

March 6, 2009

Via Email Only

David Beckett, Director
Governor's Office of Employee Relations
State House, 4th Floor
P.O. Box 228
Trenton, New Jersey 08625-6180

Re: Layoffs of State Workers - Job Security Letter

Dear Mr. Beckett:

Yesterday the Governor announced that there may be a need to layoff of thousands of State workers. In addition, your office has stated to CWA that layoffs may be necessary if the State and the Unions are unable to reach an agreement on a wage freeze and/or furloughs. This proposed general layoff triggers certain obligations under the Job Security Side Letter (Side Letter of Agreement #13) in the collective negotiations agreements between CWA and the State.

As you are aware, paragraph E of the Side Letter provides:

If there is a pending or proposed general layoff, the State shall review existing private contracts for work similar to that of employees considered for layoff or dislocation. Unless a cost analysis shows substantial cost savings for those existing private contracts, the State will use its best efforts to bring the work performed under private contract(s) back in house and the State shall use the displaced worker pool to keep workers employed while the State determines whether to bring such work back in house.

First, please provide CWA with copies of all contracts that the State will be reviewing to determine if there are substantial cost savings realized from those contracts. Second, please identify all persons in the State Auditor's office who will be responsible for the review of the contracts in question. CWA will want an opportunity to share with the State Auditor information in its possession that will assist in the review of the contracts and in assessing whether the contracts produce substantial cost savings. Third, please identify when the review process is scheduled to begin.

Fourth, when layoff notices are mailed to employees, those notices should also advise employees that they may be eligible to participate in the Displaced Worker Pool

Program. The notice should explain to all such workers that participation in this Program entitles employees who have been laid off or displaced to remain employed by the State for up to four months - which may be extended for an additional two months - in anticipation of being placed in a permanent program and to receive their pre-layoff/displacement salary, healthcare and other contractual benefits and to accrue job classification and State seniority until they are either placed in or offered a comparable position. Employees enrolled in the Program also continue to accrue vacation, sick and administrative leave days.

Fifth, while CWA does not consider the proposed furloughs to be “layoffs” within the meaning of the Merit System Board regulations or for scope of negotiations purposes, the State has taken the position that the decision to furlough is a non-negotiable managerial prerogative because furloughs are layoffs. If the State prevails in its view that furloughs are layoffs and therefore non-negotiable, then all persons affected by the furloughs are entitled to the protections provided under paragraph E of the Side Letter, including placement in the Displaced Worker Pool Program.

Your cooperation in this matter is appreciated. We look forward to your prompt response.

Very truly yours,

Chris Shelton, Vice President, CWA, District 1
Hetty Rosenstein, CWA New Jersey Director
John Rose, President, CWA Local 1031
Patrick Kavanagh, President CWA Local 1032
Rae Roeder, President CWA Local 1033
Joseph Diesso, TA, CWA Local 1034
Ken McNamara, President CWA Local 1037
Tom Palermo, President CWA Local 1039
Carolyn Wade, President CWA Local 1040