

**TOWNSHIP OF HILLSIDE
COUNTY OF UNION, STATE OF NEW JERSEY**

ORDINANCE NUMBER O-22-28

**AN ORDINANCE AMENDING CHAPTER 73 PERSONNEL, SECTION 15
COMPENSATION AND BENEFITS, SUBSECTIONS (D)(5) THROUGH (D)(7)**

WHEREAS, the Township of Hillside Municipal Code's CHAPTER 73 PERSONNEL, SECTION 15 COMPENSATION AND BENEFITS, SUBSECTIONS (D)(5) through (D)(7), which provide for payments to employees who waive health care benefits; and

WHEREAS, pursuant to, *N.J.S.A. 52:14-17.31a* and *N.J.S.A. 40A:10-17.1* local units have the sole discretion as to whether or not to offer employees payments for waiver of health benefits; and

WHEREAS, health benefit waiver payments are statutorily prohibited from being subject to the collective bargaining process; and

WHEREAS, the Township of Hillside desires to exercise its option to cease health benefit waiver payments and delete the "opt-out" payment provisions of the Ordinance as shown below.

NOW THEREFORE BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF HILLSIDE THAT:

1. CHAPTER 73 PERSONNEL, SECTION 15 COMPENSATION AND BENEFITS, SUBSECTION D is hereby *amended* as follows:

(5) Eligible full-time employees receiving health insurance benefits upon retirement under this section may opt out of any coverages, provided each such employee is covered by substantially similar insurance, subject to the following conditions:

~~(a) Such employees will be entitled to receive 25% of the then-current value of the premiums saved by the Township as a direct result of such opt-out.~~

~~(b) Prorated payments, less any applicable payroll deductions, will commence 30 days following the Township's receipt of a written certification that the employee wishes to opt out and that he/she has substantially similar insurance coverage.~~

(a) (e) Opt-out program. Employees who lose such substantially similar coverage will be entitled to re-enter the Township's insurance plans, including the specific insurance plan(s) in which the retiree was enrolled immediately

prior to his/her opt-out, provided such plan(s) remain available and in force in the Township.

~~[1] Upon the recommencement of coverage under the plan(s), the retiree will cease to be eligible to receive any payments under Subsection D(5).~~

~~[1] [2] The retiree requesting such coverage shall be responsible for notifying the Township of the starting date for recommencement of coverage.~~

~~[2] [3] The Township will not be responsible for any damages incurred by a retiree who fails to provide timely notice of the need to recommence coverage.~~

~~[3] [4] Retirees will be responsible for providing required certification of coverage under the federal Health Insurance Portability and Accountability Act, commonly referred to as "HIPAA."~~

~~[4] [5] Retirees who opt out of all insurance coverages are not responsible to pay any monthly premium contributions during the period they do not receive coverage. Retirees who opt out of fewer than all coverages will be responsible only to pay that portion of the monthly premium contribution which is proportionate to the amount of premiums saved relative to the total premiums which otherwise would have been paid under all plans by the Township.~~

~~[6] Eligible full-time employees participating in this opt-out program will be eligible to continue to receive opt-out payments upon retirement or to recommence the same health insurance benefit coverage they were entitled to receive if they had not participated in the opt-out program.~~

- (6) Employees may waive the receipt of retiree health benefit insurance from the Township either upon the commencement of their employment or at any time during their employment or service. Any employee eligible to receive health benefit insurance during his/her employment/service with the Township who is not actually receiving such health benefit insurance from the Township immediately prior to the effective date of the employee's retirement will not be considered an eligible full-time employee under this section.

- (7) ~~To the extent that this section is in conflict with any collective bargaining agreement or employment contract, such collective bargaining agreement or employment contract will be controlling, irrespective as to whether this section would provide greater or lesser benefits than such collective bargaining agreement or employment contract. There is no intent under this section to increase any benefits already detailed in any collective bargaining agreement or employment contract.~~

THE BALANCE OF THE ORDINANCE SHALL REMAIN UNCHANGED EXCEPT AS STATED ABOVE.

1. SEVERABILITY

If any provision of this Ordinance, or the application of any such provision to any person or circumstances, shall be held invalid, the remainder of this Ordinance to the extent it can be given effect, or the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby, and to this extent the provisions of this Ordinance are severable.

2. REPEALER

All ordinances or parts of ordinances which are inconsistent with any provisions of this Ordinance are hereby repealed as to the extent of such inconsistencies.

3. EFFECTIVE DATE

This Ordinance shall become effective twenty (20) days following the final adoption thereof by the Township Council of the Township of Hillside and shall be published as required by law.

First Reading and Introduction: October 12, 2022

MOTION	SECOND	NAME	YEAS	NAYS	ABSTAIN	ABSENT	EXCUSED
		Bonanno	X				
X		DeAugustine	X				
		Freedman	X				
		Hyatt	X				
	X	Rios	X				
		Mobley - CVP	X				
		Epps - CP	X				

Public Hearing: November 22, 2022

MOTION	SECOND	NAME	YEAS	NAYS	ABSTAIN	ABSENT	EXCUSED
		Bonanno	X				
	X	DeAugustine	X				
		Freedman	X				
X		Hyatt	X				
		Rios	X				
		Mobley - CVP	X				
		Epps - CP	X				

Final Adoption: November 22, 2022

MOTION	SECOND	NAME	YEAS	NAYS	ABSTAIN	ABSENT	EXCUSED
X		Bonanno	X				
		DeAugustine	X				
		Freedman	X				
	X	Hyatt	X				
		Rios	X				
		Mobley - CVP	X				
		Epps - CP	X				


Craig Epps, Council President

ATTEST:


Shaelyn Walker, Acting Township Clerk

Approved:


Dahlia O. Vertreese, Mayor

12-6-2022
Date

Vetoed: _____

Returned to the Township Clerk with the following statement of objections:



TOWNSHIP OF HILLSIDE
UNION COUNTY, NEW JERSEY
OFFICE OF THE TOWNSHIP CLERK


MUNICIPAL BUILDING
JOHN F. KENNEDY PLAZA
1409 LIBERTY AVENUE
HILLSIDE, NEW JERSEY 07205
PHONE: (973) 681-7155; FAX (973) 351-5935
www.HillsideNJ.us

MEMORANDUM

DATE: Wednesday, November 23, 2022

TO: Honorable Dahlia O. Vertreese, Mayor

CC: Hope M. Smith, Business Administrator

FROM: Shauyn M. Walker, Acting Township Clerk 

RE: ORDINANCE FOR CONSIDERATION – O-22-27 & O-22-28,

Attached please find Ordinance O-22-27, and O-22-28 for your consideration. After your review and consideration, please return the signed approved, or vetoed Ordinance to the Office of the Township Clerk. Please contact me with any questions or concerns.

Thank you in advance for your cooperation.