

ON THE MOVE



Publication of
CWA Local 1032, AFL-CIO



WE ARE NOT THE PROBLEM!!



In his FY 2006 Budget address this past March, Acting Governor Codey launched an unprecedented and wholly misguided attack on health benefits and retirement security for public employees in New Jersey. We heard it and we responded. On May 16th, 2005, over 3,000 union members representing CWA, AFSCME, IFPTE, Firefighters, Police, Teachers, and many others gathered in front of the State House to tell the Acting Governor, Treasurer, and members of the Legislature that our pension and health benefits are NOT entitlements and that we are prepared to fight for them – together!

In July, union members and retirees came together again to testify and rally at an all day hearing held by the State Health Benefits Commission (SHBC). The SHBC was considering a proposal to eliminate the cap on out-of-pocket

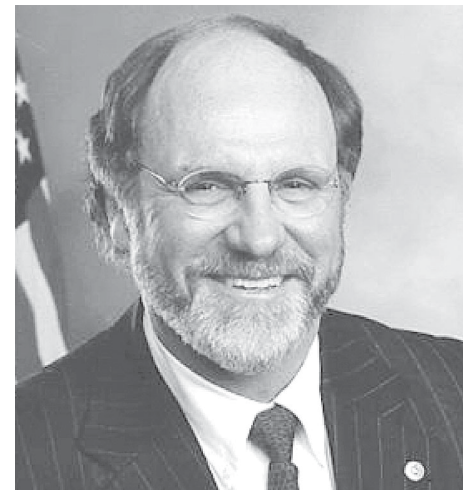
costs paid by retirees for prescription drugs. The current cap is set at \$552 per year and by eliminating it, essentially all retirees would pay more – in many cases two or three times more – than they do now. Shifting prescription drug costs on to retirees is not acceptable and should be cause for alarm for all workers in that it shows us the State will not step back from its attacks on our pension and health benefits.

In May, Acting Governor Codey created the Benefits Review Task Force and charged it with reviewing all current laws, regulations, and procedures regarding employee benefits and making recommendations to control costs while at the same time ensuring a fair and equitable benefits system for public employees.

Interestingly enough, not a single employee or union representative was appointed to the Task Force. At its first public hearing in July, President Jim Marketti and Senior Staff Representative Dudley Burdge presented testimony challenging the ways in which public employee pensions and health benefits have been characterized and putting forth clear facts as to where the problems lie and what needs to be done in order to address them. Edited versions of their testimony begin on page 4.

For more information on activities and initiatives to protect our pension and health benefits, log on to our website: www.cwalocal1032.org. □

CWA Endorses Corzine for Governor



Senator Jon Corzine

CWA has endorsed Senator Jon Corzine for Governor in this year's election. Since he was elected to the United States Senate in 2000, Corzine has been a consistent and effective advocate for labor and working families. A review of his record over the last five years demonstrates a progressive legislative agenda and a willingness to fight for working people:

- Senator Corzine has been a leader in the fight against President Bush's plan to privatize Social Security, noting that the plan will most certainly reduce benefits.
- Senator Corzine is in favor of defined benefit pensions and promises to make no changes in the current plans unless negotiated with the union.
- Senator Corzine voted against President Bush's plan to make changes to

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From The Shoulder

by President Jim Marketti

Unions representing about a third of the membership of the AFL-CIO have disaffiliated in the past month. These include the Service Workers International Union, the Teamsters and the United Food & Commercial Workers. UNITE-HERE (the needle trade/hotel-restaurant union) is expected to follow shortly.

This split follows nearly a year of debate about the structures, policies, and direction of the national labor federation. The departing unions have argued that the AFL-CIO should be reorganized from about 65 national unions to about 16 national unions whether the members of those unions want it or not. They want new rules limiting which unions can represent which workers in which industries (pointing out that 30 different unions now represent workers in the health care industry). And, the dissidents claim they want to spend more money on organizing the unorganized (although it is hard to find anyone who disagrees with them on this point).

Strenuous efforts were made by unions (including CWA) staying inside the

AFL-CIO to make compromises that would accommodate the dissident unions. In the end, it was their demand that national unions be merged against their will and that unions will be told where they can and cannot organize which made resolution impossible.

Workers join a particular union for a large variety of reasons. Maybe its because a union is strong in the community, or because it has democratic bylaws, or its leadership is well known and trusted. Putting limits on which union an unorganized worker can join is not likely to help give them the confidence to become unionized.

Nor is dismantling long established unions to narrow the numbers likely to make union members any more confident or attached to their union. The leader of one of the dissident unions has stated that in his opinion, local unions are things of the past. In his union, he has reorganized local unions into regional unions which sometimes cover more than one state. They may be more efficient to administer, but members complain that they have little democratic control over such large organizations.

It does not help the cause of labor to have the kind of split the AFL-CIO is experiencing. Fewer numbers in one organization means that the powers that be pay less attention to our voices. It

gives labor's enemies the opportunity to play one group off against the other. And, it may lead to warfare among existing unions over who should represent who as one group is tempted to raid another.

The press seems to be focusing on the split in the AFL in the 1930's as a measure of what the current split could mean. In my opinion, it would be better to look at a split that occurred in the 1970's when the United Auto Workers and Teamsters left the AFL-CIO to form the Alliance for Labor Action. After a few years of wandering in the wilderness, the Auto Workers and Teamsters returned to the fold. The current spat could be just that. Hopefully, it will not be long before the parties kiss and make up. □

Corzine *continued from page 1*

the Fair Labor Standards Act, resulting in the loss of overtime pay for millions of workers.

- Senator Corzine was an original co-sponsor of the Employee Free Choice Act. This legislation is meant to keep employers from threatening and intimidating workers interested in joining a union or negotiating a first contract.
- Senator Corzine has stated that he favors extensive cost analysis before any privatization initiative is started.
- Senator Corzine fought to protect Federal jobs by voting against the outsourcing of that work overseas.
- Senator Corzine has been a leader on health care, both in his efforts to cut costs for families and make prescription drugs more affordable, as well as in his proposals to expand coverage to the uninsured.
- Senator Corzine has vowed to honor the collective bargaining agreement covering state workers and will not seek to reopen negotiations on any issues prior to the commencement of negotiations for a successor.

Beginning in the fall, Local 1032 will be actively involved in efforts to mobilize support for the Corzine campaign. More information on labor to labor walks, phone banks, and other opportunities will be available in the next issue of *On The Move* and on our website: www.cwalocal1032.org. □

ON THE MOVE is a publication of Local 1032, Communications Workers of America, AFL-CIO.

OFFICERS: Jim Marketti, President; Michael DeSiena, Executive Vice-President; Jeanne Majors, Secretary; Paul Pologruto, Treasurer; State Bargaining Unit Vice-Presidents: Ron Schwaeble, Administrative-Clerical; Larry Gustin, Professional Unit; Alan Hardy, Primary Level Supervisor Unit; Vince Anepete, Higher Level Supervisor Unit, Robert Teets, Local Government Vice President, Jim Bailey, Other Sectors Vice President.

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or call 1-800-882-1032

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Notice of Nominations



TO: All Members of CWA Local 1032
FROM: Local 1032 Elections Committee
DATE: August 22, 2005

Elections for Local Officers (President, Executive Vice-President, Secretary, and Treasurer), State Executive Branch Bargaining Unit Vice-Presidents (Administrative Clerical, Professional, Primary Supervisors, and Upper Level Supervisors), and Sector Vice Presidents (Local Government and Other Sectors - including Port Authority, Judiciary and private sector workers) will be conducted in October. Elections for Branch Officers will be conducted in December and a subsequent notice of nominations will be sent out for those elections. Any member in good standing may file a petition to run for the offices listed below. The number of signatures needed is listed beside the office. Signatures must be from members only within the unit office sought.

Local Officers

- Local President 50 Signatures
- Local Executive Vice-President 50 Signatures
- Local Secretary 50 Signatures
- Local Treasurer 50 Signatures

Bargaining Unit Vice-Presidents (For State Executive Branch Bargaining Units Only)

- Administrative-Clerical Unit 25 Signatures
- Professional Unit 25 Signatures
- Primary Level Supervisor Unit 25 Signatures
- Higher Level Supervisor Unit 15 Signatures

Sector Vice-Presidents

- Local Government Units 25 Signatures
- Other Sector Units 25 Signatures
(Port Authority, Judiciary, Private Sector)

It must be understood by each candidate that election to any of these offices will mean placement on the Executive Board of Local 1032. The Executive Board meets monthly and attendance is required.

Petitions for nominations to all offices may be obtained at the Local Union office:

CWA Local 1032
67 Scotch Road, Ewing, NJ 08628
(609) 434-1032

You may also call the Local Union office to arrange for petitions to be mailed to you. Completed nomination petitions for Local Officer or Vice-President must be forwarded to Local 1032 office at the address above and received not later than 5:00 PM on Monday, September 26, 2005.

“The nomination of a person for the office of Local President or Local Executive Vice-President shall also constitute the nomination of the same person as a delegate to CWA National Convention held during the term for which the election is being conducted.”

Following is the Election Procedure:

1. All members of CWA Local 1032 in good standing as of September 20, 2005 are eligible to vote.
2. The CWA Local 1032 Election Committee will supervise the conduct of the election up to and including the counting of ballots.
3. Any candidate who has submitted at least the minimum number of nominating signatures on a petition will be eligible to request and receive mailing labels of eligible voters. The request should be made to the Election Committee Chair. The cost of the mailing labels will be \$25.00 per full set of all members’ names and addresses. Candidates may also arrange to have their literature mailed from the Local Union office but must pay the expense of doing so in advance.
4. Each candidate may have observers present at the counting of the ballots. Time off from work to observe is at the expense of the observer. Ballots will be counted on Monday, October 31, 2005 starting at about 9:30 a.m. in Local 1032’s Ewing office.
5. The following schedule will be observed for the election:
 - September 26th nomination petitions return deadline
 - September 27th candidate eligibility verified by Election Committee
 - October 3rd ballots mailed
 - October 28th ballot return deadline
 - October 31st ballots counted



Testimony of Jim Marketti, President Benefits Review Task Force

July 14, 2005

Despite all of the overblown press print and demagogic speechifying always focusing on extreme cases, the average annual retirement allowance paid by PERS is quite modest. The average state worker retiree collects a pension allowance of \$17,902 a year. For local government retirees, the average pension allowance collected is \$11,216 (Fiftieth Annual Report of the PERS Actuary, Prepared as of July 1, 2004). On reflection, this should not be surprising. Many retirees have not made a full career of public service and therefore collect only partial benefits. Further, the Public Employee's Retirement System is, for the most part, a working woman's pension fund. More than 60% of the pension eligibles in the System are working women, many of whom have made long careers of working in low paid government administrative and clerical positions and can look forward to only modest pensions when they retire. Anyone who says that average public employees are getting rich off a PERS pension is talking through their hat.

"Since 1997, the State and Local Employers have under contributed (to the pension funds) based on normal contribution requirements, to the tune of

approximately \$5.5 billion." So testified Fred Beaver, Director of the NJ Division of Pensions and Health Benefits before the NJ Senate Government Committee, March 7, 2005. Public employees pay 5% of their gross salary into the pension plan. If the State, Counties and Municipalities don't pay their fair share, of course the funds will run short. What are they thinking? There are no free rides. The pension obligations may not be paid, but they are always there. Public employers must pay their fair share of the obligations.

State pension funds lost \$20 billion between 2000 and 2002 because the State Investment Council invested too much money in "large cap" stocks. When the market collapsed, pension assets evaporated. Now under new leadership, the Council has another genius strategy – invest in hedge funds, venture capital, private equity, and real estate, and, pay private brokers millions of pension dollars to do so, all without legislative oversight or approval. Given its track record, why would anyone trust the State Investment Council to safeguard pension monies for workers and taxpayers? The Legislature should put strict regulations on the Council's activities to head off yet

another disaster. We don't need "Enron By The Turnpike" running amuck with our money.

Let us turn now to the various abuses of the pension funds that need to be addressed. The members of my union have always been disturbed by these abuses and so should you.

Pension Tacking – Usually this involves lawyers and politicians who "tack" several government jobs together to create a huge public paycheck. According to a recent news report, one municipal judge holds the position in eight municipalities and will be paid a total of \$268,284 this year. His pension will be based on those earnings. "Tacking" should be strictly limited by law for pension credit purposes.

Pension Boosting – An employee, usually politically connected, works in a modest paying government job for most of his or her career and then is suddenly appointed to a high paying position for the last years before retirement and reaps the reward of a much enhanced pension based on the last three years of earnings. The poster boy for this activity is the Governor's brother, Robert, a state deputy attorney general who added \$33,000 a year to his retirement package by signing on to help the Union County prosecutor with organized crime cases. His \$93,268 state salary was "boosted" with an additional \$46,731 from Union County. His pension was "boosted" accordingly. "Boosting" should also be strictly limited by law for pension credit purposes.

Pension Gifting – Thousands of part-time elected and appointed officials in local government work at low pay but gain a year of credited pension service for each year in office. Then they arrange a full time appointment for the last three years of their career and their pension is based on the earnings for the last years but as though they had worked 25-30 years of full time public service. I once sat on a task force organized by a



President Jim Marketti discusses pension and benefit issues at the Branch 1 and 9 meeting.

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Testimony of Dudley Burdge, Senior Staff Representative Benefits Review Task Force

July 14, 2005

My testimony will touch on six areas of health care coverage and spending that have not received sufficient attention.

1. **Treasurer John McCormack's attack on worker health benefits.**

For the first two and one half years of the current administration, not a single meeting of the Health Care Cost Containment Committee was held despite many union requests. Constant delay has characterized the McCormack group since then. For instance, though it was agreed in early May of this year to hold another meeting, the unions still have not received any dates.

Furthermore, most informed observers agree that increasing generic drug usage is a major way of reducing health care costs. This administration seems content with the status quo in which twelve employees of a PBM that contracts with a state contractor (Horizon Blue Cross) attempt to counteract the efforts of an army of many hundreds or thousands of brand name drug company detail people who influence the physicians for the 3 million Horizon subscribers.

Given this do-nothing or do-little attitude, it is no surprise that in 2003 New Jersey ranked dead last in generic drug usage for state employees and retirees. (2003 Segal State Health Benefits Survey: Prescription Drug Coverage for Employees and Retirees, The Segal Company)

Instead of working with its unions on health care cost containment, McCormack has instead exaggerated health care problems.

The Treasury has predicted 20% increases per year for state worker health benefits for the next five years. There is no rational basis for this prediction; it is made up out of thin air. For instance, health care rate increases for active state workers for 2005 *average less than three percent*. We consulted the publicly available statements of four major national and

international health consulting groups and two leading health policy publications. All six agree that health care costs are headed down after a peak in 2002-2003. Their prediction of health care cost increases are in the 6 to 8% range for 2005 and 2006.

So how did the Treasury create its 20% a year prediction? They could not have relied on Mercer Consultants who they hired to look at the State Health Benefits Plan. Mercer thinks that overall health care costs to employers will increase by 6.6% in 2005.

2. **New Jersey's Health Care Costs for Active State Employees are lower than comparable states. Collective bargaining is primarily responsible.**

In 2003, the Segal Company's Survey of State Health Benefits found that the actual cost to New Jersey for employee health care was less than other northeastern states. In some cases New Jersey's costs are dramatically lower; for instance, state costs for family coverage were one third higher in Massachusetts.

This trend is despite New Jersey's high cost health care market. The NJ Business and Industry Association reports that health insurance costs in NJ are the highest in the nation. Data from the American Hospital Association show that hospital costs in New Jersey are higher than surrounding states; for instance, the average New Jersey cost for a hospital day is 22% greater than in Pennsylvania.

3. **Health Care Costs for New Jersey Governments have grown less than costs for New Jersey Private Sector Employers.**

Health plan rate increases for New Jersey state workers have averaged below 10% for the last three years. However, according to the New Jersey Business and Industry Association's survey of health care costs, employer costs for health care benefits increased by 11% in 2004, 13% in 2003 and 15% in 2002.

4. **New Jersey's low health care costs for state employees stem from having an atypically high percentage of employees in intensive managed care. This is a direct result of collective bargaining agreements.**

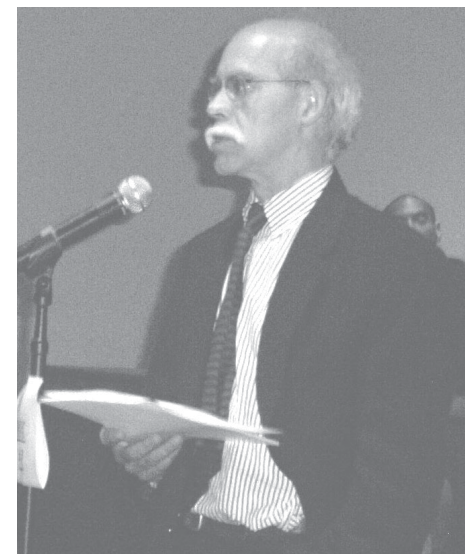
Over 92% of state employees are in either an HMO or the Point of Service plan (NJ Plus.) This is a much higher percentage of state employees in intensive managed care than in most other states.

This is a direct result of collective bargaining agreements negotiated between the state and its unions from 1995 to the present that have provided incentives for state employees to join managed care plans.

5. **New Jersey does a poor job of maximizing potential savings from increasing generic drug usage and bulk purchase of drugs.**

I've already discussed our generic problem; effective programs of member and physician education, a substantial anti-detailing evidence based outreach to physicians, and a commitment to generic usage by the Governor and others is needed, but we are nowhere close to implementing such as effort.

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Senior Staff Representative Dudley Burdge

Local 1032 Spring/Summer Photo Album...



Clockwise from top left: DOT Steward Dot Coffee (left) and former 1032 member Jean Blakesee-Malpus at the May 16th Rally; Stewards Jim Darrar (DOT Central, left) and Bill Piedra (DOT HQ) on their way to the May 16th Rally; DOT South members at the May 16th Rally to Protect Our Pensions; Gateway CSR Stewards pose for a picture after training in Newark; new State Stewards at the Local office for training; OIT Stewards Lary Gustin (left) and Alan Hardy at the May 16th Rally; Judiciary Stewards Sue Norris (left), Ray Eckenrode (center), and Lisa Morton (second from right) participate in a mock hearing during JCAU training.

LEGISLATIVE UPDATE:

The end of the legislative session included passage of several bills of interest to CWA members.

Codey Signs Bill to Allow Unrepresented Supervisors and Professionals to Join CWA

As we have reported in previous issues of *On The Move*, during negotiations for the current contract, CWA and the state agreed to a procedure that would allow currently unrepresented supervisors and professionals improperly classified as “managers” to be included in one of the CWA bargaining units (Professional, Primary Level Supervisor, Higher Level Supervisor). By doing so, people in these titles would receive all the benefits of the CWA contract, including regular raises.

Last year we were ready to proceed with this process, the key part of which was a review by James Mastriani of the NJ Board of Mediation to determine if the titles placed before him were appropriate for inclusion in a CWA bargaining unit. However, the Public Sector Manager’s Association (PSMA) filed a petition at the Public Employment Relations Commission seeking to represent a new, even higher-level, supervisors unit. They proposed to represent currently unrepresented titles above range 26. Some of the titles sought by PSMA for inclusion in their proposed bargaining unit overlapped with those that we maintained were doing current CWA bargaining unit work and essentially halted the process we negotiated with the state. It appeared that it would take years before the PSMA petition was adjudicated.

However, in June, the state legislature passed a bill that limits the number of bargaining units in state government. Acting Governor Codey signed the bill into law in July. Without the option of creating another bargaining unit, the PSMA petition is now moot. Accordingly, we have asked PERC to dismiss the petition, at which point will commence the process originally negotiated with the State.

Card Check Legislation Passes

Acting Governor Codey signed into law legislation that will allow certain workers not covered under the National Labor Relations Act to form a union by having more than 50% of a potential unit sign authorization cards. This process would allow workers to exercise their rights to union representation without being subjected to lengthy, and often contentious election drives during which employers wage vigorous anti-union campaigns by threatening and intimidating workers into voting “No.”

This legislation received strong bipartisan support and has long been a legislative priority for CWA and the State AFL-CIO.

Offshore State Contracts Banned

New Jersey now has the strongest law in the USA restricting state contracting outside the US. CWA Local 1032 has worked tirelessly to achieve this result.

On May 5, 2005, Acting Governor Codey signed S494 (Turner/Coniglio, Gusciora/Van Drew) into law. S494 requires that State

contracts primarily for the performance of services require that all services provided, including subcontracted services, be performed in the United States. New Jersey became the fifth state to pass such legislation and arguably the one with the strongest law. The law supercedes an Executive Order restricting offshore contracting signed by former Governor McGreevey. The Executive Order contained several loopholes allowing the state Treasurer to continue offshore work that are eliminated by the new law.

The law covers all state contracts including those of the legislature and independent authorities and commissions. It does not cover local governments in New Jersey. The sole exemption is in a case where it is found and certified that the service is required and cannot be provided by a contractor or subcontractor within the US.

The law requires the state Treasurer to review all ongoing state contracts to determine whether any existing state services are being performed outside the US and to report his findings within nine months.

The new law is particularly important to members of CWA Local 1032 working in information technology at the Office of Information Technology and the Department of Transportation and to other CWA members working in IT throughout the state. □

ORGANIZING UPDATE:

Local 1032 won two elections this spring that have brought 90 new members into the Union. On April 22, 2005, PERC conducted a mail ballot election with employees from Passaic County Nutrition – Meals on Wheels. The election results were 29 for CWA and 3 for Local 911. Local 911 is the same union that represented employees at the Passaic Valley Water Commission and the Borough of Bloomingdale, both of whom are also now represented by Local 1032.

Employees from Roxbury Township, who were also represented by Local 911, demonstrated an interest in switching unions when they reached impasse in negotiations for a new contract with no plan for mobilization. During this campaign, Local 911’s representative abandoned the workers. After an unfair labor practice was filed by Local 911 at PERC, the Union refused to handle it after their new leadership took over further frustrating the Roxbury employees. PERC conducted an election on May 26, 2005 with CWA receiving 34 votes and 911 receiving 2.

Contract negotiations for both groups have since commenced.

If you know somebody you think might be interested in forming a union or who just wants to have an initial conversation about the benefits of unionization, please call Mickey Santiago at 973-589-1544, or 1-800-882-1032. □

AROUND DOT – WHAT'S NEW?

Update: Elevator Repairs at DOT Headquarters

Local 1032 has received a revised timeframe to remedy ongoing health and safety complaints regarding the elevators at DOT Headquarters.

According to DOT, the official Notice to Proceed was given to Birdsall Engineering, Inc. (BE) by the New Jersey Building Authority (NJBA) on July 26, 2005. A kick-off meeting was held at the DOT the next day. A revised, detailed design schedule was prepared by BE and field inspections took place in early August.

Preliminary and final design efforts should be completed by mid-November of this year. Acquiring the necessary permits, bidding and awarding a construction contract should be completed on or before January 6, 2006 with construction of the three building's elevator systems to be completed by the end of November 2006.

This is the most recent information provided by DOT. We will continue to monitor the progress and will provide updates as they become available.

CWA and DOT developing training to help members with exam applications

“Why wasn't I admitted to the promotional exam?” This is one of the most common questions we receive from members at DOT and the answer often depends on whether or not a member successfully navigated the DOP bureaucracy when filling out the application – something that is not easy to do given the lack of information available and the mystery surrounding the process.

In response to this question and the general lack of awareness regarding DOP procedures and the application process, Local 1032 and DOT are working together to help members understand how to fill out promotional applications completely and with enough detail so that the reviewers can make the determination needed to admit them. Many times, members are not admitted because they do not give DOP enough information to show that they have the required education and experience. The key to a successful application is to **make no assumptions** when completing it. The reviewer isn't going to know enough about your work to understand all the terminology and subtleties of the job. Applicants must spell everything out – no detail is too small.

More information will be available in the coming months. In the meantime, please contact Mike DeSiena at 1-800-882-1032 if you have any questions about the process. □

Marketti Testimony *cont. from page 4*

legislator to study this problem. The task force could not reach any conclusions because municipal representatives on it said they would not be able to recruit qualified people to serve in their part time posts without offering them this carrot. Apparently, the assumption is that the stability of the pension funds must be sacrificed to promote the alleged benefits of “home rule”. One way to limit the impact of this practice would be to require that political subdivisions which adopt the practice pay retroactively the full unfunded liability they create for the pension funds.

Special Deals – For years, the Legislature has added individuals and groups of individuals to the pension rolls without consideration of the unfunded liability brought to the funds by those additions. For example, in 2001, the Legislature added several hundred County Prosecutors and their Assistants to PERS and made them pension eligible even though many had not contributed a single dime to the pension system. Even more outrageous, the Legislature provided the prosecutors substantially larger benefits than normal PERS retirees receive. The Legislature added no extra money to the PERS fund to pay for the pensions the newly eligible prosecutors would receive. Why do the special few get a free ride?

I ask you to not resolve this crisis by laying it on the backs of hard working public employees who have made their just contributions to their pension plan and have regarded their modest pensions as an integral part of their compensation package. If you do harm to public employee pension benefits, you may gain the applause of the Asbury Park Press editorial board but you also gain the jeers and shouts of the hundreds of thousands of pension plan participants and their families, as well as the sound of their many feet walking – if to no other place, than to the exit door of public service. □

Burdge Testimony *cont. from page 5*

The failure of the State Health Benefits Plan to directly contract with the Pharmacy Benefit Manager (PBM) is a concern (Horizon Blue Cross contracts directly with the PBM). Since the state is denied adequate information on rebates and other incentives received by the PBM or Horizon from the drug companies, we don't know if the state is receiving the maximum rebates possible or if these incentives adversely impact on generic drug usage.

Bulk purchase of drugs together with other state agencies and/or other states isn't even on the agenda. It needs to be there.

6. **New Jersey will get approximately \$60 million per year from Medicare beginning in 2006 for its retiree prescription drug program.**

In response to an inquiry from the Office of Legislative Services, the Treasury has stated that the state expects to receive approximately \$60 million per year from Medicare as an employer subsidy for maintaining a prescription drug program for Medicare eligible retirees. □

DOT Retiree Speaks Out Against Eliminating the Cap on Out-of-Pocket Prescription Costs

On July 20, 2005, the State Health Benefits Commission held a day-long public hearing at the War Memorial in Trenton on the proposed rule change that would eliminate the out-of-pocket maximum that limits how much retirees pay a year for prescription drugs. Currently \$552 per year, the proposal to remove the cap is an attack on retirees by shifting the cost of prescription drugs onto those who need the most protection from such increases. Clearly part of the ongoing assault on state worker benefits and retirement security, this hearing drew thousands of interested public employees and union members who rallied and testified against the change as part of a widespread mobilization effort to protect retirement security and benefits.

Retired DOT employee and Local 1032 member Ron Whiteside was among those that spoke to the Commission and offered his own story as evidence of the impact that this would have on retired state workers and their families.

After spending 35 years as a Highway Construction Inspector in the Northern region of DOT, Mr. Whiteside retired three years ago. The hearing came at a perfect time to illustrate the importance of retaining the cap. Just two days prior, Mr. Whiteside's wife reached her out-of-pocket cap for 2005, meaning she had spent \$552 on prescriptions for the first six and a half months of the year. "My wife currently takes nine different drugs to fight Leukemia and diabetes," Mr. Whiteside testified. "By my calculations, if there were no cap this year, my wife's out-of-pocket costs would increase to over \$1,600. And that's not even considering the fact that she may need to take additional medications at some point. I too will reach my out of pocket maximum before the end of the year. We are both retired and live on fixed incomes – we simply can't afford these drugs if this rule change is imposed."

In an effort to save money, the Whiteside's obtain all of their prescription drugs via mail order. On the issue of generic drugs, however, Mr. Whiteside testified that doctors have stated there are differences between the generic and name brand drugs Mrs. Whiteside uses and have not advised any substitution. "For the most expensive drug she is taking," Mr. Whiteside added, "there isn't even a generic substitute available. That drug alone costs \$28,000 per year. And because of the cost, the company that dispenses the drug requires a special override. There have been times when we couldn't get anyone to authorize the override and my wife ran out of the prescription. The bureaucracy is horrible"

Mr. Whiteside concluded his testimony by pointing out that by chipping away at retiree benefits, the State is not honoring its commitment to public workers. "What bothers me most is the fact that the State now feels it can back out of the deal. As public employees, we never made much money, but we knew we could count on



Ron Whiteside stands outside the War Memorial before the July 20 rally.

health benefits and a pension when we retired. And now, rather than looking at the root of the problem, they are breaking that promise by attacking the very benefits we rely on." □

Local 1032 Scholarship Winners

Congratulations to the 2005 CWA Local 1032 Scholarship Winners. Each recipient will receive \$1000 towards the 2005-2006 academic year. Information on 2006 scholarships will be available next spring.

For more information, call the Local office at 1-800-882-1032.

Scholarship Winner

Lauren H. Adams
Bindu V. Darji
Erin Lynn Flanagan
Allison Nicole Jones
Aanal R. Patel
Amee A. Patel
Bhavi M. Patel
Amy Pospiech
Nikita J. Rana
Joseph M. Runkel
Manasi Samir Shah
William Shaw
David Scott Trinkler
Catherine R. Weissman

Member

Glenn D. Adams
Vijesh N. Darji
Robert Flanagan
Michelle Jones
Rashmin Patel
Ashwin Patel
Mahesh Patel
Paul Pospiech
Jayantilal Rana
Lorna Runkel
Samir D. Shah
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Employer

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DOT Safety and Health Committees Tackle Tough Issues

In an effort to be proactive regarding health and safety issues at the Department of Transportation, a committee structure has been established that will allow labor and management to respond to health and safety complaints and develop procedures and training opportunities to ensure worker health and safety on the job. The committees include representatives from all areas yet are small enough to be productive and action-oriented.

Purpose and Responsibilities

Quarterly Committees – These committees exist to consider important Departmental health and safety matters and to make recommendations concerning improvements on modifications regarding health and safety conditions. The purpose of the Committee is both advisory and decision-making. The Committee is a co-operative effort between labor and management representatives to ensure that appropriate preventative measures are established to reduce injuries.

Executive Safety and Health Committee – The status of the items addressed at the Quarterly meetings are presented to this committee, which includes Union Officials, Deputy Commissioner and Assistant Commissioners.

The Committee will also:

- Provide advice for the department's health and safety program. When necessary, subcommittees will be formed to work on specific issues and conduct random walkthrough inspections of facilities or work sites. Subcommittees will report back to the Committee on their findings.
- Review and assist in developing local work site mechanisms for identifying, reporting, and correcting health and safety hazards.

- Recommend needed safety equipment for compliance with federal and state laws/regulations.
- Discuss health and safety incidents and corrective action reports and advise on procedures necessary to administer an effective prevention and control program.
- Develop and disseminate periodic appropriate health and safety information.
- Raise issues at impasse or of a policy nature to the Executive Joint Labor/Management Safety and Health Committee.

Current/Ongoing Projects and Initiatives

- Work zone sub-Committee will be reconvening to work on developing additional work zone charts, e.g. Ramp Work, Electrical Operations, etc.
- Safety Work Attire – Evaluating the possible use of Safety Shirts in place of vests during the warmer months.
- Facility Checklist inspections were performed using labor and management representatives.
- Evaluation of new and innovative safety equipment, e.g. automatic cone placement device, Balsi Beam (a device to protect workers from lateral work zone intrusions).

Members are encouraged to suggest issues that are appropriate for the Committee to consider to Michael DeSiena, Executive Vice-President, CWA Local 1032. Mike can be reached at: 1-800-882-1032. □

Sussex County Workers Ratify New Contract

In April, the Sussex County membership overwhelmingly approved a new contract with the County.

The contract will run through 2007 with increases of 3.75% each year. In addition, on July 1 of each year of the contract salaries will go up by an additional \$400 to compensate employees for an increase in the prescription co-pay.

Significant improvements were made elsewhere in the agreement. Out of title pay restrictions were removed making it easier to receive compensation for out of title work. The shift differential language was also changed which will result in many more members receiving this benefit. Members were especially pleased that a system for reviewing job title placement in the

salary ranges was put into the agreement. Improvements were also made in longevity, meals allowance, guaranteed call out pay for overtime, health and safety language, and time off for steward training.

A new prescription drug program that substantially increases the cost of so-called non-preferred drugs was poorly implemented by the County resulting in many employees being overcharged. This is being addressed through the grievance procedure and by calls to the County Personnel office. Employees with ongoing problems in this area are encouraged to call the Union office at 973-579-7539. □

CWA LOCAL 1032

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Local 1032 General Membership Meeting

Thursday, September 22, 2005

6:00 P.M. - Dinner
6:30 P.M. - Meeting

The Palmer Inn

3499 Route 1 South, Princeton, New Jersey

The Local's FY 2006 Budget will be discussed and voted on at this meeting.

RSVP: Please call the Local office by September 20, 2005 if you plan to attend the dinner, or need directions.

Dinner Options: Stuffed Flounder, Beef Tips, Chicken Francese, Pasta with Vodka Sauce

CWA Local 1032: 1-800-882-1032