



Patrick D. Kelly
Secretary-Treasurer and
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LOCAL UNION NO. 952

GENERAL TRUCK DRIVERS, OFFICE, FOOD & WAREHOUSE UNION

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TO ALL COACH OPERATORS EMPLOYED AT THE ORANGE COUNTY TRANSPORTATION AUTHORITY

August 15, 2013

RE: U.S. DEPARTMENT OF LABOR LETTER TO GOVERNOR JERRY BROWN REGARDING THE CALIFORNIA PUBLIC EMPLOYEES' PENSION REFORM ACT AND COLLECTIVE BARGAINING RIGHTS

Dear Sisters and Brothers:

On August 1, 2013, Secretary of Labor Thomas E. Perez ("Secretary Perez") wrote a letter to Governor Jerry Brown in response to a letter the Department of Labor (DOL) received dated May 29, 2013 regarding the California Public Employees' Pension Reform Act (PEPRA).

In the May 29th letter, Governor Brown strongly urged the DOL to certify the release of federal grants, totaling \$1.6 billion for Fiscal Year 2013, to California's mass transit providers. These funds are and have been withheld due to the conflict between state law (PEPRA) and federal law – generally referred to as "13(c)" – which provides protections for transit workers.

In a portion of the letter sent by the U.S. Department of Labor, Thomas Perez reminded the Governor that Wisconsin, New Jersey, Ohio and Massachusetts passed laws which reformed the collective bargaining process. "But in each case," he went on to state, "The transit agency, unions and the state came up with solutions in order to avoid a conflict with Section 13(c)." According to him, "These solutions ranged from carving out exemptions for mass transit workers to negotiating supplemental agreements to having the state Attorney General's office provide assurances that the changes would not affect the ability of transit workers to collectively bargain."

Secretary Perez also referred to Assembly Bill 160 (AB 160) – which is pending in the California Legislature. This bill, if passed, would exempt mass transit workers from PEPRA. He indicated that this type of exemption "... has historically provided a solution in situations such as this one."

The union for LA MTA submitted the first in a series of objections to the Department of Labor in November 2012. Teamsters Local 952 and another labor union followed suit.

Referring to the "significant negative consequences that a lack of resolution on this issue will have for service providers, employees, and transit users who depend on mass transit in California," he pressed the Governor to work out a possible solution.

Secretary Perez specified, in the August 1, 2013 letter that the U.S. Department of Labor would refrain from issuing a determination for LA MTA until August 16, 2013.

Please contact the Governor's office at (916) 445-2841 and urge him to resolve this legal conflict so that federal funding can resume its flow to transit agencies in California.

RE: OCTA CONTRACT NEGOTIATIONS

Although we have negotiated non-economic items in the contract, until the federal funding is certified and released to OCTA, we cannot fully negotiate the remaining economic items.

As additional information becomes available, we will keep you posted.

I can be reached at (714) 740-6235 if you have any questions or concerns.

In Unity,

Donna Metcalfe

President and Business Representative

Affiliated with the International Brotherhood of Teamsters

