

Subcommittee on Employee Relations Legislative Coordinating Commission

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House

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Senate

Senator Michelle Benson, Secretary Senator Gary Dahms Senator Chris Eaton Senator Ann H. Rest Senator Tom Saxhaug

- DATE: October 25, 2016
- TO: Members of the Subcommittee

FROM: Greg Hubinger

RE: Paid parental leave for state employees

MMB has negotiated Memorandums of Understanding (MOU) with the state's bargaining units to provide paid parenting leave. MOUs are amendments to the collective bargaining agreements that have been negotiated and are effective for the FY16-17 biennium. There are provisions in each contract that permit negotiation of amendments to the underlying contracts.

The paid parental leaves of absence are for up to six consecutive weeks following the birth or adoption of a child, or for a child placed in the employee's home to adjudicate parentage in cases of surrogacy. To be eligible, an employee must meet the eligibility criteria under the federal Family and Medical Leave Act, which generally requires that the employee have worked for the state for twelve months, and for at least 1,250 hours during the previous year. The paid parenting leave must be completed within six months of the qualifying event.

The MOUs state that the new benefit "will become effective following the second full pay period after approval" by the Subcommittee. This language was negotiated to give MMB time to implement the provision. However, MMB indicates the Department is able to begin implementation sooner than expected, so that upon approval by the Subcommittee, MMB would make the benefit available effective beginning November 16, 2016.

The MOUs have been negotiated with these exclusive representatives:

AFSCME (Council 5, Radio Operators, Correctional Officers) Mn Association of Professional Employees Mn Government Engineering Council State Residential Schools Education Association Mn Nurses Association Middle Management Association Mn Law Enforcement Association

MMB is also proposing to amend the following plans to provide this benefit: Managerial Plan Commissioner's Plan, and the Medical Specialists' Addendum to that Plan Office of Higher Education Unclassified Personnel Compensation Plan State Board of Investment Salary Administration Plan Compensation Plan for MnSURE.

MMB estimates the cost of implementing these MOUs to be approximately \$2 million. A copy of the MOU is attached.

Please feel free to contact me if you have any questions.

MEMORANDUM OF UNDERSTANDING BETWEEN MINNESOTA ASSOCIATION OF PROFESSIONAL EMPLOYEES AND THE STATE OF MINNESOTA, MINNESOTA MANAGEMENT & BUDGET

This Memorandum of Understanding ("MOU") is made and entered into this _____ day of _____, 2016, by and between the State of Minnesota, Minnesota Management & Budget (hereinafter "Employer") and the Minnesota Association of Professional Employees (hereinafter "the Association" or "MAPE").

WHEREAS, the Employer is committed to being a model employer and ensuring that it is able to attract and retain a highly skilled and qualified workforce;

WHEREAS, as part of its commitment, the Employer intends to provide eligible state employees who are new parents with paid parental leave time to bond with their child;

NOW THEREFORE, the parties hereto, acting through their respective agents, do hereby agree to modify the 2015-2017 Labor Agreement between the Employer and the Association ("Agreement"), by adding a new provision to <u>Article 14 – Leave of Absence, Section 2. Leaves</u> with Pay, as follows:

O. Paid Parental Leave.

1. <u>Length of Leave</u>. Paid parental leaves of absence of up to six (6) consecutive weeks shall be granted to eligible state employees who request such leave following the birth or adoption of a child.

2. <u>Eligibility</u>. Employees are eligible if they meet eligibility criteria for Family and Medical Leave Act ("FMLA") leave, which generally means the employee has been employed by the Employer for twelve (12) months and has worked at least 1,250 hours during the year immediately preceding the leave. Paid parental leave ("PPL") is available to employees who experience the following qualifying events:

- an employee or their spouse/partner gives birth to the employee's child;
- a child is placed in the employee's home for adoption; or
- a child is placed in the employee's home to adjudicate parentage in cases of surrogacy when the employee is the intended parent.

3. <u>Use</u>. Eligible employees must complete PPL within six (6) months of the qualifying event. At the Appointing Authority's discretion, employees may be allowed intermittent or reduced schedule use of leave, which must be completed within twelve (12) months of the qualifying event. PPL not used within the required timeframe shall not be carried over or cashed out.

4. <u>Interaction with Other Leaves</u>. Paid parental leave will run concurrently with any unpaid leave(s) that parents may be entitled to under other provisions of this Agreement or provided by law. Employees shall not receive other types of paid leave provided by

this Agreement (*e.g.*, sick, vacation, compensatory time) for hours for which they are receiving PPL.

PPL benefits will become effective following the second full pay period after approval by the Legislative Coordinating Commission's Subcommittee on Employee Relations ("SER"), but no earlier than October 1, 2016.

Eligible employees who experience a qualifying leave event on or after July 1, 2016, will be eligible to take PPL. Completion of PPL in these circumstances must occur within six (6) months of the qualifying event, or within twelve (12) months at the Appointing Authority's discretion.

This MOU constitutes the complete agreement between the parties and supersedes any and all prior agreements or understandings pertaining to the subject matter herein. No other agreement shall be binding unless signed by the parties.

FOR THE ASSOCIATION:

FOR THE EMPLOYER:

Dan Holub Executive Director MAPE Myron Frans Commissioner Minnesota Management & Budget

Carolyn Trevis Assistant State Negotiator Minnesota Management & Budget