CALIFORNIA DEPARTMENT OF HUMAN RESOURCES SUMMARY OF COLLECTIVE BARGAINING AGREEMENT FOR BARGAINING UNIT 9

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

Number of Employees: Approximately 10,782 full-time equivalents

General Provisions

I. Post-Employment Benefits

Prefunding of Postretirement Health Benefits

 Employees are currently contributing 2% toward the prefunding of postretirement health benefits. Effective the first day of the pay period following ratification through the June 2022 pay period, the employees' monthly contribution for prefunding other post-employment benefits is suspended for the 2020-21 and 2021-22 fiscal years, and will not be withheld from the employees' salaries (Article 28.1).

II. Compensation

Personal Leave Program (PLP 2020)

 Effective with the July 2020 pay period through the June 2022 pay period, the Personal Leave Program (PLP 2020) will apply to all PECG represented employees. Employees continue to work their assigned work schedules and shall have a reduction in pay equal to 9.23%.

Each full-time employee shall be credited with sixteen (16) hours of PLP 2020 on the first day of each pay period for the duration of the PLP 2020 program. PLP 2020 shall have no cash value and may not be cashed out, except as permitted in very limited circumstances (e.g., non-voluntary separation) (New Article).

 The State shall not implement a furlough program during PLP 2020 (Article 26).

Vacation and Annual Leave Cap Increase

 The State shall increase the 640 hour cap on Vacation and Annual Leave by the equivalent number of Personal Leave Program hours the BU 9 represented employees receive until June 30, 2025 (Articles 5.4 and 5.12).

General Salary Increase

• This agreement provides for a GSI for all BU 9 employees of 3% effective July 1, 2022 (Article 3.26).

Retirement Contribution Increase

 Upon receipt of the GSI provided in this agreement, the Unit 9 employee contribution rate shall return to the level established for the 2019-20 fiscal year for a period of one year from the effective date of the GSI (Articles 11.6 and 11.7).

Professional Qualification Compensation

• This provision adds the classifications of Geologist-in-Training and Geophysicist and provides for the employees listed in this section to be reimbursed for dues to one or more job-related professional societies (Article 3.3).

Voluntary Personal Leave Program (VPLP)

 This provision allows employees to participate for three days of VPLP with a reduction in pay of 13.86% and a credit of 24 hours of VPLP leave per month (Article 5.16).

III. Miscellaneous

Contract Reopener Language – Elimination of Pay Decreases and Suspensions

- The determination of sufficient funding to restore the reductions relative to this Agreement shall be at the sole discretion of the Director of the Department of Finance if either of the following circumstances occur:
 - o If the Director of the Department of Finance, as a result of appropriate federal legislation providing additional funding to the state to address the impacts of the COVID-19 Recession, elects to restore, at their sole discretion, some or all of the various pay items that have been suspended or reduced.
 - o If the Director of the Department of Finance, as a result of state revenue becoming sufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the cost of providing the pay that have been suspended or reduced as a result of the COVID-19 Recession, elects to restore, at their sole discretion, some or all of the various pay items that have been suspended or reduced.
- In the event that neither of the circumstances above occur and/or the Director of the Department of Finance does determine, at their sole discretion, that projected state revenues at the 2022-23 May Revision to the Governor's Budget continues to be insufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the costs of providing the aforementioned pay increases to all eligible employees, the July 1, 2022, 3% General Salary Increase (GSI) provided for in Article 3.26 Salaries, shall become effective on July 1, 2023. Determination of funding availability relative to this section shall be at the sole discretion of the Director of the Department of Finance. (New Article)

IV. Term

• July 1, 2020 through June 30, 2022

V. Fiscal

- Fiscal Year 2020-21 Savings: \$197.0 million (\$11.5 million General Fund)
- Total 3-Year Incremental Savings: \$133.1 million (\$7.7 million General Fund)
- Total 3-Year Budgetary Savings: \$330.1 million (\$19.2 million General Fund)

VI. Agreement

- This Agreement includes the reductions in employee compensation as proposed in the May Revision of the Budget. For Bargaining Unit 9, this represents the dollar equivalent of two days of leave.
- The complete Tentative Agreement between the state and PECG is posted at: <u>Contracts on CalHR Website</u>.

https://www.calhr.ca.gov/labor-relations/Pages/Unit-09-Professional-Engineers.aspx