

Office of the Governor

PO BOX 004
TRENTON, NJ 08625

NEWS RELEASE

CONTACT: Jayne O'Connor
609-777-2600

RELEASE: August 4, 1999

State Reaches Agreement with Two State Employee Unions

An agreement has been reached on a new contract between the State of New Jersey and the International Federation of Professional and Technical Engineers (IFPTE) and the Service Employees International Union (SEIU). The agreement affects approximately 6,500 state employees.

According to the terms of the four year contract, workers will receive pay increases of 13.5 percent over the term of the contract, and a bonus payment of \$900 payable over this year and next year.

State employees covered by the contract will contribute to their health care premiums in the amount of 25 percent for employees in the traditional plan and 5% for employees in any of the state-offered HMO's. Workers who enroll in NJ Plus, the state's managed care health plan, will not be required to contribute to their health care coverage.

"This agreement is a fair one for both state taxpayers and state employees," said Gov. Whitman. "Taxpayers can be assured that the agreement respects their pocketbooks and State employees can look forward to increases that allow them to share in the state's sound economy."

The agreement also provides for an equalization bonus for employees with salaries under \$30,000. Under this provision, a hypothetical employee who earns \$25,000 is entitled to a 2 percent salary increase, which equals \$500. The employee also would receive an additional \$100, which represents the difference between the 2 percent increase on a \$25,000 salary and a 2 percent increase on a \$30,000 salary. The two unions involved in the agreement represent state workers employed in maintenance, crafts, operations, inspections, security and investigations positions in state departments, institutions and colleges, and the Division of Motor Vehicles.