

CSEA offered five-year contract

Albany

The Cuomo administration and the **Civil Service Employees Association** have reached a tentative five-year labor contract, and the proposal now goes to members for a ratification vote.

The deal was announced this week by Gov. **Andrew Cuomo** and CSEA.

CSEA is New York's largest state workers union with about 60,000 mostly blue collar workers, has been without a contract since their last agreement expired at the end of March 2016.

While neither side was speaking publicly about details of the contract, bill language needed to authorize the payments needed to cover salary increases states that union members would get 2 percent annual raises for five years, which is the recent pattern the governor has set with other state unions.

Additionally, the bill spells out increased automatic longevity increases and bonuses. One new feature is a bonus for 15 years of continuous service which starts at \$2,500 per year to \$4,500 by April 1, 2019.

Other longevity bonuses are for five and 10 years, which has been the case for years. Additionally, overtime for those working in institutions such as psychiatric hospitals will rise from 1.5 to 2 times the hourly rate.

The contract comes about seven months after New York's second-largest state worker union, the white collar **Public Employees Federation**, reached its own three-year deal with 2 percent annual raises, no increases in negotiated health-care premium sharing and no givebacks.

PEF's contract, though, doesn't include a 15-year bonus, although their members typically earn more due to higher education levels and job grades.

Both contracts guard against increases in the percentage of premium cost-sharing for health insurance.

Both CSEA's and PEF's deals came after earlier agreements, dating to 2011, that included givebacks such as two years without raises and higher health care costs.

Those deals were struck under the threat of extensive layoffs as the state at the time

was emerging from the 2008 financial crash and recession.

But the state has since returned to a firmer financial footing.

A five-year deal would cover both the 2018 gubernatorial race as well as 2020 should the governor make a presidential bid. That could be plenty of time for union activists to forget the tough givebacks that Cuomo extracted back in 2011.

The governor in a prepared statement said, "This agreement is fair for taxpayers and fair for our workforce."

Union President **Danny Donohue** added that "CSEA and the Governor's administration worked to produce a tentative agreement that is fair to public service workers and taxpayers alike."

The two-year cost is estimated at \$197 million or about \$1 billion over five years.

Others, though, said questions remain.

"It's a pig in a poke," said **E.J. McMahon** of the fiscally conservative Empire Center, estimating the cumulative cost of the deal could exceed \$1 billion.

While not condemning the contract, McMahon said it was unclear how health care increases could impact the cost. Also unclear are the cost of new bonuses for an aging workforce.

If many experienced workers stick around after 15 years, the cost goes up due to any new bonuses.

Others said the deal should include offsets such as health insurance savings.

"The additional compensation for state employees should include productivity enhancements or other cost-savings, such as the reforms to retiree health insurance shares," added **David Friedfel**, director of **State Studies** at the **Citizens Budget Commission**.

Cuomo in the past has called for reductions to state health care coverage for retirees but those plans haven't made it into the annual budget proposals. New York currently provides coverage for state retirees and it pays their Medicare premiums if they are 65 or over.

Also up for ratification is a new contract for graduate-student employees with the **State University of New York** system.

They are set to get 2 percent for three years, dating from a year ago.

