pay cuts by not getting those lump sums.

In only one of those 6 years did other state employees get anything at all -- FY 2019 when in the third year of a pay freeze, all state employees in the Coalition agreement received a lump of \$2,000, or contractual over the max amount plus \$1,000, whichever is higher.

NOTES ON TABLE:

- GWI varied in FY 07, 08 & 09 around the mid 2.5% to 3% depending on the unit
- Increment, Step: Worth about 2% of payroll (Review "What is a Step" Document)
- ** In 2010 and 2011, units may have reversed the order between Raise and Increment in these 2 years
- Does not include working out of class filings & automatic promotions available under various CBAs.
- Also does not include the negative impacts of furlough days, or any of the increases in contributions for retiree healthcare, pension contributions, or health care contributions. Since the 2009 fiscal years, retiree health care contributions went from zero to 3% for 10 years. Pension contributions increased by 2%. Premium shares went up 3%. There were a number of other pension and healthcare changes, some of them win/win, but a number were additional sacrifices.

THE TIME IS NOW - ENOUGH SACRIFICES FOR WORKING PEOPLE



\$24 Billion Saved

2017 alone - on top of over \$1 billion in annual savings from the SEAC 2009 and 2011 Agreements



3.5 Million People

Who rely on various public services throughout Connecticut



2 Times More

The Local Effective Tax Rate Working Class Families Pay Compared to Ultra-Wealthy Residents



6 out of 12

Years of Pay Freezes



SEBAC 2022 CONTRACTS



43,000

Working Class Families

Connecticut's Working Families Deserve More.

One of the Richest States in the Richest Country Can Afford to Make Good on Promises to Working Families

These 15 unions represent 43,000 workers.

43,000 workers relying on fair and honorable contracts to support their families.

CT Residents & Economy Need a Fair Contracts for State Workers

Services are down because, in the Executive Branch alone, we have lost over 20% of positions in the last 20 years.

Over \$3.1 billion in CT's Rainy Day Fund

Our budget reserves are full while the majority of residents are struggling.

19% Income Tax Rate gap

An upside-down tax structure while billionaires and corporations are profiting hand over fist, continues to widen the income gap across Connecticut.

SEBAC families have sacrificed enough

In 6 of the last 12 years, they have received 0% raises

CT's billionaires make record profits

13 billionaires have accumulated over over \$13 billion in profits since the start of the pandemic.

STATE EMPLOYEES **SEBAC** BARGAINING AGENT COALITION





Ratification \neq Contract

Ratification is only the first step to getting a Contract.

Next, **WE** need the General Assembly to vote in favor of the Contract.

We need to **call our legislators**, testify, tell our story, write letters to the editor and make sure that everyone in the State Capitol understands the importance of protecting public services.

Throughout this campaign, we must listen to what elected officials are saying about our contracts. Come November, those legislators will all be up for re-election – we must remember who was truly a "friend of labor".

Decades of downsizing and privatization have left us critically understaffed, even before the threatened "retirement tsunami" by this July. Unless we encourage workers to stay and new workers to apply, we won't have the engineers and environmental analysts to invest in new infrastructure while fighting climate change, we won't have the aides, nurses, and doctors to care for seniors and the disabled, the teachers and professors to educate our children, the protective services to keep us safe and many other critical public services that keep our state moving. That ought to be something that everyone agrees upon regardless of partisan politics.

We must work together to ensure the Legislature passes this Contract, and come November ensure that pro-worker candidates are elected into the General Assembly.





What about Pandemic Pay?

CONTRACT NEGOTIATIONS PURPOSEFULLY DID NOT INCLUDE PANDEMIC PAY CONVERSATIONS. SEBAC IS FIGHTING FOR THIS IN DIFFERENT VENUES.

A TWO-TRACK FIGHT



Those who have a union are lucky to have another venue to fight for pandemic pay – collective bargaining and arbitration with the State.

SEBAC is joining Recovery For All in demanding the General Assembly passes legislation that would give all frontline essential, full-time workers \$2,000 (\$1,000 for part-time workers).

While no amount of money could ever repay the sacrifices frontline, essential workers made – this two track approach will give SEBAC members the best chance of receiving as much as possible.





What is Prudent Rx?

TO REVIEW:

- 1) The program is **COMPLETELY VOLUNTARY** and carries **NO PENALTY** for failing to abide by the program if you don't opt-out.
- 2) To participate, you must complete an application for each specialty drug, the form takes about 5 minutes to complete and assistance will be available through the Plan.
- 3) The program only applies to those on specialty medications, and only for those covered specialty drugs. If you are not eligible, you will not be required to fill out an application.
- 4) The program only applies to active members and pre-Medicare retirees.
- 5) If you fail to meet the requirements of the program but don't opt-out, then you will be ineligible to participate in the program in future plan years, but there are no penalties. Your specialty medications will continue to be covered at a zero co-pay for the remainder of the plan year.

SEBAC and the Lamont Administration have agreed to add a **COMPLETELY VOLUNTARY (WITH NO PENALTY)**, specialty drug medication program that improves our plan and will lower the cost of specialty drugs for members to \$0 while also reducing overall premium costs for the entire plan.

Members may choose to opt-out of the program if they prefer, but since it saves both members and the plan money, everyone on specialty drugs will automatically be added on an effective date (which is still to be determined), and each open enrollment period.

Prudent Rx allows insurance plans to apply manufacturer assistance to the cost of specialty drugs which reduces the cost to individual members (to \$0) and the overall plan. The plan only applies to members prescribed specialty drugs and does not cover non-specialty drugs they may be on.

If you call the number on the back of your insurance card, they will be able to tell you what is considered a specialty. However, specialty drugs are generally high-cost medications used to treat complex or rare medical conditions. The exact definition is a "drug prescribed by a Physician having one or more of several key characteristics, including 1) Requirement for frequent dosing adjustments and intensive clinical monitoring; 2) Need for intensive patient training and compliance for effective treatment; 3) Limited or exclusive product distribution."

If you participate, you will have a \$0 co-pay for all of your covered specialty drugs – saving between \$6–\$40/ prescription which can add up to hundreds or even thousands of dollars of saving every year, depending on how many specialty drugs you are on. There will also be a small one-time cash payment for those that participate and successfully complete the requirements.

Frequently Asked Questions

Is retro pay included?

Yes, you will receive a payment upon approval of the contract by the General Assembly that is the sum of retro-active GWI and Steps along with the Lump Sum of \$2,500.

If I retired or left state service before the agreement was reached, but stayed after the latest contract expired, will I be eligible for a GWI, Step or Lump Sum in FY'21-'22?

If you were an active employee on 3/31/2022, you will receive a payment upon approval of the contract by the General Assembly that is the sum of retro-active GWI and Steps for the amount of time you remained employed along with the Lump Sum of \$2,500.

What is Prudent Rx? How does it impact my health insurance?

Please review the information available on [page 11](#).

What happens after ratification?

After ratification, the Contract must be approved by the General Assembly, you can review details of that process [HERE](#).

What happens if the General Assembly doesn't approve the Contract?

We would move into arbitration, you can review details of that process [HERE](#).

Why isn't pandemic pay included?

Pandemic pay will be fought for in two different venues, you can review specifics on [page 10](#).

When will I see the money in my paycheck?

Once the General Assembly approves the contract, you will receive retroactive payment, but calculating back pay can take some time. You may receive interest if payments are not made within 60 days after legislative ratification.

Does a reopener mean O's?

No, a reopener simply means the 4th year will be re-negotiated.

What is a reopener in the 4th year?

Individual bargaining committees chose either a three year contract or a four year contract with a wage and step reopener in the fourth year.

What if I am already at top step?

If your contract has a lump sum over max agreement, then you will receive a lump sum.

What are the next steps?

We must get this bill passed through the General Assembly, so we will need to call legislators, tell our stories, testify at the public hearings, attend rallies, and other ways to make sure our Contract is passed. This contract is good for us and good for the people we are proud to serve. It is important for all of us to make sure it passes.

