STATE OF NEW JERSEY BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

In the Matter of

TOWNSHIP OF NUTLEY,

Petitioner,

-and-

Docket No. SN-94-6

NUTLEY PBA LOCAL #33 INC.,

Respondent.

TOWNSHIP OF NUTLEY,

Petitioner,

-and-

Docket No. SN-94-7

NUTLEY TOWNSHIP SUPERIOR OFFICERS' ASSOCIATION,

Respondent.

SYNOPSIS

The Public Employment Relations Commission determines that successor contract proposals submitted by Nutley PBA Local #33 Inc. and Nutley Township Superior Officers' Association may not be submitted to interest arbitration to the extent they require the Township to remain in the State Health Benefits Plan.

P.E.R.C. NO. 94-64

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Respondent.

Appearances:

For the Petitioner, Ruderman & Glickman, P.C., attorneys (Ellen M. Horn, of counsel)

For the Respondents, Abramson and Liebeskind Associates, (Arlyne K. Liebeskind, consultant)

DECISION AND ORDER

On July 23, 1993, the Township of Nutley petitioned for two scope of negotiations determinations. The Township seeks a declaration that successor contract proposals submitted by Nutley PBA Local #33 Inc. and the Nutley Township Superior Officers'

Association may not be submitted to interest arbitration. Those proposals would require the employer to provide hospital and medical insurance for its police officers and superior officers under the State Health Benefits Plan.

The parties have filed exhibits and briefs. These facts appear.

The PBA represents the Township's patrol officers and sergeants. The Association represents the Township's police captains and lieutenants. The parties entered into collective negotiations agreements covering the years 1990, 1991, and 1992. Article XVII of each contract was entitled Medical Insurance Program. Section 1 provided:

The Township shall provide for hospital and medical insurance, inclusive of major medical, for all employees and their families at no cost to the employee under the State Health Benefits Plan. The Township shall provide for hospital and medical insurance for all retirees and their spouses for the life of the retirees.

The parties are engaged in interest arbitration proceedings over a successor contract. The PBA and the Association proposed retention of the medical insurance provision. This petition ensued.

N.J.S.A. 34:13A-18 prohibits an arbitrator from issuing any finding, opinion or order regarding the issue of whether or not a public employer shall remain a participant in the New Jersey State Health Benefits program. Given this provision, Article XVII, Seciton 1 may not be submitted to interest arbitration to the extent

3.

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it would require the employer to remain in the State Health Benefits 2

ORDER

Article XVII, Section 1 of the predecessor PBA-Township and Association-Township contracts may not be submitted to interest arbitration to the extent it requires the Township to remain in the State Health Benefits Plan.

BY ORDER OF THE COMMISSION

Tames W. Mastriani Chairman

Chairman Mastriani, Commissioners Bertolino, Goetting, Grandrimo, Regan, Smith and Wenzler voted in favor of this decision. None opposed.

DATED: December 14, 1993

Trenton, New Jersey

ISSUED: December 15, 1993

The Township has not asserted that this language may not be submitted to interest arbitration.

The PBA and the Association state in their brief that, as part of their final economic offer, they will propose amending Article XVII to read:

The benefit coverage under the new partial self-insurance arrangement shall be the same as currently provided under the New Jersey State Health Benefits Program. There will be no reductions in any benefits or coverage presently in effect.