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**MAYOR DE BLASIO AND DC 37 ANNOUNCE TENTATIVE CONTRACT
AGREEMENT, PROVIDING A FAIR WAGE TO 100,000 EMPLOYEES**

*Costs partially offset by new health savings deal with Municipal Labor Committee – also
announced today*

NEW YORK—Continuing the Administration’s promise to provide a fair contract to its workers, Mayor Bill de Blasio today announced that the City of New York has reached a tentative contract agreement with DC 37. The union represents almost 100,000 municipal employees – about one quarter of the City’s workforce. The tentative agreement is retroactive, beginning on September 26, 2017, and expiring on May 25, 2021. It includes wage increases of 2.00 percent, 2.25 percent, and 3.00 percent and establishes a framework for the 2017-2021 round of bargaining.

“When I came into office, the relationship between the City and its workforce was difficult at best. Four and half years later, not only did we bring over 99 percent of municipal workers under fair contract, we’re now starting again and ensuring people are paid fairly,” said **Mayor Bill de Blasio**. “I’m thankful to DC 37 Executive Director Henry Garrido for his continued partnership and to my Labor Relations Commissioner Robert Linn for ensuring that we continue to be a City that strikes the balance between being fair to our workers and fair to our taxpayers.”

“Thank you to DC 37 Executive Director Garrido for working with the City on this contract that is both fair to workers and New York City tax payers. This second agreement continues the respectful dynamic between the City, its workers and the unions that represent them,” said **Robert Linn, Commissioner of the Office of Labor Relations**.

"This agreement is a clear example of the importance of collective bargaining and what can be achieved when the employer and employees negotiate in good faith," said **District Council 37 Executive Director Henry Garrido**. "This administration has shown that, at a time when forces across the country are trying to degrade the value of the collective bargaining process, you can tackle big problems when you approach workers with respect."

The agreement must be ratified by DC 37's membership. This settlement continues the Administration's promise to restore a productive relationship with the City's workforce, all of whom were not under contract at the beginning of the Mayor's first term.

Continuing to build off the health care savings reached during the first four years, today the Mayor announced a second health savings agreement with the Municipal Labor Committee (MLC). The agreement, voted on earlier today by the MLC's membership, will provide total healthcare savings of \$1.7 billion through the Fiscal Year 2022 financial plan, \$600 million of which will recur annually. Savings will be found through a series of measures, including a cap of city healthcare increases of 3.5 percent next year and 3 percent the following year. These savings are guaranteed and enforceable through arbitration. The Committee will meet for the first time this summer, and is chaired by labor arbitrator Martin F. Scheinman, Esq. This is in addition to savings from the 2014 healthcare savings agreement between the Municipal Labor Committee and the City, bringing total savings from the two agreements through Fiscal Year 2022 to \$10.3 billion, with annual recurring savings of \$1.9 billion in Fiscal Year 2021 and beyond.

The total cost of the tentative DC 37 settlement through Fiscal Year 2021 is \$1 billion, which is offset by substantial healthcare savings and funding already in the City's Labor Reserve, for a new net budget impact of \$307 million over 44-month contract period.

The deal includes:

Paid Family Leave: The City and DC 37 will apply to opt into New York State's Paid Family Leave program. Under this program, eligible employees will be allowed to take up to 10 weeks of paid family leave in 2019, which will go up to 12 weeks of paid family leave in 2021. In 2019, during the 10 weeks of paid family leave, employees will receive 55 percent of their average weekly wage and cannot receive more than 55 percent of the New York State average weekly wage. The program is expected to be implemented by January 2019. This benefit is funded entirely by employee payroll deductions, and therefore imposes no costs on the City.

Education Fund: As part of the settlement, the City will increase its contribution to the DC 37 Education Fund, which provides work-related training and educational opportunities for members to help advance their employment.

Equity Fund: The City will provide resources and collaborate with DC 37 to help recruit and retain employees in certain hard-to-fill positions.

Direct Deposit Savings: New DC 37 members beginning employment the day after ratification will be paid exclusively by direct deposit, which is efficient, environmentally sound and will help move the City payroll into the 21st century.

Union access and reporting: There will be more efficient procedures for the City reporting new members to the union, and provisions that will provide the union better access to new employees so that they can enroll them as union members. These measures will help reduce the impact of the Supreme Court's likely decision in *Janus*.

DC 37 employees will receive the following compounded wage increases:

- September 26, 2017 2.00 percent
- September 26, 2018 2.25 percent
- October 26, 2019 3.00 percent

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