FACT SHEET
AB 2019 (Santiago): Step Increases for the CSU

PROBLEM
Professors are unique when it comes to other state workers and salary schedule: they do not receive step increases as part of their compensation. Not only is this outside the standard for public employment, but it limits room for growth to keep pace with the economy and peers and provides little incentive to stay in the system.

When compared to other higher education institutions, the California State University (CSU) stands out. While the cost of living has skyrocketed, CSU faculty purchasing power has dramatically decreased. Faculty at all 23 campuses make less than they did in 2004 when adjusted for inflation, and faculty lost nearly $10,000 in purchasing power during the last decade.

All of this has taken place while the ranks of CSU executives have swelled and their salaries boomed. In 1975 CSU had 310,000 students with 11,615 full-time faculty overseen by 3,800 administrators. Today, the CSU has 460,000 students with 11,833 full-time faculty overseen by more than 12,000 administrators.

HISTORY
In 1945, the Merit Salary Adjustment (MSA) system was created in statute for state civil service employees. The MSA is a 5% annual salary increase for employees below the maximum step of their salary range. The MSA is contingent on satisfactory job performance and is effective on the employee’s anniversary date.

Even though CSU employees are exempt from civil service, up until the early 1990s, their pay increases mirrored those provided to state civil service employees, and they received MSAs. In April 1994, however, during collective bargaining, the CSU Trustees proposed that MSAs be replaced with discretionary performance pay. Labor fought this proposal but, after exhausting the statutory impasse procedures of mediation and factfinding, the CSU unilaterally withdrew steps on April 1, 1996. The MSA was replaced with the Service Salary Increase, or SSI. The value of an SSI – or the difference between steps – was cut in half, from 5% to 2.5%. Perhaps more importantly, SSIs are not automatic like MSAs and are awarded only in years when they are funded. As of 2016, the last SSI of 2.65% was granted eight years ago, in 2007-08. As new faculty are hired at market rates, they may earn more than experienced faculty, whose salaries have been stagnant.

OTHER SECTORS OF EDUCATION
The state is not the only employer which relies on step increases to reward experience and protect wages from inflation. Step increases are common in all sectors of public education in California.

- University of California (UC) tenure-track faculty receive step increases ranging from 4.7% to 8.5% every 2 or 3 years depending on rank. UC faculty are not on a step system but they do receive a 6% increase in their fourth year of service.
- Community college faculty receive step increases based on years of service.
- K-12 teachers receive step increases based on years of service, and as with the community colleges, continuing education and degree completion are rewarded with additional pay bumps.
- Teachers in the state’s correctional institutions are paid on salary schedules that reward years on service, continuing education credits and degree completion.

Step increases in these systems differ from the CSU’s in a critical way: they are generally automatic.

SOLUTION
AB 2019 would place an automatic Service Salary Increase in statute for CSU faculty, tying it to the California Urban Consumer Price Index.

FOR MORE INFORMATION
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