

MEMORANDUM OF UNDERSTANDING

Memorandum of Understanding entered into to be effective April 1, 2023 by and between the GREATER REGIONAL BARGAINING GROUP HOTELS¹ (hereinafter collectively referred to as the EMPLOYER or HOTEL) and the HOTEL ASSOCIATION OF NEW YORK CITY, INC., (hereinafter referred to as the ASSOCIATION), and the hotels, motels, and concessionaires in Northern and Central New Jersey, and Eastern New York² with respect to whom the UNION (as herein below described) presently has contractual relations, and/or with respect to whom the UNION may be hereafter designated as sole collective bargaining agent for the employees of such hotels, motels, and concessionaires, and who shall become parties hereto by becoming members of the Bargaining Group or otherwise agreeing to this Agreement, each and every such hotel, motel, and concessionaire, including their owners, managers, and operators, respective affiliated and related entities, successors and assigns being hereinafter referred to as the EMPLOYER or HOTEL, and the HOTEL AND GAMING TRADES COUNCIL, AFL-CIO, hereinafter called the UNION, in its own behalf and in behalf of its members, now employed or hereafter to be employed by the EMPLOYER.

WHEREAS, the Employer, Association, and the Union are signatories to a Collective Bargaining Agreement entered into as to be effective April 1, 2018 commonly referred to as the Greater Regional Industry Wide Agreement (hereinafter referred to as the “GRIWA”), which by its terms, expires on March 31, 2023; and

WHEREAS, the parties desire to modify and extend the GRIWA as now restated in this Memorandum of Understanding (hereinafter referred to as “this Agreement”);

NOW, THEREFORE, it is mutually agreed as follows:

1. **Renewal and Extension**: Except as expressly provided for herein, the GRIWA is renewed from April 1, 2023 and extended until 11:59 pm on March 31, 2028.

2. **Wages**:

- a. **Wage Increases**:

- i. Replace Article 3(C)(1) with the following:

Minimum wage rates and actual hourly rates shall be increased as follows:

¹ A list of the Greater Regional Bargaining Group Hotels is attached as Exhibit 1. The aforesaid list is current as of January 12, 2023 and expected to increase on a continuing basis.

² Northern and Central New Jersey and Eastern New York shall include Hotels in any county listed in Article 60, Section B(2) of the Industry Wide Collective Bargaining Agreement between the Association and Union (“IWA”) except for Kings, Queens, New York, Bronx and Richmond counties.

	<u>Non-tipped</u>	<u>Tipped</u>
April 1, 2023:	\$1.50	\$0.75
April 1, 2024:	\$1.50	\$0.75
April 1, 2025:	\$1.50	\$0.75
April 1, 2026:	\$1.50	\$0.75
April 1, 2027:	\$1.50	\$0.75

ii. The following shall be added as Article (3)(C)(5):

Cost-of-Living Adjustment: Notwithstanding the foregoing, commencing calendar year 2023, for any calendar year in which the twelve-month percent change to the Consumer Price Index for the Northeast region as published by the U.S. Bureau of Labor Statistics (“CPI”) exceeds ten percent (10%), effective the next scheduled annual increase, the hourly wage and minimum wage rates will be increased as follows:

An additional ten cents (\$0.10) per hour for non-tipped and five cents (\$0.05) per hour for each percentage point over ten percent (10%), up to a maximum of one dollar (\$1.00) per hour.

In the event the total cost of health benefits pursuant to GRIWA Article 5(B)(2) increases over five percent (5%), but not more than ten percent (10%), over the previous year the above threshold shall be twelve percent (12%) of CPI for that calendar year.

In the event the total cost of health benefits pursuant to GRIWA Article 5(B)(2) increases over ten percent (10%) over the previous year the above threshold shall be fifteen percent (15%) of CPI for that calendar year.

iii. The following shall be added to the end of Article 3(A)(4)(a):

“Employees hired after the effective date of this Agreement (i.e., April 1, 2023) shall be paid no less than ninety percent (90%) of the applicable Schedule A minimum wage rate, subject to Article 3(B), for their first year of employment and ninety-five percent (95%) of the applicable Schedule A minimum wage rate for their second year of employment.”

b. **Wage-Related Items:**

- i. Replace “April 1, 2018” in Article 3(C)(4) with “April 1, 2023”.
- ii. Update all wage-related items to reflect the applicable April 1, 2023 rates.

3. Paystub Information:

Add the following to the end of Article 3(D):

Within a reasonable period of time following the effective date of this Agreement, each paystub shall also contain information showing the amount of earned vacation and sick/ personal paid time off remaining.

4. Health Benefits:

- a. Delete and replace Article 5(B)(1) with the following:

Employee contributions for coverage under the Industry Plan shall be limited to the following monthly contributions:

Employee Contribution

April 1, 2023:	\$25.00
April 1, 2024:	\$25.00
April 1, 2025:	\$25.00
April 1, 2026:	\$25.00
April 1, 2027:	\$25.00

- b. Delete and replace Article 5(B)(2) with the following:

The Employer shall be responsible for all contributions for coverage beyond those required above in paragraph (B)(1). The total cost for coverage (inclusive of any employee contribution) is as follows:

	Monthly Rate	Daily Rate
April 1, 2023:	\$1304.80	\$75.29
April 1, 2024:	\$1370.04	\$79.06
April 1, 2025:	\$1438.54	\$83.01
April 1, 2026 and each April thereafter:	T.B.D. by Fund	T.B.D. by Fund

- c. Health Reimbursement Arrangement (“HRA”): Effective January 1, 2024, the GRIWA Article 5(C) HRA shall increase to two hundred dollars (\$200.00) each calendar year. Such sum shall not be subject to GRIWA Article 3(C)(4).

5. Pension and 401(k) Plans:

Contribution Increases: Articles 6(A)(1), (2), (3), and (4) shall be deleted and replaced with the following:

1. April 1, 2023: An additional twenty cents (\$0.20) per hour (to \$1.70 per hour).
2. April 1, 2024: An additional twenty cents (\$0.20) per hour (to \$1.90 per hour).
3. April 1, 2025: An additional twenty cents (\$0.20) per hour (to \$2.10 per hour).

6. Holidays:

- a. Effective 2023, GRIWA Article 16(A)(1) shall include an additional paid holiday, Juneteenth.
- b. GRIWA Article 16(A)(2) shall be deleted and replaced with:

Employees may elect to substitute another paid day for up to five (5) holidays per year. Said replacement days to be scheduled in the same manner as sick/personal days pursuant to Article 17(B).

7. Bereavement Leave: Delete “no more than once per year” from Article 19(A).

8. Grievances and Arbitration:

- a. Article 24(L) shall be deleted and replaced as follows:
 1. Underpayment: In addition to any other penalties provided by law, in any circumstance of willful underpayment of an employee, the Employer shall be subject to a fifteen percent (15%) penalty payable to the employee in addition to any monies owed.
 2. Repeated Underpayment: Effective April 1, 2023, where an Employer pays the fifteen percent (15%) penalty for willful underpayment of employee(s) on three (3) separate occasions, the penalty in Article 24(L) (1) shall increase from fifteen percent (15%) to twenty-five percent (25%) on such third occasion. A continuing violation or a single violation which affects multiple employees will be deemed a single occasion for purposes

of this Article until it is resolved. Where the Employer has not willfully underpaid employee(s) for twenty-four (24) consecutive months from the date of the resolution of the last of the three (3) above-referenced violations, the penalty shall revert to the 24(L)(1) penalty.

- b. Add the following as Article 24(M):

Challenging Decisions of the Arbitrator: The parties acknowledge that challenging an arbitration decision does not excuse compliance with such decision. It is agreed that if either party moves to vacate an arbitration decision, and the decision is subsequently confirmed in whole or in part, the party seeking to challenge the arbitration decision will pay the reasonable attorney's fees and costs of the other party. It is further agreed that if either party moves to confirm an arbitration decision due to the non-moving party's failure to comply with the same, and the decision is subsequently confirmed in whole or in part, the non-moving party will pay the reasonable attorney's fees and costs of the other party. It is understood that a request for reconsideration made to the Office of the Impartial Chairperson does not constitute a motion to vacate an arbitration decision.

- c. Add the following as Article 24(N):

Bond: In addition to any other remedy or penalty provided for herein, the Union may demand an owner post a bond equal to three (3) months of wages and benefits whenever notice of a transfer covered by GRIWA Article 54 is required. Such bond shall be deposited with the Office of the Impartial Chairperson. The owner may petition to have such bond returned after one (1) year from the date of the transfer, provided there are no pending claims.

9. Other Funds:

- a. **Joint Industry Advancement Fund:** Effective April 1, 2023, contributions to the Joint Industry Advancement Fund pursuant to Article 7(C) shall be increased from \$3.19 per employee per week to four dollars (\$4.00) per employee per week. Such sums shall not be subject to GRIWA Article 3(C)(4).
- b. Add the following as Article 7(D):

Housing Fund:

1. Effective July 1, 2026, Employers shall contribute the sum of four dollars (\$4.00) per employee per week to the Housing Fund. Such

sum shall not be subject to GRIWA Article 3(C)(4), or maintenance of benefits. The Association and Union shall promptly meet and create such fund, pursuant to Section 2 below and 29 U.S.C. Section 186 and other federal laws, statutes and regulations.

2. Such Housing Fund shall have the purpose of providing to workers covered by this Agreement, access to, or assistance in finding and paying for housing, including, but not limited to, acquisition by the Fund of property for the purpose of leasing same to workers covered by this Agreement at below market rates.
3. The parties shall meet prior to July 1, 2026 to reassess the need for a housing fund. In the event the parties mutually agree that the housing fund is not necessary, they may allocate the payments to another fund or purpose.

c. Add the following as Article 7(E):

Child Care Fund:

1. Effective January 1, 2024, Employers shall contribute the sum of four dollars (\$4.00) per employee per month to the Child Care Fund. Effective July 1, 2026 such contributions shall increase to sixteen dollars (\$16.00) per month. Such sums shall not be subject to GRIWA Article 3(C)(4), or maintenance of benefits. The Association and Union shall promptly meet and create such fund, pursuant to Section 2 below and 29 U.S.C. Section 186 and other federal laws, statutes and regulations.
2. Such Child Care Fund shall have the purpose of providing free or otherwise subsidizing child care to workers covered by this Agreement.
3. The parties shall meet prior to July 1, 2026 to reassess the need for the July 1, 2026 increase to the contribution rate is necessary. In the event the parties mutually agree that the increase is not necessary, they may allocate the payments to another fund or purpose.

d. Add the following as Article 7(F):

Pre-Paid Legal Fund: Effective January 1, 2024, the Employer shall begin participation in and make contributions to the IWA's Pre-Paid Legal

Fund. Such contribution shall be .125% of payroll or such additional amount as required by the Trustees to maintain the benefit.

10. **New Article:**

Parental Leave: Effective April 1, 2023 the Employer shall pay all bargaining unit employees who qualify for and take leave covered by Family Leave Insurance in New Jersey or New York Paid Family Leave in New York for bonding with a child (collectively, "Paid Family Leave") the difference between their weekly Paid Family Leave benefit and their regular weekly wage, with the weekly wage for tipped employees calculated in accordance with GRIWA Article 20, in the form of weekly bridge payments for twelve (12) weeks concurrent with the period they receive a Paid Family Leave benefit.

11. **Consolidation:** In consolidating the GRIWA to incorporate this Agreement, the parties will update references to "hotel(s)" with "employer(s)".

12. **Ratification and Effective Date:** This Successor Agreement is subject to ratification by the Union and, if ratified, and unless otherwise provided for, shall become effective April 1, 2023.

13. **Arbitration:** Effective immediately, any disputes between the parties or regarding the interpretation or application of this Agreement shall be subject to the arbitration provisions of the GRIWA, incorporated herein by reference.

Dated: _____, 2023

HOTEL ASSOCIATION OF NEW YORK CITY,
INC., on behalf of itself and its
Greater Regional Bargaining Group Hotels

HOTEL AND GAMING
TRADES COUNCIL, AFL-CIO

By: _____
Vijay Dandapani, President

By: _____
Richard Maroko, President