

The following is a summary of many of the pertinent details of the National agreement reached between the NALC and USPS. Please keep in mind that the NALC/USPS collective bargaining agreement covers MUCH more than just the subjects discussed below.

Letter Carrier Wages and Benefits –Show Me the Money! General wage increases

All letter carriers, career and non-career alike, will receive four wage increases under Article 9 as follows:

- 1.1 percent effective Nov. 23, 2019, paid retroactively.
- 1.1 percent effective Nov. 21, 2020, paid retroactively.
- 1.3 percent effective Nov. 20, 2021.
- 1.3 percent effective Nov. 19, 2022.

CCAs will receive additional wage increases of 1 percent on these four dates for a total of:

- 2.1 percent on Nov. 23, 2019, paid retroactively.
- 2.1 percent on Nov. 21, 2020, paid retroactively.
- 2.3 percent on Nov. 20, 2021.
- 2.3 percent on Nov. 19, 2022.

These additional 1 percent increases will be paid in lieu of COLAs for CCAs.

More on forthcoming retroactive payments to active and recently retired carriers can be found below.

Cost-of-living adjustments for career letter carriers

All career letter carriers will receive seven COLAs based on changes in the Consumer Price Index (CPI-W) using the existing COLA formula and the July 2019 CPI-W as the base month. The first two will be paid retroactively:

- The first COLA will be \$166 annually effective Feb. 29, 2020, paid retroactively.
- The second COLA will be \$188 annually effective Aug. 29, 2020, paid retroactively.

The remaining five will be paid in the future as follows:

- The third COLA will be effective March 2021.
- The fourth COLA will be effective September 2021.

- The fifth COLA will be effective March 2022.
- The sixth COLA will be effective September 2022.
- The seventh COLA will be effective March 2023.

The COLAs will be applied to the two pay tables for career city carriers in the same manner used in the 2016 National Agreement.

Important: Do NOT expect to see the retroactive pay (for two wage increases and two COLAs) until well into 2021. This is because 1) the proposed agreement must still be ratified and will become effective after that, and 2) retroactive pay for EACH of about 200,000 USPS City Letter Carriers must be individually calculated. This will be based on pay rates, paid work and leave hours, holiday pay, and premium pay (overtime) hours.

Wage schedule changes

The proposed contract provides for the addition of a new top step to NALC pay Tables One and Two on Nov. 19, 2022. The new career Step P will be \$444 annually greater than Step O. Carriers with at least 46 weeks in Step O on Nov. 19, 2022, will advance to Step P. Those with fewer than 46 weeks will advance to Step P upon reaching 46 weeks in Step O.

Effective June 19, 2021, the CCA Step CC hourly pay rate (currently \$17.29) will be eliminated, and CCA Step BB and its higher pay rate (currently \$17.79) will become the new entry step for newly hired CCAs.

A new PTF Step AA, with a waiting period of 46 weeks to PTF Step A, has been created as the starting wage for CCAs converted to career under the new 24-month automatic conversion. The hourly pay of PTF Step AA will equal the hourly pay of Full time Regular Step A.

Other Important Aspects of the Proposed Agreement

New 24-month automatic conversion of CCAs to career status

While the Postal Service will maintain additional CCAs afforded to it under the Sunday package formula mutually agreed to during the previous contract, all CCAs in every size office who would have otherwise continued as non-career employees after 24 months of relative standing will now be automatically converted to career status.

Those CCAs who have reached 24 months of relative standing without being converted to career will be converted to part-time flexibles and placed in a new PTF Step AA in Table Two. The Step AA hourly rate will equal the Full-time Step A hourly rate, and the waiting period in PTF Step AA to PTF Step A will be 46 weeks. Upon conversion to full time, regardless of the PTF step they are currently in, PTFs will be placed in the full-time step commensurate with their number of weeks as a PTF and retain their time credit toward the next step.

Important: Please note that the threshold for automatic conversion to career PTF status is 24 months of relative standing. This means that the 24 months must occur in the same USPS installation. CCAs that choose to move to another USPS Installation begin a NEW period of relative standing in that installation.

Recently Retired Letter Carriers

Letter carriers who have retired over the last several months will receive applicable retroactive general wage increases and COLAs. The Office of Personnel Management will also make any annuity adjustments made necessary by the retroactive increases.

Health Insurance

In 2020 and 2021, there is no reduction in the Postal Service's share of premium costs for career letter carriers' health insurance (73 percent of the weighted average Federal Employees Health Benefits [FEHB] Program plan premium, capped at 76 percent of any given plan's premium). The Postal Service's share will decline by 1 percentage point to 72 percent in 2022 and 2023 and will be capped at 75 percent of any given plan's premium.

The biweekly impact of this Article 21 change will depend on which plans carriers enroll in, but will, in any case, represent a small fraction of the biweekly pay increases provided by Article 9 of the tentative agreement.

On health insurance for CCAs, the tentative contract maintains the Postal Service's biweekly contribution of \$125 toward self-only coverage in the USPS Non-career Health Plan for Plan Years 2020 and 2021. For CCAs who wish to select self-plus-one or self-and-family coverage under the USPS plan, the first year contribution by USPS will be 65 percent in Plan Years

2020 and 2021, rising to 75 percent in their second year of service. However, effective in Plan Year 2022, the Postal Service will contribute 75 percent of the premiums for self only, self plus one or self plus family, regardless of the year of employment.

Uniform Allowance

Increase in uniform allowance on May 21, 2021, to \$487 (5 percent increase from current rate) and on May 21, 2022, to \$499 (another 2.5 percent increase). Additional allowance credits for newly eligible employees have been increased by the same percentages.

Job Security Protections for Letter Carriers

The no-layoff clause that protects letter carriers after six years of service as career employees is retained in the tentative agreement, as well as the prohibitions against contracting out city carrier work.

Another Option for Full-time Letter Carriers who work their Holiday

Article 11, Sections 3 and 4 have been modified to now allow full-time employees who work their holiday to elect to have their annual leave balance credited with up to eight hours of annual leave in lieu of receiving holiday pay.

Other Notable Memorandums of Understanding (MOUs)

The new contract updated, revised and combined several Memorandums of Understanding (MOUs), continued dozens of others, and added several new MOUs on a variety of topics. Among the most notable new MOUs are:

MOU Re: Qualifying period-exception for City Carrier Assistants

CCAs with a minimum of 90 days of service prior to conversion to career status without a break in service are exempt from the Ninety-Day Qualifying Period in ELM 512.313, pertaining to using annual leave. Previously, all newly converted employees, regardless of time in

service, were required to complete 90 days of employment as a career employee prior to being allowed to take annual leave.

MOU Re: Managed Service Point Scans

No later than 60 days from the ratification date of the 2019 collective bargaining agreement, Managed Service Points (MSPs) will be removed from the street delivery portions of city letter carrier routes. The MSP program, now more than 20 years old, has long since outlived its dubious usefulness.

MOU Re: City Delivery and Workplace Improvement Task Force

This renamed MOU modifies the MOU Re: City Delivery Task Force and expands the role of the task force for the purposes of jointly seeking methods to improve the cultural and operational environment in city delivery offices.

MOU Re: City Carrier Uniform Task Force

Establishes a national-level task force to improve the efficiency and accessibility of the uniform program and to improving the overall quality of available uniform items in a cost effective manner. The task force will also explore ways to incorporate improved materials and uniform designs into the uniform program while continuing to supply city carriers with sufficient uniform items.

MOU RE: Local Implementation

The local implementation period is scheduled for April 29, 2021, to May 28, 2021. During this 30- day period, the 22 Items listed in Article 30 of the contract as well as related matters in a NALC Branch's Local Memorandum of Understanding (LMOU) can be discussed by local NALC representatives and corresponding local USPS management representatives.

Examples of LMOU Items include but are not limited to the Branch's local leave program, holiday scheduling, health and safety, and matters pertinent to bidding on vacant assignments as well as temporary vacancies of 5 days or more (better known as opts or hold downs).

Of note, it is not mandatory that a Branch's existing local contract be opened for renegotiation. However, if either the union or management provides notification of intent to negotiate, then such negotiations must take place. If local negotiations do take place, Branch 920 will be represented by a team chosen by the Branch President.