

CALIFORNIA DEPARTMENT OF HUMAN RESOURCES

SUMMARY OF SIDE LETTER AGREEMENT

FOR BARGAINING UNITS 1, 3, 4, 11, 14, 15, 17, 20, AND 21

Exclusive Employee Representative:
Service Employees International Union (SEIU) Local 1000

Number of Employees: Approximately 105,109 full-time equivalents

General Provisions

I. Compensation

Personal Leave Program (PLP 2020)

- Effective June 30, 2021, the Personal Leave Program (PLP 2020) will end. SEIU Bargaining Unit employees will have their full salaries restored.
- The unused PLP 2020 leave credits may be used in the same manner as Vacation/Annual Leave and Personal Necessity Leave. (Sections 8.1, 23.9.3, and 25.6.3)
- Open enrollment will occur July 1, 2021 through August 1, 2021, for SEIU Bargaining Unit employees to opt into the Voluntary Personal Leave Program. (Sections 8.15 and 8.15.21)
- CalHR will review leave cash out policies by March 1, 2022, to assess for equity impact/implementation across all departments and will meet with SEIU Local 1000 within 60 days of completion of that review.

Salary Increase

- Effective on the first day of the pay period following ratification by both parties, all SEIU Bargaining Unit employees will receive a 4.55 percent salary increase. This increase will account for the previously negotiated salary increase that was originally scheduled for July 1, 2020 (2.5 percent) and the salary increase that was already scheduled for July 1, 2021 (2.0 percent), including compounding (.05 percent). (Section 11.1)

Minimum Wage Equity Adjustment (Pay Differential 443)

- Effective on the first day of the pay period following ratification by both parties, SEIU Bargaining Unit employees will no longer be eligible for the Minimum Wage Equity Adjustment that was negotiated in response to the implementation of PLP 2020.

Improving Affordability and Access to Healthcare

- The existing MOU contains a \$260 monthly payment for SEIU Bargaining Unit employees with specific eligibility requirements. This provision will continue to be suspended until June 30, 2022. (Section 11.2)
- All health benefits-eligible SEIU Bargaining Unit employees will receive a monthly payment of \$260 and will be ineligible for the Flex-Elect Benefit Plan cash option.
 - The Flex-Elect Benefit Plan cash option shall be reinstated July 1, 2022. For those eligible, enrollment for the Flex-Elect Benefit Plan will occur in the spring of 2022.

II. Post-Employment Benefits

Prefunding of Other Post-Employment Benefits (OPEB)

- Effective on the first day of the pay period following ratification, SEIU Bargaining Unit employees will resume monthly contributions of 3.5 percent to prefund OPEB. (Section 9.24)

III. Miscellaneous

Contract Reopener Language

- This side letter agreement may be reopened upon finalization of the federal regulations regarding essential worker premium pay.

IV. Term

- Effective the first day of the pay period following ratification by both parties. The union ratification process has been completed.

V. Fiscal

- Fiscal Year 2021-22 Cost: \$420.3 million (\$181.2 million General Fund)
- Total 1-Year Incremental Cost: \$420.3 million (\$181.2 million General Fund)
- Total 1-Year Budgetary Cost: \$420.3 million (\$181.2 million General Fund)

VI. Agreement

- This Side Letter Agreement represents the ending of PLP 2020, the restoration of prefunding OPEB, and general salary increases.
- The Side Letter Agreement between the state and SEIU Local 1000 is posted on the [Contracts Section on the CalHR Website](#).