



California  
**LABOR**  
Federation

# 2020 POLICY STATEMENTS

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*THE FUTURE IS*  
**#UNIONSTRONG**

**CALIFORNIA LABOR FEDERATION, AFL-CIO**  
POLICY STATEMENTS 2020  
**33RD BIENNIAL CONVENTION**

# 2020 Policy Statements

## INTRODUCTION

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The COVID-19 pandemic and global economic crisis has posed one of the greatest challenges to the Labor Movement and this country in generations. It has laid bare the worst parts of the economy—income inequality, health disparities, a strained safety net, rampant misclassification and contingent work and the growing power of the wealthy at the expense of the rest of us.

The Movement for Black Lives Matter movement and global protests against police violence, racial injustice and white supremacy have focused a searing spotlight on the systemic racism this country was built on. Racism is institutionalized in every system in our country—from housing to schools to criminal justice and more. Repairing the injustice, inequities and legacy of racism will require the Labor Movement to take an honest assessment of our workplaces, unions and institutions and root out racism. This internal work is imperative so we may stand side by side with BLM and other racial justice movements in the fight for racial and economic justice.

The triple crises of COVID, economic recession and racism have also shown the values of the Labor Movement in countless acts of solidarity and collective action for the public good. Millions of essential workers risk their lives every day in countless industries to keep critical industries running and to keep us safe, healthy and fed. Often it was the lowest-paid workers taking the risk of going to work every day to keep our economy functional through the crisis. Other industries face massive layoffs and furloughs, and unions fought to keep benefits for workers to carry them through the crisis. Union members have marched for racial justice, led discussions in their unions and workplaces and Black and Brown workers have gone on strike for racial justice.

Even in a pandemic, the Labor Movement did not stop organizing or fighting for workers and that fight is just beginning. The crisis offers an opportunity to rebuild our broken economy to be more fair, just and equal and to fix the holes in our safety net. A new economy and a stronger Labor Movement can rise from the ashes of this crisis.

The Labor Movement knows how to rebuild the economy because we did it before in past crises and past generations. Working people stood together in unions to fight for the 8-hour day, paid vacations, and good middle-class wages and benefits. Sitting across from employers at the bargaining table, workers made American companies the most prosperous in the world and improved the lives of working people.

Employers and unions forged a social contract that meant workers who put in their time received job security, benefits, and a decent retirement. When illness struck, company health care coverage would make sure families were covered. When companies prospered, they recognized the contributions of their workforce, and company prosperity benefited executives and workers alike. When workers retired, solid pensions ensured financial security and peace of mind.

Under this social contract, corporations paid their fair share in taxes and the government was able to enact a crucial set of safety net protections that guaranteed a lifeline during hard times such as unemployment, sickness, injury, and old age. The state invested in the lives and futures of working people who in exchange built the country's economy and infrastructure.

Not every worker shared in this prosperity. Women, people of color, LGBTQ immigrants and an intersection of the above faced racism, sexism, discrimination and other barriers to good jobs and fair treatment. They had to fight to share in American prosperity and to be a part of unions. The Labor Movement offered a chance for marginalized and oppressed groups to improve their jobs and to have access to the middle class.

The crisis has exposed how broken the social contract between employers and workers forged by the Labor Movement is—shattered by corporate greed and the concentration of wealth and power in the hands of the few. Global corporations are building a new economy on the backs of low-wage, part-time, temporary workers who receive few benefits and no job security. Instead of employing workers in the U.S., companies are offshoring jobs, outsourcing or misclassifying workers as independent contractors—eviscerating the traditional employer/employee relationship and responsibilities.

Executives are now free to reap outrageous compensation packages while workers' wages have stagnated. Instead of honoring commitments to retirees, companies and local governments work to evade their pension obligations and the financial industry continues attempts to privatize and profit from Social Security. Right-wing groups funded by billionaires have intensified attacks on working people and our unions.

The concentration of wealth and power in the hands of few has accelerated, while the rest of us struggle to make ends meet. Income inequality has reached historically high levels, surpassing the gap during the Great Depression. The wealthiest 1 percent of Americans doubled their share of the nation's income over the last three decades while the middle-class withered. Corporations have amassed record levels of cash, yet they are not using it to create jobs or opportunity. The middle class is rapidly shrinking and has fallen below 50 percent for the first time in decades.

Union by union, industry by industry, the American Dream has been dismantled by a corporate agenda premised on deregulation, corporate globalization, privatization, attacks on workers and unions, and greed.

The last bastion of resistance to the corporate agenda is working people standing together. The Labor Movement is the force that can stand up to powerful special interests. Working people continue to fight for an economy that rewards hard work and dedication. We built foundations of this country and we will not allow corporate greed to undo decades of progress.

Now is a time of great challenge and opportunity. The growth of fissured workplaces makes organizing workers more challenging and attacks on public sector unions have accelerated. Yet, California Labor continues to rack up victories in organizing, legislation, and politics. We continue to fight every day to strengthen the Labor Movement, create sustainable jobs, and close the widening gap between the rich and the rest of us.

As Californians, we are—and have always been—visionaries who see no limit to our future. The world looks to us for leadership and we must take that responsibility seriously. The way to grow our economy and create good jobs is to invest in California again. Workers and our unions are leading the fight to make California a good place to do business and to raise a family again. We are at the forefront of building a state that works for working people.

We endorse these policy statements as our path forward for investing in California to create good jobs now and a better life for all in the future.

## Executive Summary

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### 1. An Enforceable Right to Organize

Good union jobs are the best way to build the middle class, but for too many American workers, the right to join a union exists only on paper. Increasingly ruthless employer opposition to organizing efforts and the growth of the fissured workplace has contributed to slipping unionization rates and increased the challenge of organizing new workers. Immigrant workers are particularly vulnerable to retaliation by employers when they stand up for their rights at work.

Tireless work by California's unions has countered the national trend of falling unionization rates. We will continue to defend workers' right to organize, support union organizing drives, and move legislation to increase the ability for workers to organize a union free of intimidation and retaliation. We will expose and pressure companies that violate workers' right to organize and that retaliate against workers for standing up for their rights. We support the creative, cooperative, and successful organizing work being done by our affiliates so that all workers can have a voice at work.

### 2. Creating Good Jobs and Secure Employment

Income inequality in California is on the rise as corporate greed dismantles economic prosperity for the majority of California's residents. The gap between the rich and poor is increasing faster in California than anywhere else in the country and working people struggle to afford necessities like housing and health care. This is no accident—it is the direct result of policies that have made work less secure and made jobs pay less with scant benefits and little hope of advancement.

Job creation alone will not rebuild our middle class. We need high-quality jobs with secure employment. Overtime, paid sick days, and meal and rest breaks are part of fair compensation for a day's work and are essential to a just workplace. We need better enforcement of state and federal labor laws to stop the underground economy, misclassification and an end to forced arbitration clauses that undermine the labor protections unions have fought for and won.

### 3. Automation, Technology and the Future of Work

Technology can improve the future of work or it can exacerbate the injustices of the current economy and workplace. The outcome depends on whether workers have the power to decide what technology is developed and how it is deployed in the workplace. We already see how technology like apps and algorithms are fueling the rise of the gig economy and changing the nature of work. Workers must have a say in how technology impacts work or corporate giants will use it to maximize profits and increase the concentration of wealth in the hands of the few at the expense of the many.

There is dignity in work. Technology should not be used to displace or deskill workers. We need to implement strategies to manage technology in its development so workers have a voice in what technology is developed and how it's used. To do so requires a mix of policies, regulations, taxation, and programs that are put into place that shape the kind of technologies that are developed, how they're put into use, and the quality of jobs that are created as a result. That requires workers and their unions to have a seat at the table so that we have a voice in how to shape the future of work.

## 4. Rebuild the Public Sector

The public sector has traditionally offered hundreds of thousands of Californians secure union jobs with good wages, benefits, and pensions. Importantly, jobs in public service have also historically served as a ladder to the middle class for Black, Indigenous, and People of Color. Public employees are critical to the services that we use every day and their responsibilities to the public have increased over time. Public sector unions, and the entire Labor Movement, have faced existential threats as corporate-funded forces attempt to systematically dismantle the ability of unions to represent their members. However, unions have survived through preparation and organizing.

We call for an end to politically motivated, corporate-funded attacks on public employees' jobs, wages, pensions, and unions. The Labor Movement will fight the right-wing forces working to destroy unions and will develop tools, programs, and legislation to support unions to organize members and maintain our union strength. We oppose attempts by local government to dismantle the public sector through initiatives, outsourcing, partnering with anti-union groups, and charter city conversions. The quality of our public services and well-being of our society depend on having enough well-trained public employees to provide the services we need.

## 5. Invest in California

While California's infrastructure was once the best in the world, now it can barely serve our existing population, let alone sustain population growth. California's bridges, roads, waterways, and schools are crumbling around us. We don't have enough affordable housing for our residents, leaving workers homeless. We used to build the products the rest of the world wanted, now we import everything from cars to steel from abroad. Investment in infrastructure and manufacturing will put Californians back to work and lay the foundation for a robust economy.

We must have a strategy for investing in our economy and providing sustainable and equitable financing. A key part in investing in California is investing in its workforce. By encouraging a skilled and trained workforce we ensure that the workforce that is building California's infrastructure and affordable and market rate housing is paid fairly and treated with respect. We need to restore our public transportation systems, repair our roads and waterways, and build affordable housing. We must double our efforts to build high-speed rail in California. We need to continue to support California's maritime trades and the vast economic engine they fuel through the state's ports. Californians are on the cutting edge of technological advances; we need to manufacture those high-tech products here in California.

## 6. A Strong Social Safety Net

California's unions fought hard to create a strong social safety net for when workers fall on hard times. Workers need protection against unexpected interruptions in their work lives, such as workplace injuries or layoffs. However, taxpayers are increasingly subsidizing corporations that shift workers onto public programs, rather than providing livable wages and benefits.

We will continue to fight to preserve and expand safety net programs for working people. We will push for better funding for our strained unemployment system to preserve benefits for workers on state disability. We will fight to help injured workers get the care and benefits they deserve in the workers' compensation system. We will make sure that employers pay their fair share if their workers rely on public assistance.

## 7. A More Equitable Economy

Budgets require hard choices that reflect our priorities as a state. For years, California faced billions of dollars in budget deficits and made deep cuts to education, public safety, and infra-

structure. California's budget has not only rebounded, but now has a healthy reserve. Yet, the state has not restored the devastating cuts to social programs eviscerated during the Recession.

The never-satisfied greed of Capital has abandoned most working families. It is time for us to consider new and different economic models for America. We need a budget and tax system that raises the necessary revenue and prioritizes spending to meet the basic needs of California families. We need to restore funding to programs that serve all Californians, rather than enacting tax breaks for corporations that do not create good jobs. To create a state budget that takes care of our basic needs, we must close tax loopholes and develop new revenue sources. We must address the reforms needed in our property tax system under Prop. 13, so that we may build a sustainable, reliable tax base.

## 8. High-Quality, Safe, Accessible Public Education

A high-quality, safe, accessible education system is essential to California's working families. The education industry employs hundreds of thousands of workers across the state. The spread of unaccountable charter schools threatens to undermine the public school system that serves all children. California's public colleges and Universities have been stifled by a half-privatized funding model that has burdened students with debt caused by tuition increases while leaving UC and CSU without adequate resources to increase racial diversity and equity, fairly compensate student employees, reverse unjust adjuncting trends, expand STEAM research, rebuild deteriorating infrastructure and close employee pay gaps.

We call for full funding of California's entire education system. We oppose the spread of unaccountable charter schools and online learning programs that eliminate education jobs and undermine quality education. We support universal, affordable access to public higher education. We oppose attempts to undermine education workers' collective bargaining agreements. We need to expand the state's investment in career technical education and workforce development for workers of all ages. We will continue our ongoing work to support labor education and research institutions across the state.

## 9. High-Quality, Universal Health Care Coverage

California's unions have led the fight for high-quality, affordable health care for all and for Single Payer. The rising cost of health care is consuming state, local and family budgets, crowding out other priorities. Every dollar spent on health care is a dollar coming out of a workers' pocket. California Labor needs to lead the way in containing costs, increasing quality, improving health, and laying the groundwork for a single-payer health care system.

We support a Single Payer health care system. We will work toward that goal by supporting cost containment, price controls, and stronger regulation of the health care industry. We will work to protect the state's ailing safety net institutions, expand the health care workforce and improve labor standards, extend coverage to all Californians, regardless of immigration status, and improve the quality of the health care we all receive.

## 10. Strong Protections for Worker Health and Safety

All workers deserve a safe and healthy workplace, yet 16 American workers on average are fatally injured at work every day. Immigrant and temporary workers are particularly vulnerable to workplace injuries and death. These problems are made worse by the under-funding of state health and safety enforcement efforts.

To protect worker health and safety, California must increase funding for enforcement efforts, as well as penalties for violators of the state's health and safety laws. Fines must never become just another cost of doing business. We need meaningful regulations on indoor and outdoor heat

exposure to protect vulnerable workers. To protect workers at home and on the job, we need better regulation of dangerous chemicals.

## 11. Environmental Protection

As workers and as residents of California, we all deserve clean air, clean water, and safe energy sources. Climate change is a threat to the planet and is creating several immediate challenges to the state. Protecting the environment is both socially responsible and a key component of future growth for organized labor. The decisions we make now about adapting to climate change and the ways we generate energy will impact the economy, environment, and infrastructure of California for decades to come.

As we attempt to fight climate change with new energy sources, we must ensure that the new jobs of the green economy are union jobs. We recognize that the stability of our energy supply depends on renewable energy sources and we support efforts to move in that direction. We continue our steadfast opposition to deregulation of the energy market. We maintain our strong support for the California Environmental Quality Act—for workers and for our communities.

## 12. Good Government and Accountable Corporations

We need a strong democracy that works for the people. That includes state and local governments that are responsive to the public and work to ensure responsibility and accountability from corporations. Without a healthy democracy in which public participation is allowed and embraced, the voices of union members will be drowned out by the influence of powerful corporations. Without strong regulations and enforcement, corporations are free to put profit above the health and safety of the public and the environment.

We support a government that protects public assets and aggressively regulates the private sector to protect workers' rights, public health, the environment, and the public good. We support public participation in the political process and the right of workers to make their voices heard. We oppose the subversion of democracy by anti-union billionaires that funnel money into state elections. Transparency and accountability in corporate behavior and government decision making are vital to the health of our economy and our democracy.

## 13. Rights of Immigrants

Without immigrant workers, California's economy would grind to a halt. Immigrants are the backbone of the state's economy and a growing political force. Immigrant workers are at the forefront of organizing campaigns and are revitalizing the Labor Movement. Protecting the rights of immigrant workers and their families, especially the right to organize, benefits all workers in California.

We oppose attacks on immigrant communities and condemn raids on the homes and workplaces of immigrants. We call for humane and comprehensive immigration reform that includes a path to citizenship. We condemn the use of immigration-related retaliation to stop worker organizing. We reject anti-immigrant rhetoric and policies. We demand an end to the separation of families through aggressive and unnecessary deportations. We support strong enforcement of labor laws to prevent exploitation of immigrant workers and the race to the bottom for all workers.

## 14. Union Members, Union Communities

Union members are more than just workers. We are patients, consumers, renters, and homeowners. We are members of families and communities. We come from different backgrounds, countries, faiths, and traditions. The Labor Movement defends the rights of working people in different areas of our lives, not just the workplace. The demand for racial justice cannot be di-

vorced from the fight for economic justice. Civil rights are critical to a just society and to building a strong and active Labor Movement.

We support Black Lives Matter and will work to end systemic and institutionalized racism and police brutality. We support equal opportunity policies like affirmative action. We call for an end, once and for all, to sexual harassment and discrimination. We are unflinchingly devoted to the protection of civil rights and will right discrimination of any kind. We support criminal justice reform, consumer rights and regulation of public goods. We support policies that help workers balance work and family lives. We are committed to ensuring that all Californians live healthy and safe lives that allow them to spend time with their families and friends and be an active part of their communities.

To that end we enumerate here that our communities must be free of discrimination and harassment, regardless of an individual's race, ethnicity, religious creed, color, sex, age, national origin, sexual orientation, physical disability, mental disability, medical condition, genetic information, gender identity or expression, ancestry, pregnancy, marital status, veteran status, or any other characteristic protected by law.

# 1. An Enforceable Right to Organize

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Income inequality is one of the greatest challenges of the 21st century. It threatens to destroy the middle class, economy, and democratic values of our nation. Unions are the last bastion in the fight against income inequality and unfettered corporate greed. We are the only institution that stands in the way of CEOs and their lobbyists as they seek to reap even greater profits off the backs of workers. The right for workers to stand together and organize a union is the strongest weapon we must fight growing income inequality.

The challenges to organizing, especially in the private sector, are real and only made worse by the current Administration dismantling the progress made by the NLRB and DOL under the previous administration. Ruthless employer opposition, intimidation, threats, and firings are more common than ever during organizing campaigns. Captive audience meetings, another common management ploy, further intimidate workers. Even when workers overcome these obstacles to win union recognition, employers frequently refuse to agree to a first contract.

Another challenge to union organizing is the use of subcontracting, temporary workers, and misclassification of independent contractors. Employers are increasingly distancing themselves from their workforce and creating legal barriers to avoid being held accountable by workers and unions. Union organizing has become increasingly innovative as the economy shifts from a traditional employment relationship to one where employers deny that they employ workers altogether.

The Federation is committed to supporting organizing efforts and has made organizing our top priority. We will continue to support union organizing through legislation, research, industry analysis, trainings, and other initiatives to increase union capacity and organizing campaigns.

## Supporting Organizing Efforts

The Federation applauds the workers and unions who continue to successfully organize in hostile, anti-worker climates. From airline catering workers to newspaper writers, the Federation supports our unions as they continue the fight against anti-union employers, old and new.

The unanimous Supreme Court decision in the 2018 Dynamex case gave the Labor Movement the greatest organizing opportunity in decades. The Court's decision created a new employment test—the ABC test—to crack down on the rampant misclassification by employers. The Federation subsequently codified the Dynamex decision in AB 5—a historic, ground-breaking law that is now spreading across the nation.

AB 5 cracks down on employers that misclassify workers as independent contractors stripping them of all workers' rights like overtime, paid sick days, minimum wage, workers compensation, health & safety protections and much more. Most importantly, misclassification deprives workers of the right to organize a union. AB 5 provides millions of workers the opportunity to be re-classified and to assert their rights under the Labor Code and their federal right to organize a union.

In every industry—from delivery to janitorial, in hospital, nursing homes and schools—workers will now have the rights they were denied before AB 5. Aggressive, coordinated enforcement of AB 5 is essential to reclassifying workers and ensuring they receive the rights and protections they're entitled to under the law. At the same time, the Labor Movement must fight any attempts by industries and employers to repeal AB 5 on the ballot or to unravel the law through new exemptions and amendments.

AB 5 is the most important organizing law in decades and the Labor Movement must protect it at all costs.

We also must continue to shore up organizing laws and regulations as they are dismantled at the federal level. We will support reinstating federal laws at the state level as they are eliminated. We support elected officials who advocate for legislation to remove barriers to union organizing and who stand with workers at workplaces, on picket lines, and in the fight for union representation and good contracts.

While we work for stronger labor laws, the Federation also supports innovative organizing strategies that our unions have adopted in place of the outdated and ineffective NLRB process. The current NLRB process is so slanted toward employers that there is virtually no opportunity for a fair election. We support the use of neutrality agreements with employers, card-check, community elections, the requirement of card-check neutrality in granting licensing or tax-payer funding for business, and other measures to win union recognition that respect the will of the workers.

We continue to support organizing tactics like civil disobedience, corporate campaigns, community mobilizations, alliances with community-based organizations, boycotts, strikes, salting, and other forms of direct action to win recognition and contracts. We urge the cooperation of affiliates in multi-union efforts, which can effectively pool resources and eliminate jurisdictional disputes.

### **Organizing for Contract Campaigns**

The strike is back! Workers have made the courageous and difficult decision to strike for better wages and working conditions in California and across the country. The resurgence of strikes demonstrates Labor's increasing militancy and skilled organizing of union members to stand together on the job and on the picket line. Teachers, hotel workers, mechanics, UC workers and many others all went on strike and won their demands for wages, health care, protections from automation, training funds and much more.

Strikes get the most media attention, but many workers settled contracts without striking, which requires just as much internal organizing. The level of preparation that unions and workers are putting into contract campaigns often equals new organizing and is just as important to maintain and improve working conditions. Health care and grocery workers made huge gains in their contracts through organizing, tough bargaining and corporate campaigns.

We will work to provide unions the tools for internal organizing and contract campaigns through legislation, political work and solidarity. Strikes and contract campaigns succeed when workers stand together in solidarity, refusing to cross picket lines and putting pressure on employers from the inside and outside.

### **Standing Up for All Workers**

The Federation strongly supports the rights of all workers to organize and to have their voices heard in the political process. Unfortunately, those rights have come under attack time and again through the efforts of right-wing anti-union activists. The Federation unequivocally opposes anti-union measures that strike at union political power. These anti-union measures would unfairly restrict uses of union dues and make union members play by different rules than big corporations when it comes to participating in the political process.

We call for the extension of full collective bargaining rights for all public employees, including the inviolate right to strike and the right to use dues deducted from wages for political purposes. We oppose attempts by right-wing groups to weaken the power of organizing public employees by attempting to take away Fair Share fees. For public employees not permitted to strike, we recognize the need for binding interest arbitration to level the playing field and ensure fairness in bargaining. We support the right of farm workers, and all workers, to use majority sign up to join a union free from employer intimidation.

We stand in solidarity with the campaign of 40,000 childcare providers to organize a union and the right to negotiate with the state for fair wages and benefits, plus access to affordable training and professional development. A bill signed into law in 2019 allows SEIU and AFSCME to organize these providers for a seat at the table with the state and a voice in the funding of childcare programs. Childcare providers care and educate our state's children and they deserve better. We support innovative strategies to organize new industries and workforces like childcare, fast food and others.

### **Giving Workers the Tools They Need to Organize**

The Federation calls for comprehensive labor law reform to ensure that workers can organize a union without risking their job. Employers that fire workers for union activity or use other tactics to interfere with workers' free choice deserve severe and immediate penalties. Banning permanent replacements for strikers is essential for equitable labor relations. We also oppose any legislative measure to ban the right to strike for workers.

We back prompt resolution of representation questions, union certification based upon determination of majority support through card check, arbitration of unresolved first contracts at the request of the union involved, and the prohibition of corporate reshuffling, including double breasting, bankruptcy, and ownership changes, which are used to evade contractual rights and end union representation.

While all workers face intimidation and reprisals when they exercise their right to organizing, immigrant workers are particularly vulnerable. Employers can use the threat of deportation or other immigration-related retaliation to keep immigrant workers from speaking up and to send a chill through the entire workforce. Non-immigrant workers may not want to act to organize or report labor violations if it puts their immigrant co-workers at risk.

California unions must continue to pursue state and local level reforms to support organizing. We also call for renewed support for labor law reform on the federal level, including the passage of the major labor law reform. The Federation will continue to support the efforts of unions to organize and work to educate legislators and the public on the importance of protecting the rights of all workers and organizing unions to rebuild the middle class in this state.

## 2. Making Jobs Better for Workers

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The growing gap between the rich and poor is not an accident; it is the direct result of corporate and public policies to decrease labor cost and increase profits for shareholders. Corporations are creating low-wage jobs with no benefits and few opportunities for advancement.

This model of business erodes the traditional employment relationship and the social compact. Workers are no longer able to rely on a decent wage, employer-provided health care, or the promise of a dignified retirement after a lifetime of work. For many workers, there is no expectation of permanence as workers in the contingent economy can easily be disposed of and replaced. This trend toward a contingent economy is directly connected to the decline in union density and the vanishing middle class.

A failure to address the proliferation of contingent work will result in more than just the creation of a permanent underclass; it will further drive racial disparities in income, as Black, Indigenous, and People of Color are disproportionately represented in contingent work. The creation of traditional jobs alone will not rebuild our middle class either. We need to invest in good jobs that fuel the growth of our economy and rebuild the middle class, closing the huge gap between the rich and the rest of us.

The Federation supports policies that increase wages and provide benefits, overtime, paid sick leave, and meal and rest breaks, especially in historically under-valued and low-wage occupations, such as home care predominately staffed by women of color, and other low-wage occupations. We also support an end to the erosion of the employment relationship that increases profits at the expense of workers and the middle class. We know that unions and jobs with good wages, benefits, and job security are what will rebuild our middle class and our economy. The bottom line is simple: all workers deserve to earn a fair wage for a hard day's work.

### Minimum Wage

In cities across the nation, millions of workers and advocates have rallied, marched, struck, and worked to win \$15 minimum wages in cities and states and at the same time have built a grass-roots movement. The national movement for a \$15 minimum wage laid the foundation for California to lead the way by enacting the law for all workers in the state, with no tip credit, health care credit, or other loophole.

Increases in the minimum wage is an important economic stimulus tool to put money back into struggling communities. During the pandemic, essential workers risked their lives by going to work and many were only making minimum wages. Now is the time to increase the minimum wage for all workers. The Federation will fight against any "pause" or rollback of state and local minimum wages.

The Federation supports strong oversight over employers that can pay workers with disabilities less than the minimum wage. Programs designed to increase workforce participation among the developmentally disabled through the payment of sub-minimum wages must be carefully constructed, reviewed, approved, and monitored to both ensure the protection of the workers and to mitigate the downward pressure on wages for other workers.

### Living Wage Ordinances

The Federation strongly supports local living wage ordinances. These laws require employers who receive funds, contracts, or tax breaks from the government to provide decent pay and benefits to their employees. More than a decade after the first living wage ordinance was passed

in California, the evidence suggests that these laws substantially raise pay and benefits, reduce pay inequality, and improve services, all at minimal costs.

The Federation will continue to support living wage laws at the municipal, county, regional, state, and national levels. The Federation supports indexing living wage laws to inflation to keep up with increases in the cost of living. We also support the efforts of local unions to use living wages and other area wage standards as bargaining tools. These wage standards are not always adequate to support a family, but they can create a floor from which unions can negotiate for higher wages and benefits.

### **Recall and Retention Rights**

The pandemic has highlighted the importance of creating stability for workers during economic downturns or a change-in-ownership. The state and cities across the country have adopted Worker Retention laws to protect workers when the business they work for changes hands. These ordinances apply to grocery, hospitality, building services and a number of other contracted out public services. The new employer is required to retain the existing workforce for 90-days or more to ensure a smooth transition. It creates security and time to adjust for workers and provides employers with a trained and experienced workforce as they take over.

Recall rights laws are cropping up as a response to the mass layoffs and furloughs resulting from the pandemic shelter-in-place rules. The hospitality, travel and food service industry were particularly hard-hit, and recall rights have targeted those industries. Recall rights require employers to give workers the right to return to their former job in order of seniority. This prevents employers from replacing the workforce with newer and lower-paid workers, driving down wages for all. Recall also prevents union-busting by employers who want to get rid of union activists by only hiring newer workers.

We will fight for recall and retention rights that benefit workers, protect seniority and support union organizing.

### **Prevailing Wage**

The Federation agrees with the State Building and Construction Trades Council of California (SBCTC) that public funding for construction and development projects should go to employers who pay prevailing wages to their workers, guarantee health and safety on the job, and provide high-quality training and apprenticeship programs. Prevailing wage laws put us on the high road of economic development.

The failure to pay prevailing wages and benefits does not save money: it shifts other costs to taxpayers. Workers without health care or pensions end up in public hospitals and emergency rooms and are forced to rely on public programs. Workplace injuries resulting from poorly trained workers also shift costs to taxpayers and other employers. Indeed, the failure to pay prevailing wages often increases construction costs, reduces tax revenues, forces skilled workers to migrate to other areas, and harms the overall economy.

The Federation joins the SBCTC in opposing all efforts to undermine Project Labor Agreements (PLAs) and prevailing wage laws, such as when city governments propose transitioning from a general law city to a charter city for the express purpose of opting out of state prevailing wage laws and prohibiting project labor agreements. This approach is wrongheaded as it represents an erosion of standards in the construction industry. It also undermines good wages and benefits on public projects at a time when private development has receded, and publicly funded construction makes up a larger chunk of available construction work.

We support the efforts of the SBCTC to protect local government's ability to choose whether a PLA is the best option to deliver an on-time, high-quality construction project at best cost to

taxpayers. The Federation will continue to work to ensure that city, county, and state governments can use PLAs when they so choose. The Federation will continue to support the SBCTC's efforts to protect Project Labor Agreements and prevailing wages and level the playing field for union contractors in California.

### **Overtime and Comp Time**

When workers put in extra hours, they deserve to be compensated. The Federation opposes any efforts to infringe on workers' rights to overtime pay. Overtime pay protects workers from dangerously long shifts. In the current jobs crisis, overtime pay also creates an incentive for employers to hire the appropriate number of employees rather than piling more hours on fewer workers.

Under Obama, the Department of Labor issued a new rule to extend overtime pay to 4 million workers across the country. The rule would have required employers to pay overtime to most salaried workers earning less than \$47,476 annually. The salary cutoff for overtime pay is currently \$23,660. The Trump Administration refused to defend the rule after a judge ruled against it. Though California's overtime salary cut-off is tied to our minimum wage, and not the federal rule, millions of Californians would have qualified for overtime under the federal rule for three years. The Federation supports state legislation to increase the overtime salary cut-off and increased pay for workers who put in the extra hours on the job.

Each year in Sacramento, legislators introduce Chamber of Commerce-sponsored bills to take away overtime protections and to expand the use of the alternative workweek. We oppose efforts by Republican lawmakers to demand concessions on the 8-hour day as part of reaching any state deal, since such a proposal saves the state no money and simply hurts workers already struggling to get by.

We support extending and strengthening overtime laws for all workers in the state, including domestic and farm workers. We will resist any future efforts and continue to vigilantly defend the 8-hour day in California. We continue to oppose unnecessary mandatory overtime policies, and we support policies that curb abuse by supervisors and managers.

### **Meal and Rest Periods**

No workplace right is more basic than a lunch break. The Federation will staunchly defend workers' rights to take meal and rest periods during the workday. For six years the Federation battled Governor Schwarzenegger's attempts to take away meal and rest periods. We are proud to have won every time and will continue to protect this essential workers' right.

The Federation is committed to educating workers about their meal period rights and to ensure that employers are following the law. This is an essential worker protection and we cannot allow workers to be discouraged or prevented from taking needed breaks. We will continue to fight to protect this basic right for all workers.

### **Paid Sick Days**

The Federation believes that all workers deserve time to care for themselves and their sick family members without fear of losing their jobs or their wages. In 2014, the Governor signed a law mandating paid sick days for 6.5 million working Californians. Unfortunately, the law excludes home care workers who still do not have a legal right to paid sick days. The state \$15 minimum wage includes paid sick days for home care workers, fully implemented in later years.

We support increasing the number of sick days workers can take in California to care for themselves and their families. We also support expanding the reasons a worker can take paid sick leave to COVID-19 related reasons. We also support making permanent the various emergency expansion of paid leave as critical to public health. We will continue to work to ensure that all workers in California have the right to take paid sick days.

## Retirement

All workers deserve a secure and dignified retirement. Over the last decade, we have seen an all-out assault on retirement security, with employers swapping out defined benefit plans for riskier defined contribution plans, ongoing attempts to rollback public employee pensions, and a push to privatize social security.

Individual savings like 401(k) plans and IRAs cannot offer all the benefits of real pensions. Defined benefit pension plans are the only ones that can offer real retirement security. They provide for all covered workers a predictable and reliable lifetime retirement income, valuable survivor and disability protections, possible early retirement benefits, and post-retirement benefit increases.

As fewer private sector workers have access to secure pension plans, so too are public sector workers seeing their retirements chipped away. These workers have sacrificed wages and other benefits to preserve a decent retirement. Pension reform has already taken place at bargaining tables up and down the state. In every city and county, public employees and government representatives have come together to negotiate how to get through these tough times. In virtually every jurisdiction, collective bargaining has resulted in the adoption of two-tier plans, increased employee contributions or extended retirement age.

The Federation opposes efforts to abrogate collective bargaining to force concessions and take-aways unilaterally. We oppose attempts by local politicians to circumvent collective bargaining by placing takeaway initiatives on the ballot rather than negotiating over them. We oppose efforts to strip away vested retirement benefits of current workers. We oppose the push to eliminate defined benefit pensions, eliminating all retirement security for a workforce that does not even have Social Security.

The Federation opposes any attempt to undermine, reduce, modify, or take away the pension benefits that workers have earned through their hard work and years of service.

The Federation is committed to pursuing real retirement security for all including:

- **Expanding and improving Social Security:** The bedrock of retirement security for America's working families is Social Security. We oppose attempts to weaken Social Security by cutting benefits under the guise of "strengthening" the Social Security trust fund by reducing its outflow. We oppose efforts to institute the chained Consumer Price Index and we must continue to fight all such efforts. We oppose any cuts to Social Security benefits and support repealing the federal tax on benefits. We echo the AFL-CIO's support for taxing income above the existing taxable earnings cap and the position that mandatory coverage of all public employees must not be part of any funding plan.
- **Including all workers in Social Security and Medicare:** Currently, the In-Home Supportive Services program excludes parent and spouse providers from paying into Social Security and Medicare. We support extending Social Security and Medicare to all IHSS providers, regardless of family status.
- **Resisting efforts to privatize public pensions:** Republican legislators continue to push for pension privatization. These proposals would jeopardize the secure retirement benefits our members have fought for and sacrificed wage increases to preserve. We know that efforts to undermine defined benefit pension plans in the public sector would only accelerate the corporate push to eliminate secure retirement for private sector union members, as well.
- **Ensuring employer responsibility:** All employers should be required to fund retirement benefits as an essential part of every worker's pay. Private-sector employers that do not provide such a plan should be required to contribute into either a supplementary Social Security plan or a government-sponsored annuity plan that builds on existing programs, e.g., state employ-

ees' pension systems. We should build toward a system of retirement security for all workers with well-run pension plans and educated trustees.

- **Curbing abuse of the bankruptcy process:** No employer should be able enter bankruptcy proceedings for shedding their pension obligations. Cities and counties must be restrained from the use of municipal bankruptcy to eliminate pension obligations. The state must have oversight into the municipal bankruptcy process to ensure that it is not abused to undermine retirement security, as is the case in 19 other states.
- **Stopping imposition of inadequate pension plans:** Many employers are attempting to impose new two-tier pension plans on employees, including hybrid plans, defined contribution plans, or other plans that do not offer adequate retirement benefits. These plans will place older workers in untenable situations, where they will be forced to continue working or retire without enough money to survive. Any new retirement benefit plans should be implemented through collective bargaining and provide reasonable benefits that will allow workers to retire with dignity.

The Federation believes that all workers deserve basic workplace rights, whether they are temporary workers, part-timers, independent contractors, or subcontracted employees.

## Volunteer Labor

Hurricanes, raging wildfires, and other disasters frequently spark big-hearted responses from Californians ready to step in and help wherever they can. California union members are committed volunteers in their communities and are often the first on the scene to lend a hand to those in need. At the same time, we recognize that volunteer labor should not be relied upon to replace or eliminate jobs that should be filled with trained professionals.

The proper staffing of emergency responder positions, environmental clean-up crews, and other disaster-response teams is vital for worker, public, and environmental safety. In cases where volunteer labor is appropriate, volunteers should be provided with all necessary legal protections, including workers' compensation insurance, as well as the proper level of training, protective clothing, and equipment for the tasks to which they are assigned. Volunteer worksites should always follow all worker health and safety standards for volunteers, including applicable standards for the use of a respirator. Volunteer work should be properly documented by the agency and accessible to the volunteer in case of injury or other issues.

Workers should not be expected to serve as volunteers at their own worksites. Recent proposals to require classified school employee "volunteers," without any medical experience, to administer medications to students pose serious threats to student safety and workers' rights. In this economy, workers do not really have the option of declining so-called voluntary assignments without fear of consequences. Districts should not be able to shirk their responsibility under federal law to provide adequate medical care to students by pressuring classified employees to take on this role.

## The Underground Economy

California's vast underground economy continues to grow. An estimated 2 million Californians—15 percent of the total workforce—work in the underground economy. Because business in the underground economy is conducted outside the bounds of state law, businesses gain an unfair advantage over their law-abiding competitors by flouting labor laws and ignoring their tax obligations to federal, state, and local governments.

Employers who flout basic labor laws have a corrosive effect on entire industries as well-meaning employers are forced to lower standards to compete. In these industries, wage theft is a part of the strategy of unscrupulous employers, and the fines for violations are just the cost of doing business and not a real deterrent.

Workers in the underground economy suffer the worst abuses. Many do not earn fair wages or overtime pay. Some are never paid at all. They are often forced to work in unsafe work environments. If they are hurt, they cannot receive workers' compensation. If they lose their jobs, they do not get unemployment insurance. In the construction industry, the underground economy remains a critical problem, resulting in lower wages and appalling safety conditions. Undocumented workers are most likely to be trapped in these no-win situations.

Employers have also become more sophisticated at evading justice. Those who abuse workers' rights have learned how to stall enforcement actions through frivolous appeals and how to prevent any recovery for workers by declaring bankruptcy and re-opening their companies under new names. Other companies can simply wait out the administrative process until workers give up or are forced to move to find new work.

The Federation supports policies to crack down on scofflaw employers and to protect workers who report labor law violations from retaliation. We also support adequate funding of the Labor Commissioner and other efforts to expedite the wage claim process and to expedite the collection of back wages and penalties from recalcitrant employers.

The underground economy is built on employers exploiting the vulnerability of immigrant workers who lack legal status. The threat of deportation and fear of reporting labor law violations to authorities when they lack legal status keeps immigrant workers trapped in the underground economy. The Federation supports immigration reform that gives immigrant workers full protection under U.S. employment and labor law and prevents employers from using legal status to exploit and threaten immigrant workers.

## **Labor Law Enforcement**

The Federation has fought for stricter enforcement and tougher penalties for scofflaw employers. Creating a real deterrent to wage theft is a step in the right direction to cracking down on unscrupulous employers. Robust and targeted enforcement is also needed, requiring full funding of enforcement agencies, as well as information sharing and other tools to focus enforcement on the worst actors in key industries.

We support coordinated enforcement and investigations between tax and labor law enforcement agencies. The Federation has supported legislation to increase the penalties for employers that pay unfair wages or illegally withhold wages, but those penalties remain far too low. The state should maintain a public database of labor law violators to bring needed scrutiny to these employers.

Many employers punish and retaliate against workers who report violations to deter other workers from filing complaints. Current protections against retaliation are inadequate and thousands of retaliation cases filed with the state have yet to be acted upon. We support legislation to curb retaliatory actions by employers, such as requiring employers to prove they are not retaliating if they fire workers who have filed labor claims.

Funding for labor law enforcement has failed to keep pace with the growth in the state's workforce. We support all efforts to increase state funding for labor law enforcement through the Labor Commissioner, Cal/OSHA, the Public Employment Relations Board, the Employment Development Department, district attorneys, and the Attorney General's office. Now more than ever, funding for departments to protect and support workers such as Cal/OSHA, Labor Agency and EDD is critical.

We support empowering unions to take legal action on behalf of aggrieved workers. The Federation also supports Labor-management labor law compliance funds, which have proven useful in combating scofflaw employers in the construction and janitorial industries.

We support increased coordination between different departments and agencies to best enforce labor laws. Employers that violate health and safety and tax laws are likely violating labor laws for employees, as well. Coordinated investigations, record-keeping, and databases between agencies could increase enforcement, and allow for better use and consolidation of the resources of different departments.

We support all efforts to make enforcement avenues more accessible and responsive to workers. We support the elimination of barriers to collecting wages due after the Labor Commissioner or the courts pass judgments. We also believe that enforcement will not be effective unless workers can communicate with public agencies in their own languages. The Federation will continue to work for better resources, including increased multilingual staffing for labor law enforcement.

## **Forced Arbitration**

The Labor Federation has spent decades working to strengthen and expand labor law to protect workers' rights. We have fought for increased funding for enforcement and worked to make that enforcement more aggressive and effective. However, all that work is worthless if workers are forced to waive their rights to justice.

Today, many employers are requiring workers to sign away enforcement of those rights, effectively denying them access to justice and due process. Mandatory waivers of rights are agreements that workers are required to sign as a condition of employment. These documents generally prohibit a worker from filing a claim to a state agency or court and require that any potential claims be submitted to the employer's arbitrator. The issue of forced arbitration has been exposed more recently as a tool to protect individuals accused of sexual harassment.

Requiring workers to sign waivers of basic labor rights as a condition of employment is fundamentally unfair. More and more, employers are using waiver of rights agreements to deny employees basic workplace protections and workers are virtually powerless to stop it. With these waivers, workers with claims relating to discrimination, wage and hour violations, dangerous working conditions, or other workplace disputes can only seek justice through the employer's mandated process. Workers are even barred from taking labor violations claims to the Labor Commissioner making the Labor Code all but useless to protect workers.

The Federation will continue to fight against employers using any tool to force workers to waive their right to legal or administrative remedies to violations of their rights. We have fought too long and too hard to let employers privatize the justice system to work in their favor alone. Workers have the right to their day in court and their right to take claims to the Labor Commissioner.

### 3. The Future of Work, Automation, and Technology

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The pandemic has and will continue to reshape the economy. A shift to working remotely, a boom in the use of video-conferencing for large events, increases in contactless, automated services and countless other small shifts may have large, lasting effects on the nature of work.

No matter what the changes—technological or public health related, workers must have a voice in whether and how those changes are implemented. Technology can improve work or it can exacerbate the injustices of the current economy and workplace. The outcome depends on whether workers have the power to decide what technology is developed and how it is deployed in the workplace. We already see how technology like apps and algorithms are fueling the rise of the gig economy and changing the nature of work. Workers must have a say in how technology impacts work or corporate giants will use it to maximize profits and increase the concentration of wealth in the hands of the few at the expense of the many.

Any discussion of the future of work must start with the current situation. Over the past two decades, work has changed dramatically without much fanfare or analysis. Employers have freed themselves from employing workforces and now rely instead on part-time, temporary, outsourced, contingent and misclassified workers. Jobs are insecure, income is unreliable and the protections the Labor Movement fought for, like overtime, minimum wage, paid sick days, benefits, workers comp, are not available to many workers.

Rather than seeing mass automation and displacement of workers, technology is being deployed in more subtle ways that impacts the way work is performed. It is being used to accelerate the spread of precarious employment and the deep insecurity that goes along with such work. It is also changing the nature of jobs as algorithms supervise, monitor and track workers and take over parts of their jobs.

We need to implement strategies to control technology in its development. To do so requires a mix of policies, regulations, taxation, and programs that are put into place that shape the kind of technologies that are developed, how they're put into use, and the quality of jobs that are created as a result.

What that requires is for workers and their unions to have a seat at the table where the future of work is being shaped and to take technology into our hands as a tool to improve work today and build a better future of work. Workers must be involved in any discussion to implement new technologies.

We will not stand by as workers are treated as disposable or obsolete. Technology should not be used to displace or de-skill workers. Nor should it be used to replace or undermine the professional judgement of workers that use technology on the job. We will not allow technology to be imposed upon working people but will use it to shape the workplace of the future into one that offers a more just economy for all.

#### **Contingent Labor and Subcontracting**

Contingent work generally means lower wages, fewer benefits, unsafe working conditions, and less job security. The obstacles faced by contingent workers who want to join a union are significant. When workers try to enforce their legal rights or organize a union, they are easy to get rid of because they have no guarantee of a job from one day to the next. They are particularly

vulnerable to retaliation by the temporary employer or contractor. Multiple subcontractors are often used on one worksite to keep workers from sharing a common employer.

We support improving the notice and information provided to workers, so they know who their employer is, what their job is, and other terms of employment. We support holding employers accountable when they try to use labor contractors or staffing agencies as shields against liability for workers' rights violations. This would eliminate the perverse incentive to use a staffing agency, not to fill a temporary need, but to permanently end direct employment of workers. The expansion of existing worker retention laws would slow the move to contract out to temporary agencies and new registration requirements would ensure transparency and accountability for temporary agencies and labor contractors.

## Part-Time Workers

Millions of workers want to work full-time, but employers have reduced their hours and subjected them to unpredictable scheduling to increase profits. In California alone, the involuntary part-time workforce has increased 126 percent from 2006 to 2013. Using part-time work, employers have reduced labor costs and increased their profitability.

Even when part-time workers want and request more hours, their employers often chose to hire more workers instead. Part-time workers are required to stay available at a moment's notice for their employer last minute scheduling requests or risk losing future shifts for being unavailable. Erratic, unpredictable scheduling wreaks havoc with part-time workers' lives, leaving them unable to take second jobs, arrange for child care, or go to school. Most part-time workers also lack any kind of hours guarantee, meaning that an unpredictable schedule leads to unpredictable income. Workers do not know week to week if they'll earn enough to make ends meet, which further puts them at the employer's mercy as they compete for increased hours.

Part-time workers are paid lower wages than full-time workers, receive fewer benefits, and have little chance of advancement. As a result, employers save money on labor costs, increasing profits, while part-time workers are required to piece together enough hours at multiple jobs, or rely on public assistance to make ends meet.

The Labor Federation opposes the shift to a part-time economy that boosts corporate profits and impoverishes workers.

Every worker should get the hours they want and need to afford necessities. We recognize that some workers prefer part-time work and we support adequate benefits for all workers, no matter how many or few hours they work. The Federation supports local, state, and federal legislation that gives workers access to fair, guaranteed schedules so they may attend to other priorities and can depend on a steady income to support their families.

## Independent Contractors

The economic crisis has laid bare the damage that misclassification of workers as

independent contractors has done to workers, the economy and the safety net. The severing of the traditional employment relationship and the shifting of all risk—illness, injury, economic slowdown—onto the worker is a weakness in our economy that could not withstand a pandemic. Employers that misclassify have not paid into the Unemployment Insurance fund, don't provide health benefits, workers compensation, or other taxes. Their relentless pursuit of shareholder profits has ripped apart the safety net and left millions of workers vulnerable.

AB 5 was the Labor Movement's attempt to repair the damage wrought by decades of misclassification. AB 5 codified the landmark California Supreme Court decision in the Dynamex case and makes it easier to fight misclassification. It also tests the assertion of tech companies like

Uber, Lyft, DoorDash and others that they are somehow different or exempt from labor laws because they dispatch workers through apps rather than other methods. The explosive growth of the app-based economy brings new urgency to the fight against employer misclassification of independent contractors. Companies like Uber and Lyft, have built their global business model, valued at billions of dollars each, on misclassifying independent contractors. The stakes are high for app-based companies, so they are waging a state and national campaign against AB 5 and decades old employment laws. App-based companies and their supporters and investors have proposed creating new, employment models such as "dependent contractors" or "independent workers" that supposedly create a third class of worker between employee and independent contractor. The goal of these proposals is to relieve them of any substantial legal or economic obligation to their workers.

Proposals to create a third class of worker would eviscerate worker protections, safety net benefits, and any remnants of employer responsibility. They also will unravel AB 5, opening a floodgate of industries and employers that want similar exemptions from the law. The result will be that all industries—from trucking to health care to grocery—will face an onslaught of misclassification and a hollowing out of unions. The Federation will fight these models at every level and will fight an attempt to overturn or undermine AB 5.

We also oppose proposals for portable benefits that justify misclassification by "allowing" workers to have benefits they carry with them. These proposals use the guise of benefits to get employers out of liability for misclassification and allow the further spread of a model that lowers job quality, wages, benefits, protections, and security for workers. Unions invented the portable benefits model with our Taft Hartley trust funds; the difference is that unions negotiate contracts that require employers pay for those benefits. We oppose corporate portable benefits that shift more risk and responsibility onto workers.

Misclassification of workers as independent contractors formally severs the employment contract and shifts all risk away from global companies and onto individual workers. It is an abrogation of the social compact forged by Labor and business decades ago and poses a threat to the quality of all jobs. The Federation will continue to fight against misclassification of workers in every sector through the enforcement and protection of AB 5.

## Technology in the Workplace

Technology is fundamentally reshaping the economy, even without replacing workers with robots right away. Employers are increasingly deploying technology—in the form of apps, artificial intelligence, algorithms, and automation—to fundamentally change the workplace with small changes.

The robot apocalypse may not be soon, but massive structural changes to work are already happening, as parts of work are automated in some industries, while other industries are being completely restructured by technology.

The rise in apps for everything from food delivery to rides to the emergency room has enabled the spread of the gig economy to touch all aspects of our lives. Companies use apps to deploy armies of misclassified independent contractors, allowing them to disrupt industries by skirting labor law and scaling up.

Another example of technology in the workplace is the use of algorithms for everything from scheduling workers to replacing public employees in various positions. In retail, companies like Walmart, Starbucks, and others have perfected "just-in-time" scheduling algorithms that use weather forecasts, past sales data, and other variables to schedule workers at peak times, often for only a couple hours, with the goal of lowering labor costs. Algorithms have also been used to replace public employees that do everything from public program eligibility to assessing risk for bail and child protective services.

In addition to the threats to workers, algorithms can pose serious risks to the people we serve at work. In health care, algorithms are increasingly used to determine what kind of care patients will receive. Many of these algorithms have been shown to exhibit significant human bias. When decisions that impact people's health and life opportunities are delegated to algorithms, we run the risk of exacerbating racial and other social inequities in our communities.

Employers have deployed these types of algorithms solely for their own profit motives—to drive down labor costs—with workers bearing the burden of the technology, but it doesn't have to be that way. Algorithms could also be used to create more humane and workable schedules for workers that consider child care and school schedules. Or they can be used to make the jobs of public employees more efficient, improving services and workers' jobs.

The sector that will see the greatest disruption soon is transportation. Close to half a million Californians drive for a living—everything from big rigs to buses to UPS trucks. Driverless vehicles threaten to eliminate hundreds of thousands of jobs—jobs that provide middle-class salaries to workers that often don't have college degrees. While automation may not eliminate all driving jobs, the changes will have a ripple effect throughout the industry. Long-haul trucking is the easiest to automate, but even without automating last mile delivery, companies like Amazon are already deploying gig workers to deliver packages, making fundamental changes to the existing logistics industry. Public transit is also vulnerable, as buses, trains, and trolleys can be automated.

To this end, we support policies to ensure that workers are part of the development and deployment of new technology and automation, especially when funded by public dollars. We support advance notice to workers and unions before a procurement process for new technology that will change or impact the nature of work or eliminate jobs. We also support making the introduction of new technology and automation a mandatory subject of bargaining in the public sector. In public transit and other areas, we support the requirement that an operator be on board any automated vehicle.

However, no industry is safe from technological disruption. The rise of online commerce is reshaping retail and grocery. Robots, high-tech surveillance, and other tools are changing the jobs of security guards and janitors. And the logistics industry, from ports to trucking to warehouses, are undergoing massive technological changes.

Health care is a key target for profit-driven technological disruption. Employers have long sought to deskill health professionals and caregivers and are now applying artificial intelligence in the diagnosis and treatment of illness. Industry groups are currently taking advantage of the COVID-19 crisis to roll back regulations and accelerate telehealth expansion, supposedly to facilitate patient care in a time of social distancing. Their true aim, as always, is to cut costs and boost profits, and quality of care and the quality of health care jobs will suffer as telehealth is increasingly used to ration in-person patient care and outsource health professionals' and caregivers' work.

In health care, automation and virtualization can be deadly. We must protect both the right of our patients and communities to receive high-quality care, based on their needs, and the right and responsibility of health care workers to provide that care, based on their skills and clinical judgment.

Even in places like higher education, faculty are increasingly becoming contingent and part time workers, with little or no job security, little or no health care, and other benefits that are not provided because of their precarious status. Also, many rights are being lost due to the use of distance learning from intellectual property rights to increasing use of online only education which is demonstrable a lesser form of education at all levels.

We demand that teachers and other school employees be involved in any decisions on or design of distance learning programs required during the pandemic. Distance learning is a huge change

to the nature of teacher and school employee's work and those workers and their unions must be involved in the design and implementation of the technology, curriculum and programs.

We support putting requirements on any public-funding of private sector jobs—either by tax credits, subsidies or in public contracting—that workers be a part of the procurement and introduction of technology and steps be taken to protect jobs and job quality.

The outcome of all this technological change, however, is not pre-determined. Technology is a tool that can be wielded by workers to improve work or by shareholders to increase their dividends. The future of work is in our hands.

The Federation holds that workers must have a seat at the table to make policy, legal, regulatory, and other decisions about how technology is developed, deployed in the workplace, and how the benefits are shared. We support the creation of a state Commission with at least 50% labor representation to shape policy regarding technology in the workplace.

We oppose the calls by some tech companies for a Universal Basic Income (UBI) as an easy solution to the threat of automation. Tech has adopted UBI, which grants people a set amount of money annually, as a solution to job displacement. However, these same tech companies calling for UBI would oppose any additional taxation to raise the billions of dollars necessary to effectively fund such a program.

UBI is proposed as a way for tech companies to reap all the benefits of automation and technology without having to pay for any of the negative consequences. Our existing safety net is already strained and fraying, yet tech companies aren't suggesting that they should pay more taxes to repair it, instead they come up with pie-in-the-sky ideas like UBI to justify eliminating and lowering the quality of jobs.

The Federation believes that there is dignity and value in work and we believe that workers and their families deserve strong social protections, not programs designed to protect corporate profits. We oppose a future where robots replace workers and people live on allowance from the corporate class, further increasing inequality and the concentration of wealth in the hands of the few.

We have a vision of the future built by workers who reap the benefits of technology—technology that works with workers to make the job safer, more productive, and efficient. In this future of work, the fruits of labor and the benefits of technology are shared equitably across society, diminishing inequality, strengthening unions and democracy. We commit to working towards this vision of the future of work and against the robot apocalypse.

## 4. Protect Public Sector Workers

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In 1935, American workers won the right to organize and bargain collectively to improve working conditions with the passage of the National Labor Relations Act (NLRA). A wave of unionization swept the country. Workers in industry after industry joined unions and built a vibrant and powerful Labor Movement. However, not all workers were granted the same rights. The NLRA excluded public sector employees, along with domestic and farm workers, but not because they did not need unions. Public sector workers often worked in grueling conditions for low-wages, no benefits, and little job security.

As government employment grew exponentially in the post-World War II era, public employees began to organize and agitate for their rights. The mass unionization of the public sector, which was more racially and gender diverse than the private sector, brought hundreds of thousands of African-Americans, Latinos, Asians, and women into the Labor Movement, though many were still paid less than white men.

Public sector unions came up at the same time as the civil rights, feminist, and student anti-war movements and often marched side by side for the same causes. A notable example was the unionization by AFSCME of predominately African-American sanitation workers in Memphis, Tennessee. Dr. Martin Luther King was assassinated while in Memphis to march with workers in a demonstration of linked goals of the civil rights and Labor Movement.

As union density in the private sector declined, public sector unionization rates have remained high. Public sector unions are a powerful anchor to the Labor Movement and continue to flex political muscle on the local, state, and federal level. It is not surprising then that big business and their Republican allies have public employee unions in their sights for destruction. The right-wing has accelerated their coordinated warfare on public sector unions. Across the nation, public employees are fighting for their survival. States are employing a range of tactics, from right-to-work legislation to paycheck deception and attempts to ban collective bargaining for public employees. Other attacks are on prevailing wage laws, Project Labor Agreements, and teacher tenure.

The public sector has been the target of sustained and coordinated attacks by right-wing, corporate forces over the past decade. From attacks on pensions, furloughs and budget cuts, to the all-out assault of *Harris v. Quinn* and *Janus v. AFSCME*, public sector workers are under attack.

Yet, public sector workers and their unions have not only survived, but they have fought back. Pundits predicted the *Janus* decision would spell the end of public sector unions, yet unions have organized and used every tool at their disposal to maintain, strengthen and grow membership.

Now that membership is threatened by an economic crisis that has drained state and local budgets of billions of dollars. Furloughs, pay cuts and attacks on public employees pensions and benefits are once again at the forefront. We cannot repeat the mistakes of the Great Recession when public employees bore the brunt of budget cuts and the state eliminated jobs that have not come back. Cutting wages and jobs will only prolong the economic strain and further drain the budget. Keeping public employees on the job benefits the economy and is essential to provide the public services that are more important than ever.

The old union saying of “an injury to one is an injury to all” sums up how the California Labor Movement is responding to national attacks on public sector unions and will respond to budget cuts. These are not just attacks on our brothers and sisters in the public sector. This is the first salvo in a war against the Labor Movement and against the last remnants of a middle class. The right-wing understands that unions are the last line of defense against corporate, Wall Street greed and they will not stop until they have dismantled every one of our unions. For that reason,

union solidarity is more important now than ever and we call on all unions to join in the fight against attacks on the public sector—whether legal or through budget cuts

## **Janus vs. AFSCME**

Public sector unions Prepared for and survived the Janus decision with impressive results. The core strategy was clear from the start—one-on-one organizing to sign up as many members as possible.

One of the challenges of signing up members is finding workers and having access to them efficiently, given the staff resources needed. The best time to find workers and sign-up as many as possible at one time is during orientation. For that reason, the Federation, along with public sector unions, fought for union access to public sector employee orientations on an on-going basis. These orientations offer an opportunity to introduce new workers to the benefits of the union and to sign up large numbers at one time.

As soon as the orientation bill was signed into law, the anti-union Freedom Foundation launched efforts to sabotage it by demanding equal time at orientations to convince workers to drop union membership. Local governments, such as in Orange County, that already have anti-union leanings are willing to invite the Freedom Foundation to orientations or to hand out anti-union literature themselves. The Federation opposes any effort by outside groups or government to sabotage our orientations or to dissuade workers from joining the union. The Federation moved a bill to strengthen prohibitions against public sector employers from advocating against the union, and we will continue to support measures to fight employer anti-union activity.

We will also fight the Freedom Foundation’s efforts to destroy public sector unions by launching drives to have workers drop union membership. We support measures to protect worker privacy from anti-union groups soliciting their information. The Federation will not allow an anti-union group like the Freedom Foundation to grow roots and flourish in our state and we will fight their presence, fundraising, and organizing with every tool available.

Orientation is just one opportunity for unions to organize new members. The Federation also supports efforts to increase the ability of unions to use lost time and release time to increase the number of organizers on the ground signing up members. We will also continue to find the best tools to help unions sign-up members, from new technology such as digital signatures, to incentives to sign-up such as tax credits for membership dues.

The Janus case is an existential threat to the entire Labor Movement. It will take all our unions, all our members, and all our fighting spirit to survive this moment. But the Labor Movement knows how to survive and how to grow—workers standing together to build a better life and a better world. Now, more than ever, workers must stand together to take on this historic fight. The Federation pledges to stand with our unions to fight another day longer. Together, we can do it.

## **State Public Employees**

The public sector has traditionally offered hundreds of thousands of Californians secure jobs with good wages, benefits, and pensions. Massive cuts to public sector jobs threaten California’s economic recovery as the private sector struggles to make up for the loss of stable government jobs. California has cut more public-sector jobs than any other state since the beginning of the recession. The State cut 126,300 federal, state, and local government jobs, shrinking the public-sector workforce by 5 percent.

Public employees have suffered furloughs, wage and hour reductions, and attacks on their pensions and retirement security. Public employees have taken more than their fair share of cuts to balance the state budget and face even deeper cuts, yet corporations have not lost a single tax break. The Federation opposes proposals to pare down the public workforce through budget cuts, layoffs, and furloughs.

In addition to the various shortages caused by recession-era cuts, many seasoned public employees are reaching retirement age. More than 40 percent of the state workforce will reach retirement age by 2018. More work is needed to develop and support the next generation of public servants. All Californians suffer when the state does not have enough trained workers. Public employees are often on the frontlines of preventing waste, fraud, and abuse of tax payer dollars.

Public employees also face increased attacks on their pensions and retirement security. In California and across the nation, public employee pensions are being scapegoated for an economic crisis created by Wall Street and now created by a global pandemic. The entire cost of pensions for state workers in 2011 was \$3.5 billion, barely 4 percent of the state’s total budget. Public employees already contribute up to 12 percent of their salaries to their pensions and have made several concessions during bargaining on pension issues.

The Federation opposes pension reform proposals that serve the political purpose of scapegoating public employees rather than fixing the state’s budget. The Public Employees’ Pension Reform Act of 2013 enacted sweeping changes to the public pension system for both new and current workers. Any further changes should be made through collective bargaining.

## **Outsourcing in the Public Sector**

Each year, the state spends billions of dollars on personal services contracts, hiring workers without the protections of civil service laws or a collective bargaining agreement. Locally, contingent workers, euphemistically called “extra help,” labor alongside their permanent co-workers, earning none of the benefits and having none of the job security.

In the public sector, contracting out work has additional risks: a profit motive for service delivery, decreased transparency of the contract terms, and reduced accountability for the services provided. But the harm to workers remains the same: without an expectation of permanence or protection, workers cannot afford to speak out when their rights are violated or try to improve their conditions by organizing a union. Permanent workers get displaced by workers with lower wages, fewer rights, and little hope of changing conditions for the better.

Public sector employers not only outsource workers, but they also entire services. For example, Kindred Healthcare, LLC, a private health care company based in Kentucky, took over the new rehabilitation hospital at UC Davis Medical Center and UCSF eliminated in-house home health services and outsourced the work to for-profit agencies to serve a very vulnerable population. We oppose the wholesale outsourcing of public sector services to the private sector and sub-contractors. The services provided by public sector employers provide for the common good and should be protected from the profit driven motivations of sub-contracting and privatization models.

The public sector has also moved toward a more contingent workforce. Jobs that were once stable and permanent are being eliminated and replaced by temporary or contract workers. Each year, the state spends billions of dollars on personal services contracts, hiring workers without the protections of civil service laws or a collective bargaining agreement. California laws provide some protections against contracting out state and school work. Yet, there is little transparency over state contracting practices and the billions of dollars spent in state services contracts each year suggest the law has not been effective. We support expanding and strengthening existing laws to restrict the outsourcing of public sector jobs.

The University of California is particularly egregious at outsourcing work. UC spends some \$523 million a year on outside contracts for an estimated 10,000 parking attendants, security guards, custodians, cafeteria workers, groundskeepers and patient-care technicians among dozens of occupations normally represented by unions. We support state laws to limit outsourcing by the UC, CSU and other state schools.

We call for a comprehensive review of all state contracts to identify which ones can be cost-effectively returned to the public sector. We also call for standardized criteria and a public process before public employees' work can be contracted out and we call for an increase in the minimum wage paid to workers on state contracts. The money the state pays for contracts should build the middle class, not undermine it with low-wages.

The ability to bargain for better wages, benefits, and working conditions depends on a system that is effective, efficient, and fair. The Federation supports the re-appointment and new appointments of labor-side PERB members and supports increasing the PERB budget to deal with a backlog of cases and to ensure the Board can efficiently and effectively address public employee issues.

### **Contracting Out and Charter City Conversion**

Initiatives are not the only way that local governments are going after unions and the public sector. In March of 2011, the City of Costa Mesa voted to contract out more than 200 city jobs—over half of their workforce. The city garnered national attention when one worker committed suicide by jumping from a building apparently devastated by the layoff notice he received. Although the city claims the outsourcing was for cost savings.

Charter cities, unlike General Law cities, can abandon the state constitution and adopt their own charter which governs the city's laws and operations. Of the state's 482 cities, 120, or 25 percent, are Charter cities. The trend toward Charter city conversions is growing in popularity as cities use conversions to cut costs and balance their budgets by abrogating collective bargaining agreements and eliminating worker protections.

The Associated Builders and Contractors seized on Charter city conversions to prohibit Project Labor Agreements and prevailing wage laws. We join with the State Building and Construction Trades in their fight at the local and state level to ensure that every city can choose to build with PLAs and every worker is paid the prevailing wage. We support SBCTC's lawsuit against the City of Vista for attempting to circumvent paying prevailing wage on municipal projects. Prevailing wage is the pathway to the middle class for construction workers and it should be preserved at the state and local level.

We applaud victories to fight back against Charter city conversions designed to undermine workers' rights. The Federation will continue to work for strong public-sector protections that ensure workers have the right to collective bargaining, living and prevailing wages, and retirement security.

## **5. Invest in California**

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Now more than ever we need to invest in our state economy and use public policy to create good jobs. Infrastructure, manufacturing, and housing construction all provide opportunities to create an economy that works for working people. Building affordable housing provides a double benefit, in that it creates jobs and addresses the growing housing crisis faced by working people in California who cannot afford to live where they work.

A key part in investing in California is investing in its workforce. By encouraging a skilled and trained workforce we ensure that the workforce that is building California's infrastructure and affordable and market rate housing is paid fairly and treated with respect. California's skilled and trained workforce proudly includes 68,000 union construction apprentices. This program is the most robust and diverse of its kind in the United States as 72% of apprentices enrolled are people of color, one in five are from the foster care, emancipated youth or re-entry programs, and, of all the women in apprenticeship in the state, 95% are in the building trades. By supporting legislation and policies that support skilled and trained workforce and apprentice programs, we are continuing to create a path to the middle class for California's blue collar families.

We need a comprehensive strategy for making investments in our economy and a sustainable, equitable way to finance them. A sound investment plan will improve our schools, roads, and public transportation, and it should finally address our needs for hospital seismic upgrading and levee repair. The Federation supports these significant public investments.

Major public investment is the cornerstone of sound economic development policy in California. Transportation spending supports our infrastructure and directly generates jobs. Public investment in energy production and supply protects the state's residents from the vagaries of the private market. And investment in our water system protects a resource vital to our economic growth and prosperity.

Destructive trade policy further increases inequality in California and beyond. The 2016 presidential campaign highlighted the failures of global trade agreements that have accelerated job loss and lowered living standards in the United States while exacerbating poverty and social disparities in the rest of the world. However, the new administration has failed to address these trade agreements and workers are still suffering the fallout from NAFTA. Reversing the damage done by free trade requires developing a strategy to bring back manufacturing through Made in California policies and investments in a skilled workforce.

Economic growth depends on bringing back advanced manufacturing to California and creating good union jobs in the private sector. The state has an important role to play in investing in an economy that works for working people and rebuilds the middle class.

### **Affordable Housing**

The lack of affordable housing has reached crisis levels for working people in California. Skyrocketing rents due to gentrification in cities in the Bay Area, Silicon Valley, and LA are driving workers further and further from their jobs, requiring them to commute longer to get to work. Working people are increasingly forced out of urban areas where jobs are concentrated to make room for the professional class. The lack of affordable housing combined with stagnant wages has forced growing numbers of workers into homelessness, or near-homelessness as they stay with friends and family, in temporary housing, live in their vehicles, or on the streets.

The rapid growth of short-term rental companies has also exacerbated the housing crisis for working people. A 2015 report found that AirBnB has taken more than 7,300 units out of the rental market in Los Angeles, turning them into permanent vacation rentals. Increasingly, corporate real estate companies, or commercial renters, are getting in on AirBnB's market, renting out several units simultaneously, in contrast to the homeowner renting out a room to make ends meet. A recent study found that a small number of commercial users raked in 40 percent of AirBnB's revenue by renting out multiple units 24/7. This takes units off the market and drives up rent in the surrounding areas, further burdening working people.

Here are our proposals to ensure affordable housing for working people:

### Guarantee Affordable Housing

- **Revive rent control:** In California, rent control laws are weakening. With the notable exception of the 2002 'just cause' eviction victory in Oakland, rent control ordinances are eroding under pressure from property owners seeking more control over their rental units. We support local efforts to restore rent control. We also support legislation to provide 'just cause' eviction, longer eviction notice requirements, more regulation of landlord use and return of renter security deposits, and protection for tenants during foreclosure.
- **Increase state and federal funding for low-income housing:** We support the establishment of the Housing Opportunity and Market Stabilization (HOMeS) Trust Fund that would create rental and homeownership housing for low- and moderate-income workers throughout the state. Funding housing for the middle class not only provides shelter, but also revitalizes the struggling home construction sector and provides apprenticeship opportunities.
- **Regulate short-term rental companies:** We support laws to ensure that local jurisdictions can enforce limitations on short-term rentals, collect Transient Occupancy Taxes, and have access to data on rentals in their area. We also support legislation to ensure that short-term rental companies do not take affordable rental units off the market to only serve the interests of wealthy vacationers.
- **Ensure no worker is homeless:** We support programs, legislation, and funding to ensure that working people have access to affordable housing in the region where they are employed. Long commutes that force workers to sleep in their cars during the week is essentially the under-housing of the population. Attention must be paid to affluent areas with skyrocketing rents that also employ large numbers of low-wage workers.

### Use Union Labor to Develop Housing in the Right Places

- **Fair wages for work:** Governor Gray Davis signed legislation in 2001 applying prevailing wage rates to all government-subsidized housing construction. We believe that the women and men who build affordable houses deserve a living wage.
- **Pursue high-road housing partnerships:** Union construction workers have teamed up with affordable housing advocates to build nearly a thousand units of affordable housing in California in the last decade. The AFL-CIO's Housing Investment Trust is a successful partnership of unions, government, and private contractors. It requires the payment of prevailing wages so those people who build the houses can afford to live in them. This is a model high-road economic project—creating housing that working people can buy or rent, while simultaneously creating high-quality jobs for workers.
- **Pursue smart growth development:** Economic development activity should seek to create healthy communities and "smart growth" development. The dissolution of redevelopment agencies gives the state an opportunity to redesign development in economically-distressed areas, creating transit-oriented development and high-quality job creation. The Federation

supports redevelopment successor programs that design residential areas close to mass transit, retail establishments, and businesses and include jobs plans for high-road job creation.

### Build the California of the Future: Infrastructure

Under Governor Pat Brown, California made massive public investments in infrastructure—roads, water, energy, parks, bridges, and schools. That was a necessary investment in California's future. Decades later, that infrastructure has fallen into disrepair and is inadequate to support California's growing population and economy.

Crumbling bridges, pockmarked roads, and decrepit schools not only hurt our quality of life, but also further drag down our ailing economy. We cannot allow our existing infrastructure to crumble and fail to meet the challenge of a growing population and economy. Infrastructure investments are proven job creators. Every \$1 billion spent on heavy construction creates an estimated 13,000 jobs.

The Federation supported SB 1 to invest billions of dollars in fixes to roads, bridges, and highways, as well as new funding for public transit. Funded by a gas and vehicle tax, SB 1 will create thousands of good new jobs, while fixing infrastructure communities rely on every day, such as local streets and transit. The Federation opposes any proposals, initiatives, or referenda to repeal the gas tax or to undermine the current funding of infrastructure repair and maintenance.

The Federation supports the creation of good, union jobs on infrastructure projects that pay prevailing and living wages. The Federation joins the State Building and Construction Trades Council in continuing to strongly support Project Labor Agreements to help large public and private construction projects go more smoothly, as well as to maintain wage and benefit standards.

PLAs prevent an economic race to the bottom, in which businesses compete against each other at the expense of workers and the community. They are particularly important for large-scale public works projects, which have the potential to raise or lower wages for thousands of workers. PLAs have been used for over sixty years, on public projects like the construction of the Shasta Dam and Los Angeles' Light Rail System, and private projects at General Motors, Disney, and Toyota.

### Communication

Advanced communications technologies and services increasingly affect work, education, health, culture, information, and human socialization in modern society. California continues to lead the United States in the evolution of network architecture, hardware, software, connectivity and deployment.

However, the United States' lags behind much of Europe and Asia in average internet speed, placing 15th in the world. California also suffers from the lack of digital equity.

High-income communities benefit from speeds as high as 1 Gig or almost 1000 Megabits per second (Mbps) while rural communities and inner city neighborhoods struggle with speeds of 4 or 5 Mbps. In some households, children play, learn and adults work simultaneously on multiple devices. Children in rural areas and poor neighborhoods gather under street lights or outside of closed community centers and fast food outlets with cell phones.

The FCC has concluded that mobile service is not a substitute for fixed service and that they, "provide different functionalities, tailored to provide different consumer needs." Advanced communications infrastructure would position rural communities and decaying urban areas for light manufacturing, electronics, call centers, and tech industries. It would also facilitate telemedicine, remote learning, dual enrollment for high school students and all sorts of online training and personal development.

Advance communications must be regulated in order to protect it as vital infrastructure and not subject to the whims of the stock market and corporate interests. It must remain accessible, affordable and free of discriminatory business practices. Ultimately, it would restore California as a leader in technology, workforce development, and jobs with fair wages, benefits and security.

California must create the jobs of the future while building the networks of the future. The architecture with the most social benefit will be based on forward deployment of fiber to homes, businesses, schools, libraries and community centers. Moreover, to ensure that deploying advanced communications technologies protects workers and their communities, recipients of public funds for infrastructure must adhere to policies that support good jobs, including strong protections for workers' right to organize.

## Transportation

California cannot prosper without sound public investment in the state's transportation infrastructure. We support spending to improve roads and highways, build and improve public transit systems, upgrade bridges, introduce light rail in crowded city centers, modernize buses and trains, and maintain our ports and waterways.

We support legislation to generate the revenue needed to repair our crumbling transportation infrastructure and will fight to protect those laws and the legislators who helped pass them.

The Federation continues to work to ensure the construction of a statewide high-speed rail system. We commend the leadership of the High-Speed Rail Authority for developing a realistic and comprehensive business plan that lays out the road map for construction of the 800-mile system. High-speed rail is the largest job creation and economic development project in California and the nation. California can leverage state dollars to attract federal and private investment in the project to create hundreds of thousands of jobs.

We worked to get bond funds authorized to begin construction on the high-speed rail project. We will continue to work to ensure funding of the project. High-speed rail opponents know that once hundreds of thousands of Californians are employed after breaking ground on the project they will not be able to stop its progress.

Road building should not replace mass transit. We call for the expansion of subsidized mass transit and the retooling of industry to build more mass transit. The absence of effective mass transit can be the decisive factor in keeping working families in poverty. The Federation opposes the raiding of funding streams for mass transit at the state level. We need to maintain operations funds from the state while maximizing the federal stimulus funds received for transit equipment. The Federation opposes cuts to operations funds and mass layoffs across transit districts that disrupt and decrease service quality.

## Water

California faces a historic drought that makes investment in our water infrastructure and storage even more urgent. A sustainable water infrastructure ensures that farmers, residents, and businesses can thrive, and the state's economy can grow.

The state constitution protects water as a public trust, meaning that water belongs to the people of our state. Historically, the state and federal government have invested in water infrastructure to ensure universal access to clean and affordable water for residential and industrial use. Eighty percent of people in the state now receive water from a public water system.

Private corporations are increasingly viewing water as a lucrative investment opportunity, jeopardizing access and safety. Multinational corporations are aggressively pursuing a water privat-

ization agenda, bringing globalization and its effects home to our back yard. The Federation opposes the privatization of water infrastructure and urges the state to maintain its historic role in protecting water as a public good.

The same companies who seek access to the municipal water system have lobbied to gain access to public bond funds. This hijacking of public resources would be an historic shift in California's policy of investing in public infrastructure. It would also be deeply ironic, given that private water companies often market themselves to municipalities based on their credit rating and access to global capital markets. Environmentalists and consumer advocates have thwarted this effort, but we must stand firm to make sure that California uses public funds to build and maintain public infrastructure, not as a giveaway to corporate privateers.

Another form of water privatization occurs when agribusinesses sell water. In Kern County, for example, the state's largest underground storage facility – designed to store water for times of drought or to meet public water needs – is now being used by agribusinesses to sell water to anti-union developers.

The Federation views water as a public good that must be protected so that it can benefit farmers, businesses, and consumers in the state. Seeing it as a tradable commodity, to be bought and sold on a water market, is a dangerous precedent. As the state learned in the energy crisis, the commoditization of natural resources can be very dangerous. We call for active stewardship by unions and communities to protect water from speculative moneymaking interests.

## Maritime Trades

California's ports are the gateways for nearly 50 percent of all U.S. waterborne commerce. The ports link the state to the global economy and fuel economic growth. Ports and their intermodal goods movement businesses support a high-wage workforce in the highly unionized transportation trades. The Federation supports releasing funds from the Harbor Maintenance Trust Fund for port infrastructure improvements.

The Federation reiterates its support for federal statutes that ensure that vessels engaged in the coastwise and international trades are built and crewed by American workers. The Jones Act, the Maritime Security Program, the Passenger Vessel Services Act, and U.S. cargo preference laws are critical in maintaining a viable American Merchant Marine.

The Jones Act (Merchant Marine Act of 1920) stipulates that vessels that carry cargo between U.S. ports be built in the United States, owned by U.S. citizens and crewed by U.S. citizens. Without the Jones Act the American Merchant Marine and its good-paying jobs would be destroyed and the domestic waterborne commerce of the U.S. would be controlled by foreign interests. In 2017, in the wake of Hurricane Maria, which devastated Puerto Rico, disaster opportunists said that relief for the island was hampered by the Jones Act. In fact, U.S.-flag ships delivered relief supplies, but the ruined infrastructure (roads, bridges) hampered its distribution.

During Maria and in general, the claims that Jones Act U.S.-flag ships failed to deliver and instead drive up prices in island economies like Hawaii and Puerto Rico has been debunked. Independent studies have shown instead that such costs remain flat while the non-contiguous economies benefit from state-of-the-art maritime technology and supply chain efficiencies. Moreover, in terms of good-paying American jobs that support the American middle-class – the Jones Act is elemental. Among all states California is fourth in the nation in total Jones Act jobs that contribute an annual \$12.2 billion to California's economy. Related labor income generates another \$3.6 billion and there are more than 51,450 Jones Act jobs here. California is also a top shipyard state, another a critical component of the Jones Act's overall protection of American near-coastal, seagoing and shoreside support jobs.

The Maritime Security Program ensures that 60 vessels are engaged in the foreign commerce of the U.S. Importantly, the Passenger Vessel Services Act provides the same requirement for passenger vessels (such as ferry or crew boats that the Jones Act provides for cargo vessels).

Cargo preference requires that government-impelled cargoes be carried in U.S.-flag vessels. Yet, under the guise of keeping transportation costs low, some government agencies have for years been skirting strict cargo preference laws. The Federation calls on Congress and the White House to enforce the statutes on the books.

Another key element of U.S. cargo preference laws is the Food for Peace Program. The purpose of this program is to promote the food security of developing countries. Food aid is grown by American farmers and transported onboard U.S. - flag vessels to countries in need. In California that means the jobs of the maritime trades are connected to the success of the state's massive agricultural trade and its workers. Since its inception in 1954, more than three billion people in 150 countries have benefited directly from U.S. food aid.

Only 50 percent of Food for Peace cargoes are carried by U.S.-vessels and monetize the program. The Federation calls on Congress to maintain Food for Peace and increase the cargo carried to 100 percent.

The Federation supports the U.S. Department of Transportation's America's Marine Highway Program. The development and expansion of America's marine highway system is an ongoing joint government-private industry effort. The resultant increase in the coastwise waterborne transportation of cargo will help to significantly alleviate congestion on our nation's highways and rails, achieve a greater measure of energy efficiency in the transportation of domestic cargo, and create jobs for American workers in the maritime and its related service and supply industries.

One major obstacle to the development of America's Marine Highway Program is the double application of the Harbor Maintenance Tax (HMT) on domestic waterborne cargo that arrives and moves again by water transportation.. The Federation supports legislation that would end the double taxation on domestic waterborne cargo; however, in March of 2020 the CARES Act stimulus package represented a partial victory by enabling all future HMT revenues to be used for their intended purposes of maintaining port infrastructure.

The Federation condemns the "flag-of-convenience" system in which avaricious ship owners around the world register their vessels in phony flag states to evade labor, safety, environmental, and tax laws. Despite U.S. law and policy, these ships have reduced the amount of cargo generated in the U.S. and carried in U.S.-flag vessels to less than 2 percent. The Jones Act, the Maritime Security Program and cargo preference laws are rare bulwarks against the corrupt "race-to-the-bottom" globalized system of exploitation and oppression suffered by international maritime workers.

The Federation supports tough security measures that protect U.S. ports and maritime workers from terrorist attack but opposes any measures that treat workers as suspects and infringes on their constitutionally guaranteed civil rights. The federal government should be less focused on low-risk American workers and more focused on 100 percent container screening on imports, foreign mariner documentation, and other security initiatives.

## **Build Here, Buy Here: Manufacturing**

California is the No. 1 technology state in the nation because we have a legacy of valuing education and fostering innovation. However, if we invent big ideas in California, we must manufacture them here. We can no longer afford to outsource our innovation to other countries. It is no longer acceptable for our politicians to subsidize the practice of big corporations shipping jobs out of state or overseas. The state can play a critical role in creating a market to encourage the growth of in-state manufacturing jobs.

California has great potential to generate new manufacturing activity, especially in the green economy. The growing demand for green technology and products provides a perfect opportunity to revitalize California's manufacturing base by producing components to build solar panels, wind turbines, high-speed rail trains, electric vehicles, and other building blocks of the green economy. However, currently many components are brought in from abroad. We should be manufacturing, rather than importing, the goods necessary to build the green economy. We support efforts to buy materials made in America and in California. We also support bid preferences for contracts for goods and services that create jobs in California.

Transportation manufacturing is a potential area of growth in California. Currently, most American manufacturers of trains, light rail, buses, and other rolling stock buy component parts and intellectual property from overseas and just assemble the finished product in the U.S. We support state and local agencies to make every effort to purchase new fleets that are manufactured in the United States.

Construction of a high-speed rail system in California provides an opportunity for the state to rebuild the manufacturing base. The state will spend billions to construct, maintain, and operate a high-speed rail system, and the train sets and supplies should be built in California.

Electric and automated vehicles have the potential to rebuild the manufacturing base in this state. California has a huge market for EVs and AVs, and state and federal incentives are designed to increase the market. Tesla, an EV manufacturer, took over the old NUMMI plant in Fremont and is the only automaker in California. However, Tesla is currently non-union, and workers make considerably less money than union autoworkers, while facing dangerous working conditions and no guarantees of secure employment.

The Federation calls on Tesla, and all "green" manufacturers to remain neutral and allow their workers to organize. We support requiring job quality standards on public subsidies for EVs and AVs that require certification as fair and responsible employers before they can receive taxpayer-funded subsidies.

Green jobs are a key part of building a 21st century economy. However, green jobs are not intrinsically good jobs. Employers will use the term green jobs to "greenwash" otherwise low-quality jobs to evade labor standards. The Federation supports aggressive use of the tools—including labor standards for subsidy recipients, living wage rules for government contractors, prevailing wage requirements, and project labor agreements—to hold employers accountable for creating good green jobs. The best strategy for making green jobs into good jobs, however, is to protect and expand the right to organize for all workers.

## **Trade Policy that Works for All Workers**

America's decisions about trade and economic policy have significant impacts on workers both here and abroad. NAFTA-style trade agreements have undermined agricultural economies in developing countries, leading workers to leave the fields and consider moving north. Without raising living standards abroad for workers and the poor, the pressure for immigration to the U.S. will continue and escalate.

The Federation supports international trade and rejects protectionism, but we also oppose so-called "free trade" arrangements like NAFTA (North American Free Trade Agreement), CAFTA (Central American - Dominican Republic Free Trade Agreement), and the FTAA (Free Trade Area of the Americas), as well as the "free trade" policies of the WTO (World Trade Organization) and the World Bank. Multilateral free-trade regimes serve the interests of multinational corporations in gaining access to markets—labor, suppliers, and buyers—but do not serve the needs of workers for good jobs, consumers for safe products, or people around the world for clean air and water. In free trade competition, only the corporations win, the rest of us are pitted against each other in a desperate race to the bottom.

The benefits of trade should be distributed so that economic integration benefits workers, consumers, and the environment, not just large corporations. We call for more meaningful connections across borders, like global unionism and international solidarity.

Industrial unions have long understood the effects of unregulated trade on their members. When production is shipped overseas in search of cheap labor and lax environmental standards, manufacturing workers lose jobs. Today, workers in the service sector are learning the same hard lesson.

The globalization of services opens the door further to privatization in the public sector. Health care, K-12 education, postal work, call centers, and many other industries could all be pried open by foreign corporations, with disastrous outcomes for workers and unions in those industries. We reject plans to expand the General Agreement on Trade in Services and to include similar language on services in future trade agreements.

### **Fight the Failures of Free Trade**

Labor's opposition to free trade began with the fight to stop NAFTA. After 20 years of the trade agreement, unions were right all along. In the first decade after its enactment, NAFTA cost more than one million American workers—including 123,000 Californians—their jobs. Real wages in Mexico are lower today than before NAFTA went into effect in 1994, and the number of people in poverty jumped from 45.5 million in 2006 to almost 58 million in 2010.

NAFTA was supposed to increase U.S. exports to both Mexico and Canada, but instead, the maquiladora plants on the Mexican side of the Rio Grande have boomed, luring manufacturing away from U.S. workers, environmental standards, and unions. Today, our trade deficits with Canada and Mexico are soaring.

The Federation especially opposes the TPP and any Fast Track authorization. The TPP, hammered out behind closed doors by administration officials and corporate advisors, could have a profound negative effect on California's jobs, and threatens what's left of our middle class. The TPP also has the potential to undercut California's strong worker and environmental protections, deepen poverty, and tilt our economy even further to the wealthy and well-connected while leaving everyday Californians behind.

Unions in California will continue to expose the myth of free trade and push for a fairer global economy. We recognize that "free trade" is synonymous with corporate free rein over the economy.

The Federation rejects Fast Track, which allows the administration to negotiate trade deals in secret without congressional oversight or amendment. We believe trade agreements need more scrutiny, not less. We support the state Legislature's efforts to expand public scrutiny of international trade agreements and the potential risks to state lawmaking authority.

### **Use Union Power to Protect Workers' Rights**

We urge international solidarity, not the liberalization of trade laws, in the face of the global economy. We support innovative coalition efforts to transform the global economy, such as the unity between environmentalists, consumer groups, and Labor unions that fought against NAFTA and CAFTA. We support solidarity campaigns that use purchasing power to bring pressure to bear on companies that abuse worker rights, including the campaign to expose Coca-Cola's human rights violations in Colombia. Multinational corporations can escape scrutiny only when we are divided.

We endorse cross border organizing and international solidarity among workers. We believe that global unionism is the best answer to the system of global exploitation. We strive for the same standards for workers around the world—good wages and benefits for a hard day's work.

The Federation will continue to fight for an economy that works for all workers.

## **6. A Strong Social Safety Net**

California's unions fought hard to create a strong social safety net for when workers fall on hard times. The pandemic has shown how critically important that safety net is to and how neglected and strained it is from decades of underfunding. Workers need protection against unexpected interruptions in their work lives, such as workplace injuries or layoffs. They need health care for themselves and their families when they are in-between jobs or cannot afford to purchase insurance on their own. Workers' compensation, disability insurance, public health care programs, and unemployment insurance all provide vital safety nets to working people.

Billion-dollar budget deficits over the last few years resulted in deep and painful cuts to safety net programs that have not all been restored. The growth of the gig economy and rampant misclassification has starved the unemployment insurance fund of revenues. Safety net programs are not just crucial to recipients, they benefit the state's economy. Unemployment benefits invest money into hard-hit communities when they need it the most. Medi-Cal provides health care that prevents reliance on expensive emergency room care at public hospitals for preventable illness. Workers' compensation prevents costly lawsuits and returns injured workers back to their jobs.

Though safety net programs were designed to help people through hard times, increasingly workers make up most of public assistance recipients. While employers benefit from not providing living wages or benefits, taxpayers foot the bill. California cannot afford to subsidize low-road employers. We need to repair our tattered safety net to provide for our most vulnerable residents. Large and profitable companies should either pay living wages or pay their fair share if taxpayers pay for their workers' necessities like food and health care.

Tech billionaires are pushing the idea of a Universal Basic Income to paper over the potential devastating impact of automation on workers. The UBI would give people a monthly income as a response to the loss of jobs to technology. Tech CEOs have embraced the idea to avert regulation of automation and taxation to fund public program. Proponents of UBI ignore that there is dignity and value in work and that the state already struggles to fund existing safety net programs, which are under threat at the federal level. We oppose UBI and other corporate programs that distract from the pressing issues of the future of work, technology, and automation and that do not help repair our existing safety net programs.

The Federation will continue to fight to preserve and expand safety net programs for working people. We will push for better funding for our strained unemployment system. We will work to preserve benefits for workers on state disability. We will fight to help injured workers get the care and benefits they deserve in the workers' compensation system. We will make sure that employers pay their fair share if their workers rely on public assistance. The Federation will continue to fight to support these programs as a basic component of workers' rights in California.

### **Medi-Cal**

One of the ways the Affordable Care Act offers coverage to the uninsured is through a historic expansion of state Medicaid programs.

Under the expansion of Medi-Cal, one in three Californians is enrolled in Medi-Cal and with the federal government paying for much of the cost of new enrollees. Not only did millions of Californians gain coverage, but tens of thousands of jobs were created for Medi-Cal eligibility workers and health care workers.

As millions of workers lose their jobs and employer-sponsored health benefits, they will rely on Medi-Cal to get through the crisis. Now is the worst time for the state to eliminate benefits or

restrict eligibility to the program, as was done during past recessions. Public health is essential for economic recovery and we will fight to ensure the Medi-Cal program is available to all Californians, regardless of immigration status.

GOP efforts to repeal and sabotage the ACA poses a grave threat to California's Medi-Cal program and to the thousands of union members who provide services to enrollees. We will continue to fight federal efforts to repeal, undermine or sabotage the ACA or to eliminate federal funding of Medi-Cal or Covered California subsidies. The Federation supports an adequately funded and robust Medi-Cal system. All Medi-Cal enrollees should be able to access the care and specialists they need in a timely manner.

However, the fact that a public health program for low-income adults now covers one-third of all Californians highlights the erosion of the middle class in our state. Growing income inequality and a growing contingent economy has forced more and more workers into precarious employment with low-wages and no benefits. Employers increasingly abdicate their responsibility to employees by shifting them onto public programs, like Medi-Cal, rather than offering job-based coverage. This shift is yet another symptom of a changing economy that shifts risk from employers onto workers and the public.

We support strategies and legislation to ensure that employers pay their fair share into the program, whether by offering employer-sponsored benefits that are affordable and high-quality, or by paying into the system.

## Unemployment Protections

Losing a job is one of the most financially traumatic events in a worker's life. To help families through the economic challenges of job loss, the unemployment insurance (UI) system provides partial wage replacement for workers unemployed through no fault of their own. The Federation believes that all laid-off workers deserve a way to support their families until they can find another job.

The economic crisis has resulted in unprecedented levels of unemployment with predictions the state could see 30 percent unemployment rates. Millions of workers are relying on UI benefits and the federal expansion and extension of benefits to survive. However, the benefit levels in California are woefully inadequate and will likely contribute to a longer recession as the unemployed struggle to survive.

Misclassified workers also struggle to access benefits because of their employers have not paid into the UI fund nor provided wage data to EDD. Uber and Lyft owe an estimated \$413 million in back taxes to EDD just for 2014-2019. Responsible employers and taxpayers should not have to subsidize scofflaw employers and any reform of the UI system must include enforcement of AB 5 and aggressive actions to go after companies that misclassify.

Recessions expose the fundamental insolvency of our unemployment insurance system. UI benefits only continued during the last recession thanks to billions in federal government loans; these loans are projected to finally be paid back by the end of 2018. Nothing has changed in the last decade and our UI trust fund will almost certainly become insolvent during the next downturn.

The Federation supports major reforms to the state's UI system that will ensure the long-term solvency of the program and the ability of the unemployed to access adequate benefits. Proposed reforms include:

- **Increase and index the taxable wage base:** Since 1983, California businesses have only been paying UI taxes on the first \$7,000 of each worker's earnings. Across the country, the average wage base for UI taxes is well over twice that of California. Our UI fund will be perpetually underfunded unless the taxable wage base is increased and indexed.

- **Increase the maximum tax rate:** The tax rate structure faced by California's employers encourages them to lay off workers. The rates vary according to a schedule, with employers that lay off more workers paying higher rates. All employers pay higher percentages in times of lower fund reserves. Maximum tax rates in California should be increased to have an impact on high cost employers, especially those in the agriculture, construction, and film industries.

- **Forward-funded UI system:** The current system requires employers to pay higher tax rates when the UI Trust Fund balance falls. This structure charges employers more during economic recessions but does nothing to prepare for downturns in advance. A forward-funded system would allow the Trust Fund to build reserves in times of prosperity so that businesses could avoid higher tax rates in rough times.

- **Special surcharge on employers:** California spent the last nine years owing billions of the federal government because of the UI trust fund loans. That debt has generated over a billion dollars in interest each year, and federal law prohibits UI funds from covering the payments. That means that the state General Fund pays the interest on these loans. Rather than charging workers and the public for employers' unwillingness to adequately fund the system, levy a special surcharge on employers to pay for the interest on the federal UI loan, as do 21 other states.

- **Protect and increase UI benefits:** When wages and inflation rise, UI benefits fail to keep pace. California already ranks 43rd in the nation for the percentage of the state's average weekly wage that is replaced by its UI benefits. Most of the 36 states that automatically index their benefit amounts do so in relation to the state's average weekly wage, guaranteeing that benefits will not be eroded over time. California's UI benefits should be substantially increased to provide a living wage and indexed to inflation.

- **Create a dependents' allowance:** California's unemployment insurance benefits do not account for the size of a family. While individuals receiving benefits are somewhat more flexible in reducing costs in times of unemployment, families with children often face fixed costs—such as education and child care. To address the needs of families of all sizes create a dependents' allowance, making benefits more progressive for working families.

- **Expand the Work Sharing Program:** The UI Work Share program is for employers who want to avoid lay-offs but cannot afford to keep workers full-time. It allows employers to apply so that when they reduce worker hours up to 60 percent, workers will be eligible for wage replacement for the reduced hours through the UI system. This program keeps workers connected to their jobs and importantly, to job-based health coverage and other benefits. The program needs to be streamlined for easier application, and the level of wage replacement expanded to account for economic crises in which employers reduce hours up to 90 percent.

- **Create a Misclassification Unit:** Misclassified workers struggle to access UI benefits because their employers have not paid into the system nor have they provided earnings data to calculate benefits. Scofflaw employers should not deprive workers of their full, prompt payment of benefits. A dedicated misclassification unit could help misclassified workers through the process and use existing laws to expedite the payment of benefits. They could also audit companies to ensure they pay back taxes and penalties into the fund.

The Federation will continue to work with agency leaders and other stakeholders on additional efforts to improve the overall efficiency of the system while protecting workers who provide these services.

Employer attempts to avoid responsibility for the payment of UI benefits should not be tolerated. When employers misclassify workers as independent contractors or form a shell corporation to qualify for a lower tax rate—a fraudulent practice known as "SUTA dumping"—they should face serious penalties. The Federation opposes employer fraud and opposes attempts by employers to roll back benefit increases won in 2001. We also oppose the increasing use of professional

employer organizations (PEOs) as a tool for evading UI and other employment responsibilities. Using a PEO allows employers to mask their true unemployment responsibilities and gives them a backdoor way to offload higher, but deserved, UI costs while forcing the rest of the participants in the UI system to pay the price.

## Worker Adjustment and Retraining Notification

The Federation supports a strong worker layoff notification system and increased state and federal investment in retraining. In 2002, the Federation sponsored legislation to create a California specific version of the Worker Adjustment and Retraining Notification (WARN) Act, obliging businesses that lay off 50 or more workers to give 60 days-notice.

The Federation supports legislation to strengthen the WARN Act by reducing the number of layoffs necessary to trigger a notice to 25 and increasing notice time for employees and state agencies to 90 days. The legislation also requires notification of layoffs due to offshoring of work and requires businesses that intend to close plants to bargain over alternatives. In cases of closure, companies should provide ample severance pay and income maintenance programs, extended health benefits, high-quality retraining for real jobs, and early retirement options.

Despite efforts to strengthen the WARN Act, some employers game the system by staggering layoffs to avoid triggering the WARN Act provisions. We support efforts to ensure that employers comply with the law and provide workers and communities with the notice they deserve to deal with the devastating impacts of layoffs.

## Disability Insurance and Paid Family Leave

California's State Disability Insurance Program (SDI) was created to compensate workers for wage loss when they are unemployed because of illness or injury that is not job-related. California's groundbreaking paid family leave (PFL) program is also housed in the SDI program. California is one of several states with a state disability program and/or a comprehensive paid family leave program.

The worker-funded family leave program provides over \$200 billion in paid family leave benefits to more than 70,000 families each year. Because of paid family leave, these workers can care for a new child or sick family member without entirely foregoing their income, but more effective outreach efforts are needed to spread the word about paid family leave benefits as widely as possible. Recognizing the diverse family structures of California's workers, the Federation supports a broad interpretation of which family members a worker may care for while on paid family leave.

The Federation supports strengthened workplace protections that guarantee no worker will be fired or will face retribution for taking family leave or for using SDI. Employer retaliation against workers who need and take leave is simply unacceptable.

The Federation supports adequate benefit levels for SDI recipients. The Federation passed legislation in 1999 that pegged SDI to workers' compensation temporary disability benefits. The rationale is simple: employees who cannot work deserve equivalent benefits, whether they become disabled on or off the job. This reform immediately increased SDI, which had lagged workers' compensation benefit levels for years. More recent legislation increased maximum weekly workers' compensation temporary disability benefits and indexed them to increases in the state's average weekly wage, so maximum weekly SDI benefits are now indirectly indexed.

Because most California workers have never heard of paid family leave, workers are paying into the fund, but underutilizing it. Therefore, the Federation supported successful efforts to use small portion of the SDI Fund for outreach and education.

The SDI system allows employers to substitute their own private "voluntary" insurance plan for

the state-administered system and allows self-employed individuals to apply for their own disability insurance coverage. The Federation opposes the proliferation of voluntary disability plans that weaken the overall state plan.

## Workers' Compensation

A workplace injury can be devastating. The loss of an arm or leg changes a life forever and no level of compensation can make up for such a loss. But when health and safety programs fail to prevent injury on the job, workers' compensation is a critical safety net. Workers' compensation is a negotiated deal between employers and employees. In exchange for workers giving up the right to sue for workplace injuries, workers' compensation is supposed to provide for adequate wage replacement and medical care. That safety net has frayed in California, and the Federation is determined to restore it.

Essential workers during the pandemic risked their lives by going to work. Every interaction with a patient, customer or co-worker posed a potential risk to contract a novel, frightening virus. The Labor Federation fought for and supports a presumption for COVID-19 in the workers' compensation system, as well as not charged to the employer's mod rate. We will continue to fight to ensure workers that are on the frontlines are able to access the workers comp system when they fall ill just because they reported to work and contracted the virus.

In 2012, labor and management came together to negotiate a new system that would improve benefits for injured workers while reducing costs for employers. The labor management partnership developed comprehensive legislation to raise benefits while speeding up the process and cutting costs in the system. Workers permanently disabled by their injuries won a 29 percent benefit increase, with every injured worker—regardless of wage level or seriousness of injury—sharing in \$860 million of new benefits. Prior to this legislation, an injured worker often faced months—if not years—of delays when prescribed treatment was disputed by the employer or insurer. This system was replaced with a new one that not only guarantees resolution within 45 days, but also puts physicians in charge of medical disputes, rather than lawyers and judges.

The bill created and expanded several other protections for injured workers. The top benefits to workers include:

- **Major permanent disability (PD) benefit increase, quicker payment of awards**

- On average, a 29 percent increase in the amount paid to the permanently disabled
- An \$860 million benefit increase for all workers.
- All workers, by category, get an increase and workers with higher wages will see a larger increase.
- \$120 million of new benefits for disabled workers with especially severe earnings loss.
- Benefits adjusted based on occupation and larger awards for highly skilled workers with an injury that specifically affects their craft.

- **Faster, higher quality medical treatment**

- Independent Medical Review (IMR) process means treatment disputes will be handled by known independent medical experts, not judges.
- Medical treatment guidelines expanded to include all treatment to provide a benefit to a patient.
- IMR is only allowed 30 days to return decisions, compared to months—or even years—to get necessary medical treatment under the current process.

- o Numerous new quality controls and audits on medical provider networks (MPN's), the physician groups that treat injured workers.
- o Right to pre-designate and see your own doctor expanded to all workers with health insurance.

- **Improved retraining and higher awards for those with career-ending injuries**

- o Workers who cannot return to their job of injury receive a \$6,000 training voucher.
- o This voucher will be awarded faster than under the current system and can be applied to approved training providers on the state approved Eligible Training Provider List (ETPL)—many of which are union apprenticeship programs.

- **More equitable dispute resolution with fewer delays**

- o The prior system was clogged with all kinds of doctor bill-related liens and lingering legal disputes, but our new system has eliminated most of these—freeing up workers' compensation courts to handle legitimate issues affecting injured members.
- o Lien reforms also free up hundreds of millions of dollars for increased benefits.

- **System solvency is protected, lower rate increases for employers**

- o System savings will reduce the need for workers' compensation insurance rate hikes on employers.
- o More predictability will help prevent insurance cost spikes that could threaten insurance market stability.
- o Lower insurance rates on employers means more money for wages, benefits, and improvements in working conditions.

For employers, the bill offered roughly \$1 billion in potential savings, as well as a much simpler and less adversarial approach when complex claims arise. Reforms to the process by which insurers and employers handle billing disputes also created far greater predictability for both, not to mention the financial benefits inherent to such dramatically reduced friction and inefficiency. The overall market stability introduced by this legislation, combined with the massive savings for employers and immeasurable benefits to injured workers, leaves little doubt that this reform stands among the California Labor movement's greatest legislative achievements.

## 7. An Equitable, Sustainable Budget and Tax System

Budgets require hard choices that reflect our priorities as a state. For years California's budget reflected the growing inequality between the rich and the poor. Deep cuts to state-funded programs strained our safety net programs to the breaking point, forced the state to renege on its promise of affordable higher education, allowed our infrastructure to crumble and threatened the jobs of hundreds of thousands of public sectors employees. At the same time, the most profitable corporations in the world raked in billions in new state tax breaks.

The budget outlook in 2020 is bleaker than it has every been. The budget hole is larger than even during the Great Recession and may get worse. Public services face multi-billion-dollar cuts to every program and services. Yet economic recovery depends on public investment in services, employment and job creation. California is the fifth largest economy globally and home to the wealthiest people in the world. We do not have to balance the budget on the backs of workers, students and the most vulnerable.

The state faces institutionalized challenges to raising revenue that make it difficult to ensure the wealthy and corporations pay their fair share. The passage of Proposition 26 made it even harder for legislators to fund programs using fees by raising the vote requirement to two-thirds. The state still has a supermajority requirement to raise taxes, a long history of voter-approved spending limits and requirements, and an outdated tax base that keeps the state's fiscal house in continual turmoil.

The Federation supports policies to create an equitable, sustainable budget and tax system in California, and in the nation. We believe in an equitable tax system that collects enough revenue to meet the needs of Californians for quality education, essential services, a clean environment, and safe and secure communities.

The Federation has supported the use of bond measures for many specific purposes but urges careful analysis of the state's overall debt load when considering future borrowing proposals.

### Responding to the Federal Tax Scam

The tax law passed by the GOP and giddily signed by President Trump enacted far-reaching changes to the federal tax code that will have repercussions beyond this administration. It showered tax cuts on the rich and powerful paid for by the middle class and blue state residents. The law also paves the way for massive cuts to programs that Californians rely on, like Medicaid, Medicare and food stamps.

California Labor does not back down to a challenge and we will work to protect middle-class taxpayers from federal take-aways. We will also work to restore some balance to the tax system by reinstating taxes on major corporations that were winners in the federal bill.

We support efforts backfill losses from the federal cuts by establishing new taxes. We support measures to make it easier to impose taxes at the local level to fund local services and programs. We oppose the Tax Scam provision allowing tax-free 529 plans to be used for K-12 education, opening a floodgate of new, publicly subsidized funding for charter, religious and other private schools. We oppose conforming at the state level with this, and other dangerous provisions of the federal tax law.

## Revenues to Meet the Needs of All Californians

Even though working families are paying their fair share in taxes, they are getting less in return and bearing the brunt of the state's drastic budget cuts. It is time for the government to prioritize rebuilding the middle class through good jobs, quality education, a clean environment, and safe and secure communities. The state must commit to raising the necessary revenue and prioritizing spending to meet the basic needs of California families.

The Federation supports progressive, permanent tax measures that bring in the revenue the state needs to serve Californians. The gas tax to fund transportation infrastructure is an example of a permanent funding source for investment in the needs of the state. We support additional measures to ensure that the state has the resources to support and serve all Californians.

The Federation supports the following policies to bring in the revenues we need to adequately meet the needs of all Californians:

### Re-Evaluate Tax Breaks and Close Loopholes

- **Close and put a moratorium on enacting tax breaks:** The Federation supports closing tax loopholes that do not provide obvious, necessary, and progressive economic benefit to the state economy. While our state faces a budget crisis, the Federation supports a moratorium on tax breaks that drain the state budget.
- **Repeal corporate giveaways in the tax code:** The state should evaluate every corporate tax break to assess whether there is an economic benefit for the money spent. If a tax break is not benefiting Californians, then it should be modified or eliminated using a majority vote.
- **Reinstate the top income tax brackets:** The top 1 percent of income earners has doubled its share of total state income over the past twenty years, from 12 percent to nearly 25 percent, while income growth for the rest of us has stagnated. Meanwhile, the top tier tax rates at the state and federal level are lower than they were previously. We support progressive income taxation to require the wealthiest Californians to pay their fair share.
- **End the commercial property tax giveaway:** The current change-of-ownership rules for the reassessment of commercial and industrial property cost the state billions of dollars a year in lost revenue. These rules should be changed to allow more frequent and fairer reassessments of the value of commercial property.
- **Accountability for all tax breaks:** We support auditing all existing tax breaks for corporations to determine which ones benefit the public good. If tax breaks no longer serve the public interest, we urge they are eliminated and the revenues be put back into the General Fund to pay for essential public programs.

### Improve Collection, Enforcement, and Transparency of Existing Taxes

- **Require public reporting of corporate tax information:** Individual taxpayers deserve to know how much California's companies are paying or not paying in state taxes. The Federation supports transparency in corporate tax payments, including disclosure of any discrepancies between book income reported to shareholders and tax income reported to tax authorities.
- **Make tax collection a top priority every budget year:** The State Controller's office estimates that 11 percent of all taxes owed in California go uncollected each year. Employers operating in the underground economy owe much of that money. The Federation supports policies that improve compliance with tax laws and encourage better coordination between the enforcement of tax and labor laws.

- **Impose penalties on wealthy tax cheats:** The Federation supports policies that increase penalties to prevent wealthy taxpayers from filing erroneous refund claims and playing the "audit lottery." This would bring California into conformity with federal law enacted in 2007 on erroneous refund claims.

## Develop New Revenue Sources

- **Bring the tax code into the 21st century:** California's tax code does not reflect the significant changes that the state's economy has undergone in the past half-century. Our tax code does not include things like internet downloads, computer software and other technologies. The Federation supports tax changes that expand the taxable base of goods to reflect the state's changing economy.
- **Net Wealth Tax:** One in four billionaires (about 160) with a net worth of \$830 billion live in California. During the pandemic, billionaires made \$140 billion from March through May 2020. It is time to tax the wealth of the richest in our state with a Wealth Tax of 1% on net worth above \$50 million and 1.5% on net worth above \$1 billion.
- **Impose higher taxes on corporations with excessive CEO pay:** We support creating a tax structure that rewards companies that have a reasonable CEO-to-pay ratio, while increasing taxes on companies with excessive wage gaps. This tax structure creates an incentive to lower CEO pay and to invest more corporate profits in worker wages.
- **Institute a meaningful tax on oil extraction and windfall profits:** California remains the only major oil producing state that does not tax oil companies for the oil they take from our land and water. The Federation supports oil severance taxes, as well as taxes on windfall profits for oil companies.
- **Allow local governments to increase revenues based on local needs:** Cities and counties bear the brunt of the state budget crisis as local money is taken by the state and the demand for local services increases. Local government should be able to raise local revenue by majority vote to fund local needs.

## Smarter Tax Policy for Economic Development

The Federation believes that tax policy should be used to create jobs and to set standards for job quality. California gives billions in taxpayer dollars to corporations in the form of tax breaks, subsidies, rebates and incentives, with very few standards for the jobs created, if any.

The Federation believes that economic development spending should be effective, transparent and accountable. Taxpayers need to know which corporations are receiving subsidies and if they are meeting performance and job quality standards.

Tax breaks are not only used as an incentive to create jobs, but also to encourage the growth of the green economy. Subsidies for solar installation, clean energy and electric vehicles is growing exponentially as lawmakers look for ways to fight climate change. These subsidies are not explicitly designed to create jobs and often go to the consumer to encourage the purchase of green products. However, corporations in the green economy are the ultimate beneficiaries and employ thousands of workers who often do not see the benefits of corporate tax breaks. No company has exploited green economy subsidies more than the Elon Musk-run trifecta of Tesla, Solar City and SpaceX. The Federation supports setting standards on all subsidies, including consumer-side ones that create an incentive to buy certain products.

California's film tax credit is an example of a tax credit that works to create and retain jobs in the state. The program has been an unarguable success, bringing back billions of dollars in investment, jobs and wages into California. The Film Tax Credit 2.0 program has increased motion

picture employment 12.38 percent from 162,300 jobs in 2015 to 182,400 in 2016. Below-the-line union crews had a 12 percent increase in hours worked in 2016 compared to 2014. The 116 projects brought in by the credit have resulted in \$2 billion in wages and a total investment of \$5.2 billion in the state's economy, resulting in new revenues, indirect job creation and economic growth.

It is the only tax break exclusively targeted to an industry that is almost wall-to-wall union. The film tax credit is one of the few tax breaks in California that has the appropriate accountability measures to make sure it is effective. The credit has a sunset, annual cap and is targeted and allocated by the California Film Commission to an industry with very high union density. We support extending the sunset for five years on the Film Tax Credit to allow the program to continue to create career pathways for new workers entering the industry as older workers retire.

The film tax credit demonstrates that well-constructed tax credits can help create jobs and support economic development. Any public dollars spent through the tax code require rigorous evaluation to ensure that taxpayer funds are being invested wisely. The Federation advocates better design, closer scrutiny and comprehensive evaluation of state economic development subsidies, especially tax expenditures. The Federation supports:

- **Unified economic development budget:** This would provide a comprehensive picture of state economic development spending.
- **Transparency:** A publicly accessible database that displays the names of all corporations that receive tax breaks, the amount received, the number of jobs created, and their wage rates and benefits.
- **Sunset and annual review:** Tax breaks should set out clear outcomes and performance measures at enactment and be reviewed annually to make sure those goals are met.
- **Claw back provisions:** Require the state to recapture taxpayers' money if a business does not meet the stated goals of the state subsidy or tax break and prohibits bankruptcy to avoid claw back measures.
- **Public approval and accountability:** Require board approval of tax credit and award tax breaks publicly, transparently, and with clear standards for approval.
- **Fair and responsible employer standards:** Require employers receiving subsidies, including consumer-side incentives that ultimately accrue to the company, to certify that they meet job quality standards, including meeting wage and benefit levels, have not violated state or federal law, provide safe workplaces and maintain labor peace.
- **State standards for local subsidies:** Pass state laws that end the race to the bottom by local governments to give companies, such as Amazon, extensive local subsidies. Setting transparency, job quality and accountability standards for all local subsidies would set a floor that cities could use to bargain for jobs, rather than beg.

The struggle to raise sufficient revenues for California's growing population will persist unless, and until, we are able to elect a two-thirds majority of legislators committed to the needs of working families, or we are able to change the two-thirds vote requirement to raise revenue through the initiative process.

## 8. High-Quality, Safe, and Accessible Public Education

A high-quality, safe, and accessible education system is essential to California's working families. As an industry, education employs hundreds of thousands of workers across the state. As an investment in our state, nothing is more important.

Despite the crucial role that education plays in our future, and strong public support for education, California has ranked near the bottom in per-pupil spending for the past two decades, and the ratio of students to teachers is now the highest in the nation. Education support services provided by classified school employees are being decimated and, in some cases, eliminated altogether. Salaries are often inadequate to allow teachers and classified school employees to own homes near the schools where they work. More than half of all new teachers leave teaching within five years. More than half of classified school employees are now part-time and pay significant portions or even their entire paycheck on health care benefits for their families.

California used to have the best public schools and universities in the world, but now the state is plummeting to the bottom by slashing funding and laying off teachers and classified school employees. Cutting investments in the educational system that built our economy makes economic recovery and growth even more difficult. California cannot compete in a global economy if our school funding ranks behind Mississippi and Alabama, let alone China and Korea.

The challenges that already confront California's education system are further compounded by attacks by the Legislature on teachers' and classified employees' collective bargaining agreements, cloaked in the mantle of education reform.

It is time that every child in California has access to public schools that allow them to compete in the global economy, regardless of their race, immigration status, or family's income. This includes not only reading and mathematics, but also the computer literacy that is as essential to getting a good job in the 21st century as basic literacy was in the 20th. We must foster the creative spirit that defines California by offering our kids a well-rounded education including music, career technical education, and art. You do not cut education when you know that countries that out-educate us today will out-compete us tomorrow.

It is time to recommit to our kids, our workers, and our future by making sure California returns to having the best-educated, most skilled workers in the world.

### Public Schools

Years of deep budget cuts have taken a tremendous toll on California's once great public-school system. Schools endured drastic cuts that have not yet been fully restored

Cuts have forced schools to reduce instructional days, eliminate programs like summer school and lay off teachers and classified school employees.

The Federation opposes any further cuts to public schools or layoffs of school employees. We oppose takeaways from teachers and classified employees that undermine collective bargaining agreements. The workers that teach our children and keep our schools running everyday deserve fair tenure, benefits, and retirement security and we will continue to fight against rollbacks. We oppose draconian teacher discipline policies that evade the progressive disciplinary process in collective bargaining agreements. We also oppose the education trigger cuts that would cause irreparable damage to our public schools and our children.

Students learn best when they can be physically present for in-person education with teachers and staff. However, during emergencies there may be a temporary period where distance learning is needed to best serve the academic as well as health and safety needs of students. During such periods, schools districts should provide adequate training, support, equipment and supplies to students, teachers and staff to facilitate continuing education remotely. Districts should work with the union to develop best strategies for distance learning through collective bargaining. Distance learning should be viewed as a temporary tool, only used during a emergencies, with collaborative input from the union.

School employees work every day to teach our children and provide them with a safe and healthy environment in which they can learn. Instead of placing blame on school employees for the difficulties faced by schools, all stakeholders should be working together to improve our public schools. Through strong partnerships between school administrators, teachers, classified school employees and parents, we can begin to tackle the many challenges facing our public schools.

Schools are complex systems that operate within the context of families, communities, and the support received from state and national sources. The school's abilities to help children learn depends on children arriving at school with the support they need to succeed, including safe and nurturing communities with secure housing, food, health care, and access to high-quality early childhood education.

The school must have leaders trained to be inclusive and able to work with teachers to unite around a common vision of what constitutes high-quality instruction. School leaders must be able to work with parents and the community to provide a safe and supportive school culture. Teachers must have access to quality professional development, adequate resources, a research-based curriculum, small class sizes, and time to collaborate. Children need to have the services of classroom aides, librarians, psychologists, and counselors to achieve at their highest potential. We support increasing the number of school nurses at public schools at all levels to ensure the health and well-being necessary for children to learn.

The Federation opposes attempts to undermine public education. We reaffirm our strong opposition to vouchers, tax credits for private school tuition, and other privatization schemes based on the erroneous premise that market competition is the key to educational success.

## **Charter Schools**

California's charter school law was signed in 1992, when the schools were expected to be only a small component of state systems of public education. There was little concern over unethical charter operators, two tiered systems or for-profit charters because a cap, which has since been removed, was established at 100 schools. The exponential growth of the charter industry over the last twenty years has not coincided with increased oversight, equal compliance with California's Education Code, and there is a need to strengthen accountability measures at charter schools.

California's charter schools are public schools funded with tax payer funds. They manage and oversee billions of education dollars each year and must be held to the same transparency, accountability, and regulatory requirements as public schools. Additionally, precious education dollars must be spent on educating our public students and not as profits to corporations.

There is a growing movement in the United States to privatize our public schools. Corporations see the public education sector as an untapped market for increasing their profits. A disturbing trend in this effort to privatize our public schools has been in the charter school arena. Corporations and wealthy individuals have established businesses that start and manage charter schools.

These businesses, known as Education Management Organizations (EMOs) and Charter Management Organizations (CMOs), establish charter schools across the country and require them

to contract with the for-profit company for all their services. These corporations take public taxpayer dollars and use a percentage of those dollars for corporate profits and excessive salaries for their executives with little or no transparency and accountability – taking public money away from students.

We support ensuring that our charter school laws prohibit charters from operating as, or being operated by, a for-profit corporation, a for-profit EMO, or a for-profit CMO. Public taxpayer dollars designated to educating Californian students should not be used to line the pockets of billionaires, shareholders, or Wall Street.

Transparency necessitates that companies and organizations that manage charter schools should disclose to parents and the public how they spend taxpayer money, including their annual budgets and contracts. Companies and organizations that manage charter schools must open board meetings to parents and the public, like public school board meetings. The public's business should be transacted in public. Public agencies must take their actions openly and their deliberations must be conducted openly.

We support policies that ensures that charter schools and the entities managing charter schools are subject to the Brown Act (open meetings), Public Records Act (open books), and two laws preventing conflicts of interest: Political Reform Act and Government Code 1090.

School choice intends that parents and families choose what school they will attend, not that public schools, will choose which students and families they will serve. California law requires charter schools to admit all pupils who wish to attend the school. However, some charter schools have ignored this requirement, instead establishing admission requirements and other policies that effectively screen out students with lower test scores. California must ensure that charter schools have nondiscriminatory admission policies, as well as suspension and expulsion policies that guarantee students appropriate due process. Charter schools, as part of our public education system, should provide fair access to all students.

The granting of charters should be through local school districts with democratically elected school boards. Local school boards are elected bodies and are accountable to the communities they serve. They are in the best position to understand and evaluate the educational needs in their local districts.

There are 1,200 charter schools in California, more than anywhere else in the country. Clearly, charter schools are being approved through the current process. We oppose weakening the current process and removing the role of local school boards and the accountability that comes with it.

Since 2002, the last four statewide school bonds have provided \$1.4 billion in bond dollars available to charter school. According to the Charter School Facilities Authority, the amount of conduit financing transactions has also significantly increase in the same time frame. As significant amount of public money earmarked for construction and facility maintenance of charter schools. This public financing should be tied to good labor standards, paying prevailing wage, and built with highly skilled and train workers.

## **Comprehensive, Life-long Education**

We must fully fund all services for students to achieve their learning potential, including child care, preschool, after-school sports, and cultural programs, health care, counseling and nutritional programs, and libraries on-site or in easy reach of the school site. Programs that engage parent volunteers are crucial to the success of public education, and schools should be encouraged to support them. However, volunteers must never become a substitute for the employment of the appropriate number of full-time and/or part-time teachers, counselors, paraprofessionals, and other classified school employees.

The Federation urges local Central Labor Council COPEs to participate actively in school board elections, monitor and expose candidates of the radical right, ensure that elected officials understand the educational needs of working people, and safeguard the rights of school employees. We support legislation integrating Project Labor Agreements into bond expenditures, so that we build future schools with well-trained and efficient union labor.

Our system of public education should begin with high-quality early learning programs. The Federation supports the establishment of universal preschool programs, so that child development and enrichment are available to all. We also believe that early childhood education providers should have access to quality training and be properly compensated.

In the long run, California should provide high-quality state-subsidized child care linked to the public-school system. This is the best way to ensure that working parents have good, affordable child care, and that child care workers receive decent wages, benefits, and access to career ladders.

## Higher Education

We support universal access to public higher education, including community college, the California State University (CSU), and the University of California (UC) systems. California has traditionally led the way in ensuring that everyone who wanted to enroll in higher education could do so. But rising tuition and elimination of classes and programs, due to ongoing state budget crises, have limited access for many.

Higher education has adopted some of the worst aspects of the gig economy through the widespread use of contingent and part-time faculty. These workers have to piece together jobs with no security, benefits, retirement security or opportunity for career advancement. They spend hours in their cars driving from campus to campus. They spend endless unpaid hours preparing for classes, meeting with students and reading papers and grading exams. The quality of our higher education system depends on the quality of the jobs of our educators. All faculty, whether part-time or not, deserve job security, benefits including health benefits, and to be treated as professionals so as to be included in academic senate and other governance committees and councils.

We support proposals to eliminate bureaucratic bloat and excessive CEO salaries to lower tuition, increase the number of faculty, and restore cuts to UC and CSU workers' pay and benefits.

The Federation opposes educational methods that replace faculty and classroom learning with technological quick fixes. Research demonstrates that students are more likely to drop out of online education classes with attrition rates reaching as high as 90 percent. San Jose State's experiment with online education is a cautionary tale for universities. The school cancelled a contract for online class in basic subjects with Udacity, an online education corporation, after students in these classes failed final exams at rates between 56 to 76 percent.

In the face of state budget cuts to higher education, the UC and CSU systems have instituted furloughs, wage freezes, and pay cuts to balance their budgets on the backs of workers. The Federation opposes cost-saving measures that punish workers, while executives at UC and CSU are receiving increased compensation packages. The UC and CSU systems have historically given new administrators more than double digit pay hikes. We support caps on executive compensation and freezes of raises when student fees are increased.

In recent years, institutions of public higher education have come to rely increasingly on contingent academic labor. Administrators in California's community college, state university, and University of California systems have created an academic underclass: teachers and scholars employed as casual labor, paid less than regular faculty and with fewer benefits.

Classified employees are in a similar situation, particularly at community colleges. These practices are designed to save money, but the immediate results are damaging: adjunct teachers

must struggle to earn a living wage, and education suffers when teachers spend less time in the classroom than they do on the highways, shuttling from one campus to another to make a living. The Federation calls for the replacement of this casual labor system with full-time employment for all academic and classified employees.

It is unacceptable that the UC and CSU systems, which are dedicated to giving their students opportunities for better jobs and financial security, are some of the state's worst employers when it comes to giving those same protections to their own workers. The Federation joins its affiliated unions in calling upon all of California's institutions of higher education to make the promise of secure, living-wage jobs a reality for both their students and their own employees.

The Federation supports increased transparency and accountability of the UC system. We support measures to increase public access to records, protect whistleblowers, and investigate the use of state and federal funds by UC. We also support joint governance of the UC pension program, which is currently managed exclusively by the UC Regents and is the only public pension system in the state without direct employee representation.

The Federation opposes attempts to increase student fees, cut worker wages, benefits and jobs, or limit the accessibility, affordability, or quality of education at UC. UC is a key public resource and economic engine for California, and we cannot afford to shut out working people from its hallowed halls.

## Career Technical Education and Workforce Development

A highly skilled, well-trained workforce is a key part of economic development. Without it, businesses will compete based on cheap labor and wages, benefits, and working conditions will suffer. The Federation supports creative partnerships between schools, colleges, businesses, unions, and the public sector to expand the skills of California workers.

The State Building and Construction Trades Council has shown the value of good apprenticeship programs and how they serve employers, the union and especially the apprentices. Building trades apprenticeship programs give opportunities to young women and men of color for good, union careers. Apprenticeships are also a critical part of criminal justice reform through prison-to-work programs for the formerly incarcerated. The Trades have worked to establish pre-apprenticeship programs in prisons that lead into apprenticeships and a job for those coming out of the criminal justice system.

The Federation joins the State Building and Construction Trades Council in support of improving and expanding the state's role in training workers for the new economy and providing career technical education (CTE) opportunities. For well over a decade, California's high schools have been neglecting career technical education. Since 1997, there has been a 24 percent reduction in CTE courses and teachers, and a 30 percent drop in CTE enrollment, which stood at 868,265 in 1997, and had dropped to 610,856 by 2007.

With appropriate resources and focus on employment and training needs in high-skill, high-wage jobs, high schools and colleges can help train students to join the workforce through career technical education programs. These programs must consider local economic conditions and be developed in cooperation with the Labor movement. The last two years of high school should include transition from school to work as an integral part of the curriculum. Unions should participate fully in planning and implementing local school-to-career programs and curricula to ensure inclusion of strong labor rights components.

Apprenticeship programs are crucial to quality workforce development. For students who do not complete four-year college degree programs, community college and California Department of Education-based apprenticeship programs can provide an alternative career path. No educational program comes closer to fulfilling the ideal of training for the job than the apprenticeship

programs sponsored by Building and Construction Trades unions. Apprentices learn by working, and they work alongside masters of the craft.

Unlike some college and adult education programs that do not fully prepare people for a specific career, building trades' apprentices complete their training programs prepared for real work and ready to be hired in real jobs. Apprenticeship training programs make union workers far more valuable to an employer than their non-union counterparts and ensure that graduates enjoy appropriate compensation for their high level of skills and productivity. Well-trained graduates thus earn more money, help their employers, and boost the state's economy.

California has over 250 union-sponsored apprenticeship programs. These programs invest an average of nearly \$9,000 a year per student. Unions spend \$200 million a year for apprenticeship programs in California. The Federation supports continued and increased state funding for apprenticeship programs, which, despite their value to workers and the economy, have been repeatedly threatened by budget cuts.

We also believe state resources should be spent wisely on apprenticeship programs. Incredibly, the state spends tens of thousands of dollars a year on programs that do not graduate any apprentices. We support legislation to limit state funding to apprenticeship programs that graduate apprentices. We also support broader accountability in apprenticeship programs.

Local Workforce Investment Boards set workforce policy for their jurisdictions and provide oversight of employment services. The Federation passed into law policy to increase the amount of federal training funds spent on quality training programs and services that support workers enrolled in skills training. We support holding WIBs accountable for providing quality services and job-placement for workers. We oppose using state and federal funds to place workers at temporary agencies, Walmarts, and other low-road employers. Job training funds should be used to train and place workers in growing sectors and industries and in middle-class jobs.

The Federation recognizes that the state and its industrial leadership are now at serious risk of losing the competitive advantage of a highly trained workforce. The Governor and Legislature must lead a strategic effort to forge the state's education and training infrastructure into an integrated system of skills development that addresses the needs of all California workers. We understand that worker training and union involvement are prerequisites for creating sustainable jobs and a sustainable economy.

## **Labor Education**

Labor education is crucial to the future success of the Labor movement and to the defense of workers' rights. We endorse expanded teaching and learning at all levels of education about organized labor's contribution to American and Californian history, and to the contemporary economy. We also need to push labor education out of our universities and into our unions so that union members can learn about and celebrate their history and the history of the Labor movement.

The state Board of Education should include labor history in K-8 instructional materials. We also encourage local school districts to incorporate labor history in their instructional materials for grades 9-12. All school-to-career related curricula should include a mandatory workers' rights component. We also support the Cesar Chavez Day of Service and Learning, which enables students to learn about the life and values of the founder of the United Farm Workers, and to learn about farm labor history.

The Miguel Contreras Labor Program stretches across the University of California system to carry out research and education on issues of labor and employment. Unfortunately, the Labor Program has been the target of partisan attacks in the budget process, and its budget has required vigilant defense year after year. The Federation supports permanent funding for the

program and opposes partisan attempts to deny funding for research on the important labor topics it covers.

We support the UC Berkeley and UCLA Labor Centers that provide cutting-edge research, training, and support for workers' rights, union organizing and collective bargaining in the state. We also support the creation of new and exciting labor centers at other UC campuses.

## 9. High-Quality, Universal Health Care

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The pandemic and economic crisis have exposed the fundamental weaknesses of the U.S. health care system. Our for-profit, fragmented system has resulted in shortages of hospital beds and medical supplies and has made a coordinated, comprehensive approach close to impossible.

Health care workers have been forced to work without the personal protective equipment that they need to be safe from exposure to the virus. Many have chosen to live in attics, basements, tents, or their cars to avoid infecting their families. A single-payer system with global budgets would ensure that hospitals, skilled nursing facilities, and other institutional health care settings had sufficient beds, staffing, and medical supplies for patients—and personal protective equipment for workers—based on need, not maximizing revenue. In addition, a single payer health care system would enable far greater integration with public health that is crucial to addressing infectious disease outbreaks as well as homelessness, food insecurity, and other issues that should be addressed at the city, county, state and/or federal level, not at the level of individual providers one patient at a time.

As millions of Californians lose their jobs, they also lose their job-based coverage, forcing them to purchase exorbitant coverage in the private market or forgo health coverage entirely.

Never has the need for universal health care been so critically important. Millions of Californians face the choice between paying for health care or paying for food. Survivors of COVID-19 face overwhelming medical bills for treatments that were necessary to save their or a loved one's life. At a time when health care has never been more important, our system of providing care has failed.

Now is the time to recommit to a universal, single-payer health care system. Even as we fight to maintain benefits, freeze premium increases and contain costs, we know that a single payer system is the only way to resolve these issues.

For decades, union members have foregone wage increases in collective bargaining to maintain their affordable, high-quality health coverage. Bargaining disputes, strikes, and lockouts have increasingly been caused by employers trying to shift rising health care costs onto workers by cutting benefits and increasing workers' share of cost. Unions and working people are facing a health care crisis as the cost of health coverage quickly outpaces wages and makes bargaining good contracts and organizing new members more difficult.

The Affordable Care Act expanded coverage to millions of Californians and created thousands of union jobs in the process. It built on the U.S.'s existing health care system and falls short of comprehensive reform that would result in lower prices and higher quality health care for all. Pre-pandemic, 7.2% of Californians, nearly three million people, were uninsured and many millions more were unable to access health care as they could not afford to pay the deductibles or copayments. Those numbers have since increased and are likely to continue to increase in the foreseeable future.

The goal of establishing a universal, single payer health care system remains. The experience of Medicare and of nearly every other industrialized country shows a universal health care system is the most cost-effective and equitable way to provide quality health care. The Federation will fight for the creation of a comprehensive universal single payer health care system in the state that covers all Californians, regardless of immigration status.

Even with the most expensive health care system in the world, California's working families still confront unacceptably low standards of care with respect to overall quality, medical errors, hospital-acquired infections, and understaffed facilities and provider networks. Funding for our

public health system is so inadequate that it is falling into disrepair and the state is facing hospital closures, particularly in rural and underserved areas, closures of critical hospital units such as labor and delivery, and an alarming shortage of hospital emergency rooms. We support lower costs, higher quality, better health outcomes and improved equity for our members and workers through a single payer system.

## Accountability for Health Care Industry Bailouts

The pandemic has devastated the health care industry. The inability to price-gouge private payers for elective surgeries and other procedures combined with the costs of COVID-19 have drained hospital and other providers budgets. The losses are a direct result of a private, revenue-driven system.

Though we criticize the existing health care system, until we implement a single payer health care system, we are stuck with what we have. The health care industry is one of the largest employers in the state and provides huge numbers of good union jobs. For those reasons, any bailout of the industry must include protections for workers, patients and purchasers, whether direct funds or redirection of monies.

We support putting standards on any funding for the health care system that includes requirements that employers maintain labor standards, staffing levels and ensure that funding goes to frontline workers and not executive compensation. We also support freezes on prices for health care services as well as premium rates for purchasers, as well as prohibitions on surprise bills for any Californian no matter what kind of health coverage they have.

The fragmentation of the health care system made it hard to respond effectively to the pandemic given that no one entity tracked the entire system. We support the formation of a state agency to oversee the entire health care system—health plans, hospitals, doctors, drug makers, suppliers, etc—to monitor the flow of public funds and serve as an oversight body for the system. This creates a bridge from our current system to a universal single payer system.

## Rein in Health Care Costs

Health care prices are driving income inequality, as more and more of our wages go to pay for health care. Some employers are paying \$12, \$13, \$14 an hour per worker just for health care coverage. We could almost double the number of jobs or double wages just by bringing down the price of health care.

In California, premiums for employer-sponsored health insurance in California increased 234 percent from 2002-2016, and 68 percent of premium increases in the large group market in 2018 were due to price inflation. It's not just workers and employers paying more—health care eats up huge amounts of public dollars, with CALPERS spending over \$8 billion annually on health care for members. Over the last couple years CalPERS has seen double-digit premium increases, resulting in even higher health care costs to the state.

Americans pay more for every doctor visit; every hospital stay and every health care service than people in other countries. For that reason, health care spending in the United States far outpaces the rest of the world. The U.S spends 18 percent of our GDP--\$3.3 trillion—on health care, twice as much as what other industrialized countries spend.

A colonoscopy in Los Angeles costs upwards of \$5500 compared to \$655 in Switzerland. A hip replacement has a price tag of \$40,000 in San Francisco and only \$7731 in Spain. Three stitches for a cut finger could run as high as \$2000 in San Francisco, while the cost would be close to nothing in other countries.

Even though we pay trillions more on health care than other countries, we get less for our mon-

ey. Americans use significantly less health care; in recent years, use of health care services has declined, but the price of those services has continued to skyrocket. But Americans are not living longer or healthier than people in other countries. In fact, we have worse health outcomes.

In the U.S., doctors and hospitals can charge whatever they want, and often charge different prices for the same procedure. And price often has nothing to do with the level of quality; more often hospitals that have monopoly power—the ones that own every other hospital in the area—that charge the highest prices for the lowest quality.

All of us have been affected, as rising costs have eroded coverage. The sky-high prices of medical services, equipment, and medicine show up in our premiums, deductibles, and co-pays. Every dollar spent on expensive doctor visits, MRIs, stitches and other procedures is a dollar that comes out of a workers' pocket. One thing all countries with universal health care have in common, whether single or multiplayer, is that the government regulates health care prices and controls overall costs throughout the system, including the commercial market, if they have one.

It's not complicated or hard to regulate prices. Medicare has set prices for decades, and serves as a model for Australia, Germany, France and other countries that pay half what we do for quality care.

Regulating health care prices is the foundation of every sustainable Single Payer system. By reducing prices, the cost of Single Payer goes down, resulting in lower taxes on workers and employers to fund it. At the same time, as we build toward that system, workers, employers and all Californians would have more money in their pockets for wages, and not for \$500 band aids.

The Federation supports regulating prices to control costs, improve quality and reduce health disparities as a strategy to build to a Single Payer health care system.

Health care cost containment and reform is complex and challenging. The Labor Federation will take a long-term, multi-pronged approach to the problem. At the same time, we remain committed to instituting a single payer system that would eliminate some of the unnecessary and duplicative spending in health care. Here are areas for future work:

- **Create an Office to oversee cost containment:** Many state and local agencies regulate different sectors of the health care industry. Yet no one agency or body oversees the entire health care industry with the goal of containing costs, improving quality and reducing disparities. We support the establishment of a state Office to regulate, monitor and measure affordability, quality, equity and workforce stability. The goal of the Office would be to make health care affordable and high quality for all Californians while also maintaining and improving the quality, wages and benefits of health care workers.
- **Make provider costs and quality more transparent:** Bring transparency to health care pricing through a public database that will benefit purchasers, policy makers and consumers. The database will provide valuable information on cost trends and drivers in health care for legislators to enact appropriate health care reforms. Any public database must go beyond claims data to capture capitated and other payments. Data must be available to the public and include cost and quality.
- **Prevent cost-shifting to consumers:** High deductible plans, increased cost-sharing and surprise bills all shift the burden of our expensive health care system onto the least powerful player—the consumer. We support efforts to prevent the spread of high deductible plans, coinsurance, and other cost-shifting measures. We also support legislation to prohibit surprise bills and to prevent overpayment to out-of-network doctors. Consumers are the one group not making money off the health care system and we need to ensure we protect their interests in every aspect of the health care delivery system.

- **Require large group rate review and regulation:** Rate review in the large group insurance market, like existing requirements for individual and small group, would increase transparency and scrutiny of health plan rate increases and give purchasers the data they need to negotiate with health plans and make value-based purchasing decisions. Rate review for the individual and small group markets has reduced premiums by hundreds of millions of dollars in California since 2011. Regulation would give agencies the ability to evaluate and approve, reject or modify proposed rate increases, weeding out waste and putting pressure for cost containment throughout the system.
- **Regulate provider price setting:** Currently, hospital and provider prices, when made public, seem to have no relationship to the actual cost of providing the service. Unlike Medicare payments, hospitals and providers are not limited to a certain percentage increase over cost for the prices they charge or attempt to charge. Even with the discounts negotiated by health plans, providers can rake in considerable profits if their original prices were inflated thousands of percentage points above cost. Provider price regulation is needed to ensure that prices are both reasonable and allow for high-quality, innovative care by the best professionals available.
- **Prohibit anti-competitive contracting practices:** Some providers have used unfair contracting requirements to price gouge purchasers. We support expanding the authority of regulatory agencies to oversee consolidation in the health care industry to prevent price-gouging of purchasers. We oppose anti-competitive practices that drive up prices. We also oppose any legislation that would limit or undermine unions' ability to litigate anti-trust claims against monopoly providers.
- **Make prescription drugs more affordable:** The Federation believes in a more accountable, transparent drug industry that provides greater access to affordable medications. We support rate setting and regulation of drug manufacturers including prohibitions on predatory pricing. We support mandated transparency of drug pricing to force drug companies to justify high priced drugs of any class. We support the re-importation of drugs from countries with strong safety records, restrictions on drug marketing, direct price controls on pharmaceuticals, improved evidence-based drug information, and broader access to generic medications.
- **Utilize bulk purchasing power more effectively:** One of the primary failings of the Medicare Part D program is its statutory prohibition of bulk negotiation by the government on behalf of plan beneficiaries. This drug company-influenced provision keeps Medicare from utilizing its tremendous market leverage to lower prices and improve the quality of the program, and we call for its repeal. The Federation supports efforts to use that power aggressively in all aspects of health care purchasing, to promote health plans that are good for us as consumers and as union workers.
- **Use union health care dollars wisely.** The Federation supports efforts to pool Taft-Hartley funds and, in conjunction with fund administrators, to ensure that quality is a significant factor in making plan selections. CalPERS is a powerful force in the health care market, and Covered California is now the largest purchaser in the state. Together, large purchasers could exert considerable influence in the health care market to drive delivery reform, contain costs, decrease waste and increase quality care.
- **Enact strong regulation for all aspects of the health care industry:** The Federation supports regulations in the health care industry that would make the industry more transparent, expand access to care, ensure timely care especially considering narrow networks, promote strong state oversight and enforcement, contain costs, and improve quality. The Federation supports efforts to end the double-dealing of pharmacy benefits managers by requiring better transparency and corporate behavior within that industry. The Federation endorses proposals to regulate the rates charged by hospitals, health insurers, and HMOs. We also support stronger state oversight and regulation of mergers and consolidation in all sectors of the health care

industry, including hospitals, insurers, physician groups and drug manufacturers.

## Protect the safety net systems

Our safety net hospitals must be fully funded and supported to provide care to all, and hospitals must fulfill their obligation to provide charity care as need shifts from the uninsured to the underinsured and those struggling with high deductibles.

- **Fund public hospitals and community clinics at an appropriate level:** America's health care safety net is currently frayed and in desperate need of repair, not dismantling. Cutting funding to public providers is short-sighted and will drive up costs in the long run as the uninsured suffer worsening health conditions from lack of access. We call for policy makers to adequately fund and maintain a viable safety net.
- **Fund hospital seismic safety retrofits:** California's landmark hospital seismic safety laws will play a key role in preserving hospital services after an earthquake. Hospitals are now advocating to eliminate or change the 2030 requirement. We oppose efforts to eliminate these important patient and worker protections.
- **Hold providers accountable for charity care:** Nonprofit hospitals have an obligation to provide charity care in exchange for an exemption from paying taxes. The state needs a clear and measurable definition of charity care to ensure that private hospitals are fulfilling their responsibility to provide care for the most vulnerable residents. Even after the ACA, the need for charity care remains as it shifts to the underinsured and those struggling with high out-of-pocket costs.

## Improve Health Care Quality

- **Improve and enforce staffing standards in health care facilities:** Health care facilities often intentionally understaff their facilities to boost their bottom lines. Hospitals are also frequently pushing sick patients out of the hospital and into outpatient settings to avoid staffing requirements and save money. Understaffing is directly tied to higher rates of medical errors and lower-quality patient care. Staffing standards are needed at all staff levels to ensure that caregivers can manage their patient loads. Existing staffing standards, including nurse ratios, should be vigorously enforced through systematic monitoring of compliance with state law.
- **Require regulation of outpatient care:** Hospitals are increasingly shifting to outpatient care. Care is increasingly provided in retail clinics, urgent care centers, ambulatory surgery centers and free-standing ERs. Outpatient care is less regulated than hospitals with no requirements for seismic safety, nurse staffing ratio or other hospital laws. Dialysis clinics are an example of a lightly regulated industry that is dangerous for both patients and workers. We support leveling the playing field between in and outpatient care and ensuring that patient and worker health and safety are protected no matter in what setting care is delivered.
- **Require disclosure of provider and health plan cost, quality, and disparities.** Health care prices have little correlation with the quality of care provided. We need evidence-based quality ratings of providers and health plans based on the quality, accessibility, equity, and outcomes associated with care so that purchasers and consumers alike can make health care decisions based on value. Weeding out high-cost, low-quality providers will help contain costs for purchasers and consumers and help to push for increased quality and lower costs in the market. We also know that purchasers and payers can improve overall quality without making any progress toward reducing or eliminating disparities. Stratifying health quality data by race, ethnicity, gender, sexual orientation and gender identity will allow purchasers and policymakers to identify and address health disparities which are not going to be addressed with quality improvement as the only lens.

## Health Care Workforce

- **Support efforts for the advancement and training of health care workers.** The ACA will increase demands for health care workers as millions of Californians gain access to health care. We urge the development of high-road partnerships to train health care workers, provide better career ladders, and guarantee better working conditions. This would allow us to pay health care workers more, provide better patient care, and reduce the shortage of skilled and qualified employees. The ACA offers many new opportunities for funding to train and expand a health care workforce that meets the new needs created by the expansion of coverage in 2014. California should ensure that as the ACA increases coverage our workforce training programs meet those needs.
- **Ensure high-quality, appropriate medical services:** A dangerous trend toward enlisting non-medical staff to provide medical services is sweeping California. With inadequate funding, schools are enlisting non-medical personnel like teachers, custodians, cafeteria workers, and bus drivers to perform medical procedures including administering the anti-seizure drug Diastat. The same trend can be seen in health facilities as more work is passed from medical personnel and nurses to other classifications including unlicensed personnel, to provide services to patients at a lower cost. We oppose deskilling the work of licensed medical professionals such as nurses to other classifications including unlicensed personnel. We oppose requiring or requesting that non-medical personnel “volunteer” to provide medical services or procedures that they are not appropriately licensed to provide. Our schools and other public institutions should be fully funded to provide the services, including health services, necessary for the public.
- **Protect the health and safety of health care workers:** Health care workers face exposure to infectious diseases, needle pricks, violence, and other health risks every day at their workplace. Every effort should be made to protect the health and safety of those workers who care for our health. Health facilities should enact comprehensive infection control programs that include robust education, access to necessary vaccines, hand-washing and cough protocols, housekeeping services, and adequate sick leave policies. However, we oppose mandatory vaccination or masking policies that coerce health care workers into receiving a vaccine against their will. Additionally, violence in health care settings is a continuing problem, and the risk of workplace violence is a serious occupational hazard for health care workers. Health facilities should establish comprehensive workplace violence prevention programs that address and prevent violence and that ensure adequate protection for workers.

Health care is a human right that should be guaranteed to every Californian. Single Payer and Medicare for All are gaining traction nationally as sensible alternatives to our broken health care system. The Federation will work towards a system that has health care as a human right at its core.

## 10. Strong Protections for Worker Health and Safety

An average of 14 American workers are fatally injured at work every day, and each year an estimated 50,000 die from occupational diseases while nearly three million workers reported work-related injuries and illnesses. Latino workers, especially those born outside the U.S., have disproportionately high rates of workplace injury and death. Now COVID-19 adds another deadly workplace hazard to track.

The COVID-19 pandemic highlights the importance of strong, enforceable, science-based health and safety protections for workers. Essential workers lives were risked everyday during the shelter-at-home order to provide health care, groceries, services and other conveniences to keep society running while their employers neglected to protect their health and safety at work. These workers often worked without appropriate Personal Protective Equipment (PPE), ventilation and other engineering controls, sanitation and disinfection protocols and many were paid minimum wage. Essential worker too often meant sacrificial worker—the ones who went to work to provide for the rest of us without the protections to keep them safe.

Statistics that transportation accidents remain the cause of most workplace fatalities remind us that deaths on the job are not limited to historically “dangerous” industries. Workers in every industry across the state need a strong and well-funded health and safety infrastructure.

The Federation believes that a safe and healthy workplace is a right of all workers. While a good workers’ compensation system is vital for injured workers, preventing workplace injuries and illnesses before they occur is even more important. Now is the time for the Labor Movement to recommit and renew the fight for optimal, strong and enforceable workplace health and safety standards to protect all Californians.

### Workplace Health & Safety in a Pandemic

The pandemic has shown the need for fully protective workplace safety standards based on the precautionary principle and science. The precautionary principle states that we should not wait for proof of harm before taking action to protect people’s health.

Government agencies have been quick to degrade workplace safety standards in the face of employers’ unproven assertions about supply and feasibility issues. Not only do workers lives depend on the precautionary principle and science, but so does public health and the speed of economic recovery and consumer confidence. While the COVID-19 pandemic has starkly exposed the ramifications of weakened health and safety standards, moving forward, these lessons must be applied to all workplace health and safety standards. The pandemic has shown us that the lives of workers, their families, and our communities depends upon it.

Prematurely reopening the economy after the shelter-in-place orders has led to drastic rises in cases and increased transmission of the virus that causes COVID-19. Policies around reopening, like all workplace health and safety policies, must be based on protecting workers’ lives and not based on profit or cost. Worker and union involvement in crafting and implementing health and safety standards is essential to this priority.

Workers know the intricacies and nuances of their workplaces and jobs and should work, with their unions, on the front-end with regulatory agencies to develop standards and guidelines that are effective, both scientifically and practically. Workers should also be involved in enforcing health and safety standards, such as through workplace committees or other formations that

allow for on-going input and communication between frontline workers and their unions, employers and regulatory agencies.

The Federation supports strong, enforceable state guidance and protocols for returning to work to protect workers and the public. We support eight fundamental enforcement strategies:

- Take immediate action to promulgate an emergency temporary standard to require employers across the state to implement comprehensive workplace protection programs to prevent exposure to and infection of their employees. This emergency temporary standard should be based on the precautionary principle and the best available scientific data.
- Fully enforce, with the highest penalties, all their standards. Workers' lives, and the lives of their families and our communities, are on the line.
- Hold employers accountable, through legally enforceable laws and regulations, to providing full, optimal PPE to workers, in addition to other workplace protections, including requirements for employers' stocking and preparation for supply, workers full and unmitigated right to access PPE, and other issues.
- Affirm that county agencies may enforce all state reopening guidance, up to and including the temporary closure of businesses that fail to comply.
- Establish – by county and by industry – thresholds of COVID-positive cases that will trigger the suspension of county variances approved by the California Department of Public Health pursuant to the Resilience Roadmap.
- Create an easy-to-understand publicly posted grading system for high-risk, consumer-facing businesses, similar to that developed by local jurisdictions to rate restaurant standards, such that consumers can easily understand businesses' compliance with reopening guidance.
- Require employers to notify employees of any exposure to a COVID-positive individual or person who later becomes COVID-positive, and to immediately report to public health agencies, Cal/OSHA, and certified bargaining representatives when workers test positive and when workers have been exposed to COVID-positive individuals consistent with applicable privacy laws.
- Institute strict whistleblower protection penalties for employers who retaliate against workers who demand compliance with reopening guidance, including treble damages and a private right of enforcement, as well as an express right to refuse work that does not comply with reopening guidance.

We also call on the state to create a certification program for disinfecting workplaces and public spaces that sets standards and develops trainings for workers to provide the service. This not only protects public health but creates high-road jobs to help speed economic recovery. This certification could apply to janitorial, hotel housekeeping, public employees, HVAC technicians, food chain workers and many others, creating training and organizing opportunities for unions.

The Federation strongly supports the right of workers to refuse unsafe work. This includes being able to refuse work that is a real and apparent hazard, but also work that increases the risk of contracting contagious disease. Workers who refuse work must be protected from retaliation. The right to refuse unsafe work also means the ability to not come back to a job after furlough or to leave a job because of risk of infection or a hazard and still remain eligible for Unemployment Insurance benefits. We support changing the eligibility requirements to access UI to allow refusal of unsafe work as a suitable reason to leave a job.

## Inspections and Enforcement

As of April 2020, there were 188 field-available Cal/OSHA inspectors. That means only one inspector for every 102,000 workers and 21 percent of the available inspector positions are vacant. Clearly this system is stretched so thin that it struggles to keep workers safe.

The Federation commends Governor Newsom for appointing strong advocates for worker health and safety to run Cal/OSHA. New leadership will invigorate the agency and send a clear message to employers that they are not allowed to cut corners on workplace safety.

However, during the COVID-19 pandemic, Governor Newsom placed multiple state enforcement agencies into “compliance assistance” mode. Many worker complaints have gone unheeded by the agency. The Federation urges Governor Newsom to return all state enforcement agencies to full compliance mode. Workers' fundamental right to a safe workplace should never be waived, especially during a global pandemic.

The Federation believes that joint liability between contractors and their subcontractors is essential in an economy that is so fragmented. General contractors should not be allowed to ignore the poor safety records of their subcontractors but should instead be held jointly accountable for their subcontractors' violations of worker health and safety laws. This is the only way to prevent employers from turning a blind eye and profiting by the way subcontractors skirt the law.

The Federation believes that employer fines for workplace hazards should never be considered a mere “cost of doing business” but they often are given how often fines are reduced or eliminated through the appeals process.

The Federation supports establishing mandatory minimum payments for fines related to workplace hazards and prohibiting employers from negotiating away more than a specified percentage of fines they have been assessed. To create a serious deterrent to continued violations, we need an escalation of fines and penalties for violations. We also support directly funneling back employer-paid penalties for workplace violations into labor law enforcement budgets. In no case, however, should fines be used as a replacement for adequate institutional funding of enforcement bodies.

The most effective way to protect workers is for those workers to be actively involved in designing, implementing and reviewing the health and safety programs of their employers. Too often employers want no worker participation beyond following the rules, or they want participation only on the boss's terms. We believe union stewards and activists have essential knowledge, confidence, and resources to act on behalf of union members at their worksites and provide the detailed knowledge that is fundamentally essential to their employers' ability to create an effective injury and illness prevention plan. We support programs that help workers sharpen their skills in improving workplace safety and health.

## Vulnerable Populations

The workplace is an especially dangerous place for immigrants. While the national rate of fatal occupational injuries stands at 3.5 per 100,000 workers, Latino workers are being fatally injured on the job at an even higher rate. In California, Latinos account for 46 percent of all on-the-job fatalities while comprising only 39 percent of the workforce. The jobs that bring many immigrants to the U.S. are now killing an average of 18 native- and foreign-born Latino workers each week.

In addition, immigrants face many workplace hazards that can cause injuries that can have life-long, debilitating effects. For example, in addition, immigrants face many workplace hazards that can cause injuries that can have life-long, debilitating effects. California banned the short-handled hoe in 1975 to prevent debilitating back injuries, but many farmers then started to require

workers to pull weeds by hand instead, which can be just as dangerous, if not more so. Together with California Rural Legal Assistance, labor won a Cal/OSHA Standards Board regulation that now prohibits hand weeding in California. A similar campaign won new safety regulations for hotel housekeepers in 2018, most of whom are immigrant workers.

We support increased bilingual staffing at Cal/OSHA to best meet the needs of workers who speak limited English. Cal/OSHA must increase the availability of bilingual inspectors or at least provide interpretation services effectively support and serve immigrant workers who experience an injury to deal with the increasing proportion of deaths and injuries among immigrant workers.

## Workplace Hazards

Workers face a wide variety of hazards in the course of doing their jobs. From dangerous equipment to extreme temperatures to toxic chemicals, many workplaces can pose serious dangers to workers.

### Ergonomics

We will continue our efforts to win strong ergonomics standards at both the national and state levels. After 10 years of work by federal agencies, the Bush Administration gutted all efforts to develop standards that would prevent ergonomic injuries, and at the federal level, nothing of note has happened since. California has adopted a standard, but it is too narrow to be very useful for workers. The Federation will again petition the Cal/OSHA Standards Board to strengthen our state ergonomics standard.

### Workplace Violence

Assaults and violent acts remain the 2nd most common cause of workplace fatalities in California, killing 92 workers in 2018—a 40% increase from 2017. Workplace violence kills more than toxic chemical exposure, fires, and even contact with dangerous equipment, yet no general industry safety standard exists to directly protect workers from this common hazard. Most of those 92 deaths were homicides; many would have been easily preventable with security measures or preventive efforts. And far, far more than 92 workers were injured by this basic lack of attention by employers to such a serious hazard.

Recently, health care workers petitioned for and won a first-in-the-nation, landmark standard requiring their employers to take comprehensive action to protect them from workplace violence. As of April 1, 2017, health care employers were required to implement a comprehensive workplace violence prevention plan, including risk assessments, implementation of prevention measures, and reporting standards to better protect their workforce. And the results of this campaign have been staggering: health care workplace violence fatalities decreased by 75 percent from 2015 to 2016, thanks largely to much greater attention paid to this issue during the fight for a new standard. This workplace violence prevention standard in healthcare has provided a model for other states.

Now, we must refocus efforts on other workplaces. Cal/OSHA is currently considering a general industry workplace violence standard, having held two advisory committee meetings on the topic, and not surprisingly, employers are already hard at work trying to weaken this regulation. We will fight to ensure the strongest standard possible, not just to best protect our workforce, but also to account for the fact that federal OSHA has already abandoned similar efforts launched prior to the current administration. We will work hard for a strong state standard which would provide a model for other states interested in filling the gap left by inaction and incompetence at the federal level.

## Heat-Related Illnesses

Because of California's climate, its workers are particularly susceptible to heat-related illnesses and injuries. In the summer of 2005, several farmworkers and construction workers in California died while working in the scorching summer heat. The deaths prompted the enactment of a temporary emergency measure to protect workers from heat illness. The emergency measure was designed to ensure access to adequate supplies of cool water and shade for workers who are becoming ill, to provide training on the critical elements of heat illness prevention, and to require the Cal/OSHA Standards Board to review the feasibility of requiring shade for all rest periods.

The temporary regulations were replaced with substantially similar permanent regulations in 2006 and then significantly strengthened in 2015. We will continue to find ways to further improve this historic standard to protect outdoor workers.

Since the adoption of the outdoor heat regulations, the Federation has passed legislation to create similar heat stress protections for indoor workers. This regulation has been drafted and Cal/OSHA is currently analyzing it. We support expediting the regulatory process to ensure all workers, regardless of whether they work indoors or out, have heat-stress protections.

## Chemical Exposure

There are currently more than 80,000 chemicals on the market in the U.S. In increasing numbers, these chemicals have been linked to health problems including cancer, infertility, birth defects, and learning disabilities. The continuing use of these chemicals poses threats to the health of a broad range of Californians. From the worker who manufactures a chemical, to the worker who uses it later to create a product, to the worker who sells the product to a consumer and the workers who eventually use it or deal with its disposal, any given chemical can touch a host of workers and consumers over its life cycle. Many of these chemicals do not break down in the environment, leading to even more possible exposure for workers over the years.

Because of this long chain of potential dangers, the Federation supports the development of a green chemistry program passed in 2008. This program will, when implemented, encourage the design of products and processes that reduce or eliminate the use and generation of hazardous substances. The underlying theory of green chemistry is to make chemicals safer from the beginning so that they pose fewer problems throughout their lifecycle.

Until we develop safer alternatives and a robust green chemistry program, the Federation will continue to support efforts to reduce or eliminate the use of specific chemicals that pose proven health hazards to workers or consumers. We support requirements for chemical manufacturers to provide workers, consumers, and the government with more information about dangers posed by their products. We have recently supported legislative and administrative actions to limit the use of diacetyl, phthalates, and PFOA, all ubiquitous chemicals with proven health risks to workers and consumers. We also support better testing protocols for workers exposed to chemicals in the agriculture industry.

We oppose rollbacks of regulations of known carcinogenic and toxic chemicals. These regulations protect both workers and consumers alike and are critical to prevent exposure to substances that increase disease and fatality rates. We also oppose any efforts to undermine standards for the levels of exposure to toxins that are deemed acceptable at worksites or in consumer goods.

As part of the ongoing effort to determine the biological impacts of chemicals, the Federation also supports the use of bio-monitoring and body burden studies. These approaches monitor the levels of specific chemicals in human bodies to help the scientific community better understand the impact of chemical exposures on human health. While bio-monitoring can provide immensely valuable information that can help save workers' lives, such studies should remain

voluntary for workers and must include strong privacy protections for all participants. Workers should also be guaranteed that results of bio-monitoring cannot be used by employers to discriminate against them.

Surgical plume is a chemical hazard that many healthcare workers encounter in the course of doing their jobs. Surgical plume or smoke is created by the thermal destruction of tissue, such as in laser surgery or electrocautery procedures. This plume can contain many hazardous chemicals, including known carcinogens, and can cause respiratory harm to exposed workers. Plume can also contain infectious matter present in a patient's tissue. Cal/OSHA has granted a union petition and held one advisory committee. The Federation will continue to push Cal/OSHA to take timely action to promulgate a strong, enforceable standard to prevent worker exposure to surgical plume.

### Personal Protective Equipment Regulation

Some Cal/OSHA safety standards identify personal protective equipment (PPE) that workers in specific must wear while on the job. Common examples of required PPE include protective eyewear, respirators specialty gloves, or boots with metatarsal protection. Case law clearly establishes the employer duty to provide such equipment at no cost to workers, but regulatory and statutory language

is patchwork. Some standards, such as the Respiratory Protection Program Standard, are explicit in their requirements, while other standards are silent.

The Federation believes that existing standards and case law offers sufficient clarity and no additional regulation or law is necessary. However, should any such rule or law be adopted, the language must not allow any exceptions to this longstanding policy of requiring employers to provide all mandated PPE at no cost to the employee.

All efforts to weaken this standard will be opposed by the Federation. It is clear that not only will we fight efforts to weaken this standard, but requirements to maintain and provide adequate supplies of PPE must be updated and strengthened.

### Natural Disasters

California has experienced several natural disasters in the past several years, such as wildfires, mudslides and floods that ravaged communities across the state. California also faces the threat of major earthquakes along our fault lines that could also prove destructive.

Natural disasters create dangerous working conditions for the first responders who are responsible for fighting fires and rescuing residents. Other workers, including healthcare workers, who must continue to work and cannot shelter in place may also face workplace hazards during a natural disaster such as a fire. These situations create dangerous conditions for workers who must report to work during the aftermath of the disaster. Recent wildfires lowered air quality to historically low levels, destroyed entire communities, killed hundreds and brought the state face-to-face with the reality of climate change.

Climate changes means that wildfires will increase in frequency and severity, threatening worker health and safety year round. The aftermath of fires can be just as toxic and dangerous as fighting the fires themselves. Fire retardant used to fight the fire remained in soil, structures and debris long after the fire was put out. Floods and mudslides made it dangerous to use roads and highways and smoke from the fires pollutes the air for miles.

The infrastructure, laws, and regulations to protect worker health and safety both during and after wildfires must adjust to the reality of severe and frequent fires that may impact almost all areas of the state. Urban areas will not be untouched as smoke travels and often remains in such areas for even longer than more rural locations

Several state and local agencies partner with law enforcement to run inmate fire crews that clear brush, clean trails, respond to certain emergencies and support firefighters. The Labor Federation recognizes the need to train and transition inmates and the formerly incarcerated to skilled employment opportunities, as well as the need for additional wildland firefighting personnel. However, we are concerned about the use of prison labor to do the work of firefighters. The Federation opposes any inmate work crews that create disparate or separate weakened standards associated with firefighting, EMT certification or PM licensure, or any job-related requirements involving matters of public trust and safety.

All these conditions made working conditions dangerous for worker other than first responders. In Northern California, farm workers continued to harvest crops outdoors with the worst air quality in decades. Many businesses do not close during disasters and require workers to brave dangerous conditions just to get to work.

State law protects consumers from price-gouging by businesses during natural disasters, and workers need extra protection from exploitation at the same time. If business is going to take advantage of consumers, most likely they're doing the same or worse to workers. The Federation supports measures to protect all workers health and safety during and after natural disasters, including measures for protected time off if workers cannot get to work. We support requiring adequate protective equipment that responds to different disaster conditions above and beyond regular PPE.

# 11. Fighting Global Climate Change

PROTECTING THE ENVIRONMENT, PROTECTING WORKERS, CREATING JOBS

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As workers and as residents of California, we all deserve clean air, clean water, safe energy sources, and the preservation of our natural resources. Protecting the environment is both socially responsible and a key component of future growth for the organized labor community. The decisions we make now about adapting to climate change and the ways we generate energy will impact the economy, environment, and infrastructure of California for decades to come.

We recognize the tremendous potential for new economic and workforce development because of changing our patterns of environmental behavior. The Federation's Workforce and Economic Development program has focused significant time, resources, and energy toward this end. The Federation applauds local and state-level government efforts to encourage the development of green-collar jobs and supports the emerging green technology industry. We also welcome the opportunity for the creation of jobs for climate adaptation. These efforts must be met with an equally zealous push from the labor community to ensure that new green jobs become sustainable union jobs.

We oppose regulatory reform that eviscerates core environmental and worker protections and makes it harder to implement new protections. We will continue to use the regulatory process to ensure those protections remain in place and are aggressively enforced.

## Climate Change

Climate change is an indisputable fact that will thoroughly change our economy, our labor markets, and many aspects of our daily lives. The United Nations Framework Convention on Climate Change states that the global nature of the threat of climate change calls for the widest possible cooperation of all labor, immigrant, human rights, and other community organizations, with their social, political and economic actions.

A hotter climate threatens Californians in many ways. Economically, changes to our climate can threaten our agriculture and forestry sectors. Climate change may also lead to more severe and lengthy droughts, which have already caused tremendous hardship throughout the state. We have already seen unprecedented wildfires devastate many communities around the state and put working people and their families in danger; increasing frequency and intensity of wildfire is also a predictable consequence of the coming rise in average temperatures.

Sea level rise is also another predicted effect of climate change which would have severe negative impacts on our economy and our lives. Low-lying areas will be threatened by storm surges, floods and salt-water intrusion into aquifers. Some heavily populated areas are already below sea level, and in worst-case scenarios could become entirely uninhabitable. Impacts to our communities will stretch our social services, especially health care, and our infrastructure, for example coastal and port protection. More investment in physical and social infrastructure will be critically needed to help mitigate the impacts of climate change.

Of course, climate change is not a problem just for California, and in fact its most severe impacts will be felt in other parts of the world first. There is a tremendous inequity in the fact that climate change, caused mostly by carbon emissions from the United States and other developed countries, will have greater impact on lesser developed countries, which are less equipped to deal with the consequences. For example, see the terrible effects of Typhoon Haiyan/Yolanda in the Philippines. As global temperatures continue to go higher, even more frequent and more powerful typhoons and hurricanes are projected. And even worse, entire low-lying nations such as the Marshall Islands and Bangladesh to name only two may be overcome by rising sea levels, driving potentially millions of people from their homes.

Labor's response to climate change will determine, in large part, whether these changes support our ability to organize new members or whether our strength is undermined. Many new jobs can – and should – be created in both the public and private sectors to meet the challenges of climate change. Some examples are increasing the number of fire fighters, also nurses and health care providers of all kinds. Much construction work will be needed to rebuild infrastructure such as ports, sea-walls, marshes, highways, bridges, etc. from rising sea levels. A shift towards more public transit systems will also drive employment both in construction and operations. And moving our entire energy sector away from fossil fuels and towards clean energy also presents both challenges and opportunities for workers and unions, as discussed below.

Labor's response to climate change will determine, in large part, whether these changes support our ability to organize new members or whether our strength is undermined. The Federation opposed Proposition 23 which would have essentially repealed AB 32, the greenhouse gas reduction law. We will continue to oppose attempts to repeal environmental protection laws that protect our environment and our communities.

In combating climate change and implementing AB 32, California's greenhouse gas reduction law, and other environmental legislation the Federation's Executive Council has endorsed the following principles:

- **Building alliances and regional partnerships:** Addressing climate change provides labor the opportunity to build new alliances and strengthen bonds with environmental, community, and business allies. Furthermore, to reach the target called for by AB 32 to mitigate climate change, we call upon employers to step up their efforts to reduce their own emissions and partner with union representatives and community leaders in efforts to seriously address climate change.
- **Sustainability:** Climate stabilization can only be accomplished if our economy and society are structured around the notion of sustainable development and fair trade. For unions, sustainable development requires a commitment to decent working conditions, including a voice at work, the right to organize and to a safe work environment, as well as access to prevailing and self-sufficient wages.
- **Green jobs must be union jobs with a future:** The struggle against climate change is an opportunity to address unsustainable patterns of development, production, and consumption, and to create new and high-paying green jobs throughout California in renewable energy, the construction trades, public transportation, sustainable farming, and much-needed manufacturing for California workers. It is not enough for a job to be with a clean tech or green employer for it to be truly green. Green jobs include any job that has been upgraded to address the environmental challenges facing the state or nation. A good green job is one with good wages and benefits, an upward career pathway, and a voice on the job: in short, the protections only guaranteed by union membership.
- **Just transition:** With the industrial transition that a green economy brings, workers in many traditional industries will experience major changes, including dislocation or other impacts. We support the concept of “just transition”—no worker should suffer economic hardship or insecurity because of the changes required to address climate crisis or other environmental challenges. Provisions shall be made for education, training, retraining, or as necessary, re-employment in comparably good jobs or bridges to retirement.
- **Equity for communities:** People in the poorest communities of our state, who have shouldered much of the burden of our carbon-based economy in terms of poor air quality, health hazards, lower wages, and longer commute times, must be among the first included in job-creation programs, community development and pollution mitigation efforts.
- **Job training and coordination of resources:** Greening the economy will require a workforce with new skills. Policy-makers must support, enhance, and leverage union apprenticeship pro-

grams, labor-management training partnerships, career-technical education initiatives, community colleges, local workforce investment boards, and other education, training and worker supports to train new and incumbent workers and build career pathways for the green economy.

- **Climate change is a global problem.** Reducing greenhouse gas emissions will require action on many fronts. Industry, agriculture, transportation, electric generation and land use policies all must change. The regulatory system must ensure that these changes occur comprehensively and fairly. A carbon emissions fee should be levied on carbon emitted in the manufacture of any product sold, used, or imported for sale or use. Emission permits should be auctioned, and state government should administer the market with most of the proceeds used to benefit the public, including substantial investment in workforce development, assisting consumers, and attracting and supporting high-road, green California businesses. Domestic manufacturing and other industries must not be asked to compete against unfair foreign or out-of-state competitors that are able to circumvent California's regulatory scheme. Reducing us at-home climate change footprint when that reduction contributes to increased climate change emissions in another part of the world is counterproductive.

## Energy

Safe, reliable, sustainable, and affordable gas and electricity are essential services, and access to these services must be regarded as a universal right. As such, the utility industry shoulders an obligation to serve the public, not just to make money.

A stable, organized, and well-trained utility work force is essential to high-quality service. The Federation believes that the California Public Utilities Commission and the state Legislature have a continuing responsibility to safeguard the public interest in these essential utility services. We support an energy policy that puts California workers and consumers first, assuring affordable access by the state's residents and businesses to electric and gas utilities, and guaranteeing fair wages and working conditions for utility workers.

The energy crisis in our state was an abject lesson in the dangers of deregulating a vital industry. Out-of-state energy generators reaped windfall profits; and consumers and workers paid the price. The crisis cost consumers billions of dollars in higher energy bills, jeopardized thousands of jobs, endangered lives with rolling blackouts, scared investors away from California, gave conservative politicians an excuse to trash labor and consumer protections, threatened irreparable harm to the environment and distracted our legislators from other important issues.

Energy deregulation has proven to be a failure for all Californians. The Federation reaffirms its commitment to regulatory mechanisms that protect the public interest from potential abuses by energy service providers and assure safe and reliable power. We supported Proposition 80 on the November 2005 ballot that would have re-regulated the utility industry in California and we will support future like-minded efforts.

In considering future energy policy and re-regulation, the Federation endorses the following principles:

- **Equity:** Cost savings from restructuring must be shared with small users and big users alike, just as regulation must protect the interest of consumers and workers, as well as the needs of large industrial or agricultural consumers. The Federation supports a windfall profits tax on energy generators to discourage generators from gouging consumers and ensure that profits from restructuring are shared with ratepayers and taxpayers.
- **Utility Work:** Regulation should assure a sufficient and well-trained workforce and cost-effective ways to deliver reliable utility services. All energy service providers overseen by the state should be held to the same high standards for training, safety, skills and compensation

that utility workers have won through collective bargaining. We also support prevailing wage provisions for utility construction projects.

- **Energy independence:** We can no longer depend on out-of-state generators with a strong profit motive but no sense of public interest. In the future, operators must put our state first by being responsive to integrated resource planning—any plants financed by California taxpayers should be dedicated to servicing California residents first. Renewable Energy Certificates” or other measures which purport to protect the environment, reduce greenhouse gas emissions, or create good jobs somewhere else are not a proper mechanism to provide clean energy in California or protect the environment. We need an energy system that we can understand and that is not marketed by financial institutions who are more interested in profits than in the benefits to residents and workers.
- **Safety:** Energy production can be dangerous, both to workers and neighbors. Safety must be a high priority. California should regulate plant maintenance procedures to coordinate necessary shutdowns and establish an inspection and enforcement mechanism to assure proper and safe maintenance. Furthermore, any future power plants must meet the same tough permitting process and environmental and labor standards as in the past. The energy crisis should not be an excuse to relax the high standards that California unions and community groups have won over the last half-century.
- **Financial protections:** We can avoid future meltdowns by insuring that bankruptcy protection is part of the utility company’s mandate. If California residents are forced to subsidize utility companies, we should receive assets in return. If energy companies go bankrupt, workers must be protected. All collective bargaining agreements and successorship clauses should be recognized. “Community Choice Aggregation” public agencies must be accountable to the public, must be mandated to provide fair prices and good union jobs, and must use Project Labor Agreements for the work they perform. CCA’s must not be dominated by financial or business interests.
- **Energy alternatives:** We are committed to environmentally safe technology for power generation, for the sake of public health and our world. Wind, solar, biomass, and other alternative energy sources are friendly to the environment and provide an alternative to our economic dependence on conventional power generators. We should give continued priority to renewable sources of energy that are built, maintained and operated by a well-trained, unionized workforce here in California. Conventional energy projects should be ranked according to their relative impact on the environment, with higher priority given to those using clean fuels. The construction, maintenance, and operation of these facilities or vessels should also be 100 percent union.

The Federation believes that the sustainability of our energy supply depends on our continual development of safe, renewable energy sources. We support efforts to develop new and improve upon existing renewable portfolio standards for both public and private utilities, provided that such standards are technically feasible and based on truly renewable and environmentally sound forms of energy.

Like alternative energy, conservation can be a path to greater energy independence, and need not get in the way of growth. We endorse true least-cost energy planning and putting conservation providers on the same footing as power providers. Increased government funding of research on effective energy-conserving technologies, products, and services can help reduce our need for energy generation. Temperature, lighting, and ventilation standards can improve energy conservation and prevent indoor air pollution.

## 12. Good Government and Accountable Corporations

As Californians, Americans, consumers, and unionists, we deserve a strong democracy, government that works for the people and responsibility and accountability from corporations.

The Supreme Court seriously undermined our democracy when it ruled to allow unlimited independent campaign spending by business corporations and other groups.

The Citizens United ruling has opened the floodgates to massive spending by corporations and even more so by wealthy donors. They are pouring money into our electoral system and threaten to drown out the voices of ordinary Californians. Common-sense restrictions on their spending are needed, along with robust disclosure of their contributions and expenditures—including their contributions to organizations engaged in electoral activity.

In California, corporate interests have bankrolled anti-worker initiatives and have tried to buy their way into office as candidates. Gig companies are trying to undermine the historic AB 5 victory by running an initiative to not only reverse the law but to create a third category of worker than would undo decades of labor law.

However, they must contend with California’s unions, which have a long and proud history of making an impact on California’s political landscape. From mobilizing some of the nation’s most effective voter turnout efforts to fighting to defeat some of the worst anti-worker initiatives in the country, the working women and men of this state make sure their voices are heard.

The result of that work is clear: California has passed some of the most progressive pro-worker legislation in the U.S. We have the nation’s second most diverse Legislature with solid Democratic majorities in both houses, and, with labor-supported mayors, city councils, and county supervisors, our local governments have created policies that are being emulated across the country.

We have worked with legislators and community allies to fight back some of the worst business practices of big box behemoths like Walmart, and financial giants like Bank of America and Wells Fargo. We have engaged corporate bad behavior as shareholders, as voters and as consumers. We face a new challenge as waves of mergers and consolidations create new mega-monopolies, and the dominance of tech giants threaten not only competition, but our democratic institutions.

The Federation is dedicated to continuing these fights, but to be successful, we must both maintain and improve upon our tools for protecting democracy, preserving good government and holding corporations accountable through regulation and other means.

### Protecting and Strengthening Democracy

President Trump’s administration has demonstrated the importance of strong democratic institutions to protect against authoritarianism. In California, the Federation continues to work to maintain a strong and vibrant democracy that allows and encourages public participation. Without that, the voices of working people will be drowned out by the influence and money of powerful corporations and the wealthy.

The Federation supports California’s system of direct democracy through the initiative process. We believe that, in the absence of legislative action or consensus, it is a crucial mechanism for ensuring that voters have the chance to address some of the state’s most pressing issues. We will work to strengthen the electoral and initiative process, allowing for grassroots activity that is not drowned out by corporate funding. While we respect our initiative system, we oppose efforts by corporations to attack unions, collective bargaining and public employees.

Proposition 32 was just the latest attack on working people and our unions, but there are more to come. The Federation strongly opposes all attempts to silence the voice of union members and working people through deceptive anti-union initiatives.

Corporations have a long history of putting measures on the ballot to advance their business interests and increase profits. The gig company multi-million dollar funding of an initiative to repeal AB 5 is the ultimate example of corporations relying on money to undermine democracy.

The Federation opposes the perversion of the democratic and electoral process to undermine the law, evade justice and hurt workers and the public. We will advocate for electoral reform that levels the playing field for ordinary Californians, prevents corporate abuse and stems the flow of secret money into our state's elections.

## **Good Government**

The Federation is committed to ensuring that institutions of government at all levels are responsive to the needs of working families. We support the public's right to access government meetings. We support the Brown Act and the Bagley-Keene Act, which provide transparency for policymaking by local and state agencies. We believe that all of California's residents deserve the right to make their voices heard by communicating with elected officials both directly and through union representatives.

We believe that government not only has a responsibility to serve its constituents, but also that government entities have a responsibility to the civil servants who make governance possible. We reject the movement to blame public service workers for budget shortfalls. Slashing wages, benefits, and jobs should never be the first resort of decision makers looking to balance the books.

We oppose efforts to limit participation on boards and commissions to landowners. Almost every year a legislator authors a "district" bill to allow a local governing body to limit elections of members to landowners or to allow non-resident landowners to vote. These proposals undermine the institution of democracy and harken back to the darkest times in our nation. It disenfranchises working people and paves the way for governance by elites based on income. We oppose these measures and will fight to maintain free and fair elections at all levels of government.

We advocate for appointments of labor representatives on state and local boards and commissions. Union members and leaders have expertise in the industries they work in and should be put in positions to use that experience to benefit the public. We support explicit labor seats on relevant boards and commissions and encourage union members and leaders to actively engage in those entities.

We call on the next Governor to look to the Labor Movement for our expertise and experience in a wide range of industries, as well as our experience in enforcing laws to protect workers, consumers and the public. We urge the next Governor to work with the Labor Movement to appoint strong advocates for working people and the middle class to relevant positions in the administration and across government.

## **Freedom of the Press and Protection of Journalists**

The United States Constitution enshrines the principle of free expression and the right of the press to report the news and to criticize our chosen representatives, free of state interference. Under our system of government, journalists play a fundamental role in the maintenance of a democracy, informing and educating the public so that the public may act with intelligence and wisdom in holding their representatives to account. Press freedom is the right on which all of our other rights rest.

For years, certain elements of the government have derided journalists and the work they do with a number of epithets, all of which are familiar and none of which are worth repeating. And this spring, as protests have erupted nationwide, the press has come under even more pernicious assault. We have seen the news reports and cell phone video in which law enforcement officials have detained, arrested, gassed, or fired upon reporters in the performance of their duties. Whether Los Angeles or New York, Buffalo or Louisville, Washington D.C., Detroit, or Minneapolis, during that period law enforcement has attacked the press more than 150 times.

Under any circumstances, we should revile state violence against innocent citizens. But when the state targets a journalist, we must see that as an attack on our own freedoms – our freedom of conscience, our freedom of education, of speech, of assembly – of every value that we hold dear because these are the very values that a free press serves to protect.

## **Eminent Domain and Privatization**

As California continues to invest in infrastructure and engages in other development activities like urban infill projects, state and local government entities will inevitably confront the issue of eminent domain. The Federation supports the government's ability to exercise eminent domain powers. We reject the recent spate of right-wing efforts, like Proposition 98 in 2008, to use the issue of eminent domain as a ruse to enact broad reaching changes to eminent domain powers, environmental regulations, and rent control ordinances.

The government has a responsibility for the stewardship of public assets. We oppose efforts to privatize public assets to benefit corporations. This includes the sale or lease of public infrastructure, agencies, funds or any asset that benefits the public.

The Federation rejects the trend toward the privatization of public assets. We believe that it is analogous to and as undesirable as contracting out public sector jobs. If public assets are underperforming or underutilized, we support taking steps to improve their performance, but do not support auctioning them off to the highest bidder. The Federation supports many of the goals and programs slated to benefit from various proposals to privatize state assets but believes that those programs should be funded with long-term, stable, and appropriate financing mechanisms rather than by proposals that mortgage California's future.

## **Regulatory Reform**

Government enacts regulations to ensure Californians have clean air and water, safe food, pharmaceuticals and workplaces and affordable access to phone service, energy and other necessities. The Trump Administration has launched a wholesale war against regulations, undoing and reversing rules and regulations that protect workers, consumers, the environment and more. As the federal government rapidly destroys decades of work to protect the public, the Federation will fight even harder to protect our regulatory structures and to preemptively protect the state from the impacts of federal deregulation.

The pandemic has made regulations to protect worker and public health and safety even more important than ever. Every year, legislators introduce bills attempting to dismantle the regulatory process under the banner of reform. Those pushing so-called "regulatory reform" seem to conveniently forget that it was deregulation of the financial industry that caused our economic collapse. In contrast, regulations—like heat stress protections, nurse staffing ratios, and many others—save lives. These actions are even more dangerous under a federal administration that also wants to dismantle regulations.

Big business representatives often use the guise of regulatory reform to attack core workers' rights like overtime, meal and rest periods, and health and safety standards. Another popular

target of deregulation is the California Environmental Quality Act, which serves to protect the public and to require standards for economic development projects.

The Federation works to cut through the rhetoric and expose that what business really wants is to eviscerate the protections unions fought for over many long years. We will work to codify strong federal regulations into state law to ensure California has strong regulations in place. The Federation supports the full funding and staffing of regulatory agencies to ensure that they can carry out their duties and have the tools to regulate their industries.

## **Holding Corporations Accountable**

The Federation supports an active role for unions and union members in ensuring responsible behavior from corporations. This starts with bargaining the best possible contracts for members, but extends far beyond that, to include shareholder activism, legislative advocacy, and more.

Corporations are increasingly merging and consolidating globally, creating mega-monopolies across industries. From airlines to telecommunications to health care, companies are merging in new combinations, outpacing the controls and protections of existing anti-trust laws. Companies like Amazon have morphed into online giants that defy industry boundaries, as the company expands into retail, grocery, prescription drugs and logistics, all under one corporate brand.

Tech giants are also upending traditional anti-trust statutes. Google, Apple, Facebook, Twitter and others not only dominate their industries, but they buy and sell our personal data, creating a whole new industry to regulate. Tech giants have grown so large and dominant globally that they threaten to undermine democratic institutions. Facebook and Twitter's facilitation of Russian interference in the 2016 Presidential election sets a dangerous precedent for the dominance of Tech over Democracy.

The new monopoly powers confound existing anti-trust and anti-competitive laws because it's not just about one market nor is it just about whether the consumer pays more. Giants like Amazon allow consumers to pay less but they are completely reshaping the retail and logistics industry. And how do we measure the monopoly power of Facebook? Or Twitter?

The Federation supports strong anti-trust and anti-monopoly laws that respond to the new economy and continue to protect workers and consumers from the profit-driven goals of corporations. We also support accountability for private equity firms that can strip companies of their assets, making millions in profits while workers and communities suffer.

The Federation believes that corporate accountability starts in the boardroom. We oppose outlandish executive compensation packages that benefit management over rank and file workers. We oppose golden parachute payoffs that have no ties to performance or quality. CEOs and management should not be rewarded with bonuses and raises for closing U.S. facilities, laying off workers, and reducing labor costs. No CEO should be given a compensation package earned by eliminating the jobs of workers who made that money for the company. We believe that corporate success should be shared with all workers and shareholders, not simply doled out to the privileged few.

Because of the ripple effects they can create throughout communities, the Federation believes that corporations should be held to the highest standards for corporate responsibility.

We believe these corporations should be accountable to the communities where they are located. As the first step toward greater accountability, community members have the right to know the impact that stores like Walmart and warehouses for Amazon have on their economy. The Federation has sponsored and continues to support legislation that would ensure that local governments have adequate information about the economic impact of super-centers and logistics centers on wages, benefits, public revenues, and retail competition in their city or county. We

support mandatory economic impact reports prior to city or county approval of super-center building permits or for public subsidies for logistics centers.

The Federation also supports greater disclosure of the public costs of low benefits from employers. For years, Walmart has maintained a corporate policy of inadequate health benefits and heavy reliance on government health care programs for its employees. We support public disclosure of employers with a disproportionate share of workers relying on public programs as well as additional fines and fees on such corporations to compensate for those publicly borne costs.

The path to true corporate responsibility demands transparency from corporations on a host of issues. The Federation supports full transparency about corporate use of tax incentives and loopholes as well as public disclosure of corporate tax payments. We support more information for consumers and investors about the health of corporations and the safety of their products. We oppose weakening regulatory standards for corporations and those responsible for overseeing them.

The Federation supports comprehensive reform of the financial industry that will help prevent another financial crisis. We support reforms that bring transparency and accountability to shadowy capital markets and protect bank customers. We also support mechanisms to break up big banks to prevent another case of "too big to fail" and subsequent taxpayer bailout of failed financial institutions.

From the robber barons to Enron to Goldman Sachs, we have more than a century of examples to teach us that corporate malfeasance hits workers the hardest and with the most lasting impact. The Federation will continue its fight to ensure that workers, not corporate entities, are put first in California.

## 13. Rights of Immigrant Workers

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Without immigrant labor, California's economy would grind to a halt. Immigrants make up half of our state's janitors and a significant proportion of the state's childcare workers and construction workers. Fully 91 percent of the farm workers in California are immigrants. Immigrants are central to our state's economy and the Labor movement.

The Trump Administration has used anti-immigrant hysteria to whip up and maintain his base and to further divide the nation along racial lines. The President has used racist and inflammatory rhetoric that creates a hostile environment for immigrants, in addition to actual policies that target, terrorize and threaten to deport millions of immigrants from this country. President Trump has used COVID-19 to demonize and scapegoat Asian-Americans, Asian immigrants and to amp up racist and xenophobic sentiment.

The pandemic and economic crisis has made the fight for immigrant rights and protections more important than ever. Immigrant workers are denied basic benefits like unemployment insurance and Medi-Cal. The federal government's Public Charge rule has created a chilling effect preventing immigrants with documentation from accessing the benefits they're entitled to. Immigrant workers are on the frontlines as essential workers during the pandemic yet are denied access to the most basic protections and benefits.

The Federation supports Disaster Relief Assistance for immigrants, the expansion of Medi-Cal to all, regardless of immigration status and an expansion of the Earned Income Tax Credit for all filers, including those filing Individual Tax Identification Numbers (ITINs)

The Federation condemns Trump's rhetoric and actions against immigrants and pledges to stand with our immigrant brothers and sisters to fight the hate coming out of Washington, DC. We will work to protect immigrants from ICE raids in the workplace and public places and to create Sanctuary Unions and to make California truly a Sanctuary State, starting with advocating for immigrant children in the Deferred Action for Childhood Arrivals (DACA) program.

The Federation supports a comprehensive immigration reform agenda that focuses on a path to citizenship, limiting wage competition and strengthening labor standards, especially the freedom of workers to form unions and bargain collectively. To achieve this goal, immigration reform must protect U.S. workers, reduce the exploitation of immigrant workers, and reduce employers' incentive to hire undocumented immigrants rather than U.S. workers.

The most effective way to reduce exploitation is for all workers—immigrant and U.S.-born—to have access to the protection of labor, health and safety and right to organize laws. Comprehensive immigration reform requires a strong, well-resourced and effective labor standards enforcement initiative that prioritizes workers' rights and workplace protections. This approach will ensure that immigration does not depress wages and working conditions or encourage the growth of the underground economy that depends heavily on substandard wages, benefits, and working conditions.

In the absence of comprehensive immigration reform, California can enact laws to protect and improve the lives of immigrants. We must prevent the separation of families because of deportation. Access to drivers' licenses, health care, public assistance and other programs not only improve the lives of immigrants, but also benefits the state through increased public safety and public health.

## Comprehensive Immigration Reform

The Federation supports a path to legalization for all undocumented immigrants. If immigrants are not given an opportunity to come out of the shadows and adjust their status, we will continue to have a large pool of unauthorized workers whom employers will continue to exploit to drive down wages and other standards to the detriment of all workers. We call on Congress to enact an inclusive and swift path to legalization that will raise labor standards for all workers.

We oppose expansion of the federal guest worker proposal. An expanded guest worker program would create a permanent underclass of workers with limited civil and employment rights, unable to participate fully in American democracy. For U.S. corporations, guest workers would provide a steady stream of vulnerable workers. For immigrants, the plan would deepen the potential for discrimination, exploitation, and abuse. For non-immigrant workers, it would lower wages and standards throughout the economy.

The Federation opposes proposed state-level guest worker programs that leave workers without a path to citizenship and provide false hope of protection from deportation to immigrant workers. These laws are federally pre-empted and should not be pushed through at the state level.

The long-term solution to uncontrolled immigration is to stop promoting failed globalization policies and eliminate the enormous social and economic inequalities at both national and international levels. U.S. immigration policy should consider the effects of immigration reforms on immigrants' countries of origin, especially Mexico. It is in our national interest for Mexico to be a prosperous and democratic country able to provide good jobs for its people, so that earning a living in Mexico is a viable alternative to immigration.

Much of the emigration from Mexico in recent years resulted from the disruption caused by NAFTA, which displaced millions of Mexicans from subsistence agriculture and enterprises that could not compete in a global market. We need a fair trade and globalization model that uplifts all workers, promotes the creation of free trade unions around the world, ensures the enforcement of labor rights and guarantees core labor protections for all workers.

In the absence of comprehensive immigration reform, we support Executive Actions that provide Deferred Action for Childhood Arrivals (DACA). Deferred action is not full legal status, but would provide a three-year, renewable work permit and exemption from deportation, providing some stability and a reprieve from fear for millions of immigrants.

We call on Congress and the President to immediately reinstate the Deferred Action for Childhood Arrivals programs (DACA) that granted work visas to immigrants brought here as children by their parents. These individuals came here as children and have made a life in California, and many of them have no memory of their country of birth. Congress must take immediate action to extend the DACA program.

## Protections for Immigrants

California unions have a history of standing with immigrants. In 1994, we campaigned vigorously against Proposition 187, which unfairly and falsely blamed immigrants for all the budgetary and economic woes that faced the state. In 1998, our unions campaigned against Proposition 227, which sought to make it more difficult for immigrant children to learn English and receive a quality education. We fought anti-immigrant provisions in federal welfare reform legislation and we opposed the anti-immigrant backlash that followed the World Trade Center bombing.

We will continue to work to ensure that undocumented immigrants are not left behind by the federal Affordable Care Act (ACA). We applaud the work by activists on Health Care for All, which won full-scope Medi-Cal benefits for undocumented children under age 19. Undocumented immigrant adults are still prohibited from enrolling in Medi-Cal, purchasing health coverage

or receiving federal subsidies for coverage in the state Health Benefit Exchange. The Federation supports a true Health Care for All system that would allow all Californians, regardless of immigration status to enroll in publicly subsidized health care.

We reject the anti-immigrant rhetoric that seeks to divide workers against each other. We understand that when a worker is pitted against another worker, it is only the boss who wins. The novel Coronavirus has been accompanied by an upsurge in racist and xenophobic violence against Asians and Asian-Americans. The Federation strongly opposes such racism and immigrant bashing.

We oppose the criminalization of undocumented workers and using local law enforcement to enforce federal immigration law. We oppose the draconian law in Arizona that allows local and state law enforcement to stop and verify the immigration status of anyone they believe is undocumented. This bill legalizes racial profiling, diverts law enforcement personnel away from protecting the public and will further drive immigrants into the shadows.

## Immigrant Worker Organizing

Immigrant workers have been at the forefront of organizing campaigns in recent years, including janitors, hotel and restaurant workers, carpenters, farm workers, machinists, manufacturing and food processing workers, garment workers, car wash workers warehouse workers, and health care workers. In surveys and on-the-ground experience, immigrants are often more pro-union than American-born workers. We support initiatives targeted at organizing immigrant workers. When immigrant workers unionize, form new unions, and revitalize others, all California workers benefit.

The flip side of more active immigrant organizing is the use of immigration status to intimidate workers. California unions denounce employers. All workers, regardless of immigration status, have the right to form unions, file complaints against illegal and unfair treatment without fear of reprisal and enjoy the same remedies under labor law as all other workers. Employers used the shelter-in-place orders and subsequent furloughs as a way to require reverification of immigration status of workers—a tactic to get rid of activists and union supporters in non-union workplaces. It is unacceptable for employers to retaliate against immigrant workers for asserting fundamental workplace rights. A worker's immigration status should never be used as a tool for discrimination, union-busting, or intimidation.

We support recall and retention rights and stronger anti-retaliation laws to prevent employers from using immigration status as a union -busting tool.

We applaud the AFL-CIO's outreach to the growing numbers of workers whose fundamental rights are not guaranteed by law and who are often excluded from legal protections, such as the right to organize. Most excluded workers are immigrants. In 2006, the AFL-CIO signed a historic partnership with the National Day Laborers Organizing Network (NDLON). The Federation supports continued partnerships with pro-worker rights worker centers and other groups fighting for workers' rights.

## Preventing Deportation and Raids

The Federation calls for a return to a firewall between immigration and labor law enforcement that protects and ensures the rights of all workers. In 1998, a Memorandum of Understanding (MOU) between the U.S. Immigration and Naturalization Service (INS, now ICE) and the U.S. Department of Labor established a firewall between immigration and labor law enforcement. The increase in ICE raids has prevented enforcement of basic labor laws and allowed employers to systematically violate the law with no fear of reprisals.

Under the Trump Administration, ICE raids on workplaces, schools, courts, and homes are in-

creasing in frequency, terrifying immigrant communities. News reports have detailed ICE raids on workplaces like 7-11s, on schools and even tell of ICE agents waiting outside courts and at state offices where workers go to report labor law violations. The Federation supports all efforts by unions to educate workers on their rights and to act to protect members from ICE raids.

In 2017, the Federation and SEIU sponsored legislation to give employers tools to prevent ICE raids. We will work to educate workers, unions and employers on how to use this law effectively and will work with the Attorney General to enforce the law. We cannot allow the threat of ICE raids to prevent worker organizing or even from preventing workers from coming to work. We will work with good employers who also want to protect employees from ICE raids as well.

We reject the increasing use of the national Social Security database as a tool for determining employment eligibility. This database is notoriously riddled with errors and was never intended to determine documentation or work eligibility status. The Federation calls for an end to the use of federal Social Security “no match” letters. These letters unfairly discriminate against workers of all immigration statuses and can cost workers their jobs for nothing more than typographical errors.

The Federation supported legislation to prohibit cities and counties from requiring employers to use the E-verify program. This program allows employers to access the Social Security Administration’s database to verify a worker’s immigration status. This database was never intended for this use and is full of inaccuracies that harm workers and employers. We call for an end to the use of the federal e-verify system, which relies on the same flawed Social Security database.

The Federation further condemns the use of the children of immigrants as pawns in immigration enforcement efforts. Enforcement activities by federal Immigration and Customs Enforcement agents near Bay Area schools rightfully enraged community, labor and immigration activists alike. Children have no place in the middle of immigration battles and the government should never put them there. We oppose raids on immigrant families in their homes, their schools, their churches, and their workplaces.

We oppose the aggressive enforcement policies that have resulted in mass deportations of immigrant workers. The Federation supported the Trust Act, which was signed into law in 2013. The act limits the state’s cooperation with Secure Communities, a federal program that allows the Department of Homeland Security to access fingerprints taken by local police, to screen detained individuals for immigration status and to request that law enforcement agencies hold them if they are found to be undocumented.

We support state DREAM Act legislation that allows undocumented students to apply for financial aid at California colleges and universities. This bill is an investment in immigrant students who will have increased access to higher education and productive careers and futures. All students in California deserve a shot at higher education regardless of their immigration status. We support policies that allow greater access to educational opportunities for immigrants.

We oppose the Trump Administration’s public charge rule that gives immigration officials the ability to deny the applications of people applying for Lawful Permanent Residence (LPR) who have or are likely to use certain public benefits. This rule will have devastating consequences on immigrants who will be less likely to use the services—including public health programs—that can help them survive and thrive in this country. During a pandemic it is especially cruel to deny health services to immigrants—many of whom work in essential jobs on the frontlines where they are exposed everyday to a potentially deadly virus.

The Federation has worked with both Democrats and Republicans on the issue of immigration reform and will continue this work in the future. Though comprehensive immigration reform is a federal issue, labor will continue to lead the way in California and ensure that immigrants are granted human workers’ rights and are protected fully of state law. We will continue to work with

and pressure our Congressional representatives to work for comprehensive immigration reform at the federal level.

## **Enforcing Labor Law for Immigrant Workers**

The Federation opposes the Supreme Court’s 2002 decision in Hoffman Plastic Compounds, Inc. vs. NLRB denying back pay to undocumented immigrants who are victims of unfair labor practices. The decision allows unscrupulous employers to hire undocumented workers, intimidate and exploit them, retaliate against them or fire them, and face no penalties. Congress must overturn the Hoffman decision and send a strong message to employers that violating labor laws does not pay. Ten years later, the impact of Hoffman has been devastating to immigrant workers. Virtually every organizing drive result in an employer’s call to ICE. So long as employers fear no consequences, these types of abuses will continue unabated.

Absent congressional action, we support legislative efforts to guarantee that California vigorously enforces its labor laws, regardless of a worker’s immigration status.

Workers also deserve the right to speak their native language at the worksite. This basic right is often a matter of life or death. Recent evidence suggests that deaths and injuries on the job are increasing for just one group of workers: those with limited or no English language skills. The Federation supports language access to public services for all workers.

The Federation opposes employer sanctions, which encourage employers to discriminate against any worker who looks or sounds foreign. Employer sanctions also provide a weapon to threaten immigrant workers who organize unions.

We will continue to proudly uphold and defend the rights of immigrant workers. While the federal government endlessly debates immigration reform, California is blazing a trail to enact state protections for immigrants that recognize the enormous past and current contributions of immigrants to our economy, society, and culture.

## 14. Rights of All Working Families

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Union members are more than just workers. We are also family members, consumers, community members and neighbors. The Labor movement defends the rights of working people in different areas of our lives, not just the workplace. The Federation seeks to advance policies that help workers balance work and family lives. We support consumer rights to product safety, financial privacy, and regulation of public goods. We are unflinchingly devoted to the protection of civil rights and liberties and abhor discrimination in all its forms.

The fight for economic justice cannot succeed without a simultaneous fight for racial justice. Communities of color face higher unemployment rates, lower wages, higher mortality rates and lower health outcomes, job discrimination and more economic insecurity and, often therefore, much higher incarceration rates. Murders of black men, trans individual, women, and children by the police expose over and over again the racism embedded in American institutions—from the criminal justice system to universities and beyond. Protests erupt when the cases are flagrant and videos released, yet fundamental change to uproot racism in our institutions and society has not come. Any progress that has been made was set-back by the election in 2016 of the racist 45th President who depends on white supremacy and hate to motivate his base.

The Federation is committed to economic and racial justice and will strive to root out racism in our own movement and in our state.

### Work and Family Balance

The pandemic has exposed the inadequacy of the paid and job-protected leave provisions for workers in the state. Stay-at-home orders, a novel virus and new challenges to work and family balance have made improving our leave programs critical. We will continue to work every year to expand leave programs both in length, income replacement and eligibility.

California workers have the right to both a job and a family. But too often, workers must choose between the demands of their employer and the needs of their family. The Federation supports family-friendly workplaces. We believe working families have the right to paid family leave, high-quality and affordable child care and elder care, health care for all family members, and work schedules that accommodate family life.

Paid family leave was an important victory for California's working families. Together with the Labor Project for Working Families, the Federation passed legislation that made California the first state in the nation to guarantee that workers could take up to six weeks of paid leave each year to care for a new child or a seriously ill family member. Because the benefits are employee-funded through the State Disability Insurance Program, paid family leave does not cost businesses a dime. Nevertheless, the Federation has needed to defend the program against attempts by employer associations to weaken or repeal it and attempts to raid program funds for non-related purposes.

California has a complex and confusing system of family leave laws that discourage workers from accessing benefits they have the right to. The Federation supports efforts to simplify and harmonize leave laws.

Over 47 percent of workers get no job protection while receiving paid family leave benefits because they are not covered under the California Family Rights Act (CFRA). Therefore, the Federation supports changes to CFRA to expand eligibility for job-protected leave, including reducing the 50-employee threshold and the hours and years-in-service requirements. The Federation

also supports expansion of paid family leave to the full 12 weeks of leave guaranteed under CFRA. Federal employees in California should also be subject to state paid family leave policies.

The Federation supports other policies to make work and family easier to balance. We were instrumental in the passage of two state laws: one to allow workers to use sick leave to care for their ill children, and a second to provide all working mothers with reasonable break time and accommodations to pump breast milk. CFRA should also provide time off from work for medical appointments and school activities.

We endorse a broad definition of what constitutes a family. Our family leave laws should reflect the diversity of California's families.

Family-friendly policies are not luxuries. They are basic rights that allow women to participate equally in the workforce and protect the growing number of men with caregiving responsibilities. Family-friendly policies make employment more consistent with our obligations to our loved ones, yet many employer associations continue their unwavering opposition to these policies. We must remain diligent in protecting our rights to balance our work and family lives.

## **Racial Justice and Police Violence**

California is one of the most diverse states in the nation. Yet the state, and nation's, legacy of racism and racial injustice has been and continues to be a fundamental obstacle to workers' efforts to stand together to build better lives for all of us. Racism has always been a key tactic of employers seeking to divide workers. And racism in our own movement has divided us as well, weakening our collective strength. At the same time the Labor movement has a proud history of standing for racial and economic justice.

Today, we have a President that strategically uses racism to keep working people divided, afraid and distracted from the massive shift of wealth to the wealthy and global corporations. Far-right groups spewing racist, white supremacist, and xenophobic hate march through our cities, are shown on TV and are interviewed in newspapers and are flourishing on social media. Racist violence is on the rise both in communities and in online forums. The President, his advisors, and his allies in congress have condoned and encouraged racist hate groups while pushing racist and xenophobic legislation. The pandemic and the President's use of racist and xenophobic names for the virus have increased attacks on Asian-Americans. We condemn the use of this public health crisis as a tactic to whip up the President's base using racism and xenophobia. The Federation condemns the actions and statements of the President that encourage racism and we call on all Californians to stand in opposition to that hate.

Never has the need for all workers to strengthen common interests in achieving economic justice been as clear. At the same time the different ways we live, race, gender identity, ethnicity, disability and sexual orientation often challenge and complicate this shared experience. If we are to succeed as a movement, the full range of working peoples' voices must be heard in the internal processes of our movement. To be able to stand together we must understand where all of us are coming from.

We commend movements like Black Lives Matter, the DREAMers, and many others that have made the fight for racial justice a national issue. The Federation will stand with them because their fight is our fight. The demand for racial justice cannot be divorced from the fight for economic justice.

We support the work of the national AFL-CIO and state affiliates to facilitate conversations with local labor leaders around racial and economic disparities and institutional biases and identify ways to become more inclusive and challenge institutionalized racism. The Federation calls on affiliates to participate in these national efforts and to start local conversations. The Labor movement must increase the participation and leadership of people of color at all levels of union

activity and office, especially elected officers. Our unions and union leadership must reflect the communities and members we represent. We applaud unions that have actively sought to diversify historically non-diverse trades through training and apprenticeship programs.

The Federation supports affirmative action. In 1996, we opposed Proposition 209, which outlawed affirmative action in education, government contracting, and government hiring. We will continue to support efforts to reverse the damage this proposition has wrought and restore affirmative action programs wherever possible.

Jobs that are predominantly held by women and people of color are generally underpaid when compared to other jobs of comparable skill, effort, and responsibility. To address this problem, we urge all affiliates to work for pay equity across all social, ethnic, gender, and age lines. We support legislation for gender and racial pay equity.

## **Black Lives Matter**

The continued killings of unarmed Black men, women, trans people, and children, especially by those who are sworn to protect us all, has demonstrated that racism is still a tragic reality in America. As an institution founded on the ideas of equity, equality and justice, we consider it our responsibility to demand an end to all forms of racism, most

importantly the institutional racism we find in so many places, and most particularly in police departments across the nation. The Labor Federation supports and believes that Black Lives Matter.

We are living in a recurring nightmare in America. In a matter of weeks in 2020, we saw the senseless killings of Ahmaud Arbery, Breonna Taylor, David McAtee, Tony McDade, and George Floyd by police. And for centuries, our brothers and sisters have been murdered for no other reason than the color of their skin. Every time a Black person is brutalized by the police, individuals and organizations condemn it. When racism leads to a modern-day lynching, we express shock. But these scenes repeat. Over and over. We're on a vicious loop that ignores the desperate need for change and cements the systemic racism that's plagued our nation since its founding.

Outrage, shock and condemnation aren't enough. It is time to do more. California's labor movement is committed to put our full might behind solutions that address police brutality, structural racism and white supremacy in society and within our own movement. We don't have all the answers. But it is urgent that we commit to a process that explores the actions we can take together to root out racism and create a more equitable movement and society.

The Federation will work with our community allies - large and small - that fight for criminal justice reform, an end to police violence, economic equality and a dismantling of white supremacy. We will follow the lead of our impacted communities and tackle the plague of systemic racism with the force and urgency that this legacy of oppression deserves.

As a start, we must look inward. The labor movement must root out racism in our ranks and make our movement and its leaders more reflective of the diversity of our members. We have begun to have honest and difficult conversations within our organization on how we can end these patterns of oppression. We call on Governor Newsom, labor and legislative leaders today to make this a top priority and work with the labor movement and all those dedicated to an agenda that results in radical change. We need concrete policy that addresses the inequality and racial injustice and police violence impacting all communities of color.

As a movement that exists to overcome oppression, Labor must put our full weight behind specific proposals to create equity and justice in every aspect of working people's lives. Our members in California - a majority of whom are people of color - are ready to mobilize in support of shattering systemic racism that harms us all.

The Federation opposes spending taxpayer dollars on militarizing the police and police budgets that dangerously prioritize law and order over greater public wellbeing. Those funds should be invested in public services, schools, infrastructure and programs that create good jobs and alleviate poverty. We are committed to ending the school-to-prison pipeline by creating pathways to good, union jobs for young people of color and for those coming out of the criminal justice system. The Trades have built model programs that bring pre-apprenticeship programs into prisons and provide apprenticeships and “earn and you learn” jobs to the formerly-incarcerated.

The Federation also supports zero tolerance of police officers who commit acts of violence against our communities, greater transparency for public review of police records and developing a national database tracking police officers who commit these offenses. We also support banning certain use of force methods by the police such as chokeholds, carotid artery restraints, rubber bullets and other violent actions that are excessive and lead to death.

**Our movement will not tolerate white supremacy. Black Lives Matter.**

## Women’s Rights

The California Labor Federation supports the struggle for gender equality at work and at home, in our unions, and in our communities. Despite centuries of struggle, working women still face discrimination, sexual harassment, lower pay, and lost opportunities. Women are most public-sector employees at the state and local levels and anti-union attacks on public employees disproportionately hit women.

Across the board, women earn less than men. When women work the same jobs as men, they take home less pay. The pay gap between women and men in comparable jobs costs California working families \$21.8 billion every year.

Society has also historically undervalued the work that occupations and industries that are traditionally female-dominated. Women’s work is systematically valued less and paid lower wages than male-dominated jobs creating structural gender pay inequities. Even if women and men were paid the same in female-dominated industries, the structural pay gap in society would persist. The pay gap is even greater for women of color no matter what industry.

The Federation urges all affiliates to work for pay equity and to work to raise the pay of traditionally underpaid and undervalued women’s occupations, especially those that predominately employ women of color and end unjust wage disparities. We support equal pay for work of comparable value and an end to the structural gender pay gap

We support women’s access to the full range of reproductive and family planning services. We oppose any attempt to directly or indirectly limit access to those services or to interfere with the privacy of women’s health decisions, including attempts to defund reproductive health services or to take away federal subsidies for reproductive health coverage.

The Federation supports improved opportunities for women in employment and promotion. We also believe that equality will remain a distant dream if women are so dramatically underrepresented in public office. We support efforts to expand women’s representation in elected office.

The best cure for women in low-wage positions is joining a union. Women who join unions earn 40 percent more than their non-union counterparts. Women of color gain even more by joining a union. Union membership also helps reduce the wage gap: union women earn 83 percent of what union men earn. The Federation continues to work toward the day when union women earn as much as their brothers.

Unions today realize that women are equal partners with men in our organizing efforts. We urge all affiliates to work hard to place women in non-traditional jobs, particularly the higher-pay-

ing occupations where they are currently underrepresented. We specifically applaud the State Building and Construction Trades Council’s Women in the Trades Conference in this regard. Aggressive outreach for apprenticeship programs and affirmative action plans can both accomplish this goal.

Women are an integral part of the Labor movement. We urge affiliates to increase efforts to organize employees in clerical, service, food processing, electronics, garment and other industries where women predominate, and to bring into the collective bargaining process the issues of pay equity, child care, family leave, flexible work hours and expanded sick leave. Organizing child care workers, combined with subsidized quality child care, is one of the great challenges and opportunities for the Labor movement and for working women. We support collective bargaining for child care providers and support making right the decades of discrimination against child care providers and allow them to organize a union.

We also call on men in the Labor movement to recognize that these issues are not “women’s issues” alone. When women face wage inequity, sexual harassment or discrimination in the workplace, men are also affected. Child care, family leave, and flexible work hours are often as much a concern for working men as they are working women.

The Labor movement is the largest women’s organization in the country, but to succeed in organizing women, the movement must encourage the participation and leadership of women at all levels of union activity and office. It is time for women to be well-represented in the upper echelons of our unions, labor councils, and the Federation.

## Sexual Harassment

Sexual harassment is not about sex, it’s about power. The flood of recent revelations of sexual harassment underscores the pervasiveness—across industries, regions, and political parties—of harassers exercising their power to abuse, harass and silence women, and all workers, in the workplace using sexual harassment.

Unions are about giving workers a collective voice, so they have the power to stand together to improve their working conditions. Women in unions have a contract that provides equal pay, prohibits retaliation, and gives women a representative to ensure a fair process when reporting abuse.

Many of our unions were founded by women fighting to stop sexism and harassment on the job. From garment workers in the early 1900s who waged strikes to protest rampant sexual harassment to flight attendants in the 1950s objecting to appearance and weight restrictions and being “grounded” at age 35, women workers throughout history have had to organize to demand fair treatment and respect at work. Just last year, women janitors organized a hunger strike outside the Capitol to draw attention to widespread rape on the night shift. The domestic workers movement also worked to call attention to the frequency of sexual abuse of women working in private homes, many of whom fear deportation if they come forward.

While each of those efforts brought real gains, there is much work still to do. From actors to farmworkers, and just about every workplace in between, sexual harassment remains ever-present on the job for far too many women. It even occurs within our unions, and as a movement that fights for dignity for all workers, we must hold ourselves and each other to a higher standard. The Labor Movement must listen to and protect its own workers and ensure that there are consequences for those who violate workers’ rights, just as we advocate for at all other workplaces.

To confront sexual harassment more broadly, we must find ways to alter the balance of power at the workplace. The more unequal the power dynamic, the harder it becomes for workers to challenge abuse. While we believe the best protections come with a union contract, due process

guarantees, and an end to “at will” status, there are other ways we can empower women, and all workers, to speak out and ensure abusive conduct has consequences.

The Federation supports an end to forced arbitration agreements that are used to discourage workers from bringing sexual harassment claims and to keep any claims limited to an individual and confidential even from enforcement agencies. We support increased protections for workers without job security, such as temps, independent contractors and part-timers. All these arrangements make workers more vulnerable to employer abuse and retaliation. Workers also need stronger and expanded retaliation protections for when they do report harassment and abuse on the job.

## **Protecting Civil Rights and Liberties**

The Federation stands with all groups who experience persecution, and we call for an end to discrimination of all types. We support full economic justice, social and political rights for all people, whatever their race, color, creed, ethnicity, national origin, sex, sexual orientation, gender identity, age, or physical disability. We support the affinity groups that represent the voices of constituencies of the Labor movement. The A. Philip Randolph Institute, the Asian Pacific American Labor Alliance, the Coalition of Black Trade Unionists, the Coalition of Labor Union Women, the Labor Council for Latin American Advancement and Pride at Work have a vital role in providing support, solidarity and advocacy for people who have always been among labor’s rank-and-file but not frequently enough among the leadership.

The Federation also believes that the protection of civil rights and liberties lies at the heart of a civil society. We are opposed to the federal government’s willingness to suspend basic liberties in the name of national security. We oppose Trump’s “Muslim Ban” or any ban on a people entering the country based on race, religion or ethnicity. We have seen the federal government use the rhetoric of national security to bar federal workers from union membership. We reject the idea that we must sacrifice our civil liberties to live in a free and safe country. To the contrary, we believe that without civil liberties, our country is neither safe nor free.

Civil rights should also be protected at the workplace. New technology is giving employers unprecedented, and often unwarranted, access to information about their prospective and current employees. We believe that employees should be able to expect privacy in the workplace.

We oppose the use of new technology to monitor, spy on or otherwise invade the privacy of workers. We oppose imbedded radio frequency ID tags, facial or retina recognition or any other device given to workers or installed in workplaces that tracks their movements whether to prevent union organizing or activity or just to control their movements. We also oppose employers’ use of credit report information in employment or advancement decisions. We believe that routine drug testing, though common, is invasive, unfair, and often inaccurate. Genetic testing of potential or current employees raises many concerns and should be outlawed immediately. Employers should not be able to read employees’ email, monitor their Internet usage or log into their social media sites. We support legislation to protect workers’ privacy by prohibiting the electronic monitoring of employee correspondence.

In recent years there have been efforts in the workplace to require workers to waive fundamental rights and discrimination protections without knowing the potential ramifications of such waivers. We oppose forced arbitration agreements for workers, and consumers, that take away their right to access the courts, or the Labor Commissioner to adjudicate claims.

We believe workers should be free from workplace harassment and discrimination. Trump’s election raised the profile, and activity, of far-right hate groups, including Neo-Nazis and white supremacists. We oppose hate crimes more resolutely than ever. Legislation banning hate crimes should be expanded and perpetrators should be punished to the full extent of the law. We call for the active and consistent prosecution of racist and far-right organizations and militias.

We support ending discrimination in the hiring process through legislation. We support “ban the box” initiatives that prohibit employers from requiring job applicants to check a box indicating criminal convictions in the initial application process for all workers.

## **Access to Justice**

We support reforming California’s criminal justice system to reduce incarceration. The Federation supported Proposition 47 in 2014 and Proposition 57 in 2016 that reduced the sentence for non-violent felonies to misdemeanors. This initiative allowed non-violent offenders to reduce their sentences and to no longer have a felony on their record. We support better use of criminal justice resources to decrease recidivism and rebuild communities with real opportunities.

We also support reforming the cash bail system that keeps working people in jail just because they cannot afford to pay bail. Currently, 60 percent of people in county jails are there because they can’t afford bail. Just a few days in jail can start a downward spiral for people—resulting in loss of wages, their job, child custody or losing a car or home through inability to make payments or rent. The system also impacts county budgets that must incarcerate working people who can’t afford their bail. The Federation supports efforts to reform the cash bail system that helps working people, puts money back into county budgets and creates new jobs for public employees, not for the private bail bonds industry.

## **Lesbian, Gay, Bisexual and Transgender Community**

Lesbian, gay, bisexual, and transgender workers and citizens deserve protection from discrimination. In many states, it is still legal for lesbians, gays, bisexuals, and transgender workers to be fired based solely on their sexual orientation or gender identity. There is no place in this country for prejudice against individuals because of sexual orientation.

We were proud to work for the passage of the Domestic Partner legislation in California, which extended more rights for domestic partners. We will continue to oppose amendments to the constitution at the state or federal level to ban marriage equality. This change would be a serious abuse of the constitution to promote an intolerant political agenda. We support those measures that would equally confer all civil rights and responsibilities upon every Californian.

President Obama’s declaration in May 2012 that he supports marriage equality for the LGBT community is an extremely significant step in the fight for full equality. LGBT working people face numerous inequities in the workplace and in society as they struggle to care for their families. Civil unions do not guarantee the 1,138 rights, benefits, and responsibilities that are accorded to heterosexual couples when they marry. This prevents gay and lesbian couples from being eligible for survivor Social Security benefits. The Federation will work together with the AFL-CIO to eliminate the inequities faced by LGBT couples when it comes to marriage equality.

We applaud the 2020 Supreme Court decision that the 1964 Civil Rights Act protects gay, lesbian, and transgender employees from discrimination. This historic decision protects LGBTQ workers from discrimination at the workplace and institutionalizes the basic human and worker rights that every person deserves.

We support legislation guaranteeing the civil rights of persons who have tested HIV positive. We oppose discrimination against HIV-positive people in employment, housing, credit, public accommodations, public service, and immigration.

## **Seniors**

The pandemic has disproportionately hit seniors, especially those in nursing homes. The ensuing economic crisis means that federal, state and local budget cuts will also disproportionately impact programs that serve seniors.

As the economy worsens and more seniors are forced out of retirement and back into the workforce, they are increasingly facing discrimination in the workplace. Older workers who lose their jobs are often shut out of the tight job market and forced to collect Social Security early. The Federation recognizes the contributions of workers of every age and opposes age discrimination in all employment decisions.

We support recall rights by seniority as a tool to combat age discrimination. As businesses begin to recover and reopen, recall rights ensure that workers are called by to work by seniority. This prevents employers from only hiring newer and lower-paid employees, and respects seniority in non-union workplaces. Retention rights also protect entire workplaces, including older and younger workers, during a change-of-ownership transition from one employer to another.

As workers shift from one job to another, and corporate cost-cutting whittles employee benefits to the minimum, retiree health benefits and pensions are in danger of extinction, all while the rising cost of health care and housing has only made them more vital.

The Federation opposes the weakening of Social Security by the reduction of benefits. Social Security is America's most important family-protection program. It spans class, race, gender, income and generations. We oppose the proposal for a chained CPI that essentially would reduce benefits.

Republicans have also targeted Medicare and Social Security for Cuts. The Federal tax scam passed in 2018 increases the federal budget and gives Republicans the talking points they need to move to cutting and eroding Medicare and Social Security. We oppose any cuts to Medicare or changes in benefits. We refuse to return to a time of old-age poverty and sickness because the federal government has abrogated their obligation to seniors.

We also recognize that health benefits for seniors are on the line. More and more corporations are cutting back on retiree coverage to reduce health care costs. Recent court rulings have made it easier for employers to deny medical benefits to older workers when they become eligible for Medicare. Unlike the courts, we consider this age discrimination and oppose it wholeheartedly. Older employees deserve the same benefits as everyone else.

California is facing a silver boom, with the senior population expected to double in the next ten years. Affordable, accessible long-term care is an important issue for most seniors. We support the creation of a universal long-term care benefit along with efforts to develop a union workforce to meet the need for long-term care home care providers for seniors and people with disabilities.

Senior union members and retirees are among the Labor movement's greatest assets. We welcome their knowledge, their experience, and their wisdom. We support their active involvement in senior union member organizations such as the California Alliance for Retired Americans (CARA). CARA has quickly become a leader in the fight for senior rights in California, including the fight to expand and improve Social Security. CARA led the effort to defeat the chained CPI proposal by forming a circle of chains around federal buildings in California, an action that was adopted by the national Alliance of Retired Americans. We will continue to support their efforts and encourage all our affiliates and their retirees to join and support CARA.

All too often, when union members retire, they lose all connection with their unions. This harms the union, which loses an asset and resource, as well as the member who loses touch with the best source of protection for his or her continued economic well-being. Union density is higher among workers 55 and over than among any other age group in California. In the next decade, hundreds of thousands of our members will retire, and we should do everything we can to keep them involved in the Labor movement.

## Youth

Today's young workers are part of the largest generation to enter the workforce since the baby boomers. They also suffer the nation's highest unemployment—about twice the national average—and the fewest job opportunities in today's economy. The tight job market shuts young people out of part-time jobs to support themselves through school and from their first jobs out of school. Budget cuts, rising fees and declining financial aid at colleges and universities force students into debt in order to get through school, if they can attend at all. The rise of unpaid internships forces students to work for free without basic workplace protections in order to have access to the job market.

Without prospects for jobs or education, many young people end up in the criminal justice system. Our prison-industrial complex is overflowing with young offenders. We oppose laws like Proposition 21 that imposed harsh sentences on juveniles convicted of crimes, increases the range of circumstances under which juveniles are treated as adults, and establishes stiffer punishments for gang-related offenses. Youth deserve more opportunities for advancement in our society, not tougher laws that deny them economic opportunity and send them on a downward spiral.

The Federation supports the formation of young worker groups in local unions, central labor councils and other labor bodies. We commend the AFL-CIO for forming a Young Worker Advisory Council at the national level to help the Labor movement address the issues of young workers and young union members across the country.

## People with Disabilities

The Federation supports the federal Americans with Disabilities Act (ADA). We are concerned about recent narrow judicial interpretations of the Act. We believe that the ADA provides a floor and not a ceiling of protection to Californians with disabilities. We support efforts to ensure that physical disability will be determined without regard to mitigating measures, and efforts to limit employers' ability to raise job-related issues when interviewing prospective employees regarding possible disabilities. We will work to preserve California laws that are stronger than federal law at protecting people with disabilities.

Recent budget actions and proposals currently before the Legislature have targeted safety net programs, the Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program, and the In-Home Supportive Services (IHSS) program that Californians with disabilities rely on. The Legislature made significant cuts to both programs in 2009. Governor Brown has proposed even deeper reductions to these programs. The Federation opposes more budget cuts to vital services for people with disabilities. We support the permanent repeal of the 7 percent reduction in IHSS hours that is only temporarily offset by the MCO tax as well as the creation of a universal long-term care benefit to meet the care needs of seniors and people with disabilities so they can live with independence and dignity.

## Consumer Protection

The Federation reaffirms its traditional support for consumer rights. We pledge our best efforts to maintain and expand the rights of consumers, support appropriate staffing and budgets for consumer agencies, and seek assurance that agencies will act with independence and integrity to advance consumers' best interests. Consumers are workers too, and unions should fight for their protection whether they are making, buying, selling or using products.

We support consumer protection advocates in their fight for privacy protection in California. The rise of Google, Facebook and other online companies means that our personal data has become a new kind of currency. Companies are increasingly monetizing our personal data that

we give away online everyday. Every time we shop online, order delivery or a ride through an app or like a Facebook post, a company is collecting our data for sale. We support measures to protect the personal data of consumers and workers and to ensure that our data is not bought and sold on the open market.

We oppose discrimination by insurance companies of all kinds. In 2003, we sponsored a bill that now prevents employers from cashing in on their employees' deaths with the purchase of "dead peasants insurance." We applaud recent federal action to prevent genetic discrimination in health insurance, and we call for further action at the state and federal level to prevent unscrupulous insurer behavior.

We oppose deregulation that undermines product safety, weakens consumers' rights to full and accurate product information, creates financial harm to consumers or reduces penalties for deceptive practices. The free market will not ensure consumer protection without government intervention. As the spate of recent recalls and consumer safety scares have proven, moves to relax consumer product safety requirements and other consumer protections are greedy attempts to raise business profits at the direct expense of the consumers. We are deeply troubled by Congressional moves to wipe out state food-safety laws, including California's landmark Proposition 65.

We strongly support and encourage efforts to enforce anti-trust measures at all levels of government. Increased concentration of corporate power is not just bad for consumers, it's bad for democracy. The rise of tech giants like Amazon, Google and Facebook demonstrate how corporate consolidation can impact our lives and our democracy. Consolidation in other industries, such as airlines, cable and health care, also demonstrate how consolidation reduces choice, quality and increases prices. While competition alone cannot make markets more functional for consumers, it is a necessary component to a healthy marketplace.

The Federation opposes misuse of consumer credit information, including the practice of universal default. This practice, common among credit card companies and other lenders, allows corporations to unilaterally change the terms of a contract if a consumer pays any bill late, not just the bill in question with the specific company. We call for immediate action to put an end to this unfair practice.

We support federal and state efforts to reform and regulate credit card companies. As employers and state and federal agencies increasingly eliminate paper checks and move to direct deposit and electronic pay cards, we support strong protections for consumers. Banks should not profit off workers' wages or benefits, and we support protections against fees for use of electronic pay cards. We also support consumer protections against bank fees including those on debit card transactions.

The Federation supports reform of the predatory payday loan industry. Payday loans prey on working people who use their paychecks to secure small, short-term loans, often to buy basic necessities, pay rent or pay bills. Lenders charge exorbitant fees and interest rates of more than 400 percent, making money off working people who can least afford it. This creates a debt trap in which borrowers take out loan after loan because they can never afford to repay. We support legislation to rein in the ability of payday lenders to make money off working people by capping the fees at 36 percent.

We support a consumer's right to sue businesses that have acted illegally. We opposed Proposition 64 on the November 2004 ballot. Proposition 64 has made it more difficult for consumer groups, environmental organizations, and labor unions to file cases under the Unfair Competition Law.

The Federation supports the regulation of goods, when necessary to protect consumer interests. We have learned major lessons from the failed deregulation of California's public utilities.

The Federation opposes deregulation of public utilities; employees and consumers suffer when natural monopolies are turned over to the competitive profiteering of the private sector. We call for re-regulation of the utility industry and support the establishment of a public power authority, under union conditions, to supplant private producers and transmitters of electricity. We also urge legislators to stop the deregulation of long distance telecommunications and regulate the cellular phone industry. We oppose deregulation, pushed by companies like AT&T, of landline telephone service that force customers to subscribe to services that may not be affordable or reliable, and that eliminates good union jobs.

The Federation also supports efforts to:

- **Abolish false and misleading product advertising:** Food labels should show ingredients, nutritional values, expiration dates, country of origin and item pricing. We support efforts to label genetically modified organisms in food and educate the public about the risks. We support policies to prohibit deceptive marketing of health coverage as the Affordable Care Act is implemented.
- **Democratize the media:** As the concentration of the media proceeds ever more rapidly, it is increasingly important to support public and community alternatives to the press and to regulate commercial media. We support an open internet and oppose attempts to regulate content on the internet through bandwidth controls. We support increasing internet connection speeds to a minimum of 50 megabits per second. We oppose the consolidation of media corporations and billionaires buying media outlets to use them as a soapbox for their own political views.
- **Restrict secret settlements in product defect or toxic contamination lawsuits:** Currently, information discovered in pre-trial procedures regarding dangerous products is sealed as a condition of out-of-court settlements and the business continues selling the unsafe product while the body count mounts. We support remedies and stiff penalties to correct past decisions and to create a deterrent to selling dangerous products.
- **Encourage the purchase of union-made domestic goods and require and enforce labeling of goods with their places of origin:** We oppose the weakening of the criteria for "Made in USA" labeling. We oppose efforts to undermine existing Made in California labeling standards that mislead consumers and weaken the incentive to manufacture goods in the state. We support efforts to increase country of origin labeling requirements for foodstuffs and other products.

We support strong protections for consumers in every aspect of the economy to balance the power of corporations blinded by profits to the damage that they cause people, the planet, and workers. Organized labor is one of the few institutions that can fight back and win against organized corporations and we will use that power to protect workers, our families, and our communities.