

LETTER OF AGREEMENT
Hiring Bonus and COLA Implementation Change

This Agreement is between the State of Oregon, acting through its Department of Administrative Services (Employer) and AFSCME Council 75 (Union) on behalf of all of the Union's Central Table bargaining units in the Executive Branch of state government.

Background: In the February 2022 Legislative Session, SB 1514 was passed by the Legislature. This bill provides employers a safe harbor under the state's pay equity act to provide a hiring bonus. The bill allows hiring bonuses to be exempted from the definition of 'compensation'. This is a limited window with the language exempting hiring bonuses from the definition of 'compensation' expiring on September 28, 2022.

Therefore, the Parties agree to the following:

- 1) Upon approval by DAS, agencies may offer a hiring bonus to a prospective employee during a competitive recruitment process through September 27, 2022. This payment can be offered to employees who are new to state service or promotions that are the result of a competitive process. At the time of hire, agencies may offer hiring bonuses to employees of up to five percent (5%) of the annual base pay rate of the top step of the classification. Such hiring bonuses will be paid no later than September 27, 2022.

Agencies shall adhere to and follow the approval process and implementation considerations outlined in Addendum C—Pay Practices Policy 20.005.10 for all hiring bonuses within the bargaining units.

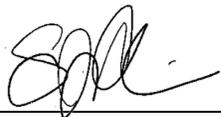
If a competitive recruitment offers a hiring bonus, and the employee does not subsequently receive the appropriate amount of the bonus by the date established in the offer letter, the employee may utilize the grievance and arbitration procedure outlined in the applicable article in each of AFSCME's local collective bargaining agreements. Any other application of Section (1) of this Letter of Agreement or Addendum C-Pay Practices Policy 20.005.10 shall not be subject to the grievance and arbitration procedures.

- 2) All AFSCME local collective bargaining agreements shall have the applicable "Salaries" or "Wages" article modified as follows:
 - a. Cost of Living Adjustment. Effective December 1, 2021, Compensation Plan salary rates shall be increased by two and five tenths percent (2.5%) but not less than eighty-five dollars (\$85) per month (prorated for part-time employees). Effective August 1, 2022, Compensation Plan salary rates shall be increased by three and one tenth percent (3.1%) but not less than one hundred dollars (\$100) per month (prorated for part-time employees). The August 1, 2022 Cost of Living Adjustment will be reflected on September 1, 2022 paychecks.

Me Too

If the Employer bargains a more generous benefit with another Union/Association, the Employer will notify the Union in writing and, upon request, negotiate extending the difference between this agreement and the more generous benefits in the agreement reached with the other Union.

This Letter of Agreement does not establish a precedent or past practice between the Parties.
This Letter of Agreement is effective upon final signature and shall sunset on September 27,
2022.



Stacy Chamberlain, Executive Director
Oregon AFSCME Council 75

06/08/2022

Date



Nettie Pye, State Labor Relations Manager
DAS CHRO, LRU

06/08/2022

Date