

***State of New Jersey  
Commission of Investigation***



**Immediate release  
May 9, 2012**

**Contact: Lee Seglem, SCI  
609-292-6767**

**SCI FINDS  
GOV'T-PAID UNION LEAVE  
COSTS TAXPAYERS MILLIONS**

TRENTON – Public-sector labor representatives on paid leave or release to conduct union business at government expense cost New Jersey taxpayers millions of dollars annually in compensation and benefits, the State Commission of Investigation reported today.

“Although it is not uncommon, nor is it necessarily improper, for government employers to grant some form of time-off for union work, the Commission found significant and questionable variations in how such leave is authorized, who qualifies for it, who keeps track of it, how it is constituted and who ultimately pays the bill,” according to the SCI report.

Some union officials have been on paid leave for years or even decades while occupying government job titles but doing no government work, the SCI found. In some cases, union officials receive additional payment in the form of attendance stipends or overtime at taxpayer expense. In others, taxpayers also pick up the tab for cars, office space, computers and other equipment used for union business.

Despite the public's stake in these types of paid-leave arrangements, the Commission found that they often are crafted in ways that defy public transparency, oversight and accountability.

The practice of providing government-paid leave for union work persists amid confusing and inconsistent statutory provisions covering different classes of public employees, including teachers, municipal workers, corrections officers, police and fire officials.

The overall cost of these arrangements is not insubstantial. During the period 2006 through 2011, the Commission found that government-paid leave for public employees within the scope of this investigation cost taxpayers more than \$30 million in salaries and medical benefits. This finding was drawn from an examination of contracts and employment agreements involving public employees in a sample of more than 120 urban, suburban and rural school districts; 17 municipalities; all 21 counties; and 12 departments of state government.

While taxpayers foot the bill, the Commission found they are largely in the dark about the true scope of paid union leave. In some instances, these arrangements are authorized by contract "sidebar" agreements not easily discoverable by the public. In

others, leave is a matter of longstanding “custom and practice” with no written authorization. Aside from these impediments to transparency, the Commission encountered instances of sloppy and incomplete record-keeping and lengthy and inexplicable delays in the production of documents necessary for the completion of its investigation.

In order to address its systemic findings, the Commission recommended:

- Taxpayer-funded union leave be eliminated or substantially curtailed
- Uniform statutory rules be established for granting of any union leave
- Enhanced public disclosure and transparency
- All recipients of full-time paid union leave provide immediate proper notice to appropriate government agencies

The inquiry upon which this report is based is an outgrowth of the SCI’s work to examine the expenditure of tax dollars at all levels of government in New Jersey. The record of that work includes an investigation into questionable and hidden compensation for public school administrators in 2006 and an examination three years later of excessive benefits for municipal employees.



*The State Commission of Investigation is an independent New Jersey watchdog agency established in 1968 to investigate organized crime and corruption, waste of tax money and other abuses of the public trust. Copies of reports are available at the Commission’s offices or via its Web site at [www.state.nj.us/sci](http://www.state.nj.us/sci).*