



June 5, 2009

Dear CSEA Member,

**CSEA has come to an agreement with Gov. David Paterson to achieve long term savings, avoid massive state layoffs and maintain essential services without reopening union contracts. The agreement includes acceptance of the Governor's proposal for a Tier V (five) in the Retirement System for future hires which will also provide benefits to localities and other participating employers.**

**Talks seeking to find a resolution intensified over the past week. Under the terms of the agreement hammered out with the Governor's Office, the state will shed payroll by encouraging employees in targeted positions to take a cash buyout to leave state service. The buyout will be available to all employees in the targeted positions -- it is not tied to whether they are retirement eligible or not. The Paterson Administration is pledging that it will not pursue layoffs over the next two years as it seeks to gain savings and maintain services.**

**There will also be a Labor/Management effort to better employ the negotiated voluntary reduction in work schedule program included in both unions' contracts, to help achieve state payroll savings.**

**CSEA will accept Governor Paterson's proposed legislation seeking to establish a Tier V in the state Retirement System for new hires after a specified date in the future. The union's movement on Tier V reflects the reality of current economic conditions and the fact that it will only apply to future hires. There will be no negative impact on the retirement rights and provisions of current employees. The new tier will help localities reduce their project retirement costs over the long term.**

**"CSEA recognizes these are extraordinary times with unprecedented challenges and we have tried to find ways to help without reopening contracts," said CSEA President Danny Donohue "We believe the agreement worked out with the governor's office achieves all of these aims."**

**"Thank you to all CSEA members who stood up for what was right throughout this difficult fight and kept the pressure on to bring about a fair agreement," Donohue said. "CSEA members are always at their best in a crisis."**

**Working Families  
e-Activist Network**