MEMORANDUM OF SETTLEMENT

STATE OF RHODE ISLAND

AND

NATIONAL ASSOICATION OF GOVERNMENT EMPLOYEES, LOCAL 79 (Department of Health)

ENTERED into this _____ day of February, 2013, by and between the State of Rhode Island ("State") and National Association of Government Employees, Local 79 (Department of Health) ("Union") (Collectively the "Parties");

WHEREAS, the State and the Union are parties to a collective bargaining agreement entitled "State of Rhode Island and NAGE Local 79 -- Nurses at Department of Health" for the period of July 1, 2008 through and including June 30, 2012 ("CBA");

WHEREAS, the Parties have engaged in good faith negotiations for a successor agreement to the CBA;

WHEREAS, the Parties have reached an agreement on the terms of a collective bargaining agreement for the period of July 1, 2012 through and including June 30, 2013 and wish to memorialize that agreement;

NOW THEREFORE, it is hereby agreed by and between the State and the Union that the Parties' collective bargaining agreement for the period of July 1, 2012 through and including June 30, 2013 shall be as follows:

1. WAGES

There shall be no across-the-board base wage increase for the period of July 1, 2012 through and including June 30, 2013.

2. LONGEVITY

Effective July 1, 2012, notwithstanding any provision of the collective bargaining agreement to the contrary, an employee's eligibility for longevity stipends, including the amount thereof, shall be governed by the applicable provisions of Article 8 of the FY 2012 Budget (P.L. 2011, ch.151, art 8), as amended.

3. HEALTH INSURANCE

The State shall continue to maintain the current health benefits through June 30, 2013. There will be no changes to the co-share percentage, the "annualized total rate" levels that determine the applicable co-share percentage, the dollar amount of the applicable co-share that took effect on July 1, 2012, or the co-pay structure during FY 2013.

4. LOCAL NEGOTIATIONS

Either party may open negotiations on "local" issues at any time subsequent to the execution of this Agreement. Excluded from the definition of "local" issues are those of state-wide application, such as healthcare, vacation accrual, military and jury leave. All issues resolved during local negotiations shall be implemented at the time agreement is reached unless the Parties agree to a different time frame. Unresolved local issues shall be carried forward to the 2013 general negotiations and not subject to the statutory impasse resolution procedures.

5. SUCCESSOR NEGOTIATIONS

(a) Within a reasonable time after the Segal Company issues its final report on the Comprehensive Personnel Study, the Parties shall commence successor negotiations for the contract period beginning July 1, 2013 with respect to all issues, including any unresolved local issues.

(b) Except as superseded by the agreements contained herein, and any agreements on "local issues" that may be reached pursuant to section 4 of this Agreement, the terms and provisions of the collective bargaining agreement(s) ("CBA") between the Parties for the period of July 1, 2008 through and including June 30, 2012, and any existing side agreements, memoranda of agreement and special purpose agreements, shall remain in full force and effect without change for the period of July 1, 2012 though and including June 30, 2013; provided, however, that this section 5(b) shall not apply to the so-called "Pay Reduction Memorandum" and any provisions or agreements which have expired, or may expire, by their terms.

6. PUBLICATION

Given that negotiations concerning "local issues" are ongoing and that this Agreement is only for a one year period, the terms of this Memorandum of Settlement, while in full force and effect, will not be incorporated into a formal "Booklet Form" collective bargaining agreement at this time.

7. RATIFICATION

This Memorandum of Settlement shall not be deemed binding on the Parties until such time as it is ratified by the Union Membership in accordance with the Union's internal procedures and approved by the Governor of the State of Rhode Island. The Union

Executive Committee and/or Negotiating Team shall recommend that the membership of the Union vote to ratify this Memorandum of Settlement and shall take whatever steps are necessary to ensure that the ratification process is completed no later than thirty (30) days from date that this Memorandum of Settlement is fully executed. The Union shall inform the State of the results of the ratification vote in writing within 24 hours of the completion of the process. The State shall inform the Union of the Governor's decision in writing within seven (7) days after receiving said notification from the Union.

8. EXECUTION

This Memorandum of Settlement is being executed as duplicate originals and shall be deemed effective as of the date the final signature is affixed hereto.

FOR THE STATE:

Richard A. Licht
Director
Department of Administration

Dated: 4/24/13

Melanie Maraccio DPA
Anthony Bucci
Personnel Administrator
Department of Administration

Dated: 4/23/13

FOR THE UNION:

Carol Stimpson, RN
President
NAGE, Local 79 (DOH)

Dated: 4/17/13

Normand Laliberte
Vice President
NAGE, Local 79 (DOH)

Dated: 04/16/13

RATIFIED BY

Lincoln Chafee
Governor
State of Rhode Island

Dated: 5/8/13