

1 BEFORE THE NEW YORK STATE SENATE FINANCE
2 AND ASSEMBLY WAYS AND MEANS COMMITTEES

2 -----

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
5 2017-2018 EXECUTIVE BUDGET ON
6 WORKFORCE DEVELOPMENT

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7
8 Hearing Room B
9 Legislative Office Building
10 Albany, New York

11
12 January 25, 2017
13 10:08 a.m.

14

15 PRESIDING:

16 Senator Catharine M. Young
17 Chair, Senate Finance Committee

18
19 Assemblyman Herman D. Farrell, Jr.
20 Chair, Assembly Ways & Means Committee

21

22 PRESENT:

23 Assemblyman Robert Oaks
24 Assembly Ways & Means Committee (RM)

25 Senator Diane Savino
26 Vice Chair, Senate Finance Committee

27

28 Assemblyman Peter J. Abbate, Jr.
29 Chair, Assembly Committee on
30 Governmental Employees

31

32 Assemblyman Michael Cusick

33

34 Assemblyman Harry B. Bronson

35

1 2017-2018 Executive Budget
Workforce Development
2 1-25-17

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4 Senator Phil M. Boyle

5 Assemblywoman Shelley Mayer

6 Assemblywoman Patricia Fahy

7 Assemblywoman Nicole Malliotakis

8 Assemblyman Phil Steck

9 Senator Leroy Comrie

10 Assemblyman David I. Weprin

11 Assemblyman Michael G. DenDekker

12 Assemblywoman Nily Rozic

13 Senator Marisol Alcantara

14 Assemblyman William Colton

15 Assemblywoman Diana C. Richardson

16 Assemblyman Félix Ortiz

17 Assemblyman Nick Perry

18 Assemblyman J. Gary Pretlow

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17 I would first like to say thank you to
18 my colleague Chairman Denny Farrell, from
19 Ways and Means in the Assembly. And I think
20 Assemblyman Farrell would like to introduce
21 some of the members who are here today.

22 CHAIRMAN FARRELL: Yes, I'd be glad
23 to. We've been joined on our side by
24 Assemblyman Abbate, Assemblywoman Mayer,

1 Assemblyman Cusick, and Assemblyman Harry
2 Bronson.

3 And Mr. Oaks?

4 ASSEMBLYMAN OAKS: Yes, we've also
5 been joined by Assemblywoman Malliotakis.

6 CHAIRWOMAN YOUNG: Thank you. So
7 you're all set, Chairman?

8 CHAIRMAN FARRELL: Yes, we are.

9 CHAIRWOMAN YOUNG: Okay. I would
10 first like to welcome Lola Brabham -- did I
11 do that okay?

12 EX. DEP. COMMISSIONER BRABHAM: Yes,
13 thank you.

14 CHAIRWOMAN YOUNG: Okay, executive
15 deputy commissioner of the Department of
16 Civil Service.

17 And just so everyone knows, following
18 Ms. Brabham will be Michael Volforte, interim
19 director of the Governor's Office of Employee
20 Relations, or GOER.

21 So welcome today, and we look forward
22 to your testimony.

23 EX. DEP. COMMISSIONER BRABHAM: Okay,
24 thank you. Good morning, Chairwoman Young,

1 Chairman Farrell and distinguished members of
2 the Senate Finance and Assembly Ways and
3 Means Committees. My name is Lola Brabham,
4 and I'm the acting commissioner for the
5 Department of Civil Service. Thank you for
6 the opportunity to appear before you today to
7 comment on the Governor's 2017-2018 budget as
8 it relates to the Department of Civil
9 Service.

10 In 2016, the department made
11 substantial progress in furthering the
12 Governor's initiatives to transform New York
13 State government. With the Division of
14 Budget and the Governor's Office of Employee
15 Relations, the department is fully engaged in
16 civil service reforms that modernize the
17 state's approach to meeting workforce needs.
18 These reform efforts have already resulted in
19 a number of essential improvements to
20 workforce mobility, testing, recruitment and
21 retention, among other areas.

22 A new Workforce Analytics tool now
23 provides state agencies with real-time
24 enhanced data to support workforce and

1 succession planning, and we're adding
2 attrition information and additional
3 data-reporting capabilities in the coming
4 year. A Succession and Workforce Planning
5 Guide was also rolled out to state agencies
6 in 2016 to employ a systematic approach for
7 identifying and addressing the gaps between
8 the workforce of today and the needs of
9 tomorrow.

10 The department has made great strides
11 to modernize the civil service title
12 structure and improve the mobility of the
13 state workforce by reducing and consolidating
14 the number of pay grades and job
15 classifications. In June of 2016, the
16 department undertook one of the largest title
17 restructurings in decades by consolidating 67
18 investigator titles into 12, to better
19 reflect the duties and responsibilities of
20 these workers.

21 In the coming months, the department
22 will finalize additional reviews expected to
23 consolidate 300 titles. These efforts
24 increase consistency and equity among

1 positions and opportunities for current
2 employee mobility throughout the state
3 workforce.

4 State agencies and local governments
5 rely on the department for consistent and
6 timely civil service examinations to ensure
7 that they can meet their staffing needs and
8 effectively perform core functions. Over the
9 past year, the department developed and
10 administered more than 5,600 examinations,
11 testing nearly 165,000 candidates for state
12 and local government jobs.

13 To deliver examination services more
14 quickly and efficiently, the department is
15 streamlining its examination programs in
16 preparation for the use of online test
17 delivery and has issued an RFP for a new test
18 development system that will provide the
19 infrastructure to improve examination
20 services, maximize efficiencies, and better
21 meet the hiring needs of state and local
22 agencies.

23 Based on new techniques we developed
24 with the Office for People with Developmental

1 Disabilities and other agencies to expedite
2 hiring into high-priority jobs, the
3 department is now able to offer quicker and
4 more geographically convenient medical and
5 psychological examinations. Moving forward,
6 the department will continue to explore
7 options to enhance our network of medical
8 sites and personnel, with the goal of
9 offering more cost-effective medical
10 examination services throughout the state.

11 In March of 2016, Governor Cuomo
12 created the Advisory Council on Diversity and
13 Inclusion to further the state's efforts to
14 build and sustain a workforce that is most
15 reflective of the many unique faces, voices,
16 backgrounds and ideas of those we serve. The
17 department is working closely with the
18 council, including the state's chief
19 diversity officer, and stakeholders in
20 support of this effort.

21 Over the past year, the department
22 participated in more than 215 outreach and
23 recruitment events, connecting with 12,500
24 job seekers at events organized for veterans,

1 individuals with disabilities, and other
2 diverse populations at colleges, community
3 organizations, and job fairs. These outreach
4 efforts complement the more targeted
5 recruitment efforts of state agencies seeking
6 specific needs and skill sets, and strengthen
7 diversity and inclusion in the state
8 government workforce.

9 The New York State Health Insurance
10 Program covers more than 1.2 million state
11 and local government employees, retirees, and
12 their dependents, and is one of the largest
13 public employer health insurance programs in
14 the nation. Following the Governor's call
15 for fiscal discipline, the department has
16 undertaken a number of initiatives to ensure
17 the integrity and cost-effectiveness of
18 NYSHIP.

19 The department is also working with
20 the Department of Health to align the
21 healthcare purchasing strategies of the
22 New York State Medicaid Program and NYSHIP.
23 These efforts align with the department's
24 goal of improving care and health while

1 lowering costs.

2 The initiatives that I've highlighted
3 today reflect Governor Cuomo's ongoing
4 commitment to addressing the state's
5 strategic workforce needs by delivering
6 superior customer service to state agencies
7 and local jurisdictions, promoting workforce
8 diversity, and providing efficiently managed
9 and cost-effective programs.

10 Thank you for the opportunity to
11 appear before you today, and I'm happy to
12 answer any questions that the committee
13 members may have at this time.

14 CHAIRWOMAN YOUNG: Thank you,
15 Ms. Brabham, for that testimony.

16 And I'd like to announce that our vice
17 chair of Finance in the Senate, Senator Diane
18 Savino, has joined us, and also Senator Phil
19 Boyle. So welcome to you.

20 CHAIRMAN FARRELL: We've been joined
21 by Assemblywoman Rozic, Assemblyman Steck,
22 Assemblyman Michael DenDekker, and
23 Assemblyman Weprin.

24 CHAIRWOMAN YOUNG: Okay, so I did have

1 a few questions.

2 As you know, the minimum wage has been
3 raised in New York State. And in a question,
4 do you have projections of what the impact of
5 the minimum wage increase will be to the
6 state workforce as it's phased in over the
7 next several years?

8 EX. DEP. COMMISSIONER BRABHAM: Yes.
9 When it's fully implemented, we expect that
10 it will impact approximately 10,000 state
11 employees.

12 CHAIRWOMAN YOUNG: Okay. And what are
13 your projections as to what the minimum wage
14 increase to \$15 per hour will cost the state
15 in payments to not-for-profit providers in
16 healthcare, human services, and direct care
17 workers?

18 Sorry, I'm a little under the weather
19 today.

20 EX. DEP. COMMISSIONER BRABHAM: That's
21 okay.

22 Senator, I don't have the estimates of
23 what it might cost not-for-profit agencies --

24 CHAIRWOMAN YOUNG: No, I'm sorry, I

1 shouldn't have asked that. I'm sorry, I'm a
2 little out of it.

3 EX. DEP. COMMISSIONER BRABHAM: That's
4 okay.

5 CHAIRWOMAN YOUNG: But -- I'm sorry,
6 I'll go on to the next question. What
7 agencies and job titles will most be affected
8 by the cost of the minimum wage rollout?

9 EX. DEP. COMMISSIONER BRABHAM: Which
10 agencies?

11 CHAIRWOMAN YOUNG: Yeah. Like state
12 agencies.

13 EX. DEP. COMMISSIONER BRABHAM: I
14 think the better way to look at it is what
15 grade levels. And so we'd be looking at, you
16 know, Grade 6 positions, potentially.

17 I think it's important to say, though,
18 that I think essentially all of the salaried
19 positions that we currently have right now
20 are currently making over the minimum wage.
21 But for those employees that will experience
22 an increase, it would be more along the lines
23 of Grade 6 employees. And those might be
24 positions like direct care workers, cooks,

1 cafeteria workers. So some of the
2 lower-graded positions.

3 CHAIRWOMAN YOUNG: Do you think that
4 the minimum wage increase will result in any
5 downsizing of the state workforce?

6 EX. DEP. COMMISSIONER BRABHAM: No, we
7 don't anticipate that at all.

8 CHAIRWOMAN YOUNG: You don't, okay.
9 Good. That's great.

10 I think that's all I have for now.
11 I'll turn it over to the Assembly.

12 EX. DEP. COMMISSIONER BRABHAM: Thank
13 you, Senator.

14 CHAIRMAN FARRELL: Thank you very
15 much.

16 Assemblyman Abbate.

17 ASSEMBLYMAN ABBATE: I just have one
18 question --

19 CHAIRMAN FARRELL: Your microphone.

20 ASSEMBLYMAN ABBATE: Now it's on,
21 yeah.

22 In your testimony, you said:
23 "Following the Governor's call for fiscal
24 discipline, the department has undertaken a

1 number of initiatives to ensure, you know,
2 the cost-effectiveness of NYSHIP." Could you
3 go over one or two of them?

4 EX. DEP. COMMISSIONER BRABHAM: I'm
5 sorry, could you -- I can't hear all of what
6 you're saying.

7 ASSEMBLYMAN ABBATE: Yeah. "Following
8 the Governor's call for fiscal discipline,"
9 you said, "the department has undertaken a
10 number of initiatives to ensure the integrity
11 and cost-effectiveness of NYSHIP." Could you
12 elaborate on some of the things you've done?

13 EX. DEP. COMMISSIONER BRABHAM: Yes.
14 I mean, specifically with regard to the
15 NYSHIP program, we have contractual
16 agreements in place that require our vendors
17 to audit payments, to do data matching to
18 ensure that we're paying for services that we
19 should be paying, for services that have
20 actually been rendered.

21 ASSEMBLYMAN ABBATE: Haven't we been
22 doing that?

23 EX. DEP. COMMISSIONER BRABHAM: We
24 have been doing that. We continue to do

1 that.

2 ASSEMBLYMAN ABBATE: Okay. But it
3 says, you know following the Governor's call.
4 I thought we did something new.

5 EX. DEP. COMMISSIONER BRABHAM: The
6 Governor's been calling for that for a while
7 now, and so we continue our efforts around
8 that. And we continuously look for ways to
9 improve doing that.

10 ASSEMBLYMAN ABBATE: So it's nothing
11 new. Okay, thank you.

12 EX. DEP. COMMISSIONER BRABHAM: You're
13 welcome.

14 CHAIRWOMAN YOUNG: Senator Savino.

15 SENATOR SAVINO: Thank you. Thank
16 you, Senator Young.

17 I'm happy to see in your testimony
18 that you guys have finally taken on an issue
19 that I've been advocating for for years now,
20 succession planning.

21 EX. DEP. COMMISSIONER BRABHAM: Yes.

22 SENATOR SAVINO: Critically important
23 to the state workforce, so -- I think I read
24 a report yesterday that the state workforce

1 is at the lowest level it's been in 30 years.
2 Because of, I'm assuming, attrition, and
3 we've just had a freeze on hiring. And so,
4 you know, I've always said we're about one
5 retirement away from a severe brain drain in
6 the workforce, so succession planning is
7 critically important on that level. So I'm
8 just happy to see that we're finally focusing
9 on it.

10 But I want to turn a bit back to the
11 question that Assemblyman Abbate brought up
12 about this new plan of retiree health
13 insurance premiums, just so I'm sure I
14 understand it.

15 So right now, currently employees who
16 retire, whether they retire with 30 years of
17 service or 10 years of service, they pay the
18 same rate towards their retirement benefits;
19 correct?

20 EX. DEP. COMMISSIONER BRABHAM: We pay
21 the same rate towards their retirement, yes.

22 SENATOR SAVINO: It's the same
23 contribution; right?

24 EX. DEP. COMMISSIONER BRABHAM: That's

1 correct.

2 SENATOR SAVINO: So you're currently
3 proposing that there be a differential rate
4 paid by the retirees?

5 EX. DEP. COMMISSIONER BRABHAM: Yes,
6 that there be a graduated rate based on years
7 of service.

8 SENATOR SAVINO: And what would that
9 be? Can you give us an example of that?

10 EX. DEP. COMMISSIONER BRABHAM: So,
11 for example, for employees who retire at
12 Salary Grade 10 or higher, under this
13 proposal, the state would contribute
14 50 percent. But for employees who -- and for
15 every year that you work beyond the 10 years,
16 then the contribution rate would increase by
17 2 percent, going all the way up to the
18 30-year retirement.

19 SENATOR SAVINO: And have these
20 potential changes been discussed with any of
21 the bargaining units, any of the
22 representatives of the bargaining units?

23 EX. DEP. COMMISSIONER BRABHAM: Well,
24 I'm certain that they will be discussed. I

1 think, you know, what discussions have taken
2 place would be with the Governor's Office of
3 Employee Relations. And I'm sure that
4 Michael Volforte can provide more information
5 on that.

6 SENATOR SAVINO: And I ask that
7 because I know in the Governor's briefing
8 book he makes reference to the fact that in
9 the recently negotiated bargaining agreement
10 with NYSCOPBA, there are changes to the
11 health insurance plan going forward that were
12 negotiated between them. So I'm just curious
13 why we wouldn't seek those same types of
14 changes at the bargaining table with the
15 other affected employee represented groups,
16 so that you get their input on this, as
17 opposed to just assuming that they're going
18 to buy into it.

19 Because I have a feeling they're going
20 to have a different sort of opinion about
21 this.

22 EX. DEP. COMMISSIONER BRABHAM: Right.
23 Understood. And, you know, as I said, that
24 collective bargaining and employee relations

1 is really within the purview of GOER, and I'm
2 sure that they can offer more detail in terms
3 of the bargaining strategy.

4 SENATOR SAVINO: Quickly, I notice
5 that there are some recommendations for
6 hiring in some agencies. You may or may not
7 be able to answer those questions, I'm not
8 sure. Even though it seems like the head
9 count in the agency is going to remain
10 stable, we're still recommending hiring in
11 certain places. Is that because there's been
12 attrition and we're backfilling, or are they
13 new positions that are being created?

14 For instance, in the Department of Tax
15 and Finance, they're talking about hiring 300
16 FTEs in this year's budget. Is it due to
17 attrition in Tax and Finance where we're
18 backfilling, or are these new positions that
19 have been created?

20 EX. DEP. COMMISSIONER BRABHAM: Well,
21 I can't really speak to the why of the Tax
22 Department's hiring and their management
23 decisions. But I can tell you, as employees
24 attrit from the workforce, we are backfilling

1 those positions. In fact, in 2016 we hired
2 over 12,000 people, and that was 2,000 more
3 than we hired in 2015. So we are doing that.

4 And with regard to the attrition rate,
5 I think recent information released by the
6 Division of Budget shows a net decrease of
7 136 positions. And so what that says to me
8 is that our workforce is really remaining
9 stable. In fact, over the last five years I
10 think that there's been a reduction of 1
11 percent or less, which really represents
12 about one-tenth of 1 percent of the total
13 state workforce. So the workforce is stable.

14 SENATOR SAVINO: And finally, there's
15 a plan in the bill to authorize up to 250 IT
16 term appointments for up to 60 months --

17 EX. DEP. COMMISSIONER BRABHAM: Yes.

18 SENATOR SAVINO: -- without holding an
19 initial civil service test. But at some
20 point, there would be a civil service test.

21 But my understanding, there's an
22 outstanding civil service exam for IT
23 professionals. Why wouldn't we just simply
24 go to the list that's existing and hire off

1 that list? Why are we -- are we talking
2 about provisional appointments?

3 EX. DEP. COMMISSIONER BRABHAM: Well,
4 these are considered temporary appointments,
5 in that they're time-limited.

6 SENATOR SAVINO: Well, that's what a
7 provisional appointment is.

8 EX. DEP. COMMISSIONER BRABHAM: But to
9 your question about why we don't go -- why
10 ITS would not go to the list, I think that,
11 you know -- first and foremost, I think all
12 agencies try to hire state employees as -- in
13 most cases. In the case of ITS, it's my
14 understanding that we don't always -- that
15 the state workforce doesn't always have the
16 cutting-edge IT skills or the most recent
17 certifications or necessarily the talent that
18 ITS is looking for in order to move certain
19 projects forward.

20 So we see this as a way of providing
21 an opportunity and a vehicle for ITS to get
22 people in quickly with the in-demand skills
23 that we need right now. And right now the
24 18-month temporary jobs that we currently

1 have -- because 18 months is a relatively
2 short period of time, you know, if someone is
3 accepting a job, it really doesn't offer the
4 stability that they've needed to make these
5 jobs attractive to people. So extending that
6 time period to 60 months, we're hoping we
7 would make that more attractive to IT
8 professionals.

9 And there's nothing in that proposal
10 that would prohibit current state employees
11 from being appointed to those temporary
12 positions. State employees are able to
13 assume those appointments as well.

14 SENATOR SAVINO: I would just suggest
15 that you go to the existing list. Because
16 the exam was created by the state. You know,
17 after we did IT insourcing several years ago,
18 it was developed by your agency to reflect
19 the needs of these types of professionals in
20 the state agencies. So I would hope that you
21 had created that sort of an exam to test
22 those skills.

23 So I would suggest you go to that list
24 first. And if after you exhaust that list,

1 you don't have any more people that could
2 fill this new position, then you could, you
3 know, create a new position.

4 I just think since we've gone to the
5 trouble of creating the jobs, insourcing them
6 to begin with, developing the exam to test
7 the skills for it, that we go down that road.
8 Because even in your own -- or in the
9 Governor's proposal, he talks about bringing
10 in these people, giving them a 60-month term,
11 and during that period of time developing a
12 civil service test by which they're still
13 going to have to sit, take it, in an effort
14 to hold on to that job.

15 So we're trying to create a civil
16 service position for these individuals. I
17 just think we've already done that, and we
18 should utilize them first.

19 EX. DEP. COMMISSIONER BRABHAM: Thank
20 you, Senator.

21 CHAIRMAN FARRELL: Assemblyman
22 DenDekker.

23 ASSEMBLYMAN DenDEKKER: I totally
24 agree with Senator Savino.

1 SENATOR SAVINO: Thank you.

2 ASSEMBLYMAN DenDEKKER: I think she is
3 absolutely right. You created the test, and
4 more importantly, people took the test.
5 They're looking for jobs. And now you're not
6 even going to that list, to the people that
7 took that test and passed it and they're put
8 on the list, and instead you're going to hire
9 other people. And these people are just
10 going to stay on this list. And that seems
11 very unfair to the people that took the time
12 to prepare and go take test.

13 And by not going to that list, you
14 have no idea what qualifications they
15 currently have. Obviously, if it's something
16 that they feel strongly about in that field,
17 they are constantly learning the new systems
18 and they're staying brushed up on everything
19 that they need to know. So I totally agree
20 with the Senator.

21 What I'd like to know is, can you tell
22 us how many contract workers the state
23 currently has hired?

24 EX. DEP. COMMISSIONER BRABHAM: The

1 state currently has approximately 7800
2 contract employees, and the projection is
3 that that number will decrease down to 7500
4 in 2018.

5 ASSEMBLYMAN DENDEKKER: Okay. So we
6 still have well over 7,000 contract workers,
7 yet we're going to cut the state workforce by
8 136 full-time positions. Why aren't we
9 increasing -- why aren't we maintaining at
10 least the current level? You very eloquently
11 talked about over the past five years how
12 it's almost stable. No, it's not cut. We've
13 cut it by 1 percent over the last five years.

14 EX. DEP. COMMISSIONER BRABHAM: Just a
15 point of clarification. I didn't speak about
16 cutting the state workforce. The 136 that I
17 was referring to was due to attrition.
18 Retirements.

19 ASSEMBLYMAN DENDEKKER: I understand
20 that. But why aren't we hiring to fully keep
21 it the same when the budget currently shows a
22 decrease of 136 positions? So they're not
23 going to refill all the positions through
24 attrition.

1 EX. DEP. COMMISSIONER BRABHAM:

2 Assemblyman, we are endeavoring to hire. As
3 I mentioned, in 2016 we hired 12,500 people.
4 So we are still hiring.

5 ASSEMBLYMAN DENDEKKER: But how many
6 people did we lose in 2016?

7 EX. DEP. COMMISSIONER BRABHAM: I
8 would have to --

9 ASSEMBLYMAN ABBATE: If we hired
10 12,000 but we lost 13, then --

11 EX. DEP. COMMISSIONER BRABHAM: I'd
12 have to get -- I'd have to get back to you on
13 the number of -- the attrition rate.

14 ASSEMBLYMAN DENDEKKER: -- we still
15 have a net loss.

16 EX. DEP. COMMISSIONER BRABHAM: I'd
17 have to follow up with you on the attrition
18 rate for 2016. And I'd be happy to do that;
19 I don't have that with me today.

20 ASSEMBLYMAN DENDEKKER: What's the
21 average salary of a contract worker?

22 EX. DEP. COMMISSIONER BRABHAM: The
23 Department of Civil Service does not maintain
24 salary information for contract workers. We

1 do that for state employees. That
2 information is maintained -- contained in
3 individual agency contracts. So we do
4 collect information --

5 ASSEMBLYMAN DENDEKKER: Is there a
6 particular reason why you don't capture that
7 information and make it available?

8 EX. DEP. COMMISSIONER BRABHAM: The
9 information that we do capture is we collect
10 information on the number of contracts, the
11 services that are being provided, how many
12 contracts there are.

13 And at this time that's what we are
14 required to collect. I don't have a reason
15 beyond that.

16 ASSEMBLYMAN DENDEKKER: Okay. So then
17 seeing you're not required, it would be
18 probably in our best interest as houses to
19 put that requirement on you and draft some
20 sort of legislation requiring you to let us
21 know what the average salary is of the
22 contract workers so we can try to look at the
23 cost and see why we're hiring contract
24 workers and not having full-time state

1 employees do those jobs to save that money.

2 EX. DEP. COMMISSIONER BRABHAM: I
3 would call your attention to the fact that
4 each year in the budget the amount that we're
5 spending on contractors is reported in
6 aggregate. And I know that doesn't get to
7 your question about individual salaries, but
8 just pointing out that that information is
9 reported in the budget each year.

10 And in fact, the projection for this
11 year is that we'll be spending \$52 million
12 less -- well, in 2018 spending \$52 million
13 less than we did in 2017.

14 ASSEMBLYMAN DENDEKKER: I have no more
15 questions. Thank you.

16 EX. DEP. COMMISSIONER BRABHAM: Thank
17 you, Assemblyman.

18 CHAIRWOMAN YOUNG: I'll follow up on
19 this issue with the term appointments. And
20 as you know and has been brought up, in the
21 Laws of 2009, 500 term appointments were
22 authorized. And I'm not really clear, how
23 many of those term-appointment slots have
24 been actually utilized?

1 EX. DEP. COMMISSIONER BRABHAM: Of the
2 term appointments that were authorized, 75
3 individuals have taken civil service exams
4 and transitioned into permanent state
5 employment. And that authorization expired
6 in 2011, I believe. It has expired. I think
7 it was in 2011.

8 CHAIRWOMAN YOUNG: So why is that rate
9 so low? Could you please explain that? Oh,
10 my mic is off. Why is that rate so low?
11 Could you please explain why only 75 out of
12 500 were utilized?

13 EX. DEP. COMMISSIONER BRABHAM: I
14 mean, that's really a question for ITS, who
15 would be managing their eligible list and
16 making hiring decisions within their agency.

17 CHAIRWOMAN YOUNG: Would you agree
18 that that's a very low number, however?

19 EX. DEP. COMMISSIONER BRABHAM: I
20 agree that out of 500, 75 -- you know, it
21 certainly didn't meet the threshold and the
22 expectation at that time.

23 CHAIRWOMAN YOUNG: So because the
24 five-year term expired, there are no slots

1 available right now?

2 EX. DEP. COMMISSIONER BRABHAM: No
3 slots available?

4 CHAIRWOMAN YOUNG: For five-year
5 terms. Are there slots available right now?

6 EX. DEP. COMMISSIONER BRABHAM: Oh,
7 under the prior legislation, no. Because the
8 authorization for that has expired.

9 CHAIRWOMAN YOUNG: So that expired,
10 but are there slots available right now?

11 EX. DEP. COMMISSIONER BRABHAM: Could
12 temporary appointments be made right now?

13 CHAIRWOMAN YOUNG: Yes.

14 EX. DEP. COMMISSIONER BRABHAM: Yes.
15 And we make -- we -- the department
16 establishes temporary jobs, not only for ITS
17 but other agencies where it's deemed
18 necessary. So yes.

19 CHAIRWOMAN YOUNG: Does the Governor's
20 budget ask for additional slots?

21 EX. DEP. COMMISSIONER BRABHAM: The
22 Governor's budget puts forth legislation to
23 authorize the authority for ITS to do this,
24 yes.

1 CHAIRWOMAN YOUNG: Up to 250 slots; is
2 that correct?

3 EX. DEP. COMMISSIONER BRABHAM: That's
4 correct, yes.

5 CHAIRWOMAN YOUNG: Okay. So we talked
6 about the transition to become full-time
7 state employees, and that seems to be a very
8 low number also. So just looking at
9 independent contractors in general, more
10 broadly, should we do some kind of study as
11 to how the use of independent contractors are
12 working and whether state employees actually
13 could fulfill these jobs themselves?

14 EX. DEP. COMMISSIONER BRABHAM: Should
15 you do a study?

16 CHAIRWOMAN YOUNG: Should there be a
17 study done?

18 EX. DEP. COMMISSIONER BRABHAM: If the
19 Legislature requested that a study be done,
20 that is something that we would actively
21 participate in.

22 CHAIRWOMAN YOUNG: Okay. Well, I'll
23 follow up with some of the labor leaders
24 later on. But thank you.

1 EX. DEP. COMMISSIONER BRABHAM: Thank
2 you, Senator.

3 CHAIRMAN FARRELL: Thank you.

4 We've been joined by Assemblyman
5 Colton.

6 Next to question, Assemblyman Oaks.

7 ASSEMBLYMAN OAKS: Good morning.

8 EX. DEP. COMMISSIONER BRABHAM: Good
9 morning.

10 ASSEMBLYMAN OAKS: I wanted to ask a
11 question related to -- I see that there's
12 been a proposal for a retiree health benefit
13 trust fund to be created as a part of the
14 budget.

15 EX. DEP. COMMISSIONER BRABHAM: Yes.

16 ASSEMBLYMAN OAKS: And as I read it,
17 if we have money at the end of the year left
18 over, we would take a portion of that and put
19 it in that trust fund.

20 So a couple of questions related to
21 that is ultimately are we looking that that
22 trust fund would be able to cover the cost of
23 retiree benefits? Would that be totally, is
24 that the goal of it? Or just to --

1 EX. DEP. COMMISSIONER BRABHAM: No, I
2 don't think that the goal is to totally cover
3 it. It would continue to be coverage with
4 the NYSHIP program and through enrollee
5 contributions.

6 I think that this trust fund would be
7 established to help pay for future healthcare
8 costs for retirees and their dependents. It
9 would be yet another mechanism to help
10 control costs.

11 ASSEMBLYMAN OAKS: And -- but probably
12 just a portion of that, not necessarily the
13 annual --

14 EX. DEP. COMMISSIONER BRABHAM:
15 Correct.

16 ASSEMBLYMAN OAKS: So it says that it
17 would be under the sole custody of the
18 commission or the Department of Civil
19 Service, but then the commissioner would
20 delegate responsibility of managing those
21 investments to the commissioner of Taxation
22 and Finance.

23 Are you aware, does Tax and Finance
24 have trust funds or do they manage dollars at

1 this point?

2 EX. DEP. COMMISSIONER BRABHAM: I am
3 not aware of whether they do or do not have
4 trust funds that they manage.

5 ASSEMBLYMAN OAKS: Or does the -- the
6 commissioner of Civil Service doesn't have
7 those responsibilities, though, it's just --
8 I know --

9 EX. DEP. COMMISSIONER BRABHAM: These
10 would be new responsibilities for both
11 agencies.

12 ASSEMBLYMAN OAKS: Okay.

13 EX. DEP. COMMISSIONER BRABHAM: And
14 again, that would be done by the commissioner
15 of Tax in consultation with the state's
16 Healthcare Insurance Council.

17 ASSEMBLYMAN OAKS: I know there are
18 discussions back and forth on different funds
19 that we have in the state. Should it be sole
20 responsibility of someone, should it be a
21 board? And I know it's done both ways, but
22 I'm just interested to see that the Governor
23 has proposed that.

24 Are there any provisions that you're

1 aware of that this just wouldn't be a fund
2 that could be used for other things -- in
3 other words, protections to keep it from
4 being raided at some time in the future if we
5 build up money in there but needed money for
6 something else? Are there any provisions
7 that you're aware of that would --

8 EX. DEP. COMMISSIONER BRABHAM: That
9 would allow for that? No.

10 ASSEMBLYMAN OAKS: Or that would
11 prohibit it, so that it would be focused just
12 on employee benefits as opposed to used for
13 --

14 EX. DEP. COMMISSIONER BRABHAM: Well,
15 I mean, as I read the legislation, that's
16 what the fund is for and that's what it's
17 focused on. I'm not aware of any provisions
18 that would allow for it to be used for
19 another purpose.

20 ASSEMBLYMAN OAKS: Thank you.

21 Just one other question. I do see
22 that there have been a shift of a certain
23 number of employees, 3,000 -- I think 3,174,
24 that would go from state workforce to be

1 identified with capital projects, shifting
2 them from the state operations portion of the
3 budget to that part.

4 Do you have any sense of how much
5 those 3,000-plus positions, what their
6 combined salary might be that we're shifting?

7 EX. DEP. COMMISSIONER BRABHAM: I do
8 not. I do not have that sense. But I'd be
9 happy to follow up and provide you with that
10 information if it's available.

11 ASSEMBLYMAN OAKS: Thank you very
12 much.

13 EX. DEP. COMMISSIONER BRABHAM: You're
14 welcome.

15 CHAIRMAN FARRELL: Phil Steck,
16 Assemblyman Phil Steck.

17 ASSEMBLYMAN STECK: Twenty-four
18 counties in New York State are self-insured
19 for health insurance. I was a member of a
20 self-insured plan. A lot of major
21 corporations are self-insured. When I got in
22 the NYSHIP plan, to be honest, I was shocked
23 at how poor the benefits were in comparison
24 to the self-insured plan that I had

1 previously been a member of.

2 With the vast number of employees that
3 the State of New York has, why have we not
4 considered going to a self-insured health
5 plan for state employees?

6 EX. DEP. COMMISSIONER BRABHAM:
7 Assemblyman, in fact we have moved to a
8 self-insured health plan. And in fact we've
9 been self-insured since 2013. So all of our
10 vendor contracts for hospital/medical, for
11 prescription drugs, for mental health
12 services have been moved to self-insured
13 since 2013.

14 ASSEMBLYMAN STECK: That's a portion
15 of it, correct?

16 EX. DEP. COMMISSIONER BRABHAM: No.
17 The --

18 ASSEMBLYMAN STECK: So it was -- it's
19 confusing to me --

20 EX. DEP. COMMISSIONER BRABHAM: The
21 Empire Plan is self-insured.

22 ASSEMBLYMAN STECK: So it's confusing
23 to me because when I signed up for NYSHIP,
24 there were many different health insurance

1 companies that we were picking from.
2 Typically in the self-insured plan you would
3 not have that.

4 EX. DEP. COMMISSIONER BRABHAM: I
5 think you're referring to the HMOs that
6 people have to choose from. Is that what --
7 I'm not sure what you're referring to.

8 ASSEMBLYMAN STECK: Well, normally in
9 a self-insured health plan, the only function
10 of a health insurer it is to evaluate and pay
11 claims, so there would not be a particular
12 need for a wide variety of HMOs. So I'm not
13 following you.

14 EX. DEP. COMMISSIONER BRABHAM: Right.
15 So under our self-insured plans, you're
16 right, we pay claims directly as opposed to
17 going through an insurance carrier. So
18 you're right on that point. But I can assure
19 you, we are self-insured.

20 ASSEMBLYMAN STECK: So can you explain
21 to me why you have to pick from a number of
22 HMOs, for example?

23 UNIDENTIFIED STAFF MEMBER: It's
24 collectively bargained. Our benefits are

1 collectively bargained. And so the option of
2 the HMOs are as well.

3 ASSEMBLYMAN STEC: So are those HMOs
4 part of a self-insured plan or are they
5 separate, private insurance that's available
6 in the market?

7 EX. DEP. COMMISSIONER BRABHAM: Yes.
8 And the ability to do that is something that
9 was determined by collective bargaining. So
10 that's --

11 CHAIRWOMAN YOUNG: By the way, if
12 someone is answering from back there, I would
13 ask that they come forward and speak into the
14 mic.

15 EX. DEP. COMMISSIONER BRABHAM: Okay,
16 sure.

17 ASSEMBLYMAN STECK: I have another
18 question, going back to this issue of the
19 contract employees.

20 The way contract employees work is
21 typically the state doesn't do business
22 directly with the contract employees, the
23 contract employees are actually employed by
24 some other employer; isn't that correct?

1 EX. DEP. COMMISSIONER BRABHAM: That's
2 correct.

3 ASSEMBLYMAN STECK: So quite honestly,
4 that other employer could simply be a person
5 who's out collecting employees and then, in
6 essence, renting them to the state; correct?

7 EX. DEP. COMMISSIONER BRABHAM:
8 Collecting employees and renting them to the
9 state? I'm not sure what that means.

10 ASSEMBLYMAN STECK: In other words,
11 they may simply be a business that finds
12 employees and does nothing more than hook
13 those employees up with jobs at the state;
14 isn't that right?

15 EX. DEP. COMMISSIONER BRABHAM: The
16 employees who work for the contractor are
17 employees of the contractor, not of the
18 state.

19 But to answer your question, and what
20 I think that you're getting at is, is there a
21 process in place to make sure that
22 contractors that we're doing business with
23 are legitimate? And I would say yes, there
24 is. Because all contracts go through a

1 certain level of review, agency level of
2 review, the office of the Attorney General.
3 Before any contract is effectuated, it has to
4 go through the office of the State
5 Comptroller to ensure that the business is
6 legitimate, that they employ who they say
7 they employ, and that they are appropriate to
8 do business with the State of New York.

9 ASSEMBLYMAN STECK: So my point is,
10 though, that the business, if it's simply an
11 employee-finding agency, has to charge more
12 for those employees than the state would have
13 to charge if the state employed them itself,
14 because it is simply a business of recruiting
15 employees and has no other purpose. In fact,
16 I'm well aware that that's the practice,
17 because I've dealt with these in my private
18 life.

19 So -- and in fact, another factor
20 that's involved is many of these employment
21 agencies, which is really what they are, are
22 bringing in employees on an H-1B visa
23 program, particularly in the tech area. And
24 I don't know if your department has made any

1 certification, for the purpose of an H-1B
2 visa program, that there aren't American
3 workers who could fill those jobs.

4 EX. DEP. COMMISSIONER BRABHAM: We do
5 not have a role, any kind of role in
6 certifying visa programs for employment, if
7 that's your question.

8 ASSEMBLYMAN STECK: So in other words,
9 the employment agency is doing that, and you
10 have no idea what they're doing?

11 EX. DEP. COMMISSIONER BRABHAM: I'm
12 not familiar with what employment agencies
13 you may know about or the experiences that
14 you may have. That is not something that
15 we've come across. There are a number of
16 kinds of contractors that we deal with. I am
17 not sure how many of them -- if any of
18 them -- are temporary employment agencies.

19 So that is not something that I can
20 answer for you today, but I can certainly
21 look into it. And I'd be happy to follow up
22 and provide your office with that
23 information.

24 ASSEMBLYMAN STECK: When we say

1 employment agency, it doesn't have to be a
2 temporary employment agency. The idea of an
3 employment agency is simply that all that
4 company does is find employees and match them
5 with jobs at the State of New York. That's
6 all they do. They have nothing else -- no
7 other function. They might not even have a
8 physical location where they do business.
9 All they're doing is getting employees from a
10 particular place, many times overseas, and
11 bringing them here to fit slots at the State
12 of New York. That's what I'm referring to.

13 EX. DEP. COMMISSIONER BRABHAM: I
14 understand what you're referring to, and I'm
15 saying I have no knowledge of that occurring
16 within the state of -- within the workforce
17 and within the contractual agreements that we
18 have.

19 ASSEMBLYMAN STECK: I assure you that
20 it is occurring.

21 EX. DEP. COMMISSIONER BRABHAM: Thank
22 you, Assemblyman.

23 CHAIRWOMAN YOUNG: Thank you.

24 Senator Comrie.

1 SENATOR COMRIE: Good morning,
2 Commissioner Brabham.

3 Thank you, Senator, for allowing me to
4 ask a question. I wasn't quite prepared when
5 I first came in.

6 But I was concerned about the aspect
7 of trying to compartmentalize the hearing
8 units around the state and what that would --
9 how would that impact the ability of the
10 workers in three different ways. Number one,
11 their access to coming to a hearing, would
12 that -- would they make sure that the hearing
13 offices are still located where a person
14 could travel easily? And has anything been
15 done specifically to look about the location
16 and the aspects of people having to travel
17 out of their zone or out of their county to
18 get to a hearing unit? And what specifically
19 have you done to start talking about this
20 vis-a-vis union negotiations?

21 EX. DEP. COMMISSIONER BRABHAM: Yeah,
22 I believe there are discussions underway with
23 regard to that. And of course this proposal
24 is still -- you know, the mechanics of how

1 this would operate is still being developed.

2 I think the point here is to
3 consolidate the ALJs in one location, because
4 I think it lends itself to potentially better
5 hearing decisions when you have the ALJs
6 clustered together. Certainly it provides an
7 opportunity for more targeted training to the
8 ALJs, to the extent that there's continuing
9 education or additional training that people
10 need. And also it probably presents the
11 opportunity or may present the opportunity
12 for some administrative savings.

13 But to your points about where they're
14 going to be located, that's not a question
15 that I can answer for you today because it's
16 still under development. But I'd be happy to
17 get back to you on that when information is
18 available.

19 SENATOR COMRIE: And wouldn't there
20 have to be negotiations with the different
21 unions to talk about consolidation or the
22 technical staff that would be required?

23 EX. DEP. COMMISSIONER BRABHAM: I
24 guess depending upon what develops, that may

1 be the case. But again, the Governor's
2 Office of Employee Relations would be able to
3 provide more information on what needs to be
4 bargained and what does not.

5 SENATOR COMRIE: And some of these --
6 some of the issues that come before the
7 administrative hearings are highly technical
8 and should be handled by people with real
9 expertise, not a general ALJ administrative
10 officer. Has any thought been given to that
11 process at all, or are you saying that this
12 is just a preliminary idea and there's no --
13 hasn't been any real meetings on it one way
14 or the other?

15 EX. DEP. COMMISSIONER BRABHAM: No,
16 I'm not saying that at all. I'm saying that
17 the proposal is still under development, and
18 I'm sure that those details are going to be
19 discussed.

20 Yes, some of the issues are highly
21 technical and deal with very serious issues.
22 And I'm sure that the ALJs that deal with
23 those issues will continue to do so.

24 SENATOR COMRIE: And I'm also

1 concerned about the ability of our
2 constituents to have an open opportunity to
3 be represented at these hearings, and I would
4 hope that that is enhanced as well. I've
5 gotten a lot of complaints from my
6 constituents that have had to go through a
7 hearing that they were not able to gain
8 representation or be able to bring
9 representation sometimes to the hearings.

10 I wanted to get an idea from you on
11 how that's broken down. When can a person
12 bring representation, and what type of
13 representation can they bring to a hearing?

14 EX. DEP. COMMISSIONER BRABHAM: Well,
15 I'm not familiar with every situation, but I
16 do know that individuals are entitled to
17 representation. I'm not sure about the
18 specific cases that you may be talking about
19 where people were not allowed to bring
20 representation. But certainly we can follow
21 up with your office. And if we could be
22 helpful with providing information to you on
23 that, we'd be happy to do it.

24 SENATOR COMRIE: I will get back to

1 you with those specifics, definitely.

2 EX. DEP. COMMISSIONER BRABHAM: Thank
3 you, Senator.

4 SENATOR COMRIE: But we've had some
5 concerns about people that did not feel that
6 they were able to articulate their full case
7 before an ALJ officer. And I would hope that
8 in whatever the reconstruction is, that those
9 details can be clarified and codified so
10 there won't be any question or -- there won't
11 be any opportunities for a person not to get
12 a fair and full hearing and have their issues
13 articulated clearly.

14 EX. DEP. COMMISSIONER BRABHAM:
15 Absolutely. I agree.

16 SENATOR COMRIE: And it seems like I'm
17 having -- this morning I'm not being clear
18 myself. So there are days where a person
19 really needs to have a pro se representation
20 at a hearing so that they can have their
21 concerns articulated in the best way
22 possible, and a few of my constituents have
23 felt that they were not able to get their
24 concerns articulated.

1 So I'm very concerned about
2 consolidation and generalization of a matter
3 that is so important to somebody's
4 opportunity to continue their employment or
5 defend their position, if there's a wrong
6 that was done to them that put them in a
7 situation where they had to have a hearing.

8 EX. DEP. COMMISSIONER BRABHAM: Well,
9 as I said, you know, we'd be happy to help
10 facilitate getting answers to your questions
11 about individual cases as well as additional
12 information as plans develop with regard to
13 the consolidation.

14 SENATOR COMRIE: All right. I see my
15 time is up. Thank you.

16 CHAIRWOMAN YOUNG: Thank you, Senator
17 Comrie.

18 We've been joined by Senator Marisol
19 Alcantara.

20 CHAIRMAN FARRELL: Shelley Mayer,
21 Assemblywoman.

22 ASSEMBLYWOMAN MAYER: Thank you.

23 Good morning.

24 EX. DEP. COMMISSIONER BRABHAM: Good

1 morning.

2 ASSEMBLYWOMAN MAYER: I have a
3 question about the proposal to reduce the
4 health contribution for retirees, the
5 Medicare Part B contribution.

6 EX. DEP. COMMISSIONER BRABHAM: Yes.

7 ASSEMBLYWOMAN MAYER: With respect to
8 both -- well, let's start with current
9 retirees. How many current retirees would be
10 impacted by that proposal?

11 EX. DEP. COMMISSIONER BRABHAM: Which
12 proposal are we -- there are actually two
13 Medicare proposals. I think the one that
14 you're referring to is the standard Medicare
15 Part B premium.

16 ASSEMBLYWOMAN MAYER: Yes, the
17 freezing of it, yes.

18 EX. DEP. COMMISSIONER BRABHAM: All
19 retirees would be subject to that proposal,
20 all current retirees.

21 ASSEMBLYWOMAN MAYER: How many are
22 there?

23 EX. DEP. COMMISSIONER BRABHAM: There
24 are, state retirees, around 140,000.

1 ASSEMBLYWOMAN MAYER: And what's the
2 projected savings in Year 1 for that?

3 EX. DEP. COMMISSIONER BRABHAM: The
4 projected savings in Year 1 is about \$3.5
5 million for that particular proposal. When
6 you take all three proposals together, it's
7 about \$10 million in the current year.

8 ASSEMBLYWOMAN MAYER: And that would
9 apply regardless of the income or the assets
10 of the retiree?

11 EX. DEP. COMMISSIONER BRABHAM: That
12 would apply depending on when you enrolled in
13 the program. So right now the reimbursement
14 is anywhere from \$104 a month to \$121 a
15 month, depending upon when you enrolled.

16 ASSEMBLYWOMAN MAYER: But my point is
17 that anyone who is among that large group of
18 current retirees --

19 EX. DEP. COMMISSIONER BRABHAM: Yes,
20 it would apply.

21 ASSEMBLYWOMAN MAYER: -- regardless of
22 whether they were simply getting by on their
23 pension check --

24 EX. DEP. COMMISSIONER BRABHAM: That's

1 correct.

2 ASSEMBLYWOMAN MAYER: -- or they had
3 no other assets, this would freeze the
4 state's reimbursement for their Part B
5 premium?

6 EX. DEP. COMMISSIONER BRABHAM: That
7 is correct.

8 ASSEMBLYWOMAN MAYER: With respect to
9 the IRMAA proposal, which is the second part
10 you were talking about, how many retirees do
11 you anticipate that would apply to?

12 EX. DEP. COMMISSIONER BRABHAM: Well,
13 it would apply to the retirees with higher
14 income. I don't know that I have the number
15 of enrollees that it would apply to. But it
16 would apply to individuals with incomes
17 anywhere between \$85,000 and \$170,000.

18 ASSEMBLYWOMAN MAYER: You don't know
19 approximately how many you're projecting this
20 would apply to?

21 EX. DEP. COMMISSIONER BRABHAM: About
22 8,000 individuals.

23 ASSEMBLYWOMAN MAYER: And what is the
24 projected savings in Year 1?

1 EX. DEP. COMMISSIONER BRABHAM:

2 Approximately \$2 million.

3 ASSEMBLYWOMAN MAYER: Is this an issue
4 that has been discussed or negotiated with
5 the collective bargaining agreements that
6 represent the current employees?

7 EX. DEP. COMMISSIONER BRABHAM: I'm
8 not -- you know, as I said before, GOER is
9 really the agency that has those discussions
10 and decides what is collectively bargained.
11 So I think that Mike Volforte, who is up
12 next, would be better positioned to, you
13 know, talk to you about what discussions have
14 been had with the unions.

15 ASSEMBLYWOMAN MAYER: Okay, thank you.

16 EX. DEP. COMMISSIONER BRABHAM: You're
17 welcome.

18 CHAIRMAN FARRELL: Assemblyman
19 Bronson.

20 ASSEMBLYMAN BRONSON: Yes, thank you
21 for being here today. I want to follow up on
22 the contract workers and the independent
23 contractor situation.

24 You know, this state continues to rely

1 heavily on contracting out for services that
2 can be done by state workers. And the
3 reality is that it appears that there could
4 be savings if we actually utilized the
5 expertise and the skill and the knowledge of
6 those state workers.

7 You mentioned in your testimony
8 earlier about when a contract is going to be
9 let out, you evaluate the contractor to make
10 sure that contractor can perform the services
11 and they're of quality and things of that
12 nature. Is there any evaluation done by
13 agencies or by your office in doing a
14 comparison of the cost to taxpayers in
15 letting that contract out to an independent
16 contractor versus having it done by a state
17 worker or a team of state workers?

18 EX. DEP. COMMISSIONER BRABHAM: That
19 analysis is not performed by Civil Service.
20 And I would assume that it is being performed
21 by agencies that are entering into those
22 contracts, but I can't speak for those
23 agencies to give you specifics.

24 ASSEMBLYMAN BRONSON: All right.

1 collect with regard to what kinds of services
2 are being provided to the state and how many
3 contractors are working on those services,
4 the categories of services, things like that.

5 ASSEMBLYMAN BRONSON: Sure. So you're
6 collecting some data from those agencies.

7 EX. DEP. COMMISSIONER BRABHAM: Yes.

8 ASSEMBLYMAN BRONSON: Is there any
9 reason why you would not collect data
10 regarding the compensation levels?

11 And let me follow up with that
12 question. And wouldn't that give you
13 valuable information as you're making
14 determinations about decisions regarding the
15 state workforce itself?

16 EX. DEP. COMMISSIONER BRABHAM: It
17 could potentially yield valuable information,
18 yes.

19 ASSEMBLYMAN BRONSON: So in the
20 future, is there any chance that you will be
21 able to collect that data and analyze it so
22 that we who are charged to represent
23 taxpayers in this state can get the best
24 service from the best workers and make the

1 best decisions for those taxpayers?

2 EX. DEP. COMMISSIONER BRABHAM: Well,
3 I certainly agree we want to make the best
4 decision for the taxpayers and we want to
5 make sure that we get what we're paying for.
6 So yes, I think we would be open to that.

7 ASSEMBLYMAN BRONSON: Okay. Thank
8 you.

9 CHAIRMAN FARRELL: Thank you.

10 EX. DEP. COMMISSIONER BRABHAM: Thank
11 you.

12 CHAIRMAN FARRELL: Mr. Oaks was asking
13 and talking to you about the Taxation and
14 Finance investing and you had to --
15 establishing a retiree health trust fund.
16 Could you give me an explanation of why they
17 think -- you think that they are the best
18 choice to invest these funds?

19 EX. DEP. COMMISSIONER BRABHAM: Well,
20 why do I think the Tax Department would be
21 the best choice to invest the funds?

22 CHAIRMAN FARRELL: Yes. To you. See,
23 the other thing is you don't use, you give
24 out.

1 EX. DEP. COMMISSIONER BRABHAM: I'm
2 sorry?

3 CHAIRMAN FARRELL: In other words, you
4 get money and you give it to the agencies.
5 But this is a separate one. So --

6 EX. DEP. COMMISSIONER BRABHAM: So
7 this is -- you know, this is a proposal
8 that's contained in this year's budget. This
9 is something that has been developed, you
10 know, in consultation with the Division of
11 Budget. And we think that this is a fair way
12 to proceed. Fair and reasonable.

13 CHAIRMAN FARRELL: Thank you.

14 CHAIRWOMAN YOUNG: Thank you very
15 much. I think everyone has asked questions
16 who wants to ask questions.

17 Okay. Well, thank you very much for
18 joining us today.

19 EX. DEP. COMMISSIONER BRABHAM: Thank
20 you for your time.

21 CHAIRMAN FARRELL: Thank you.

22 EX. DEP. COMMISSIONER BRABHAM: Thank
23 you.

24 CHAIRWOMAN YOUNG: Next we will be

1 joined by Michael N. Volforte, interim
2 director of the Governor's Office of Employee
3 Relations, or GOER.

4 Welcome. We look forward to your
5 testimony. (Pause.) So let's begin.

6 GOER INTERIM DIR. VOLFORTE: Thank
7 you. Good morning, Chairwoman Young,
8 Chairman Farrell, and honorable members of
9 the Assembly and Senate.

10 Good morning. I am Michael Volforte,
11 and I serve as the interim director of the
12 Governor's Office of Employee Relations. I'm
13 pleased to have the opportunity to address
14 Governor Cuomo's Executive Budget proposal
15 for the upcoming fiscal year as it relates to
16 my office and the workforce.

17 During the past year, the state
18 reached collective bargaining agreements with
19 several unions that represent our employees.
20 We reached two agreements with the Public
21 Employees Federation that cover the years
22 2015-2016 and 2016-2019, both of which were
23 ratified by overwhelming margins.

24 We also reached an agreement with the

1 Graduate Student Employees Union for the
2 2016-2019 period and the New York State
3 Correctional Officers and Police Benevolent
4 Association for the 2016-2021 period. These
5 last two agreements have not yet been
6 ratified.

7 All of the agreements we reached
8 strike a balance, fairly compensating our
9 valuable public employees while maintaining
10 fiscal discipline.

11 Along with our partners in labor, the
12 Governor's Office of Employee Relations
13 provides high-quality benefit programs to the
14 state workforce. These include pre-tax
15 contribution programs for unreimbursed health
16 care expenses, dependent care expenses and
17 certain transportation expenses,
18 pre-retirement planning seminars, wellness
19 services, and our well-established Employee
20 Assistance Program, through which thousands
21 of employees obtain assistance to help them
22 achieve work-life balance and address other
23 issues in their lives.

24 We have built upon Governor Cuomo's

1 long-standing commitment to protecting and
2 educating the state workforce. We just
3 completed our third year of enterprise-wide
4 mandatory training programs for employees,
5 supervisors and managers designed to protect
6 our workforce and the work environment, stamp
7 out potential discrimination and ensure
8 access to government services by the public.
9 This is in addition to numerous other
10 programs and courses that we offer that
11 promote skills in leadership, supervision,
12 interpersonal relations, and the specific
13 skills needed to do the myriad jobs that make
14 up the state workforce.

15 We also continued our work with our
16 partners in Civil Service to ensure, for
17 example, that when a title series is revamped
18 that training and development opportunities
19 are available to employees to assist them in
20 meeting the expectations of their position.

21 Looking to the next fiscal year, our
22 focus will be on negotiations, implementation
23 of recently negotiated agreements and
24 expansion of the training available to the

1 state workforce to enhance skills and further
2 their professional development. Currently we
3 are in negotiations with four unions seeking
4 successor agreements for their expired
5 contracts. The overall workforce numbers
6 remain stable, and there are no planned or
7 proposed layoffs in the Governor's budget.

8 I'm also very excited to support the
9 Governor's proposal for the Empire Star
10 Public Service Awards. These professional
11 development scholarship awards will recognize
12 the achievements of our employees and the
13 impact they have on the lives of New Yorkers.
14 It is important that we take the time to
15 recognize them and reward them for jobs well
16 done.

17 I'm also proud that my office will
18 continue to assist in the Governor's fight to
19 end wage inequality. As you know, the
20 Governor recently issued Executive Order 161,
21 whereby we will no longer collect or request
22 an applicant's compensation history as part
23 of the application process. Through our
24 monitoring and oversight, this will ensure

1 that salary is set based on the skills and
2 abilities a position requires and protect a
3 candidate seeking employment with the state
4 from being disadvantaged based on what the
5 candidate made in their prior employment.

6 Over the next year, we will continue
7 our collaboration with the unions, and I'm
8 confident that we will reach agreements that
9 are fiscally responsible, provide deserved
10 benefits for the workforce, and help ensure
11 continued provision of essential services on
12 which their fellow New Yorkers rely.

13 Thank you.

14 CHAIRWOMAN YOUNG: Thank you very
15 much.

16 I just have one quick question. You
17 say the overall workforce numbers remain
18 stable and there are no planned or proposed
19 layoffs in the Governor's budget. But are
20 there jobs that will not be filled this year,
21 and how many?

22 GOER INTERIM DIR. VOLFORTE: As
23 Executive Deputy Commissioner Brabham said,
24 we're expecting the net employment levels

1 to -- we're going to attrit out 136
2 positions. So overall there will be -- the
3 plan is, under the proposed budget, that we
4 will fill 136 less positions than we expect
5 to have at the end of this March.

6 There are numerous agencies -- DOCCS,
7 Homeland Security, Department of Health and
8 others -- that will be hiring, while in other
9 agencies they will not be filling all of the
10 jobs that attrit.

11 CHAIRWOMAN YOUNG: Do you have a list
12 of the jobs that are being eliminated?

13 GOER INTERIM DIR. VOLFORTE: Well, I
14 wouldn't say that jobs are being eliminated,
15 because nobody is being laid off. But we are
16 having --

17 CHAIRWOMAN YOUNG: The positions are
18 not being filled --

19 GOER INTERIM DIR. VOLFORTE: That
20 would vary by agencies.

21 CHAIRWOMAN YOUNG: -- so thereby the
22 jobs are being eliminated, because there will
23 no longer be workers in those positions.
24 So --

1 GOER INTERIM DIR. VOLFORTE: That's
2 really going to depend on who leaves when in
3 a specific agency. And that will vary
4 tremendously by agencies. Because we -- it
5 will only be at that point in time that an
6 agency looks to make a decision about filling
7 or not filling that vacancy.

8 CHAIRWOMAN YOUNG: So you don't have
9 specific jobs that you're thinking of that
10 you're -- just as people retire, you're just
11 going to certain positions, but you're not
12 sure which positions those are?

13 GOER INTERIM DIR. VOLFORTE: No. I
14 think, depending on the agency, they're
15 targeted to specific agencies, such as in
16 OPWDD and OMH, with their deinsttit --
17 deinstitu -- removing individuals from
18 institutional settings and setting them in
19 community-based settings. They will fall
20 within those categories, but I'm not aware of
21 the specific titles or jobs or people who are
22 now going to be affected.

23 CHAIRWOMAN YOUNG: But how then do you
24 know that there's a specific number if you're

1 not aware of which jobs they are?

2 GOER INTERIM DIR. VOLFORTE: Those
3 numbers are discussed between the Division of
4 Budget and the individual agencies that are
5 involved, and they have targets set based on
6 what they expect to happen in those sectors
7 of their business.

8 CHAIRWOMAN YOUNG: Do you at least
9 have a list of which agencies may be
10 affected?

11 GOER INTERIM DIR. VOLFORTE: Yes. In
12 the --

13 CHAIRWOMAN YOUNG: Could you get that
14 to the Legislature, please?

15 GOER INTERIM DIR. VOLFORTE: That
16 information, at least at a high level, is
17 contained in the workforce summary section of
18 the Budget Book. But I can certainly point
19 out those specific pages to you in that
20 document. I'll point that out, absolutely.

21 CHAIRWOMAN YOUNG: Okay, thank you.

22 CHAIRMAN FARRELL: Assemblyman Abbate.

23 ASSEMBLYMAN ABBATE: I have one
24 question on your testimony. You basically

1 say, in testimony again, we've built upon the
2 Governor's long-standing commitment to
3 protecting and educating the state workforce.

4 You missed a few things which -- you
5 know, I've been the chair for a while -- that
6 have been going on way before the Governor
7 took office. My understanding is those
8 programs are being less fulfilled now than
9 they were in the past. Can you state
10 something that really has come from the
11 Governor's administration or the Governor
12 that really does?

13 GOER INTERIM DIR. VOLFORTE:
14 Absolutely, yes. Under Governor Cuomo, the
15 state published its first comprehensive EEO
16 policy, which it's located on our website,
17 and it's the first ever compilation of all of
18 the rights, protections, obligations of all
19 state employees under federal/state law.
20 We --

21 ASSEMBLYMAN ABBATE: Wasn't that at
22 the insistence of the Legislature?

23 GOER INTERIM DIR. VOLFORTE: No. That
24 was -- I mean, the laws were in place, but a

1 state employee prior to 2012 couldn't go to
2 one location and find a compilation of all of
3 those rights and responsibilities that they
4 have.

5 We also launched a uniform,
6 comprehensive investigation process for all
7 claims of discrimination in employment based
8 on those rights and responsibilities. Before
9 we did that, all of the agencies would
10 investigate on their own, pursuant to their
11 own procedures, and we standardized
12 investigative procedures.

13 ASSEMBLYMAN ABBATE: That sounds
14 great, but the two things you did have been
15 really at the insistence of the legislatures
16 over the years, not something new that, you
17 know, the Governor proposed.

18 You know, this is stuff that's been
19 asked for year after year by different
20 legislators going on. And yes, you've
21 implemented them. But something you said,
22 under the Governor's long-standing
23 commitment. What -- you know, if you can.
24 His long-standing commitment --

1 GOER INTERIM DIR. VOLFORTE: Well,
2 these go back to the beginning of the
3 Governor's administration. And there are a
4 series of efforts that we've undertaken since
5 the Governor came into office which include
6 the policy, the investigation process, making
7 sure that complaints of discrimination are
8 consistently investigated and followed up on
9 and monitored. Those are things that have
10 arisen under the Governor, and the Governor
11 has done numerous other things, some in
12 conjunction with the Legislature, some in
13 terms of executive action -- changes to the
14 Human Rights Law, clarifications as to what
15 is covered under the Human Rights Law.
16 There's a -- there's a -- you know, wage
17 protection. The minimum wage, which you all
18 joined with the Governor in.

19 So I'm just highlighting from my
20 perspective what --

21 ASSEMBLYMAN ABBATE: We joined with
22 the Governor?

23 GOER INTERIM DIR. VOLFORTE: I'm
24 sorry?

1 ASSEMBLYMAN ABBATE: We joined with
2 the Governor, or the Governor joined with us?

3 GOER INTERIM DIR. VOLFORTE: I'm
4 having trouble hearing you, Assemblyman.

5 ASSEMBLYMAN ABBATE: We joined with
6 the Governor on the minimum wage? Or did we
7 sort of bring him along into the minimum
8 wage?

9 INTERIM DIRECTOR VOLFORTE: I'm not a
10 student of that history, sorry.

11 ASSEMBLYMAN ABBATE: Fine. I just
12 wanted to know his long-standing commitment.
13 That will be all, thank you. That's fine.

14 CHAIRWOMAN YOUNG: Senator Diane
15 Savino.

16 SENATOR SAVINO: Thank you, Senator
17 Young. Thank you, Mr. Volforte.

18 So I'm going to go back to a question
19 that I raised with Civil Service. It's about
20 the changes, the proposed changes to retiree
21 health -- this differential premium issue.
22 Because it's noted in the Governor's proposal
23 that in fact those kinds of changes have been
24 negotiated with NYSCOPBA in their collective

1 bargaining agreement, which you referenced in
2 your own testimony.

3 So I'm just curious, in your testimony
4 you talk about that you're in discussions
5 with I think it's four unions right now for
6 successor contract negotiations. Is that
7 correct, four?

8 GOER INTERIM DIR. VOLFORTE: Correct.

9 SENATOR SAVINO: Okay. Are you
10 discussing those potential changes with those
11 four unions?

12 GOER INTERIM DIR. VOLFORTE: No.

13 SENATOR SAVINO: Why?

14 GOER INTERIM DIR. VOLFORTE: We don't
15 believe that it's required to negotiate them.

16 SENATOR SAVINO: Well, I'm just
17 curious. You felt it was appropriate to
18 negotiate with one union, and now you just
19 want to go forward and impose it on the other
20 four bargaining units. Why not have that
21 conversation?

22 GOER INTERIM DIR. VOLFORTE: The
23 NYSCOPBA agreement is out for ratification,
24 so I'm not going to get into a -- I can't get

1 into a laundry list of everything that's in
2 that. But that -- those proposals are not in
3 that agreement.

4 SENATOR SAVINO: Then why would the
5 proposal that was sent to us indicate that
6 that was part of the agreement?

7 GOER INTERIM DIR. VOLFORTE: I can't
8 speak to what you received --

9 SENATOR SAVINO: Curious.

10 GOER INTERIM DIR. VOLFORTE: -- but
11 there were health insurance negotiations
12 which included changes to health insurance,
13 but they did not include those.

14 SENATOR SAVINO: Interesting. Well,
15 my suggestion is that if you had a
16 conversation in these collective bargaining
17 negotiations, you might get the same kind of
18 pushback from those four unions for the
19 future of their retirees. They're probably
20 not going to be supportive of those potential
21 changes any more than we probably will
22 either.

23 I want to move on, though, to -- I
24 have a question about this Empire Star Public

1 Service Award. It's a scholarship program;
2 is that correct?

3 GOER INTERIM DIR. VOLFORTE: Correct.

4 SENATOR SAVINO: And what would be the
5 terms of this scholarship?

6 GOER INTERIM DIR. VOLFORTE:
7 Basically, if you receive an award, we would
8 allow the employee up to \$5,000 for
9 professional development opportunities,
10 depending on who the employee was and what
11 the employee did. It could be training, it
12 could be college classes, it could be
13 equipment and other materials in support of
14 that professional development.

15 SENATOR SAVINO: And it could be used
16 for tuition, it could be used for -- have you
17 guys actually put together the plan yet, or
18 is it still in the development stages?

19 GOER INTERIM DIR. VOLFORTE: That
20 would be the parameters of what it could be
21 used for. We're remaining flexible on what
22 the uses would have to be, because depending
23 on what an employee did and what an employee
24 wanted to do as professional development,

1 that would need to vary from employee group
2 to employee group.

3 So we're trying to remain flexible on
4 that, so we don't have rigid guidelines. But
5 they would basically fall -- we think that
6 the guidelines that I -- the general
7 sentiments I expressed would cover the vast
8 majority of employees who would be awarded
9 those particular --

10 SENATOR SAVINO: But it would not be
11 salary, correct? It wouldn't be a cash
12 award.

13 GOER INTERIM DIR. VOLFORTE: Correct.
14 It's not salary.

15 SENATOR SAVINO: Okay. Because that
16 would be a different thing.

17 And finally, I read the piece and I
18 have to admit, I'm somewhat baffled by this
19 idea of why asking someone about their prior
20 salary is somehow discriminatory,
21 particularly in the government service.
22 Because government salaries are set. So if I
23 come into a title in the government service,
24 it doesn't matter whether I'm a man or a

1 those two people wouldn't be competing for
2 the same job.

3 But again, I go back to what
4 difference -- I fail to see what difference
5 it really makes in the hiring process. But I
6 will say this. All of us in the government
7 service, our salaries are not only set in
8 stone, they are public record. So if I were
9 to apply for a job in the government service,
10 you all know how much money I make right now,
11 because it's set in statute. Right? As
12 everybody who works for the government's job
13 is public record.

14 So I just don't understand why this is
15 of any value. Perhaps it's just me, I just
16 don't really think it's of any great value.
17 If we want to do something about examining
18 the inequities in -- particularly women in
19 our public-sector workforce, you have already
20 a workforce diversity study that's produced
21 by the Department of Civil Service, it's
22 examined every year. If you want to look at
23 the differences in job titles, that's clear.
24 If you look at positions that are held by

1 women traditionally compared to positions
2 that are held by men traditionally, where you
3 have the same requirements for the job, the
4 same education, you can see it. Caseworkers
5 and probation officers: Same
6 responsibilities, same duties, same
7 education, same experience. One is
8 predominantly women, one is predominantly
9 men. You see the differentiation in salary.
10 That's where it is. We can fix it that way.

11 This, in my opinion, is ice in winter.
12 That's just my own opinion. And at that
13 point, I am done. Thank you.

14 GOER INTERIM DIR. VOLFORTE: But the
15 executive order applies to applicants for
16 employment, which will generally be from the
17 outside, will not be state applicants for
18 employment.

19 SENATOR SAVINO: It's really
20 irrelevant. It really is. But thank you.

21 CHAIRWOMAN YOUNG: Thank you, Senator.
22 Assemblyman?

23 CHAIRMAN FARRELL: Assemblyman Weprin.

24 ASSEMBLYMAN WEPRIN: Yes, thank you,

1 Mr. Chairman.

2 Mr. Volforte, I'm the new Correction
3 Committee chair in the Assembly. And you
4 referred to and Senator Savino asked about
5 the NYSCOPBA contract and the health
6 insurance relation. I understand it's out
7 for ratification, and it's a six-year
8 contract.

9 What was the prior contract before?
10 How many years was that for, and what is the
11 proposals on this contract versus the prior
12 contract?

13 GOER INTERIM DIR. VOLFORTE: The
14 current contract pending ratification is
15 actually five years. It covers the April 1,
16 2016 to March 31, 2021 period.

17 The prior contract to this one was
18 actually a seven-year agreement. It covered
19 the April 1, 2009, period to March 31, 2016.

20 ASSEMBLYMAN WEPRIN: Okay. Is there a
21 reason why it went from seven years to five
22 years? And are there major differences from
23 the prior contract?

24 GOER INTERIM DIR. VOLFORTE: The

1 lengths of the contracts are creatures of
2 discussions between the parties, and they
3 varied over time, depending on bargaining
4 unit and time period. Sometimes
5 contracts are three years, such as the one we
6 struck with the Professional Employees
7 Federation. Sometimes they're longer.

8 The last NYSCOPBA contract wound up
9 being seven years because they were two years
10 behind the pattern of length of contracts we
11 had struck with other bargaining units in
12 2011 and 2012. And so in order to bring them
13 up in terms of length of time, we were lucky
14 enough to secure a seven-year agreement for
15 that 2009-to-2016 period.

16 ASSEMBLYMAN WEPRIN: I understand the
17 contract is out for ratification. But are
18 there any issues that you anticipate might be
19 a problem in that ratification?

20 GOER INTERIM DIR. VOLFORTE: We
21 anticipate that it will be ratified, as does
22 the union.

23 ASSEMBLYMAN WEPRIN: Okay, to be
24 continued. Thank you.

1 situations that would occur, that would
2 govern what would happen to those employees.

3 In the last round of bargaining with
4 the state unions, the 2011 to 2016 period, we
5 had basically limited no-layoff provisions,
6 whereby we would only let people go by
7 abolishing their positions if there were
8 certain narrowly defined categories of things
9 that occurred during that period. In other
10 contracts, that language didn't exist. But
11 it's really dependent on the times and the
12 demands and the wills of the parties.

13 ASSEMBLYMAN DENDEKKER: So if the
14 contract is expired and there is no agreement
15 and technology comes along that then
16 eliminates the positions, you're under no
17 obligation to keep the employees?

18 GOER INTERIM DIR. VOLFORTE: Generally
19 speaking, we don't have limitations on our
20 ability to abolish positions, during the term
21 of the agreement or after the agreement
22 expires, unless we've limited ourselves by
23 agreement. Under state law, we've got that
24 ability. In the 2011 period, we negotiated

1 some limitations on that for the term of that
2 agreement. And currently we have no plans to
3 exercise or proposing to exercise it.

4 So it's not really a function of
5 necessarily being within the term of the
6 contract or it being expiring. It's possible
7 that a layoff could occur from a public
8 employer in any time period unless there's an
9 agreement to so limit those.

10 ASSEMBLYMAN DENDEKKER: Okay. So
11 specifically talking about the proposal of
12 changing all of the tolls in the State of New
13 York to a cashless system, I guess my
14 question is, what is going to happen to all
15 those employees?

16 GOER INTERIM DIR. VOLFORTE: Again,
17 I'm not -- those are entities that aren't
18 represented -- I don't represent those
19 agencies, I'm limited to, by statute, those
20 agencies who are the executive branch within
21 direct Governor's control. That's who we
22 cover.

23 So I don't have any information
24 regarding those individuals because I haven't

1 been involved in any of those issues.

2 ASSEMBLYMAN DENDEKKER: Okay. Thank
3 you.

4 CHAIRMAN FARRELL: Thank you.
5 Assemblyman Colton.

6 ASSEMBLYMAN COLTON: Yes, thank you,
7 Mr. Volforte.

8 (Discussion off the record.)

9 ASSEMBLYMAN COLTON: All right, I
10 think we're on. There's a piece of tape over
11 it, so we may lose it.

12 All right, I was concerned in terms of
13 some of the changes in the healthcare
14 premiums for retirees. Are the changes that
15 are being proposed in those premiums, will
16 they apply to the current retirees? Or is it
17 future retirees?

18 GOER INTERIM DIR. VOLFORTE: Some
19 will. The Medicare Part B cap and the IRMAA
20 payment, those will apply to current
21 retirees. And I believe that the graduated
22 scale of health insurance premium
23 contribution for retirees with less than
24 30 years of service, that will be applied on

1 a prospective basis.

2 ASSEMBLYMAN COLTON: Okay, so that
3 last part will be applied prospectively. Not
4 to the current, but prospectively, which
5 means to employees who retire after the date
6 that these proposed changes -- if they go
7 into effect.

8 GOER INTERIM DIR. VOLFORTE: Correct.
9 That's my understanding.

10 ASSEMBLYMAN COLTON: Okay. And how
11 many retirees currently are enrolled in
12 NYSHIP?

13 GOER INTERIM DIR. VOLFORTE: I --
14 unfortunately, I don't have that information.
15 I could certainly find out. I would need to
16 get that from the Department of Civil
17 Service, because they oversee NYSHIP. So I
18 don't deal in the retiree health insurance.
19 But we could certainly get you that
20 information.

21 ASSEMBLYMAN COLTON: Okay. And when
22 someone applies to work for New York State,
23 do you think one of the considerations they
24 have would be the benefit of healthcare

1 premiums being paid as one of the reasons
2 they might apply for New York State
3 employment?

4 GOER INTERIM DIR. VOLFORTE: Sure. I
5 would absolutely expect somebody to look at
6 that, and a range of other issues as well.
7 But yes.

8 ASSEMBLYMAN COLTON: And do you think
9 that also, in terms of their planning for
10 financial security and how they're going to,
11 you know, live their lives, their quality of
12 life after retirement, a consideration would
13 be what the healthcare benefits being paid by
14 the state would have?

15 GOER INTERIM DIR. VOLFORTE: Yes.

16 ASSEMBLYMAN COLTON: All right. So do
17 you think it's appropriate to change the
18 terms that people relied upon when they took
19 the job, or in terms of their planning for
20 their own future financial security? Do you
21 think that's going to have a negative impact
22 upon the lives of these retirees and future
23 retirees?

24 GOER INTERIM DIR. VOLFORTE: Well, it

1 will definitely have an impact. But the
2 benefit that they will still enjoy is
3 after -- at the bare minimum, after 10 years
4 of service they'll still enjoy a benefit
5 where their former employer will pay 50
6 percent of their premiums for life. That's
7 still a very valuable benefit.

8 ASSEMBLYMAN COLTON: But basically
9 you're saying that that could be changed also
10 in the future. Can that be changed in the
11 future? Is it possible that the state might
12 decide they don't want to offer 50 percent?

13 GOER INTERIM DIR. VOLFORTE: The
14 current proposal is seeking legislation to do
15 that. So it would need to be subject to
16 legislation. If this proposal were enacted,
17 in order to be changed, we'd need legislation
18 to do that.

19 ASSEMBLYMAN COLTON: So you could ask
20 for legislation in the future to change the
21 50 percent if the Governor or the state so
22 chose.

23 GOER INTERIM DIR. VOLFORTE:
24 Theoretically. It could be proposed by the

1 Legislature or the Governor.

2 ASSEMBLYMAN COLTON: See, I'm
3 concerned that, you know, when a condition
4 exists and people rely upon it -- and we're
5 talking about people and families -- and then
6 a proposal is made to start changing it,
7 unless there is an extremely grave reason
8 that could justify why such a change would be
9 made, I have a lot of problems with that. Is
10 there any -- has there been any tremendous
11 increase in the cost of these premiums to the
12 state that would justify this action?

13 GOER INTERIM DIR. VOLFORTE: Well, the
14 cost of health insurance continues to rise,
15 be it for employees or retirees. And the
16 state's obligation, the taxpayers' obligation
17 to pay that employer share, which is
18 currently set in statute, continues to
19 increase. Even though it's a set percentage,
20 when the overall number goes up, the state
21 share, as well as the employee share,
22 continues to increase.

23 This is an attempt to balance a
24 generous benefit by any measure of retiree

1 health insurance for the rest of a person's
2 life when -- and compare that to how we
3 balance what a person's pension is. We do
4 the same thing with an individual's pension.
5 They work for 10 years, and they're
6 retirement-eligible, under a defined benefit
7 plan they have a certain pension level. When
8 that person reaches, you know, under Tier 4,
9 the magic 30 years of service and they're 55
10 years old, they can retire at approximately
11 60 percent of their final average salary.

12 So, you know, we already gradually
13 treat and graduate the pension benefit; this
14 is a likening of the health insurance benefit
15 that those people would also have.

16 ASSEMBLYMAN COLTON: But once a
17 pension benefit is granted, I don't see you
18 being able to change that after the fact.
19 You would have to -- you could have another
20 tier that would apply to future employees.
21 But this is actually changing a benefit that
22 was in effect when the person was employed
23 and was existing throughout many years of
24 their employment in terms of their planning

1 for their old-age quality of life, and now
2 it's being changed.

3 And it's applying to the current
4 retirees, is that -- am I missing something?
5 Or is that correct?

6 GOER INTERIM DIR. VOLFORTE: While it
7 was in place when they were hired, it will
8 not -- you know, if they were to retiree
9 before the effective date, they would be
10 covered under the old benefit.

11 ASSEMBLYMAN COLTON: Before the
12 effective date of the new change.

13 GOER INTERIM DIR. VOLFORTE: Of the
14 new change, correct. But after that, you're
15 correct, they would be covered by this
16 change.

17 ASSEMBLYMAN COLTON: And in effect the
18 state is asking that the -- whatever
19 increased cost there may be, that that burden
20 be shifted to the retirees instead of the
21 state continuing with what they had said
22 would be the rate when the person was hired,
23 and even after they're retired.

24 GOER INTERIM DIR. VOLFORTE: I

1 understand what you're saying. I think our
2 position would be we are asking for them to
3 pay for that benefit more in proportion to
4 their years of service in the pension system,
5 the same way we treat that. As opposed to
6 getting a 10-year pension but getting the
7 same health insurance and retirement as
8 somebody who worked 30, 35 years.

9 ASSEMBLYMAN COLTON: And I understand
10 again, you know, what you're saying, but I
11 have some problems with that, and I think the
12 Legislature has to look at that very
13 carefully before they approve such a thing.

14 All right, thank you.

15 GOER INTERIM DIR. VOLFORTE: Thank
16 you.

17 CHAIRMAN FARRELL: Thank you.

18 CHAIRWOMAN YOUNG: I'm sorry, Senator
19 Savino has some follow-up questions.

20 SENATOR SAVINO: Thank you. Because
21 the more I listened, the more curious it
22 gets.

23 So this proposal on the differential
24 contribution rate by retirees, so it would be

1 for future hires? Or is it for people who
2 are currently in the workforce?

3 GOER INTERIM DIR. VOLFORTE: I'll have
4 to check, but my understanding was is that
5 there was a date established when it would
6 apply on a prospective basis. But I'll check
7 that and --

8 SENATOR SAVINO: Okay, so let's assume
9 it would be only for people hired in the
10 future, so that it wouldn't affect anybody
11 currently in the workforce, anybody currently
12 in the Legislature. If it did, where's the
13 savings involved then? Since you're not
14 hiring anybody, and you haven't hired anybody
15 in forever -- except for maybe the 250 people
16 you're going to bring on in Information
17 Technology.

18 GOER INTERIM DIR. VOLFORTE: Let me
19 clarify. When I said current, what I meant
20 was current retirees. It could -- it will
21 apply on a date certain, and it will be
22 retirees at that point in time, who are
23 currently --

24 SENATOR SAVINO: Okay, so thank you.

1 My trustee aide behind me, Barbara O'Neill,
2 who probably knows more than any of us, says
3 it would be for future retirees effective
4 November of this year -- anybody who retires
5 in November of this year.

6 So in essence, then, anybody -- in
7 fact, remember the Legislature, because we're
8 bound by whatever happens to the state
9 workforce. It would affect us as well,
10 correct, if we retire?

11 GOER INTERIM DIR. VOLFORTE: If you
12 fall within its provisions, yes.

13 SENATOR SAVINO: That's interesting.
14 Because like the state workforce, we all came
15 in under the same anticipation that you work
16 a certain number of years, you're guaranteed
17 certain things. The guarantees under the
18 pension system we all understand. But even
19 with retiree health benefits, we came in,
20 just like the rest of the state workforce,
21 with the expectation that when we retired, we
22 would be provided benefits that would be paid
23 by the employer.

24 And it's interesting that in a state

1 that prides itself on making sure that we
2 provide as many people with access to
3 healthcare, particularly through our Medicaid
4 system, so that people don't have to worry
5 about paying for medication or we reduce
6 copays -- we're trying to make sure that as
7 many working people in this state have health
8 benefits -- we would deprive our own
9 workforce of that at the worst possible point
10 in their life, when they are no longer
11 earning an income.

12 See, the pension system works in the
13 opposite; you start contributing when you're
14 young to protect you in your old age. Why
15 would we turn the clock back on retirees when
16 they are no longer earning an income and they
17 cannot contribute and they are most at risk
18 to become ill and depend upon those health
19 benefits that they would desperately need?
20 It seems to be counterproductive to a state
21 that prides itself on being progressive.

22 So I would suggest that you go back to
23 the drawing board and you might want to
24 rethink this. Because at the same time as

1 you guys are presenting this, the Governor is
2 also talking about putting forward a plan
3 that -- a bill that I carry, called Secure
4 Choice Retirement, recognizing that far too
5 many people are retiring in this state
6 without either a pension, a 401(k) plan, or
7 any income security, and they are living in
8 poverty. Why would we contribute to that
9 among our own retirees? It makes no sense.

10 So I suggest we start over again.
11 This is not a plan that we should pursue. It
12 is the wrong direction for the State of New
13 York. Thank you.

14 One more thing. Why does this only
15 apply to the civilian workforce?

16 GOER INTERIM DIR. VOLFORTE: Generally
17 speaking, the non-civilian workforce has
18 retirement options available to it before 30
19 years of service. And generally speaking,
20 retirements occur at that -- they reach their
21 retirement or the minimum full retirement at
22 those 25 years or 20 years. So it's not a
23 like-for-like.

24 SENATOR SAVINO: And don't take that

1 to mean I think we should apply it to them
2 either. I don't think we should apply it to
3 any of our retirees, period.

4 I think it's the wrong direction for a
5 state that, again, prides itself on making
6 sure as many people as possible have
7 healthcare available to them, because we
8 don't want people to be sick and without
9 access to healthcare.

10 Thank you.

11 CHAIRWOMAN YOUNG: Thank you, Senator.

12 I think we're all set. So thank you
13 for testifying today.

14 GOER INTERIM DIR. VOLFORTE: Thank
15 you.

16 CHAIRWOMAN YOUNG: Our next speaker is
17 Fran Turner, director of legislation and
18 political action for the Civil service
19 Employees Association.

20 Welcome.

21 CSEA DIRECTOR TURNER: Good morning.
22 Thank you. Good morning.

23 I appreciate all of your efforts on
24 the health insurance piece for retirees,

1 because we agree with you, it is not the
2 right way to go.

3 You know, for workers working now,
4 they have an expectation of what they're
5 going to pay for their healthcare when they
6 retire, and that shouldn't be changed in the
7 middle of the game. So we appreciate your
8 support. I don't need to say anything more
9 on that.

10 You know, it's -- I listened to some
11 of the testimony, and when we talk about the
12 state workforce in a broad perspective, when
13 we talk about attriting 136 positions, it is
14 so not a good snapshot of what is really
15 going on in a lot of our human service state
16 agencies. And in fact, you know, the
17 Governor likes to say that his administrative
18 efficiencies have brought down the state
19 workforce by 10,000 positions. But that
20 hasn't come without a great cost to families
21 looking for services and a great cost to our
22 workers trying to provide those services.

23 We tried to provide you with some
24 information, including the Comptroller's last

1 report on the overtime that is going on in
2 these agencies, the human service agencies.
3 In particular, OPWDD, over 4 million hours in
4 a year, last year, in 2015, of overtime. Our
5 members are working two and three shifts,
6 double shifts, a week. In the past 23 pay
7 periods, you'll see on the information we
8 provided, over 7,000 of our members in OPWDD
9 have worked more than 16 hours in one day.
10 It's not good for the employees, and it
11 certainly is not good for the clients that
12 we're trying to serve and do our best for.

13 On top of this, what is not included
14 in there is we have a number of temporary
15 employees that work in these agencies, both
16 in OMH and OPWDD. Temporary employees are
17 usually hired at 20 hours a week, and it's
18 usually -- in the past, it was always to fill
19 in for people that may be out on workers'
20 comp or to fill in when people are out on
21 leave for whatever reason. Now they are
22 working 40 hours a week. But that's not
23 included as overtime, because for temporary
24 employees it's called extra time.

1 Now we have per diems that are really
2 hourly employees that are working 40 hours a
3 week. And pursuant to our contract, if they
4 work 19 consecutive pay periods in a year --
5 which temporary employees and per diems
6 are -- they're now entitled to scheduled
7 work. They're now entitled to days off, so
8 they have to be scheduled. So it is no
9 longer that they are filling in these gaps,
10 they're working side by side with us to help
11 provide the service.

12 The overtime is preventing our members
13 from getting home at night. And we included
14 a testimonial that is so apropos of our
15 members. This woman, Chandra Brown, works --
16 she lives in the Bronx, works at Brooklyn
17 Developmental. She leaves for work in the
18 morning -- she has a 4-year-old daughter,
19 drops her off at daycare so that daycare can
20 then get her to pre-K. She goes to work in
21 the morning never knowing when she is coming
22 home at night. Not regular hours, she can't
23 depend on picking her daughter up, having
24 dinner with her, spending any time with her.

1 And this has become constant with our
2 members. And they just want to go home.
3 They want to be able to enjoy their families
4 and go home.

5 But while all of this is going on, we
6 are going to attrit 253 jobs in OPWDD. So
7 regardless of whether the state workforce is
8 stable, this agency isn't stable. We still
9 have waiting lists of families looking for
10 services in OPWDD. I know the Governor took
11 umbrage with our 11,000 figure, but that's
12 the figure we've been using for how many
13 years now. If it's different, they should
14 tell us.

15 But it is -- I don't think it's too
16 simplistic a view -- maybe it is, on my part,
17 to say why are we attriting positions when
18 actually we should be filling those positions
19 to help relieve the workforce and to help
20 provide the better care and the more care?
21 We'd ask that you'd look at that. We can't
22 go on with this overtime.

23 OMH is pretty much right behind OPWDD
24 with the overtime problems. You know, at the

1 same time I should note that workforce
2 injuries in these two agencies account for 40
3 percent of the workforce injuries that are
4 compensable in the state agencies in the past
5 two years. So it has resulted in overtime,
6 injuries, loss of quality of care, and we're
7 still attriting positions. We attriting more
8 positions than OMH because we're bringing
9 down more residential beds.

10 You know, the new model of care for
11 OMH is supportive housing. I don't know what
12 supports they provide, because what we see on
13 the local government side is that whenever
14 state beds are taken down, the local
15 governments are burdened with more local
16 costs and local problems. And if you talk to
17 any of your county sheriffs, they will tell
18 you that every year they go to their
19 legislative bodies, they're asking for more
20 money for treatment, in the jails, of the
21 mentally ill. Our prisons see the same
22 thing.

23 So I'm not sure what supportive
24 housing is. I'm not sure bringing down these

1 beds are the right way to go. But then
2 again, in OMH, even with the overtime, we're
3 attriting 300 positions.

4 So it's not good enough to look at the
5 stable workforce as a whole if we're going to
6 ignore these human service agencies that are
7 bearing the brunt of lack of staff, of -- I
8 want to take a step back, because, you know,
9 years ago it used to be that the state worker
10 jobs were the step for people out of poverty.
11 And as we talk about poverty and these
12 poverty programs across the state and some of
13 our cities, we're not considering this
14 anymore, apparently, and we're not including
15 this as part of the plan to lift them up.

16 This was the starting point. This is
17 where they could get a good stable job, enter
18 the workforce, possibly continue with
19 education and move forward and move up that
20 ladder and raise themselves out of poverty.
21 We don't think of these jobs, even when we
22 show a need, that we need them -- and I'm
23 not saying create a job just for that
24 purpose. But when you've got a need and

1 you've got an area that you can help people
2 lift themselves out of poverty, it's foolish
3 not to look at that and to fill these
4 positions. It's just foolish.

5 I would be remiss if I didn't say that
6 CSEA is supporting the millionaire's tax. In
7 fact, we would support a true millionaire's
8 tax. We feel that we need the revenue. And
9 as everybody is worried what might happen on
10 the federal level, it is not revenue that we
11 want to go without. Because if in fact we
12 are cut on federal funds, then we're going to
13 have to go back and make -- you're going to
14 have to go back and make very difficult
15 decisions that we shouldn't leave ourselves
16 in that position.

17 Besides that, I see a lot of need
18 across the state. And if we can't address
19 these needs because we don't have the
20 revenue, then we're not helping ourselves.

21 One area -- because I see I've got a
22 zero on the clock, one area that I do want to
23 mention. When we talked about local
24 governments bearing a lot more of the

1 shifting costs to treat the mentally ill, and
2 in a place where they shouldn't be treated,
3 on top of this we are so adamantly opposed to
4 the Governor's proposal to have these local
5 governments once again look at mergers,
6 consolidations, shared services, and to
7 actually have the punitive effect of tying
8 the AIM payments to this proposal.

9 I think there are four or five
10 proposals now in different pots of money for
11 municipal mergers, shared services,
12 consolidations. And I would only point out
13 that all of these proposed dissolutions --
14 except for one that I can think of -- have
15 failed. People like their local services.
16 People are happy with their local services.
17 We don't get that many complaints about town
18 and village taxes or county taxes.

19 As a matter of fact, just recently we
20 had a budget fight going on in Troy where
21 they wanted to exceed the tax cap which is
22 also in place, in order to save 90 jobs. And
23 the general public came in -- one of the
24 proposals was, well, we're going to have to

1 get rid of garbage collection. The general
2 public came in and said: Raise our taxes a
3 hundred dollars, we don't care, because
4 you're going to cost us more money if you get
5 rid of garbage pickup. Because private
6 garbage pickup would have been \$400 a year
7 for families.

8 So we think that the local governments
9 are doing a good job. The citizens want
10 those local services. They want their police
11 and fire near them so that they can respond.
12 And we don't think that this is necessary
13 when there's all these other incentives out
14 there that are currently in the budget also
15 being funded that do the exact same thing.
16 So perhaps we need to listen more to what the
17 citizens of this state want.

18 So because my time is up, I don't want
19 to go over, but I'll be glad to answer any
20 questions.

21 CHAIRMAN FARRELL: Thank you very
22 much.

23 CHAIRWOMAN YOUNG: Thank you, Director
24 Turner, for those words.

1 And I applaud you for your concern
2 over our most vulnerable citizens falling
3 through the cracks, particularly at OPWDD and
4 OMH. And I think we need to take a closer
5 look as a legislature at those issues.

6 I think you also know my concern over
7 what's happened at OCFS over the past several
8 years. And this is an ongoing problem where
9 we have huge workers' compensation issues
10 because people are being injured on the job.
11 And I know there was recently an issue at
12 Brookwood. Could you please explain a little
13 bit more about what happened at Brookwood?

14 CSEA DIRECTOR TURNER: You know, the
15 article is in the TU this morning. So we had
16 a -- of course they're short-staffing there
17 too, let me start with that. Because, you
18 know, you have a different clientele there,
19 and they are 15- and 16-year olds or younger
20 that, but for their age, would be in the
21 criminal justice system.

22 So at Brookwood there was an incident
23 where one of the clients -- who had just
24 gotten there, in fact, I believe from a

1 mental health institute. And he picked up a
2 sign and went after one of our employees, who
3 ended up in the hospital with 20 stitches and
4 swelling on his brain. And the picture is in
5 today's TU.

6 And the problem is we have no control
7 over when they act out. Right? There are
8 no -- we are not allowed to touch them, we
9 are not allowed to restrain them. The
10 protocol is to try to talk them down. But
11 this particular client seems to have had some
12 other issues, mental illness issues, going on
13 at the same time, so it wasn't practical.

14 But in most cases, it's not practical
15 to talk them down. It's just -- it is not
16 working. And these protocols were developed
17 over time, because obviously you don't want
18 to be abusive, you don't want to get reported
19 to the Justice Center. But it is -- either
20 you need to put the staff in there to make
21 sure you have a backup if a client is coming
22 after you, which doesn't look like it's going
23 to happen, or you need to have a different
24 protocol for how you approach a patient that

1 becomes violent.

2 And it's not just violence towards our
3 members, it could be towards another patient.
4 And if we allowed that to happen, chances are
5 we're going to get reported to the Justice
6 Center. Right?

7 CHAIRWOMAN YOUNG: That's what's been
8 going on, unfortunately, is that as you know
9 so well, there have been incredible spikes in
10 youth-on-youth violence, youth-on-staff
11 violence. And it seems like it's all
12 one-sided because of the change in policies.

13 I did see the Times Union article this
14 morning, and I took note of the fact that the
15 Justice Center is now fining employees.
16 Could you talk about that?

17 CSEA DIRECTOR TURNER: You know, I
18 don't think the fines necessarily came from
19 the Justice Center. I think they were
20 already in place within the agencies. But
21 obviously the Justice Center is using that as
22 a penalty for when they find that action that
23 got reported was not appropriate.

24 I do want to add something, Senator.

1 Let me go back. Because over the weekend,
2 there was four more incidents at the
3 Brookwood Detention Center that I know we
4 have talked to Senator Marchione on, who's
5 been very helpful. And again, two of the
6 injuries ended up at the hospital being
7 treated.

8 But the fines are just one more form
9 of punishment. And, you know, you're not
10 talking about big state salaries, right? Our
11 average state salary is \$45,000. So our
12 members are not going to put themselves in a
13 position to get fined, because they can't
14 afford it, number one. Number two,
15 chances are they'll lose their jobs. So they
16 stand there and they get -- they sort of have
17 to take it. And there's nobody to back them
18 up because there's not enough staff to back
19 them up.

20 So I was kind of surprised about the
21 fines as well. But like I said, I understand
22 the agency had been doing that prior to the
23 Justice Center adopting that as a penalty.

24 CHAIRWOMAN YOUNG: It would be

1 interesting, however, to see if there's been
2 an increase in the amount of fines.

3 CSEA DIRECTOR TURNER: I will check
4 that out and get back to you.

5 CHAIRWOMAN YOUNG: That would be
6 great. Thank you, Fran.

7 Okay, I'll probably think of some more
8 questions, but I'd like to turn it over to
9 the Assembly right now so that they have a
10 chance.

11 CHAIRMAN FARRELL: Assemblyman Weprin.

12 ASSEMBLYMAN WEPRIN: Yes, thank you,
13 Mr. Chairman.

14 Ms. Turner, good -- good morning
15 still, I guess.

16 The Bernard Fineson Center is in my
17 Assembly district, and I know CSEA as well as
18 families of, you know, the residents at the
19 Bernard Fineson Center are very concerned
20 about what's going to happen to some of these
21 residents and who's going to pick up the
22 slack.

23 And also, I haven't really been given
24 accurate information about when they're

1 actually scheduled to close. I know they've
2 been talking about closing over a number of
3 years. Can you give me an update from your
4 point of view what's happening there and the
5 timing?

6 CSEA DIRECTOR TURNER: Well, sometimes
7 you have more information than we do. But we
8 have the same information that you do right
9 now.

10 But I will tell you this. The
11 attritions that are coming out of the OPWDD
12 system, we are under the impression that they
13 are coming from the closing of Bernard
14 Fineson. So I would assume that that is
15 happening this year. But I don't have that
16 information directly, and we don't have
17 confirmation of that.

18 You know, it's just like when they
19 bring down the beds in MH, they can't tell us
20 where they're bringing down the beds but they
21 assure us they have a plan for community
22 services. Which it's kind of hard to balance
23 that. So we get as much information as you
24 may get, and sometimes we hear from you what

1 the timeline is. So I can't help you there,
2 I'm sorry.

3 ASSEMBLYMAN WEPRIN: If I hear
4 anything further, and I will inquire, I will
5 be glad to let you know.

6 CSEA DIRECTOR TURNER: Appreciate
7 that.

8 CHAIRMAN FARRELL: Senator?

9 CHAIRWOMAN YOUNG: Thank you very
10 much.

11 Senator Savino.

12 SENATOR SAVINO: Thank you.

13 Fran, always good to see you.

14 I just have a quick question because I
15 want some clarity. You talked about the use
16 of per diem employees and part-time workers.
17 Are they in your titles in the bargaining
18 unit?

19 CSEA DIRECTOR TURNER: Well, they're
20 working -- they're doing the work of our
21 titles, yes. Are they necessarily in the
22 bargaining unit? No. But they do get the
23 benefits, if they work so long, that are
24 included in our contract. Because we do have

1 a provision there.

2 SENATOR SAVINO: But are they state
3 workers?

4 CSEA DIRECTOR TURNER: I mean, they're
5 considered -- do we take care of them and do
6 we consider them our employees? Yes.

7 SENATOR SAVINO: Okay. Because I know
8 in the past there was a tremendous
9 overreliance on temp workers as well from
10 some of these contracts, contractors like --

11 CSEA DIRECTOR TURNER: Okay. Yeah,
12 that's like the Kelly Services. That is
13 different than these temporary workers.
14 They're right in the agencies working in our
15 job titles. So we do represent them.

16 SENATOR SAVINO: And how many are
17 there, do you know?

18 CSEA DIRECTOR TURNER: You know what,
19 there was some figures -- and I'm going to
20 have to go back and look. But I'm going to
21 say probably in OPWDD, between temporary
22 workers and per diems, you're probably close
23 to a thousand. Maybe 800.

24 SENATOR SAVINO: Amazing.

1 CSEA DIRECTOR TURNER: Yeah, according
2 to the sheets I was looking at.

3 You know, they have different names
4 for everything so it's kind of hard to figure
5 out who's who. Right? And who's a full-time
6 equivalent, who's a part-timer working 40
7 hours, and who's a per diem working overtime.

8 SENATOR SAVINO: It's interesting,
9 because during the Giuliani administration in
10 the city, it was an old sleight of hand they
11 would use. They would hire people for
12 whatever the positions were on per-diem
13 status, because they didn't show up in city
14 head counts. So you could claim that the
15 head count was flat, that in fact the
16 agencies were not growing, because they
17 didn't count them as employees. When in fact
18 they were hiring people and putting them in
19 full-time-equivalent positions, but keeping
20 them in part-time status as per-diem
21 employees.

22 CSEA DIRECTOR TURNER: Same thing. It
23 is the same thing. They must have taken a
24 lesson from the city, because it's the same

1 thing.

2 SENATOR SAVINO: Yes. That's how you
3 hide the fact that you're actually hiring
4 people. But per-diem employees don't get the
5 same protection under Civil Service Law, not
6 the full protections.

7 CSEA DIRECTOR TURNER: Correct.
8 That's correct.

9 SENATOR SAVINO: Okay. That's what I
10 wanted to make sure we were talking about,
11 that category of worker.

12 CSEA DIRECTOR TURNER: You know, if
13 you want to talk about the Civil Service Law,
14 I mean temporary employees aren't supposed to
15 work more than six months, right?

16 SENATOR SAVINO: Right.

17 CSEA DIRECTOR TURNER: But if we
18 complain, they'll get rid of the temporary
19 employees. And believe me, we cannot do our
20 jobs without them. I mean, it will be much
21 worse than it is now. So that is not our
22 intent. We want to represent them.

23 But, you know, it used to be that
24 people came in, took a temporary job because

1 you could look forward to a permanent
2 full-time job. And the work is there, the
3 need is there, but we seem to keep attriting
4 positions in these agencies.

5 SENATOR SAVINO: Right. And I'm sure,
6 as we get to the agencies, we'll delve deeper
7 into this.

8 I have a particular concern about
9 OPWDD, because -- not just from the
10 downsizing of your workforce, we are seeing
11 the effects on the nonprofit sector that also
12 services this population. The increase in
13 the minimum wage and the failure to provide
14 the funding to fund those jobs -- because
15 again, they don't make any money, it's a
16 pass-through. We're seeing tremendous
17 turnover in their agencies as well. Which is
18 only -- in my opinion should increase hiring
19 on the state side to pick up the protection
20 of -- the population is not going to be
21 protected if you have tremendous turnover in
22 these voluntary agencies as well.

23 CSEA DIRECTOR TURNER: There's no
24 question about it, Senator. And, you know,

1 we do represent some of the not-for-profits
2 in the city, and they're getting pushed with
3 more and more clients that the state is
4 pushing out from state operated services.
5 Right? They're getting pushed and pushed and
6 pushed.

7 So not only can they not handle the
8 volume, but you're absolutely right, the
9 workers -- the agencies can't -- the
10 not-for-profits can't pay for this increase
11 in minimum wage. And certainly the state has
12 to step in, or how are we going to care for
13 all these people?

14 You know, last year many of you, and
15 especially the Senate was so helpful in
16 getting us money for the care pilots. Do you
17 remember that money for respite services?
18 Which the parents across the state have been
19 begging for respite services.

20 Just as an aside, nobody knows where
21 the money went, and those respite services
22 never came up. And the expansion of the care
23 pilots, which is supposed to be the new way
24 that we want to deliver services, that are

1 very successful from both the client's point
2 of view and our members' point of view,
3 there's no expansion.

4 So I'm not sure -- I'm not sure what
5 their plan is, except to get rid of state
6 operations, have the not-for-profits pick up
7 more -- and they're having a problem doing
8 that. They're doing the best they can,
9 but -- you know, the resources aren't
10 necessarily following the client to the
11 not-for-profit.

12 SENATOR SAVINO: That's true. As I
13 said, when we get to the agencies themselves,
14 I'm sure we're going to take a much deeper
15 look at the effect of both the reductions in
16 the state workforce, how it's affecting those
17 agencies as well as the nonprofit sector that
18 provides the support services to the
19 agencies.

20 Thank you, Fran.

21 CSEA DIRECTOR TURNER: That's good.

22 CHAIRMAN FARRELL: Assemblywoman
23 Rozic.

24 ASSEMBLYWOMAN ROZIC: Thank you,

1 Mr. Chairman.

2 Good to see you again.

3 CSEA DIRECTOR TURNER: You as well.

4 ASSEMBLYWOMAN ROZIC: I'm wondering if
5 you can speak to the childcare section of
6 your testimony a bit more and talk about what
7 appropriate funding or adequate funding would
8 look like and what this year's Executive
9 Budget does with childcare.

10 CSEA DIRECTOR TURNER: I'd be glad to.

11 So we represent childcare providers
12 who provide childcare in their homes or
13 sometimes in the clients' homes, and we have
14 around 10,000 of them in the upstate area.

15 The Governor's budget is flat.
16 Although he does play around with some local
17 money, I'm not sure if he is grabbing some
18 local money to make it flat -- it's a little
19 bit confusing. But there is no increase in
20 childcare funds.

21 So, you know, we always talk about
22 these economic development programs, we want
23 to put people to work, we want to create
24 jobs. And one of the biggest obstacles for

1 lower-paying jobs and families is that
2 affordable, accessible healthcare. And if
3 you don't keep funding it, you actually cut
4 off slots, right, because the counties are
5 not going to make up the difference.

6 There is no new funding in this budget
7 for childcare resources this year. On top of
8 that, we do have the federal block grant that
9 is going to require more inspections. It's
10 going to require more workers to do more
11 inspections in OCFS. It is certainly going
12 to put a bigger burden on the daycare
13 providers, because now they're going to have
14 to get FBI checks, which are quite -- more
15 extensive than what we require now. And they
16 estimate -- this is OCFS estimating -- it
17 could cost New York State close to
18 \$200 million to comply with these new regs.

19 Now, they don't all come into effect
20 all at once, and the state apparently has
21 applied for waivers. But there is no
22 recognition in this budget for increased
23 access to childcare or for compliance with
24 the new regulations. It's flat.

1 ASSEMBLYWOMAN ROZIC: Right. And so
2 now let's talk about the federal block
3 grants, because there is a new
4 administration. Any sense of how that would
5 come down and impact our state or whether or
6 not these block grants would change?

7 CSEA DIRECTOR TURNER: I wish I knew
8 the answer to that. I can't tell -- you know
9 what, you worry about the nutrition programs
10 and you worry about the block grant coming, I
11 don't know -- and then you worry about the
12 regulations, are the regulations going to go
13 away. Which, okay, you know what? Maybe.

14 We have no indication whatsoever at
15 this point in time. I think it's all still
16 very new. And I think our international is
17 exploring some of those topics with the
18 current Congress. And if I get any
19 information, I will let you know.

20 But if they start pulling back on the
21 block grant, then we're going to lose more
22 access to childcare. Right? There's not
23 going to be enough funds for access to
24 childcare. And access is a problem. For

1 working families, it is a problem. Daycare
2 is expensive, very expensive. I'll let you
3 know if I hear anything else.

4 ASSEMBLYWOMAN ROZIC: And I would just
5 agree with you in the sentiments of human
6 capital also being a very important part of
7 our economic development programs across the
8 state. And I would love to work with you on
9 some of that.

10 Thank you, Mr. Chair.

11 CSEA DIRECTOR TURNER: Thank you.

12 CHAIRWOMAN YOUNG: I think that's
13 everyone, right? Anyone else?

14 CSEA DIRECTOR TURNER: Thank you.

15 CHAIRMAN FARRELL: That's it.

16 CHAIRWOMAN YOUNG: Okay. Well, thank
17 you, Director Turner.

18 CSEA DIRECTOR TURNER: You're welcome.

19 CHAIRMAN FARRELL: Thank you very
20 much.

21 CHAIRWOMAN YOUNG: Our next speaker is
22 from the New York State Professional
23 Employees Federation. And that's Greg
24 Amorosi, legislative director, and he will be

1 joined by Scott Lorey.

2 CHAIRMAN FARRELL: We've also had some
3 new people joining with us, Assemblywoman
4 Fahy and Assemblywoman Richardson.

5 PEF LEG. DIRECTOR AMOROSI: I think
6 we're officially into afternoon, so --
7 barely.

8 CHAIRWOMAN YOUNG: I guess we are.

9 PEF LEG. DIRECTOR AMOROSI: So good
10 afternoon.

11 CHAIRWOMAN YOUNG: You lose track of
12 time when you're having so much fun.

13 PEF LEG. DIRECTOR AMOROSI: Time
14 flies, right, when you're having fun.

15 CHAIRWOMAN YOUNG: Yes.

16 Well, welcome. I'm so happy to have
17 all of you here. And we look forward to your
18 testimony.

19 PEF LEG. DIRECTOR AMOROSI: Thank you.

20 First of all, I would like to offer
21 apologies and greetings from President Wayne
22 Spence. He intended to be here today, but he
23 is participating in an SEIU Executive Board
24 meeting down in Washington, D.C., so he was

1 unable to make it. I know he had planned to
2 come. So I've been asked to pinch hit.

3 CHAIRWOMAN YOUNG: Give him my
4 regards, please.

5 PEF LEG. DIRECTOR AMOROSI: My name is
6 Greg Amorosi, for those of you I haven't met.
7 I'm the legislative director of PEF. I'm
8 also a PEF member. With me today is Scott
9 Lorey, he's a colleague. And we've been
10 joined by Vice President Nikki Brate.

11 I will briefly touch on -- we have a
12 bunch of things to go over, and I know we
13 have -- is that right? Am I already four
14 minutes in? Holy smokes.

15 All right. I'd like to thank you for
16 the opportunity to speak to you today on
17 behalf of our 54,000 members. As you all
18 know, we provide critical services in many
19 areas across the state.

20 While the Executive Budget doesn't
21 contain any planned layoffs and any newly
22 announced facility closures, it does contain
23 proposals which, as you've touched on already
24 today, circumvent the civil service process

1 and prevent promotional opportunities for
2 many of our members. We continue to be
3 concerned by the state's reliance on
4 independent consultants and private
5 consultants to do work that we believe that
6 our members are better suited to perform.

7 I will highlight several areas of
8 concern in the budget. We have more, but I
9 know I won't be able to get to them. First
10 and foremost, I'd like to talk about the
11 Office of Information Technology Services.

12 And again, I've been paying attention
13 to the testimony as it unfolded today. As
14 you are all very well aware, the civil
15 service system was created to establish a
16 system where jobs were given to individuals
17 based on merit and fitness, and not based on
18 who they know. Unfortunately, we've seen a
19 developing dangerous pattern of the state not
20 providing the appropriate civil service exams
21 for either employment or promotional
22 opportunities.

23 In our ITS department alone, in two
24 short years we have lost 3 percent of our

1 workforce, and this year's budget continues
2 to propose the elimination of an additional
3 179 positions through attrition. At the same
4 time, the number of private consultants has
5 expanded five times, going from 159 to 808,
6 despite the fact that by our estimates they
7 cost up to 60 percent more than our
8 comparable state workers.

9 Again, as was addressed earlier in
10 earlier testimony, we are very concerned with
11 the proposal in this year's budget which
12 would effectively insert 250 private
13 consultants ahead of our workforce --
14 frankly, folks that we've had on waiting
15 lists who have taken exams and who have been
16 waiting for a chance for promotional
17 opportunity. We feel that inserting these
18 folks ahead of ours is patently unfair.

19 We also believe -- and I know this was
20 brought up earlier -- we firmly believe that
21 our people are qualified to fill many of
22 those positions, if not all of them. We also
23 have asked for training opportunities to give
24 our folks who might be just short of

1 qualifications to get the training they need
2 to bring them up and give them more
3 promotional opportunities.

4 We don't believe that placing these
5 private consultants ahead of our state
6 employees sends the right message -- and it
7 in fact kills morale at our facilities. At
8 the risk of stating the obvious, we would ask
9 that you not allow the outsourcing of public
10 service tasks to be counted as private job
11 growth and job creation.

12 I'm going to move on to design/build.
13 That's another one of our -- another favorite
14 that we've been battling every year in the
15 Executive Budget. We don't like it for many
16 reasons, but primarily it's because we
17 believe that our members, again, can do these
18 jobs for less money, save the taxpayer
19 dollars, and do a better job.

20 We also don't believe that having
21 power concentrated in a single entity, giving
22 a single entity the ability to oversee
23 design, construction and inspection of a
24 project, is necessarily the best way to go.

1 We feel that the design/build has
2 allowed for entities to skimp on materials
3 and take shortcuts that shorten the life span
4 of projects and potentially endanger the
5 lives of New Yorkers. We also feel that any
6 implied advantage realized by the
7 design/build process is quickly offset by the
8 costly procurement process that comes with
9 it, and the need for increased owner input
10 and decreased control of the projects. And
11 once again, we believe that our people can do
12 the same jobs for better value.

13 Moving on to the SUNY hospitals -- and
14 again, I can start this with thank you to all
15 of you, because the recent history is you
16 save us every year on this.

17 As you know, our public teaching
18 hospitals perform vital services in the
19 community, yet once again we are targeted for
20 an \$18.6 million budget hit in this year's
21 budget. Our SUNY hospitals -- I know I'm
22 preaching to the choir -- our SUNY hospitals
23 are a hallmark of excellence and provide
24 vital medical education and research. And

1 again, thank you very much for restoring the
2 cuts year after year. And just a little
3 foreshadowing, I'll be back asking for help
4 again this year.

5 I will skip over most of the OMH and
6 OPWDD, because Fran Turner did such a good
7 job. The problems they face, we have very
8 similar problems. We have bed reductions, we
9 have -- we're continually faced with mandated
10 community transitions. In the budget this
11 year, we're going to lose 253 positions at
12 OPWDD through attrition; we're going to lose
13 353 at OMH.

14 And forgive me for not -- this is my
15 first time up here. Do all the zeroes mean
16 that I'm theoretically out of time?

17 CHAIRWOMAN YOUNG: You can keep going.

18 PEF LEG. DIRECTOR AMOROSI: Thank you.
19 If that's a yes, then all right, thank you.

20 And I know, Assemblyman Weprin, you
21 had a question regarding Bernard Fineson. We
22 are very concerned. We have members there,
23 we're very concerned with the closure. And
24 it is slated, our information has it slated

1 to close at the end of March this year. So
2 it's coming.

3 So we're very concerned with that, and
4 we would ask the Legislature and the
5 Executive to hold off on that until we can
6 have a comprehensive plan put in place to
7 make sure that the folks that are there are
8 going to places where they can get the care
9 that they have been receiving and they will
10 continue to need and deserve.

11 Also, another issue that's near and
12 dear to our hearts is we would ask your
13 help -- and I know that many of you have last
14 year helped us continue to block the planned
15 transfer of children's inpatient services
16 from the Western New York Children's
17 Psychiatric Center, which is located -- I
18 don't know if you've been there, many of you
19 probably haven't -- but it's in a very scenic
20 setting in suburban West Seneca. The
21 proposal is to move these kids into the
22 downtown Buffalo Psychiatric Center, which
23 houses adults, some of which are sex
24 offenders. Again, don't get me started on,

1 you know, the merits of that.

2 Moving along to another one of my
3 favorites, the Justice Center. As you all
4 know, the Justice Center, while performing
5 the vital task of overseeing cases of abuse
6 and neglect in state facilities, our
7 experience with the Justice Center has been
8 not -- I'll say not constructive. It has had
9 a dramatic impact, particularly on our
10 healthcare providers within our facilities.

11 And again, it's been touched on in the
12 testimony here today, we have situations
13 where, to start off, we already have staffing
14 issues in our facilities because we are
15 unable to compete with the private-sector
16 money. So we have nurses that come in who
17 are already at a disadvantage financially to
18 their counterparts in the private sector, and
19 we have a situation where -- and I don't know
20 how familiar you all are with the Justice
21 Center, but we have situations where
22 allegations -- and again, I'm not suggesting
23 that it's not important things be
24 investigated, but it's almost that the mere

1 hint of any impropriety, our -- we have staff
2 that are immediately suspended, and they are
3 suspended with months with -- you know, it is
4 with pay.

5 And the problem with our nurses is
6 particularly -- if a finding turns out to be
7 founded, they are effectively done being a
8 nurse, because it takes them off the list for
9 eligible -- to be healthcare providers
10 anywhere in the country. So they're done.

11 So while this is happening, our nurses
12 are suspended, it exacerbates staffing
13 shortages that we're already dealing with,
14 and it's just -- it just intensifies the
15 problem. And I think it was addressed
16 earlier, we have situations where people
17 don't -- a nurse is getting assaulted,
18 security doesn't want to get
19 involved because -- and again, I don't know
20 how familiar you are with this, but anyone
21 who has anything to do with an incident has
22 to fill out a report. If they do not, they
23 run afoul of the Justice Center, and they can
24 be charged. So you have a situation where --

1 say I'm there with six of my colleagues and I
2 have an interaction with a staff member, the
3 other five of us have to write a report.
4 Otherwise, we're all in trouble.

5 And as a public defender -- not to get
6 into me -- I'm very troubled by the Justice
7 Center's approach, which at least to my eyes
8 appears to be guilty until proven innocent.
9 There's very little due process. And my
10 folks and I know Fran's folks echo the
11 sentiment. You know, the merest hint of
12 suspicion and you're done, you're suspended.

13 So I'll move off that and move on to
14 DOCCS very quickly -- and I know, I
15 apologize. DOCCS, we're concerned. There's
16 been an uptick in violence in facilities,
17 which concerns us. And again, I touched on
18 this briefly with the Justice Center remarks,
19 we have real recruitment and retention
20 problems with our professional staff. Good
21 luck seeing a dentist if you're in a state
22 correctional facility, as we can't hire them,
23 we just -- we can't attract them. Our nurses
24 are brutally understaffed. DOCCS has the

1 highest mandatory overtime violations of any
2 agency. That's a problem.

3 Moving on to our parole officers, you
4 know, we feel like we are short on parole
5 officers. As an example, one example alone,
6 in Monroe County we have 33 parole officers
7 monitoring 1800 parolees. Not great.

8 We have concerns regarding the
9 correction reform bill that's in the budget
10 this year. As you may or may not know, it
11 places a lot of authority in the DOCCS
12 commissioner to basically -- well, I won't
13 say circumvent, but go around the Parole
14 Board in terms of setting his own terms and
15 conditions for post-release supervision. We
16 feel as though this will dramatically
17 decrease the number of parole officers, and
18 we think it's not a good idea. The Parole
19 Board was left out of the merger when DOCCS
20 merged for a reason.

21 Lastly -- and again, this has been
22 discussed, but I will reiterate what's been
23 said down here this morning. We are very
24 much opposed to the -- we call it a -- in a

1 way, it's a retirement incentive, the retiree
2 healthcare initiatives, because we believe --
3 and I don't know if anyone has -- I'm sure
4 you guys have thought of this, but we firmly
5 believe that this could have a very dramatic
6 effect that no one really seems to be talking
7 about, which is an exodus from state service.

8 I mean, if you're faced with, you
9 know, should I work a few more years or do I
10 need to get out -- because in my
11 understanding, the way the language is
12 written is if you're not out by I think it's
13 October of 2017, you are then on a sliding
14 scale in your retirement. It's almost --
15 it's the same thing as with your pension.
16 The longer you're there, the more it's worth.
17 But now, in this situation, if you're not
18 there for the requisite amount of time, the
19 more you pay for your retirement.

20 So we believe -- again, as it's been
21 echoed on the dais -- that it's not fair,
22 people that entered state service with a
23 certain expectation, changing that in
24 midstream is patently unfair, and we think it

1 has the real potential to decimate an
2 already-depleted workforce.

3 And that's it. And again, I've only
4 gone over a few of our concerns, but those
5 are the highlights. I'll be happy to answer
6 questions. And certainly I'll be coming to
7 see you all in the weeks and months ahead.

8 Thank you very much for the
9 opportunity to speak.

10 CHAIRWOMAN YOUNG: Thank you very
11 much.

12 I have some questions, but I think
13 I'll try to recover from my coughing jag
14 first, so I'll let Senator Savino go first.

15 SENATOR SAVINO: Thank you.

16 I just want to get some clarity on
17 these IT positions, because I'm still
18 confused. So the state -- you know, we went
19 through this process of creating insourcing
20 for IT professionals a few years ago. The
21 Legislature passed a law because we
22 recognized the value of having our own Geek
23 Squad, so to speak. And now we've created
24 the civil service test for these positions,

1 and there's an outstanding list, isn't there?

2 PEF LEG. DIRECTOR AMOROSI: Correct.

3 SENATOR SAVINO: Okay. So what is
4 profoundly different about these positions
5 that they want to fill that -- from the
6 individuals who took the test?

7 PEF LEG. DIRECTOR AMOROSI: That's an
8 excellent question, I know.

9 We believe that our people can do the
10 jobs, so --

11 PEF VP BRATE: I would like to add on
12 to that.

13 SENATOR SAVINO: Thank you, Nikki.

14 PEF VP BRATE: I'm Nikki Brate, PEF
15 vice president.

16 SENATOR SAVINO: Pull the microphone a
17 little closer, Nikki.

18 PEF VP BRATE: Nikki Brate, PEF vice
19 president.

20 There is nothing, and that's the
21 disturbing part. We can't seem to extract
22 exactly the skills that they're looking for.
23 And we know we have repeatedly spent millions
24 of dollars doing skills assessments,

1 different variations of that, that really
2 gave us useless data. So if they don't know
3 what their workforce is now, I don't really
4 understand how they're going to add into
5 that, because they don't understand the
6 quality of talent that they have within
7 itself.

8 So in other words, they're saying,
9 okay, we need a highly skilled workforce, but
10 they don't have anything measurable that says
11 that we don't have those skills, because they
12 don't know what their 3200-plus people have.

13 And other part that's very concerning
14 about this particular piece of legislation is
15 the fact that their help desk that they
16 privatized is still in flux. So you're
17 looking at 179 cuts, you're looking at
18 throwing in 250 when they haven't even placed
19 the ones that have been displaced from the
20 help desk.

21 So they really need to come up with a
22 plan and articulate that, which they have not
23 done. And without any really data or any
24 analysis to say that they don't have the

1 skills, it's just simply foolish to throw
2 anything else in, because our members do have
3 the skills. And from what I read in the
4 purpose of the legislation, is it says to get
5 the skills, when they don't know what the
6 skills are.

7 SENATOR SAVINO: Okay. So of the 250
8 people that they want to hire in this new
9 title for a job that eventually will have a
10 civil service exam requirement for it, and a
11 five-year appointment, is it a represented
12 title?

13 PEF VP BRATE: We don't know. It says
14 Salary Grade 25, 27, 29. But it doesn't say
15 whether they'd be M/C or PEF. It doesn't
16 specify that. Because, right, it could be
17 either, number one.

18 And number two, it's starting at that
19 high level. And if they're saying that they
20 don't have the experience, having experience
21 in working in and understanding the systems
22 that we have in place now, you need to come
23 in -- if you think about fundamental
24 succession planning, you develop them skills

1 as you go up. Because those positions
2 particularly are management positions.
3 You're managing that. So if you're coming
4 into state government from the private
5 sector, not understanding what state
6 government is, they're disadvantaged anyhow.

7 And as it is, I'll go back to the
8 privatization of the help desk. You know who
9 had to train the help desk? Our members had
10 to train their replacements. The same
11 situation will happen with this.

12 SENATOR SAVINO: It's very perplexing.
13 It doesn't seem to make any sense to me.

14 And so there haven't been any
15 discussions with PEF about the 250 positions,
16 whether they would be represented titles,
17 whether they would be management titles,
18 whether they would be bargaining unit titles?

19 PEF VP BRATE: Well, the legislation
20 as I saw it says that it's salary grade. It
21 doesn't give a designation.

22 Now, I do know --

23 SENATOR SAVINO: But let me just --
24 because it also does say, though, that at

1 some point they will have to take a
2 competitive-class civil service test. So
3 that would place them into the bargaining
4 unit.

5 PEF VP BRATE: Into the pool, yes.

6 SENATOR SAVINO: Right.

7 PEF VP BRATE: So think about it.

8 Right now they changed the format of the
9 format of the exams. They have selective
10 cert. So -- and there's thousands. They
11 just gave the exams; there's thousands of
12 people on this list. So they already have
13 the ability to do the selective cert and
14 understand where the skills are. They
15 haven't produced it where they don't have the
16 skills.

17 So yes, they would have to take the
18 exam. And if you look back at the last time
19 this was done, Senator, in 2009, a lot of
20 them people that took the test didn't score
21 as high as some of the existing state
22 workers. You know?

23 So I really think that we really need
24 to do the research and the study and then

1 give me a compelling reason. You know,
2 Because I'm not saying, hey, we don't want --
3 I mean, we do need staff. But I'm saying
4 let's give the opportunities to the existing
5 members who really know their program area.
6 I'm telling you, the people that built them
7 DMV databases, they know that. There's stuff
8 that they have, so much stuff in their brain,
9 that that succession has to come down as the
10 attrition happens.

11 So if you're going to bring them in at
12 the higher level, the 25, 27, and 29, you're
13 skipping the whole succession of the
14 attrition that's going out. I mean, it
15 doesn't make sense.

16 SENATOR SAVINO: Right. Finally, one
17 last point. I don't know why it's 250
18 people, but are there 250 people on the
19 existing lists?

20 PEF VP BRATE: Thousands.

21 SENATOR SAVINO: So they have
22 sufficient candidates on an outstanding civil
23 service list for IT professionals that have
24 already been selective certified by area and

1 by agency?

2 PEF VP BRATE: When they established
3 the list and they have a specific title
4 mindset that they're looking for, they'll say
5 we're looking for these skills. And then
6 they play the dating game, the matching
7 game --

8 (Unintelligible cross-talk.)

9 SENATOR SAVINO: I'm familiar with
10 selective cert. I'm just trying to make
11 sure.

12 So they have -- a thousand people
13 currently have taken an exam or exams, there
14 are select certification lists by agency, by
15 skill. And they're not even going to go to
16 those lists, they're going to hire 250 people
17 from outside and put them into a five-year
18 term, and at some point they're going to have
19 to take a civil service test that has not
20 been developed.

21 PEF LEG. DIRECTOR AMOROSI: Right,
22 correct.

23 PEF VP BRATE: Well, let me be clear.
24 They said that existing state employees can

1 apply for them tests. And at one point they
2 said they'd have priority. But if they can
3 apply for them, then why aren't they using
4 the list?

5 SENATOR SAVINO: And is there an
6 existing description of these jobs that
7 they're looking to fill?

8 PEF VP BRATE: Probably the only
9 descriptions I could probably pull up right
10 now, because I didn't see any --

11 SENATOR SAVINO: Would be in the
12 budget.

13 PEF VP BRATE: -- is the 2009. If
14 they were to be the same. But I would
15 imagine that a lot has changed in technology,
16 as we all know, since 2009.

17 SENATOR SAVINO: Thank you.

18 CHAIRWOMAN YOUNG: Thank you.

19 Assembly?

20 CHAIRMAN FARRELL: Assemblyman Weprin.

21 ASSEMBLYMAN WEPRIN: Yes, thank you,
22 Mr. Chairman.

23 Mr. Amorosi, you referred in your
24 written testimony, not in your oral

1 testimony, as to the cutback in visitation
2 schedule for the maximum-security
3 institutions, which would eliminate 39 FTE
4 positions. There was an article in the Daily
5 News today on it, and I've taken a -- and the
6 Assembly is going to be taking the position,
7 the Assembly Democratic majority, against
8 that particular cut. It's only about 2.6
9 million in a multi-billion-dollar budget. We
10 would obviously welcome your support.

11 And it's not even so much the -- you
12 know, the positions as the value of the
13 visitation in these high security, maximum
14 security facilities, and the humane aspect of
15 it for the families. And it just seems to
16 be, you know, a very harsh cut and a cut that
17 does not really save a lot of money but also
18 could potentially lead to a security problem
19 in these institutions.

20 So we would welcome your support in
21 opposing that cut.

22 PEF LEG. DIRECTOR AMOROSI: I'll come
23 see you. You will have it, though.

24 ASSEMBLYMAN WEPRIN: Okay, thank you.

1 Thank you, Mr. Chairman.

2 CHAIRWOMAN YOUNG: I do want to follow
3 up on a few of the points that you brought
4 forward, and I want to thank you for your
5 continued advocacy on behalf of the children
6 of Western New York who have psychiatric
7 concerns. That's been such a big issue for
8 so many people. And we've been able to keep
9 it open, you know, for as long as we have,
10 and we need to continue to work together on
11 that issue.

12 I wanted to ask about the parole
13 officers. It is astounding to hear that 33
14 officers are overseeing, what was it, 1800
15 cases?

16 PEF LEG. DIRECTOR AMOROSI: Yes.

17 CHAIRWOMAN YOUNG: That seems like an
18 incredible amount. Can you explain to us
19 what the implications of such a situation is,
20 especially as it relates to public safety?

21 PEF LEG. DIRECTOR AMOROSI: Sure.
22 Basically, when you have that many caseloads,
23 you spend less time with all of your folks.
24 And I know -- I also know -- I mean, I can

1 give you some of my feedback as a defense
2 attorney and as a prosecutor as well. I
3 mean, what happens is in -- and by virtue of
4 the fact that there's really no choice,
5 parole officers have to do an assessment, you
6 know, almost on the fly as to who the most
7 dangerous people are. And they have to
8 devote a lot of their time and resources to
9 paying attention strictly to those folks.

10 So as a consequence, you have -- I
11 mean, I guess I'll use the term maybe less
12 bad people who, you know, don't get the
13 attention that they should have because we're
14 understaffed and we're spending the bulk of
15 our time on the critical cases. So we have a
16 situation where, you know, our officers are
17 spread very thin, they have many things they
18 have to do in terms of home visits, drug
19 screens -- there's a myriad of things our
20 officers perform. Warrant enforcement.

21 So in answer to your question,
22 Senator, yes, I mean, it does -- not to be an
23 alarmist, but it certainly does -- it is not
24 the best thing for public safety. I mean,

1 certainly that ratio is crazy.

2 And I used to know it, and it escapes
3 me right now, and forgive me -- but I know
4 that there's a capable ratio of correction
5 officers to inmates, and it's drastically
6 lower. Drastically lower. And I wish I had
7 it for you today, but I don't. But I can get
8 you that.

9 CHAIRWOMAN YOUNG: That would be
10 helpful to know.

11 PEF LEG. DIRECTOR AMOROSI: I'll get
12 that to you.

13 CHAIRWOMAN YOUNG: That would be very
14 helpful to have that.

15 You mentioned that, going back to the
16 IT issue, which, you know, Nikki especially,
17 you've been very helpful in explaining the
18 implications of that situation. But you talk
19 about that there are desk support specialists
20 in Buffalo, because it's been privatized, but
21 there also are reports of calls being
22 answered in Colorado. Could you expound on
23 that point?

24 PEF VP BRATE: So that's the report

1 that came out in the Times Union. I haven't
2 confirmed actually that they're being called.
3 Because the way that the IP routing works,
4 sometimes it isn't as -- I did talk with
5 Steve Spalton {ph} on this, and we're getting
6 more information. But what I can say is that
7 when IBM subcontracted to Nfrastructure,
8 Nfrastructure then was bought out by the
9 company in Colorado. So if you kind of look
10 back and follow what exactly transpired
11 during there, it would make sense to me that
12 the company can be in Colorado and the
13 phones, the way they route their calls -- I
14 haven't really investigated into that, so I
15 can't tell you exactly. But if you would
16 look at the way that Nfrastructure was bought
17 out by this company in Colorado, that's kind
18 of how that perpetrated, I believe.

19 And we are looking at that a little
20 bit more, because I think I agree 100 percent
21 with Greg; taking the jobs out of the public
22 sector and putting them into the private
23 sector is merely job shifting, it is not job
24 creation.

1 CHAIRWOMAN YOUNG: Thank you.

2 With the design/build portion that you
3 cover, you talk about the fact that you
4 believe that it doesn't make sense to -- and
5 I agree with you -- to skimp on critical
6 component materials. Do you have examples of
7 that that the Legislature could look at?

8 PEF LEG. DIRECTOR AMOROSI: No pun
9 intended; I was going to say I don't have any
10 concrete examples. But the stories that I
11 have are related to concrete, so.

12 I know that there have been situations
13 where -- and it's been in the -- I think it
14 was with -- it might have been with the
15 Tappan Zee. Vice President Brate just wrote
16 frantically, and it's in there, that the
17 Boston Tunnel is a perfect example of -- you
18 know, I think they're pumping millions of
19 gallons of seawater out of that thing every
20 day, the ceiling leaks. You know, which is
21 not --

22 PEF VP BRATE: And that was from just
23 changing a bolt.

24 PEF LEG. DIRECTOR AMOROSI: Yeah, so.

1 But I think we have situations where concrete
2 that's supposed to last 20 years, we get
3 concrete poured that lasts five years.

4 Those are some of the examples that
5 have been reported to us. And again, we just
6 -- what it really comes down to for us,
7 honestly, is we have -- our PEF engineers, we
8 believe, should be inspecting those sites.
9 You know, I just think -- as you can imagine,
10 a good analogy is I don't think you want the
11 person who's building your home to be the
12 same person who inspects it at the end and
13 says it's okay.

14 You know, I think you want a
15 different -- we believe that the more sets of
16 eyes, especially our eyes, that don't have a
17 stake in it, should be looking at these
18 projects just to make sure that they're what
19 they should be.

20 CHAIRWOMAN YOUNG: Okay. Thank you.

21 CHAIRMAN FARRELL: Next, Mr. Bronson.

22 ASSEMBLYMAN BRONSON: Thank you,
23 Mr. Chair.

24 A couple of questions. First of all,

1 we've spoken about this a lot and I'm
2 carrying the bill regarding the consulting
3 situation here in New York State, and the
4 fact that we still rely too heavily on
5 workers from outside the state workforce to
6 do things that our workers can do. So we're
7 going to keep pushing for that, as you well
8 know.

9 But I would like to talk a little bit
10 more -- you mentioned regarding how that also
11 has an impact because we don't have
12 sufficient training for our workers. So that
13 if they want to advance in the workplace, get
14 a promotion, that there's a lack of training
15 and a lack of taking tests so that you can
16 move up the ladder, if you will. Something
17 that I would think every employer would want
18 to have happen for their quality workforce.

19 Can you expand on that a little bit
20 for me?

21 PEF LEG. DIRECTOR AMOROSI: Sure. And
22 again, thank you. I mean, I didn't know if I
23 should thank you before I start or after.
24 But thank you for your support on that

1 legislation you carry for us.

2 Yeah, I mean the training piece, I
3 mean it certainly applies to our IT folks and
4 it applies to our people across the board.
5 And it goes to frustration with Civil Service
6 as a whole, I believe. We have situations
7 where -- and again, I understand Civil
8 Service is understaffed. You know, that's
9 what we're told. But we have a situation
10 where -- and it ties into training. But we
11 have a situation where our folks, we take
12 exams, and since -- and I believe it ties
13 back to Civil Service not having the right
14 number of people there.

15 You take the same test, you have no
16 idea -- if you failed the test, you have no
17 idea why you failed, because no one goes over
18 it with you. So you take the same test, you
19 keep failing it, and you have no idea what
20 you did right or wrong. You know, so -- and
21 then you think to yourself, okay, this is the
22 fourth time I've done this, so maybe I'm
23 going to go in and I'm going to do the
24 opposite. So then you get all the ones you

1 got right wrong and all the ones you got
2 wrong right, and you still fail the test.

3 You know, so we feel that that denies
4 our people -- that's a critical way that our
5 folks are denied an opportunity to advance,
6 because they just -- you know, we've
7 discussed trying to get better access to
8 testing materials, better post-examination
9 experience so that our members can -- and
10 again, the answer is you don't give the same
11 test every two years or every four years.
12 Maybe hire some extra people and create some
13 new tests, so giving an answer doesn't give
14 away what's on the next text.

15 You know, so that's a huge problem for
16 us. So yes. Go ahead.

17 PEF VP BRATE: I just want to kick in
18 on there. And thank you for the cost-benefit
19 analysis. And one thing I'd just like to
20 kind of throw at you, and I'm going to have
21 many conversations with you after, is that
22 one of the things I'm worried about is
23 they're talking that they're selling these
24 things as services now, so therefore it

1 doesn't really fall under the realm of the
2 cost-benefit analysis anymore. So we might
3 need to work on that a little bit more
4 together.

5 They're getting creative, so we're
6 going to get creative. Innovative, we got
7 innovation. See, we have talent.

8 But one of the things that I recognize
9 with the training is not so much that there's
10 not training, it's the special expertise that
11 are coming in that are getting the training.
12 So they're brought in to do this skill that
13 no one else has that they supposedly have,
14 but they're the ones that are doing that job,
15 so therefore they're going to invest those
16 training dollars in those special expertise
17 while our members are still, you know,
18 kicking along maintaining the antiquated
19 systems.

20 So they're not getting that
21 opportunity to develop. While at the same
22 time, because that's not directly related to
23 their job task, the ones that are coming in
24 are getting the training. So if you kind of

1 really take a look, you know, peek under the
2 cover and see what's going on, you kind of
3 get some surprises. Because that's exactly
4 what's happening.

5 ASSEMBLYMAN BRONSON: Well, I'm going
6 to be looking very closely at the workforce
7 development dollars that we have in this
8 budget, and perhaps that's an area that we
9 should look at. Because, you know, the
10 reality is an employer should be interested
11 in advancing their employees, because it
12 really benefits the whole organization. And
13 so we should be encouraging that in this
14 budget this year.

15 Turning to another topic, as you know,
16 I worked closely with many of your members up
17 in Rochester regarding the Rochester Psych
18 Center. And the scenario, as I understand
19 it, it still exists. You know, as the state
20 is saying: We're going to make more cuts in
21 residential beds, whether those are forensic
22 beds or some other type of bed. But as much
23 as we've asked from the commissioner and the
24 agency of what is the long-term plan, you

1 know, what is the short-term plan -- have you
2 experienced -- I mean, is that the same
3 scenario across the state, or has it gotten
4 better that we have -- we're getting better
5 information from, in this case, Office of
6 Mental Health, getting better information at
7 all on what their transformative plans are?

8 PEF LEG. DIRECTOR AMOROSI: I don't
9 think so. I mean, again, no would be my
10 answer to that. We're in the same boat.

11 ASSEMBLYMAN BRONSON: All right, so
12 that's another area that we have to keep
13 working on. And I think CSEA's testimony
14 touched on that.

15 I mean, the reality is there is an
16 additional cost. We can't just have these
17 patients go out on the streets without having
18 community-based services for them, because at
19 the end of the day we're paying for that
20 additional cost in our hospital emergency
21 rooms, by our police force, by our court
22 system, and on and on. Not to mention it's a
23 disservice for the individuals who have a
24 mental health condition. So another area

1 that we have a lot of work to do.

2 Thank you.

3 PEF LEG. DIRECTOR AMOROSI: Thank you.

4 CHAIRWOMAN YOUNG: Thank you,
5 Assemblyman.

6 Next we have Senator Alcantara.

7 SENATOR ALCANTARA: Thank you, Senator
8 Young.

9 Senator Young talked about the fact
10 that we have about 1800 inmates to 36 parole
11 officers. And like she stated, it's very
12 alarming, because you talked about
13 short-staffing. And studies have been done
14 that justified why short-staffing is so
15 dangerous, whether you are a nurse, you are a
16 police officer or a parole officer.

17 And my question is, have you seen an
18 increase in work-related violence or workers
19 just leaving the job because of the high
20 amount, the volume of work? Because if you
21 only have 36 parole officers for 1800
22 inmates, I can imagine that there has been an
23 increase in workplace violence, workers are
24 made to do more overtime work on their days

1 off. And I can imagine that because of that,
2 a lot of the parole officers are probably
3 leaving the job.

4 PEF LEG. DIRECTOR AMOROSI: No, you're
5 exactly right. And it extends beyond our
6 parole officers, who I know that's what you
7 started the question with, but across DOCCS,
8 we have seen an uptick in violence on staff.

9 And again, it's -- the shortages, it's
10 just -- it creates and perpetuates a
11 never-ending cycle. There's less people --
12 you know, if you talk about parole officers,
13 or whether it's our nurses, if you're in a
14 psychiatric center, you know, we're short
15 nurses. So instead of having four or five
16 nurses on a floor to maybe see a particular
17 individual who -- and a nurse who recognizes
18 that person is about to go off or have an
19 episode, that nurse isn't there, there's
20 another nurse who's not there, so a situation
21 happens that wouldn't have occurred at all
22 had the proper staffing levels been there.

23 So again, it's problematic.

24 PEF VP BRATE: And I'd like to add

1 into it just for a second. You know, it's
2 very dangerous. It's dangerous for our
3 parole officers and it's dangerous for the
4 communities. And it also puts an additional
5 burden onto the local law enforcement.
6 Because all of us can pick up the paper any
7 day of the week and see that a parolee may or
8 may not have, you know, done another crime.

9 So if our parole officers aren't able
10 to keep tabs as closely as they need to be
11 until the rehabilitation happens, it's
12 harmful, like I said, to our parole officers,
13 their work, the stress level is high -- but
14 it's also dangerous to the community, the
15 communities that we serve. And that we need
16 to protect as well.

17 SENATOR ALCANTARA: And my other
18 question, in terms of the work that is being
19 privatized, are those privatized jobs, is
20 anyone organizing those workers? Or they
21 don't qualify under your titles?

22 PEF VP BRATE: Well, we don't have an
23 answer to that. Should they be organized?
24 They absolutely should be organized. But I

1 can't tell you who or who is not doing that
2 at this time, for reasons. So ...

3 SENATOR ALCANTARA: Because it's
4 pretty obvious to those of us, like Senator
5 Savino, that come out of organized workers,
6 that when you privatize work it's short for
7 union-busting. So I was just concerned if
8 these workers are being organized into
9 another union or ...

10 PEF VP BRATE: Thank you.

11 SENATOR ALCANTARA: That's it.

12 CHAIRWOMAN YOUNG: Thank you, Senator.

13 CHAIRMAN FARRELL: Assemblywoman Rozic.

14 ASSEMBLYWOMAN ROZIC: Thank you,
15 Mr. Chairman.

16 I wanted to turn to the part of your
17 testimony that talks about SUNY hospitals,
18 because we haven't focused on that yet.

19 And on behalf of my colleague,
20 Assemblywoman Richardson, who has deep
21 concerns about the proposal in the budget to
22 reduce state support for SUNY's three
23 teaching hospitals by \$18.6 million, how does
24 that impact or affect your workforce? And

1 also if you could speak to the specifics of
2 which three hospitals they're targeting.

3 PEF LEG. DIRECTOR AMOROSI: Actually,
4 I don't have specifics on that, but I can get
5 it.

6 But obviously, again, \$18 million, you
7 know, will have a dramatic -- I can make an
8 argument that \$100,000 would have a pretty
9 dramatic impact on our folks at these
10 hospitals, so 18.6 million -- and again, I
11 haven't dove too deeply at this point into
12 what exactly the impact would have. I know
13 it will be horrible. Usually I frankly spend
14 most of my time bothering you guys, begging
15 you to get it put back in for me, and it's
16 been -- we've had luck with that.

17 So I will find out for you. I can get
18 a specific break-out from our health folks on
19 that, and I will get it to you.

20 ASSEMBLYWOMAN ROZIC: More
21 specifically, do you know if SUNY Downstate
22 is one of these three hospitals?

23 PEF LEG. DIRECTOR AMOROSI: Oh, yeah.
24 Absolutely, yes.

1 ASSEMBLYWOMAN ROZIC: And the other
2 two being --

3 PEF LEG. DIRECTOR AMOROSI: Stony
4 Brook, Downstate and Upstate.

5 ASSEMBLYWOMAN ROZIC: Great, thank
6 you. And if you could follow up with us on
7 those details, that would be great.

8 PEF LEG. DIRECTOR AMOROSI: I will.
9 You got it.

10 ASSEMBLYWOMAN ROZIC: Thank you,
11 Mr. Chair.

12 CHAIRMAN FARRELL: I think that's it
13 on our side.

14 CHAIRWOMAN YOUNG: I think that's all
15 we have today. So we really appreciate you
16 joining us, and a very productive discussion.
17 I'm sure we'll be talking very shortly.

18 PEF LEG. DIRECTOR AMOROSI: Yes, we
19 will. Thank you very much. Thank you for
20 your time.

21 PEF VP BRATE: Thank you.

22 CHAIRMAN FARRELL: We've been joined
23 by Assemblyman Nick Perry and Assemblyman
24 Félix Ortiz.

1 CHAIRWOMAN YOUNG: Our next speakers
2 are from the New York State Management
3 Confidential Employees, and that's Barbara
4 Zaron, president, and Joe Sano, executive
5 director.

6 Thank you for being here today.

7 OMCE PRESIDENT ZARON: Thank you very
8 much. It's nice to be back with you again.

9 CHAIRWOMAN YOUNG: Yes, it is.

10 OMCE PRESIDENT ZARON: And we want to
11 first thank you all for the support and your
12 concerns for ensuring that Management
13 Confidential Employees are treated with
14 respect and that their pay equity issues have
15 been addressed.

16 So we have something that many people
17 are calling good news to tell you. This year
18 the M/Cs who are working, still working
19 providing services to the people of New York,
20 are approaching pay equity with their
21 union-represented colleagues through the
22 payment of the third installment of the pay
23 equity adjustment and the first
24 cost-of-living salary increase under a new

1 M/C pay bill. This pay bill is expected to
2 be introduced along with the PEF pay bill,
3 which as we understand is being developed and
4 should be introduced shortly. And it will
5 provide the same 2 percent annual increases
6 for M/Cs as PEF negotiated.

7 We ask for your support on passage of
8 this bill, and we look forward to
9 implementation.

10 However, the glass remains only
11 partially full for M/Cs. Those M/Cs who had
12 their 2009 and 2010 salary increases withheld
13 and who have retired since 2009 have received
14 none of the 7 percent parity payments. So
15 their pension benefits, their Social Security
16 benefits, and of course the value of their
17 sick leave accruals have thus far been
18 permanently diminished.

19 Over the years we've introduced a
20 number of different proposals to address this
21 issue, and this year we have a new proposal.
22 That is an M/C personal income tax credit
23 that would be applicable only to those
24 retirees who were affected by the salary

1 withholding, and those who retired between
2 April of 2009 and March 31st of 2019, which
3 is the ending date of when they will meet the
4 parity threshold. And that would be a tax
5 credit which would provide 5 percent of their
6 pension benefit, not to exceed \$3,000 a year,
7 and annual implementation up to a maximum of
8 five years.

9 Now, this really in no way compensates
10 these retirees for the loss that they have
11 suffered by the withholding. It would,
12 however, provide a small token that they've
13 not been completely abandoned by their former
14 employer, and some recognition of their years
15 of public service.

16 We've begun discussion on this
17 proposal and we're beginning meetings with
18 legislators next week.

19 So you've already discussed the health
20 insurance proposals of the Governor. These
21 are very similar to ones in the last three or
22 four years. You've rejected them. We
23 absolutely urge you to reject them again this
24 year. And I won't go into anything further.

1 You've also heard some discussion this
2 morning about the Justice Center. We did
3 mention last year some concerns that we had
4 with the operations of the Justice Center.
5 We continue to be concerned. And we know
6 that the agencies are concerned, that
7 legislators are concerned, our members and
8 other M/Cs who are responsible for the care
9 of these vulnerable populations are very
10 concerned, and so are the nonprofits who are
11 affected by Justice Center oversight.

12 In the written testimony we attached a
13 copy of a letter that we sent to Deputy
14 Secretary for Health and Human Services Paul
15 Francis last year, and this outlines the five
16 major areas of concern. If you want I can go
17 through quickly, but you have them there.
18 And I would just say that all of the issues
19 that Fran and Greg from CSEA and PEF spoke
20 about earlier, the M/Cs face as well. They
21 are also targets of allegations of abuse and
22 neglect from employees, clients, and whoever
23 else decides to make an allegation, and
24 they're responsible for managing the services

1 that need to be provided to these vulnerable
2 populations at the same time as they are
3 being targeted for investigation.

4 We have heard something that says a
5 new director of the Justice Center may be
6 appointed soon. We hope to meet that new
7 person and outline our concerns and proposals
8 for improvement.

9 We unequivocally agree that abuse and
10 neglect of our vulnerable population cannot
11 be tolerated. However, we also unequivocally
12 state that the state employees -- and I would
13 extend that to the nonprofits, of course --
14 who care for these New Yorkers must also be
15 protected from abuse of their rights and
16 interference with their ability to do their
17 job.

18 Now I want to move to some issues
19 related to the workforce issues. You did
20 also speak earlier about consolidation of the
21 administrative law judge functions. We heard
22 about this during a briefing, and it's not
23 clear to -- we have a number of questions
24 about how this consolidation would work.

1 It's not clear, I thought one of the
2 legislators had indicated something about if
3 this is going to apply to employee relations
4 hearings or is it just programmatic hearings.

5 In any event, the Governor in his
6 budget proposal assumes several benefits from
7 consolidation. For example, a more impartial
8 and efficient hearing process, a more skilled
9 workforce, maybe cost savings.

10 We have had to live through a number
11 of agency consolidations and reorganizations
12 in the last six or seven years, and we've had
13 to help M/C employees navigate the various
14 negative impacts of prior agency
15 consolidations, as well as the negative
16 impacts that the Justice Center visits upon
17 them. So there typically will be staff
18 disruptions, loss of expertise, duplication
19 of efforts, and long time frames for the new
20 organization to gel and for people to learn
21 and understand and be able to implement
22 effectively the new operations and
23 responsibilities.

24 We would suggest, if this particular

1 provision is approved, any organization plan
2 -- and there should be a plan developed --
3 needs to be subject to your legislative
4 review and oversight, and we also believe it
5 should be vetted with the employee
6 organizations prior to implementation.

7 So here's several other proposals. A
8 chief procurement officer. We already have a
9 procurement office at OGS, Office of General
10 Services, and the State Comptroller has
11 wide-ranging responsibility and authority to
12 review, approve and audit procurement
13 contracts.

14 Duplicating in a chief procurement
15 officer the responsibilities of the State
16 Comptroller is not efficient. It certainly
17 does not promote good government practices.
18 What is needed, we believe, is restoration of
19 the authority of the State Comptroller to
20 review all pending state contracts, including
21 SUNY, Research Foundation, and the nonprofits
22 established by those entities. This is the
23 authority that you know very well was taken
24 away from the Comptroller in 2011. We

1 believe it should be restored to that office.

2 Then we have proposals for new
3 inspectors general in various agencies. So
4 it seems we're becoming a government by
5 inspector general. It looks like every
6 agency needs to have one if they don't, and
7 needs to have more authority if they do.

8 We're concerned about this, not only
9 the message, but we seem to be reversing the
10 way we should be doing business. We should
11 be trying to prevent any wrongdoing from
12 taking place. So that may require sufficient
13 career workforce, it may require additional
14 training and resources for those people to
15 carry out their responsibilities, it may
16 require that employees are treated with
17 respect and that there's a focus on ethical
18 behavior being required in the agencies.

19 Inspector generals are necessary, but
20 we are really concerned that there's just too
21 much focus on doing things by investigation.

22 So then the overview of agency
23 staffing issues. And you've heard earlier
24 also, the Governor touts the reduction of

1 10,000 positions in the Executive-controlled
2 workforce during his tenure. And you've also
3 heard that the other side of that is delay or
4 undelivered services, increased overtime,
5 increased stress.

6 You've all seen the comments by CSEA
7 President Danny Donohue about the
8 OPWDD-related budget proposals. We believe
9 that the state agencies are underresourced
10 and understaffed. Downsizing state
11 facilities and downgrading the value of state
12 employees is a really serious issue as far as
13 we're concerned. And managing in this
14 environment continues to be more and more
15 difficult.

16 Just a word about the Empire Star
17 Award program. There have been other
18 programs like this in the past. They are
19 kind of a flash in the pan, and then they
20 disappear. The reaction of our workforce
21 generally tends to be: Oh, another way for
22 the favored few to get another perk.

23 This ought to be reviewed. We think
24 the dollars that may be allocated for this

1 would be better spent providing additional
2 tuition reimbursement opportunities for
3 work-development issues, and that people
4 really need to be treated -- the recognition
5 should come from treating them well and
6 recognizing their work on a regular basis.
7 It does not necessarily have to be "I'm
8 handing you a check to say that you're doing
9 a good job."

10 Okay, so we need to build our career
11 state workforce infrastructure just like we
12 need to rebuild our physical
13 infrastructure -- roads, bridges, sewer and
14 water, et cetera. Without the career
15 workforce, we're not going to have an
16 effective working state government that can
17 provide the services that the public depends
18 on. And that includes carrying out the
19 constitutional merit and fitness
20 requirements, which seem to be going by the
21 board, especially for the M/C workforce.

22 In the written testimony we have a
23 chart -- unfortunately it's not up-to-date,
24 and we're working on that -- which shows a

1 continuing decline in the number of
2 competitive-class M/C employees and a serious
3 expansion in the exempt-class appointee
4 positions.

5 CHAIRWOMAN YOUNG: Thank you.

6 CHAIRMAN FARRELL: Thank you.

7 CHAIRWOMAN YOUNG: Thank you very
8 much.

9 OMCE PRESIDENT ZARON: You're most
10 welcome. Thank you.

11 CHAIRWOMAN YOUNG: We appreciate that
12 comprehensive testimony. I don't believe
13 that anyone has any questions, so --

14 OMCE PRESIDENT ZARON: Oh, we do such
15 a good job?

16 CHAIRWOMAN YOUNG: You do. You're
17 very efficient.

18 OMCE PRESIDENT ZARON: Wonderful.
19 Thank you very much.

20 CHAIRWOMAN YOUNG: But again, we truly
21 appreciate your input. It's very valuable.

22 OMCE PRESIDENT ZARON: Thank you.

23 CHAIRMAN FARRELL: Thank you.

24 CHAIRWOMAN YOUNG: Our next speakers

1 are from the Retired Public Employees
2 Association, and that's John McPadden,
3 president, and Edward Farrell, executive
4 director.

5 Very happy to have you here today.

6 Denny says you're related, so --

7 (Laughter.)

8 PRESIDENT MCPADDEN: Chairwoman Young,
9 Chairman Farrell, members of the Senate
10 Finance and Assembly Ways and Means
11 Committee, thank you for the opportunity to
12 speak to you this afternoon.

13 My name is Jack McPadden, president of
14 the board of directors of the Retired Public
15 Employees Association, and I'm testifying
16 with Ed Farrell, RPEA's executive director,
17 on behalf of retired public employees and
18 their beneficiaries.

19 The Governor's budget proposes
20 language that, if adopted, would constitute
21 significant premium increases for healthcare
22 benefits for Medicare-eligible retirees
23 enrolled in the New York State Health
24 Insurance Program, NYSHIP. State retirees'

1 pensions and healthcare benefits are derived
2 from the express and implied future
3 agreements of our employers. Once we retire,
4 we all rely on those promises for a
5 financially secure and well-deserved
6 retirement.

7 While health insurance benefits for
8 retirees are not constitutionally protected,
9 as are our pensions, as a responsible
10 employer and a matter of sound public policy,
11 the state has included retirees in NYSHIP for
12 accessible and affordable health insurance
13 coverage.

14 Currently, eligible NYSHIP retirees
15 pay the exact same premium contribution as do
16 their counterpart active state employees.
17 However, the state has realized significant
18 cost savings for retiree health insurance by
19 requiring that all retirees participating in
20 NYSHIP enroll in the federal Medicare program
21 upon turning age 65. As a requirement for
22 Medicare enrollment, such retirees pay the
23 standard Part B premium, but they're also
24 required to pay the full NYSHIP premium for

1 their coverage. Additionally, retirees with
2 higher incomes also pay a Medicare Part B and
3 Part D income-related monthly adjustment
4 amount, otherwise known as the IRMAA
5 surcharge.

6 Because these actions save the state
7 money, the Legislature provided for full
8 reimbursement of all Medicare Part B
9 premiums. Chapter 602 of the Laws of 1966
10 created Section 167A of the Civil Service Law
11 to offset this additional cost to enrollees
12 so that the total cost they pay for health
13 insurance would remain unchanged.

14 To follow up on a point raised by
15 Assemblywoman Mayer, we find the most
16 egregious part of the Executive Budget is the
17 so-called capping of the Medicare Part B
18 premiums at the December 31, 2016, levels of
19 \$104 and \$121.80 a month. Now, there was a
20 modest Social Security COLA this year. So as
21 of January 1st, Medicare premiums have
22 increased to \$109 and \$134 a month.

23 What makes this proposal so odd is
24 that back in December, the Department of

1 Civil Service sent a memo to all retirees,
2 which we've attached to our testimony,
3 stating that effective January 1st, it would
4 be reimbursing them at the new higher rate.
5 Now, less than one month later, the Governor
6 proposes going back to the lower rate,
7 effective December 31st, and that was going
8 to take effect on May 1st of this year.

9 The distinction that may not have been
10 clearly made is what is being proposed as a
11 cap is actually a cut in benefits to the
12 entire 150,000 Medicare-eligible recipients
13 in NYSHIP. This proposal was presented by
14 the Governor in a very misleading manner. We
15 bring it to the attention of the members of
16 the fiscal committee and hope that it will be
17 deleted from the budget.

18 Now, as he did in previous budgets,
19 the Governor again proposes elimination of
20 the Part B IRMAA surcharge reimbursement.
21 You've rejected his efforts in the past.
22 This surcharge would range from an additional
23 \$53 to \$295 per month, out of pocket, for
24 each retiree. We also ask that you delete

1 this from the budget.

2 I'd like to point out that the state
3 has saved money on retiree drug prescription
4 coverage by blending NYSHIP coverage with
5 Medicare Part D. As Medicare retirees
6 discovered, there's also a Part D IRMAA
7 surcharge which the state refuses to
8 reimburse, claiming that the Civil Service
9 Law does not apply to prescription drug
10 coverage.

11 Now, this surcharge ranges from \$13 to
12 \$76 a month, out of pocket, for each retiree.
13 It's an insignificant savings to the state,
14 but it breaks faith with the spirit and
15 intent of the 1966 Medicare reimbursement
16 law. Last year there was a bill sponsored by
17 Senator Golden and Assemblyman Abbate which
18 passed the Senate to correct this inequity,
19 and we urge that it be adopted in both houses
20 this year.

21 Also in the exhibit is the Governor's
22 proposal to implement differential NYSHIP
23 premium contributions for new retirees based
24 on years of service. We believe, as many

1 have said already, that this proposal is one
2 that is subject to collective bargaining, and
3 we are very fearful that any attempt to
4 reduce the state's premium contribution would
5 reverberate on state retirees who have
6 already retired, in much the same way as the
7 2011 negotiated increase in NYSHIP premiums
8 also impacted those who were retired.

9 I point out that the Executive's
10 stated rationale for these ill-conceived
11 proposals is that retiree healthcare costs
12 are "beyond the benchmark growth rate of 2
13 percent a year." This may well be the most
14 disingenuous statement in the entire
15 Executive Budget. The committees are fully
16 aware that no health insurance cost would
17 meet the Governor's self-imposed 2 percent
18 range. As a matter of fact, I've already
19 said retirees are in the same healthcare plan
20 and pay the exact same premiums as do active
21 employees.

22 To somehow infer that retirees are
23 "challenging the state's ability to remain
24 economically competitive" is simply not true.

1 Retirees are major contributors to New York's
2 economy. According to the Comptroller,
3 public-sector retirees' annual spending is
4 responsible for over \$12 billion in economic
5 activity and creates roughly 66,000 jobs.

6 While my testimony today concerns
7 state retirees' access to affordable
8 healthcare, resolution of these issues
9 affects retirees of local governments as
10 well. There are approximately 200,000
11 employees of local governments who are
12 enrolled in the NYSHIP program, and what you
13 do here at the state level sets significant
14 precedents and policy that local governments
15 in NYSHIP apply to their public employees.
16 In addition, non-participating local
17 governments often look to state policy to
18 establish fair and uniform practices in
19 providing health insurance coverage for their
20 employees.

21 Therefore, we rely on you, our elected
22 representatives, to provide budget oversight
23 of the Executive to protect our healthcare
24 benefits to make sure that promises made are

1 promises kept.

2 Now, there's one other issue that just
3 recently came to our attention, and it's one
4 that Assemblyman Oaks raised during the
5 questioning of Commissioner Brabham. Back in
6 2004, the Government Accounting Standards
7 Board began to focus on the growing cost of
8 post-retirement healthcare. Subsequently
9 they adopted standards that required employer
10 disclosure, but not prefunding, of this
11 liability.

12 Now, the Executive Budget contains a
13 proposal to create a Retiree Health Benefit
14 Trust Fund under the control of the
15 Commissioner of Civil Service. It appears
16 that the Director of the Budget could
17 transfer a portion of any cash surplus
18 remaining in the General Fund into this
19 account. These funds would then be invested
20 by the Commissioner of Tax and Finance and
21 could be used only to fund the health and
22 welfare benefits of retired state employees
23 and their dependents. While the goal may be
24 laudable, this process seems somewhat

1 convoluted.

2 I'd like to thank you for allowing us
3 to testify this afternoon on behalf of all
4 public employees, and did it within the time
5 frame allotted again.

6 CHAIRWOMAN YOUNG: Thank you, yes. We
7 appreciate that very much.

8 PRESIDENT MCPADDEN: I know you have a
9 long day.

10 CHAIRWOMAN YOUNG: Any questions?

11 CHAIRMAN FARRELL: None.

12 CHAIRWOMAN YOUNG: Well, again, a very
13 good job. And we appreciate your input very
14 much and look forward to working with you in
15 the future.

16 CHAIRMAN FARRELL: Thank you.

17 SENATOR SAVINO: Being members, too.
18 I'm four years away from 30 years.

19 (Laughter.)

20 PRESIDENT MCPADDEN: Please.

21 CHAIRWOMAN YOUNG: Our next speaker is
22 Bruce Hamm, director of business engagement
23 from the Manufacturers Association of Central
24 New York.

1 MR. HAMM: Members of the Senate and
2 Assembly, I'd like to thank you for the
3 opportunity to appear before you today.

4 CHAIRWOMAN YOUNG: Well, thank you for
5 coming. Hopefully the roads were okay.

6 MR. HAMM: They were. Thank you very
7 much, Senator Young.

8 For those of you -- I know many of you
9 know what MACNY is. But for those who do not
10 know what MACNY is, we are a manufacturing
11 association representing over 300 companies,
12 primarily based in Central New York but
13 covering a 26-county area. We are also the
14 leader of the Manufacturers Alliance of
15 New York, which is a group of six regional
16 manufacturing associations who represent over
17 2,000 companies.

18 MACNY over the last year has been
19 actively engaged in creating registered
20 apprenticeship training programs, and we
21 would like to thank the members before us --
22 and all of them -- for the support they gave
23 us last year.

24 I'm here today to make just a couple

1 of major points. One, we appeared before you
2 last year and we asked for your support for
3 apprenticeship, thinking that it would be
4 successful. I can sit here in complete
5 confidence and say we have been successful.
6 Apprenticeship has been very well received by
7 our membership, and we're here today to ask
8 you to expand it to other regions of the
9 state.

10 We are an employer-led public/private
11 pilot program, and this unique business-led
12 approach is creating distinctive career
13 pathways filling crucial needs within the
14 industry. We target incumbent-level,
15 entry-level workers, and we move them into
16 higher-skilled positions. Currently we have
17 over 30 companies actively participating in
18 the apprenticeship.

19 We work with the New York State
20 Department of Labor to function as a single
21 program sponsor on behalf of our companies.
22 This obviates the need for the companies to
23 each register their programs with the
24 Department of Labor. It cuts a lot of red

1 tape and speeds the process. The Department
2 of Labor also likes this model because it
3 gives them a single point of contact for
4 multiple employers.

5 We have seen employers who would not
6 have otherwise entered into registered
7 apprenticeship programs absolutely love this
8 program. We have actually heard from
9 companies in MACNY who we haven't heard from
10 in years because of this program.

11 So what we've done so far, we have
12 identified five occupational groups -- CNC
13 machinist, electronics technician,
14 maintenance mechanic, toolmaker, and
15 welder -- as high-demand areas to begin the
16 training in for the pilot. We have created
17 all of the on-the-job training for these
18 four-year programs, and we are well on our
19 way to creating all of the required related
20 instruction. We have partnered with
21 community colleges and national partners.

22 In addition to getting this program
23 underway, MACNY has been sought out as a
24 partner in two major federal initiatives.

1 One, an \$8.5 million federal contract that
2 was won by Jobs for the Future; they reached
3 out to us as a partner to expand
4 apprenticeship. And Monroe Community
5 College, who just won a \$6 million America's
6 Promise federal grant, reached out to us to
7 help them with apprenticeship in the Finger
8 Lakes area.

9 We have been involved in this space
10 for a number of years. We are concerned with
11 the pipeline into manufacturing, and we have
12 done a number of things to increase the
13 number of people coming into this pipeline.
14 I can sit here today and say apprenticeship
15 is working. It hits a particular sweet spot
16 for our manufacturers, which is that
17 mid-level skilled job.

18 Manufacturing is and will continue to
19 be vital for New York. Over 15,000 firms
20 accounted for nearly a half-million jobs in
21 New York in 2015. We have an average annual
22 salary in manufacturing approaching \$65,000.

23 Just as an aside, one of the
24 apprenticeships that we recently wrote, after

1 four years in the apprenticeship, the
2 apprenticeship will finish with a salary of
3 \$76,000. Compare that to a four-year college
4 degree with probably a six-figure debt.

5 We think apprenticeship is a wonderful
6 vehicle for rebuilding and revitalizing our
7 workforce. We are proposing the expansion
8 into the Capital District, the Finger Lakes,
9 and the Lower Hudson area for next year. We
10 would like to continue to expand this
11 throughout the state.

12 New York State Department of Labor
13 continues to be supportive of our approach.
14 We have actually signed on as a partner in an
15 apprenticeship expansion grant that they
16 recently got from the federal government.

17 Our manufacturers know and trust us
18 and we have the ability, through the
19 alliance, to bring hundreds of small and
20 medium-sized businesses to the table and
21 increase dramatically the number of
22 registered apprenticeship programs statewide.

23 Deloitte and the Manufacturing
24 Institute has continued to do studies. They

1 are projecting, through 2025, that we will
2 have 3.4 million jobs open in manufacturing.
3 If we do nothing right now, 2 million of
4 those jobs will remain unfilled.

5 Our companies locally are projecting
6 between 25 and 40 percent of their workforce
7 will retire in the next four years. We will
8 cripple our existing businesses and we will
9 be unable to attract new businesses unless we
10 get more young people, job changers, women,
11 veterans and others into manufacturing jobs.
12 Registered apprenticeship is a perfect and
13 sustainable way to do this. We must continue
14 this effort.

15 We have accomplished much with our
16 pilot program in well under one year. We ask
17 your support to bring this successful program
18 to other regions of the state next year and
19 in the years beyond.

20 We stand ready to work with you in
21 this effort, and we thank you for your
22 support.

23 CHAIRWOMAN YOUNG: Thank you very
24 much. And we appreciate you being here.

1 Great story that you're telling. And
2 actually, as you know, the Senate majority
3 has had a Workforce Development Task Force
4 that made many recommendations, and certainly
5 the apprenticeship program expansion was a
6 key component of that agenda that we put
7 forward.

8 We've heard over the years that there
9 are many manufacturers out there that were
10 having trouble finding workers with the
11 skills necessary to fill the jobs. And
12 that's across the entire state.

13 So congratulations on getting this
14 project underway. We're very strongly
15 supportive of these apprenticeship programs
16 because of their effectiveness. And it's
17 great, because it's a win/win situation.
18 It's a win/win because the manufacturers get
19 skilled workers, and it's a win for the
20 people of New York that are able to get
21 family-sustaining jobs, good-paying jobs, and
22 a career.

23 So I think it's just great. You know,
24 you're talking about expansion in other areas

1 of the state. And what else can the
2 Legislature do to help to continue to build
3 on the success?

4 MR. HAMM: Well, your support to date
5 has been absolutely wonderful. And we're
6 actually a fairly inexpensive way to not only
7 build our workforce but increase the pay
8 levels of people out there as well. So we
9 thank you for all you're doing and all you
10 hopefully continue to do.

11 We think that this particular
12 program -- it's actually been around for
13 decades, and what we did was we got away from
14 it. So I think encouraging us in getting
15 back to this traditional way of training our
16 workers, and your support in doing that,
17 would be terrific.

18 CHAIRWOMAN YOUNG: How do you spread
19 the word? Because you talk about different
20 groups -- women, vets, young people. And
21 unfortunately, one of the cultural changes
22 that we've seen over the years in upstate
23 especially is that educators, parents tell
24 their children that in order to have

1 opportunities and a career, you have to leave
2 New York State. And as you pointed out,
3 that's not the case, because there are
4 millions of jobs that could go unfilled in
5 the future.

6 So how do you contact people to get
7 involved in the apprenticeship program? And
8 how can we get more people involved? We want
9 to keep our young people, and we want
10 underemployed people to be able to have those
11 job opportunities too.

12 MR. HAMM: Senator, that's one of our
13 biggest challenges.

14 I often give talks and talk about the
15 image of manufacturing as dark, dirty,
16 dangerous and dying. Our kids and our
17 parents are not encouraging kids to go into
18 manufacturing. It's one of our biggest
19 challenges that we face.

20 We and others are continually working
21 with continuing education programs in the
22 schools. We are involved in two P-TECHs,
23 Pathways in Technology, Early College High
24 School. We would urge continued support of

1 those as pathways into manufacturing.

2 We need more career-awareness
3 activities. There are many things that are
4 not in this request today that actually
5 increase the pipeline into manufacturing and
6 getting the word out. Several have talked at
7 times about even a publicity campaign about,
8 you know, what kinds of jobs are available in
9 manufacturing now.

10 I've been at probably over 30
11 companies in the last three months, and they
12 are clean, they are safe, you can practically
13 eat off the floors in some of these places.
14 They have clean rooms where literally
15 manufacturing is done under antiseptic
16 conditions. So you know, these jobs that
17 exist, I think we need to let people know
18 about them.

19 CHAIRWOMAN YOUNG: I also think that
20 we have an issue with an aging workforce in
21 many of the manufacturer facilities. And
22 could you address that a little bit? Because
23 I see it in my own district, where we have
24 manufacturers that have people who have

1 worked there for 30, 40-plus years, they're
2 ready to retire, and there doesn't seem to
3 be a pipeline of new, trained workers ready
4 to take their places.

5 MR. HAMM: Senator, you've hit the
6 nail on the head. The average age of the
7 skilled workforce in this country is 56 years
8 old, which means we have 10 years to turn
9 this around. We need to capture the
10 knowledge of those retiring people, and
11 apprenticeship is one of the most ideal ways
12 to do that.

13 Each apprentice has a mentor or a
14 person who teaches them their craft. And if
15 we don't get to these folks before they
16 retire, that knowledge will be lost from the
17 workplace. And that will have a devastating
18 impact. So this actually plays exactly into
19 what you said. It's truly capturing the
20 knowledge of these folks before they retire.

21 CHAIRWOMAN YOUNG: Thank you.

22 CHAIRMAN FARRELL: Félix Ortiz.

23 ASSEMBLYMAN ORTIZ: Thank you,
24 Mr. Chairman.

1 And I just have just a few follow-up
2 questions, quickly, regarding the outreach.
3 How can we help you to do the outreach? I
4 represent a district in the areas of
5 Brooklyn, in Sunset Park and Red Hook.

6 When we talk about job opportunity and
7 trying to develop workforce development, I
8 will tell you that if I can give my children
9 the opportunity to learn something else, they
10 will.

11 So my question to you is, how can we
12 help you to spread the word and to do the
13 outreach in our minority communities as well?

14 MR. HAMM: Assemblyman, I'm not sure I
15 have a good answer for you today. But we
16 would love to work with members of both the
17 Senate and the Assembly in the coming months
18 and years to continue to publicize this. I
19 don't have a specific plan for you today, but
20 we'd love to discuss that going forward.

21 ASSEMBLYMAN ORTIZ: And my other
22 question is, you know, what is the
23 relationship that you have probably with the
24 vocational schools, the trade schools and the

1 high schools, in order to promote what you're
2 trying to accomplish within your organization
3 that you represent?

4 MR. HAMM: Actually, I'd love to tell
5 you a great story. The Syracuse City School
6 District has recently added 22 continuing
7 technical education programs, and they have
8 doubled the enrollment in those programs.
9 And we serve on a Partnership Council with
10 them to promote and bring business leaders to
11 the table.

12 As I said, we are the business partner
13 in two P-TECHs, and we continue to support
14 that. I actually will be going to an
15 advisory committee meeting for our local
16 BOCES this evening.

17 So manufacturers in our group are
18 actively involved in promoting this in the
19 schools. Recently, under the tech grant, we
20 worked with 23 community colleges to align
21 curriculum in advanced manufacturing.

22 So we're doing as much as we can, and
23 we're encouraging others to do the same.

24 ASSEMBLYMAN ORTIZ: Mr. Hamm, I'm

1 looking forward to working with you. I do
2 represent a very underserved site in the
3 Sunset Park and Red Hook community in
4 Brooklyn, which is up-and-coming. And we do
5 have a lot of manufacturers there. And I
6 will say to you that I do reach out to my
7 high schools and the companies that work to
8 provide services and jobs in that particular
9 community, to engage them in internship
10 programs as well as through the summer. So I
11 hope that we can have a conversation to
12 follow up on this conversation.

13 Thank you very much for your
14 testimony.

15 MR. HAMM: Thank you.

16 ASSEMBLYMAN ORTIZ: Thank you,
17 Mr. Chairman.

18 CHAIRMAN FARRELL: Thank you.

19 We've been joined by Assemblyman
20 Pretlow.

21 Senator?

22 CHAIRWOMAN YOUNG: Senator Savino.

23 SENATOR SAVINO: Thank you.

24 Less of a question, because I actually

1 had two questions and you've luckily answered
2 them in your testimony, so I will save you
3 the time of reiterating it.

4 Like Assemblyman Ortiz, I also cover
5 parts of Sunset Park and that area that's
6 commonly referred to as Industry City, and
7 it's a reemerging manufacturing area.

8 I just want to say we want to thank
9 you for your support for the Buy America
10 plan. It's now been included in the
11 Governor's budget. It's a priority for the
12 Senate, it's been a priority for the
13 Independent Democratic Conference, and we
14 think it's critical that we create these
15 skilled jobs with a future and a pathway, you
16 know, out of poverty into a real middle-class
17 job.

18 So I just want to thank you for your
19 commitment to it and for helping us create
20 that workforce of the future.

21 MR. HAMM: One of the beauties, I
22 think, of the manufacturing associations that
23 exist in New York is they create those supply
24 chains for New York manufacturers to buy from

1 each other and to buy locally and to buy
2 nationally. So we very definitely support
3 that.

4 SENATOR SAVINO: Thank you.

5 CHAIRWOMAN YOUNG: So you're off the
6 hook, but we really appreciate you coming --
7 oops, I'll turn my mic on. So you're off the
8 hook because I think we're done with our
9 questioning, but we truly appreciate all of
10 the informative advice that you've given, and
11 input, and look forward to working with you
12 in the future.

13 MR. HAMM: We look forward to working
14 with you as well. Thank you very much.

15 CHAIRWOMAN YOUNG: Thank you.
16 Wonderful.

17 Next up we have Melinda Mack,
18 executive director of the New York
19 Association of Training and Employment
20 Professionals.

21 Thank you for coming today.

22 MS. MACK: Thank you so much for
23 having me. I appreciate it.

24 I'm not going to read directly from my

1 testimony, recognizing that you're always
2 running a bit over. So I'm going to provide
3 you some of the key points that I want to
4 make sure you walk away with today.

5 Again, my name is Melinda Mack. I'm
6 the executive director of the New York
7 Association of Training and Employment
8 Professionals. Again, we want to thank you
9 for not only having us here today, but also
10 for the series of hearings that you conducted
11 in the past year or so and, again, your
12 continued focus on workforce development. As
13 you know, it's a critical issue, as you've
14 just described, to the state, and also a
15 continued issue and area of focus for the
16 Governor's office as well.

17 I think our biggest concern is as
18 much as we talk about the importance of
19 investing in skills, specifically for
20 creating a skilled workforce, the focus
21 doesn't translate to funding. And so we
22 consistently hear again and again how we need
23 a skilled workforce, how we need to make sure
24 the alternative pipelines are being sort of

1 developed so that individuals who are
2 underemployed, working part-time, adults,
3 low-skill youth and others, are accessing
4 opportunities for skilled labor. But
5 traditionally we see those funds either fall
6 completely flat or see very tiny increases
7 year over year. So again, the funding is not
8 reflecting the severity of the issue.

9 One area that I think is important for
10 us to just keep our eye on, the federal
11 funding is what funds and props up our
12 workforce system in this state. The network
13 of community-based organizations, the network
14 of federally funded workforce development
15 programs which make up the bulk of our
16 workforce system are in jeopardy this year,
17 as you can imagine. We've just recently seen
18 a report from the Heritage Foundation that
19 completely zeroes out federal workforce
20 funding. If that's the case, we will not
21 have a workforce system in the State of New
22 York.

23 So I encourage you again to take a
24 look at what we're hoping to accomplish as a

1 state, how we're trying to tackle this issue
2 of having an unskilled labor force that needs
3 to really be able to take on these jobs of
4 the future, and think much more creatively
5 about how we address this issue.

6 What I want to also underscore is
7 because we already have a federally funded
8 workforce development system, we have a
9 system that operates in all 62 counties of
10 the state, we don't need to create something
11 new. I think we often see, especially as we
12 talk about economic development, in workforce
13 development community there's this affinity
14 for creating a great big brand-new
15 initiative. What I'm sharing with you today
16 is we have an incredibly successful system, a
17 network of organizations and entities across
18 the state that are just dramatically
19 underfunded. In New York City alone, they
20 serve close to 150,000 people per year
21 through the system, 8,000 businesses. The
22 Finger Lakes as well serves -- I have here
23 4500 New Yorkers, 120 businesses. Rochester
24 as well.

1 So again, in thinking about this
2 network of folks, we need to again think
3 about the investments we should be making in
4 their education, training, and economic and
5 workforce development.

6 A couple of the ideas that we've put
7 forward to you, as you're thinking about
8 solutions -- again, we don't want to diminish
9 any of the investments in the traditional
10 education pipeline. So K-12, P-TECH,
11 college, et cetera. What we're hoping is
12 that you recognize the importance of many of
13 the different types of initiatives that help
14 New Yorkers get skills -- so the
15 apprenticeship programs, as Bruce just
16 mentioned, as well as the on-the-job
17 training, incumbent worker training,
18 unionized or union-based workforce programs.
19 Public libraries have terrific workforce
20 development programs -- again, that
21 traditionally go unfunded.

22 A way that I want to sort of
23 underscore again the importance here is if
24 you look at some of the more recent labor

1 market data that's come out, specifically
2 from the American Community Survey,
3 40 percent of New Yorkers have a high school
4 diploma or less. Forty percent of New
5 Yorkers have a high school diploma or less.
6 How are we going to meet that gap when we're
7 starting to talk about these high-tech
8 investments, these investments in clean
9 energy, these higher-tech, higher-skilled
10 jobs?

11 I don't want to be in a situation
12 where we are importing labor. I think we
13 obviously need to keep the folks who are
14 graduating from our colleges to stay. But I
15 think more importantly, the folks who live in
16 these communities that are going to be
17 benefiting from this economic development
18 should have the opportunity to be able to
19 train and be skilled up to take the jobs that
20 are going to be happening and occurring in
21 their local communities.

22 So again, we encourage you to take a
23 look at the data, think about some of the
24 pipeline issues, especially as you're looking

1 at some of the new investments coming down
2 from the Governor's office.

3 This year in the Governor's office --
4 again, previously we've seen very little
5 investment from the Executive Budget, meaning
6 redirecting of federal workforce dollars to
7 job training. We do see some of those
8 redirects this year, again which we're in
9 support of. There's a million dollars that
10 will be coming out for youth workforce
11 training, specifically out of the
12 Environmental Protection Fund, related to
13 youth training and clean energy jobs. There
14 also is an additional \$5 million for the
15 Summer Youth Employment program, which is
16 TANF dollars. Of course we're supportive of
17 that as well.

18 There also is an additional \$5 million
19 in the state's discretionary budget, specific
20 Federal Workforce Innovation Opportunity Act
21 funds that will be redirected to do high-tech
22 job training. There also is another 5 to
23 \$10 million -- I'm sure as you're aware,
24 Senator Young, for some programs out in

1 Western New York related to advanced
2 manufacturing. As I'm sure you also have
3 questions, we're not entirely sure how that's
4 supposed to play out or how those resources
5 are invested or how much of that money is
6 actually associated with job training. So we
7 have some questions about that as well.

8 And then the last thing I want to
9 mention around funding is traditionally the
10 workforce system funded by tax credits. And
11 so when we think about the big dollar signs
12 that we see coming out of the Executive
13 Budget each year, those dollars are not
14 actual dollars, they're tax credits being
15 provided to companies for hiring. We know
16 that you can't translate necessarily
17 \$50 million in youth tax credits into
18 \$50 million of workforce development funding.
19 But again, we want to create a recognition
20 that propping up a system with just federal
21 funds and tax credits, you're not creating
22 the skilled workforce you need for the folks
23 who are looking for workers.

24 So we have a couple of ideas. First

1 we'd like the Legislature to consider
2 establishing a skills fund, some sort of
3 statewide skills fund.

4 We know each year the Legislature has
5 some discretion, anywhere between \$7 million
6 and \$15 million that you do put back into the
7 budget for workforce development. We think
8 there's an opportunity to create an education
9 and training fund that allows a wide network
10 of partnerships to be able to apply for
11 resources to do job training. As you know,
12 job training is local. The employers are
13 local. Regional partnerships and
14 coordination of those regional partnerships
15 would really benefit from this type of fund.

16 We also ask you to be creative and
17 think about how we use and spend our economic
18 development resources. We believe very
19 strongly that workforce development is a
20 critical, often absent component of economic
21 development. We'd like to ask for you to
22 consider changing the rules for the economic
23 development fund resources to allow an
24 allowable use to be funding workforce

1 development. If we talk about capital
2 improvements, we should also be talking about
3 human capital improvements that are
4 associated with economic and workforce
5 development.

6 And then finally -- and I know this is
7 something that Assemblymember Bronson has
8 brought up in past -- we'd like to establish
9 a wage data clearinghouse. One thing we
10 often hear is that we don't know any of the
11 outcomes. We don't know whether or not these
12 programs lead to employment. Our members and
13 the folks who we benefit across the state are
14 really committed to having high-quality
15 workforce programs. We'd love there to be
16 some sort of spot, some central spot that the
17 state supports and sponsors that allows us to
18 demonstrate effectiveness of these programs.
19 And so we encourage you to think about that
20 as well.

21 That's it for now. Thank you.

22 CHAIRWOMAN YOUNG: Thank you very
23 much.

24 I do have a couple of questions. One

1 of the concerns that I've had over the years
2 is that there seems to be a disconnect
3 between what's being taught in our public
4 schools and what's being promoted, and the
5 disconnect is between the curriculum and the
6 local labor workforce needs. And I'm sure
7 you've seen that yourself.

8 Our Workforce Development Task Force
9 in the Senate began to address that this past
10 year. But what ideas do you have to
11 strengthen those connections? Because I
12 think that if a lot of students knew what the
13 local labor needs were, they could get better
14 prepared, maybe get acquainted with a
15 potential career opportunity that may be out
16 there.

17 But right now, again, as I stated to
18 the previous speaker there seems to be a
19 cultural element where people think that
20 young people, especially -- and they're our
21 greatest export, unfortunately -- but they
22 feel that they need to leave for other areas
23 of the country rather than staying in
24 New York.

1 So do you have any input on that
2 problem, or do your association members work
3 on that in their communities?

4 MS. MACK: So yes and yes.

5 So the good news is many of the folks
6 across our association do invest in summer
7 programs, in summer youth programs, and also
8 youth programs writ large across the state.
9 I think the number-one way to get a young
10 person excited about a job is to give them a
11 job. Right? To have that work experience.
12 I learned pretty early I didn't want to make
13 pizzas the rest of my life. Right?

14 So again, that early exposure to work,
15 the ability to try out different occupations
16 is again one of the ways that we've found
17 young people either get excited about a
18 profession, learn about the types of
19 opportunities that are available, not only
20 across their community but also in a much
21 more broad sense. I grew up in Western
22 New York, I'm from Buffalo originally. I
23 went to school in Western New York, I went to
24 the University at Buffalo. My husband and I

1 -- I often talk about the fact that at that
2 point I was the first person in my family to
3 really go to college. And my family knew
4 nothing about the SUNY system. You know,
5 when I moved to New York City years later and
6 folks talked about going to Brown, I was,
7 "What's Brown? Is that a real college?"
8 Right? You only know what you're exposed to.

9 And so I think one of the things we
10 really need to do is think about ways that we
11 bring industry back into the school system.
12 Also, expose young people to opportunities to
13 learn and earn much earlier on. And also,
14 more importantly, to make sure that the
15 business community recognizes that they have
16 some role and responsibility in exposing
17 their broader community -- not just young
18 people, but, you know, communities of color,
19 communities that normally don't traditionally
20 access certain occupations, what this
21 community is about and what these types of
22 occupations can serve.

23 And so, again, we have many of our
24 members who invest some of their youth

1 programming money in providing sort of really
2 intense experiences. In the Finger Lakes,
3 there's something called Finger Lakes Works
4 with Their Hands. It's a full exposure to
5 advanced manufacturing opportunities where
6 they bring in employers, young people come
7 in, they get to try out a bunch of different
8 things and meet with different businesses.
9 And I think folks are recognizing we need to
10 do much more pipeline work because of some of
11 these systemic issues we're seeing in terms
12 of placing folks into employment.

13 CHAIRWOMAN YOUNG: Thank you.

14 I know you pointed out that 40 percent
15 of New Yorkers only have a high school
16 education or less. And I think that there
17 are ways that, you know, especially with
18 trades or whatever, not everyone is going to
19 be college-bound. And we have to figure out
20 ways so that students can be successful in
21 life, they can find a career that really
22 ignites their passion, excites them to get up
23 everyday to go to work, and also fulfill the
24 workforce needs.

1 So I thank you for everything that
2 you're doing along those regards.

3 MS. MACK: Thank you. And I think
4 just to underscore on that, I think when we
5 talk about students, we just need to make
6 sure we also talk about adults, right,
7 working adults. Because many of the folks
8 who we recognize as part of that metric are
9 folks over the age of 25. And so of course
10 the youth issue is an incredibly important
11 issue, but we have many working-poor adults
12 in this state that aren't receiving the
13 appropriate training they need to get out of
14 poverty.

15 CHAIRWOMAN YOUNG: Exactly. And there
16 are so many people who are underemployed
17 right now who want to get a good-paying job
18 so they can have a good quality of life for
19 their families, and that's why we need to
20 really focus on these training issues.

21 So again, thank you.

22 MS. MACK: Thank you.

23 CHAIRWOMAN YOUNG: Assemblyman?
24 Anybody?

1 CHAIRMAN FARRELL: Thank you.

2 MS. MACK: Thank you very much. We
3 appreciate it. Take care.

4 CHAIRWOMAN YOUNG: Thank you.

5 Next we have David Ng, government and
6 external relations manager from the Human
7 Services Council.

8 MR. NG: Good afternoon. Good
9 afternoon, Senators and members of the
10 Assembly. Thank you all for giving me the
11 opportunity to come testify before you today.
12 My name is David Ng. I'm here on behalf of
13 the Human Services Council. We're an
14 umbrella nonprofit organization consisting of
15 members who are nonprofits across New York
16 State. I'm here to talk to you about the
17 human services workforce today.

18 Fifteen percent of New York's
19 workforce is from the human services, and the
20 state spends \$10 billion on 9,000 contracts
21 with 5,000 nonprofits. The Human Services
22 Council is part of the Restore Opportunity
23 Now campaign, which is a coalition of human
24 services providers across the State of

1 New York, and we're advocating for, in the
2 upcoming state budget, the funding of the
3 \$15 minimum wage in human services contracts.

4 We've been partnering with many
5 members of the Senate and the Assembly, and
6 we want to thank Senator Savino, who has been
7 a really strong advocate for us and a leader
8 for human services providers.

9 You know, one of the biggest
10 challenges that we have is, you know, we are
11 essentially an extension of government in
12 providing human services to the public, but
13 unfortunately sometimes the government
14 doesn't fully invest properly in our sector.
15 And while the minimum-wage increase is a
16 great step in helping workers in New York
17 State earn a better wage and alleviate
18 poverty, the fact that the state did not
19 provide funding to human services providers
20 to implement that \$15 minimum wage is a huge
21 challenge for our organizations. Many of us
22 are struggling to make ends meet and to
23 provide services as it is, and without the
24 proper investment from the state, it

1 definitely is going to impact the way we
2 provide services and the quality of services
3 that we're able to offer.

4 I just want to emphasize that, you
5 know, our workforce is actually predominantly
6 women and people of color, and by investing
7 in our workforce we're really trying to
8 invest in some of the most vulnerable
9 populations and communities across the State
10 of New York.

11 Again, the goal for fiscal year 2018
12 is to fund this minimum wage by all direct
13 human services contracts, both direct and
14 Medicaid-reimbursed, which would cost
15 \$12 million for just fiscal year 2018. The
16 Executive Budget didn't include any of this,
17 and this is going to be a huge issue for us.

18 One of the things the Executive Budget
19 did was also eliminate the planned 0.8
20 percent human services cost of living
21 adjustment, and it discontinued the
22 underutilized COLA which was enacted in 2015
23 to certain direct care workers and direct
24 service providers. This COLA was

1 underutilized -- not for the lack of need,
2 but because the Department of Health and
3 State Office for the Aging could not figure
4 out how to administer it. It is disingenuous
5 to label this COLA that was underutilized as
6 a savings of \$4 million.

7 You know, these workers truly deserve
8 this cost of living adjustment increase.
9 We've been advocating for it for a long time.
10 And the fact that the state agency wasn't
11 able to implement it, caused it to be taken
12 back, is really unfortunate.

13 As I said before, the lack of
14 investment from the state really does hamper
15 the way we deliver services and the quality
16 of service that we provide to the people of
17 New York across the state. We partner a lot
18 of times with your offices in providing those
19 services to your constituents. And the fact
20 that the state isn't able to properly invest
21 in our sector and invest in these workers is
22 really going to impact the way we're able to
23 serve your communities as well.

24 We really do appreciate that the state

1 is looking into working with us to provide a
2 career ladder program for our workers. You
3 know, as a person who started out in the
4 nonprofit sector as a front-line worker
5 myself in providing assistance to small
6 business owners, to tenants, to homeowners,
7 being able to have a program to help me
8 ascend up the ladder in this sector is
9 extremely beneficial.

10 However, if there isn't the proper
11 wages to -- the funding of those wages to
12 invest in this sector, it really is not
13 helpful in the sense that, you know, the
14 sector will face retention issues and workers
15 will not be able to stay to utilize that
16 career ladder.

17 So we hope that we can work with the
18 state legislators in the upcoming year to
19 really make sure that the state properly
20 invests in our sector through our workers.

21 Thank you.

22 CHAIRWOMAN YOUNG: Thank you very
23 much.

24 And I know that many of my colleagues

1 and I are concerned about human service
2 workers and the impact of the budget on them.
3 So we appreciate it that you're here.

4 Senator Savino.

5 SENATOR SAVINO: Thank you, David.

6 I just have a question about the
7 effect of the minimum wage on the nonprofit
8 sector and how much really is necessary so
9 that we can make you whole.

10 I mean, we've spoken in the past about
11 I think it's long past time for us to
12 acknowledge that we should not be equating
13 human service workers with others at the
14 minimum wage. We've had this conversation.
15 It's how we value the work that your
16 employees are performing -- they're taking
17 care of our elderly, our sick, our
18 developmentally disabled. The idea that they
19 should be, you know, the equivalent to
20 someone who puts a pizza in a box I think is
21 offensive on so many levels.

22 But there's a concern that there's not
23 enough money in the proposed budget to meet
24 the new statutory minimum. And what exactly

1 do we need to provide to get you where you
2 are and also, I believe, to recognize the
3 value of this work?

4 MR. NG: Sure. So -- and again,
5 Senator Savino, we really thank you for your
6 leadership on behalf of the human services
7 workers.

8 You know, human services workers are,
9 like you said, not just minimum-wage workers,
10 they're very skilled. Many of them have
11 college degrees, sometimes graduate degrees,
12 and they're certified workers. When the \$15
13 minimum wage was passed, it was a very good
14 step in the right direction. And we wish we
15 were having a conversation about wage
16 compression, about workers who are, you know,
17 making slightly above \$15 and getting them to
18 their proper salaries and making sure that
19 there is proper investment in the sector.

20 But unfortunately, we're not even at
21 that point yet. To not even have the
22 \$15 minimum wage be funded for our workers is
23 hugely problematic for our organizations. If
24 our organizations are not strong and sound,

1 we won't exist to even provide jobs for these
2 workers.

3 So while I do really appreciate, you
4 know, having a conversation with the
5 Legislature about wage compression, about
6 adequate funding for the workforce and for
7 the sector, the important thing right now is
8 that to even get the \$15 minimum wage funded
9 by the state.

10 SENATOR SAVINO: And do you have a
11 dollar amount that is necessary to get us to
12 that funding level?

13 MR. NG: So the amount that we're
14 asking for the funding of the \$15 minimum
15 wage for this fiscal year is \$12 million. We
16 are working still on the numbers because, as
17 you know, it's staggered in different regions
18 of the state. So we're working on those
19 numbers with the Fiscal Policy Institute.
20 And that's something we can definitely follow
21 up with you on after this.

22 SENATOR SAVINO: Okay. And just to be
23 clear, the workers that you represent or
24 sector that you represent is what?

1 MR. NG: It is human services workers
2 and Medicaid-funded workers that contract
3 with the state.

4 SENATOR SAVINO: But not OPWDD
5 contracted agencies.

6 MR. NG: They are. They are.

7 SENATOR SAVINO: Oh, they're included
8 as well? Okay.

9 MR. NG: There's a different
10 campaign -- a parallel campaign of
11 developmental disability workers, Be Fair to
12 Direct Care, and we're working closely with
13 them as well.

14 SENATOR SAVINO: Okay. And I think
15 just for our purposes, it might be helpful if
16 you all kind of got together and presented us
17 with a dollar amount that would affect the
18 entire sector, because it gets a little
19 confusing of which direct care workers we're
20 talking about. We don't want to leave
21 anybody out. If we're going to try and solve
22 the problem, we want to make sure we solve
23 the whole problem and not only a little bit
24 of the problem.

1 MR. NG: Right. Yeah. We'll be sure
2 to present that to you as the conversation
3 continues.

4 SENATOR SAVINO: Thank you.

5 CHAIRWOMAN YOUNG: Assemblyman?

6 CHAIRMAN FARRELL: Yes. Félix Ortiz.

7 ASSEMBLYMAN ORTIZ: Hi, Dave. Just to
8 follow up on the Senator's question, just on
9 the structure of the folks that you
10 represent, are they also like housekeeping,
11 maintenance providers as well as staff people
12 within the structure of the organization?

13 MR. NG: So we represent -- so when
14 we're talking about the funding, it's really
15 to human services providers. So that's, you
16 know, homeless services, education service,
17 youth services that contract with the state,
18 and including, you know, Medicaid-funded
19 workers and developmental disability workers.

20 ASSEMBLYMAN ORTIZ: Medicaid
21 reimbursement. You get Medicaid
22 reimbursement, correct?

23 MR. NG: Sorry?

24 ASSEMBLYMAN ORTIZ: The organizations

1 get Medicaid reimbursement?

2 MR. NG: I'm not understanding the
3 question.

4 ASSEMBLYMAN ORTIZ: The organization,
5 the people that work for you and provide
6 those services, the organizations get
7 reimbursement through Medicaid; correct?

8 MR. NG: Yes. Yes. Those that are
9 Medicaid-funded, mm-hmm.

10 ASSEMBLYMAN ORTIZ: I would like to
11 make a point, Mr. Chairman.

12 I used to be the executive director of
13 one of those providers myself, many years
14 ago, and I will tell you that some of these
15 folks that work in the trenches, sometimes
16 they're making it sometimes just at the level
17 of the minimum wage. And I will encourage
18 that we as a legislature look into these
19 organizations very, very seriously.

20 Especially -- David is correct -- at
21 the point where these organizations are
22 providing the services that the state and
23 some of the municipalities cannot provide, we
24 should be able to help them to make sure that

1 they do not lose, first of all, their
2 services; secondly, that we don't create a
3 very overcrowded unemployment rate in the
4 State of New York, in the municipalities, as
5 a result of the increase of the minimum wage.

6 I am a very big supporter of the
7 minimum wage. I do believe everybody should
8 be making above what is doable for them to
9 have a great living, especially in the City
10 of New York. And I will encourage you to
11 make sure that you will be able to come out
12 with some econometric model and cost-benefit
13 analysis that we can look very closely at to
14 see how we can be helpful.

15 Thank you very much for your
16 testimony.

17 MR. NG: Thank you.

18 CHAIRWOMAN YOUNG: All right. Well,
19 thank you so much for coming. We appreciate
20 it.

21 MR. NG: And thank you all for your
22 support. Thank you.

23 CHAIRMAN FARRELL: Thank you. Have a
24 good day.

1 CHAIRWOMAN YOUNG: And finally, we
2 have Kevin Stump, Northeast director, from
3 the Young Invincibles.

4 CHAIRMAN FARRELL: To close.

5 CHAIRWOMAN YOUNG: As Assemblyman
6 Farrell says, to close.

7 SENATOR SAVINO: Hey, I remember you.

8 (Laughter.)

9 MR. STUMP: Long time no see.

10 SENATOR SAVINO: Do you have the same
11 testimony?

12 MR. STUMP: No, no, no. Our group,
13 Young Invincibles, works on healthcare,
14 higher ed, and workforce development stuff,
15 so that's what brings us here again.

16 So good afternoon. We're a little
17 earlier in the day than we were yesterday, so
18 I think we're all happy about that.

19 I'm also not going to read from my
20 testimony but just, very briefly, share a few
21 points that we want to bring here today.

22 You have our latest report, called
23 "Sounding the Alarm: New York's Young Adult
24 Unemployment Crisis and the Need for

1 State-Based Reforms." This report does a few
2 things. One is, it really outlines in detail
3 the youth unemployment crisis that we're
4 facing across the state. We're talking about
5 a 15 percent youth unemployment rate, which
6 is very consistent across the state. It goes
7 as high as 21, 22 percent, depending on where
8 you are, and for African-Americans across New
9 York State, on average, it's 25 percent.

10 We're talking about a population
11 that's 16 to 24 who are not working and are
12 not in school. This should put lawmakers on
13 alert. And that's the kind of first part of
14 what we're saying here.

15 Then we take a closer look at the
16 Urban Youth Jobs Tax Credit, which is, as you
17 know, a \$50 million tax credit that provides
18 \$5,000 tax credits to employers over the
19 course of two years who hire and retain
20 disadvantaged young adults.

21 In our research in talking with
22 employers, we found that employers do not
23 really value this. They would much rather
24 have a trained-up young adult worker over a

1 small-dollar tax credit that for many is
2 really a pain to get.

3 So what we're basically saying is that
4 take this \$50 million investment -- which is
5 a good investment, a good initial investment
6 into being the state's single largest youth
7 job strategy -- and repurpose those dollars
8 to focus on training up the most
9 disadvantaged young adults, which is what
10 this program is targeting.

11 One of the first things that we wanted
12 to focus on today, which, you know, was great
13 to hear about in earlier testimonies, was
14 expanding apprenticeship opportunities for
15 disadvantaged youth. And so we're talking
16 about an idea that we are supportive of, with
17 Assemblymember Bronson, who was here earlier,
18 passing and funding the Empire State
19 Apprenticeship Program, which would still
20 provide some level of tax credits to soften
21 some of the resources that it would take to
22 take on an apprentice, but would also come
23 with training outcomes directly linked to
24 long-term employment.

1 So with that -- and also in the back
2 of our report, we have a few other
3 strategies. With that, I would like to leave
4 us on a question that we have around our tax
5 credit strategy broadly. Using the Urban
6 Youth Jobs program as a case study, there is
7 no evidence that suggests the efficacy of
8 these types of programs that would warrant
9 not just an increase in funding over the last
10 several years, but that would really warrant
11 an extension of five years at the \$50 million
12 level, considering that we have such high
13 youth unemployment and so many young adults
14 that lack the skills necessary to really
15 enter the workforce in a meaningful way.

16 So with that, thank you for giving us
17 another chance here today. And I look
18 forward to meeting with all of you and
19 working with you to address youth
20 unemployment.

21 CHAIRWOMAN YOUNG: Thank you very
22 much.

23 CHAIRMAN FARRELL: Thank you.

24 CHAIRWOMAN YOUNG: So that concludes

1 the joint budget hearing on workforce
2 development. I want to thank everyone for
3 their participation today. And we'll see you
4 next week.

5 (Whereupon, the budget hearing
6 concluded at 1:55 p.m.)

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