



PROFESSIONAL ENGINEERS



IN CALIFORNIA GOVERNMENT

April 12, 2012

Daniel W. Hancock, Chairman
Little Hoover Commission
925 L Street
Sacramento, CA 95814

Re: Governor Brown's Government Reorganization Plan 2012

Dear Chairman Hancock:

Thank you for the opportunity to provide input on the Governor's plan to reorganize state government. Professional Engineers in California Government (PECG) supports the plan to consolidate transportation entities into the new Transportation Agency; PECG remains concerned about the inclusion of CalHR in the new Government Operations Agency; and opposes the inclusion of the Public Employment Relations Board (PERB) in the Labor and Workforce Development Agency.

Placing Caltrans, the High-Speed Rail Authority, the California Transportation Commission and other transportation entities under the same agency makes sense. This structure should facilitate coordination between these entities expediting delivery of critical infrastructure projects. PECG looks forward to working with the new Transportation Agency Secretary to ensure state transportation projects are designed, constructed and inspected in a cost effective and safe manner.

PECG appreciates the Governor's recognition that the CalHR Director has a unique role as the Governor's designee for negotiating and administering labor contracts with PECG and other state employee organizations. While inclusion of language that ensures the Director will report directly to the Governor is helpful in overcoming the concern that this important function would be impaired by reporting to a new Government Operations Agency Secretary, the practical effect of the new reporting relationship remains uncertain. Currently the Director of the Department of Personnel Administration serves in the Governor's Cabinet. As contracts with the state workforce are negotiated and administered, it is imperative for effective and harmonious labor relations and for expediting contract negotiations and approval that the lines of communication between the Governor and the CalHR Director remain unimpeded by intermediate reporting relationships.

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The Governor's proposal includes taking the currently independent state PERB and placing it in the Labor and Workforce Development Agency. When the Labor and Workforce Development Agency was created by a 2002 Governor Davis Reorganization Plan, the PERB was specifically left out of the new agency because of potential conflicts of interests. Those conflicts of interest remain today. The PERB is the neutral labor relations agency which administers the bargaining law for state employees and the state employer. As PERB's jurisdiction includes state government, this important neutrality is compromised if PERB is placed in a position where it will hear cases involving the labor agency or other departments within the labor agency.

In addition to the history of PERB remaining independent when the Labor and Workforce Development Agency was created in California, it is also important to note that at the federal level, the federal Labor Department does not include the National Labor Relations Board.

Because of its important function in administering the state employer-employee bargaining law and adjudicating disputes under that law, PERB must remain independent and insulated from potential budgetary or political influence. PECG is opposed to inclusion of PERB in the Labor and Workforce Development Agency and encourages the Little Hoover Commission to advise the Governor that the Reorganization Plan should be amended to retain PERB's role and status as an independent entity.

Sincerely,



John Roberts
PECG President