

**CALIFORNIA DEPARTMENT OF HUMAN RESOURCES
SUMMARY OF SIDE LETTER AGREEMENT
FOR BARGAINING UNIT 9**

**Exclusive Employee Representative:
Professional Engineers in California Government (PECG)**

Number of Employees: Approximately 12,459 full-time equivalents

General Provisions

I. Compensation

Personal Leave Program (PLP 2020)

- Effective on the first day of the pay period following ratification, the PLP 2020 will end. Bargaining Unit 9 employees will have their full salaries restored.
- Effective on the first day of the pay period following ratification, Bargaining Unit 9 employees will no longer receive PLP 2020 leave credits. All provisions related to the use and compensability of the PLP 2020 leave credits will remain unchanged.

Salary Increase

- Effective on the first day of the pay period following ratification by both parties, all Bargaining Unit 9 employees will receive a 5.58 percent salary increase. This increase will account for the previously negotiated salary increase that was originally scheduled for July 1, 2022 (3.0 percent) and a new salary increase (2.5 percent), including compounding (.08 percent). (Section 3.26)

Retirement

- As previously negotiated, effective the first day of the pay period following ratification by both parties, Miscellaneous and Safety Bargaining Unit 9 employees will pay an additional 0.5 percent in retirement contributions for one year. After the completion of one year, the retirement contributions will be reduced by 0.5 percent. (Section 11.6 and 11.7)

II. Post-Employment Benefits

Prefunding of Other Post-Employment Benefits (OPEB)

- Effective on the first day of the pay period following ratification, Bargaining Unit 9 employees will resume monthly contributions of 2.0 percent to prefund OPEB (Section 28.1).

III. Miscellaneous

Contract Reopener Language

- The 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 is expected to be completed no later than June 30, 2021.

V. Fiscal

- Fiscal Year 2021-22 Cost: \$115.7 million (\$3.4 million General Fund)
- Total 1-Year Incremental Cost: \$115.7 million (\$3.4 million General Fund)
- Total 1-Year Budgetary Cost: \$115.7 million (\$3.4 million General Fund)

VI. Agreement

- This Side Letter Agreement represents the ending of PLP 2020 and the restoration of prefunding OPEB and salary increases.
- The Side Letter Agreement between the State and PECG is posted on the [CalHR Bargaining Unit 9 Contract Webpage](#).