



LOCAL LEADERS DISAPPOINTED LABOR REFUSES TO RELEASE REPORT

For Immediate Release: January 3, 2018

(Trenton) The New Jersey Association of Counties (NJAC) and the New Jersey State League of Municipalities (NJSLOM) are disappointed that the public safety union representatives of the Police and Fire Interest Arbitration Impact Task Force are refusing to release the Task Force's final Report, which was due on December 31, 2017.

"The decision of the labor representatives to block the release of the Task Force's final Report is very disappointing as State leaders have been waiting to review the document before deciding on whether to support extending the 2% cap on binding interest arbitration awards, which is inextricably linked to the 2% limit on overall local government spending," commented Gloucester County Freeholder and NJAC President Heather Simmons.

On September 28th, the Governor's appointees to the Task Force released their findings following a meeting where the eight-member committee was deadlocked on adopting the report and delivering it to the Governor and Legislature. All four Governor's appointees supported adopting and releasing the report, while all four public safety union representatives opposed taking any action. In summary, the Governor's appointees decided that the *"information was too important to keep from the public"* and released their findings accordingly. In summary, the Governor's appointees to the Police and Fire Public Interest Arbitration Impact Task Force made the following recommendations: permanently impose the 2% cap well in advance of the December 31st expiration date; and, eliminate the dynamic status quo doctrine to require that increment and longevity schemes cease upon the expiration of a collective negotiations agreement.

"The 2% cap on binding interest arbitration awards has proven to be a vital tool for controlling personnel costs; negotiating reasonable successor contracts; and, avoiding arbitration awards granted by third party administrators who are not accountable to taxpayers," said East Rutherford Mayor and NJSLOM President James Cassella.

For nearly a decade, the 2% cap on binding interest arbitration awards has kept public safety employee salaries and wages under control simply because parties have been closer to reaching an agreement from the onset of negotiations. Moreover, the 2% cap on binding interest arbitration awards has established clear parameters for negotiating reasonable successor contracts that preserves the collective bargaining process and takes into consideration the separate 2% tax levy cap on overall local government spending. Failure to permanently extend the 2% cap on binding interest arbitration awards will inequitably alter the collective bargaining process in favor of labor at the expense of taxpayers. In addition to raising taxes, county and municipal governments across the State will need to consider imposing employee furloughs; privatizing services; freezing salaries for non-affiliated employees; and, reducing or eliminating non-mandated services such as transportation for the aged and disabled, meals on wheels, mental health and addiction services, and more.

Contacts: John G. Donnadio, Executive Director, NJAC 609-394-3467
Michael Cerra, Asst. Executive Director, NJLM, 609-695-3481 x120