

The State continues to bargain with the representatives of the General Government Unit (GGU). This collective bargaining unit is the largest state bargaining unit representing employees in over 10,000 state positions.

The parties have met 20 times.

The current agreement expires June 30, 2025.

The parties' first met on October 30, 2024 and their most recent meeting was on April 9, 2025. The next meeting scheduled is on April 14, 2025.

To date, the parties have tentatively agreed to 16 out of a total 42 contract Articles. None of these 16 articles include language that would result in increased cost to the State and represent mostly current language without changes in line with other collective bargaining agreements.

The State performs a cost analysis on all items that would result on an increased cost compared to the current agreement ("costing out"). Costing out is based on additional money that the State will be required to pay over the 3 years of the successor agreement, compared to the same services under the current agreement. Monetary terms of a successor agreement must be submitted to the Legislature and implementation of all monetary terms requires legislative approval of the monetary terms.

The Union's requested increases to the State contributions to health insurance alone were costed out at \$234,940,300 (representing a 38% increase in year 1, 36% in year 2, and 42% in year 3). The State does not have any representation on the Health Trust Board which recommends contribution levels. At the same time the Union proposed the significant increases in contributions from the State, the Trust Board approved an increase in monthly employee contribution of \$50 for plan A, \$25 for plan B, and \$5 for Plan C and Plan D representing a 17% increase for Plan A, 18% for Plan B, 14% for Plan C and 12.5% for Plan D.

In addition, the 3 Union proposals with the highest monetary terms include:

- 12% inflation adjustment costed out at \$316,657,217
- 10.5% for market adjustment costed out at \$277,075,065
- Cost of Living increases based on inflation effective July 1, 2027

The Union is demanding over 50 additional cost drivers that aggregately will result in a very significant cost increase to the State--including proposals on additional leave; mandated implementation of salary study provisions; daily overtime; required premium pay for working on a day off; paid leave for new employees to go to the Union; and retention pay.

The State has proposed Cost of living increases based on the established "bracket system" which is based on CPI-U for Anchorage Alaska, representing a 1.25% increase in the first year, 2.5 % in these second year, and an unknown, but estimated increase of 2.5% in the third year.

The State has also proposed language that would increase the ability to temporarily supplement the workforce when emergency circumstances exist and limit the requirement to perform feasibility studies for contracting out scenarios initiated as cost-saving opportunities.