

## ARTICLE 24 — Contracting Out

~~24.1 If the ESD intends to contract out bargaining unit work, resulting in the layoff of a member of the bargaining unit, the ESD will notify the Union at least thirty (30) days in advance. The ESD will provide to the Union an explanation of the reasons for the proposed contract. Within ten (10) days after receiving that information, the Union may provide alternative suggestions to the ESD in order to avoid the need for the contract and layoff. The ESD will give fair consideration to the Union suggestions before making a final decision. The ESD recognizes its responsibility to enter into expedited bargaining with the Union concerning the impact of contracting out on mandatory subjects of bargaining.~~

24.2 The ESD shall not contract out any work that falls within the scope of ORS Chapter 279. Any contract, agreement, or arrangement that would require a public contracting process under ORS Chapter 279 for services within the bargaining unit's scope of work is expressly prohibited without the written agreement of OSEA.

24.3 For temporary engagement of an external contractor or service provider to perform duties associated with specific unfilled bargaining unit work, the ESD shall submit a written proposal to a joint committee consisting of three (3) Union members and three (3) ESD representatives, as appointed by the respective parties, and the OSEA Field Representative. In case of tie vote, the request shall be deemed denied. The ESD's written proposal must include the following:

- (a) A description of the work to be contracted out, including which bargaining unit classifications customarily perform that work;
- (b) The reason(s) the ESD asserts contracting out is necessary;
- (c) A cost comparison between in-house performance (including labor costs, benefits, and overhead) and the proposed contract cost;
- (d) The proposed contractor, term, and scope of services;
- (e) The anticipated impact on bargaining unit employees, including any potential reduction in hours, positions, or assignments;
- (f) A statement from the ESD that the arrangement does not trigger ORS Chapter 279 requirements.