

# 1245

International Brotherhood  
Of Electrical Workers  
Local 1245, AFL-CIO  
September 1996  
Vol. XLV No. 9

# UTILITY REPORTER

Candidates for  
California Senate  
Pages 5-11

## Protections for employees, system reliability

# Legislature passes electric restructuring

**T**he California legislature on Aug. 31 approved a massive overhaul of the state's electric industry that promises rate relief for residential and small commercial

customers while safeguarding the reliability of the state's electric system.

The bill contains significant protections for utility employees directly affected by increased competition in generation or by Perform-

mance-Based Ratemaking. The bill authorizes investor-owned and municipal utilities to collect "Competition Transition Charges," and mandates that some of this revenue be used to provide assistance to displaced employees, including severance pay, retraining, early retirement packages, and "outplacement" services.

These employee-related transition costs were initially proposed by Local 1245, along with its allies in the Coalition of California Utility Employees (CUE).

"We said all along that employees should not be left in the lurch by all this restructuring activity," said Local 1245 Business Manager Jack McNally. "This bill provides very significant protections to help employees in this time of transition."

The complex legislation, which still needs Gov. Wilson's signature, grew out of widespread discontent with California's high electric rates. Large businesses, in particular, have pressed hard for "deregulation" of electric generation so that they can shop for cheaper sources of power.

Last December the California Public Utilities Commission approved a deregulation plan, but failed to address many important issues.

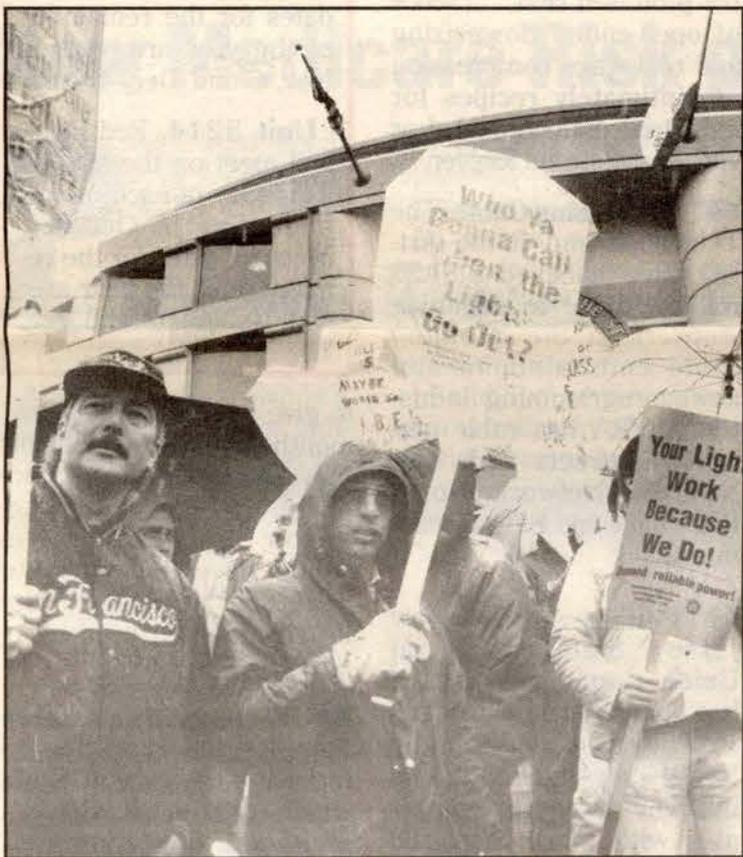
From the beginning, Local 1245 attempted to broaden the "rate debate" and focus public attention on the issue of reliability. Unregulated competition, the union warned, would put enormous pressure on utilities to downsize, and result in deteriorating service quality.

Dozens of Local 1245 members made this point in dramatic testimony to the California Public Utilities Commission (CPUC), which first proposed electric utility deregulation in April of 1994. During public hearings around the state in the fall of 1994, dozens of Local 1245 members testified that workforce reductions at Pacific Gas and Electric were already impairing service quality. In December, nearly a thousand union members protested against restructuring at CPUC headquarters in San Francisco.

Meanwhile, attorneys for the utility unions patiently made the case to the CPUC that unregulated competition in electric generation could lead to unwelcome price fluctuations and disastrous supply disruptions.

However, no one seemed interested in the union's arguments until Mother Nature rained on the deregulation parade. Back-to-back winter storms in January and

See PAGE THREE



**RELIABILITY ISSUE RAISED AT HISTORIC RALLY**  
Reliability of electric service wasn't even a part of the electric restructuring debate until nearly 1,000 Local 1245 members and supporters demonstrated at the California Public Utilities Commission in December 1994, carrying banners that read: "Your Lights Work Because We Do--Demand Reliable Power!" and "Who Ya Gonna Call When the Lights Go Out?" Last month, nearly two years after this demonstration, the California Legislature approved electric restructuring legislation with strong reliability provisions.

## Members ratify PG&E pact

A new three year agreement with Pacific Gas and Electric was ratified overwhelmingly in a mail-ballot vote counted Aug. 7.

The agreement, which preserves existing benefits and provides a 10% wage increase over three years, runs through 1999. Serving on the ballot committee, pictured at left, were: Leslie Davis, John Mike Hamm, Carvel Williams, Sal Lozano, James Middlemis, Ed Won, Rudy Woodford, and Mike Sutton.



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## CALENDAR

September 14-20  
IBEW Convention  
Philadelphia, Pa.

October 7  
Voter Registration Deadline

October 19  
Public Sector  
Stewards Conference  
Sacramento, Ca.

## Register to Vote!

Ask your union business rep. or shop steward for a registration card. Or order one by mail by calling:

1-800-345-8683



# UTILITY REPORTER

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## Workers here and abroad

# Rolling the union on . . .

**Picketline Vows:** Striking machinist Susan Pacific married her fiance, David Oulton, on the picket line outside McDonnell Douglas headquarters in St. Louis. A union member presided over the 10-minute ceremony. Machinists have been on strike against the aircraft maker for over two months.

**Lollypop Guild:** The striking Machinists at McDonnell Douglas got a hand on the picketline from

Mickey Carroll, who played one of the Munchkins in the classic film "Wizard of Oz." In addition to walking picket, Carroll presented the union with a check for \$1500. "I'm for labor," said Carroll.

**SoCal Gas Settlement:** The Utility Workers and Chemical Workers reached tentative agreement on a new two-year contract with Southern California Gas that protects against layoffs and raises salaries by 3% for 5,100 employees. The deal, worked out over 10 months of often-acrimonious talks, includes a 2.7% lump sum bonus after ratification and another 2.7% payment in 1997, the same year the wage increase begins. The company agreed not to lay off any full-time employee in the bargaining unit except for disciplinary reasons.

**Union Maids:** A majority of the 60 exotic dancers at The Lusty Lady, a San Francisco strip club, have signed union representation cards with Service Employees Local 790. "We're not guaranteed hours, raises are based strictly on management's whims, and we work below market value. We're just fighting for the basic protections most working people take for granted," a dancer named Jane told the San Francisco Chronicle.

**Eat Up:** "I will fight the minimum wage with every fiber of my being," House Majority Leader Dick Armey (R-Texas) said a few months back. In August he got a chance to eat his words when Texas union members delivered 515 boxes (the minimum wage will be raised to \$5.15) of high-fiber cereal to his Irving office. Maybe now he'll be just a regular guy.

**Welfare As They Know It:** A study by Citizens for Tax Justice says that tax breaks and other giveaways to the wealthy and to businesses will cost the federal

government \$455 billion this year—or two-and-a-half times as much as "entitlements" for the poor such as welfare and Medicaid.

**Now He Gets It:** Now that downsizing has eliminated nearly half a million jobs in the last year alone, Stephen S. Roach, chief economist for the Morgan Stanley & Co. investment house, is rethinking the economics of it all. Writing in U.S. Investment Perspectives, Roach said he's "having second thoughts about whether we have reached the promised land... Tactics of open-ended downsizing and real wage compression are ultimately recipes for industrial extinction. Labor can't be squeezed forever..."

**Organizing Cable:** The Television and Radio Artists have launched a \$1.25 million drive to organize workers in the booming cable entertainment and news programming industry. AFTRA has cable network contracts with The Nashville Network, Home Box Office and E! Entertainment.

**Penalty Act:** The New Jersey State Industrial Union Council, AFL-CIO, has sponsored the Job Destruction Penalty Act in the New Jersey Assembly. The bill would require companies with more than 100 employees that shut down

## Unit changes

**Unit 4712,** Asplundh Tree, Selma, will meet at Ramona's, 1802 E. Front in Selma on the first Thursday of the month at 4:30 p.m. Meeting dates for the remainder of the year are: Sept. 5, Oct. 3, Nov. 7, and Dec. 5.

**Unit 1501/1511,** San Jose Physical and Clerical, has a new meeting location and date. Effective Wednesday, Oct. 2, the unit will meet on the first Wednesday of every month at Straw Hat Pizza, 1535 Meridian Ave., San Jose. Meeting time remains 6:30 p.m. Meeting dates for the remainder of the year are: Oct. 2, Nov. 6 and Dec. 4.

**Unit 3214,** Red Bluff, will meet on the second Thursday of each month beginning in October. Meeting dates for the remainder of the year are: Oct. 10, Nov. 14, and Dec. 12

to give laid-off workers two months of pay for each year they were employed. In addition, corporations engaging in large-scale layoffs would have to contribute \$4,000 per employee to the locality affected by the closure.

**Billboards:** Union Summer activists acted as human billboards in Santa Cruz to educate drivers about working conditions in strawberry fields.



### HONORED FOR PARTNERSHIP

The newly-organized Labor Party last month honored Pacific Gas and Electric with an award for labor-management partnership. Accepting for PG&E was General Manager of Customer Energy Services Bob Haywood (left), shown here with Engineers and Scientists Business Manager Ben Hudnall (center) and San Francisco Labor Council Executive Secretary Walter Johnson. (Photo: Landis Marttila)

## APPOINTMENTS

### PACIFIC GAS & ELECTRIC

#### PG&E Ballot Committee

Leslie Davis  
John Mike Hamm  
Carvel Williams  
Sal Lozano  
James Middlemis  
Ed Won  
Rudy Woodford  
Mike Sutton

### CONFERENCES AND CONVENTIONS

#### IBEW-NECA Employee Benefits Conference

Jack McNally

#### National Safety Council Meeting

Art Murray

#### Inter-Union Gas Industry Conference

Jack McNally  
Howard Stiefer  
James McCauley  
Dennis Seyfer  
Frank Saxsenmier  
Mickey Harrington  
Bob Olson  
Linda Jurado

#### Safety Committee

Matt Goldsmith

#### Nevada State AFL-CIO Annual Convention

John Stralla  
Bob Viera  
Art Murray  
Santiago Salazar  
Gino Armini

### CENTRAL LABOR COUNCILS

Central Labor Council of Kern, Inyo & Mono Counties  
Chuck Davis



**STRAWBERRY FIELDS**  
Farm workers organizers Jose Gutierrez and Javier Ortega, at right, talk with a crew of Gargiulo Co. strawberry pickers in Watsonville, Ca. The two organizers were beaten in June after a similar visit to the company's fields. The UFW has taken on the entire strawberry industry to bring the social and economic justice of a union contract to every worker in the fields.

## Legislature passes restructuring

From PAGE ONE

March of 1995 created huge outages, and prompted a CPUC investigation.

The issue of service reliability could no longer be ignored.

### Partnership Pays Off

After forming a partnership agreement with Local 1245 in April 1995, PG&E moved aggressively to address reliability issues. In addition to canceling layoffs and beefing up its workforce, PG&E worked jointly with Local 1245 to inject reliability issues into the regulatory and legislative debate.

"This bill would not have been possible without the excellent partner relationship between PG&E and Local 1245," said Marc Joseph, an attorney representing the utility unions.

Joseph noted that the bill provides "increased revenue for PG&E in 1997 and again in 1998 for maintenance of the transmission and distribution system." Those increases will amount to the Consumer Price Index plus 2% in each of the two years.

The bill contains many measures specifically geared to enhance reliability.

It requires the CPUC to set standards for inspection, maintenance, repair and replacement for the distribution systems of investor-owned utilities like PG&E. And it mandates the creation of an Independent System Operator (ISO) to set the same sort of standards for

transmission systems of all participating utilities, whether municipal or investor-owned.

The bill would require review of compliance with these standards anytime an outage affects 10% of the utility's customers, and would provide for sanctions if the standards were not met.

### What About Supply?

The bill also addresses the critical issue of supply. More than two years ago the unions posed the question: "In a competitive market, who will make sure that adequate generating capacity exists?"

In the legislation now on its way to Gov. Wilson, the ISO will be responsible for securing adequate generating and transmission resources. Specifically, the ISO must meet the standards established by the Western Systems Coordinating Council for both operating reserves and planning reserves.

The CPUC will be required to consider those same standards in any proceeding to either close or divest any generating facility of an investor-owned utility.

Furthermore, in the event a generating plant is closed, the purchaser must contract with the seller for the seller to operate and maintain that generating plant for at least two years.

Ironically, none of these reliability protections were contained in the CPUC's restructuring plan, even though the CPUC is the regulatory body charged

with safeguarding the public's access to safe, reliable electric power. According to Joseph, it was the union coalition that put the reliability concerns on the table and ultimately secured their inclusion in the final bill.

### Transmission Pricing

Another major issue addressed by the bill is transmission pricing.

An electric market cannot function unless transmission lines are available to transport the power that is being bought and sold. The bill requires investor-owned and municipal utilities to jointly propose a transmission access pricing scheme, to be approved by the Federal Energy Regulatory Commission and implemented by the ISO, that assures an equitable return on transmission investment.

This arrangement will place all transmission assets in California under the control of the ISO, which should further enhance the reliability of the system.

### What About Rates?

Ultimately, though, any restructuring plan has to deliver rate relief to win acceptance. The Electric Restructuring bill provides for a 10% cut in residential and small commercial rates, beginning Jan. 1, 1998, and another 10% reduction in 2002, for an overall reduction estimated at well over \$1 billion.

Rates for large customers will be frozen through March 31, 2002.

## Would you throw away your paycheck?

Jack McNally, IBEW 1245 Business Manager

Would you throw away your paycheck?

Of course not. No one in their right mind would. You worked hard for your money and you have a right to it.

But it's amazing how many people each year throw away something just as valuable as their paycheck. They throw away their vote.

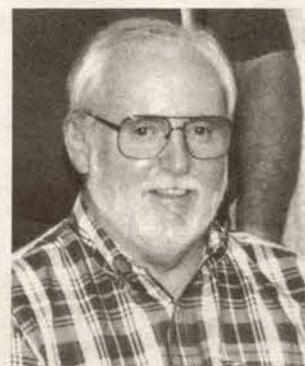
On Nov. 5, Americans have an opportunity to elect the people who will represent us in the state legislatures, in the US Congress, and in the White House. But if past voting patterns are any guide, only about half of us will bother to register, and only about half of those registered will bother to vote.

What are we throwing away when we throw away our vote?

For starters, we are throwing away our opportunity to influence the law of the land. The legislators we elect create the economic rules by which all of us have to play. By failing to vote, we throw away our voice.

But it's worse than that. The people we elect—or fail to elect—have definite agendas. Many in public office today are making it their agenda to attack the rights, wages, and working conditions of people like us. When we fail to replace these public officials—when we fail to vote—we are truly throwing our paychecks away.

This is not rhetoric. It is fact. The majority now in power in the California Assembly voted to repeal overtime pay for those who work over 8 hours in a day. They attacked prevailing wages for construction workers, and they resisted a hike in the minimum wage for those at



the bottom of the economic ladder.

Unions worked hard to establish these laws protecting our wages. When we tolerate politicians who want to destroy these laws, we are tolerating an attack on our wages.

But when we throw away our vote, we are throwing away something more than just our voice, something more than just our wages.

We are throwing away our heritage.

Generations of Americans have struggled against tyranny, sometimes sacrificing their lives, in order to defend our democratic rights: our right to choose our own leaders, to chart our own course.

Now it is up to us. We are the ones who must sustain democracy through our participation. We have until Oct. 7 to register for the Nov. 5 election.

You can register to vote at your country courthouse. Or you can register by mail. To get an application, call the Secretary of State at 1-800-345-8683. Or get an application from your Local 1245 business representative.

And you can do more. Ask your co-workers if they are registered. If they aren't, help them obtain and fill out an application.

All of us must do our part. That's what it means to be an American.

*Pulaski, Rankin elected to top posts*

# State labor movement elects new leaders

**A** new leadership team for California's labor movement was elected by acclamation at the 21st biennial convention of the California Labor Federation on July 31 in Los Angeles.

Art Pulaski, formerly head of the San Mateo Central Labor Council, was elected executive secretary-treasurer of the federation. Tom Rankin, former legislative director and lobbyist for the federation, will now serve as its president.

Pulaski and Rankin promised to undertake vigorous action on behalf of California's working men and women. Specifically they pledged an all-out effort to defeat anti-labor politicians in the November elections and to direct new energy into the urgent task of organizing unorganized workers.

In his acceptance speech to the convention, Pulaski blasted the corporate forces that are creating a wealthy elite at the expense of working Californians.

"Ten years ago, the California that you and I knew began to shrivel and wane," said Pulaski. "For workers and their families, what was once a beacon of opportunity has become a bastion of inequality..."

Pulaski asked the delegates to



look to the strawberry fields of the central valley "and witness the biggest agribusinesses in this nation reap megaprofits from our newest citizens, one berry at a time."

He asked them to think about the "countless construction sites where unscrupulous contractors are slapping together shabby structures with underpaid and untrained workers, some living in their cars...paid under the table without health care, without workers' compensation or any other benefits."

"That's no way to live," he de-

clared. "That destroys our tax base and ruins our economy, and, by God, we are going to fight to stop it."

He cited rising productivity, declining wages, soaring corporate profits and rich executive salaries; tax cuts for the rich and resulting deficits with neglect of the infrastructure and elimination of vital public services; and a state administration that wants to eliminate the eight-hour day, prevailing wage, and health and safety protections.

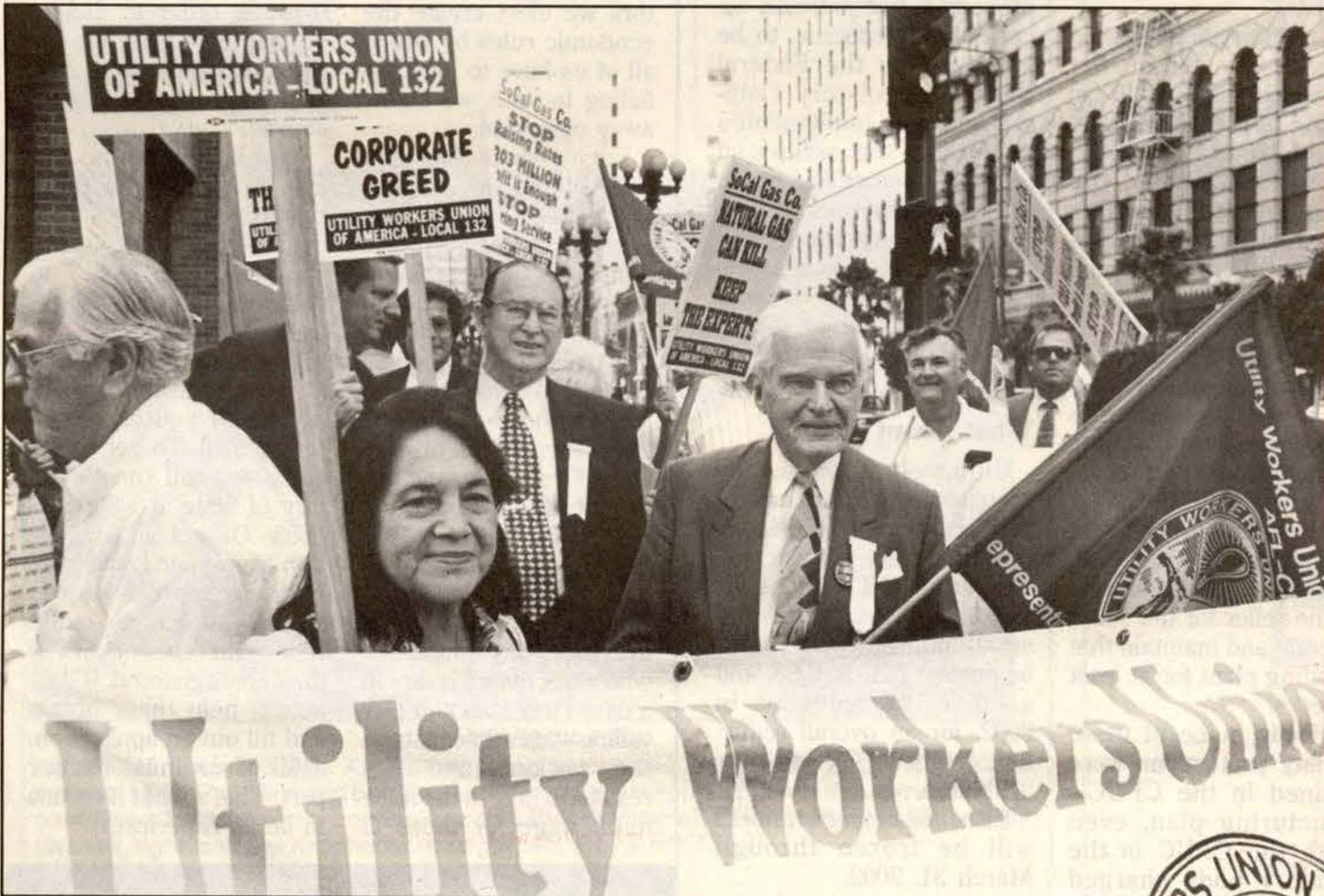
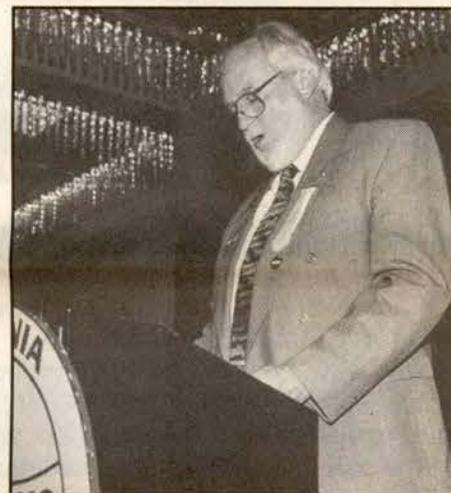
In the coming election, labor will create the debate, Pulaski declared.

"We will focus it on wages, fair wages and working conditions, saving the eight-hour day, preserving prevailing wages and equality of life for all working families."

President Rankin said that labor must "remake government into an institution that protects our interests and those of our society as a whole rather than the interests of the wealthy and the corporate elite."

He called for union members to get involved in the November elections and put an end to the "cascade of anti-labor bills" pouring out of the California Assembly.

Pulaski replaces Jack Henning, who served in office for 26 years. Rankin replaces Al Gruhn, who served for 36 years.



Top left: Outgoing Executive Secretary-Treasurer Jack Henning, newly-elected Executive Secretary-Treasurer Art Pulaski, newly-elected President Tom Rankin, and outgoing President Al Gruhn.

Above: Local 1245 Business Manager Jack McNally, chair of the Committee on Constitution, delivers the committee's report to the convention.

Left: United Farm Workers co-founder Dolores Huerta and Jack Henning march in support of the Utility Workers Union of America Local 132 in their battle with Southern California Gas.

# T

## The Party's Over

he eight-hour day.  
Overtime wages.  
Health and safety standards.  
Decent jobs at decent wages.

These are some of the things that unions helped achieve, providing California working people with a good standard of living and dignity on the job.

But the party's over. In the California legislature, people we elected to political office are trying to take away everything unions have achieved for working people. It's no longer enough just to pay dues. It's time to pay attention.

Forget the Democrats. Forget the Republicans. Forget the conservatives, the liberals, the independents. Forget all the labels that divide us. It's time to talk about actual legislators and the things they have actually done -- either for us, or to us.

This month, the Utility Reporter presents candidates for California Senate and where they stand on key issues. Issues like overtime, workplace safety, and raising the minimum wage. (In the August Utility Reporter we looked at candidates for US Congress. In October, we'll look at candidates for California Assembly.)

The threat to our income and our living standards is real. The attack is well underway, as the following pages will show. The only question remaining is:

***What are we going to do about it?***

# IBEW Local 1245

# Candidate Survey

## Vote November 5, 1996

### CANDIDATES FOR CALIFORNIA SENATE

Pages 6-7    The Issues:  
What's at Stake for Working People?

Page 8        Map of California State Senate Districts:  
Who Represents You in the State Senate?

Pages 9-11    The Candidates:  
Where Do They Stand?

#### Key to Symbols



Candidate Supports Working People on the Issue



Candidate Against Working People on the Issue



Candidate Refused to Take a Stand (Refused to Respond to Survey)

Positions based on voting record and/or candidates' written response to Local 1245 Issue Survey. Candidates who refused to respond to the survey were awarded the "Chicken" symbol.

# Preserving overtime wage standards

## The Key Bill: A.B. 398

**P**remium pay for overtime work is one of the principal achievements of the American labor movement. However, overtime pay came under direct attack in the California Legislature this year. The future of overtime pay is directly tied to the outcome of the November elections.

How close did California workers come to losing overtime pay this year? Damn close. The California Assembly voted to repeal the eight-hour day, but pro-labor leaders in the California Senate blocked the bill.

What would life be like without overtime protection? If overtime pay were eliminated in manufacturing, it would amount to an average pay cut of 18%, more than \$5,000 a year. For many Local 1245 members, who are used to a lot of overtime, the amount of lost wages would be much higher. Picture working 30 consecutive hours in a winter storm and getting paid straight time for the whole thing. Do the math. It's not pretty.

However, employers can do the same math. When they look at repealing overtime, they see less money paid out in wages, more money left for profits.

It's not new math, and it's not a new issue in the American workplace. Over a century ago, American workers fought and died in the streets for the eight-hour day. Tired of being forced to work 12, 14 and even more hours a day, they

rose up in protest. Their battle cry was "Eight hours for work, eight hours for rest, and eight hours for what we will."

Their heroic struggle left a rich legacy for workers today. Part of that legacy is the Fair Labor Standards Act, the federal labor law which establishes 40 hours as the basic work week and mandates premium pay for anything over 40 hours. Another part of that legacy is the California Labor Code, which provides that workers in California must receive time-and-a-half after eight hours per day. California's eight-hour law is administered by the Industrial Welfare Commission (IWC), which issues wage orders covering California's various industries.

A.B. 398, passed by the Assembly this year at the urging of business groups, tried to undo a century of progress. The bill would have prohib-

ited the IWC from issuing any order that requires payment of any daily overtime premium to California workers. No time-and-a-half. No double-time.

Supporters of A.B. 398 claimed that the current regulatory structure "effectively prohibits" a change to more "flexible" work schedules. This is just hot air. Existing IWC rules provide employers with a way to institute flexible work weeks—if the effected employees vote to do so.

The downside of A.B. 398 would be very real. Without overtime premiums, paychecks would be smaller. But the problem goes beyond money. Freed from the obligation to pay overtime premiums, many employers would lengthen the work day to 12 or more hours. Numerous studies indicate that extended work hours significantly increase employees' risk of occupational injury. Extended work hours are also associated with increased fatigue and impaired judgment. Single parents (or families where both parents work) can have real difficulties finding childcare to cover such long workdays.

Overtime premiums are contractually protected for most Local 1245 members. But these protections are firmly anchored in state law. If we cannot hang onto the state law, our contractual protections will come under severe attack.

Our best protection is to identify candidates who support overtime protection—and then vote for them.

**Picture working 30 consecutive hours in a winter storm and getting paid straight time for the whole thing. Do the math. It's not pretty.**

# Preventing repetitive stress injuries

## The Key Bill: A.B. 50

**C**umulative trauma injuries are a workplace epidemic of staggering proportions. In 1994, 332,000 new cases of cumulative trauma injuries afflicted American workers, a 10% increase over 1993 and an 800% increase over 1983.

The evidence is undeniable. The suffering is real. The costs are stratospheric. But so-called "pro-business" elected officials in Sacramento have blocked every effort to do something about this workplace catastrophe.

It hasn't always been this way. In 1991, California's Department of Occupational Safety and Health (DOSH) convened an Ergonomics Advisory Committee representing experts in

ergonomics, safety and occupational medicine. After an exhaustive review of the scientific literature, the Advisory Committee concluded that the scientific and medical evidence was sufficient to develop an ergonomics standard.

In 1993, the California legislature approved sweeping reforms to the Workers Compensation laws. It was a great deal for business, but it also benefitted workers because it required Cal-OSHA to develop an ergonomics standard. When the Cal-OSHA Standards Board dragged its feet, a Superior Court judge ordered the Board to issue a standard.

The Standards Board has still failed to comply with that order. Meanwhile, the California Assembly voted this spring to repeal the requirement that a standard be issued.

What does this mean? It means very simply that 41 members of the California Assembly said: "We changed our minds. We agreed to a standard but now we don't want one. You're at risk of a crippling injury? Too bad. Tough luck. Get lost."

Why is an ergonomics standard so important to workers? Ergonomics is the science that deals with the proper fit between workers and their workplace. Its aim is to prevent injuries caused by awkward postures and high rates of repetitive motion or manual force. Some ex-

amples of these injuries are back strains caused by improper lifting and carpal tunnel syndrome, a swelling of the tendons inside the wrist, which puts pressure on the nerve and can result in nerve damage.

In California, new cases of cumulative trauma injuries increased eight-fold between 1982 and 1993. These injuries now account for half of all new industrial injuries in the state.

A disability inflicted by a cumulative trauma injury at the worksite doesn't disappear at the factory gate or office door: it follows the worker home. Workers afflicted with these disorders are often awakened at night by excruciating pain in their hands and arms. They may be unable to hold the steering wheel of a car for more than a block before their hands go numb. Parents have reported being unable to hold a child, take out the garbage, or even twist the top off a soda bottle.

Industrial safety experts agree that an ergonomic standard is the single most effective way to combat this epidemic of cumulative trauma injuries. But the California Assembly has turned its back on these workers. And many anti-labor politicians in the California Senate are prepared to do the same—if they can just pick up a few more seats in the November election.

There is no excuse for delaying a standard any longer. Politicians who lack the courage to stand up for worker safety do not deserve our support on November 5.



# Protecting workers from toxics

**E**very day workers are killed on the job. Sometimes they are killed by hazards they are not even aware of, that their employers never bothered to tell them about.

In 1990 California enacted the Corporate Criminal Liability Act to protect workers from serious concealed jobsite dangers. The law provides that any corporation or manager who has actual knowledge of a serious concealed danger—and knowingly fails to notify affected workers and appropriate state authorities within 15 days—is guilty of a crime. Punishments range up to three years in prison and fines of \$25,000 for individuals, \$1 million for corporations.

In 1996, the California Assembly voted to dramatically weaken this law, reducing penalties against employers and stripping workers of a valuable workplace protection. Fortunately, the California Senate stopped this attack on worker safety.

The corporations working to gut the Corporate Criminal Liability

## The Key Bill: A.B. 675

Act claim that it harms the state's "business climate." But injuring workers seems an odd strategy to "improve" the state's business climate, when more sensible strategies exist, such as improving education and expanding worker training opportunities.

The sad truth is that many business leaders believe it is morally acceptable to sacrifice the health and lives of workers on the altar of higher profits. And as long as that attitude exists, strong penalties are needed to protect workers at the jobsite.

The California worker safety laws are especially important because federal laws are so weak. Penalties for significant violations of the federal Occupational Safety and Health Act (OSHA) are pitifully weak. Serious violations of OSHA carry an average penalty of only \$645 (that's \$753 for federal OSHA, \$567 for state OSHA plans). A violation is considered "serious" if it poses a substantial probability of

death or serious physical harm to workers.

Worker safety laws are not an academic exercise. According to the Bureau of Labor Statistics, there were 6,588 workplace deaths due to traumatic injuries in 1994, an increase over the 6,271 reported in 1993. An estimated 50,000 additional workers die each year from occupational diseases. In addition, more than 6.8 million injuries and illnesses were reported in private sector workplaces in 1994.

These figures would be even grimmer were it not for worker safety laws. Since 1970, over 140,000 lives have been saved, and millions of injuries prevented, as a result of strengthened workplace protections.

Californians should be proud to have some of the strongest worker protections in the country. And we should have little tolerance for politicians who would throw those protections away.

Where do the Senate candidates in your district stand on the Corporate Criminal Liability Act? Find out for yourself on pages 9-11.

# Improving the minimum wage

**I**t is a betrayal of the American Dream that people can work fulltime and still fall below the poverty line, but that is the sorry situation in California and in America today.

It has been eight years since the minimum wage was increased from \$3.35 an hour to \$4.25 an hour in California. Since that time, the earning power of the minimum wage has fallen sharply. Who is harmed by this drop in buying power?

It is estimated that over 2.5 million California workers earn wages below \$5 per hour. Of those who actually earn at or below the floor wage of \$4.25, 62% are women, of which 74% have no spouse in the home. Close to half are full-time workers—not high school kids earning "spending money."

Employers argue that raising the minimum wage will kill jobs. But

## The Key Bill: S.B. 500

economic studies point in both directions: some indicate that hiking the minimum wage has increased employment, others indicating a decrease in employment.

We are all diminished, financially and morally, when working people live in poverty. Such desperately

low wages are an incentive for people to quit work and go on welfare, or go outside the law, to make their living. When employers are permitted to pay poverty wages, taxpayers end up paying in the form of various subsidy programs for the poor.

It makes no sense to restrict welfare benefits, and then dump people into an economy where they can't survive on the offered wages. It is a prescription for economic and social disaster.

SB 500, the bill to hike the California minimum wage to \$5 in 1997 and \$5.75 in 1998, did not make it through the California legislature, forcing labor unions to mount a petition drive to put the minimum wage hike on the November ballot.

On pages 9-11, find out which politicians believe the minimum wage should be raised, and which ones do not.

Declining purchasing power of the minimum wage



Source: Center on Budget and Policy Priorities



Do You Want a State Senator Who Is

**FOR**

Working People or

**AGAINST**

Working People on These Key Issues?

Use the Map on Page 8 to Identify Your State Senate District.

Find Out Where the Candidates Stand on the Issues on Pages 9-11.

Don't Let Politicians Take Away Your

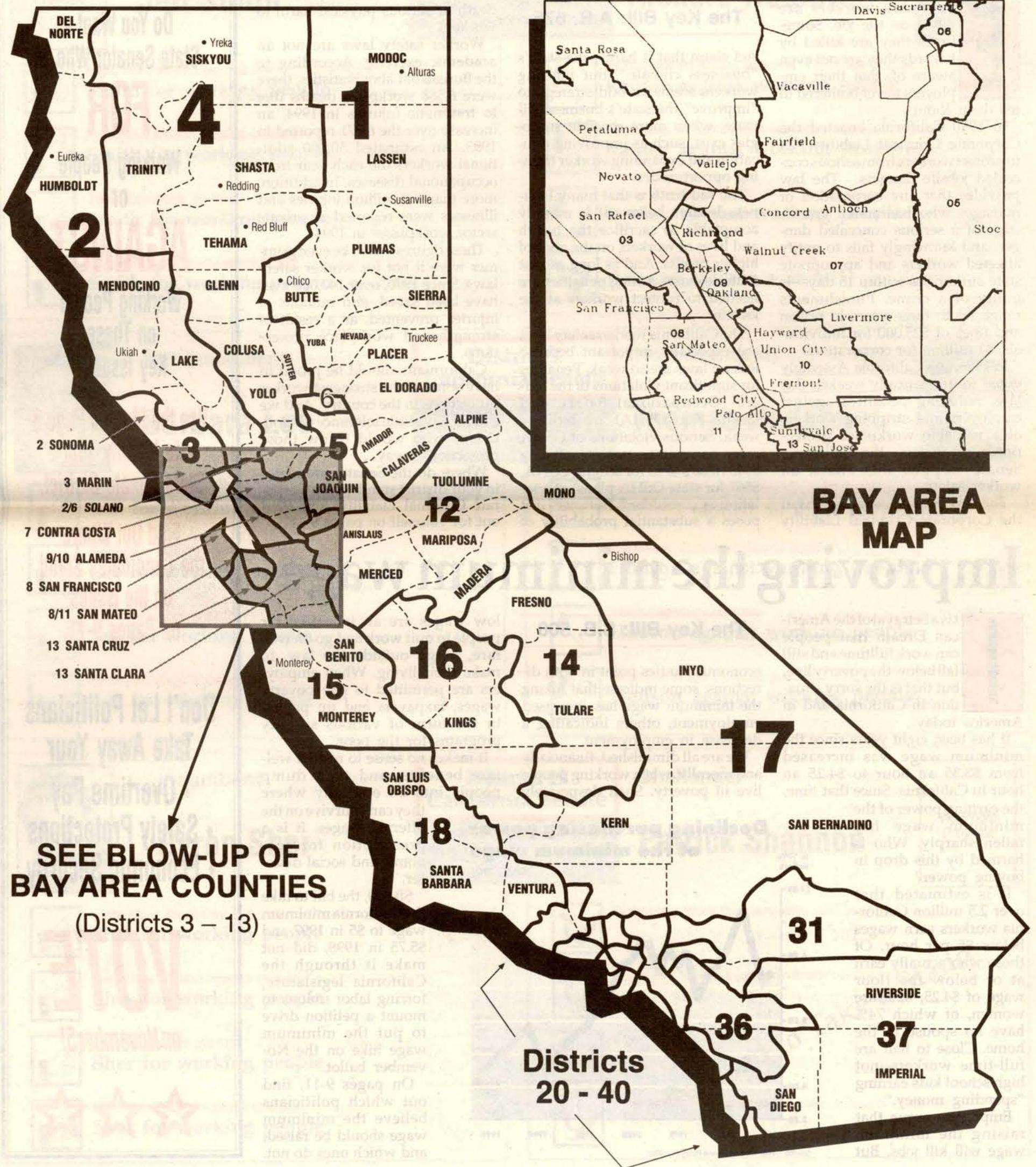
- Overtime Pay
- Safety Protections
- Economic Security

**VOTE**

on November 5!



# The Districts: Find Out Which District You're In



# The Issues:

# Where Do the Candidates Stand?



**Incumbent**

**Tim Leslie**

## District 1 California Senate

Alpine, Amador, Calaveras, El Dorado, Lassen, Modoc, Mono, Nevada, Placer, Plumas, Sierra, Yuba and part of Butte Counties (See page 8)



Eight-Hour Work Day (A.B. 398)

**Leslie against working people**



Repetitive Motion Injuries (A.B. 50)

**Refused to Take a Stand**



Toxic Exposure (AB 675)

**Refused to Take a Stand**

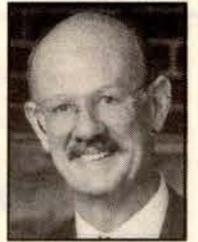


Minimum Wage Increase (S.B. 500)

**Leslie against working people**

**Challenger**

**Thomas Romero**



Eight-Hour Work Day (A.B. 398)

**Romero for working people**



Repetitive Motion Injuries (A.B. 50)

**Romero for working people**



Toxic Exposure (AB 675)

**Romero for working people**



Minimum Wage Increase (S.B. 500)

**Romero for working people**



**(No Incumbent)**

**John Burton**

## District 3 California Senate

Marin and Parts of San Francisco and Sonoma Counties (See page 8)



Eight-Hour Work Day (A.B. 398)

**Burton for working people**



Repetitive Motion Injuries (A.B. 50)

**Burton for working people**



Toxic Exposure (AB 675)

**Burton for working people**



Minimum Wage Increase (S.B. 500)

**Burton for working people**

**(No Incumbent)**

**Curtis Rau**

No Photo Provided



Eight-Hour Work Day (A.B. 398)



Repetitive Motion Injuries (A.B. 50)



Toxic Exposure (AB 675)



Minimum Wage Increase (S.B. 500)

**Refused to Take a Stand**



**Incumbent**

**Patrick Johnston**

## District 5 U.S. Congress

Parts of Sacramento and San Joaquin Counties (See page 8)



Eight-Hour Work Day (A.B. 398)

**Johnston for working people**



Repetitive Motion Injuries (A.B. 50)

**Johnston for working people**



Toxic Exposure (AB 675)

**Johnston for working people**



Minimum Wage Increase (S.B. 500)

**Johnston for working people**

**Challenger**

**Kurt Boese**

No Photo Provided



Eight-Hour Work Day (A.B. 398)



Repetitive Motion Injuries (A.B. 50)



Toxic Exposure (AB 675)



Minimum Wage Increase (S.B. 500)

**Refused to Take a Stand**

# The Issues:

# Where Do the Candidates Stand?

## District 7 California Senate

Parts of Alameda and Contra Costa Counties  
(See page 8)

(No Incumbent)

**Jeff Smith**

No Photo  
Provided



Eight-Hour Work Day (A.B. 398)  
**Smith for working people**



Repetitive Motion Injuries (A.B. 50)  
**Smith for working people**



Toxic Exposure (AB 675)  
**Smith for working people**



Minimum Wage Increase (S.B. 500)  
**Smith for working people**

(No Incumbent)

**Richard Rainey**



Eight-Hour Work Day (A.B. 398)  
**Rainey against working people**



Repetitive Motion Injuries (A.B. 50)  
**Rainey against working people**



Toxic Exposure (AB 675)  
**Rainey against working people**



Minimum Wage Increase (S.B. 500)  
**Refused to Take a Stand**

## District 9 California Senate

Parts of Alameda and Contra Costa Counties  
(See page 8)

(No Incumbent)

**Barbara Lee**



Eight-Hour Work Day (A.B. 398)  
**Lee for working people**



Repetitive Motion Injuries (A.B. 50)  
**Lee for working people**



Toxic Exposure (AB 675)  
**Lee for working people**



Minimum Wage Increase (S.B. 500)  
**Lee for working people**

(No Incumbent)

**Thomas Hudson**



Eight-Hour Work Day (A.B. 398)  
**Hudson against working people**



Repetitive Motion Injuries (A.B. 50)  
**Hudson against working people**



Toxic Exposure (AB 675)  
**Hudson against working people**



Minimum Wage Increase (S.B. 500)  
**Hudson against working people**

## District 11 California Senate

Part of San Mateo & Santa Clara Counties  
(See page 8)

Incumbent

**Byron Sher**



Eight-Hour Work Day (A.B. 398)  
**Sher for working people**



Repetitive Motion Injuries (A.B. 50)  
**Sher for working people**



Toxic Exposure (AB 675)  
**Sher for working people**



Minimum Wage Increase (S.B. 500)  
**Sher for working people**

Challenger

**Patrick Shannon**



Eight-Hour Work Day (A.B. 398)



Repetitive Motion Injuries (A.B. 50)



Toxic Exposure (AB 675)



Minimum Wage Increase (S.B. 500)

**Refused to Take a Stand**

# The Issues:

# Where Do the Candidates Stand?



(No Incumbent)

## John Vasconcellos

### District 13 California Senate

Part of Santa Clara County (See page 8)

(No Incumbent)

## Ray Morton

No Photo  
Provided



Eight-Hour Work Day (A.B. 398)

**Vasconcellos for working people**



Repetitive Motion Injuries (A.B. 50)

**Vasconcellos for working people**



Toxic Exposure (AB 675)

**Vasconcellos for working people**



Minimum Wage Increase (S.B. 500)

**Vasconcellos for working people**



Eight-Hour Work Day (A.B. 398)

**Morton for working people**



Repetitive Motion Injuries (A.B. 50)

**Morton for working people**



Toxic Exposure (AB 675)

**Morton for working people**



Minimum Wage Increase (S.B. 500)

**Morton for working people**



(No Incumbent)

## Rusty Areias

### District 15 California Senate

Monterey, San Benito, Santa Cruz & part of  
Santa Clara Counties (See page 8)

(No Incumbent)

## Bruce McPherson



Eight-Hour Work Day (A.B. 398)

**Areias for working people**



Repetitive Motion Injuries (A.B. 50)

**Areias for working people**



Toxic Exposure (AB 675)

**Areias for working people**



Minimum Wage Increase (S.B. 500)

**Areias for working people**



Eight-Hour Work Day (A.B. 398)

**McPherson against working people**



Repetitive Motion Injuries (A.B. 50)

**McPherson against working people**



Toxic Exposure (AB 675)

**McPherson against working people**



Minimum Wage Increase (S.B. 500)

**McPherson for working people**



(No Incumbent)

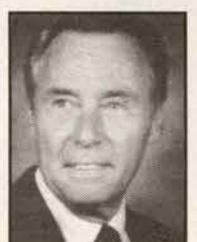
## Steve Figueroa

### District 17 California Senate

Inyo & parts of Kern, Los Angeles & San  
Bernardino Counties (See page 8)

(No Incumbent)

## William Knight



Eight-Hour Work Day (A.B. 398)

**Figueroa for working people**



Repetitive Motion Injuries (A.B. 50)

**Figueroa for working people**



Toxic Exposure (AB 675)

**Figueroa for working people**



Minimum Wage Increase (S.B. 500)

**Figueroa for working people**



Eight-Hour Work Day (A.B. 398)

**Knight against working people**



Repetitive Motion Injuries (A.B. 50)

**Knight against working people**



Toxic Exposure (AB 675)

**Knight against working people**



Minimum Wage Increase (S.B. 500)

**Knight against working people**

# AMR

## PG&E about to launch pilot program to test Automated Meter Reading

**A**utomated Meter Reading. For years we've been hearing about futuristic technology that will permit the automatic reading of gas and electric meters. Now, at PG&E, it appears the future has arrived.

Under the watchful eye of the joint labor-management ("94-53") Meter Reader Committee, PG&E is getting ready to launch a pilot program in the Delta District (the

Antioch area) which will automate up to 140,000 gas and electric meters by mid-1997.

As plans for Automated Meter Reading become a reality, more and more Local 1245 members at PG&E are beginning to pay attention. And they should.

Up to now, AMR hasn't been of much concern to anyone other than Meter Readers. However, it is now becoming clear that the potential impact of AMR goes beyond Meter Readers and will be felt by other classifications.

Many members have asked questions about AMR in recent weeks. Below, Staff Attorney Tom Dalzell, who is the union spokesperson on the Meter Reader 94-53 Committee, answers some of the most frequently asked questions about AMR.

**Q: Exactly what is AMR?**

**A:** AMR is the next stage in the evolution of meter reading. Fifteen years ago, Meter Readers at PG&E and most other utilities recorded meter readings into a book

that contained a page for each account. In the early 1980's, PG&E converted from the book system to an EMR system—electronic meter reading—in which Meter Readers physically visited a meter and then recorded meter readings into a hand-held electronic device which stores and then downloads the reads at the end of the day.

AMR uses any of a number of technologies (radio, fiber optics, or even satellite) to read meters automatically at any time that a read is requested.

**Q: What are the latest developments at PG&E?**

**A:** Because the situation changes so quickly and so often, this is a difficult question to answer with any degree of certainty; today's truth easily becomes tomorrow's discarded rumor.

As of early August, PG&E was still in serious discussions with several vendors about their possible participation in the Delta District AMR pilot program. The company's plan was to have

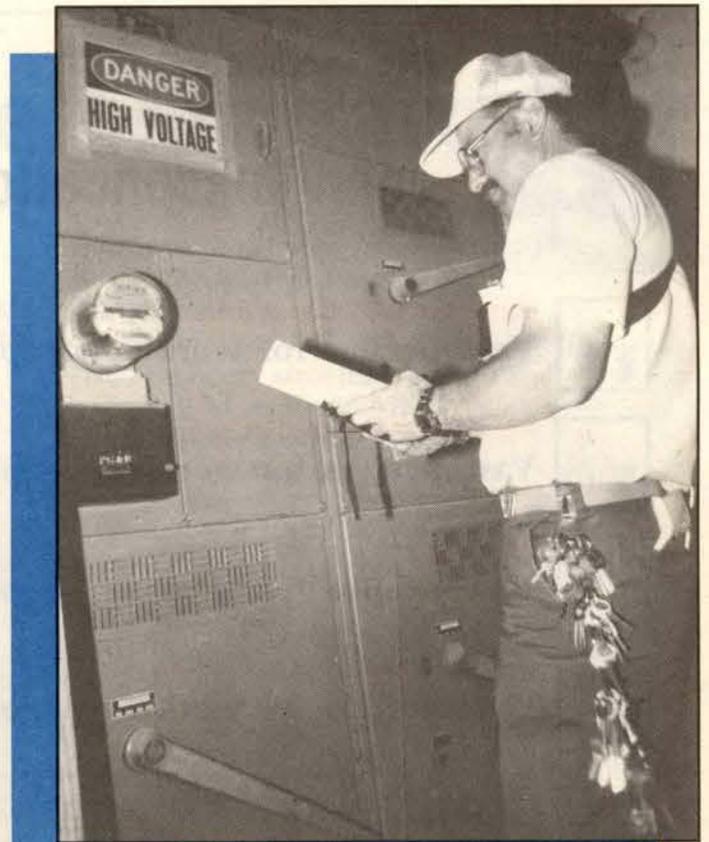
reached agreement with one vendor to provide an AMR system for the Delta District by the end of August, with work to begin immediately.

After evaluating the Delta District pilot program, PG&E will make a determination as to how, where, and how fast it will proceed with AMR.

**Q: Why is PG&E considering AMR?**

**A:** PG&E is considering AMR for two reasons.

First, it is considering



Al Carrillo, a 22-year union member, reads a meter in a commercial building in San Francisco.



The PG&E/Local 1245 Joint Committee on Automated Meter Reading met at the union hall in Walnut Creek.

AMR on its own merits, evaluating it as a possible improvement in customer service. AMR offers a number of services that traditional meters do not, such as diversion detection, outage tracking, load profile management, and remote reads for change of parties.

Second, the California PUC has ordered all California utilities to offer real-time metering to some customers by January 1, 1998, and for all customers by January 1, 2001. If that order is not modified, PG&E must be ready to implement AMR for a small group of its largest customers in just over a year.

**Q: Is it certain that PG&E will implement AMR for all its meters?**

**A:** Nothing about AMR is certain. While the technology exists for simple applications such as single-phase electric meters, the technology for poly-phase electric meters is not proven; furthermore, AMR has not been introduced in any system anywhere near the size of PG&E. The CPUC might revisit the entire issue of AMR in light of technology and customer choice issues, and the state legislature may take action on deregulation that would obviate the need for AMR for residential customers, who constitute the vast majority of PG&E's customers. Lastly, the response of customers, particularly residential customers, to AMR has yet to be seen. It is not at all clear that residential customers who stand little if anything to gain from real-time pricing will be as enthusiastic about real-time metering as large industrial customers.

**Q: Who will be affected by AMR?**

**A:** A wide range of PG&E employees would be affected by AMR. Most obviously, the jobs of PG&E's approximately 800 Meter Readers and Senior Meter Readers are at risk. Because AMR eliminates the need for change of party reads, Gas Service Representatives would feel the

impact of a large-scale introduction of AMR. For different reasons, Troublemakers (outage tracking), meter personnel (meter repair), and Customer Service Representatives (real-time reading capability) may all see changes in their job duties.

**Q: What is being done to protect Meter Readers?**

**A:** The first step that we took to protect Meter Readers and other members of the clerical bargaining unit was to agree with PG&E to fill all Meter Reader vacancies (that are not filled by transfer requests from other Meter Readers) with hiring hall employees. The hiring hall Meter Readers understand that their employment with PG&E is temporary and that they can be displaced at any time without bumping rights into other clerical unit jobs. One year into the hiring hall process, approximately 30% of PG&E's Meter Readers were temporary employees obtained through the hiring hall.

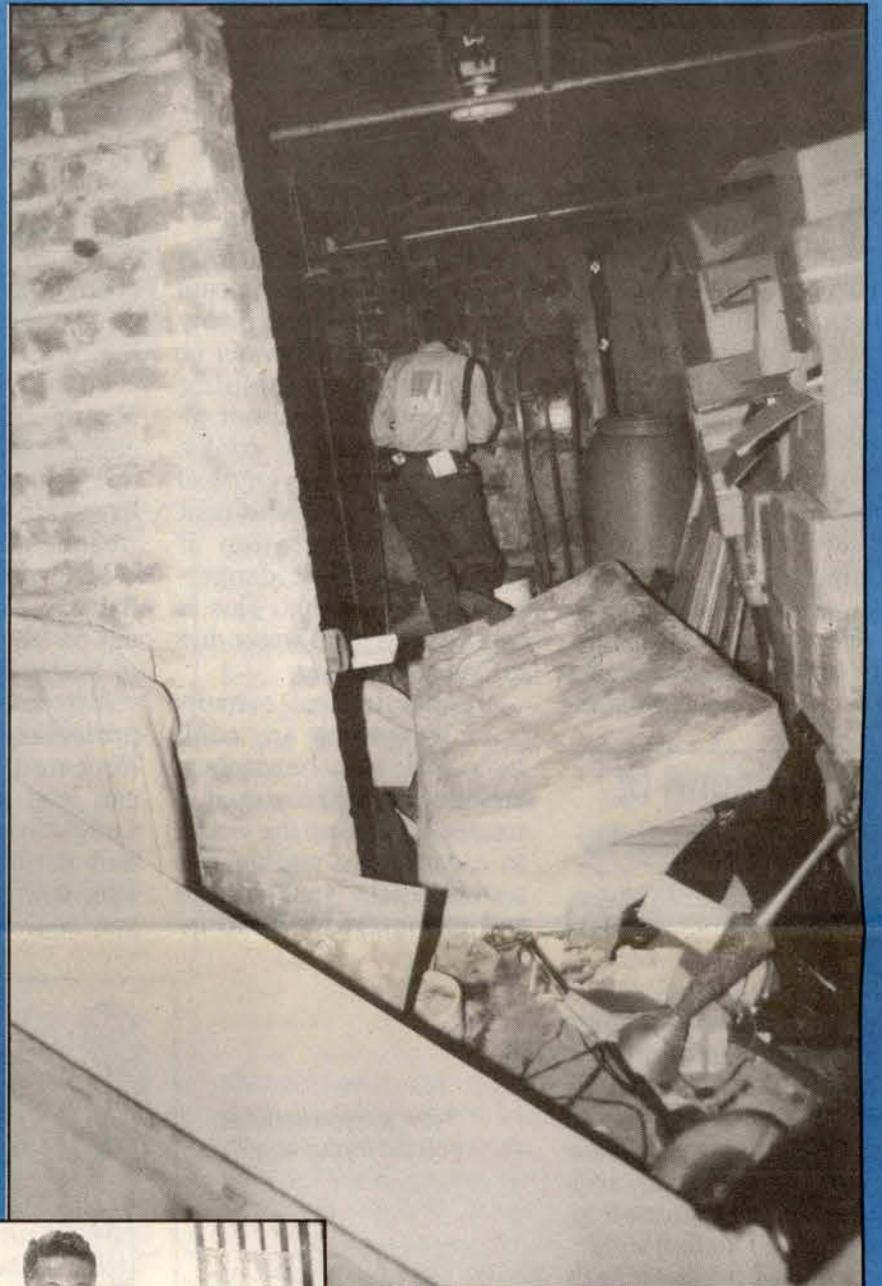
We also recently negotiated several improvements in job opportunities for Meter Readers, and are near agreement with PG&E on a Letter Agreement to take care of the approximately 11 regular employees who are Meter Readers in Antioch.

**Q: Is there any new work created by AMR?**

**A:** Yes, and we are talking with PG&E about our plan to have Local 1245 members perform all new work created by AMR—from the retrofitting of the electric meters, to the field installation of gas and electric meters, to installation of the infrastructure, to maintenance of the system.

**Q: How can I stay informed on further developments?**

**A:** Attend your unit meetings and read the Utility Reporter.



A'yanna James, a hiring hall meter reader, navigates through an unlit, trash-strewn basement in a San Francisco apartment building to get a read. At left, James is back on the street, ready to move on to the next read.

# Heat wave

## Safety Matters

A heat wave is defined as being three or more consecutive days of air temperature being at 90 degrees Fahrenheit. Summer is still with us, particularly in the Bay Area, and the mercury continues to climb.

To avoid heat distress, there are certain facts you should know to protect yourself. If you work outdoors, try to stay in the shade as much as possible. Try to take indoor breaks. Wear light colored cloth-

ing that reflects the sun's rays.

When doing laborious work, try to do it in the cool part of the day. Drink plenty of fluids, especially water or electrolyte-replenishing drinks. Stay away from alcohol or caffeinated drinks.

There are three physical reactions to excessive heat and the dehydration it causes. The least dangerous is heat cramps. This is caused by loss of water due to heavy sweating.

Another is heat exhaustion. Symptoms are cool, moist, pale skin; headaches, vomiting and dizziness. It is treated by getting the victim to a cool area, putting wet towels on the victim's face and giving fluids. If let un-

treated it can develop into heat stroke. Symptoms include hot red skin, changes in consciousness, rapid weak pulse and shallow breathing.

Victims of heat stroke should be immersed in cold water or wrapped in wet sheets until they can be taken to a hospital for treatment.

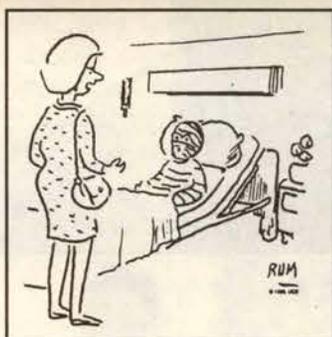
To protect yourself on hot days, be on the lookout for the warning signs of heat-related illnesses.

Also keep in mind the protection of your skin. Repeated sun exposure can lead to skin cancer. Long sleeve shirts, hats and sunblock will go a long way toward keeping you cool-and safe.

### Please send in accident reports

The Local 1245 Safety Committee reminds you to please send in accident reports. We need them to improve training and working conditions. The various companies don't report all injuries to us. Shop stewards please report injuries and accidents to your Business Representative and file the "Report of Injury" form with the union hall.

"Now are you satisfied you did it your way?"



#### IN APPRECIATION

Local 1245 Business Rep. Art Murray presents plaques to outgoing Safety Committee members Bud Gray (left) and Bob Bustamante (center) in appreciation of their service on the committee. Looking on are continuing committee members Bill Hunt (in back, left), Pete Ely (in back, right) and Joe Kropholler (far right). Photo by Austin Lea II

## Report says workplace stress threatens Americans' health

Stress levels are a major threat to the health of Americans, and workplace stress is a major culprit.

The American Medical Association estimates that up to 70% of all patients seen by general practice physicians come with symptoms directly related to unrelieved stress. Stress is among the top 10 reasons Americans miss work, according to the Occupational Safety and Health Administration.

A major factor in rising stress levels is work, according to a recent story in the Arizona Republic. "Because the downsizing movement has forced companies to do more with less, many Ameri-



cans are working longer at their jobs, leaving less time to unwind," the paper reported.

# Labor of Love

That's what it takes to build a community—and that's what United Way is all about.

By funding programs that address the unique challenges of your hometown, we endeavor to make it a better place to live, work, raise a family and retire. We spend your money wisely, as if it were our own. Caring and commitment are simply part of the job.

Oh, and by the way...we love what we do. Please support the United Way.



Reaching those who need help. Touching us all.®

1 (800) 411-UWAY  
<http://www.unitedway.org>

# Politics: if you don't play you lose

By Orv Owen

**T**he old accepted wisdom that politics is a participatory sport—if you don't play you lose—has never been more true than now, especially for seniors and retirees.

During our working years we organized and banded together to support or oppose the political decisions that affected our work standards, safety, our families, our fellow citizens and our beloved country.

Now the political decisions that affect all seniors'

retirement benefits, such as Medicare and Social Security, are at risk. House Speaker Newt Gingrich says his goal is to see Medicare "wither on the vine." Presidential candidate Robert Dole has bragged that he "was there, one of twelve,

voting against Medicare in 1965." House Majority Leader Dick Armey says he thinks "Medicare has no place in the free world."

Please keep in mind, these three are the same people who will receive medical care and pensions for their

lifetime, paid for by taxpayers of this country.

I am sure their medical and pension benefits are superior to the overwhelming majority of senior citizens of this country. If the seniors lost Medicare or Social Security they would be losing benefits they earned during their working years.

I am supporting and voting for candidates who will protect the benefits I earned and paid for during my working years and who will keep the promise first made to seniors in 1933.

Keep the faith!

**House Speaker Newt Gingrich says his goal is to see Medicare "wither on the vine." Presidential candidate Robert Dole has bragged that he "was there, one of twelve, voting against Medicare in 1965."**

## New Medicare Risk plans now available

**P**G&E and Local 1245 have negotiated a Letter Agreement that expands the number of Medicare Risk Health Plans available to PG&E retirees.

A Medicare Risk plan is a managed care plan for individuals who are eligible for Medicare. It is a stand-alone plan which can be used to replace Medicare and supplemental benefits with a comprehensive package that includes many extras. Some Medicare Risk Plans include coverage for chiropractic, vision care, and dental benefits.

PG&E currently offers three mandated Medicare Risk plans: Aetna, Kaiser North and Kaiser South. The new plans, which become available effective Jan. 1,

1997, are: FHP Health Care, Prudential HealthCare and Secure Horizons.

An annual open enrollment period will be held for all individuals covered by PG&E medical plans, including the Medicare Risk plans.

In addition to the annual open enrollment period, an individual may elect during the year to disenroll from any of the six Medicare Risk plans. In the event of disenrollment, the participant will be moved to the Prudential Out-Of-Area Plan, with one exception: those enrolled in FHP Health Care Medicare Risk plan will be moved to FHP Health Care Medicare Supplemental Plan.

These benefits are possible because recent legislation has permitted HMOs to contract with the Health

Care Financing Administration (HCFA) to provide total medical care for retirees in exchange for a payment somewhat less than the average amount Medicare pays per retiree by geographic area. HCFA is a federal agency which administers Medicare and other health care programs.

The principal drawback to the Medicare Risk plan is that it may restrict the availability of service by particular providers. Here are some points to be aware of before signing up for a Medicare Risk plan:

- In exchange for all the services offered by the Medicare Risk plan network, the participant will be required to sign over his/her Medicare benefits to the Medicare Risk plan. Generally, this means that the participant won't be able to use his/her Medicare benefits anywhere outside the Medicare Risk plan network, except in an emergency.

- If you do a lot of traveling or live part-time in a different area or state, these plans may be unsuitable for you. If you are out of the service area for more than 90 days, you may be disenrolled by the Medicare Risk plan.

- Medicare Risk plans require the beneficiary to seek all medical care through the plan's network. In addition,

most Medicare Risk plans require that the beneficiary's care be coordinated by a primary care physician. If you want to see a specialist, you must go through your primary care physician to seek authorization. Authorization for care by a specialist will almost always be limited to specialists within the Medicare Risk plan network.

- Beneficiaries confined to a convalescent home and receiving care from providers who contract with the home must be sure the providers are part of the network of the Medicare Risk plan selected. Although members enrolled in the Prudential Out-of-Area plan can see any licensed provider they wish to see, this is not so with Medicare Risk plans. Medicare Risk plans will only cover services provided by their own network's doctors.

PG&E's prescription drug program is also undergoing a change. Medco, one of the largest national pharmacy benefit management companies, will bring together the retail drug coverage services now provided by Prudential and the mail-order services provided by Value Rx, into a single, coordinated program.

According to PG&E, enrollment packets will be mailed in October.

IBEW  
Local  
1245



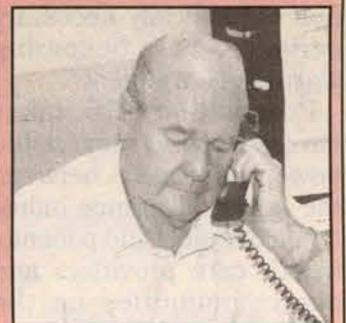
Retirees Corner

### Retirees call candidates

Retirees from the East Bay and South Bay chapters of the Local 1245 Retirees Club phoned candidates for Assembly and State Senate in July to find out where the candidates stand on key labor issues. Positions of Senate candidates appear in this issue of the Utility Reporter.



Don Hardie, East Bay



Orv Owen, South Bay



Louis Rangel, East Bay



Ralph Weidling, East Bay

### Congratulations to the newly-retired!

The Local 1245 Retirees Club extends its congratulations to these recently-retired members of the union. We encourage you to get involved with the Local 1245 Retirees Club Chapter in your area—or to start a new one if you don't have one close by! Call (510) 933-6060 and ask for Julie Rodriguez.

Name	Residence	Yrs/Srvc
John Edward Gates	Santa Rosa, CA	45
James Crawford	Santa Clara, CA	40
Donald Short	Sun Lakes, AZ	35
Billy Smith	Daly City, CA	16
Jack Smith	Knoxville, TN	14
Donald Tidd	Fort Collins, CO	32
Rodger Warren	San Francisco, CA	30

# Proposition 216 seeks to curb HMO abuses

**M**ore and more Americans are becoming aware that health care and medicine in the United States are being compromised, restricted and even corrupted by unrestrained commercialization and corporate domination.

The rapid conversion of healing professions into big businesses is intruding on and degrading the doctor-patient and nurse-patient relationships which lie at the heart of medicine. Care is being limited, denied or delivered unsafely, but *not* because the health insurance industry is hurting financially or has any need to cut corners or costs. On the contrary, the industry is swimming in profits, and is gaining its extreme profits by cutting care.

According to a recent report by the Medical Board of California, "...the restriction of medically necessary services...is becoming alarmingly frequent."

Proposition 216 takes strong steps to correct the power imbalance between the health insurance industry on one side, and patients, health care providers and our communities on the other. Some of the key problems and their solutions are:

**1. "Gag" Clauses:** Many doctors for HMOs and health care businesses must sign contracts which contain "gag" clauses which prohibit them from informing their patients of treatment options not covered by the health plan in question, usually because the uncovered procedure, drug or test is more expensive than the one offered by the plan.

Proposition 216 would prohibit gag orders and protect medical whistleblowers.

**2. Harmful Financial Incentives:** Many managed care plans offer financial incentives to doctors and nurses to limit treatments, referrals and hospitalization. In this way insurers create a conflict of interest for health



**Many managed care plans offer financial incentives to doctors and nurses to limit treatments, referrals and hospitalization. In this way insurers create a conflict of interest for health care providers who are often forced to choose between a financial bonus and the best medical interest of their patients. Proposition 216 prohibits bonuses, incentives or other compensation for denial or delay of appropriate care.**

care providers who are often forced to choose between a financial bonus and the best medical interest of their patients. (Some gag clauses described above gag providers from disclosing the existence of such bonus incentives to their patients.)

Consider an example of how this bonus system affects patients. A recent Dartmouth study found that infants discharged less than 48 hours after birth are twice as likely to require readmission in the future, for problems such as dehydration, jaundice and infection. Nevertheless, Kaiser, the largest HMO in California and a provider option for PG&E employees, pressured doctors and gave them monetary bonuses to release new mothers and their infants only eight hours after birth.

Proposition 216 prohibits bonuses, incentives or other compensation for denial or

delay of appropriate care.

**3. Interference by Bureaucrats:** It is *commonplace* in HMOs for the care recommended by a doctor to be overruled and denied by a company bureaucrat or administrator bent on cost-cutting.

Again, consider an example of how this affects patients. Christine DeMeurers died of breast cancer at age 34 after Health Net, California's second largest HMO and a provider option for PG&E employees, improperly denied her an expensive bone-marrow transplant and pressured her doctor to reverse his support of the treatment. An arbitration panel called Health Net's actions "extreme and outrageous behavior exceeding all bounds usually tolerated in a civilized society," according to a story in the Oct. 18, 1995 Los Angeles Times.

Proposition 216: requires that care recommended by a doctor can *only* be denied by an insurer based on a second opinion from a qualified health professional following a physical exam.

**4. Unwarranted Profits:** The health care industry is gaining extreme and record profits while denying care to many policy-holders, and while many public health facilities are starving for funds. It is not unusual for executives of health care companies to receive multi-million dollar salaries, and stock wealth worth tens or even hundreds of millions of dollars.

Four HMOs alone each hold more than \$1 billion dollars in excess cash. The treasury director of Health Systems, Inc., Alan Bond, told the Wall Street Journal in 1994: "Our problem is what to do with the money that comes in, not whether

we have enough cash." Health Systems, Inc. is the parent company of Health Net.

Proposition 216 requires insurers and HMOs to bear the cost of implementing and enforcing the measure, through fees on excessive executive compensation, industry mergers, monopolization, for-profit conversions, and reductions of services. Implementation of the initiative will cost taxpayers nothing, according to backers of the proposition.

Public hospitals, cities, counties and public health agencies can apply for funds remaining (after implementation costs) to pay for emergency and trauma care, infectious disease control, preventive services and expanded care for individuals and families in need.

Consumer advocate Ralph Nader called the passage of Proposition 216 "the single most critical health care battle this year for California, and is an example for the rest of the nation."

One strength of Proposition 216 is that it can only be amended by a two-thirds vote of the legislature. This helps insure that a favorable vote by the people cannot be easily overturned by lobbyists in Sacramento.

Proposition 216, sponsored by the California Nurses Association, is one of two health care initiatives on the November ballot. Proposition 214, sponsored by the Service Employees International Union, also appears on the ballot.

Local 1245 members who want more information or want to get involved in the campaign to pass Proposition 216, should call the California Nurses Association at 1-800-440-6877.

## Register to Vote!

Ask your union business rep. or shop steward for a registration card. Or order one by mail by calling:

**1-800-345-8683**