# 52:14-17.28

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF:	2003	CHAPTER:	119			
NJSA:	52:14-17.28	(State Health E	mployees Health Benefits)			
BILL NO:	A3819	(Substituted for	S3002)			
SPONSOR(S): Sires and Cryan						
DATE INTRODUCED: June 19, 2003						
COMMITTEE	: ASSE	MBLY: State C	Government			
SENATE:						
AMENDED DURING PASSAGE: No						
DATE OF PASSAGE: ASSEMBLY: June 23, 2003						
<b>SENATE:</b> June 30, 2003						
DATE OF AP	PROVAL:	July 1, 2003				
FOLLOWING ARE ATTACHED IF AVAILABLE:						
<b>FINAL</b>	TEXT OF BILL	(Original version	of bill enacted)			
A3819						
	SPONSORS S	TATEMENT: (Beç	gins on page 5 of original bill)	Yes		
	COMMITTEE	STATEMENT:	ASSEMBLY:	Yes		
			SENATE:	No		
	FLOOR AMEN	DMENT STATEN	IENTS:	No		
	LEGISLATIVE	FISCAL ESTIMA	TE:	No		
S3002 <u>SPONSORS STATEMENT</u> : (Begins on page 5 of original bill) <u>Yes</u> Bill and Sponsors Statement identical to A3819						
	COMMITTEE	STATEMENT:	ASSEMBLY:	No		
			SENATE:	Yes		
	FLOOR AMEN	DMENT STATEN	IENTS:	No		
	LEGISLATIVE	FISCAL ESTIMA	TE:	No		
VETO MESSAGE: No						
GOVERNOR'S PRESS RELEASE ON SIGNING:			SIGNING:	No		

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REPORTS:	No
HEARINGS:	No
NEWSPAPER ARTICLES:	No

### P.L. 2003, CHAPTER 119, *approved July 1, 2003* Assembly, No. 3819

AN ACT concerning State employee benefits under the New Jersey 1 2 State Health Benefits Program Act and the New Jersey Employer-3 Employee Relations Act and amending P.L.1961, c.49 and 4 P.L.1968, c.303. 5 6 **BE IT ENACTED** by the Senate and General Assembly of the State 7 of New Jersey: 8 9 1. Section 4 of P.L.1961, c.49 (C.52:14-17.28) is amended to read 10 as follows: 4. The commission shall negotiate with and arrange for the 11 purchase, on such terms as it deems to be in the best interests of the 12 State and its employees, from carriers licensed to operate in the State, 13 contracts providing hospital, surgical, obstetrical, medical and major 14 15 medical expense benefits covering employees of the State and their 16 dependents, and shall execute all documents pertaining thereto for and 17 on behalf and in the name of the State. The commission shall not enter 18 into a contract under this act unless the benefits provided thereunder equal or exceed the minimum standards specified in section 5 for the 19 20 particular coverage which such contract provides; and unless coverage 21 is available to all eligible employees and their dependents on the basis 22 specified by section 7, except that a State employee enrolled in the 23 program on or after July 1, 2003 may not be eligible for coverage 24 under the traditional plan as defined in section 2 of P.L.1961, c.49 25 (C.52:14-17.26) pursuant to a binding collective negotiations agreement or pursuant to the application by the commission, in its sole 26 27 discretion, of the terms of any collective negotiations agreement 28 binding on the State to State employees for whom there is no majority 29 representative for collective negotiations purposes. 30 (cf: P.L.1989, c.6, s.1) 31 32 2. Section 7 of P.L.1968, c.303 (C.34:13A-5.3) is amended to read 33 as follows: 34 7. Except as hereinafter provided, public employees shall have, and 35 shall be protected in the exercise of, the right, freely and without fear 36 of penalty or reprisal, to form, join and assist any employee 37 organization or to refrain from any such activity; provided, however, 38 that this right shall not extend to elected officials, members of boards 39 and commissions, managerial executives, or confidential employees, 40 except in a school district the term managerial executive shall mean the 41 superintendent of schools or his equivalent, nor, except where

EXPLANATION - Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

1 established practice, prior agreement or special circumstances dictate 2 the contrary, shall any supervisor having the power to hire, discharge, 3 discipline, or to effectively recommend the same, have the right to be 4 represented in collective negotiations by an employee organization that admits nonsupervisory personnel to membership, and the fact that any 5 6 organization has such supervisory employees as members shall not 7 deny the right of that organization to represent the appropriate unit in 8 collective negotiations; and provided further, that, except where 9 established practice, prior agreement, or special circumstances dictate 10 the contrary, no policeman shall have the right to join an employee 11 organization that admits employees other than policemen to 12 membership. The negotiating unit shall be defined with due regard for 13 the community of interest among the employees concerned, but the 14 commission shall not intervene in matters of recognition and unit 15 definition except in the event of a dispute.

Representatives designated or selected by public employees for the 16 17 purposes of collective negotiation by the majority of the employees in a unit appropriate for such purposes or by the majority of the 18 19 employees voting in an election conducted by the commission as 20 authorized by this act shall be the exclusive representatives for 21 collective negotiation concerning the terms and conditions of 22 employment of the employees in such unit. Nothing herein shall be 23 construed to prevent any official from meeting with an employee 24 organization for the purpose of hearing the views and requests of its 25 members in such unit so long as (a) the majority representative is 26 informed of the meeting; (b) any changes or modifications in terms and 27 conditions of employment are made only through negotiation with the 28 majority representative; and (c) a minority organization shall not 29 present or process grievances. Nothing herein shall be construed to 30 deny to any individual employee his rights under Civil Service laws or 31 regulations. When no majority representative has been selected as the 32 bargaining agent for the unit of which an individual employee is a part, he may present his own grievance either personally or through an 33 34 appropriate representative or an organization of which he is a member 35 and have such grievance adjusted.

A majority representative of public employees in an appropriate unit 36 37 shall be entitled to act for and to negotiate agreements covering all 38 employees in the unit and shall be responsible for representing the 39 interest of all such employees without discrimination and without 40 regard to employee organization membership. Proposed new rules or 41 modifications of existing rules governing working conditions shall be 42 negotiated with the majority representative before they are established. 43 In addition, the majority representative and designated representatives 44 of the public employer shall meet at reasonable times and negotiate in 45 good faith with respect to grievances, disciplinary disputes, and other 46 terms and conditions of employment. Nothing herein shall be

construed as permitting negotiation of the standards or criteria for
employee performance.

When an agreement is reached on the terms and conditions of employment, it shall be embodied in writing and signed by the authorized representatives of the public employer and the majority representative.

7 Public employers shall negotiate written policies setting forth 8 grievance and disciplinary review procedures by means of which their 9 employees or representatives of employees may appeal the 10 interpretation, application or violation of policies, agreements, and 11 administrative decisions, including disciplinary determinations, 12 affecting them, provided that such grievance and disciplinary review 13 procedures shall be included in any agreement entered into between 14 the public employer and the representative organization. Such 15 grievance and disciplinary review procedures may provide for binding 16 arbitration as a means for resolving disputes. [The] Except as 17 otherwise provided herein, the procedures agreed to by the parties may 18 not replace or be inconsistent with any alternate statutory appeal 19 procedure nor may they provide for binding arbitration of disputes 20 involving the discipline of employees with statutory protection under 21 tenure or civil service laws, except that such procedures may provide 22 for binding arbitration of disputes involving the minor discipline of any 23 public employees protected under the provisions of section 7 of 24 P.L.1968, c.303 (C.34:13A-5.3), other than public employees subject 25 to discipline pursuant to R.S.53:1-10. Grievance and disciplinary review procedures established by agreement between the public 26 27 employer and the representative organization shall be utilized for any 28 dispute covered by the terms of such agreement. For the purposes of 29 this section, minor discipline shall mean a suspension or fine of less than five days unless the employee has been suspended or fined an 30 31 aggregate of 15 or more days or received more than three suspensions 32 or fines of five days or less in one calendar year.

33 Where the State of New Jersey and the majority representative have 34 agreed to a disciplinary review procedure that provides for binding 35 arbitration of disputes involving the major discipline of any public 36 employee protected under the provisions of this section, other than 37 public employees subject to discipline pursuant to R.S.53:1-10, the 38 grievance and disciplinary review procedures established by agreement 39 between the State of New Jersey and the majority representative shall 40 be utilized for any dispute covered by the terms of such agreement. 41 For the purposes this section, major discipline shall mean a removal, 42 disciplinary demotion, suspension or fine of more than five days, or 43 less where the aggregate number of days suspended or fined in any one 44 calendar year is 15 or more days or unless the employee received more A3819

1 than three suspensions or fines of five days or less in one calendar 2 year. 3 (cf: P.L.1996, c.115, s.4) 4 5 3. This act shall take effect immediately. 6 7 **STATEMENT** 8 9 10 This bill modifies the benefits of State employees under the New 11 Jersey State Health Benefits Program (SHBP) and the New Jersey Employer-Employee Relations Act. The bill provides that a State 12 employee enrolled in SHBP on or after July 1, 2003 may not be 13 14 eligible for coverage in the traditional plan pursuant to a binding 15 collective negotiations agreement or pursuant to the application by the State Health Benefits Commission, in its sole discretion, of the terms 16 17 of any collective negotiations agreement binding on the State to non-18 aligned State employees. 19 With regard to the New Jersey Employer-Employee Relations Act, 20 the bill provides that when the State of New Jersey and a majority 21 representative have agreed to a disciplinary review procedure that 22 provides for binding arbitration of disputes involving the major 23 discipline of any public employee protected under the provisions of N.J.S.A.34:13A-5.3, other than public employees subject to discipline 24 25 pursuant to N.J.S.A.53:1-10, the grievance and disciplinary review 26 procedures established by the agreement will be utilized for any 27 dispute covered by the terms of such agreement. The bill defines 28 major discipline to mean a removal, disciplinary demotion, suspension 29 or fine of more than five days, or less where the aggregate number of 30 days suspended or fined in any one calendar year is 15 or more days, 31 or unless the employee received more than three suspensions or fines 32 of five days or less in one calendar year. 33 34 35 36 37 Modifies SHBP benefits for State employees; provides for alternate 38 disciplinary review procedure for State employees pursuant to contract 39 negotiations.

# ASSEMBLY, No. 3819 STATE OF NEW JERSEY 210th LEGISLATURE

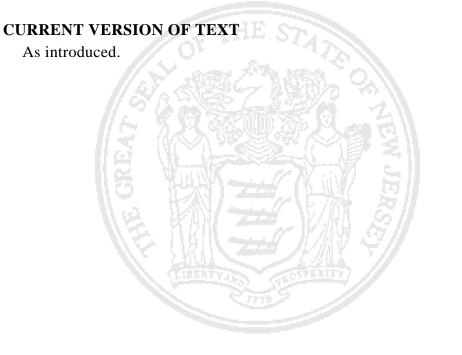
INTRODUCED JUNE 19, 2003

Sponsored by: Assemblyman ALBIO SIRES District 33 (Hudson) Assemblyman JOSEPH CRYAN District 20 (Union)

Co-Sponsored by: Senator Kenny

### **SYNOPSIS**

Modifies SHBP benefits for State employees; provides for alternate disciplinary review procedure for State employees pursuant to contract negotiations.



(Sponsorship Updated As Of: 7/1/2003)

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1 AN ACT concerning State employee benefits under the New Jersey 2 State Health Benefits Program Act and the New Jersey Employer-3 Employee Relations Act and amending P.L.1961, c.49 and 4 P.L.1968, c.303. 5 6 **BE IT ENACTED** by the Senate and General Assembly of the State 7 of New Jersey: 8 9 1. Section 4 of P.L.1961, c.49 (C.52:14-17.28) is amended to read 10 as follows: 11 4. The commission shall negotiate with and arrange for the 12 purchase, on such terms as it deems to be in the best interests of the 13 State and its employees, from carriers licensed to operate in the State, 14 contracts providing hospital, surgical, obstetrical, medical and major 15 medical expense benefits covering employees of the State and their 16 dependents, and shall execute all documents pertaining thereto for and 17 on behalf and in the name of the State. The commission shall not enter 18 into a contract under this act unless the benefits provided thereunder equal or exceed the minimum standards specified in section 5 for the 19 20 particular coverage which such contract provides; and unless coverage 21 is available to all eligible employees and their dependents on the basis 22 specified by section 7, except that a State employee enrolled in the 23 program on or after July 1, 2003 may not be eligible for coverage 24 under the traditional plan as defined in section 2 of P.L.1961, c.49 25 (C.52:14-17.26) pursuant to a binding collective negotiations 26 agreement or pursuant to the application by the commission, in its sole 27 discretion, of the terms of any collective negotiations agreement 28 binding on the State to State employees for whom there is no majority 29 representative for collective negotiations purposes. 30 (cf: P.L.1989, c.6, s.1) 31 32 2. Section 7 of P.L.1968, c.303 (C.34:13A-5.3) is amended to read 33 as follows: 34 7. Except as hereinafter provided, public employees shall have, and 35 shall be protected in the exercise of, the right, freely and without fear 36 of penalty or reprisal, to form, join and assist any employee 37 organization or to refrain from any such activity; provided, however, that this right shall not extend to elected officials, members of boards 38 39 and commissions, managerial executives, or confidential employees, 40 except in a school district the term managerial executive shall mean the 41 superintendent of schools or his equivalent, nor, except where 42 established practice, prior agreement or special circumstances dictate 43 the contrary, shall any supervisor having the power to hire, discharge,

EXPLANATION - Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

1 discipline, or to effectively recommend the same, have the right to be 2 represented in collective negotiations by an employee organization that 3 admits nonsupervisory personnel to membership, and the fact that any 4 organization has such supervisory employees as members shall not 5 deny the right of that organization to represent the appropriate unit in 6 collective negotiations; and provided further, that, except where 7 established practice, prior agreement, or special circumstances dictate 8 the contrary, no policeman shall have the right to join an employee 9 organization that admits employees other than policemen to 10 membership. The negotiating unit shall be defined with due regard for 11 the community of interest among the employees concerned, but the 12 commission shall not intervene in matters of recognition and unit 13 definition except in the event of a dispute.

14 Representatives designated or selected by public employees for the 15 purposes of collective negotiation by the majority of the employees in a unit appropriate for such purposes or by the majority of the 16 17 employees voting in an election conducted by the commission as 18 authorized by this act shall be the exclusive representatives for 19 collective negotiation concerning the terms and conditions of 20 employment of the employees in such unit. Nothing herein shall be 21 construed to prevent any official from meeting with an employee 22 organization for the purpose of hearing the views and requests of its 23 members in such unit so long as (a) the majority representative is 24 informed of the meeting; (b) any changes or modifications in terms and 25 conditions of employment are made only through negotiation with the 26 majority representative; and (c) a minority organization shall not 27 present or process grievances. Nothing herein shall be construed to 28 deny to any individual employee his rights under Civil Service laws or 29 regulations. When no majority representative has been selected as the 30 bargaining agent for the unit of which an individual employee is a part, 31 he may present his own grievance either personally or through an 32 appropriate representative or an organization of which he is a member 33 and have such grievance adjusted.

34 A majority representative of public employees in an appropriate unit 35 shall be entitled to act for and to negotiate agreements covering all employees in the unit and shall be responsible for representing the 36 37 interest of all such employees without discrimination and without 38 regard to employee organization membership. Proposed new rules or 39 modifications of existing rules governing working conditions shall be 40 negotiated with the majority representative before they are established. 41 In addition, the majority representative and designated representatives 42 of the public employer shall meet at reasonable times and negotiate in 43 good faith with respect to grievances, disciplinary disputes, and other 44 terms and conditions of employment. Nothing herein shall be 45 construed as permitting negotiation of the standards or criteria for 46 employee performance.

1 When an agreement is reached on the terms and conditions of 2 employment, it shall be embodied in writing and signed by the 3 authorized representatives of the public employer and the majority 4 representative.

5 Public employers shall negotiate written policies setting forth 6 grievance and disciplinary review procedures by means of which their 7 employees or representatives of employees may appeal the 8 interpretation, application or violation of policies, agreements, and 9 administrative decisions, including disciplinary determinations, 10 affecting them, provided that such grievance and disciplinary review 11 procedures shall be included in any agreement entered into between 12 the public employer and the representative organization. Such 13 grievance and disciplinary review procedures may provide for binding 14 arbitration as a means for resolving disputes. [The] Except as 15 otherwise provided herein, the procedures agreed to by the parties may not replace or be inconsistent with any alternate statutory appeal 16 procedure nor may they provide for binding arbitration of disputes 17 18 involving the discipline of employees with statutory protection under 19 tenure or civil service laws, except that such procedures may provide 20 for binding arbitration of disputes involving the minor discipline of any 21 public employees protected under the provisions of section 7 of 22 P.L.1968, c.303 (C.34:13A-5.3), other than public employees subject to discipline pursuant to R.S.53:1-10. Grievance and disciplinary 23 24 review procedures established by agreement between the public 25 employer and the representative organization shall be utilized for any dispute covered by the terms of such agreement. For the purposes of 26 27 this section, minor discipline shall mean a suspension or fine of less 28 than five days unless the employee has been suspended or fined an 29 aggregate of 15 or more days or received more than three suspensions 30 or fines of five days or less in one calendar year.

31 Where the State of New Jersey and the majority representative have 32 agreed to a disciplinary review procedure that provides for binding 33 arbitration of disputes involving the major discipline of any public 34 employee protected under the provisions of this section, other than 35 public employees subject to discipline pursuant to R.S.53:1-10, the 36 grievance and disciplinary review procedures established by agreement 37 between the State of New Jersey and the majority representative shall 38 be utilized for any dispute covered by the terms of such agreement. 39 For the purposes this section, major discipline shall mean a removal, 40 disciplinary demotion, suspension or fine of more than five days, or 41 less where the aggregate number of days suspended or fined in any one 42 calendar year is 15 or more days or unless the employee received more 43 than three suspensions or fines of five days or less in one calendar 44 year.

45 (cf: P.L.1996, c.115, s.4)

1	3. This act shall take effect immediately.
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4	STATEMENT
5	
6	This bill modifies the benefits of State employees under the New
7	Jersey State Health Benefits Program (SHBP) and the New Jersey
8	Employer-Employee Relations Act. The bill provides that a State
9	employee enrolled in SHBP on or after July 1, 2003 may not be
10	eligible for coverage in the traditional plan pursuant to a binding
11	collective negotiations agreement or pursuant to the application by the
12	State Health Benefits Commission, in its sole discretion, of the terms
13	of any collective negotiations agreement binding on the State to non-
14	aligned State employees.
15	With regard to the New Jersey Employer-Employee Relations Act,
16	the bill provides that when the State of New Jersey and a majority
17	representative have agreed to a disciplinary review procedure that
18	provides for binding arbitration of disputes involving the major
19	discipline of any public employee protected under the provisions of
20	N.J.S.A.34:13A-5.3, other than public employees subject to discipline
21	pursuant to N.J.S.A.53:1-10, the grievance and disciplinary review
22	procedures established by the agreement will be utilized for any
23	dispute covered by the terms of such agreement. The bill defines
24	major discipline to mean a removal, disciplinary demotion, suspension
25	or fine of more than five days, or less where the aggregate number of
26	days suspended or fined in any one calendar year is 15 or more days,
27	or unless the employee received more than three suspensions or fines
28	of five days or less in one calendar year.

## STATEMENT TO

## ASSEMBLY, No. 3819

# **STATE OF NEW JERSEY**

#### DATED: JUNE 19, 2003

The Assembly State Government Committee reports favorably Assembly, No. 3819.

This bill modifies the benefits of State employees under the New Jersey State Health Benefits Program (SHBP) and the New Jersey Employer-Employee Relations Act. The bill provides that a State employee enrolled in SHBP on or after July 1, 2003 may not be eligible for coverage in the traditional plan pursuant to a binding collective negotiations agreement or pursuant to the application by the State Health Benefits Commission, in its sole discretion, of the terms of any collective negotiations agreement binding on the State to non-aligned State employees.

With regard to the New Jersey Employer-Employee Relations Act, the bill provides that when the State of New Jersey and a majority representative have agreed to a disciplinary review procedure that provides for binding arbitration of disputes involving the major discipline of any public employee protected under the provisions of N.J.S.A.34:13A-5.3, other than public employees subject to discipline pursuant to N.J.S.A.53:1-10, the grievance and disciplinary review procedures established by the agreement will be utilized for any dispute covered by the terms of such agreement. The bill defines major discipline to mean a removal, disciplinary demotion, suspension or fine of more than five days, or less where the aggregate number of days suspended or fined in any one calendar year is 15 or more days, or unless the employee received more than three suspensions or fines of five days or less in one calendar year.

# SENATE, No. 3002 STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED JUNE 23, 2003

Sponsored by: Senator BERNARD F. KENNY, JR. District 33 (Hudson)

### SYNOPSIS

Modifies SHBP benefits for State employees; provides for alternate disciplinary review procedure for State employees pursuant to contract negotiations.

# CURRENT VERSION OF TEXT

As introduced.



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43 the contrary, shall any supervisor having the power to hire, discharge,

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1	3. This act shall take effect immediately.
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4	STATEMENT
5	
6	This bill modifies the benefits of State employees under the New
7	Jersey State Health Benefits Program (SHBP) and the New Jersey
8	Employer-Employee Relations Act. The bill provides that a State
9	employee enrolled in SHBP on or after July 1, 2003 may not be
10	eligible for coverage in the traditional plan pursuant to a binding
11	collective negotiations agreement or pursuant to the application by the
12	State Health Benefits Commission, in its sole discretion, of the terms
13	of any collective negotiations agreement binding on the State to non-
14	aligned State employees.
15	With regard to the New Jersey Employer-Employee Relations Act,
16	the bill provides that when the State of New Jersey and a majority
17	representative have agreed to a disciplinary review procedure that
18	provides for binding arbitration of disputes involving the major
19	discipline of any public employee protected under the provisions of
20	N.J.S.A.34:13A-5.3, other than public employees subject to discipline
21	pursuant to N.J.S.A.53:1-10, the grievance and disciplinary review
22	procedures established by the agreement will be utilized for any
23	dispute covered by the terms of such agreement. The bill defines
24	major discipline to mean a removal, disciplinary demotion, suspension
25	or fine of more than five days, or less where the aggregate number of
26	days suspended or fined in any one calendar year is 15 or more days,
27	or unless the employee received more than three suspensions or fines
28	of five days or less in one calendar year.

## STATEMENT TO

## **SENATE, No. 3002**

# **STATE OF NEW JERSEY**

### DATED: JUNE 24, 2003

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 3002.

This bill modifies the benefits of State employees under the New Jersey State Health Benefits Program (SHBP) and the New Jersey Employer-Employee Relations Act. The bill provides that a State employee enrolled in SHBP on or after July 1, 2003 may not be eligible for coverage in the traditional plan pursuant to a binding collective negotiations agreement or pursuant to the application by the State Health Benefits Commission, in its sole discretion, of the terms of any collective negotiations agreement binding on the State to non-aligned State employees.

With regard to the New Jersey Employer-Employee Relations Act, the bill provides that when the State of New Jersey and a majority representative have agreed to a disciplinary review procedure that provides for binding arbitration of disputes involving the major discipline of any public employee protected under the provisions of N.J.S.A.34:13A-5.3, other than public employees subject to discipline pursuant to N.J.S.A.53:1-10, the grievance and disciplinary review procedures established by the agreement will be utilized for any dispute covered by the terms of such agreement. The bill defines major discipline to mean a removal, disciplinary demotion, suspension or fine of more than five days, or less where the aggregate number of days suspended or fined in any one calendar year is 15 or more days, or unless the employee received more than three suspensions or fines of five days or less in one calendar year.

### FISCAL IMPACT

Implementation of this bill will have little initial impact on the cost to the State of providing health benefits to State employees, but may in future years result in a reduction of those costs by a significant, though presently indeterminate, amount.