



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

TESTIMONY OF S. FAE BROWN-BREWTON

UNDERSECRETARY FOR LABOR RELATIONS

OFFICE OF POLICY AND MANAGEMENT

BEFORE THE JOINT COMMITTEE ON APPROPRIATIONS OF THE GENERAL ASSEMBLY

FRIDAY, FEBRUARY 28, 2020

SR 3 AND HR 3 RESOLUTIONS PROPOSING APPROVAL OF AN INTEREST ARBITRATION AWARD BETWEEN THE STATE OF CONNECTICUT AND LOCAL 3419 OF COUNCIL 4, AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO.

Good Morning distinguished members of the Appropriations Committee. My name is S. Fae Brown-Brewton, Undersecretary for Labor Relations. The proposed resolutions represent the conclusion of negotiations and interest arbitration for an initial collective bargaining agreement between the State of Connecticut and employees of the Department of Children and Families (“DCF”), Local 3419 of AFSCME Council 4. This initial contract covers approximately 100 former managers in the classification of Program Supervisor.

On June 6, 2017, the Union filed a petition with the Connecticut State Board of Labor Relations (“Labor Board”) seeking to organize all Program Supervisors at DCF. The Labor Board certified the bargaining unit on August 10, 2017, less than two (2) weeks after the legislature approved the SEBAC 2017 Agreement. The State and the Union commenced negotiations thereafter.

The parties reached tentative agreements on many subjects but could not reach agreement on several economic issues including wages. Despite attempts at mediation, the parties declared impasse and interest arbitration ensued. The arbitration focused on wages, the right to earn compensatory time and whether employees in the new bargaining unit would retain the vacation benefits they had prior to organizing. Following four (4) days of hearing, the Arbitrator issued the Award which is the subject of these proceedings.

Because this unit organized in the midst of the discussions culminating in the SEBAC 2017 Agreement, the prior administration extended the SEBAC 2017 economic framework to this unit. This included 3.5% general wage increases (“GWI”) for 2019-2020 and 2020-2021, a \$2,000 one-time payment upon legislative approval, three furlough days and job security through June 30, 2021. The only open question with respect to wages was whether employees in this bargaining unit would receive an annual increment (“AI”) in addition to the general wage increases.

A summary of the Last Best Offers (LBO), submitted and awarded, is as follows:

<u>Year</u>	<u>State LBO</u>	<u>Union LBO</u>	<u>Awarded LBO</u>
2017-18	0% GWI; 0% AI	0% GWI; 0% AI	0% GWI; 0% AI
2018-19	0% GWI; 0% AI	0% GWI; 0% AI	0% GWI; 0% AI

2019-20	3.5% GWI; 1.5% AI	3.5% GWI; 2.0% AI	3.5% GWI; 2.0% AI
2020-21	3.5% GWI; 1.5% AI	3.5% GWI; 2.0% AI	3.5% GWI; 2.0% AI

The Arbitrator awarded the Union's LBO of a 2.0% annual increment in each of the last two years of the contract over the State's LBO of 1.5%. The arbitrator noted that many Program Supervisors earn less than their subordinates who are eligible for overtime. The Arbitrator also found that the cost differential of the two proposals was only \$50,000 each year, which, according to the Arbitrator, represents a small portion of the overall compensation package. Finally, the Arbitrator concluded that a 2.0% annual increment for Program Supervisors was more consistent with the increments offered to 16 other bargaining units under the SEBAC 2017 Agreement.

The Arbitrator awarded the State's LBO that requires Program Supervisors to work more than fifty (50) hours per week in order to be eligible for compensatory time. The Union had proposed compensatory time for all hours worked over forty (40) in a week. The Arbitrator noted that this was a critical issue for the parties. She found that employees with the level of responsibility and educational background of Program Supervisors are often required to work outside regular working hours in order to meet the needs of their clients. Moreover, the Arbitrator concluded that the Union's LBO requiring compensatory time after forty (40) hours of work would have an unpredictable effect on DCF operations.

Finally, the Arbitrator selected the Union's LBO allowing Program Supervisors to retain the vacation leave benefits that they received as managers. Specifically, the State had proposed eliminating the statutorily provided additional vacation days that managers receive between 11 and 15 years of seniority. This would have brought Program Supervisors in line with most other bargaining units. The State also proposed capping the Program Supervisors' maximum vacation accruals at 480 hours, or at an individual's own accrued level, if higher than 480 hours, at the time of legislative approval. Instead, the Arbitrator selected the Union's LBO which maintains the accrual limit at 960 hours for current Program Supervisors but reduces the limit to 480 hours for employees who enter the bargaining unit after legislative approval. The Arbitrator concluded that, in light of the long hours and stresses of their job, Program Supervisors should retain the vacation benefits they enjoyed prior to organizing. Moreover, the Arbitrator noted that the Union's LBO was identical to the State's LBO in that it will limit all new Program Supervisors to a maximum vacation accrual of 480 hours.

This Agreement reflects the end of contracts that are driven by the SEBAC 2017 wage pattern. While the result is not optimum, I urge you to approve this Award. A rejection of the Award statutorily returns the matter to the parties for further arbitration. Any award resulting therefrom, is deemed automatically approved, even if it is less favorable to the State than what is presented here. This is a fair agreement that prioritizes DCF's critical operational interests while acknowledging the important role that Program Supervisors have in protecting Connecticut's children and serving their families.

I am available to respond to any questions.