# How A Contract Becomes Law



### Memorandum of Understanding: A Quick Overview

## "SEIU Local 1000's contract expires this year." What does that mean?

The state's rank-and-file employees are subject to the collective bargaining process. Collective bargaining is a process for negotiating wages, hours, and other terms and conditions of employment.

Each state employee belongs to a bargaining unit and each bargaining unit is represented by a union. Of the state's 21 bargaining units, SEIU Local 1000 represents nine: 1, 3, 4, 11, 14, 15, 17, 20 and 21.

SEIU Local 1000 negotiates with the California Department of Human Resources (CalHR) with the goal of reaching an agreement on a contract for a specified time period. The contract, also called a Memorandum of Understanding, or MOU, spells out the wages, hours, and other terms and conditions of employment.



Prior to bargaining, SEIU Local 1000 and CalHR release initial bargaining proposals in a public meeting, called a "sunshine" meeting. This meeting allows the public to become familiar with the proposals and to comment on them.

Several months prior to a contract's expiration, SEIU Local 1000 begins the process of developing proposals to submit during bargaining. Proposals are developed through member representation by the elected bargaining unit chairs and through bargaining surveys. Actual bargaining occurs over a several month period and may begin up to six months prior to the contract's expiration date.

In bargaining, SEIU Local 1000 and CalHR can negotiate the entire contract or only certain provisions. Following the ratification of the contract, amendments to the contract, called "side letters," can be made through the meet and confer process.

#### **Tentative agreement - Approval**

Once SEIU Local 1000 and CalHR agree on a new contract, it is called a «tentative agreement» until it is ratified by both sides. The Legislature must vote on the agreement's economic provisions and any legal changes prior to implementation. A majority of SEIU Local 1000 members must also vote to ratify the agreement.

In the Legislature, language authorizing the contract is placed in a legislative bill and may be authored by a Legislator or a committee, such as the Assembly Public Employee, Retirement and Social Security Committee. Once the language has been placed in a legislative bill, the bill follows the standard legislative procedure.

The bill will be heard in both the policy and fiscal committees before it is heard on the floor.

Once the bill receives approval from one house, the process starts over again in the other house. After the bill receives legislative approval, a two-thirds vote in each house, the agreement goes to the Governor for signature.

The new contract is implemented after it has been ratified by the union, approved by the Legislature, and signed by the Governor.

#### **Implementation**

Once the contract has been ratified, it is time for implementation. Copies of the contract are made available to SEIU Local 1000 members.

SEIU Local 1000 utilizes several strategies to ensure the effective implementation of the contract. One strategy is to be fully engaged in the legislative and budget process.

#### **SEIU Local 1000 Bargaining Units**

**Unit 1:** Professional Administrative, Financial and Staff Services

**Unit 3:** Professional Educators and Librarians

Unit 4: Office and Allied Workers

**Unit 11:** Engineering and Scientific Technicians

**Unit 14:** Printing Trades

Unit 15: Allied Services Workers

**Unit 17:** Registered Nurses

**Unit 20:** Medical and Social Services Specialists

Unit 21: Educational Consultants and Librarians