Exclusive Employee Representative:
International Union of Operating Engineers (IUOE)

Number of Employees: Approximately 12,520 full-time equivalents

General Provisions:

I. Compensation

**Special Salary Adjustments (SSA) (Section 2.2)**

- Effective July 1, 2023, all Bargaining Unit 12 employees in the following classifications shall receive a SSA of 5 percent (5%):
  - Maintenance Aide (Seasonal)
  - Maintenance Aide (Seasonal) (Angel Island)
  - Foundation Driller
  - Foundation Driller Leadworker
  - Senior Foundation Driller

- Effective July 1, 2023, all Bargaining Unit 12 employees in the following classifications shall receive a SSA as follows:
  - Automotive Pool Attendant III 4.66%
  - Lead Automobile Mechanic 4.41%
  - Lead Motorcycle Mechanic 4.41%
  - Telecommunications Facilities Technician II, CHP 4.19%
  - Park Landscape Maintenance Technician 6.70%
  - Park Maintenance Worker II 4.80%

- Effective July 1, 2023, all Bargaining Unit 12 employees in the following classifications shall receive a SSA of 4 percent (4%):
  - State Park Equipment Operator
  - Military Department Heavy Equipment Operator
  - Caltrans Equipment Operator I/II
  - Caltrans Highway Maintenance Worker
  - Caltrans Highway Maintenance Leadworker
  - Caltrans Landscape Maintenance Worker
  - Caltrans Landscape Maintenance Leadworker
- Maintenance Worker, California Highway Patrol
- Tractor Operator - Laborer
- Tractor Operator - Laborer (Correctional Facility)
- Commercial Vehicle Inspection Specialist
- Heavy Truck Driver
- Heavy Truck Driver, Correction Facility
- Automobile Mechanic
- Automobile Mechanic (Correctional Facility)
- Automotive Pool Attendant I/II
- Automotive Technician I/II
- Motorcycle Mechanic
- Caltrans Heavy Equipment Mechanic
- Caltrans Heavy Equipment Mechanic Leadworker
- Heavy Equipment Mechanic Apprentice, Caltrans
- Heavy Equipment Mechanic
- Heavy Equipment Mechanic (Correctional Facility)
- Equipment Maintenance Supervisor (Correctional Facility)
- Pest Control Technician
- Pest Control Technician (Correctional Facility)
- Groundskeeper
- Lead Groundskeeper
- Groundskeeper (Correctional Facility)
- Skilled Laborer
- Lead Groundskeeper I (Correctional Facility)
- Supervising Groundskeeper II (Correctional Facility)
- Supervising Groundskeeper I
- Lead Groundskeeper (Correctional Facility)
- Industrial Supervisor, Prison Industries (Bakery)
- Industrial Supervisor, Prison Industries (Bindery)
- Industrial Supervisor, Prison Industries (Coffee Roasting and Grinding)
- Industrial Supervisor, Prison Industries (Crop Farm)
- Industrial Supervisor, Prison Industries (Dairy)
- Industrial Supervisor, Prison Industries (Dental Laboratory)
- Industrial Supervisor, Prison Industries (Detergent Plant)
- Industrial Supervisor, Prison Industries (Digital Services)
- Industrial Supervisor, Prison Industries (Egg Production)
- Industrial Supervisor, Prison Industries (Fabric Products)
- Industrial Supervisor, Prison Industries (Food and Beverage)
- Industrial Supervisor, Prison Industries (Knitting Mill)
- Industrial Supervisor, Prison Industries (Laundry)
- Industrial Supervisor, Prison Industries (Maintenance + Repair)
- Industrial Supervisor, Prison Industries (Mattress + Bedding)
- Industrial Supervisor, Prison Industries (Meatcutting/Processing)
- Industrial Supervisor, Prison Industries (Metal Fabrication)
• Industrial Supervisor, Prison Industries (Optical Products)
• Industrial Supervisor, Prison Industries (Poultry Processing)
• Industrial Supervisor, Prison Industries (Printing)
• Industrial Supervisor, Prison Industries (Sausage Making/Cured Meats)
• Industrial Supervisor, Prison Industries (Sewing Machine Repair)
• Industrial Supervisor, Prison Industries (Shoe Manufacturing)
• Industrial Supervisor, Prison Industries (Tool + Die)
• Industrial Supervisor, Prison Industries (Upholstery)
• Industrial Supervisor, Prison Industries (Wood Products)
• Industrial Warehouse and Distribution Specialist, Prison Industries
• Prison Canteen Manager I
• Materials and Stores Supervisor II (Correctional Facility)
• Plumber Apprentice
• Plumber I/II
• Plumber II/III (Correctional Facility)
• Plumber Supervisor
• Telecommunications Facilities Technician I, CHP
• Park Maintenance Assistant
• Park Maintenance Assistant (Angel Island)
• Park Maintenance Worker I
• Park Maintenance Worker I (Angel Island)

• Effective July 1, 2023, all Bargaining Unit 12 employees (except classifications identified above) shall receive a SSA of 3 percent (3%).

• Effective July 1, 2023, following the 3 percent (3%) SSA increase, all Bargaining Unit 12 employees in the Senior Maintenance Aide (Seasonal) minimum salary step shall be realigned to be five percent (5%) above the maximum salary step of the Maintenance Aide (Seasonal) classification with the establishment of five percent (5%) step differentials between the remaining steps.

• Effective July 1, 2024, all Bargaining Unit 12 employees in the following classifications shall receive a SSA of 5 percent (5%):
  o Senior Foundation Driller
  o Foundation Driller Leadworker
  o Foundation Driller

• Effective July 1 2024, the maximum salary range for all Bargaining Unit 12 classifications (except driller classifications) shall be increased by 4 percent (4%). Employees who have been at the maximum salary for 12 qualifying pay periods will be moved to the new maximum salary.
• Effective July 1, 2025, all Bargaining Unit 12 classifications shall be adjusted by increasing the maximum of the salary range by 4 percent (4%). Employees who have been at the maximum salary for 12 qualifying pay periods will be moved to the new maximum salary.

**Workforce Stability Stipend (Section 2.35 New)**

• Effective July 1, 2023, Bargaining Unit 12 employees are eligible to accrue a Workforce Stability Stipend up to a maximum of $3,600. Employees shall accrue $100 for each qualifying pay period during 6-month eligibility periods. Pay is processed in six payments of up to $600 in January 2024, August 2024, January 2025, August 2025, January 2026, and August 2026.

**Night Shift Pay Differential (Section 2.8)**

• Effective July 1, 2023, increase the night shift pay differential from $1 per hour to $1.50 per hour for work shifts that fall between 6 p.m. and 12 midnight.

• Effective July 1, 2023, increase the night shift pay differential from $2 per hour to $2.50 per hour for work shifts that fall between 12 midnight and 6 a.m.

**Special Duty Pay (Section 2.9)**

• Effective July 1, 2023, certain Bargaining Unit 12 employees at the California Highway Patrol (CHP) who are required to transport, operate, or deploy in a snow caterpillar will be eligible to receive special duty pay of $10 per hour.

**Recruitment and Retention Differential (Section 2.12)**

• Effective July 1, 2023, certain Bargaining Unit 12 classifications in designated work locations within Inyo, Shasta, and San Luis Obispo counties at the California Department of Transportation (Caltrans) and within Butte County at the Department of Water Resources are identified as eligible for recruitment at the top step plus receive an additional monthly retention differential.

• Effective July 1, 2023, driller classifications will be eligible for recruitment at the top step plus receive a monthly differential of $200.

• Effective July 1, 2023, certain Caltrans designated field mechanics shall be eligible to receive a special duty pay of 2 percent (2%) while so assigned.
Commercial Driver's License Differential (Section 2.14)

- Effective July 1, 2023, the monthly differential shall be calculated to reflect five percent (5%) of the employee’s monthly base pay.

- Effective July 1, 2023, certain Bargaining Unit 12 classifications within the CHP are identified as eligible to receive the Commercial Driver’s License differential.

Agricultural Pest Control License Differential (Section 2.16)

- Effective July 1, 2023, increase the Qualified Applicator’s Certificate monthly differential from $50 to $100.

- Effective July 1, 2023, increase the Pest Control Advisor Certificate monthly differential from $75 to $150.

C-57 Well Drilling License Pay Differential (Section 2.28)

- Effective July 1, 2023, increase the C-57 Well Drilling license monthly pay differential from 5 percent (5%) to 15 percent (15%).

Caltrans Winter Operations Pay Differential (Section 2.31 New)

- Effective the first day of the pay period following ratification by both parties, certain Bargaining Unit 12 classifications in designated work locations within Caltrans are identified as eligible to receive a Winter Operations Pay Differential while so assigned. Certain Bargaining Unit 12 classifications may qualify for either a five percent (5%) base pay differential per month or a $1 per hour differential while so assigned.

Commercial Vehicle Inspection Specialist (CVIS) Pay Differential (Section 2.8 New)

- Effective July 1, 2023, certain CHP Commercial Vehicle Inspection Specialists who pass the Cargo Tank Inspection exam shall receive a $200 pay differential each month.
Footwear Allowance (Section 4.3)

- Effective July 1, 2023, the footwear reimbursement changes to an annual allowance and is increased to $175 for Bargaining Unit 12 employees who are required to wear specific footwear. Bargaining Unit 12 classifications in the Department of State Hospitals have been added to the list as eligible to receive the annual footwear allowance. Bargaining Unit 12 classifications in the Department of Parks and Recreation and CalFire shall also be eligible for the annual footwear allowance while maintaining the remaining uniform reimbursement provisions within Article 12.

Shift Premium for Department of Water Resources (DWR) (Section 8.6)

- Effective July 1, 2023, employees covered by the DWR Rotating Shift Operations will receive the following increases to their shift pay differential:
  
  o Rotating Shift employees who work evening or night shifts shall receive an increase from $1 dollar to $1.50 per hour.

  o Employees working the evening shift and working four or more hours between 6 p.m. and midnight shall receive an increase from $1 dollar to $1.50 per hour.

  o Employees working the night shift and working four or more hours between midnight and 6:00 a.m. shall receive an increase from $2 dollars to $2.50 per hour.

  o Rotating shift employees who work both the evening and the night shift as identified above, shall only receive the combined rate. This rate has been increased from $1.90 to $2.90 per hour.

Health Care Facility Retention and Wildfire Emergency Response (Section 24.1)

- Bargaining Unit 12 employees who were employed on January 1, 2022, and remain employed on the first day of the pay period following ratification, and who have been working more than fifty percent of the time in a correctional facility, correctional health care facility, Veteran’s home, state hospital and/or developmental services, and/or formally deployed and reassigned to work on emergency wildfire response efforts shall receive a one-time payment of $1,500.
II. Retirement Formula Employee/Employer Contribution

*First Tier A Retirement Formula, First Tier B Retirement Formula and Public Employees’ Pension Reform Act Retirement Formula Employee Contribution/Final Compensation (Section 11.1)*

- Effective July 1, 2024, the employee contribution rate for miscellaneous and industrial members shall be reduced by 0.5 percent (0.5%).

- Effective July 1, 2025, the employee contribution rate for miscellaneous members shall be reduced by 0.5 percent (0.5%).

- Effective July 1, 2026, and each year thereafter, if the actuarially determined total normal cost increases or decreases by more than one percent (1%) from the total normal cost contribution in effect at that time, the employee contribution percentage will be increased or decreased, no sooner than July 1, 2026, to reach 50 percent (50%) of the actuarially determined total normal cost, rounded to the nearest quarter of one percent.

*Retirement Formula for Safety Members: State Safety A Formula, State Safety B Formula and Public Employees’ Pension Reform Act Retirement Formula Employee Contribution/Final Compensation (Section 11.4)*

- Effective July 1, 2026, and each year thereafter, if the actuarially determined total normal cost increases or decreases by more than one percent (1%) from the total normal cost contribution in effect at that time, the employee contribution percentage will be increased or decreased, no sooner than July 1, 2026, to reach 50 percent (50%) of the actuarially determined total normal cost, rounded to the nearest quarter of one percent.

III. Health and Welfare (Section 3.11 New) Family Care Leave (FCL)

- Effective no later than January 1, 2024, Bargaining Unit 12 employees who are enrolled in the annual leave program will be eligible for the non-industrial disability insurance FCL program. This program provides eligible employees up to six weeks of paid leave (50% of gross salary) within a 12-month period for the care of a seriously ill family member or to bond with a newborn child, adopted child or foster care placement. Employees have the option to use their own leave credits to supplement up to 75 or 100 percent income benefit.
IV. Health Benefits

Health, Dental, Vision (Section 3.1)

- The state’s monthly health benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent (80%) of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. The flat dollar amounts shall be increased or decreased as appropriate pursuant to the formula on January 1, 2024, January 1, 2025 and January 1, 2026.

V. Miscellaneous

Union Leave (Section 10.10)

- Increase union reimbursement rates payable to the State for authorized Union Leave. Reimbursement rates shall reflect the actual expenses related to the affected employee’s salary and benefits for all of the time the employee is out on Union Leave.

Business and Travel Expenses (Section 12.1 and New Appendix 1 - 12.1)

- During the term of this contract the State shall implement a business and travel expense reimbursement program that includes adopting the federal standard meal and incidental expense rate and lodging rates established by the federal General Services Administration (GSA). This shall include:
  
  o Adopting the federal standard meal and incidental expense (M&IE) rate established by the GSA at time of travel for in-state and out-of-state travel;

  o Adopting federal standard and non-standard reimbursement rates at time of travel for in-state, out-of-state, and out-of-country lodging;

  o Simplifying current reimbursement policy and administration and providing up to 75 percent (75%) of the federal standard rate established by the GSA for M&IE on the first and last day of travel;

  o Eliminating the state’s long-term travel reimbursement rates and adopting the federal standard M&IE reimbursement rates for long-term meals, and receipted lodging shall be reimbursed up to the maximum federal standard and non-standard reimbursement rates.
Transportation Incentives (Section 12.10)

- Effective the first day of the pay period following ratification by both parties, employees working in areas served by mass transit will be eligible for a 100 percent discount on public transit passes up to the exclusion amount provided by the Internal Revenue Service (IRS).

- Effective the first day of the pay period following ratification by both parties, employees riding in vanpools or driving vanpools will be eligible for a 100 percent (100%) reimbursement of the monthly fee up to the exclusion amount provided by the IRS.

Classification Consolidation - Trades (Section 18.6 New)

- With over 300 trades classifications within Bargaining Unit 12, the parties agree it will be advantageous to consolidate, simplify and reallocate a number of state job classifications to better align with current and projected workforce needs. The parties agree to meet for purposes of considering and discussing potential consolidation of classifications necessary and appropriate.

California State Payroll System Project (Section 20.12 New)

- The parties shall reopen pertinent contract sections needed to implement changes required by the California State Payroll System Project.

VI. Duration

- July 1, 2023, through June 30, 2026

VII. Term

- Effective upon ratification by both parties. The union ratification process will be completed in August 2023.

VIII. Fiscal

- Fiscal Year 2023-24: $68.2 million ($27.2 million General Fund)
- Total 4-Year Incremental Cost: $184.4 million ($73.6 million General Fund)
- Total 4-Year Budgetary Cost: $465.8 million ($179.3 million General Fund)

IX. Agreement

- The complete Tentative Agreement between the state and IUOE is posted at CalHR Bargaining Unit 12 Contract Webpage.