



**UNITED PUBLIC SERVICE EMPLOYEES UNION
NEW JERSEY DIVISION HACKENSACK • NJ**

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UPDATE

Dear UPSEU New Jersey Members,

The New Jersey Assembly has passed and the Governor has signed legislation that will implement numerous changes to pensions, health coverage and payment of unused sick leave. Unfortunately, the legislature has put its hands into the bargaining table process of all public employees in the state.

Changes include:

- Mandatory health contribution of 1.5% of base pay for all employees after the expiration of any contract
- 1.5% of pension payment towards Medical Retirement Benefits for **new** employees
- Cap of \$15,000 for unused sick leave at retirement for all **new** employees
- 5 year average instead of current 3 years for all **new** employees in pension plan
- All part-time employees recently hired after passage of legislation to be excluded from pension plan (less than 32 hours is considered part-time)
- Those not vested (ten years) will be offered the option of enrolling in a Defined Contribution Retirement Program. They will also be offered the option of withdrawing completely from the Retirement System.
- Cap of 25% (maximum \$5,000.00) for waiver of health coverage at completion of contracts (now 50%)

Several other changes impacting new employees are included.

The main point of the legislation impacting current employees is the mandatory 1.5% contributions toward health coverage after the expiration of existing contracts.

The governor has made clear that he's not done. More attempts at legislation by the administration to reduce the rights of public employees are expected.

UPSEU, like every other union in the state, feels strongly that these matters should be addressed at the bargaining table and not through legislative dictates.

We will keep you updated as to further developments as they occur.

Fraternally yours,

Kevin E. Boyle, Jr.
President