

## **Under the Dome with DeAngelo**

*An Update on the New Jersey State Government by Assemblyman Wayne DeAngelo  
(April 2016)*

Welcome back Under the Dome where this month we step outside to look at three of the most impactful negotiations affecting the state this month.

The first is the negotiations between Governor Chris Christie, Senate President Steve Sweeney, Assembly Speaker Vincent Prieto, and Atlantic City Mayor Don Guardian over the financial future of Atlantic City. This more recent stand-off shifted from casino expansion in North Jersey and its impact on the city to the financial instability of a city on the verge of bankruptcy.

The core issue is whether or not the State should takeover the City's finances. Atlantic City currently spends one of the highest rates per capita in the state -- \$6,700. Recently, the region has lost more than 10,000 jobs and \$2.5 billion in regional economic impact. Their financial problems are a perfect storm of multi-year issues converging at the same time. Factors include: the recent recession that slowed tourism; the loss of revenues causing casino closures; property tax reassessments filed by casinos and residents; and volume of empty property that does not bring in tax revenues. These factors have left the City in dire straights.

Steps such as pushing off paying public employees from every two weeks to monthly and only paying half of the City's school aid payments have only dragged the problem out while officials seek a remedy. However, Atlantic City is careening toward a Memorial Day shutdown if the problem has not been resolved in time.

While the tenants of various proposals on how to handle this crisis change on a daily, or sometimes hourly basis, it boils down to this: should the State of New Jersey step-in to prevent Atlantic City from going bankrupt. Opponents believe that the City should be responsible for their financial problems brought on by local actions. Bailout supporters, however, point to the regional impact that the city has on jobs and the southern New Jersey economy. There also is an argument that letting Atlantic City fail sends a bad message to credit agencies that the State will let towns falter dragging bond ratings and the overall economic outlook of New Jersey.

I have sought to step in as an advocate for the residents and employees of the City and as a representative of taxpayers impacted by letting a major region of New Jersey hit rock bottom. It is most likely, however, that this issue will drag on through the coming weeks.

As chairman of the Assembly Telecommunications and Utilities Committee, I am contacted on a daily basis about on-going industry conflicts. Those issues, however, that impact consumers directly take from and center of my efforts to resolve them.

For instance, after ten months of working without a contract, 40,000 Verizon workers from Massachusetts to Virginia recently went on strike. This action is the country's largest work stoppage in years. These workers are working-class members of Communications Workers of America (CWA) and International Brotherhood Electrical Workers (IBEW) who are seeking resolution to salary and health care benefits. While these main issues impact financial stability, additional matters on the bargaining table such as dependent eligibility for benefit coverage, disability benefits, and site consolidation also are part of the impasse.

Verizon contends that they have "committed to good faith negotiations that result in fair and competitive contracts that meet the needs of our employees, our company, and our customers." The company also points to an average annual compensation package of approximately \$130,000 for those union-represented employees in the territory affected by the strike.

However, union representatives of the striking employees point to Verizon company profits of \$39 billion over the last three years with \$1.8 billion in profits in just the first three months of 2016 as evidence of the company seeking to protect their bottom line before those hard-working men and women.

As an IBEW member and assistant business administrator, I have been on my share of picket lines to fight for workers' rights and earned benefits. I also have negotiated an end to stand-offs between employers and employees. That is why I have offered to Verizon to serve as an intermediary to resolve this conflict. While contingency plans were put in place to avoid disruption of service, the expertise and abilities of the technicians, linesmen, installation crews, customer service representatives, and other telecommunications specialists cannot be replaced. The customers have become the impacted parties now that the months of contract negotiations have fallen apart. Furthermore, I do not believe that Verizon employees should be penalized or stripped of their benefits in order to serve the company's financial decisions.

Lastly, there is another contract dispute in the telecommunications industry directly impacting customers -- the fight between Comcast Cable and the YES Network. Since the New York Yankees took the field for the first stretch of the baseball season, Comcast cable customers across New Jersey have not be able to watch their beloved players in Pinstripes because of the four month dispute between cable provider and network.

Nielsen Research has found that on the night that the Yankees play the YES Network ranks as the number 1 cable network in the New York area - despite claims of "minimal" viewership. Comcast subscribers began paying a higher cost for their cable service, including a regional sports surcharge, they have lost their much-loved YES Network. However, the cable company contends that the network is seeking an increase of approximately 33 percent to carry the channel. That increase could be passed on to customers who are already paying these new fees.

I have urged Comcast to play ball and return to the negotiating table in order to reach an agreement that will restore YES Network to Comcast channel lineup. Baseball season has begun so it is time for this dispute to end. I am hopeful that positive negotiations between the cable company and network can result in an amicable resolution for customers across New Jersey.

With spring in the air, I wish all the youth athletes the best of luck on the playing field and I will see you next month back here Under the Dome.

**Editor's Note:** Assemblyman Wayne DeAngelo (D-Hamilton) represents the 14<sup>th</sup> Legislative District which includes parts of Mercer and Middlesex counties. He can be reached at [AsmDeAngelo@njleg.org](mailto:AsmDeAngelo@njleg.org); phone (609) 631-7501; [www.WayneDeAngelo.com](http://www.WayneDeAngelo.com); Facebook: Assemblyman Wayne DeAngelo; or Twitter: @DeAngeloLD14.