PETER J. ZUG, MEMBER

HARRISBURG OFFICE:
HOUSE POST OFFICE BOX 202020
MAIN CAPITOL BUILDING
HARRISBURG, PENNSYLVANIA 17120-2020
PHONE: (717) 787-2686
TOLL FREE 1-800-956-4050

MYERSTOWN OFFICE: 112 WEST MAIN AVENUE MYERSTOWN, PA 17067 PHONE: (717) 866-9144

ELIZABETHVILLE OFFICE: 27 SOUTH MARKET STREET ELIZABETHVILLE, PA 17023 PHONE: (717) 362-9051



COMMITTEES

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COMMERCE AND ECONOMIC
DEVELOPMENT
VETERANS AFFAIRS AND
EMERGENCY PREPAREDNESS
MAJORITY POLICY

TO:

All Members of the House of Representatives

FROM:

Representative Peter J. Zug

DATE:

April 8, 1997

SUBJECT:

Proposed Legislation

During a meeting of the Senate Law and Justice Committee last week regarding the Governor's State Store System Privatization Plan, it was discovered that state store clerks' employee benefits funds are currently not audited by the Commonwealth. This fact should raise serious concerns in that state moneys are contributed to these funds and are commingled with contributions from private employers employing private sector members of the United Food and Commercial Workers' (U.F.C.W.) union. Further testimony revealed that some employees covered by the U.F.C.W. receive legal defense moneys for criminal misdemeanor charges including D.U.I. and alcohol sales to minors, as well as contributions towards memberships at golf clubs, as part of their benefits package. My resolution would direct the Administration to have an independent audit done of the employee benefit funds concerning state store system clerks to ensure that state funds are being used appropriately.

If you are interested in cosponsoring this resolution, please contact Jodi at 7-2686 or via PROFS at JMARSICO.

JOSEPH M. GLADECK, JR., MEMBER

1515 DEKALB PIKE, SUITE 106 BLUE BELL, PENNSYLVANIA 19422 PHONE: (610) 277-3230 FAX: (610) 270-1677

HOUSE POST OFFICE BOX 202020 MAIN CAPITOL BUILDING HARRISBURG, PENNSYLVANIA 17120-2020 PHONE: (717) 787-2801 FAX: (717) 787-0859



House of Representatives

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

April 11, 1997

COMMITTEES

LABOR RELATIONS, MAJORITY CHAIRMAN INSURANCE

CHAIRMAN,
MONTGOMERY COUNTY
REPUBLICAN DELEGATION

APR 1 4 1997

Dear Fellow Member of the General Assembly:

I wanted to take this opportunity to share with you some important information regarding the supplemental benefits package of state store clerks that has come to light during legislative hearings on Governor Ridge's state store privatization proposal.

The United Food and Commercial Workers Union (UFCW) represents the 1,499 full-time and 859 part-time state store clerks. While all state government employees, including state store clerks, enjoy both standard and supplemental benefits, UFCW members are the only employees in state government who administer their own supplemental benefits. The UFCW was able to negotiate an agreement where it, and it alone, gets a check from the state every month -- \$2.68 million per year - to fund supplemental benefits for its members. The UFCW administers these funds with no input, oversight or auditing from the state.

As a result, the UFCW is able to provide state store clerks with supplemental benefits not available to any other state employee. For example, state store clerks who are members of Local 1776 enjoy such benefits as:

- free legal services, including legal representation in criminal cases (such as selling to a minor) and cases involving drunk driving;
- up to \$300 per year for fitness programs, including golf club memberships;
- up to \$50 per week for child care; and
- educational benefits that include \$1,000 per year for tuition costs and \$300 per year for tuition costs for their children.

The accompanying attachments provide greater detail on the benefits available to state store clerks under the legal services plan and physical well being program. With benefits like these, it is not hard to see why the state store clerks are so zealously opposed to privatization. But as the Governor has pointed out, the LCB should serve the interests of 12 million Pennsylvanians, not the narrow self-interest of one special interest.

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Thank you for your consideration of this material and I hope that it will prove helpful as the debate on this issue continues.

Sincerely,

JOSEPH M. GLADECK, JR. 61st Legislative District

JMG/bjl Attachments

PETER J. ZUG, MEMBER

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HOUSE POST OFFICE BOX 202020
MAIN CAPITOL BUILDING
HARRISBURG, PENNSYL VANIA 17120-2020
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MYERSTOWN OFFICE: 112 WEST MAIN AVENUE MYERSTOWN, PA 17067 PHONE: (717) 866-9144

ELIZABETHVILLEOFFICE: 27 SOUTH MARKET STREET ELIZABETHVILLE,PA 17023 PHONE: (717) 362-9051



House of Representatives

COMMONWEALTH OF PENNSYLVANIA

HARRISBURG

COMMITTEES

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SUBCOMMITTEE CHAIRMAN
ON HOUSING
VETERANS AFFAIRS AND
EMERGENCY PREPAREDNESS
MAJORITY POLICY

TRANSPORTATION ADVISORY COMMITTEE

TO:

All Members of the House of Representatives

FROM:

Representative Peter J. Zug

DATE:

January 6, 1999

SUBJECT:

Proposed Resolution (formerly HR 222)

During a meeting of the Senate Law and Justice Committee last year regarding the Governor's State Store System Privatization Plan, it was discovered that state store clerks' employee benefits funds are currently not audited by the Commonwealth. This fact should raise serious concerns in that state moneys are contributed to these funds and are commingled with contributions from private employers employing private sector members of the United Food and Commercial Workers' (U.F.C.W.) union. Further testimony revealed that some employees covered by the U.F.C.W. receive legal defense moneys for criminal misdemeanor charges including D.U.I. and alcohol sales to minors, as well as contributions towards memberships at golf clubs, as part of their benefits package. My resolution would direct the Administration to have an independent audit done of the employee benefit funds concerning state store system clerks to ensure that state funds are being used appropriately.

If you are interested in cosponsoring this resolution, please contact Jodi Marsico at 7-2686 or via Groupwise.

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