

LETTER OF AGREEMENT
Hiring and Retention Incentives

This Agreement is between the State of Oregon, acting through its Department of Administrative Services (Employer) and SEIU Local 503, OPEU (Union).

Background: In the February 2022 Legislative Session, the Oregon Legislature passed SB 1514. This bill provides a “safe harbor” under the state’s pay equity act that allows employers to provide hiring bonuses and allows such bonuses to be exempted from the definition of ‘compensation.’ This exemption expires on September 28, 2022. The Employer and the Union share a mutual interest in addressing the ongoing challenges related to employee recruitment and retention.

Therefore, the Parties agree to the following:

- Effective April 11, 2022, through September 27, 2022, agencies may offer hiring bonuses to employees of up to 5% of the annual base pay rate that is determined by applying a Pay Equity Analysis at the time of hire. This payment can also be offered for promotions that are the result of a competitive process. Such hiring bonuses will be paid during the first pay period following the employee’s hire date or promotion, but no later than September 27th, 2022.
- “Article 27—SALARY INCREASE, Section 1. Cost of Living Adjustments” shall be modified as follows:
 - 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 July 1, 2022, Compensation Plan salary rates shall be increased by two percent (2%). Effective October 1, 2022, Compensation Plan salary rates shall be increased by two percent (2%). Effective December 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). (See Appendix C & E.)
- 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.

Melissa Unger, Executive Director
SEIU Local 503, OPEU

Date

Nettie Pye, State Labor Relations Manager
DAS CHRO, LRU

Date

UNION PROPOSAL