

CALIFORNIA DEPARTMENT OF HUMAN RESOURCES SUMMARY OF COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 5

Exclusive Employee Representative: California Association of Highway Patrolmen (CAHP)

Number of Employees: Approximately 6,674 full-time equivalents

General Provisions

I. Compensation

- Effective July 1, 2019, the general salary increase required by Government Code section 19827 will not exceed three percent (3%). Any amount in excess of three percent (3%) will be temporarily redirected as an employer contribution toward retirement. The amount that is temporarily redirected to retirement will be redirected back as a salary increase upon expiration of this contract (Sections 37 and NEW).

II. Retirement and Other Post Employment Benefits

Employee Pension Contribution

- Effective July 1, 2020, the employee contribution for Patrol members shall remain in effect up until the time that CalPERS has determined that (a) the total normal cost rate for the 2016-17 fiscal year has increased or decreased by one percent, and (b) 50 percent of that normal cost rate, rounded to the nearest quarter of one percent, is greater or less than the current employee contribution rate. On July 1 of the fiscal year after CalPERS determines (a) and (b) above have been met, the employee contribution rate for Patrol members shall be adjusted to 50 percent of the normal cost rate rounded to the nearest quarter of one percent. Each year thereafter, it shall only be adjusted if CalPERS determines the total normal cost rate increases or decreases by more than one percent of payroll above the total normal cost rate in effect at the time the employee contribution rate was last adjusted. The increase or decrease to the employee contribution in any given fiscal year shall not exceed one percent per year (Section 37).
- Effective July 1, 2020, the employee contribution for Miscellaneous members shall remain in effect up until the time that CalPERS has determined that (a) the total normal cost rate for the 2016-17 fiscal year has increased or decreased by one percent, and (b) 50 percent of that normal cost rate, rounded to the nearest quarter of one percent, is greater or less than the current employee contribution rate. On July 1 of the fiscal year after CalPERS determines (a) and (b) above have been met, the employee contribution rate for Miscellaneous members shall be adjusted to 50 percent of the normal cost rate rounded to the nearest quarter

of one percent. Each year thereafter, it shall only be adjusted if CalPERS determines the total normal cost rate increases or decreases by more than one percent of payroll above the total normal cost rate in effect at the time the employee contribution rate was last adjusted. The increase or decrease to the employee contribution in any given fiscal year shall not exceed one percent per year (Section 37).

Supplemental Pension Funding (New)

- Beginning in fiscal year 2019-20, and each year of the contract through June 30, 2023, the state will contribute \$25 million from the Motor Vehicle Account (MVA), for a total of \$100 million from the MVA, to the Patrol Member Retirement plan.
- During the 2020-21 fiscal year, the state will redirect \$243 million of the \$3 billion under Chapter 33, Statutes of 2019 (SB 90) to the Patrol Member Retirement plan.

Prefunding of Other Post-Employment Benefits

- Beginning July 1, 2020, the employer and employee Other Post Employment Benefit (OPEB) prefunding contribution percentages will decrease by 0.5 percent. The contribution amounts will now be a percentage of pensionable compensation.
- After July 1, 2020, with the goal reaching a 50 percent cost sharing of actuarially determined total normal costs, the employee and employer contribution percentages shall be adjusted based on actuarially determined total normal costs. Adjustments to both the employer and employee contribution percentages will occur if the actuarially determined total normal costs increase or decrease by more than half a percent from the total normal cost contribution percentages in effect at the time. If it is determined that an adjustment to the contribution rate is necessary, commencing no sooner than July 1, 2021, and on July 1 each fiscal year thereafter, the employer and employee contribution percentages will be increased or decreased to maintain a 50 percent cost sharing of actuarially determined total normal costs. The statutory salary increases redirected to prefund OPEB paid for by the employer shall count towards the employee contribution percentage when determining the 50 percent cost sharing of actuarially determined total normal costs. The increase or decrease to the employer or employee contribution in any given fiscal year shall not exceed 0.5 percent per year (Section 42).

Post-Employment Health and Dental Vesting Schedule

- Employees first employed by the state on or after January 1, 2020, will be subject to an extended vesting schedule providing 50 percent of the employer contribution upon completion of 15 years of state service, increasing five percent

(5%) for each additional year of service, until the employee is 100 percent vested at 25 years of state service (Section 42.1-NEW).

Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2020, will receive an employer contribution for retiree health benefits based on an “80/80” formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest basic health benefit plans based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest Medicare health benefit plans based on state retiree enrollment (Section 42.2 – NEW).

Medicare Part B Supplemental Benefit

- Employees first hired on or after January 1, 2020, will no longer be eligible to use the employer contribution for a retiree health benefit plan for Medicare Part B premiums (Section 42.2 – NEW).

III. Health Benefits

- Employees may elect to participate in the Premier Vision Plan during the open enrollment period at employee cost (Section 58).

IV. Miscellaneous

- Removes the Minor Discipline Section from the contract to comply with standard practice of moving all discipline through the State Personnel Board (Section 12).
- Amends the Training Academy to provide 145 training days from approximately 27 weeks to reflect actual training requirements and provide flexibility to CHP when scheduling the academy date (Section 15).
- Specifies that during interim period between graduation and being placed on first assignment, recently graduated cadets shall mandatorily use a minimum of 40 hours, and may use a maximum of up to 80, of Compensating Time Off (CTO) to assist with reducing accrued CTO hours (Section 15).
- Establishes a provision to permit CHP to develop and implement, with concurrence of CAHP, alternate work schedules not expressly provided for elsewhere in the contract (Section 30).
- Effective the pay period following ratification, the lodging reimbursement rate shall increase from \$125 to \$140 for Alameda, San Mateo, and Santa Clara counties; and from \$150 to \$250 for San Francisco (Section 70).

- Eliminates employee Physical Performance Program and Wellness Program from the contract and will rely on existing CHP policy (Section 74).
- Effective May 1, 2020, and depending on the availability of departmental funds, employees may be eligible to cash out up to 80 hours of leave credits (New Section).
- Provides furlough and mandatory personal leave program protection for the first two years of the contract, July 1, 2019, through June 30, 2021 (Section 80).
- Allows the state to meet with CAHP if projected state revenues are insufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the costs of providing compensation pursuant to Government Code section 19827 (Section 80).

V. Fiscal

- Fiscal Year 2019-20: \$24.0 million (No General Fund)
- Total 4-Year Incremental Cost: \$567.8 million (\$243.0 million General Fund)
- Total 4-Year Budgetary Cost: \$763.2 million (\$243.0 million General Fund)

VI. Duration

- July 1, 2019, through June 30, 2023

VII. Agreement

- The complete Tentative Agreement between the state and CAHP is posted at: <https://www.calhr.ca.gov/labor-relations/Pages/Unit-05-Highway-Patrol.aspx>