

The End of Lab Associates Erodes Both Institutional Expertise and Individual Benefits

Rather than bring recently shrunken retiree medical benefits into compliance with the requirements of the Affordable Care Act (ACA), Lawrence Livermore National Security, LLC (LLNS) management eliminated an entire job classification: the Lab Associates. Lab Associates are Lab retirees, many with decades of expertise, who work less than 1000 hours per year and are paid by the hour. They neither get regular employee health benefits nor earn sick or vacation leave.

The Lab's lawyers have determined that for purposes of compliance with the ACA, Lab Associates are Lab employees, but their employer-provided health care benefit, the retiree health care benefit, does not meet the requirements of the ACA. Instead of fixing the retiree health care plan to bring it into compliance with the ACA, Lab management decided instead to terminate all the Lab Associates. Every one of them --- we think some 200 in all --- received letters terminating their employment with the Lab. Some fraction of them --- and we have been unable to determine that fraction --- will continue in their current assignments, but as Akima employees --- subcontractors --- rather than as Lab employees, at approximately twice the cost to the programs at the Lab that benefit from the experience and expertise that Lab Associates bring.

The loss of Lab Associates is but the latest consequence of a steady erosion of pay and retirement benefits since the privatization of the Lab in 2007. This erosion in pay and benefits is consistent with a national trend toward increasing income inequality (see April 2014 monthly memo). LLNS management has proven unwilling and unable to buck this national trend. Consequently, many SPSE-UPTE members now face financial hardships, and a few face financial disasters, such as eviction or foreclosure and consequent loss of their home.

The erosion of retirement benefits has hit both active employees and retirees hard. The erosion began with the elimination of the Defined Benefit Plan (pension) available to employees hired after the transition from UC management to LLNS management. Then, those transitioning employees who opted to roll over their UC pension funds into the new company's pension plan (TCP-1) were hit with a big increase in employee contributions that were not offset by pay increases. Then, Lab retirees were thrown off the old retiree medical plans, and instead given a fixed sum (either \$2400 per year for a single retiree or \$4800 per year for a retiree with a dependent spouse) with which to purchase supplemental health insurance on the open market. For many, if not most, retirees this change meant a huge increase in out-of-pocket costs for health insurance.

SPSE-UPTE's fix for the loss of Lab Associates is medical benefits for all retirees that comply with the standards of the ACA. SPSE-UPTE's fix would retain institutional access to capabilities possessed by all Lab Associates, rather than a subset hired through a subcontractor.

We welcome your comments to spse@spse.org, or to any SPSE-Board member, including President-Elect William Smith at Smith324@llnl.gov. We also solicit your help in advocating for all Lab employees and retirees by joining SPSE-UPTE if you are not already a member.

Employees Laid-Off in 2008 Still Find SPSE-UPTE Support Invaluable SPSE-UPTE Can Make a Difference for You As Well

SPSE-UPTE continues to support both its members and others who were laid off in 2008. About 130 of hundreds laid off are plaintiffs in a suit against LLNS (Lawrence Livermore National Security, LLC) seeking redress for capricious, demoralizing and discriminatory layoff policies. In Phase I of the trial in early 2013 a jury awarded five of the plaintiffs \$ 2.7 million dollars for economic loss. On January 26, 2015, the claims of ten more employees will be tried in Alameda County Superior Court. Two of the plaintiffs wrote SPSE-UPTE to express their appreciation for our emotional support and for documents we supplied to make their case against LLNS management.

The plaintiffs and SPSE-UPTE recognized that by joining together we both are more likely to secure redress for damages from LLNS past layoffs and to effect changes to better protect LLNS employees in future layoffs. When rational arguments by LLNS management in support of their layoff policies proved inadequate in court, SPSE-UPTE helped plaintiffs withstand the character assassinations management's legal teams resorted to in their *ad hominem* defense of management actions. One plaintiff wrote that "we have been treated like criminals by the defense." The same plaintiff wrote that "we saw the honest lab managers testify and saw the corrupted managers lie their way through their testimony all the while sweating bullets!"

Another plaintiff wrote that "I was rejuvenated when I learned the SPSE was a supporter of our lawsuit ... You have no idea how much it means to me that there are still some at the Lab who empathize." That same plaintiff specifically noted West Gate picketing protesting lab policies organized by SPSE-UPTE demonstrated support for them. The plaintiff's letter concluded with "whatever the outcome, I am even more thankful that an organization like SPSE supports us."

The laid-off employees experienced firsthand, the encouragement and support SPSE-UPTE extends to those where management mistreats and frightened coworkers shun. One of the plaintiffs in *Andrews, et al. vs. LLNS* wrote that after they were laid off, coworkers called or e-mailed to see how things were going, but the calls ceased after coworkers learned of the lawsuit. "It was tough being treated as if you were a leper." Another wrote to offer "a heartfelt thank you to SPSE for your support to the 130 plaintiffs on this case ... I personally called SPSE a few days after the layoff. I was distraught and in a state of shock and I needed some assistance. I was treated with dignity and compassion from one of your officers." Later in the year the plaintiff reported "we rallied alongside your union members with picket signs."

Don't wait until LLNS management lays you off to call SPSE-UPTE to join with us in maintaining rewarding careers at LLNL. Call us to find out how you can encourage LLNS to treat us all more fairly. Contact either Eileen Montano at the SPSE-UPTE office (925/449-4846) or President-elect William Smith at Smith324@llnl.gov. You can apply for membership by filling out and submitting a membership application available at the SPSE website, <http://www.upte.org/local/spse/join/>.

Join Us

For four decades we in SPSE have worked to make our Laboratory a better place to work by helping fellow employees and demanding fairness and transparency from Lab management. Our effort has never before been more important, and if you share this belief please go to <http://spse.org> and click on "Join Us."



