# [First Reprint] ASSEMBLY, No. 5862

# STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 9, 2021

Sponsored by: Assemblyman JOHN ARMATO District 2 (Atlantic) Assemblywoman ANNETTE QUIJANO District 20 (Union) Assemblyman DANIEL R. BENSON District 14 (Mercer and Middlesex)

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#### SYNOPSIS

"Responsible Collective Negotiations Act."

### CURRENT VERSION OF TEXT

As reported by the Assembly Budget Committee on June 22, 2021, with amendments.



(Sponsorship Updated As Of: 6/24/2021)

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AN ACT concerning public employment relations, amending
 P.L.1967, c.310 and P.L. 2018, c.15, and supplementing Title 34
 of the Revised Statutes.

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**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

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8 1. (New section) This act shall be known and may be cited as9 the "Responsible Collective Negotiations Act."

11 2. (New section) It is hereby declared as the public policy of 12 this State that the public interest is best served in the prompt 13 settlement of labor disputes and in achieving cost effective and creative solutions to ensure the efficient delivery of public services 14 15 and that policy is best achieved by entrusting democratically elected 16 government officials with broad authority to negotiate over the 17 terms of employment of their employees; that the constitutional mandate that public employees have the right to organize and 18 19 present grievances to their employers will be promoted by the 20 establishment of an system of collective negotiations between public employers and the representatives of public employees that 21 22 includes all matters that intimately and directly affect employee 23 work and welfare, unless a negotiated agreement would prevent 24 government from carrying out its statutory mission; and that when 25 public employers and employee representatives agree upon subjects 26 of collective negotiations, it is in the public interest that those 27 agreements are enforceable by both public employee organizations and public employers and that the parties to a collective 28 29 negotiations agreement respect and abide by their mutual promises 30 and agreements.

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32 3. (New section) Notwithstanding any provisions of the "New 33 Jersey Employer-Employee Relations Act," P.L.1941, c.100 34 (C.34:13A-1 et seq.), or any other law to the contrary, as used in 35 sections 1 through 9 of P.L. , c. (C. )(<sup>1</sup>[now]<sup>1</sup> pending 36 before the <sup>1</sup>[legislature] Legislature<sup>1</sup> as this bill):

a. The term "commission" means the New Jersey PublicEmployment Relations Commission.

b. The term "employer" means the State of New Jersey, or the
several counties and municipalities thereof, or any other political
subdivision of the State, or any special district, or any county college,
or any authority, commission or board, or any branch or agency of the
public service, except that the term does not include any local or
regional school district, or board or commission under the authority of
the Commissioner of Education or the State Board of Education.

**EXPLANATION** – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

Matter enclosed in superscript numerals has been adopted as follows: <sup>1</sup>Assembly ABU committee amendments adopted June 22, 2021.

1 c. The term "employee" means an employee of an employer as 2 defined by subparagraph b above, but does not include firefighting 3 employees of public fire departments or employees engaged in 4 performing police services for public police departments as those terms are defined by section 2 of P.L.1977, c.85 (C.34:13A-15)<sup>1</sup>, 5 6 except that, for the purposes of sections 6 through 9 of P.L., c. (C.) 7 (pending before the Legislature as this bill), the term "employee" also 8 includes firefighting employees of public fire departments or employees engaged in performing police services for public police 9 10 departments as those terms are defined by section 2 of P.L.1977, c.85 11  $(C.34:13A-15)^{1}$ .

d. <sup>1</sup>["Terms and conditions of employment" are all matters that 12 13 intimately and directly affect the work and welfare of public 14 employees. Examples of terms and conditions of employment include, 15 but are not limited to: compensation; hours and schedules of work; 16 fringe benefits; layoffs; subcontracting and privatization; criteria and 17 procedures for promotions, performance evaluations and hiring; 18 transfers of employees; assignments and reassignments of employees; 19 transfer of negotiations unit work; and job security, discipline disputes 20 and disciplinary review procedures.

e. "Disciplinary review procedures" are procedures to review all forms of discipline, including but not limited to, oral and written reprimands, written warnings, suspensions with and without pay, fines, terminations, non-renewals, non-reappointments, demotions, disciplinary transfers and all other adverse personnel actions based on employee performance or conduct.

f.]<sup>1</sup> The terms "employee organization" and "majority representative", unless otherwise specified, means the "exclusive majority representative" either certified by the commission or recognized by the public employer.

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<sup>1</sup>4. (New section) Notwithstanding any provisions of the "New
 Jersey Employer-Employee Relations Act," P.L.1941, c.100
 (C.34:13A-1 et seq.), or any other law to the contrary:

35 Permissive subjects for collective negotiation involving the a. several counties and municipalities, and any authorities, boards, 36 37 commissions or other instrumentalities of the several counties or 38 municipalities, shall include all terms and conditions of employment that are not otherwise mandatorily negotiable and that intimately and 39 directly affect employee work and welfare, unless those subjects are 40 41 specifically exempted from collective negotiations by State statute, 42 or unless a negotiated agreement would prevent government from 43 carrying out its statutory mission. Mandatory subjects for collective 44 negotiation involving public employers other than the several 45 counties and municipalities, and any authorities, boards, commissions or other instrumentalities of the several counties and 46 47 municipalities, shall include terms and conditions of employment

1 that intimately and directly affect the work and welfare of public 2 employees and that are not specifically exempted from collective 3 negotiations by State statute, unless a negotiated agreement would 4 prevent government from carrying out its statutory mission. 5 Statutes and administrative regulations that set terms and conditions 6 of employment or that grant public employers authority over terms 7 and conditions of employment do not preempt collective 8 negotiations and do not supersede the provisions of any negotiated 9 agreement, except that terms and conditions of employment set by 10 statutes and regulations shall not be diminished by a negotiated 11 agreement. 12 b. Parties may agree to submit disputes about whether a matter is 13 within the scope of collective negotiations to the commission, pursuant 14 to the authority vested in it by subsection d. of section 1 of P.L. 1974, 15 <u>c.123 (C.34:13A-5.4).</u> 16 c. Grievance procedures shall provide for binding arbitration as 17 the means for resolving disputes over the application, interpretation or 18 violation of the terms of a collective negotiations agreement entered 19 into by the parties. With respect to the discipline of employees without 20 statutory protection under tenure or civil service laws, binding 21 arbitration shall be the final dispute resolution mechanism of any 22 dispute regarding whether there is just cause for a disciplinary dispute, 23 including, but not limited to, reprimands, withholding of increments, 24 termination or non-renewal of an employment contract, expiration or 25 lapse of an employment contract or term, or lack of continuation of 26 employment, irrespective of the reason for the employer's action or 27 failure to act. In arbitration, the burden of proof shall be on the 28 employer. Parties may negotiate alternative disciplinary review 29 procedures that may provide for binding arbitration as the means for 30 resolving disputes involving discipline of employees with statutory 31 protection under tenure or civil service laws. For any collective 32 negotiations agreement in effect on the effective date of 33 P.L., c. (C. )(pending before the Legislature as this bill), subsection 34 c. of this section, shall become effective upon the expiration of that 35 collective negotiations agreement. 36 d. Notwithstanding the expiration of a collective negotiations 37 agreement, an impasse in negotiations, an exhaustion of the 38 Commission's impasse procedures, or the utilization or completion 39 of the procedures required by of P.L., c. (C. )(pending 40 before the Legislature as this bill) to resolve disputes involving 41 collective negotiations, and notwithstanding any law or regulation 42 to the contrary, no public employer, its representatives, or its agents 43 shall unilaterally impose, modify, amend, delete or alter any terms 44 and conditions of employment as set forth in the expired or expiring 45 collective negotiations agreement, or unilaterally impose, modify, 46 amend, delete, or alter any other negotiable terms and conditions of employment, without the specific written agreement of the majority 47 48 representative. Following contract expiration, and notwithstanding

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1 any law or regulation to the contrary, absent express language in a 2 collective negotiations agreement providing that a specific term of 3 the agreement will not continue after the expiration of the collective 4 negotiations agreement, all terms and conditions of the agreement, 5 including, but not limited to the payment of salary increments, shall 6 remain in effect following the agreement's expiration until the 7 parties reach agreement on a successor collective negotiations 8 agreement. 9 e. Notwithstanding any provision of this section, the Legislature 10 retains the right to exempt from collective negotiations subjects that 11 would otherwise be mandatory subjects of negotiations. 12 f. Notwithstanding any provision of this section, the resolution of 13 disputes concerning negotiations over terms and conditions of 14 employment shall not be subject to compulsory interest arbitration as 15 set forth in P.L. 1995, c. 425 (C.34:13A-14a et seq.).<sup>1</sup> 16 17 <sup>1</sup>5. (New section) The communications between a majority 18 representative of employees and its unit members regarding 19 collective negotiations, the administration of collective negotiations 20 agreements, the investigation of grievances, other workplace related 21 complaints and issues, or any other matters that are within the scope 22 of a majority representative's duty of fair representation, and internal union matters involving the governance or business of the 23 24 union, shall be treated as confidential communications and shall not 25 be subject to disclosure under the discovery rules of New Jersey 26 administrative agencies, including, but not limited to the Office of 27 Administrative Law and the Commission, or pursuant to section 17 of P.L.2003, c.95 (C.2A:23B-17), and other applicable state laws 28 29 authorizing arbitrators, presiding at labor arbitrations, to issue subpoenas.<sup>1</sup> 30 31 32 <sup>1</sup>[4.] 6.<sup>1</sup> (New section) Notwithstanding any provisions of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100

33 34 (C.34:13A-1 et seq.), or any other law to the contrary, if an 35 employee who does not pay dues to a majority representative 36 requests that the majority representative represent the employee in 37 arbitration proceedings to enforce the terms of the collective 38 negotiations agreement between the majority representative and the 39 public employer, including arbitration proceedings involving the 40 resolution of disciplinary disputes, the majority representative may 41 charge an employee for the cost of representing the employee in the 42 arbitration proceedings, and may decline to represent an employee 43 in the arbitration unless the employee agrees to pay for the cost of 44 the representation.

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46 <sup>1</sup>[5.] <u>7.</u><sup>1</sup> (New section) Only the parties to a collective 47 negotiations agreement shall have the authority to invoke the

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arbitration procedures of the agreement and the public employer
and the employee organization shall be the only parties to the
arbitration proceeding invoked pursuant to the collective
negotiations agreement.

<sup>1</sup>[6.]  $\underline{8.^{1}}$  (New section) An authorization card or petition 6 7 submitted to the Commission for purposes of conducting an election 8 to select a majority representative or certifying an employee 9 organization as the exclusive majority representative based on a 10 majority of employees in the unit signing authorization cards or a 11 petition, may bear the electronic signature of the employee, as the 12 term electronic signature is defined in section 2 of P.L. 2001, c. 13 116, (C. 12A:12-2).

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<sup>1</sup>[7. (New section) Notwithstanding any provisions of the "New
Jersey Employer-Employee Relations Act," P.L.1941, c.100
(C.34:13A-1 et seq.), or any other law to the contrary:

18 a. Mandatory subjects for collective negotiation in public 19 employment shall include terms and conditions of employment of 20 public employees that are not specifically exempted from collective 21 negotiations by State statute, unless a negotiated agreement would 22 prevent government from carrying out its statutory mission. 23 Statutes and administrative regulations that set terms and conditions 24 of employment or that grant public employers authority over terms 25 and conditions of employment do not preempt collective 26 negotiations and do not supersede the provisions of any negotiated 27 agreement, except that terms and conditions of employment set by statutes and regulations shall not be diminished by a negotiated 28 29 agreement.

b. Grievance and disciplinary review procedures shall provide
for binding arbitration as a means for resolving disputes involving
mandatory subjects for collective negotiations.

33 c. Notwithstanding the expiration of a collective negotiations agreement, an impasse in negotiations, an exhaustion of the 34 35 Commission's impasse procedures, or the utilization or completion 36 of the procedures required by of P.L. , c. (C. )(now 37 pending before the legislature as this bill) to resolve disputes involving collective negotiations, and notwithstanding any law or 38 39 regulation to the contrary, no public employer, its representatives, 40 or its agents shall unilaterally impose, modify, amend, delete or 41 alter any terms and conditions of employment as set forth in the 42 expired or expiring collective negotiations agreement, or 43 unilaterally impose, modify, amend, delete, or alter any other 44 negotiable terms and conditions of employment, without the 45 specific written agreement of the majority representative. 46 Following contract expiration, and notwithstanding any law or 47 regulation to the contrary, absent express language in a collective 48 negotiations agreement providing that a specific term of the

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agreement will not continue after the expiration of the collective negotiations agreement, all terms and conditions of the agreement, including, but not limited to the payment of salary increments, shall remain in effect following the agreement's expiration until the parties reach agreement on a successor collective negotiations agreement.]<sup>1</sup>

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8 <sup>1</sup>[8.(New section) The communications between a majority 9 representative of employees and its unit members regarding 10 collective negotiations, the administration of collective negotiations 11 agreements, the investigation of grievances, other workplace related 12 complaints and issues, or any other matters that are within the scope 13 of a majority representative's duty of fair representation, and 14 internal union matters involving the governance or business of the 15 union, shall be treated as confidential communications and shall not 16 be subject to disclosure under the discovery rules of New Jersey 17 administrative agencies, including, but not limited to the Office of 18 Administrative Law and the Commission, or pursuant to section 17 19 of P.L.2003, c.95 (C.2A:23B-17), and other applicable state laws 20 authorizing arbitrators, presiding at labor arbitrations, to issue 21 subpoenas. ]<sup>1</sup>

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23 9. (New section) Complaints issued based on a violation of 24 paragraph (3) of subsection (a) of section 1 of P.L.1974, c.123 (C.34:13A-5.4) shall be scheduled for hearing within 60 to 90 25 26 calendar days from date of complaint issuance, unless the parties 27 agree to extend the time for complaint issuance. Within 60 calendar 28 days of the filing of an unfair practice charge alleging the violation 29 the commission shall decide whether or not to issue a complaint. 30 The commission shall promulgate rules to provide for discovery 31 prior to the commencement of a hearing.

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33 10. Section 5 of P.L.2018, c.15 (C.34:13A-5.15) is amended to
 34 read as follows:

5. a. All regular full-time and part-time employees of the public employer who perform negotiations unit work shall be included in the negotiations unit represented by the exclusive representative employee organization.

39 b. Negotiations unit work means work that is performed by any 40 employees who are included in a negotiations unit represented by an 41 exclusive representative employee organization without regard to 42 job title, job classification or number of hours worked, except that 43 employees who are confidential employees or managerial 44 executives, as those terms are defined by section 1 of P.L.1941, 45 c.100 (C.34:13A-3), or elected officials, members of boards and 46 commissions, or casual employees, may be excluded from the 47 negotiations unit. Casual employees are employees who work an

average of fewer than four hours per week over a period of 90
 calendar days.

3 Every 120 calendar days beginning on January 1 following c. 4 the effective date of P.L., c. (C. )(now pending before the 5 legislature as this bill), public employers shall provide to an 6 exclusive representative employee organization in an Excel file 7 format or other format agreed to by the exclusive representative 8 employee organization, the following information for all employees 9 not represented by any exclusive representative employee 10 organization: name, job title, worksite location, work email and 11 work phone number. Within 30 days of a request by an exclusive 12 representative employee organization, a public employer shall 13 provide a job description for each non-represented employee, 14 including the names and job titles of all employees supervised by 15 the employer subject to the request.

16 <u>d.</u> Employees who are performing negotiations unit work and 17 who are not included in a negotiations unit because they did not 18 meet the threshold of hours or percent of time worked as set forth in 19 a certification of representative, recognition clause or other 20 provision in a collective negotiations agreement, shall be included 21 in the negotiations unit by operation of this act, within 90 calendar 22 days from the effective date of this act.

23 [d.] e. The Public Employment Relations Commission shall promulgate rules to implement this section, including rules to 24 25 resolve disputes over the inclusion of employees performing 26 negotiations unit work in the appropriate negotiations unit. The 27 rules promulgated by the commission shall provide for the 28 resolution of disputes that arise under this section, within 60 29 calendar days from the submission of the dispute to the commission 30 by either the exclusive representative employee organization or the 31 public employer.

32 (cf: P.L.2018, c.15, s.5)

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34 11. Section 1 of P.L.1967, c.310 (C.52:14-15.9e) is amended to
 35 read as follows:

36 1. Whenever any person holding employment, whose 37 compensation is paid by this State or by any county, municipality, 38 board of education or authority in this State, or by any board, body, 39 agency or commission thereof shall indicate in writing, including by 40 electronic communications, and which writing or communication 41 may be evidenced by the electronic signature of the employee, as 42 the term electronic signature is defined in section 2 of P.L.2001, 43 c.116 (C.12A:12-2), to the proper disbursing officer his desire to 44 have any deductions made from his compensation, for the purpose 45 of paying the employee's dues to a bona fide employee 46 organization, designated by the employee in such request, and of 47 which said employee is a member, such disbursing officer shall 48 make such deduction from the compensation of such person and

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1 such disbursing officer shall transmit the sum so deducted to the 2 employee organization designated by the employee in such request. 3 Employees who have authorized the payroll deduction of fees to 4 employee organizations prior to the effective date of the 5 "Workplace Democracy Enhancement Act", P.L. 2018, c.15 6 (C.34:13A-5.11 et seq.), may revoke such authorization by 7 providing written notice to their public employer consistent with the 8 terms of the authorization by the employee to have any deductions

9 made from the employee's compensation for the purpose of paying 10 the employee's dues to a bona fide employee organization, as those 11 terms are set forth on the writing signed by the employee 12 authorizing the payroll deduction of dues, provided the writing was 13 consistent with the law at the time the authorization was given. If 14 the writing was not consistent with law, the revocation of 15 authorization shall be effective on the dates provided by law at the 16 time the authorization was given.

17 Employees who have authorized the payroll deduction of fees to 18 employee organizations on or after the effective date of the 19 "Workplace Democracy Enhancement Act", P.L, 2018, c.15 20 (C.34:13A-5.11 et seq.), may revoke such authorization by 21 providing written notice to their public employer [during the 10 22 days following each anniversary date of their employment]. Within 23 five days of receipt of notice from an employee of revocation of 24 authorization for the payroll deduction of fees, the public employer 25 shall provide notice to the employee organization of an employee's 26 revocation of such authorization. An employee's notice of 27 revocation of authorization for the payroll deduction of employee organization fees shall be effective on the 30th day after the 28 29 anniversary date of employment.

Within five days of receipt of notice from an employee of
 revocation of authorization for the payroll deduction of fees, the
 public employer shall provide notice to the employee organization
 of an employee's revocation of such authorization.

34 Nothing herein shall preclude a public employer and a duly 35 certified majority representative from entering into a collectively negotiated written agreement which provides that employees 36 37 included in the negotiating unit may only request deduction for the 38 payment of dues to the duly certified majority representative. Such 39 collectively negotiated agreement may include a provision that 40 existing written authorizations for payment of dues to an employee 41 organization other than the duly certified majority representative be terminated. 42 Such collectively negotiated agreement may also 43 include a provision specifying the effective date of a termination in 44 deductions as of the July 1 next succeeding the date on which notice 45 of withdrawal is filed by an employee with the public employer's 46 disbursing officer.

This authorization for negotiation of exclusive dues deduction
 provisions shall not apply to any negotiating unit which includes
 employees of any local school district or county college.

As used in this section, dues shall mean all moneys required to be paid by the employee as a condition of membership in an employee organization and any voluntary employee contribution to a committee or fund established by such organization, including but not limited to welfare funds, political action committees, charity funds, legal defense funds, educational funds, and funds for donations to schools, colleges, and universities.

11 (cf: P.L.2018, c.15, s.6)

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13 12. This act shall take effect immediately.