


Side Letter  
Union of American Physicians and Dentists  
and the  
State of California

This side letter represents the Union of American Physicians and Dentists and the State of California's agreement to amend section 10.10 Transportation Incentives/Parking Rates of the current Bargaining Unit 16 Memorandum of Understanding (MOU) to reflect the State's alignment of the existing language with the Federal Internal Revenue Service (IRS) definitions and rates. Section 10.10 is amended as attached, and is provided in summary below:

- Changes are effective no later than the first day of the pay period 6 months following ratification by both parties.
- Employees who purchase public mass transit passes shall be eligible for up to 100% reimbursement of the current monthly exclusion amount provided by the IRS.
- The combined maximum allowable monthly exclusion amount for employees who are eligible to claim both mass transit and vanpool shall not exceed the current combined IRS maximum monthly exclusion amount.
- The combined maximum allowable monthly exclusion amount for employees who are eligible to claim both mass transit and vanpool shall not exceed the current combined IRS maximum monthly exclusion amount. A vanpool must, at a minimum, meet the definition of a "commuter highway vehicle" in Internal Revenue Code section 132(f), including seating capacity requirements.
- The combined maximum allowable monthly exclusion amount for employees who are eligible to claim both mass transit and vanpool shall not exceed the current combined IRS maximum monthly exclusion amount. This shall not be considered compensation for purposes of retirement contributions. The State may establish and implement procedures and eligibility criteria for the administration of this benefit.

  
Patricia Hernandez      12/18/23  
UAPD      Date

  
Brian Lin Walsh      12/18/23  
CalHR      Date

# Management Proposal

BU 16

November 2023

## ARTICLE 10 – SALARIES AND ALLOWANCES

### Section 10.10 Transportation Incentives/Parking Rates

- A. The State and Union agree that the State shall encourage employees to use alternate means of transportation to commute to and from work in order to reduce traffic congestion and improve air quality.

B. Mass Transit

Effective no later than the first day of the pay period 6 months following ratification by both parties, employees working in areas served by mass transit, including rail, bus, or other commercial transportation licensed for public conveyance shall be eligible for a 100~~75~~ percent discount on public transit passes sold by State agencies up to the current monthly exclusion amount provided by the Internal Revenue Service (IRS). ~~a maximum of \$100 per month. Employees who purchase public transit passes on the employee's own shall be eligible for a 100 percent reimbursement up to the current monthly exclusion amount provided by the IRS. The combined maximum allowable monthly exclusion amount for employees who are eligible to claim both mass transit and vanpool shall not exceed the current combined IRS maximum monthly exclusion amount.~~ This shall not be considered compensation for purposes of retirement contributions. The State may establish and implement procedures and eligibility criteria for the administration of this benefit.

C. Vanpool

Effective no later than the first day of the pay period 6 months following ratification by both parties, employees riding in vanpools or driving vanpools shall be eligible for a 100 percent reimbursement of the monthly fee up to the current monthly exclusion amount provided by the IRS. ~~The State shall provide \$135 per month to each State employee who meets the eligibility criteria and complies with program procedures as developed by the State for principal van pool drivers. The combined maximum allowable monthly exclusion amount for employees who are eligible to claim both mass transit and vanpool shall not exceed the current combined IRS maximum monthly exclusion amount. A vanpool must, at a minimum, meet the definition of a "commuter highway vehicle" in Internal Revenue Code section 132(f), including seating capacity requirements.~~ This shall not be considered compensation for purposes of retirement contributions. The State may establish and implement procedures and eligibility criteria for the administration of this benefit.

D. Mass Transit and Vanpool

Effective no later than the first day of the pay period 6 months following ratification by both parties, employees headquartered out-of-state shall receive reimbursement for qualified public transportation and vanpool expenses for 100 percent of the cost up to the current monthly exclusion amount provided by the IRS. The combined maximum allowable monthly exclusion amount for employees who are eligible to claim both mass transit and vanpool shall not exceed the current combined IRS maximum monthly

# Management Proposal

BU 16

November 2023

exclusion amount. This shall not be considered compensation for purposes of retirement contributions. The State may establish and implement procedures and eligibility criteria for the administration of this benefit.

D.E. For the term of this agreement, the parties agree that the State may increase parking rates in existing owned, wholly leased or administered lots, in an amount not to exceed \$20.00 per month. Every effort shall be made to provide employees 60 days but no less than 30 days' notice of a parking rate increase. Rates at new lots owned, wholly leased or administered by the State will be set at a level comparable to existing state lots. The parties agree that such increases will be uniformly applied to all represented employees in a given parking lot. This Article does not apply to parking spaces leased in parking lots owned or administered by private vendors.

E.F. Parking fees may be paid with pre-tax dollars.

F.G. Notwithstanding any other provision of this Contract, the Union agrees that the State may implement new policies or change existing ones in areas such as transit subsidies, vanpool/carpool incentives, walking/biking incentives, parking, parking fees, hours of work and other actions to meet the goals of transportation incentives. The State agrees to notice and meet and confer regarding the impact of such new or changed policies.

G.H. Parking rates for single occupant vehicles in State-owned or wholly leased or administered lots/structures in congested urban areas except for twenty-four hour facilities in the Department of Corrections and Rehabilitation, Division of Juvenile Justice, Department of Developmental Services, Department of State Hospitals, Department of Education, Special Schools and the Department of Veterans Affairs, shall be raised to fair market value.