

MEMORANDUM

To: AGENCY SECRETARIES AND DEPARTMENT HEADS **Date:** February 23, 1989
PERSONNEL MANAGEMENT LIAISONS **Reference Code:** 89-03
ALL PERSONNEL OFFICERS
ALL DEPARTMENTAL EMPLOYEE RELATIONS OFFICERS
ALL DEPARTMENTAL ACCOUNTING OFFICERS
EXCLUSIVE REPRESENTATIVES
BONA FIDE ASSOCIATIONS

From: Department of Personnel Administration

Subject: Revisions to Regulations to be Adopted by the Department of Personnel Administration

The Department of Personnel Administration (DPA) has made the following revisions to the proposed changes in the DPA regulations submitted to the Office of Administrative Law.

o Section 599.642. Monthly Rates

The proposed amendment to Section 599.642 will clarify that the regulation governs the rental and utility rates charged to represented employees who occupy State-owned housing and that rates are subject to collective bargaining. As amended, the rate setting authority is delegated to the appointing powers, giving DPA the final authority to review the rates established by the departments. The rental rate tables have been deleted. The utility rate tables have been reduced to reflect the lowest utility rate charged for a State-owned housing unit.

o Section 599.643. Dormitory Accommodations

Section 599.643 is being amended to reflect the rate setting authority for dormitory accommodations for both represented and nonrepresented employees and to establish a base rental rate to be used to calculate future rate increases.

If you have any questions regarding the process of regulation adoption by the DPA, please contact Diane Hachey of my staff at 324-9377. Any comments regarding the proposed DPA regulations in the attached Public Notice, Amended Statement of Reasons or Proposed Regulations, should be submitted in writing to Ms. Hachey. Copies of the proposed DPA regulations and Statement of Reasons are attached.



Anita G. Leach, Chief
Benefits Division

Attachment

AGL:DH:rd



PUBLIC NOTICE
THE DEPARTMENT OF PERSONNEL ADMINISTRATION
PROPOSES TO AMEND AND REPEAL REGULATIONS
GOVERNING STATE-OWNED HOUSING

NOTICE OF PUBLIC COMMENT PERIOD

The Department of Personnel Administration (DPA) invites all persons, interested in the amendment and repeal of Section 599.642, 599.643, 599.645 and 599.647 of the DPA Regulations, which govern rental and utility rates for State-owned housing units furnished by the State to its employees, to submit written comments related to the proposed regulations. In order for such comments to be considered by the DPA prior to its adoption of these regulations, they must be received no later than March 10, 1989. All written arguments, contentions, statements or other comments on the proposed changes to the regulations should be addressed to: Diane Hachey, Department of Personnel Administration, 1515 "S" Street, North Building, Suite 400, P.O. Box 944234, Sacramento, CA 94244-2340, (916) 324-9377, ATSS 454-9377.

PUBLIC HEARING

On February 7, 1989, the DPA held a public hearing on the proposed regulations, pursuant to the Administrative Procedures Act (California Government Code Section 11346.5). This hearing was held at the request of the California State Employees Association (CSEA).

INFORMATIVE DIGEST

The DPA proposes to amend Section 599.642 to clarify that this regulation governs State-owned housing units occupied by represented employees. This regulation, as amended, also:

- o deletes the obsolete rental rate table;
- o reflects the 1988 utility rates; (At the request of CSEA, these rates have been lowered to the lowest rate charged for any State-owned housing unit)
- o provides that rental and utility rate increases are found in the applicable provisions of the MOU;
- o gives DPA the authority to delegate the rate setting authority to the appointing powers who possess State-owned housing units;
- o allows the appointing powers the authority to reduce the rental rate where essential housing is substandard;
- o gives DPA the authority to review and adjust the monthly rates when it has been determined that the prescribed rate is inequitable;
- o requires the appointing powers to review the rental and utility rates yearly and report those rates to DPA;
- o requires that employees, who occupy State-owned housing, pay utility charges.

The DPA proposes to amend Section 599.643 to reflect:

- o the 1988 base rental rate for dormitory accommodations;
- o the rates charged for dormitory accommodations occupied by represented employees are subject to collective bargaining negotiations;
- o the rates charged for dormitory accommodations occupied by nonrepresented employees are set by the appointing powers;
- o that the DPA is proposing a 25% increase in the daily rate charged for dormitory accommodations;
- o that the daily rate be increased each year equal to the increases negotiated in collective bargaining.

The DPA proposes to repeal Section 599.645 for the following reasons:

- o The provisions regarding substandard and essential housing are contained in Section 599.642.
- o The rental and utility rate tables are obsolete.
- o Rental and utility rates for all State-owned housing units, occupied by represented employees, are subject to collective bargaining.

The DPA proposes to repeal Section 599.647 because the provisions of this regulation are contained in Sections 599.642, 599.644 and 599.645.1, as amended.

AUTHORITY TO AMEND REGULATIONS

The DPA proposes to amend and repeal these regulations under the authority granted by California Government Code Sections 19815.4(d) and 19816. The purpose of these regulations is to implement, and interpret and make specific California Government Code Section 19822.

AMENDED STATEMENT OF REASONS AND TEXT OF THE REVISED PROPOSED REGULATIONS

The amended statement of reasons for adopting these regulations has been prepared by the DPA. This statement includes the specific purpose of the regulatory interpretation, requirement or prohibition and the factual basis for determining that the regulatory interpretation, requirement or prohibition is necessary. This amended statement of reasons and the revised proposed regulations are attached.

ADOPTION OF PROPOSED REGULATIONS

The text of these regulations, as modified, is being made available to the public at least 15 days prior to the date upon which the agency adopts these regulations. The DPA will accept written comments on these regulations, as modified, for 15 days after the date on which it is made available.

SUBSTANTIAL CHANGES WILL REQUIRE NEW NOTICE AND HEARING

If, after the public comment period, the DPA intends to adopt these regulations with modifications not sufficiently related to the original text so as to place the public on notice that such modifications could result from the originally proposed regulatory action, the modified text will not be adopted without complying anew with the notice and hearing requirements of the Administrative Procedures Act.

REGULATION MAKING FILE

Pursuant to California Government Code Section 11347.3, the DPA is maintaining a regulation making file for the proposed regulation. The file currently contains:

1. A copy of the proposed regulation;
2. A copy of this notice;
3. A copy of the initial Statement of Reasons for the proposed regulations;
4. A copy of the Auditor General's Report on State Owned Housing;
5. A copy of the Memoranda of Understanding provisions that reflect the rate increases negotiated in collective bargaining.
6. A copy of the original Public Notice;
7. A copy of the revised proposed regulations;
8. A copy of the Request for Public Hearing;
9. A copy of the comments CSEA presented at the public hearing;
10. A copy of the amended Statement of Reasons.

As data and other factual information, studies, reports or written comments are received, they will be added to the regulation making file. The file is available for inspection at the DPA during normal business hours.

SUBMISSION OF COMMENTS: RECEIPT OF DOCUMENTS AND ADDITIONAL INFORMATION

Requests for copies of the written comments on the proposed regulations and questions concerning the proposed adoption of these regulations should be addressed to: Diane Hachey, Department of Personnel Administration, 1515 "S" Street, North Building, Suite 400, P.O. Box 944234, Sacramento, CA 94244-2340, (916) 324-9377, ATSS 454-9377.

LOCAL MANDATE

The proposed regulation changes do not impose any mandate on local agencies or school districts.

FISCAL IMPACT

The proposed regulations impose no new costs or savings to any State agency, no costs to any local agency or school district requiring reimbursement under Part 7 (commencing with Section 17500) of Division 4 of the Government Code, no other nondiscretionary costs or savings to local agencies, and no costs or savings in federal funding to the State.

The Administrative Procedure Act requires DPA to determine that no alternative considered by DPA would be more effective in carrying out the purpose of the proposed regulatory action or would be as effective and less burdensome to affected private persons than this proposed regulatory action.

SMALL BUSINESS IMPACT

The proposed regulations have no significant cost impact on private persons or businesses as there are no such persons or businesses directly affected.

HOUSING COSTS

The proposed regulation has no effect on housing costs.

DEPARTMENT OF PERSONNEL ADMINISTRATION
AMENDED STATEMENT OF REASONS
AMENDMENT OF SECTIONS 599.642 AND 599.643
REPEAL SECTIONS 599.645 AND 599.647
OF THE DEPARTMENT OF PERSONNEL ADMINISTRATION REGULATIONS
TITLE 2, DIVISION 1, CHAPTER 3

1. UPDATE

AMENDMENT OF SECTION 599.642. MONTHLY RATES

At the request of the California State Employees Association (CSEA), the Department of Personnel Administration (DPA) has agreed to revise Section 599.642 to establish the base for utility rates at the lowest rate charged for any State-owned housing unit, increased by the average utility rate increase (8%) negotiated in the 1987-88 agreements.

AMENDMENT OF SECTION 599.642. DORMITORY ACCOMMODATIONS.

The DPA proposes to revise the proposed regulation to reflect the 1988 dormitory rental rate. This was inadvertently omitted from the original proposed regulation.

2. LOCAL MANDATE DETERMINATION

These regulations do not impose a mandate on local agencies or on school districts.

3. RESPONSE TO PUBLIC COMMENT

Written and verbal comments from CSEA state that: "Because the proposed changes have a far reaching effect on a diverse number of State employees represented by CSEA, additional time is needed to fully evaluate the proposed changes."

Other than the changes addressed in the update and marked with a vertical line on the attachments, CSEA has not addressed further specific changes.

There were no other public comments on the proposed regulations.

4. SMALL BUSINESS IMPACT

The proposed regulation has no significant adverse economic impact on small business.



599.642. Monthly Rental and Utility Rates/ - Represented Employees

For the purpose of this regulation governing rental and utility rates charged for State-owned housing units, a represented employee is defined in Section 3513(c) of the Government Code (Dills Act).

(a) State-owned housing units consist of: houses, apartments, dormitories, mobile homes, trailers, mobile home and trailer spaces. The rate increases for monthly rental and utility rates for housing units for represented employees are defined in the applicable provisions of the Memoranda of Understanding reached pursuant to the Dills Act. The Department of Personnel Administration shall be the final authority for determining the monthly rental and utility rates for all state-owned housing. However, the Department of Personnel Administration may delegate the rate setting authority to appointing powers that possess state-owned housing units. *As shown in the following table in accordance with the rules housekeeping or non-housekeeping arrangements age reductions and square footage for the purposes of this section, housing is one year old when constructed and becomes one year older each January 1st.*

(b) The Department of Personnel Administration may review and adjust the monthly rate of any state-owned housing unit when the monthly rate is different than the rates defined in the applicable Memoranda of Understanding.

(c) At the direction of the Department of Personnel Administration, and pursuant to its delegation of such statutory authority, the appointing powers shall review the monthly rental and utility rates every year and report the rates to the Department of Personnel Administration.

VOCATION CLASS 1

GRADE YEAR	HOUSEKEEPING Age in Years					NON/HOUSEKEEPING Age in Years				
	1/28	21/68	41/68	61/68	81+	1/28	21/68	41/68	61/68	81+
8/0001	228	218	208	184	168	//	//	//	//	//
4001/8000	208	184	168	154	142	//	//	//	//	//
3000/4000	168	154	142	138	118	//	//	//	//	//
2801/3000	142	138	118	108	98	//	//	//	//	//
2001/2800	138	118	108	98	88	//	//	//	//	//
1801/2000	118	108	98	88	81	//	//	//	//	//
1001/1800	108	98	88	81	74	//	//	//	//	//
781/1000	98	88	81	74	68	68	64	60	57	54
501/780	88	81	74	68	62	64	60	57	54	51
1/500	81	74	68	62	56	68	64	61	58	55

LOCATION CLASS 2

Square Feet	HOUSEKEEPING Age in Years					NON-HOUSEKEEPING Age in Years				
	1+20	21+40	41+60	61+80	81+	1+20	21+40	41+60	61+80	81+
5/000+	143	133	122	112	103	++	++	++	++	++
4001+5000	122	112	103	93	87	++	++	++	++	++
3000+4000	103	93	87	80	74	++	++	++	++	++
2501+3000	87	80	74	67	61	++	++	++	++	++
2001+2500	80	74	67	61	55	++	++	++	++	++
1501+2000	74	67	61	55	50	++	++	++	++	++
1001+1500	67	61	55	50	45	++	++	++	++	++
751+1000	61	55	50	45	41	30	27	25	22	20
501+750	55	50	45	41	37	27	25	22	20	18
1+500	50	45	41	37	33	25	22	20	18	16

(b)(d) If one or more utilities are not paid directly by the employee, increase the monthly charge shall be as follows:

	Water	Fuel	Elec.	Total
Location Housekeeping	3/50 3.00	9/00 5.00	9/00 5.00	21/50 13.00
Class 1 Non-Housekeeping	1/75 2.00	4/50 5.00	4/50 5.00	10/75 12.00
Location Housekeeping	5/50	15/00	15/00	35/50
Class 2 Non-Housekeeping	2/75	7/50	7/50	17/75

Utility rates for subsequent years shall be increased in accordance with the applicable provisions of a Memoranda of Understanding.

(e)(e) When essential housing is substandard, the Department of Personnel Administration appointing power may reduce the rental rate to a lower category.

(1) Housing is essential if an employee is required to live in the unit for the protection of state property or a closely related purpose.

(2) Essential housing is substandard when at least one of the following conditions exists:

(A) Privacy: the normal household routine is repeatedly interrupted.

(B) Reliability and adequacy of utility service: light, heat and/or water are not available in sufficient quantities throughout the year to permit a normal household routine.

(C) Overall size: residence is inadequate for or far exceeds employee's needs.

(D) Disturbing noises or offensive odors: the normal household routine is repeatedly interrupted.

(E) Overall design: inconvenient arrangement of living quarters.

(F) Seasonal inaccessibility: the employee may leave the premises only if willing to travel under dangerous conditions during a typical season.

(G) Extreme isolation: the residence is located at least 50 miles or one hour travel time from the nearest community of at least 2,500 population.

(f) Monthly space rental for a privately-owned trailer or mobile home shall be at least \$12.00 per month.

(d)(g) Notwithstanding the other provisions of this section, the monthly charge for other housing units shall be at least ~~\$16.00~~ \$20.00. This does not apply to dormitory accommodations.

NOTE: Authority cited: Sections 19815.4(d) and 19816, Government Code. Reference: Section 19822, Government Code.

599.643. Dormitory Accommodations.

(a) A dormitory is a housing unit:

- (1) Occupied by two or more unrelated employees, or
- (2) Which must be vacated monthly to accommodate a relief employee, or
- (3) Unsuitable for housing dependents of employees, or
- (4) Which provides sleeping accommodations for more than one employee in a single room.

(b) The monthly rate for each available accommodation occupied by represented employees shall be in accordance with the applicable provisions of a Memoranda of Understanding. The monthly rate for each available accommodation occupied by a nonrepresented employee shall be set by the appointing powers in accordance with Section 599.644.

~~(1) \$18~~ \$20.00 per month in Location Class 1

~~(2) \$12~~ \$13.00 per month in Location Class 2

(c) The following are exceptions to this rule:

(1) Forest fire lookout stations shall have no rental charge.

(2) Employees occupying dormitory accommodations for any day, or any portion thereof, when occupancy of the dormitory is required by the job and is necessary for availability and/or reduced response time to maintain public safety will not be required to pay rent for that day.

(3) Employees occupying dormitory accommodations for less than a complete pay period shall pay ~~\$/75~~ \$1.00 per day ~~to a maximum of \$18 per month~~ in Location Class 1 or \$.50 per day ~~to a maximum of \$12 per month~~ in Location Class 2. Each year this rate shall be increased in accordance with the applicable provisions of a Memoranda of Understanding.

NOTE: Authority cited: Sections 19815.4(d) and 19816, Government Code. Reference Section 19822, Government Code.