

**2017-2021 DISTRICT COUNCIL 37 MEMORANDUM OF ECONOMIC AGREEMENT**

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**2017-2021 DISTRICT COUNCIL 37**  
**MEMORANDUM OF ECONOMIC AGREEMENT**

**MEMORANDUM OF ECONOMIC AGREEMENT** made this 30th day of December, 2021, (“*2017-2021 DC 37 MEA*”) by and between the undersigned District Council 37, AFSCME, AFL-CIO, and its affiliated locals (the “Union”); and the City of New York (the “City”) and the undersigned employers (collectively the “Employers.”)

**W I T N E S S E T H**

**WHEREAS**, the undersigned parties desire to enter into collective bargaining agreements, including this *2017-2021 DC 37 MEA* and agreements successor to those terminating on September 25, 2017; and December 3, 2017 (“*Successor Separate Unit Agreements*”) to cover the employees represented by the Union (“Employees”);

**WHEREAS**, the undersigned parties intend by this *2017-2021 DC 37 MEA* to cover all economic matters and to incorporate the terms of this *2017-2021 DC 37 MEA* into the *Successor Separate Unit Agreements*,

**NOW, THEREFORE**, it is jointly agreed as follows:

**Section 1. Term**

- A. The term of each *Successor Separate Unit Agreement* shall be forty-four (44) months from the date of termination of the applicable existing separate unit agreement.
- B. The term of this *2017-2021 DC 37 MEA* shall be from the day following the termination of the applicable predecessor separate unit agreement to the date a *Successor Separate Unit Agreement* between the union and employer becomes final except as provided in Section 5 (“Study of Certain Salaries/Equity Panel”) and Section 13 (“Resolution of Disputes”) and except for Section 9 (“Health Insurance”), Section 10 (“Union-Administered Funds”), Section 11 (“Privatization/Contracting-Out/Contracting-In”), Section 12 (“Labor-Management Committees”), Section 15 (“Transit Check”), Section 17 (“Approval of Agreements”), Section 18 (“Incorporation of Certain Provisions into Other Agreements”), Section 19 (“Savings Clause”) and Appendices which shall be coterminous with the applicable *Successor Separate Unit Agreement*.

## **Section 2. Continuation of Terms**

The terms of the *2010-2017 DC 37 MOA*, *2010-2017 MEA Side Letter*, and predecessor separate unit agreements shall be continued except as modified pursuant to this *2017-2021 DC 37 MEA and Appendices*.

## **Section 3. Prohibition of Further Economic Demands**

Except as provided in Section 4(B), Section 5, and Section 12(A) of this agreement, no Party to this agreement shall make additional economic demands during the term of this *2017-2021 DC 37 MEA* or during the negotiations for the applicable *Successor Separate Unit Agreement*. Any disputes hereunder shall be promptly submitted and resolved.

## **Section 4. Wage Increases**

### **A. General Wage Increases**

- a. The general wage increases, effective as indicated, shall be:
  - i. Effective on the first day of the applicable *Successor Separate Unit Agreement*, Employees shall receive a general increase of 2.0 %.
  - ii. Effective on the first day of the thirteenth (13<sup>th</sup>) month of the applicable *Successor Separate Unit Agreement*, Employees shall receive an additional general increase of 2.25 %.
  - iii. Effective on the first day of the twenty-sixth (26<sup>th</sup>) month of the applicable *Successor Separate Unit Agreement*, Employees shall receive an additional general increase of 3.0 %.
  - iv. Part-time per annum, part-time per diem (including seasonal appointees), per session and hourly paid Employees and Employees whose normal work year is less than a full calendar year shall receive the increases provided in subsections 4. A. (a)(i), (ii), and (iii) on the basis of computations heretofore utilized by the parties for all such Employees.
- b. The increases provided for in Section 4. A. (a) shall be calculated as follows:
  - i. The general increase in Section 4. A. (a)(i) shall be upon the base rates (including salary or increment salary schedules) of the applicable titles in effect on September 25, 2017, or the corresponding date of the applicable *Successor Separate Unit Agreement*.

- ii. The general increase in Section 4. A. (a)(ii) shall be based upon the base rates (including salary or increment salary schedules) of the applicable titles in effect on September 25, 2018, or the corresponding date of the applicable *Successor Separate Unit Agreement*.
- iii. The general increase in Section 4. A. (a)(iii) shall be based upon the base rates (including salary or increment salary schedules) of the applicable titles in effect on October 25, 2019, or the corresponding date of the applicable *Successor Separate Unit Agreement*.
- iv. Notwithstanding the provisions set forth in Section 4, the appointment rate for any Employee newly hired on or after September 26, 2017 shall be in accordance with Section 7 (“New Hires”) of this *2017-2021 DC 37 MEA*.

c.

- i. The general increases provided for in subsections 4. A. (a)(i), 4. A. (a)(ii), and 4. A. (a)(iii) shall be applied to the base rates, incremental salary levels and the minimum and maximum rates (including levels) if any, fixed for the applicable titles and to recurring increment payments.

**B. Additional Compensation Fund**

- a. Effective on the first day of the 23<sup>rd</sup> month of the applicable *Successor Separate Unit Agreement*, each unit shall have available funds not to exceed 0.20% to purchase recurring benefits, other than to enhance the general wage increases set forth in Section 4 or the hiring rate for new employees set forth in Section 7. The funds available shall be based on the December 31, 2016 payroll, including spinoffs and pensions.

**C. Additions to Gross**

- a. Effective on the first day of twenty-sixth (26<sup>th</sup>) month of the applicable *Successor Separate Unit Agreement*, the general increase provided for in subsection 4. A. (a)(iii) shall be applied to “additions to gross.” “Additions to gross” shall be defined to include uniform allowances, equipment allowances, transportation allowances, uniform maintenance allowance, assignment differentials, service increments (subject to Section 4. C. c below), longevity differentials, advancement increases, assignment (level) increases, and experience, certification, educational, license, evening, or night shift differentials.
- b. Section 4. C. (a) does not apply to Recurring Increment Payments (RIPs) that automatically increase with wage increases.
- c. Section 4. C. (a) does not apply to Service Increments once earned for two years that are rolled into base salary and increased with wage increases.

**Section 5. Equity Panel**

- A. The parties agree to form a labor/management committee consisting of one member appointed by the union, one member appointed by the panel, and Alan Viani as the neutral member.
- B. Either party shall be entitled to make further economic demands for submission to the panel for increased wages or fringe benefits provided demands are based on (1) demonstrable evidence of significant recruitment or retention issues; and/or (2) compelling evidence of significant changes to job duties or qualifications, for employees/titles within a bargaining unit.
- C. Either party may request in writing to meet to present its claim to the Panel. The party submitting the request shall provide a written agenda at least one week before the meeting. If the Union and the City agree upon an adjustment to the compensation of any employees in the bargaining unit, such agreement shall be submitted as a joint recommendation. The Panel may, in its discretion, establish objective guidelines for qualification under the standard of Section 5 (B) above.
- D. Any determination of the joint panel to adjust the compensation of employees must be supported by a majority of panel members. The joint panel shall issue one report embodying all of its determinations. The determinations of the joint panel shall be final and binding.
- E. The cost of the Equity Panel shall be 0.20%, or \$12.6 million, which shall be effective on the first day of the twenty-third (23<sup>rd</sup>) month of the applicable *Successor Separate Unit Agreement*. Any changes which are effective either earlier or later than the effective date of the funding shall be costed using the methodologies commonly utilized by the parties.
- F. In no event shall the total cost of the determinations of the joint panel exceed the cost of the 0.20% increase, including spinoffs and pensions, based upon the payroll of December 31, 2016 for employees represented by the Union.
- G. The term of this Section 5 shall be from the effective date of the Agreement until the work of the joint panel is completed.

**Section 6. Citywide Agreement Modifications**

- A. The terms of the Citywide Agreement dated May 19, 2000, covering the period January 1, 1995 to June 30, 2001, shall continue in full force and effect except as modified by this agreement and previously modified by the 2002 and 2005 DC 37 MEAs, whose modifications shall remain in full force and effect. The provisions of Appendix A of this *2017-2021 DC 37 MEA* shall apply to the modifications of Section 7 of the 2002 DC 37 MEA.
- B. The parties agree to amend Articles IX and XII, consistent with the attached agreed-upon language.

### **C. Direct Deposit**

Effective August 14, 2018, the Employer may require that all newly hired employees be paid exclusively through direct deposit or electronic funds transfer. For employees on direct deposit, the employer may provide pay stubs electronically except where the employee has requested in writing to receive a printed pay stub.

This Section 6(C) shall not apply to the Seasonal Titles collective bargaining unit (CBU 172) and the Job Training Participants collective bargaining unit (CBU 072).

Further, the parties shall work together regarding incumbent employees' enrollment in direct deposit, with the objective of 100% of employees being paid electronically.

The parties shall immediately form a labor/management subcommittee to meet and discuss issues of mutual concern related to direct deposit, including but not limited to:

- Ensuring that employees have available cost-free banking options, i.e. free checking accounts;
- Identifying other options for employees to receive pay, including a debit card option;
- Identifying a procedure for manual payments made to employees enrolled in direct deposit e.g. Commissioner's checks.

### **Section 7. New Hires**

A. Effective on the first day of this *2017-2021 DC 37 MEA*, the following provisions shall continue to apply to Employees newly hired on or after July 1, 2004:

- i. During the first two (2) years of service, the "appointment rate" for a newly hired employee shall be fifteen percent (15%) less than the applicable "incumbent minimum" for said title that is in effect on the date of such appointment as set forth in the applicable *Successor Separate Unit Agreement*. The general increases provided for in subsections 4. A. (a), (i), (ii) and (iii) shall be applied to the "appointment rate," consistent with the practice of the parties.
- ii. Upon completion of two (2) years of service such employees shall be paid the indicated "incumbent minimum" for the applicable title that is in effect on the two (2) year anniversary of their original date of appointment as set forth in the applicable *Successor Separate Unit Agreement*.

### **Section 8. Conditions of Payment**

A. The general increases pursuant to Section 4. A. (a)(i) and (a)(ii) of this *2017-2021 DC 37 MEA* shall be payable as soon as practicable upon ratification of the June 25, 2018, DC 37-City of New York 2017-2021 Memorandum of Agreement..

- B. The general increase pursuant to Section 4. A. (a)(iii) of this *2017-2021 DC 37 MEA* shall be payable as soon as practicable after the effective date.

**Section 9. Health Insurance**

- A. The parties agree that the May 4, 2014 and June 28, 2018 letters between the City and the Municipal Labor Committee (MLC), annexed to this agreement, shall be considered part of this *2017-2021 DC 37 MEA*. The parties recognize that the savings therein to be achieved on a citywide basis are a material term of this agreement. In the event the MLC does not agree to the citywide savings targets, all terms and conditions of this agreement shall be re-negotiated by the parties.
- B. The parties acknowledge that collective bargaining regarding health benefits is within the purview of negotiations between the Municipal Labor Committee and the City. Cost-containment initiatives and program modifications in the City Health Benefits Program shall be discussed with the Municipal Labor Committee.
- C. The parties agree that Section 13 of the *2008 DC37 MEA* shall remain in full force and effect except as specifically modified.
- D. The parties agree to form a joint labor-management committee to revisit the plan design of the DC 37 “Med Team” program pursuant to the October 31, 1984 letter agreement between the parties. The goal of such committee shall be to mutually agree upon plan changes which will create an efficient and effective health insurance plan which is less expensive than the HIP plan, while providing superior service to DC 37 members.

**Section 10. Union-Administered Funds**

- A. There shall be a \$50 per annum increase to the welfare fund contribution (actives and retirees), effective the first day of the 44<sup>th</sup> month of the applicable *Successor Separate Unit Agreement*.
- B. The Union agrees to continue to provide welfare fund benefits to domestic partners of covered employees in the same manner as those benefits are provided to spouses of married covered employees.
- C. Pursuant to the *2001 Health Benefits Agreement*, each welfare fund shall provide welfare fund benefits equal to the benefits provided on behalf of an active employee to widow(ers), domestic partners and/or children of any employee who dies in the line of duty as that term is referenced in Section 12-126(b)(2) of the New York City Administrative Code. The cost of providing this benefit shall be funded by the Stabilization Fund.
- D. Effective on the first day of the eleventh (11<sup>th</sup>) month of the applicable *Successor Separate Unit Agreement*, the City’s contribution to the DC37 Education fund or other applicable education fund shall be a total of \$100 per covered employee per annum. For those units for whom a \$25 per annum or lump sum contribution had been in place, such benefit shall be replaced by and converted to the new \$100 per annum contribution.

## **Section 11. Privatization/Contracting-Out/Contracting-In**

- A. It is the Employer's policy to have advance discussions with the Union to review its plans for letting a particular contract which may adversely affect employees covered by this *2017-2021 DC 37 MEA*. The Union shall be advised as early as possible, but in no case later than 90 days in advance of the contract being let, of the nature, scope, and approximate dates of the contract and the reasons therefor.
- B. The Employer will provide the Union as soon as practicable with information, in sufficient detail, so that the Union may prepare a proposal designed to demonstrate the cost effectiveness of keeping the work in-house. Such information, consistent with the applicable provisions of Section 312(a) of the New York City Charter, shall include but not be limited to, applicable solicitations to vendors, winning bids, descriptions of services to be provided by vendors, cost comparison analyses, and the agency's estimated direct operating and administrative costs of contracting out the work.
- C. Not less than 45 days prior to submission to the Comptroller of a recommendation for the award of the contract, the union shall have an opportunity to make a formal proposal to the employer demonstrating that it is cost effective or that it is in the best interest of the employer to continue to perform such work in house. The Employer agrees to consider such proposal before making a final determination. Such final determination shall be made in writing and submitted to the Union as soon as practicable.
- D. The parties agree to set up a labor-management study committee to discuss and review processes for the contracting-in of public services. The study committee will consider:
  - i. the conditions under which "contracting in" should be considered and the method by which it should be determined that City services should be contracted in;
  - ii. the establishment of pilot projects in mutually agreed upon targeted areas to determine the feasibility of providing such services in-house; and
  - iii. if the parties mutually agree to the study committee's recommendations, the City will examine the feasibility of contracting-in services during the period covered by this *2017-2021 DC 37 MEA*.

## **Section 12. Labor Management Committees**

- A. Nothing contained in this current Agreement shall preclude the parties from their continuing discussions to identify, review, recommend and develop initiatives that will generate workplace savings, maximize the potential of the City workforce and ensure the provision of essential services, while at the same time providing increased compensation for the workforce.
- B. There will be a high-level joint committee consisting of an equal number of representatives of the City and DC 37 that will engage in a joint review of the City's



process of selection for promotions of DC 37-represented titles. The committee shall jointly establish the agenda.

**Section 13. Resolution of Disputes**

- A. Subject to the subsequent provisions of this Section 13(B), any dispute, controversy, or claim concerning or arising out of the execution, application, interpretation or performance of any of the terms or conditions of this *2017-2021 DC 37 MEA* shall be submitted to arbitration upon written notice therefore by any of the parties to this *2017-2021 DC 37 MEA* to the party with whom such dispute or controversy exists. The matter submitted for arbitration shall be submitted to an arbitration panel consisting of the three impartial members of the Board of Collective Bargaining pursuant to Title 61 of the Rules of the City of New York. Any award in such arbitration proceeding shall be final and binding and shall be enforceable pursuant to Article 75 of the CPLR.
  
- B. After incorporation of this *2017-2021 DC 37 MEA* into an applicable *Successor Separate Unit Agreement*, any dispute, controversy or claim referred to in Section 13(A) which arises between the parties to such separate unit agreement shall be submitted in accordance with the dispute resolution provisions of such applicable *Successor Separate Unit Agreement*. However, any dispute, controversy or claim arising under Section 9 (“Health Insurance”), Section 10 (“Union-Administered Funds”), Section 11 (“Privatization/Contracting-Out/Contracting-In”), Section 12 (“Labor-Management Committees”), Section 15 (“Transit Check”), Section 17 (“Approval of Agreements”), Section 18 (“Incorporation of Certain Provisions into Other Agreements”), Section 19 (“Savings Clause”) and Appendices shall continue to be submitted under Section 13(a) above.
  
- C. The term of this Section 13 shall be from the date of execution of this *2017-2021 DC 37 MEA* to the date of execution of any successor agreement(s) to this *2017-2021 DC 37 MEA*.

**Section 14. Paid Family Leave Benefits Law**

The parties agree to work together to “opt-in” to the New York State Paid Family Leave program no later than January 1, 2019, and agree to take the necessary steps to implement.

The City and the Union shall promptly form a joint labor-management committee to discuss the implementation of this new benefit.

**Section 15. TransitCheck**

The parties agree that the City will continue its Transit Check/Commuter Benefits program to offer to eligible employees the ability to purchase a transit debit card through payroll deductions in accordance with IRC Section 132. In addition to the current MTA Surface and Subway lines,

the Transit Debit Card may be used to purchase tickets for mass transit commutation (i.e. LIRR, LI MTA Buses, MetroNorth), and/or parking benefits.

The administrative fee for this benefit will be borne by the participants and will be deducted on a prorated basis from the participating employee's paycheck, subject to the April 13, 2010 letter agreement between the parties. The City will continue to examine the level of participation and the associated costs of providing this benefit to determine whether or not the administrative fee requires adjustment.

**Section 16. Retroactivity**

In the event that any payment is not paid on the date due under this *2017-2021 DC 37 MEA*, such payment when made shall be paid retroactive to such date due.

**Section 17. Approval of Agreements**

This *2017-2021 DC 37 MEA* and the separate unit agreements are subject to approval in accordance with applicable law.

**Section 18. Incorporation of Certain Provisions into Other Agreements**

All provisions of this *2017-2021 DC 37 MEA* shall be incorporated into the applicable Successor Separate Unit Agreement except for Section 5 (“Study of Certain Salaries/Equity Panel”), Section 9 (“Health Insurance”), Section 10 (“Union-Administered Funds”), Section 11 (“Privatization”), Section 12 (“Labor-Management Committees”), Section 13 (“Resolution of Disputes”), Section 14 (“Paid Family Leave Benefits Law”), Section 15 (“Transit Check”), Section 17 (“Approval of Agreements”), Section 18 (“Incorporation of Certain Provisions into Other Agreements”), Section 19 (“Savings Clause”), and Section 20 (“Applicability”).

**Section 19. Savings Clause**


In the event that any provision of this *2017-2021 DC 37 MEA* is found to be invalid, such invalidity shall not impair the validity and enforceability of the remaining provisions of this *2017-2021 DC 37 MEA*.

**Section 20. Applicability**


This 2017-2021 DC37 MEA shall not apply to EMS (including Fire Protection Inspectors), Urban Park Rangers, and Traffic Enforcement Agents Levels III and IV who shall be the subject of subsequent negotiations.

**WHEREFORE**, we have hereunto set our hands and seals this 30th day of December, 2021

**FOR THE CITY OF NEW YORK**

BY:   
RENEE CAMPION  
Commissioner of Labor Relations


**FOR DISTRICT COUNCIL 37,  
AFSCME, AFL-CIO**

BY:   
HENRY GARRIDO  
Executive Director

**NEW YORK CITY HEALTH + HOSPITALS**

BY:   
ANDREA G. COHEN  
Senior Vice President

**LOCAL 372, DISTRICT COUNCIL 37,  
AFSCME, AFL-CIO**

BY:   
SHAUN D. FRANCOIS I  
President

**NEW YORK CITY DEPARTMENT OF  
EDUCATION**

BY:   
MEISHA PORTER  
Chancellor

**CIVIL SERVICE TECHNICAL GUILD  
LOCAL 375, AFSCME, AFL-CIO**

BY:   
MICHAEL TROMAN  
President

**APPROVED AS TO FORM:**

BY:   
ERIC EICHENHOLTZ  
Acting Corporation Counsel



# Office of Labor Relations

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*General Counsel*

**Claire Levitt**  
*Deputy Commissioner*  
*Health Care Cost Management*  
**Georgette Gestely**  
*Director, Employee Benefits Program*

## Appendix A

December 30, 2021

Henry Garrido  
Executive Director  
District Council 37, AFSCME, AFL-CIO  
125 Barclay Street  
New York, New York 10007

### Re: 2017-2021 District Council 37 Memorandum of Economic Agreement

Dear Mr. Garrido:

This letter is to confirm certain mutual understandings and agreements regarding the above-captioned agreement.

1. The First Deputy Commissioner of Labor Relations may, after notification to the affected union(s), exempt certain hard to recruit titles, as defined in relevant cases by DCAS and by H+H, from the provisions of Section 7 of the *2017-2021 DC 37 MEA*.
2. For the purposes of Section 7 of the *2017-2021 DC 37 MEA*, employees who were in active pay status prior to the date of execution of the *2017-2021 DC 37 MEA* who are affected by the following personnel actions after said date shall not be treated as “newly hired” employees and shall be entitled to receive the minimum incumbent salary set forth in Section 4 on the dates indicated therein.
  - a. Employees who return to active pay status from an approved leave of absence.
  - b. Employees in active pay status (whether full or part-time) appointed to permanent status from a civil service list or to a new title (regardless of jurisdictional class or civil service status) without a break in service of more than 31 days.
  - c. Employees who were laid off or terminated for economic reasons who are appointed from a recall/preferred list or who were subject to involuntary redeployment.
  - d. Provisional employees who were terminated due to a civil service list who are appointed from a civil service list within one year of such termination.
  - e. Permanent employees who resign and are reinstated within one year of such resignation.

- f. Employees (regardless of jurisdictional class or civil service status) who resign and return within 31 days of such resignation.
  - g. A provisional employee who is appointed directly from one provisional appointment to another.
  - h. A provisional employee who was terminated for economic reasons and who is rehired no later than April 25, 2021.
  - i. For circumstances that were not anticipated by the parties, the First Deputy Commissioner of Labor Relations may elect to issue, on a case-by-case basis, interpretations concerning the application of Section 5 of the *2017-2021 DC 37 MEA*. Such interpretations shall not be subject to the dispute resolution procedures set forth in Section 13 of the *2017-2021 DC 37 MEA*.
3. For the purposes of Section 2(a), “approved leave” is further defined to include:
- a. maternity/childcare leave;
  - b. military leave;
  - c. unpaid time while on jury duty;
  - d. unpaid leave for union business pursuant to Executive Order 75;
  - e. unpaid leave pending workers’ compensation determination;
  - f. unpaid leave while on workers’ compensation option 2;
  - g. approved unpaid time off due to illness or exhaustion of paid sick leave;
  - h. approved unpaid time off due to family illness;
  - i. other pre-approved leaves without pay.


If the above accords with your understanding, please execute the signature line provided below.

Very truly yours,



RENEE CAMPION

**AGREED AND ACCEPTED ON BEHALF OF  
District Council 37, AFSCME, AFL-CIO**

BY:   
HENRY GARRIDO  
Executive Director