

# UPEA 2019 Legislative Package

## Compensation

The Department of Human Resource Management (DHRM) hired an independent group to study compensation for state employees. The study found state employees' pay, on average, is -10.90% below market. UPEA will continue to educate legislators and policy makers regarding state employee pay and benefits.

### Cost of Living Adjustment (COLA)

As a result of the lack of significant pay increases over the past several years, UPEA's highest priority for the 2019 legislative session is compensation. UPEA will lobby the Legislature for a cost-of-living increase for all state employees.

UPEA commissioned its own independent economic study of state employee compensation. The study measured the impact on the purchasing power changes (inflation), with the changes in wages in the Utah labor market, and the changes in employer costs. Changes in these measures were compared with the changes in state employee compensation. The basic finding of the study was that the increases in State employee compensation were well below the increases found in the economic measures used for comparison.

## Health Care

UPEA will advocate for the Legislature to fully fund any health insurance premium increase. In addition, UPEA will lobby to keep the current structure of health insurance co-pays, co-insurance, deductibles, and other plan benefits funded at the same rate.

Premium increases or benefit changes should be applied equitably between the Star and Traditional plans.

UPEA also supports equal marketing of both the Traditional and Star plans by the Public Employees Health Plan (PEHP).

### Maintain Current Health Plan

State employees currently share a 92/8 health insurance premium split (92 percent employer paid/8 percent employee paid). UPEA will work to maintain the current health insurance premium split.

### Health Insurance Premium Split

Out-of-pocket maximums, on both plans, should be maintained at the current levels.

## Retirement

### Tier I & II Contribution Rate Increase

The Utah Retirement System (URS) is not proposing a retirement contribution rate increase for either the Tier I or Tier II retirement systems. However, the URS Board did vote to change the assumed rate of return on investments from 7.2% to 6.9%.

## Merit System Preservation

Due to recent legislation employees believe the protections of the merit system, and the merit status of employees, are threatened. UPEA will advocate maintaining the current merit system for employees.

## Payroll Deduction

UPEA will lobby against efforts to eliminate the ability of public employees to have UPEA dues deducted from their pay.

## Leave/PTO

UPEA will protect, or support enhancements to, the current leave structure.

## Privatization

UPEA has an interest in preserving efficient, effective, and responsible governmental functions. The work performed on behalf of the citizens of Utah is conducted by a dedicated and professional workforce of public employees. The contributions of public employees have made Utah one of the best-managed states in the nation. The core principles of UPEA is protecting Utah's greatest assets – its public employees. UPEA will evaluate all moves to privatize any functions currently being conducted by public employees.

## Post Retirement Employment

### Retire/Rehire

During the 2018 legislative session multiple bills were sponsored to modify the post-retirement re-employment benefits of public employees. This issue was sent to interim study. UPEA supports enhancing post-retirement legislation.