



**SHORT-TERM SICKNESS  
ALLOWANCE CHANGES  
LETTER OF UNDERSTANDING**

This Letter of Understanding (“LOU”) is between the Southern California Gas Company ("Company") and the Utility Workers Union of America, AFL-CIO, and International Chemical Workers Union Council, UFCW (collectively the "Union").

Whereas California recently amended the Healthy Workplaces, Healthy Families Act (HWHFA) (SB 616) to expand certain provisions of existing law to represented employees.

Whereas the Company and the Union recognize the value of providing employees with a short-term annual sickness allowance so they can tend to their own illness and/or the illness of qualifying family members.

Whereas the current Collective Bargaining Agreement (CBA) between the Company and the Union, starting on page 69, sets forth the terms and conditions by which represented employees receive and use their short-term annual sickness allowance.

Whereas, for purposes of compliance with provisions of the HWHFA, effective January 1, 2024, and Los Angeles Ordinance No. 184320, this LOU temporarily amends certain provisions governing employee accrual and use of their short-term annual sickness allowance.

In consideration of the foregoing, the Union and Company agree to the following, effective January 1, 2024:

1. Employees will be allowed to use up to 100% of their short-term annual sickness allowance for any of the reasons set forth in the section of the Company’s Paid Sick Time Policy titled, “Use of Current Sick Time.”
2. In the first year of employment, employees hired into regular employee positions will receive 48 hours of short-term sickness allowance that may be used on or after the 90<sup>th</sup> calendar day of employment and 80 hours annually thereafter, on January 1.

In addition, newly hired part-time employees will receive 48 hours of short-term sickness allowance on the 90<sup>th</sup> day of employment and annually thereafter. This change will replace the current allotment of 24 of short-term sickness allowance provided to part-time employees as described on page 232 of the CBA in the *Sick Time For Part Time Employees Letter Agreement* dated September 15, 2015.

This LOU is not intended to amend any other provisions of the CBA related to the short-term annual sickness allowance. The short-term sick leave allowances set forth in this LOU will go into effect on March 31, 2024, to give the Company time to update its internal systems to comply with these changes. Employees hired into regular positions between January 1, 2024, and February 29, 2024, will receive their short-term sickness allowance as set forth in the CBA.

The Union and Company intend for the provisions of this LOU to be incorporated into the CBA through collective bargaining negotiations, scheduled to occur in 2024. This LOU will expire upon the incorporation of the above provisions into the CBA. Nothing in this LOU precludes either the Company or the Union from presenting proposals in negotiations related to paid sick time.

David Cameron  
David Cameron (Feb 6, 2024 12:27 PST)

02/06/2024

\_\_\_\_\_  
Date

Manager- Labor & Employee Relations

Joe J. Moreno

02/06/2024

\_\_\_\_\_  
Date

Chair, Joint Steering Committee