



May 24, 2011

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Little Hoover Commission
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Director Drown and Members of the Commission:

Service Employees International Union, Local 1000, submits these comments in response to the Little Hoover Commission's public hearings on the Governor's Reorganization Plan regarding the California state personnel system.

As you know, the Governor's Plan proposes to consolidate most functions of the Department of Personnel Administration (DPA) and the State Personnel Board (SPB) into a new state agency, the Department of Human Resources (CalHR).

While SEIU is generally supportive of streamlining state operations to increase efficiency, Local 1000 cannot take a final position on the plan until additional details become known. Local 1000, however, can describe those features it firmly believes are indispensable to the plan. First and foremost, the plan must ensure that the civil service merit system does not become a spoil system. Improved efficiency at the expense of our merit system principles is a step backwards.

Accordingly, Local 1000 asks that the Commission recommend to the California Legislature that the plan address the following concerns prior to making a final decision:

- 1. Merit System Principles:** The current plan moves both recruitment and selection processes (exams, testing, etc.) away from the SPB's authority to the Division of Personnel Management. SPB, however, has the constitutional responsibility of ensuring that these civil service hiring and selection components are based on merit and competitive. With these tasks moved to CalHR, there is nothing in place to safeguard against abuses of the merit system. Further, the plan moves the Office of Civil Rights from SPB's authority to the Division of Statewide Services. The fundamental purpose of a merit based selection system is to provide a discrimination free selection process based on knowledge, skills, and abilities without regard to non job related factors. To address this flaw, the plan must make sure the new CalHR properly allocates merit based

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functions to SPB and implements protections to guarantee merit system principles are maintained.

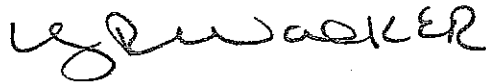
While the plan states that SPB will retain sufficient staff to advise the Board on policy and to perform merit system audits, it does not acknowledge or address the fact that, due to severe budget cuts over the years, SPB is currently unable to adequately monitor or audit departmental selection processes to ensure they are merit based. Further delegation of SPB responsibilities to departments without also providing SPB the staffing and means to adequately monitor and oversee the selection processes can only further deteriorate California's merit based selection system.

2. **SPB Neutrality:** Under the proposed structure, SPB administrative law judges and the attorneys that appear before them will belong to the same state department. This arrangement is akin to having the superior court judges working in the same department as the district attorneys that prosecute cases before them. This arrangement gives the appearance that SPB is no longer a neutral, independent and fair body. Thus, the plan should include tangible safeguards to shield SPB from the influences of legal counsel within CalHR, and include other details that announce to employees that the SPB will carry out its constitutional mandate with fairness.
3. **Ralph C. Dills Act:** The plan states that all employees working at the new CalHR will be excluded from the Dills Act. Although the Dills Act excludes DPA employees from its protections; employees at SPB currently enjoy the rights and privileges of union representation. Moreover, there are many employees at DPA excluded from the Dills Act without any policy justification. Thus, the CalHR classifications should be reviewed to exclude only those employees that are required to develop or present management positions with respect to employer/employee relations, or whose duties routinely require access to confidential information contributing significantly to the development of management positions. CalHR should structure departmental divisions or offices in a way that extend Dills Act protections for state workers. The plan should allocate exempt (confidential) duties and tasks to specific divisions, allowing employees in the other divisions to enjoy Dills Act protections.
4. **Facilities:** SPB currently has two hearing rooms for adjudicating appeals, complaints and other cases. The proposed location of the new department, 1515 S Street, does not have hearing rooms. This will require significant alterations to the available space at 1515 S Street. In addition, SPB currently has an auditorium for Board meetings, which must be added to the S Street location. If modifications of the proposed space are not

possible or feasible, the plan could result in significant additional costs to relocate the department to a new location that has space to house the necessary activities of the SPB.

For the above-stated reasons, Local 1000 respectfully requests the Commission recommend to the Legislature that any final plan incorporate the above elements. Moreover, the Legislature should continue to work with Local 1000 and other stakeholders in developing the final legislation. While Local 1000 favors streamlining state service functions to increase efficiency and transparency, this should not be done at the expense of adherence to the Constitution and other fundamental rights.

Sincerely,

A handwritten signature in black ink, appearing to read "Yvonne R. Walker". The signature is written in a cursive, flowing style.

YVONNE R. WALKER
President