

Civil Service **LEADER**

**THE CIVIL EMPLOYEES' WEEKLY**

NEW YORK, FRIDAY, FEBRUARY 13, 2004

**Prim Key Rights**

**Teacher Plan  
'Kick in Teeth'**

**McFADYEN**  
Defang the city's teachers' union as it hopes to overhaul the pension system, the administration has stripped a package of work rules from the union's action policy, according to United Federation of Teachers.  
The document, which would replace the 100-year-old, 200-page contract, would include, among other things, class-size caps, safety provisions, mentoring, and a program that allows Teachers' Union to file a negative appraisal of a teacher who is more than 90 days in a struggle with union officials.  
The package did not include health benefits.  
**Bargaining Plan**  
President Randi Weingarten angrily rejected the offer, saying they think that the lowest rung in the system," she said during a bargaining session's lower quarters.



**RANDI WEINGARTEN: Shocked and angry.**

"It's a total kick in the teeth."  
Ms. Weingarten argued that the proposal would undermine the school system's efforts to attract and retain qualified instructors.  
"I do not know one Teacher in New York City who would work under this proposal," she said. "I'm completely shocked that the city would make a proposal that would hurt Teachers and hurt students."  
The city, she argued, wanted to gut the union's traditional role as the "eyes and ears" of parents, blowing the whistle on safety prob-

(Continued on Page 12)

**\$26.8M Deal**

**Priority Cops Get  
Hearings in Bias Case**

**MARK DALY**  
The city has agreed to pay \$26.8 million to settle a lawsuit filed by Hispanic cops who say the Police Department's disciplinary process is biased and eth-

Compensation Fund that was established after the Sept. 11, 2001 terrorist at-

(Continued on Page 12)

**Unions Question  
Pharmaceutical  
Firm's Charges**

**COBA, State Groups  
Assert Savings  
Aren't Shared**

By **DEIDRE McFADYEN**

Struggling to contain spiraling drug costs, some public-employee unions in New York State are starting to take on the pharmacy benefit management companies whose profits have swelled even as workers pay ever-higher prices for prescription drugs.

Correction Officers' Benevolent Association President Norman Seabrook, who switched management companies last month, accused the union's former providers of illegally pocketing the deep discounts and rebates that they wrest from pharmacies and drug manufacturers.

**Suing on 'Overcharges'**

COBA is preparing a lawsuit against General Prescription Planners, which managed pharmaceutical benefits for the union's 10,000 active members, and Express Scripts, which played the same role for the union's 3,500 retirees, in an attempt to recoup some of the \$500,000 that Mr. Seabrook estimates the two companies overcharged his members each year.

Mr. Seabrook complained that St. Louis, Mo.-based Express Scripts was also the administrator of the benefit program for psychotropic, injectable, cancer and asthma drugs for city employees.

"The city is also being overcharged," he said. "Why not use the savings to give us a fair wage increase?"

The city, in consultation with the Municipal Labor Committee, awarded a five-year contract to manage the so-called PICA benefits to

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**Apply Now  
Police Officer**

**Health Charges  
For Train Staff  
At Metro-North**

By **MARK DALY**

A Metro-North Railroad union is poised to ratify a labor contract that has raised the hackles of other locals at the railroad who believe it sets a bad precedent in requiring new workers to subsidize the cost of their health insurance.

The Association of Commuter Rail Employees, an unaffiliated union which represents Conductors and Engineers at the railroad, is voting this month on whether to ratify a four-year agreement that will require new hires to pay \$483 to \$1,976 a year for health insurance. Such premiums are still a rarity for line workers at the Metropolitan Transportation Authority.

**Triggers Pension Break**

The change will allow ACRE's members to join an MTA defined-benefit pension plan with up to 20 years of prior credit, improving on a similar pension switchover that a Long Island Rail Road local negotiated in November.

ACRE's General President, Anthony Bottalico, says the health insurance payments are necessary to fund retroactive pension contributions for his 1,500 members over a 20-year period,

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**CFE Study:  
\$4B More Ne  
In City School**

By **DEIDRE McFADYEN**

New York City schools need an additional \$4.1 billion in government funding to meet last year's court order that the state provide every child with a "sound, basic education," according to a new study commissioned by the lead plaintiffs in the case.

The Campaign for Fiscal Equity study, which took 15 months to complete, called for comprehensive early childhood education programs, much lower class sizes in all grades, and a special education program that serves 90 to 95 percent of disabled students in their neighborhood schools.

**Puts Onus on State**

The advocacy group hopes that its study—which calls for \$7 billion in additional school aid statewide—will set the terms of the debate as the Governor and state legislative leaders craft a budget for the fiscal year that starts on April 1.

The State Court of Appeals gave the state, which currently spends \$14.3 billion on education, until July 30 to analyze the costs and implement the reforms necessary to ensure that educational resources match student needs across the state.

"This study will put an end to the backroom bargaining, secret deals and a formula that has failed thousands of



**MICHAEL Offers**

\$5.1 billion that the report says had an opportunity budget last month posed a \$4 billion in general New York City "ment" of \$1 billion a year to add equities to profits from tertiary termi-  
The \$4.1 billion schools will 31-per-cent 2001-2002 according to CFE proposal include tra constructi-

**Dissenter: A False Claim**

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# Health Charges for Train Staff at Metro-North

(Continued from Page 1)

five years more than the timeframe covered in the new LIRR contract for the United Transportation Union.

"Our deal is better than their deal," Mr. Bottalico said last week, referring to the UTU. "I think we got the best deal for our members."

Critics of the tentative contract include the heads of 10 union locals at Metro-North that represent nearly three-quarters of the railroad's employees. The leaders say the contract sets a bad precedent that will eventually divide their membership, because their locals get more of their new members from outside hiring than ACRE.

## 'Don't Foist It on Us'

"We do not accept this as a pattern and we don't want it as a pattern. We are just strategizing how to fight it," said Norman Brown, the General Chairman of District 19 of the International Association of Machinists. The local represents 260 field and shop mechanics at Metro-North.

Mail balloting has already begun in ACRE's five divisions, including the units for power and signal technicians and rail traffic controllers. The Engineers and Conductors, the two largest divisions, must return their ballots on Feb. 18 and 20, respectively. The counts will be supervised by the local's elected Board of Tellers. The final tally for signal technicians will take place on March 5.

The tentative four-year contract is retroactive to January 2003. It provides a \$1,000 bonus in the first year, followed by three raises

of 3 percent. The first-year bonus fits the wage pattern established by Transport Workers Union Local 100 in its December 2002 contract talks, which the UTU followed at the LIRR.

If the contract is ratified, ACRE's members would join a new subpart of the MTA's pension plan for managers, and the railroad's existing deferred compensation plan would be dissolved.

## 18% of Health Burden

To pay for the pension change, future members of ACRE would pay 18 percent of the annual cost of their health insurance coverage in the state's NYSHIP program, as Metro-North's managers already do. The weekly deductions in this plan currently are \$9.28 for individuals and \$38 for family coverage, but the amounts can be raised unilaterally by NYSHIP as insurance costs rise.

The MTA's larger unions, including TWU Local 100, have so far resisted demands for mandatory health insurance contributions. Supervisors at New York City Transit switched to NYSHIP in the last bargaining round, however, and at least one local at MTA's Long Island Bus unit reportedly pays out of their paychecks for health insurance.

The new Metro-North pension plan would credit members' service back to 1983, the year the railroad became an MTA unit. Beginning this year, workers would contribute 3 percent of their salary each year for the course of their careers to continue in the plan.

Mr. Bottalico said the pension change would give members a guaranteed income after retirement, and do away with the uncertainty of the

deferred comp plan, in which members saw gains and losses with each swing of the stock market.

At the LIRR, the pension change negotiated by the UTU offered credit back to 1988, the year in which its members were shut out of a pre-existing pension plan. The new contract, which the UTU's members overwhelmingly ratified in December, avoids paycheck contributions for health insurance and caps the required 3-percent pension contributions after 10 years of payments.

## No Plan Until '88

At Metro-North, workers lacked any local pension benefit until 1988, when the deferred comp plan began. Before then, they received only Federal Railroad Retirement Board benefits. As a result, Metro-North's workers are older and have more years of service than their colleagues at the LIRR, who could more easily replace their income after retirement, said Michael Doyle, the General Chairman for ACRE's Engineers.

Any new pension benefit is a more expensive proposition for the MTA at Metro-North, since the railroad's longer-serving workers won't remain in the system long enough to pay the cost of providing their pensions.

ACRE's members understand that the health changes are worth it, Mr. Doyle believes. "It was a heck of a lot heavier lift to get this defined benefit back to 1983," he said. "In a few short weeks here, we're going to have overwhelming ratification numbers."

Each side in the debate accuses the other of playing politics with the new contract.

Mr. Bottalico and Mr. Doyle say the Metro-North's other locals are carrying out a grudge. The two men led the creation of ACRE as an independent union five years ago after supporting an effort to decertify the two AFL-CIO-affiliated unions that they then headed. Metro-North's remaining unions remain in the AFL-CIO.

## Calls Envy a Motive

"No matter what kind of deal we did, they'd criticize it," Mr. Bottalico said. "Their problem is, we're better at protecting our current members than they are."

"ACRE had to do something different than the UTU did," shot back Mr. Brown of the machinists' union. "They weren't going to get any credit if they announced that they were just going along with what the UTU got."

The LIRR local "got a good deal," Mr. Brown said, "and against the opinion of every other union on Long Island, ACRE has re-tooled it."

## NYPD Pension Vet Joins Law Firm

Nicholas Cifuni, the Chief of Staff of the Police Pension Fund and a board member of the Lieutenants' Benevolent Association, retired from the NYPD at the end of January to join the law firm of Seelig and Ungaro.

Mr. Cifuni will focus his practice on assisting active and retired government employees with disability and other civil service-related legal issues. One of the firm's partners, Philip H. Seelig, is a former president of the Correction Officers' Benevolent Association.

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