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LABOR RELATIONS - NEW YORK

Chenango Forks Cent. School Dist. v. New York State Public Employment Relations Bd.

Court of Appeals of New York - June 6, 2013 - N.E.2d - 2013 N.Y. Slip Op. 04039

School district commenced proceeding under Article 78, seeking review of a determination of the Public Employment Relations Board (PERB) which found that it had committed an improper employer practice by failing to negotiate discontinuance of its longstanding practice of reimbursing retirees' Medicare Part B premiums.

The Court of Appeals held that:

- It was reasonable for PERB not to defer to arbitrator's finding that there was no past practice; and
- PERB determination that district had committed improper employer practice by failing to negotiate discontinuance of reimbursing Medicare premiums was supported by substantial evidence.

A "maintenance of standards" or "maintenance of benefits" clause in a labor contract requires all existing conditions of employment, except those specifically changed by the contract, to be continued during the term of a new contract. Such a clause effectively confirms past practices contractually.

Determination of the PERB that school district had committed improper employer practice by failing to negotiate discontinuance of its longstanding practice of reimbursing retirees' Medicare Part B premiums was supported by substantial evidence, where school district's knowledge of payments was shown by managerial oversight necessary to make them, as well as memorandum to faculty and staff announcing termination of practice of reimbursement, and school district's current employees had knowledge of district's reimbursement payments to retirees, and thus harbored a reasonable expectation that they would receive reimbursement of Medicare Part B premiums upon their retirement.