

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

2 -----

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
5 2014-2015 EXECUTIVE BUDGET ON
6 WORKFORCE DEVELOPMENT

6 -----

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

11
12 February 11, 2014
13 3:39 p.m.

14
15 PRESIDING:

16 Assemblyman Herman D. Farrell, Jr.
17 Chair, Assembly Ways & Means Committee

18
19 PRESENT:

20 Senator Liz Krueger
21 Senate Finance Committee (RM)

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

24 Assemblyman Peter J. Abbate, Jr.
Chair, Assembly Committee on Governmental
Employees

25 Senator Diane J. Savino
26 Chair, Senate Labor Committee

27 Senator Martin Golden
28 Chair, Senate Civil Service and
29 Pensions Committee

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1 2014-2015 Executive Budget
2 Workforce Development
3 2-11-14

4 PRESENT: (Continued)

5 Assemblyman Carl E. Heastie
6 Chair, Assembly Committee on Labor

7 Senator Joseph Robach

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Assemblyman Clifford W. Crouch
Senator Michael Nozzolio
Senator Hugh T. Farley

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2014-2015 Executive Budget
Workforce Development
2-11-14

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1 CHAIRMAN FARRELL: Good afternoon.
2 This afternoon we begin the final, the one
3 and only, the end hearing of a series of
4 13 hearings conducted by the joint fiscal
5 committees of the Legislature regarding the
6 Governor's proposed budget for fiscal year
7 2014-2015.
8 The hearings are conducted pursuant to
9 Article 7, Section 3 of the Constitution and
10 Article 2, Section 31 and 32A of the
11 Legislative Law.
12 Today the Assembly Ways and Means
13 Committee and the Senate Finance Committee
14 will hearing testimony concerning the budget
15 for workforce development.
16 I will now introduce the members of
17 the Assembly: Assemblyman Robert Oaks,

18 Assemblyman Clifford Crouch, and Assemblyman
19 Carl Heastie.

20 And now we'll hear from the Senate.

21 SENATOR ROBACH: Good afternoon. And
22 as Assemblyman Farrell has indicated, this is
23 the last hearing pursuant to our
24 authorization and duty, and this is an

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1 important one on workforce development that
2 certainly impacts every neighborhood and
3 community across New York State. So we
4 welcome that.

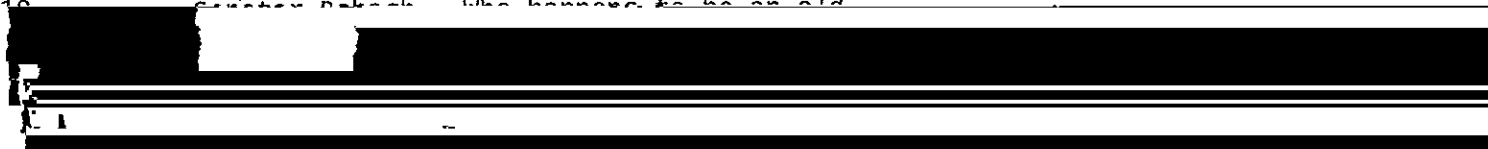
5 I'm happy to be joined by my colleague
6 Senator Liz Krueger and also Senator Marty
7 Golden for this important hearing.

8 And I would certainly like to welcome
9 Commissioner Rivera, a former member of the
10 Legislature and now Commissioner of the
11 Department of Labor, as well as a host of
12 other folks working along with you. We look
13 forward to your testimony, and then that will
14 be followed by question-and-answer period
15 from my colleagues.

16 So without further ado, Commissioner
17 Rivera.

18 COMMISSIONER RIVERA: Thank you,

19 Senator Robach, who happens to be an old



[REDACTED]

[REDACTED]

5 unemployed, and we provide specialized
6 services for veterans, youth and the formerly
7 incarcerated. We vigorously enforce state
8 laws to ensure a fair wage for all, a level
9 playing field for businesses, and the safety
10 and health of workers and the public.

11 The Governor's Executive Budget
12 provides the Department of Labor with the
13 resources necessary to carry out our mission
14 and support the Governor's goal of more
15 effective and cost-efficient operations. The
16 Department of Labor's 2014-2015 budget
17 submission is consistent with the Director of
18 the Budget's call letter requesting zero
19 growth.

20 Nearly 90 percent of the department's
21 staff is supported by a federal grant. The
22 amount requested for the federal grant
23 program is \$731 million. The majority of our
24 state funding supports our worker protection

8

1 program and is supported through our special
2 revenue other funds. The requested
3 appropriation for the state revenue other
4 funds is \$72.7 million.

5 Developing a strong workforce is vital
6 to our state's success. I'd like to speak
7 now about the role we play. One of Governor
8 Cuomo's primary goals is to connect job
9 seekers and employers. New York is leading
10 the country with our workforce development

11 program. The numbers speak for themselves.
12 Nationwide, last year there were
13 approximately a million people who found jobs
14 after using services from state career
15 centers. Here in New York, more than 250,000
16 people who received services in one of our 96
17 career centers found a job.

18 But it's more than just a statistic.
19 This represents more than a quarter of a
20 million people who may otherwise not have
21 found employment -- supporting their families
22 and contributing to the economy. Our high

23



17 month.

18 We also support the highly successful

19 ~~Very high quality health care credit program~~

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collaborations of tomorrow.

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The Department of Labor also oversees

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1

the state's unemployment insurance program.

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Last March Governor Cuomo signed into law a

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reform package for unemployment insurance.

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Reform measures fix New York's broken system,

5

which in recent years has not had enough

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funds to pay all the claims filed by

7

unemployed workers. New York, like at least

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36 other states, borrowed from the federal

9

unemployment insurance trust fund to cover

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these costs.

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Unemployment insurance reform

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restructures the system to make it

13

self-correcting, sustainable and more

14

predictable over time, reducing our reliance

15

on federal loans. Reform puts in place new

16

fraud detection and prevention measures,

17

helps claimants return to work quicker, and

18

increases the weekly maximum and minimum

19

benefit rates for claimants beginning in

20

2014. Through reform, businesses will save

21

an estimated \$400 million over the next

3 in preventing, detecting and recovering
4 improper payments in order to minimize the
5 burden on state businesses. In 2013,
6 investigators identified over \$70 million in
7 fraudulent unemployment insurance
8 overpayments. That is nearly a 10 percent
9 increase from 2012 and a 12 percent increase
10 from 2011. In fact, New York efforts are so
11 successful that in 2012 New York State was
12 selected by the United States Department of
13 Labor and the United States Office of
14 management and Budget to create the
15 Unemployment Insurance National Integrity
16 Center of Excellence.

17 New York laws help ensure safe working
18 conditions and that workers are paid the
19 proper wage. By enforcing these laws, we
20 level the playing field for the great
21 majority of businesses that follow the rules.
22 In 2013, the agency disbursed nearly
23 \$23 million to workers who were not paid
24 their proper wages, overtime pay or fringe

13

1 benefits. That is an increase of more than
2 12 percent over last year. And also in 2013,
3 we closed 36 percent more cases. That marks
4 the first year in recent memory that more
5 cases were closed than were opened.

6 This is a direct result of our
7 investigative procedure changes. We are
8 dramatically reducing how long cases take to

9 process while still ensuring higher standards
10 than most states and even the federal
11 government. By the end of fiscal year 2014,
12 we expect the average investigation to be
13 completed within six months, a more than
14 50 percent reduction. Our efforts continue
15 to put more money that was rightfully earned
16 in the pockets of workers quicker than we
17 have in years before.

18 In addition, through our Joint
19 Enforcement Task Force, we help reduce the
20 misclassification of workers. We prosecute
21 those who avoid complying with unemployment
22 insurance, workers' compensation, social
23 security, tax withholding, temporary
24 disability, and minimum wage and overtime

14

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1 laws that protect workers. In 2013, the
2 agency identified nearly 24,000 misclassified
3 workers and discovered more than \$330 million
4 in unreported wages.

5 In addition to fighting
6 misclassifications, we enforce laws relating
7 to prevailing wage. Under New York State
8 Labor Law, contractors and subcontractors
9 must pay the prevailing rate of wage and
10 supplements to all workers under a public
11 work contract. In 2013, the Department of
12 Labor distributed more than \$50 million in
13 such wages and interest to more than 5,800
14 workers. 2013 saw a record number of workers

15 paid, a record number of employers found to
16 be willfully violating the prevailing wage
17 law, and a record number of individuals and
18 entities barred from bidding on public work
19 in the future.

20 Finally, the agency is also actively
21 engaged, through its Agricultural Labor
22 Program, in working to help employers find
23 the workers they need and understand the
24 rules they must follow. Last year

15

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1 Agriculture Labor Program staff conducted
2 more than 1100 field visits and met with more
3 than 804 agricultural businesses to offer
4 hiring assistance and educate employers about
5 labor law compliance and available resources.
6 We have increased the number of field visits,
7 reduced the number of violations, and are
8 accomplishing our goal of helping businesses
9 comply with the law.

10 As you can see, we're building on the
11 success of the last three years. The economy
12 is growing and, under Governor Cuomo's
13 leadership, we continue to add thousands of
14 jobs. The Department of Labor is supporting
15 the Governor's initiatives by connecting job
16 seekers to jobs, partnering with businesses
17 to boost hiring, and protecting workers
18 across the state.

19 Thank you for allowing me to speak,
20 and I will take any questions that you may

21 have.

22 CHAIRMAN FARRELL: Thank you very
23 much.

24 I've been joined by Peter Abbate.

♀

16

1 First to ask questions will be Carl
2 Heastie.

3 SENATOR KRUEGER: We've also been
4 joined by Senator Diane Savino.

5 ASSEMBLYMAN HEASTIE: Thank you,
6 Mr. Chairman.

7 Commissioner, good to see you. Just a
8 couple of quick questions on three different
9 topics, the first one on unemployment
10 insurance benefits.

11 Do we have an estimate of how many
12 people lost benefits due to the expiration of
13 the federal Emergency Unemployment
14 Compensation program?

15 COMMISSIONER RIVERA: Over 200,000
16 lost their benefits at the end of December
17 last year. And -- I'm sorry, over 100,000
18 lost their benefits last year. And we
19 anticipate that over 200,000 people this year
20 are going to lose benefits throughout 2014.

21 ASSEMBLYMAN HEASTIE: So is there any
22 more lobbying from the Governor to the

23 ~~is there any more lobbying from the Governor to the~~

2 COMMISSIONER RIVERA: The Governor is
3 supportive of extending the benefits, and we
4 at the Department of Labor are also very
5 supportive of extending the benefits.

6 ASSEMBLYMAN HEASTIE: What are the
7 projections for this rate of unemployment
8 over the next several months here from the
9 state?

10 COMMISSIONER RIVERA: I can only speak
11 about this month coming up. As you know, the
12 federal unemployment rate went down. It was
13 reported, I think at the beginning of this
14 week or the end of last week, and that was
15 the federal rate.

16 I would anticipate that the -- we
17 don't have the New York State figures yet
18 from the federal government, but I would
19 anticipate that the figures in New York State
20 are going to also reflect what's happening in
21 the federal government, that they will be
22 lower. And as you know, the numbers have
23 been lower from year to year, from month to
24 month for the last three or four years. So

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1 it's -- I'd like to take the credit for that,
2 but I really think that the Governor deserves
3 the credit.

4 ASSEMBLYMAN HEASTIE: Let me move to
5 wage theft, as myself as the sponsor of the
6 bill.

7 I notice in your comments you said
Page 14

8 that the agency has disbursed nearly
9 \$23 million to workers who were not paid
10 their proper overtime wages, which is great.
11 But then in the next line, it says in 2013 we
12 closed 36 percent more cases.

13 Now, when we had our hearing last
14 year, the Assembly, one of the complaints
15 that we had was that one of the reasons why
16 the cases were being closed is because the
17 look-back period was being shortened. So
18 could you give me a little more information
19 on that?

20 COMMISSIONER RIVERA: The federal
21 look-back period and the look-back period of
22 other states -- the federal look-back period
23 is two years. And most states have a one- or
24 a two-year look-back period.

19

1 New York State has had a six-year
2 look-back period for many, many years. And
3 that sounds interesting, but what that was
4 doing was delaying the processing of cases,
5 incredibly, to an incredible period of time.
6 And that's why we had cases that were several
7 years old. Individuals could not locate
8 their paperwork, and it created a tremendous
9 logjam in the process. We modernized the
10 system, and we have a three-year look-back
11 period.

12 We can still go back six years on
13 previous cases. But right now in most cases

14 it's a three-year period. And what that has
15 done, it has cleared up the backlog
16 tremendously. And we hope to be able to
17 process a case within six months in the very,
18 very near future of this year.

19 And we're getting money to employees
20 much quicker as a result of what we're doing.
21 And the other side of the coin is we're
22 collecting more money than we have in years
23 before. So it's a win/win/win situation.

24 ASSEMBLYMAN HEASTIE: I just want to

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1 still just urge, you know, the department
2 that it still was somewhat heartbreaking to
3 still hear some people who may have been
4 cases in that issue of beyond three years
5 that were still concerned that there was no
6 resolution to their problem. They feel that
7 they were just, you know --

8 COMMISSIONER RIVERA: As I indicated,
9 on previous cases we can go back, and we have
10 gone back.

11 But what we're doing is we're being
12 reflective of what the federal government
13 does and what other states do. And we still
14 have a stricter standard. We go back three
15 years, where most states are one and two and
16 the federal government standard is two years.

17 FEMALE DOL STAFFER: And if I could
18 just clarify one point to what you were
19 saying, Mr. Chairman, no cases were

20 retroactively cut off. Cases that were
21 already in-house were subject to the original
22 policy. So cases were not dismissed as a
23 result.

24 ASSEMBLYMAN HEASTIE: So you're saying

♀ 21
1 this policy is moving forward as of what
2 date?

3 FEMALE DOL STAFFER: That's correct.

4 ASSEMBLYMAN HEASTIE: What date?

5 FEMALE DOL STAFFER: I want to get
6 back to you with the specific date. I want
7 to say April of 2013, but I don't want to be
8 quoted. I'll check.

9 ASSEMBLYMAN HEASTIE: Can you just
10 also tell me -- and I'm pretty sure my
11 colleague Diane Savino will ask, so I don't
12 want to monopolize all the questions on wage
13 theft. But can you just give me an idea of
14 how many investigators are examining wage
15 theft violations?

16 COMMISSIONER RIVERA: How many
17 investigations?

18 ASSEMBLYMAN HEASTIE: Investigators.

19 COMMISSIONER RIVERA: Oh, how many

1 collections between this year and last year

3 before. So our investigators are working
4 more efficiently. They are working more

5 adamantly also. And we're finding that we're
6 getting better results now than we have ever
7 gotten.

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ASSEMBLYMAN HEASTIE: Well, you know,

in the Assembly we submitted a bill to
accelerate the minimum wage because we want
to have a little more impact. But I will
be -- I'm done, Mr. Chairman.

Thank you. Thank you, Commissioner.

Thank you for your testimony.

12 you say that you have a hundred
13 investigators.

14 COMMISSIONER RIVERA: A little over a
15 hundred, yeah.

16 SENATOR SAVINO: A little over a
17 hundred. I would imagine you could probably
18 use a hundred more, quite frankly, to help
19 you just meet the mandates of misclass and
20 wage theft.

21 I know that your department has been
22 doing and your staff is doing an amazing job
23 with the resources that they have available

1 tremendous backlog on some wage theft cases.
2 In fact, you know, the New York Times did an
3 expose on it counting the number of
4 backlogged cases.

18 had -- and I know you can't answer this. But
19 if you had your druthers, how many people do
20 you think you'd need to be able to manage the
21 current caseload that DOL is looking at these
22 days?

23 COMMISSIONER RIVERA: You know,
24 Senator, you know that I come from the police

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1 department. And I came from the police
2 department in an era where we had 30,000
3 police officers and there was a hue and cry
4 to increase it to 35,000 and 40,000 and
5 45,000. In fact, there was a hue and cry to
6 have a cop on every corner, and that was
7 talked about quite frequently.

8 I don't think that the solution is
9 necessarily more people. I think the
10 solution is better efficiency, better

11 current techniques. And that's what we

24 of doing it.

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1 SENATOR SAVINO: Well, I'm very happy
2 to hear that you've been successful in
3 recovering lost wages. That was of course
4 the intent of the Wage Theft Prevention Act,
5 was to go after bad employers and recover
6 wages for workers who had been, you know,
7 cheated out of their employment.

8 But recently I was handed a report
9 from the Metallic Lathers and Iron Workers,
10 they've done a summary report on construction
11 employment fraud. And they're showing
12 clearly that the number of construction
13 workers, especially in New York City, that
14 are being misclassified as independent
15 contractors continues to be a very serious
16 problem in the construction industry.
17 Forty-six percent of all --

18 COMMISSIONER RIVERA: Are they
19 reporting it? And are they --

20 SENATOR SAVINO: When they're made
21 aware of it. So that begs the question what
22 kind of enforcement are we able to do,
23 particularly in our construction industry and
24 in the non-unionized construction sector.

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1 That's where it's most prevalent. The
2 workers are being taken advantage of, they're
3 being misclassified as independent
4 contractors, and they don't even know it.

workforce2014.txt

5 And so how is DOL able to work with
6 those nonunion construction operators to let
7 them know that they have to abide by the

11 result of the misclass in the trucking
12 industry that was just signed into law by the
13 Governor?

14 COMMISSIONER RIVERA: Well, we're --
15 you know, we're on top of that. Our agency
16 is on top that. And we're educating, we have
17 an education process to educate the
18 individuals involved in this area.

19 So we're doing everything that we can
20 to get the message out there that the
21 Department of Labor is the agency to come
22 forward and make these kinds of
23 investigations to fruition.

24 SENATOR SAVINO: And on wage theft, I

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1 know there's a lot of focus on the annual
2 notice issue that is due to employees every
3 February 1st. Last year we tried to come up
4 with a solution to how to, you know, exempt
5 certain employers from having to comply with
6 it. We didn't come to an agreement yet.

7 But I'm wondering is the Department of
8 Labor -- are you actively checking to make
9 sure that employers are complying with the
10 annual notice and all of the other provisions
11 of the Wage Theft Prevention Act?

12 COMMISSIONER RIVERA: Last year we
13 had -- we did not get anybody come to us
14 exclusively alleging a violation of the law.
15 But we did investigations, and we issued a
16 hundred violations pursuant to it. So, you

17 know, it's one of the areas that our staff is
18 concerned about and that we followed up on.

19 SENATOR SAVINO: And I just have one
20 more question, Senator, and then I'll be
21 done.

22 Under the Wage Theft Prevention Act we
23 did adopt a new liquidated damages provision
24 for retaliation enacted under the Wage Theft

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1 Prevention Act. Has the department ever
2 utilized that yet?

3 COMMISSIONER RIVERA: Those were the
4 violations that we issued. The violations
5 that we issued were for -- not all of them,
6 but some of them were for that, for
7 retaliation.

8 SENATOR SAVINO: Thank you.

9 COMMISSIONER RIVERA: You're welcome.

10 FEMALE DOL STAFFER: And if I could,
11 Senator, just respond a little bit to your
12 proactive question, expanding on what the
13 commissioner had mentioned, he also has the
14 Joint Enforcement Task Force, which is a
15 proactive group, they do sweeps of industries
16 based on tips and other analysis. We have
17 the Apparel Task Force, which also is a
18 proactive entity that goes out, based on
19 tips, and sweeps industries that are involved
20 in certain activities. We also have the
21 Public Works Strike Force, which similarly
22 acts on tips.

23 So to answer your question on
24 proactive enforcement, there is actually

♀ 32

1 quite a bit of that, in addition to the
2 complaint-driven work that we do:

3 And as far as the misclassification of
4 truckers go, before the law was passed we had
5 done things like try to find points where
6 truckers stopped along routes so that we
7 could do those point checks.

8 We had an effective operation once
9 under the old law, and that is actually what
10 we're looking at now: where do these people
11 who tend to be transient through the state --
12 because they're picking up from ports and
13 transporting -- where do they collectively
14 travel through that we can actually
15 spot-check what they're doing, because
16 they're really just traveling down a highway.

17 SENATOR SAVINO: And one more time.
18 How many employees do you have in this agency
19 now?

20 FEMALE DOL STAFFER: I'm sorry, repeat
21 that?

22 SENATOR SAVINO: How many employees do
23 you have in DOL?

24 FEMALE DOL STAFFER: That's all for the

21 get investigated by the Department of Labor
22 and I'm going to get nicked for a violation
23 that I really don't know anything about."

24 So I called the Department of Labor at

2 Department of Labor had some changeover
3 because of after the election, and the
4 commissioner at that time kind of stepped in
5 front of the usual procedures that some of
6 the farmers were used to as far as getting
7 their temporary labor. And it was slowing
8 down the process. And we met the
9 commissioner at that time, and we got it sort
10 of changed around.

11 But I'm going to give you, as I
12 mentioned when I saw you before, I'm going to
13 give you a letter I received from a farmer
14 not in my district, but it sort of expresses
15 some concern with the Department of Labor and
16 working with Agriculture and getting their
17 labor force together. I'm going to pass that
18 off when we get done.

19 COMMISSIONER RIVERA: As I indicated
20 to you earlier, Assemblyman, I'll take a look
21 at that and we'll try to provide as much
22 information as we can in the very, very near
23 future. So I'll be more than glad to take a
24 look at that and see where we go with that.

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1 ASSEMBLYMAN CROUCH: Thank you. Thank
2 you, appreciate it.

3 CHAIRMAN FARRELL: Senator?

4 SENATOR ROBACH: Are we all --

5 SENATOR KRUEGER: I do have one more
6 question.

7 SENATOR ROBACH: Excuse me, I'm sorry.
Page 31

8 SENATOR KRUEGER: I'm sorry.

9 SENATOR ROBACH: Senator Krueger.

10 SENATOR KRUEGER: Excuse me.

11 Thank you, Commissioner. You
12 testified about the Youth Works Tax Credit
13 Program and the numbers from this year. And
14 yes, the Governor is proposing an expansion
15 of it.

16 COMMISSIONER RIVERA: That's correct.

17 SENATOR KRUEGER: So just for me
18 going back, it's a \$4,000 maximum credit as
19 of now but it would go up to \$5,000?

20 COMMISSIONER RIVERA: No, it's still
21 \$4,000.

22 SENATOR KRUEGER: It will stay at
23 \$4,000?

24 COMMISSIONER RIVERA: It's just

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1 expanding the population. In other words --

2 SENATOR KRUEGER: Not the amount of
3 the credit?

4 COMMISSIONER RIVERA: That's correct,
5 Senator.

6 SENATOR KRUEGER: Is it changing from
7 20 hours a week to 10 hours a week?

8 COMMISSIONER RIVERA: No.

9 SENATOR KRUEGER: No. Okay, so that
10 also -- sorry, I got misinformation. That's
11 good. That's why I wanted to ask.

12 Do you have any research yet about how
13 many of the young people who have gone

14 through the tax credit program have either
15 continued employment with that same company
16 or continued employment somewhere else?

17 COMMISSIONER RIVERA: No, we don't
18 have that information right now.

19 SENATOR KRUEGER: Are you doing that
20 type of research? Is that something we can
21 get in the future?

22 COMMISSIONER RIVERA: I don't think
23 we're ready for that information. Am I
24 correct? Because the Department of Taxation

‡ 41
1 has that information.

2 MALE DOL STAFFER: But they have the
3 tax credits. But I believe we can --

4 SENATOR KRUEGER: I'm sorry, I
5 couldn't hear your answer.

6 COMMISSIONER RIVERA: I'm sorry, I
7 think we --

8 SECOND FEMALE DOL STAFFER: The Tax
9 Department is the holder of that information,
10 but we believe that we can confirm the
11 employment. And we'd be happy to get back to
12 you with that information.

13 SENATOR KRUEGER: Because my
14 understanding is you have a nice new model
15 program where you can actually track the
16 employment outcomes of various people going
17 through various programs.

18 COMMISSIONER RIVERA: We can do that.

19 SENATOR KRUEGER: So it would be nice

20 if you could go through your own program and
21 find out.

22 COMMISSIONER RIVERA: Sure. We'll get
23 back to you on that, Senator.

24 SENATOR KRUEGER: Great. I appreciate

♀

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1 that.

2 And just one more question, because I
3 know the hour is late; we're going to try to
4 move everything fairly quickly.

5 I've been told that the folks who are
6 advocating for Summer Youth Employment
7 believe that without an increased investment
8 by the state because of the minimum wage
9 increase, they're going to be able to serve
10 far fewer young people than last year. Is
11 that your understanding?

12 COMMISSIONER RIVERA: The Summer Youth
13 Employment Program? That's not our agency.
14 That's OTDA.

15 SENATOR KRUEGER: I know. But I was
16 wondering whether you had any kind of agency
17 position on that program or the need to
18 expand it.

19 COMMISSIONER RIVERA: We wouldn't
20 comment on an OTDA issue.

21 SENATOR KRUEGER: I thought you might
22 say that, but I thought I'd ask anyway.
23 Thank you very much.

24 CHAIRMAN FARRELL: Assemblyman Oaks.

¶

1 ASSEMBLYMAN OAKS: Commissioner, thank
2 you for being here.

3 One of the things Assemblyman Heastie
4 had talked about was lost benefits to federal
5 unemployment benefits. Do we end up knowing
6 how many of these people are reemployed? Or
7 is that an ability -- do you have the ability
8 to track that going forward?

9 COMMISSIONER RIVERA: We have that
10 ability.

11 And we also know what the long-term
12 unemployed numbers are. Which is a little --
13 it's kind of doing it backwards, if you can
14 imagine, you know, how we do that. And then
15 we have people that leave the State of
16 New York. So it's a fluid calculus that we
17 do. But we have the numbers of the long-term
18 unemployed, and we can share that with you.

19 ASSEMBLYMAN OAKS: With the debt that
20 we owe on the unemployment insurance from the
21 loan that we had, my understanding is we're
22 getting closer to getting that paid off?

23 COMMISSIONER RIVERA: We hope to be
24 able to pay it off within the next two years.

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1 By 2016, we hope to be able to pay that off.
2 The process is going to be a benefit, a
3 win/win to the businesses section, because
4 they're the ones that ultimately end up
5 paying that.

6 So we hope to accelerate the payment
7 of that. It was supposed to be 2018. We're
8 going to pay it off in 2016. And that will
9 also save a tremendous amount of interest
10 payments that we would normally be assessed
11 by the federal government.

12 ASSEMBLYMAN OAKS: So our businesses
13 can expect an assessment that they've been
14 getting this year and another year?

15 COMMISSIONER RIVERA: They will be
16 assessed this year. But eventually, because
17 of the early payment, they will not be
18 assessed the extra charge.

19 ASSEMBLYMAN OAKS: You mentioned that
20 the unemployment rate is down across the
21 state. You also mentioned we're above
22 pre-recession levels, so we're at top of jobs
23 in the state.

24 One of the things that the feds do is

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1 report on a labor participation rate. The
2 state doesn't do that. Do we know what our
3 labor participation percentages are
4 comparative to -- let's say over the last few
5 years, have we seen that increase or not?

6 COMMISSIONER RIVERA: We don't have
7 those statistics.

8 ASSEMBLYMAN OAKS: The feds keep them,
9 but we don't at the state level?

10 COMMISSIONER RIVERA: No.

11 ASSEMBLYMAN OAKS: Is that something

12 we might consider? I think that's also an
13 interesting and helpful figure to have.

14 COMMISSIONER RIVERA: It's something
15 we can look into.

16 ASSEMBLYMAN OAKS: Thank you.

17 CHAIRMAN FARRELL: Further questions?

18 SENATOR ROBACH: I think we're all
19 set.

20 CHAIRMAN FARRELL: Thank you very
21 much.

22 COMMISSIONER RIVERA: Thank you.

23 SENATOR ROBACH: Thank you,
24 Commissioner.

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1 CHAIRMAN FARRELL: See you next year.
2 Jerry Boone, commissioner, New York
3 State Department of Civil Service.

4 Good afternoon.

5 COMMISSIONER BOONE: Good afternoon,
6 Chairman Farrell. Good afternoon, Senator
7 Robach and distinguished members of the
8 panel. I'm Jerry Boone, commissioner of the
9 Department of Civil Service. I am pleased to
10 appear before you this afternoon with my
11 colleague Michael Volforte, interim director
12 at the Governor's Office of Employee
13 ~~Relations and my executive deputy~~

14 commissioner, Patricia Hite.

15 so thank you for the opportunity to
16 comment on Governor Cuomo's Executive Budget
17 for 2014-2015 as it relates to our

18 department, Civil Service, and to highlight
19 some of the department's accomplishments over
20 the past year.

21 There are five areas I want to touch
22 on briefly: Transforming government, talent,
23 local municipal civil service, continuity of
24 employment, employee health benefits.

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1 Transformation of government continued
2 this past year. The Department of Civil
3 Service has continued to further the
4 Governor's strategic direction and initiative
5 to transform New York State government to
6 deliver new services, reorganize how
7 functions are performed, and to provide best
8 of class services efficiently and
9 effectively.

10 The department provided organizational
11 and human resource guidance to a number of
12 agencies -- the Justice Center, which was
13 successfully launched in the summer of June

14 2013; the Business Service Center; Office of
15 Information Technology Services; Gaming
16 Commission; consolidated call centers. The
17 department also worked closely over the past
18 fiscal year with the Department of Health on
19 a number of the Governor's initiatives,
20 including his Executive Order establishing
21 the Health Insurance Exchange, and the
22 Medicaid takeover from local civil service
23 offices.

Employees are essential to the success

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of #2149 #2149 #2149 and the department has a lead

5 promotional and entry-level opportunities.
6 The department must ensure that candidates
7 possess the necessary knowledge, skills and
8 abilities to perform our important work. We
9 strive to provide our existing talent with
10 more prompt and meaningful opportunities for
11 advancement, as well as we continue to
12 explore strategies to deliver examinations
13 more frequently and efficiently. We seek to
14 provide qualified candidates with a timely
15 opportunity to compete for jobs and to ensure
16 that agencies can acquire new talent,
17 replenish and renew their workforce as
18 experienced staff are promoted or retire.

19 To provide more frequent promotional
20 examinations for existing employees, the
21 department, utilizing a nationally recognized
22 industrial organizational psychology firm, is
23 conducting a job analysis for over
24 100 administrative titles in New York State

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1 government. The goal of this initiative is
2 to identify those core competencies required
3 for successful performance across
4 specialists, supervisory and managerial
5 positions, which will provide the necessary
6 function for a statewide selection program
7 for these titles.

8 To attract new talent to the state's
9 workforce, the department recently announced
10 an exciting recruitment and examination

11 program, the Professional Career
12 Opportunities Exam, or PCO, as we call it.
13 The PCO is designed to draw a steady pool of,

14 diverse talented college graduates, and those

15 expected to graduate shortly, to entry-level
16 professional positions in public service by
17 providing a single mechanism for over
18 100 entry-level professional titles across
19 state government. The PCO modernizes and

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17 covers over 350,000 local government
18 employees. We also conducted regional
19 training on civil service administration for
20 local commissions and personnel, and we have
21 plans for additional training this year.

22 At the Governor's direction, the
23 department continues with extraordinary
24 efforts to provide continuity of employment

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1 for those employees impacted by facility

23 was done with transparency to the unions.

24 Additionally, the department expanded.

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1 both the duration of ARTLs and the number of
2 titles to which employees were eligible for
3 transfer, again, to provide the greatest
4 opportunity for continued employment. Staff
5 from the department's Career Mobility Office
6 met with employees at the facilities affected
7 to help them understand their reemployment
8 opportunities and benefits. In addition to
9 the ARTL process, department staff has
10 reviewed resumes and employment histories of
11 impacted employees to proactively pursue all
12 possible avenues for continued employment.

13 The department also administers the
14 New York State Health Insurance Program,
15 known as NYSHIP. It's one of the largest
16 public employer health insurance programs in
17 the nation, covering over 1.2 million lives
18 consisting of state and local government
19 employees, retirees and their families. I am
20 delighted to report that the department has
21 successfully converted the Empire Plan to a
22 self-funded basis. This is a major
23 initiative authorized by legislation passed
24 in 2010.

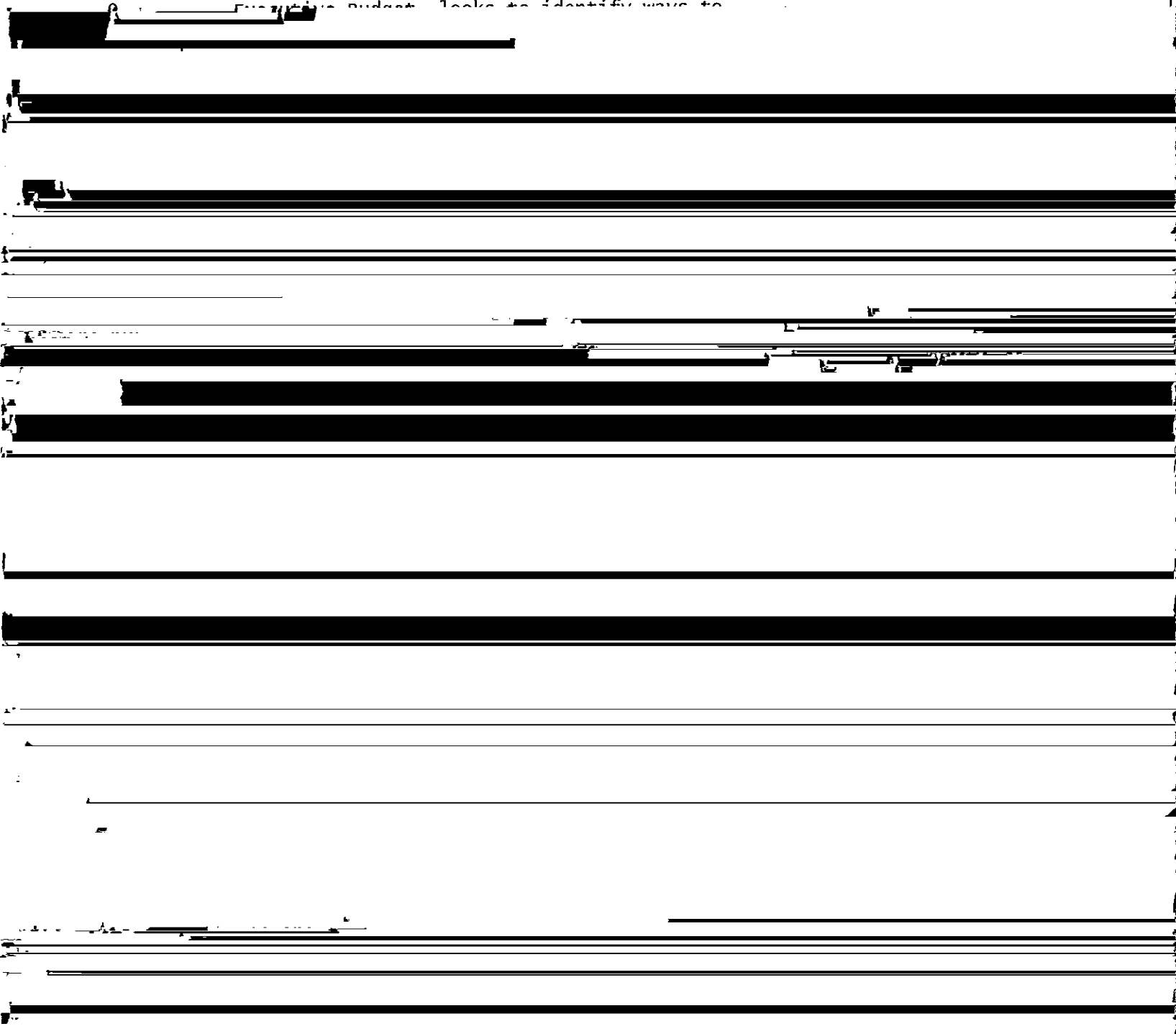
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1 In addition, recognizing that both the
2 Departments of Health and Civil Service

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3 negotiate and purchase health insurance, a
4 joint NYSHIP/Department of Health Purchasing
5 Coordination Steering Committee was convened
6 with staff from the department, Department of
7 Health, GOER and Division of Budget. This
8 initiative, first presented in last year's
9 Executive Budget, looks to identify ways to



COMMISSIONER BOONE: Not at this time.

We were able to be successful in placing employees. Now, we have to evaluate the continuing need for training as they assume their reassignments, and at that time would apply the funds if needed.

So you're looking to reappropriate

those funds to make them available.

ASSEMBLYMAN ABBATE: So everyone last year was placed somewhere, or did some of them just leave state service?

COMMISSIONER BOONE: A combination of factors. You had some retirements for the realigned agencies. A significant portion, about 85 percent of the employees, if I recollect correctly, were reassigned by their

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agencies in anticipations of the closures or realignments.

ASSEMBLYMAN ABBATE: Eighty-five percent, you said?

COMMISSIONER BOONE: Yes, about that.

Where I was going is the ARTL process also works in concert with the agency. But big picture, 98 percent of impacted employees have been reassigned to opportunities at this time. Or they attrited out, left state service, either retirement or otherwise.

ASSEMBLYMAN ABBATE: To continue on that path. how do you expect it to go this

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\$5 million. How do you expect the closures

to be affected by the closures?

Have any predictions?

21 And we moved some 14,000-plus internally
22 during the last year.

23 So with regard to -- yeah, we also,
24 I'm reminded, have been very successful with

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1 the Chapter 500, where we were able to bring
2 in, especially within the IT field, talent
3 that was needed. And it's been a very
4 successful program. And it also allowed
5 internal movement of employees to align with
6 needed expertise. So that's been a very
7 successful program.

8 ASSEMBLYMAN ABBATE: It might be
9 successful, but it's actually costing a lot.
10 We always hear IT, we need the workers there
11 and all. But, you know, with unemployment so
12 high, I am sure we could put permanent people
13 on and there's enough talent out there,
14 instead of just going -- you know,
15 contracting out constantly. Some people who
16 have a permanent job feel, you know, some
17 loyalty to the state, becoming a state worker
18 again, which was a good thing at one time,
19 you know. So we want to try to promote that
20 again.

21 But that's all. And I'm just going to
22 end up on last year's question. It's good to
23 see which one came back after the
24 consolidation of the agencies last year.

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2 would make one comment about the contracting
3 that I think you're referring to. Actually,
4 that shows a slight decline year over year.

5 CHAIRMAN FARRELL: Thank you.

6 Senator?

7 SENATOR ROBACH: I think Senator
8 Savino has a question, Commissioner.

9 SENATOR SAVINO: Thank you.

10 Is Assemblyman Abbate yielding his two
11 minutes to me? Apparently not.

12 Thank you, Commissioner Boone. I'm
13 going to follow up on some of the issues that
14 Assemblyman Abbate touched on and also follow
15 along on some of the questions that we
16 discussed when you were first confirmed by
17 the State Senate.

18 And one of the issues, as you know,
19 that I am very concerned about is the
20 succession planning, or the lack of it, that
21 appears to be happening in state agencies.
22 So I'm happy to see that in your testimony
23 you talked about developing a new mechanism
24 to allow prospective employees to compete --

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1 I'm assuming we're talking about competitive
2 class positions -- in a new testing process.

3 And streamlining the testing process,
4 you know, I don't have any opposition to. I
5 am happy to see that no one is talking about
6 reclassifying titles from competitive class
7 to noncompetitive class. Hopefully that's an
Page 48

8 issue that's not going to rear its head
9 again.

10 But you recently released to us the
11 State Workforce Management Report, which we
12 require you to do, and in it it reflects
13 exactly what I've been concerned about for a
14 while. So as you know, the average age of
15 the state workforce is now age 48. The
16 average age of retirement is 59. Forty-seven
17 percent of the state workforce is over the
18 age of 50, fully 71,000 employees over the
19 age of 50.

20 And what does that mean? Well, that
21 means that we have a serious brain drain that
22 we're about to see in the next couple of
23 years, because the majority of those
24 employees are going to be eligible for

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1 retirement, and they're going to retire.
2 Because they're working harder, they're
3 working longer, and that's borne out in the
4 overtime report that Tom DiNapoli just put
5 out. The state is on track to spend more on
6 overtime this year than it has in years.

7 So we're at oldest workforce, highest
8 overtime, and in the past three years the
9 state workforce has dropped almost 8300 jobs,
10 or 6.5 percent of the workforce. So while
11 I'm happy to see we're concentrating on
12 trying to create ways to encourage people to
13 go into the public-service workforce, if

14 we're not hiring and we're not backfilling
15 and we're going to continue to lose people,
16 how are we going to be able to provide these
17 services that we demand of our state
18 workforce?

19 COMMISSIONER BOONE: Well, Senator
20 Savino, good afternoon.

21 Let me first respond to the succession
22 planning portion of your question. It's not
23 that we're not doing succession planning;
24 that is occurring in the agencies. We have a

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1 distributed HR approach. And what we're
2 looking to do is to more strategically
3 coordinate that approach, with the agency HR
4 directors being our partners, not only to
5 their operations but to us, and we to them as
6 well.

7 And succession planning has been
8 something that has been emphasized by the
9 executive chamber, certainly since I've been
10 commissioner. There's been a constant
11 reemphasis to agencies to engage in
12 succession planning. So that is occurring.

13 As you indicate, we're mindful that 18
14 percent of our workforce will be eligible
15 for -- either are or will be eligible for
16 full retirement over the next five years.
17 That's about 28,000 employees. We certainly
18 have programs to rapidly attract and hire new
19 talent into the leadership, or at least

20 target it towards the leadership management
21 ranks. As you know, we're engaged in a major
22 technological consolidation, transformation.
23 And frankly our systems, as they improve and
24 integrate more effectively, will make us more

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1 effective and efficient as well. So there
2 are multiple factors to look at.

3 So, you know, it's not just a one for
4 one. What's really happening here is
5 transforming the way we do business. We have
6 to do business differently. We don't have
7 the resources that we once had. And we have
8 to think about how we work differently, in a
9 more collaborative, horizontal fashion, and
10 we have to think more macro and strategically
11 how we do work, and constantly reevaluate
12 what's our core mission.

13 And those things that can be done more
14 efficiently in a consolidated, shared service
15 center, such as HR transactions, purchasing,
16 finance transactions, that's what we're
17 doing, moving those into those types of
18 environments.

19 So we're really in the midst of
20 transforming and reorganizing how we work.
21 But at the same time, we certainly have to
22 assess and be mindful of staffing needs.

23 SENATOR SAVINO: Well, I'm all for,
24 you know, efficiency and transforming the way

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1 the agencies operate. But there are services
2 that are provided by a lot of the state
3 workforce that you really can't apply that
4 standard to. You know, particularly in our
5 state hospitals and our mental health
6 facilities, the psychiatric centers, the
7 children's centers, in the OPWDD facilities.

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So you have staff that are aging,
they're dealing with more complicated
problems in many of these facilities, they're
working longer hours, and we are not hiring
people to replace them at the rate that
they're being replaced. The amount of time
that workers are spending on overtime is a
serious drain, not just on the budgets, but
it's also a drain on the employees.

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So the question I guess I'm getting to
is are the agencies working with you in terms
of succession planning? Are they reaching
out to Civil Service to say, Listen, this
where we are in terms of our workforce, this
is what we think our needs will be over the
next 10 years? Is that happening?

COMMISSIONER BOONE: That is

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happening, yes. And we're looking to do even
more of that.

We proactively meet with agencies on
an ongoing basis, a recurring basis, and ask
those types of questions: what are your

6 major priorities? What do you see your
7 greatest hiring needs? What do you need more
8 of? So that's an ongoing process, and that
9 is occurring.

10 SENATOR SAVINO: And let me guess,
11 their answer to you these days is we're fine,
12 we've got everything covered?

13 COMMISSIONER BOONE: I'm sorry, I
14 didn't --

15 SENATOR SAVINO: I said I'm sure their
16 answer these days is we're fine, we have
17 everything covered, we don't need any more
18 staff.

19 COMMISSIONER BOONE: No, no, no. You
20 know, we have to look at it on an
21 agency-by-agency basis. I mean, there are
22 provisions for hiring in this budget. So the
23 Gaming Commission, I believe OCFS. So there
24 is -- I may have misspoke. They're direct

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1 here, yes.

2 So we have to look at that on an
3 agency-by-agency basis, and that's what we
4 rely on our agency leadership to do, as
5 operational experts. But at the same time,
6 we are looking -- "we" being the HR
7 capability, or at least from a strategic
8 perspective, to provide greater analytics
9 that will enable better analysis and trending
10 to identify more proactively where the
11 needs are. So that's the process we're

12 engaged in and we're looking really to
13 enhance.

14 SENATOR SAVINO: Well, my time is up.
15 But I will say since you've taken over, your
16 Workforce Management Report is far more
17 efficient and provides actually more
18 information than your predecessor's, which

21 you've made some progress there

18

At GOER my staff and I work every day

19

to foster constructive and cooperative

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relationships with the state workforce and

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unions, in order to create the New New York ...

24

state agencies as part of a work group tasked

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with overseeing the state's employment

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continuity efforts. The state is taking

3

extraordinary measures to ensure that

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employees are offered opportunities to remain

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employed either within their current agencies

6

or with other state agencies.

7

As Commissioner Boone testified, the

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state has expanded its use of the Agency

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Reduction Transfer List, or ARTL process, so

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that more individuals have opportunities for

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more positions. Where opportunities were not

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available, we've begun the process of

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analyzing skills and qualifications for

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individuals, with the goal of providing

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training opportunities so that these

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individuals can return to state service in

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new roles. We believe that our efforts over

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the past year have paid off, as evidenced by

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success in retaining the vast majority of

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employees affected by restructuring.

21

Last year we shared with you our

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vision for the state's approach to human

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resource management in order to ensure a

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talented and diverse workforce. During the

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past year, GOER and Civil Service have made

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great strides, as Commissioner Boone said, in

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aligning the training activities of our

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respective agencies. We've launched our

5 first initiative, the Strategic Human
6 Resources Management Training. This was
7 conceived, planned and developed in 2013, and
8 just launched in January of 2014. This
9 program will set the stage for a complete
10 transformation of the human resource role in
11 New York State government, from one that is
12 transactional in nature to a strategic
13 partner for agencies to use in workforce
14 planning, performance management, employee
15 engagement, and talent development.

16 At GOER, we are mindful of the rights
17 of our employees and of our obligation to
18 enforce those rights. Consistent with this
19 vision and an enterprise approach to
20 training, we designed and delivered two
21 enterprise-wide policy courses, in Equal
22 Employment Opportunity and Sexual Harassment
23 Prevention, for all of our employees. This
24 training not only provided a consistent,

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1 uniform message, but the first time the state
2 trained each of its employees on all of the
3 federal and state protections that are
4 afforded to employees as a matter of law,
5 rule and Executive Order.

6 Other statewide initiatives developed
7 and delivered this year include online
8 courses in Chemical Labeling and Language
9 Access, we offered an expanded statewide
10 Learning and Development series, two

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11 Leadership development programs, and a
12 train-the-trainer program in Human
13 Trafficking Awareness.

14 This year we will continue to expand
15 enterprise-wide training programs for
16 employees with programs ranging from
17 reasonable accommodation to internal

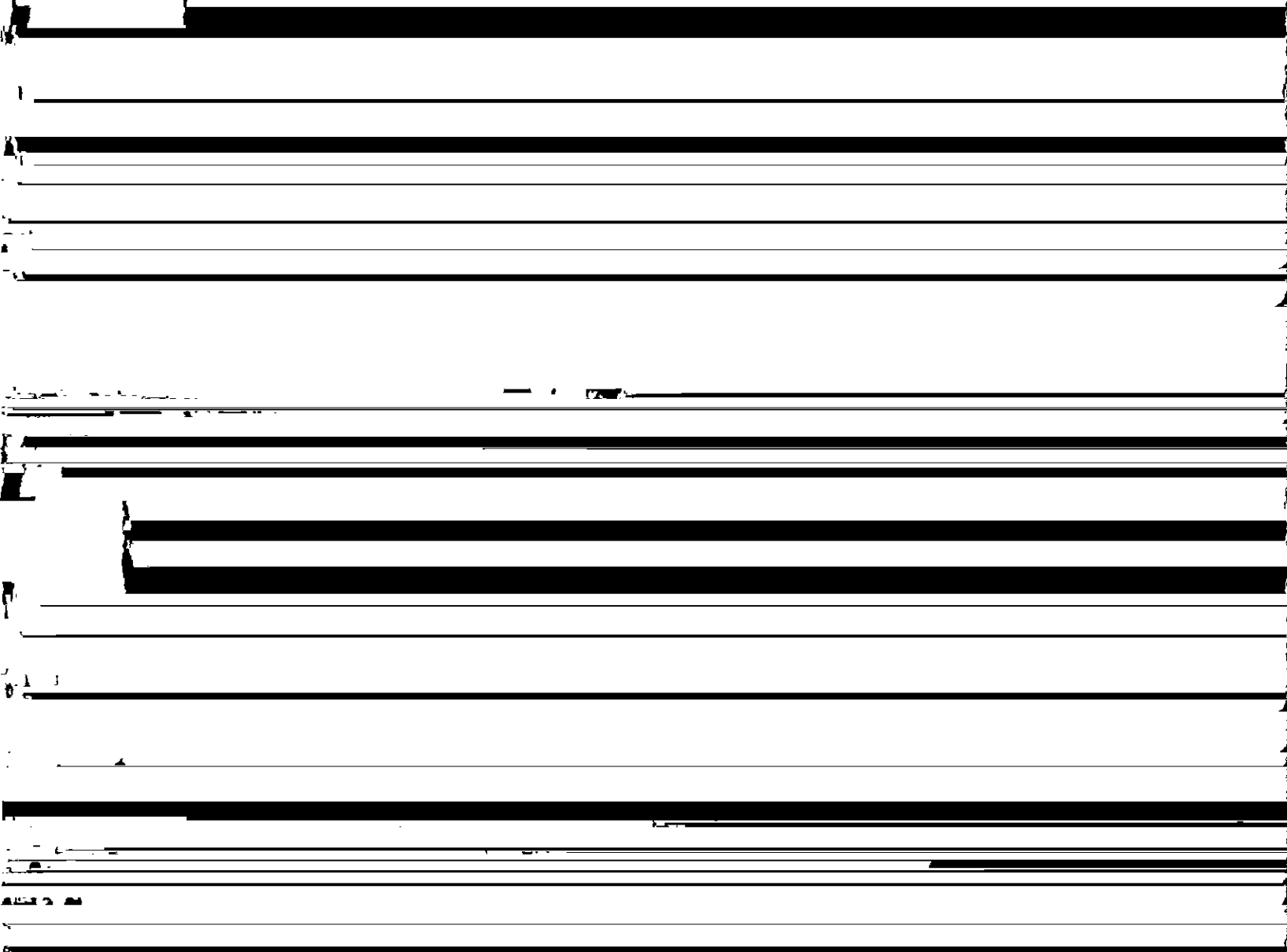
17 had been without a contract since 2003.

18 The agreement rebalanced health
19 insurance premium contributions, included
20 sensible changes in employee health plan
21 design, and controlled wage growth, including
22 a two-year deficit reduction plan. To date,
23 we've completed negotiations with the unions
24 that represent over 94 percent of the state

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1 workforce, and negotiations are currently

~~underway with other unions that represent~~



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771 374 711 to thank and acknowledge

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

3 INTERIM DIRECTOR VOLFORTE: It would
4 be relatively constant. I think there is a
5 slight dip in the overall employee count in
6 Executive Branch agencies.

7 SENATOR ROBACH: Let me just ask one
8 last question too.

9 So if there is displacement, or
10 sometimes they have that, what is the
11 mechanism to -- I know in some places they do
12 that. Is there someplace for a public
13 employee who may lose their job to go to one
14 where it may be open by the attrition that
15 you spoke of? Is there a process for that,
16 or is it individual effort only?

17 INTERIM DIRECTOR VOLFORTE: There is a
18 process for that. An agency can reassign
19 employees within title within their
20 appointing authority. And then the Agency
21 Reduction Transfer List process, there are
22 openings that are available through that
23 process that people can get on that list,
24 express preferences of where they want to

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1 work, what grade levels they'll consider.
2 And Civil Service runs a matching process
3 where they'll match those employees with
4 vacancies in agencies.

5 SENATOR ROBACH: Thank you.

6 CHAIRMAN FARRELL: Assemblyman Oaks.

7 ASSEMBLYMAN OAKS: Thank you.

8 I actually wanted to follow up a

9 little bit. Senator Savino had talked about
10 overtime a little bit and succession issues.
11 And I'm not sure if Commissioner Boone is
12 best or you, Director, to ask that.

13 But we know that last year there was
14 record overtime. A lot of that came from
15 OPWDD, also from OMH and some in Corrections,
16 and we have seen recently like the Attorney
17 General. You know, there's here and there
18 different areas where we've seen high
19 overtime. Do we know why we were at record?
20 Was it some policy we have or some situation
21 that we had that pushed us into that?

22 INTERIM DIRECTOR VOLFORTE: I would
23 say that there's a lot of different
24 factors that go into why agencies utilize

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1 overtime. I don't think it's as simple as
2 staffing or an event. I think in a lot of
3 instances it can be combinations of that.

4 I would say that simply we are
5 committed to looking at the causes, and I
6 think we have to look at the causes on an
7 agency-by-agency basis and examine those
8 causes and then address them, be they
9 staffing or other issues that have arisen.
10 But I would say that there's no policy in
11 place that fosters, you know, an increase in
12 overtime.

13 COMMISSIONER BOONE: And if -- may I
14 offer a comment also?

15

ASSEMBLYMAN OAKS: Sure.

16

COMMISSIONER BOONE: Not to overstate

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it, but we did have Superstorm Sandy, you

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know, catastrophic weather that contributed.

19

ASSEMBLYMAN OAKS: And a lot of people

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shifted to responding to that, the affected

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agencies.

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COMMISSIONER BOONE: Certainly,

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responsive agencies in preparation and

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response and continuing response to improve

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resiliency, yes.

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ASSEMBLYMAN OAKS: So taking that into

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account, do we see -- you know, looking at

4

this year, do we see those increases

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continuing? Or we hope for a reduction from

6

the prior year?

7

COMMISSIONER BOONE: That really will

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be a function of the operations. You know,

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what we encounter and the needs of the

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various agencies. So no, I'm not in a -- my

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department does not track that function, so

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I'm not in a position to opine on it.

13

ASSEMBLYMAN OAKS: But to your

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comments, a plan to reduce or trying to look

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at that, that is an active interest and

16

effort of the Executive?

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INTERIM DIRECTOR VOLFORTE: I think

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we're always interested in reducing personal

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services costs such as overtime. So it's

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certainly something that is being looked at

21 and will be looked at and has been looked at
22 in the past.

23 ASSEMBLYMAN OAKS: Thank you.

24 CHAIRMAN FARRELL: Any further,

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1 Senator?

2 Thank you very much.

3 INTERIM DIRECTOR VOLFORTE: Thank you.

4 CHAIRMAN FARRELL: Next, Fran Turner,
5 legislative and political action director;
6 CSEA.

7 MS. TURNER: I am only going to be
8 here for a minute, because I have -- we
9 decided this year that we would bring our
10 direct front-line workers in from both the
11 state and local governments to talk about
12 what's going on in their fields.

13 And I would only open with this. For
14 the past nine years, 10 years, our members
15 have been asked to do more with less. And
16 with the past few budgets and losing over
17 90,000 public-sector employees, which I
18 didn't hear the Department of Labor talk
19 about, our members can no longer do more with
20 less.

21 So I would appreciate it if you'd give
22 your attention to them. I'm going to step
23 away, and they can speak to their agencies
24 and the services they provide.

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MS. BUTTON: Good afternoon.
Page 64

2 CHAIRMAN FARRELL: Good afternoon.

3 MS. BUTTON: My name is Kathy Button,
4 and I am a 45-year employee of OPWDD.

5 (Discussion off the record.)

6 MS. BUTTON: I'm very grateful to have
7 this opportunity to speak on behalf of all
8 the direct-care staff that work for OPWDD.

9 During my career I've been through
10 many changes with this agency. I have been
11 through layoffs, closure of Craig
12 Developmental Center, Newark Developmental
13 Center, two consolidations, and now the
14 closure of Monroe Developmental Center. I
15 have worked with management to provide the
16 safety for our individuals as well as the
17 training for employees and the community that
18 they were being placed in.

19 The closure of Monroe DC was done in a
20 very disheartening way. The individuals
21 being placed in the community homes for the
22 Monroe DC have special needs, behavior
23 problems, and some are pedophiles that
24 require specially trained direct-care staff

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1 to take care of them. When Craig and Newark
2 closed, CSEA and management worked together
3 to make a smooth transition, making sure that
4 the individuals were provided with trained
5 staff, that the community was well-informed
6 what type of individuals were going to be
7 placed next-door to them. And if there was

8 any problems they were told the numbers to
9 call so that things could be immediately
10 taken care of.

11 Now it's a hit and miss. Neighbors
12 now call the union to ask why the pedophiles
13 are living next door, and they have small
14 children and are deeply concerned and ask
15 what can we do, who should we call.
16 Voluntary agencies are already calling
17 regarding certain individuals and want to
18 know if we can take them back.

19 CSEA had questioned the closure: why
20 are we rushing and acting like we're closing
21 a business instead of a center where we have
22 so many special needs and this is their home?
23 Their reply was, "we are doing what we were
24 told."

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1 Is this what OPW means when they say
2 "we put people first"? Instead, the
3 individuals were moved two days before
4 Christmas and the day after. They traveled
5 with staff they didn't know, in places far
6 away from where they used to live. They went
7 with no program plan for staff to follow to
8 protect their needs, and they went there with
9 half the staffing ratio they had at the
10 center.

11 The ratio at the center was two to
12 one. Now they have .5 per individual. They
13 have untrained staff to take care of them.

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14 Their plans were changed so they could be
15 placed in the community, but their behavior
16 was the same, and some took advantage of that
17 situation. On paper they look like they
18 could make it. But our question was: How
19 did they change on Tuesday with two staff and
20 on Wednesday they only needed one? The
21 question was continuously without a response.

22 The staff was dedicated

20 diminish. We have heard from parents across
21 the state that they are fearful that their
22 loved ones will not get the care they need.
23 It is too late to repair the damage that's
24 been done with the closure, but it's not too

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1 late to make damn sure that other closures
2 have a partnership relationship to work
3 together like they started to do in the
4 beginning.

5 Unless you have worked with the
6 special-needs people, don't assume what
7 you're being told is the right way. Listen
8 to some of us that have been through this
9 more than once.

10 I would like to add, in listening to
11 all day -- because this is my first time
12 going through various hearings and
13 testimonies -- I'd like to add that when the
14 DC closed, we had food service people, Grade
15 5 and Grade 6. What was offered to them was
16 an ARTL. They stay on that ARTL till they
17 get a job in two years or they don't get
18 anything. Their jobs that they were offered
19 to move to were in Brooklyn and Binghamton.
20 They live in Rochester.

21 We have people, three of them, that
22 are driving to Brockport because they didn't
23 want to lose out. So what sometimes you hear
24 really isn't what's going on.

¶

1 Thank you for your time.
2 CHAIRMAN FARRELL: Thank you.
3 MR. BENJAMIN: Good afternoon. My
4 name is Abraham Benjamin. I'm a secure care
5 treatment assistant 2 at Bronx Psychiatric
6 Center. As of March 18th of this year, I
7 will be -- I will have been blessed to have
8 given service to our individuals for
9 33 years.

10 When I first started, I used to revel
11 at the accomplishments and being invited to
12 college graduations and weddings of our
13 individuals. In the past 10 years
14 approximately, I have witnessed and fought
15 about how individuals were being pushed
16 without skills to succeed in the community.

17 skills, you may ask. Grooming skills, GED,
18 interviewing skills, and medication
19 education, for example.

20 I will give you a few examples of
21 where we fall short to preparing our
22 individuals in four types of community
23 programs. The first type, a transitional
24 living residence. We have a blind resident

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1 who needs one-to-one assistance where there
2 is no services for the blind. On those
3 units, you have one to two staff members that

6 have combative individuals that have
7 assaulted peers, busting one's nose and
8 causing many head injuries. I'm aware of
9 several individuals in the inpatient who were
10 assaulted and then two days later was put
11 into one of those transitional residence
12 programs.

13 Our community transition program. We
14 have a resident would exposes himself to the
15 staff and also attempted to rape a staff, and
16 they're allowed to leave and go out into
17 community. We have a resident that cut one
18 of his peers talking about they talked to his
19 girlfriend six months prior. A male resident
20 who threw himself in front of the 6 Train and
21 is in a coma the last we heard. A female
22 resident who jumped off the Brooklyn Bridge
23 and killed herself.

24 Our outpatient care clinic. Our

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♀
1 individuals aren't appropriately given skills
2 because they go out and inappropriately
3 dressed for the weather. You will find them
4 in all the snow with flip-flops, pajamas.
5 Clients do not blend into the community and
6 stand out. They do not have good personal
7 hygiene skills, as evidenced in their
8 disheveled appearance and vile body odor.
9 Our clients are not taught travel skills, to
10 discharge to attend programs and medical
11 appointments. Our individuals are not

12 properly referred to suitable programs --
13 i.e., MICA. We have an outpatient program
14 where we have a lot of sexual offenders,
15 trauma and alcohol and drug abuse, but there
16 is no MICA program at that clinic. There's
17 rampant drug and alcohol abuse with no MICA
18 programs.

19 Family care. Family care is where a
20 family takes in a mentally ill client to have
21 them in a family setting. I feel it's used
22 as a dumping ground for the individuals who
23 are inappropriate for discharge. Those
24 providers have a lack of proper training

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1 and/or retraining on how to deal with the
2 mentally ill.

3 Who follows them when they're out in
4 the community? ICM workers that have an
5 overloaded caseload. Many individuals fall
6 through the cracks. Families of individuals
7 including myself and some of my colleagues to
8 help them come back. And at times, it's very
9 difficult for those individuals to get help.

10 In my opinion, it appears at times our
11 individuals are being used as a revolving
12 door for discharges and admissions for just
13 number purposes. I say this because
14 individuals are sent out to the community
15 without the skills to succeed.

16 I would like to thank you for allowing
17 me to speak on behalf of my colleagues and

18 also on behalf of the individuals we serve.

19 MR. BRIGGS: Good afternoon, and thank
20 you for this opportunity to speak. My name
21 is Ron Briggs, and I am here today as a
22 probation officer, member of CSEA, and a
23 lifelong resident of New York State.

24 When I was three, my father, the sole

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1 financial provider for our family, died,
2 leaving behind my mother and a sister and two
3 brothers to be cared for. Our family thrived
4 because of the support and opportunities
5 afforded us by New York State, ranging from
6 food stamps and health insurance to becoming
7 a proud graduate of our SUNY system. My
8 success story is not unique because of a
9 state's commitment to all. But the story is
10 in jeopardy because of a governor's continued
11 commitment to a few.

12 As the local president of CSEA in
13 Fulton County, I have a working relationship
14 with the local elected officials and our
15 county administrator, John Stead. Recently,
16 when discussing the budget with Mr. Stead, he
17 pointed out that if the Governor wanted to
18 help, he would increase the AIM that has
19 remained stagnant for the last year and has
20 taken several hits in the last couple of
21 years.

22 Our county made some drastic cuts to
23 services which senator Farley can certainly

24 attest to, which even Mr. Stead agrees were

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1 not popular. These cuts include the
2 outsourcing of our nursing home, mental
3 health, and addiction services. If this
4 budget passes as is, how will Fulton County
5 continue to survive?

6 Sound bite likes "tax freeze" are
7 wonderful, but they do not make effective
8 policy. As a community member, I hear the
9 Governor explain how he would like to help
10 local governments and school districts, yet
11 the sound bite policies placed in this budget
12 actually hurt our local community. I have
13 worked for the last 20 years for Fulton
14 County, first as a child protective worker,
15 and the last eight years as a probation
16 officer. In my office there has been a 30
17 percent reduction in the number of officers.
18 Higher caseloads with less services in the
19 community: it is a formula for disaster.

20 I was assigned a probationer as a
21 result of a felony DWI. In working with this
22 gentleman it became apparent that not only
23 did he have substance abuse issues, but he
24 also had mental health issues. His mental

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1 health issues were so prevalent that he was
2 receiving disability. I directed him to
3 obtain an evaluation from our recently
4 outsourced addiction clinic. However, I was

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5 told that the clinic would not service him,
6 as he was too aggressive. Although he was
7 attending therapy at the mental health

11 This budget would increase the risk to our
12 community while costing the taxpayers more.

13 Helping people make better choices
14 takes services in our community. Helping
15 people raise themselves out of poverty takes
16 services in our community. Helping young
17 people in our community become better
18 citizens takes services in our community.
19 Unfortunately, in Fulton County, this is
20 becoming more and more difficult to offer
21 because of the stranglehold the Governor is
22 placing around our necks with the state
23 budgets he offers.

24 I ask that you stand up for what is

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1 fair. A tax freeze sounds good in an
2 election year, but the strings attached are
3 such that the local governments would be
4 forced to cut what is left of services in our
5 community. In Fulton County, we've had
6 school districts that merged and we have had
7 school districts that have voted not to
8 merge. Isn't that the way it should be done,
9 based on the community members, not by the
10 Governor bullying us into something by
11 cutting off funding streams?

12 I understand you will hear from many
13 different constituency groups, and I think if
14 you listen closely, you will hear similar
15 concerns. My experience in Fulton County is
16 not unlike what my brothers and sisters

17 experience in other counties. What each one
18 of you says is important, but what each one
19 of you does to make this budget better is
20 more important. Our communities need you.
21 We ask that you stand up to make the
22 necessary changes so local governments and
23 services don't disappear.

24 Thank you for your time.

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1 MR. TUIFEL: I have "good afternoon"
2 in my notes, but it appears "good evening" is
3 more appropriate at this time.

4 My name is Glen Tuifel. I'm a
5 casework supervisor with the Nassau County
6 Department of Social Services. I've been
7 working for the Nassau County Department of
8 Social Services for the last 19 years, in
9 child protective service and in adult
10 protective services. I'd like to discuss a
11 little about how I came to choose a courier
12 with the Nassau County Department of Social
13 Services. And I am using the word "career"
14 and not a job.

15 In my educational background, I
16 studied psychology and social work. And a
17 long time ago, when I took this job, I really
18 found a home and a place where I believed I
19 could make a difference. In a field where
20 usually only the mistakes get attention, I
21 know that I've made a difference over the
22 years, and that my colleagues have as well,

23 by providing vital services to the most
24 vulnerable people in our society and in our

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1 county.

2 However, over the last approximately
3 10 years I've seen a real dramatic change in
4 the services, not only at the Department of
5 Social Services, but in local government in
6 general. Some of the challenges we've faced
7 are through attrition and layoffs and budget
8 cuts we've seen staffing go dramatically down
9 in Nassau County. We've repeatedly been
10 asked to do more with less, and we have, to
11 the best of your ability. But I would ask
12 you, is there not a limit to this? And have
13 we not reached it?

14 The County Executive in Nassau County,
15 Ed Mangano, frequently touts that the
16 workforce in Nassau County is the lowest
17 since 1950. This is in a county where at the
18 time the population was approximately
19 400,000; it's now approaching 1.4 million.
20 Does it not make sense that the staffing
21 should address the needs of the population?

22 At my building, the Nassau County
23 department of social services, there are
24 frequently lines of an hour to an hour and a

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1 half just to get through the metal detectors
2 to get into the building. People coming in

3 for emergency housing, Medicaid, public
4 assistance, food stamps and services
5 frequently then spend the entire day in the
6 building awaiting their number to be called,
7 only then to be told to come back the next
8 day as there is inadequate staffing to
9 address their needs today.

10 Increases in caseloads, in food
11 stamps, Medicaid and public assistance, have
12 reached such drastic levels that we now have
13 workers assigned 500 caseloads in Nassau
14 County. Also in services where you're
15 dealing with CPS, adult protective services
16 and foster care, despite federal
17 recommendations of 12 to 15 cases, we have
18 caseworkers that have better than 30 and some
19 with better than 40.

20 The current response of local
21 government has been to continue to squeeze
22 and then to subcontract and outsource because
23 the workforce is not sufficient to address
24 the needs that need to get done. This

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1 subcontracting and outsourcing, at least in
2 my department, has revolved around preventive
3 services, foster care, child support, PINS
4 and juvenile delinquent services. What winds
5 up happening is these services are
6 subcontracted out to agencies who use staff
7 that they can hire for very little money, or
8 interns. The services become subpar. And

9 the same families wind up coming back to DSS
10 for similar problems and creating a revolving
11 door policy.

12 I would state to you that this
13 problem-solving technique, although easier,
14 is certainly not better. Employees can no
15 longer find careers in the Department of
16 Social Services and in local government.

17 These are some of the challenges that
18 we've faced, and I would like to challenge
19 this legislative body to see what they can do
20 to stop this. More and more cuts do not
21 equal more and more success. We are not
22 meeting the minimum degree of care, not only
23 in the Department of Social Services, but all
24 throughout local government in Nassau County.

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1 We have instances in Nassau County
2 where we've had one 911 operator, for a
3 population of 1.4 million people, working on
4 occasions. We've had insufficient
5 ambulances. We have insufficient probation
6 officers. The frequent response that we get,
7 not only from this Legislature but from other
8 legislative bodies, is unfunded mandates. In
9 DSS we see this where you must see a child in
10 a CPS report within 24 hours, or applications
11 for food stamps and Medicaid and public
12 assistance must be completed within a certain
13 number of days. But these unfunded mandates
14 do not address the fact that there is

15 insufficient staff to get these jobs done and
16 to ensure that these services are being
17 provided.

18 I would like to challenge you to find
19 the funds necessary to fund these services.
20 Not only do the employees become vested in
21 careers, but what happens with subcontracting
22 to third parties is you wind up with less and
23 less employees able to become functional
24 constituents and have careers. These same

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1 employees who are subcontracted wind up
2 creating part of the problem that we're here
3 to fix. They create a larger class
4 disparity, increase wage disparity, and it
5 helps destroy the middle class. Not only are
6 we employees, but we're also taxpayers and
7 constituents, and our taxes help fund this
8 government.

9 In closing, I would like to ask that
10 you avoid the low-hanging fruit of just
11 plucking labor costs to continue to lower the
12 services that are provided and that at some
13 point you try to climb the tree and find more
14 creative ways to fund these services and
15 continue to provide careers for individuals
16 who wish to provide them.

17 Thank you.

18 CHAIRMAN FARRELL: Thank you very
19 much.

20 Questions? Senator.

21 SENATOR NOZZOLIO: Thank you.
22 Chairman Farrell, before the
23 questions, I'd like to welcome to join the
24 panel the distinguished Senator Hugh Farley.

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1 Any questions from the Senators?
2 Senator Savino.
3 SENATOR SAVINO: Thank you,
4 Senator Nozzolio.
5 Thank you for your testimony. The
6 only thing is I wish we had heard it before
7 the previous two commissioners had spoken.
8 As you heard while you were sitting here, one
9 of the questions that I've been posing to
10 them is how are we managing to do the work in
11 these agencies with a shrinking workforce and
12 an aging workforce. Not that any of you are
13 old. But, you know, like you, I started
14 24 years ago -- I feel a lot older now -- as
15 a caseworker in the City's child welfare
16 system.

17 And, you know, these are young
18 people's jobs. Certainly we want people with
19 experience, but the amount of hours that go
20 into them and the stress that it places on an
21 individual dealing with families in crisis,
22 there's a reason why you need a lot of
23 young -- we're not seeing young people go
24 into this profession.

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1 So I was hoping you could tell me a
Page 81

2 bit about what the current caseloads are
3 like, let's just say in social services in
4 Nassau County.

5 MR. TUIFEL: The current caseloads for
6 investigative caseworkers in Child Protective
7 Services range in the 30 to 40 range, even
8 though there are federal guidelines that
9 state, you know, 12 to 15 investigations.

10 SENATOR SAVINO: These are active
11 cases or pending reports?

12 MR. TUIFEL: These are active
13 investigations, yes.

14 SENATOR SAVINO: What's the average
15 number of pending reports that come into a
16 unit? Are you getting 10 new pendings a
17 month?

18 MR. TUIFEL: Oh, we get -- you know,
19 each -- you know, we have a variety of units
20 in Nassau County. Each unit gets, you know,
21 three or four reports a day. So usually
22 workers are getting almost a report a day. I
23 mean, so you get a report a day and that's
24 whether you're there or whether you're not

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1 there. If you're on vacation, you still get
2 reports.

3 SENATOR SAVINO: What I'm always
4 concerned about when that happens is you put
5 tremendous strain on the casework staff,
6 particularly on the CPS staff, to perform in
7 too many cases. And it leads them to make

8 decisions that if they had all the resources,
9 they might not arrive at.

10 I'm always concerned about a decision
11 to remove a child because you don't have the
12 ability to monitor that family and provide
13 the services as closely as you could if you
14 had a lower caseload.

15 Are you seeing a rise in out-of-home
16 placements?

17 MR. TUIFEL: No, I don't believe there
18 actually is. I see a trend away from that.
19 There is a tremendous amount of pressure,
20 though, on those caseworkers to get these
21 determinations done. And what I believe is
22 the outcome of some of this is that cases are
23 being prematurely closed.

24 SENATOR SAVINO: That would be a

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1 serious problem. Because we don't want to
2 indicate them unnecessarily or unfound them
3 unnecessarily.

4 There are some pieces of legislation
5 that have been introduced in the Senate and
6 in the Assembly I think that would speed up
7 the time for CPS workers to arrive at that
8 decision from the current 60 days to 30 days.
9 I would think that would place a tremendous
10 strain on your workforce. Do you not agree?

11 MR. TUIFEL: Without additional staff,
12 it would absolutely create a lot of strain
13 and a lot of administrative pressure on that

14 workforce to make determinations in an amount
15 of time that I believe we wouldn't be able to
16 with our current staffing level.

17 SENATOR SAVINO: And in the
18 developmental disabilities, the amount of
19 overtime that we're seeing workers have to
20 put in there, on average, what's the hours a
21 week for a worker in OPWDD?

22 MS. BUTTON: For OPWDD? It depends
23 upon what home. But the worst homes, I would
24 say that direct care, they can work two

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1 shifts three days in a row. That's what
2 they're doing.

3 MS. TURNER: That's 15-hour days.

4 MS. BUTTON: When they go to work,
5 they don't know when they're going to come
6 home. And that's the God's honest truth.

7 SENATOR SAVINO: This is an outrageous
8 way to provide services to vulnerable
9 populations, whether it's mental health
10 services, child protective services,
11 probationary services. And oftentimes it's
12 the same population you're dealing with,
13 cross-systemization.

14 MS. BUTTON: For OPW, and I will say
15 this, we have probably close to 375 people on
16 administrative leave, which creates -- every
17 one person creates three shifts of overtime.
18 So that in itself creates a lot. Besides
19 your workers' comp, where people are getting

20 hurt because there's not enough people
21 working alongside of them with some of the
22 individuals that have been placed in these
23 homes that came from the closing of MDC.

24 SENATOR SAVINO: That was going to be

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1 the next question, the number of workers'
2 comp cases, assaults on the job, inadequate
3 protections at the job site. Can either of
4 you share what you're seeing at the work
5 sites?

6 MR. BENJAMIN: The individuals that we
7 have, sometimes they get violent. But our
8 biggest problem is that we're not giving them
9 skills to deal with their issues in a proper
10 way for society.

11 On top of that, in the last three to
12 four years we've had a shortness of staff and
13 they've actually reduced our direct-care
14 staff or direct care in dealing with the
15 individuals, and also in our food service
16 department. So that's a rise in overtime.

17 And sometimes our individuals act out
18 because they're scared because they don't
19 feel that they have enough protection because
20 there's not enough staff. So if they assault
21 someone, then they're on a one-to-one and
22 then they know they have someone who's going
23 to definitely be watching them to protect
24 them from somebody else taking advantage of

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1 them.

2 So there's a lot of things that go
3 into that. And it doesn't seem like people
4 are seeing the big picture. I would love for
5 our individuals to go into the community, but
6 I want them to go out there the right way.
7 And the problem is they're pushing them out
8 there but not giving them the skills.

9 When I first got into this business, I
10 was actually happy to watch my individuals
11 succeed. Some of them now are my coworkers.
12 We will hang out, we will talk, we will have
13 conversations. They're worried what's going
14 to happen in the future because there will be
15 nobody there to help someone else get better.

16 SENATOR SAVINO: I just want to thank
17 you all for putting, you know, a real human
18 face on what these budget cuts have made to
19 service provision, especially in the
20 vulnerable populations that we know depend
21 upon the state and the counties for these
22 particular services. Thank you.

23 SENATOR NOZZOLIO: Thank you, Senator
24 Savino.

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1 Senator Farley.

2 SENATOR FARLEY: Yes, I just want to
3 say how deeply moved I was by your testimony,
4 Fran, and also my Fulton County constituent.
5 And I'm well aware of all of those problems

6 that exist out there. And I thank you for
7 your service, particularly for your people,
8 what they do for New York State.

9 SENATOR NOZZOLIO: Thank you,
10 Senator Farley.

11 I just have a comment and observation.
12 I certainly share Senator Savino's analysis;
13 you really have put a good picture, a clearer
14 picture on the impact. At the public
15 protection hearing, we looked at the
16 displacement of workers, at the closure of
17 six facilities across the state. It's about
18 the 600 range, and about, I'd say, 10 to
19 20 percent of them are CSEA. The others,
20 NYSCOPBA and PEF make up the remainder.

21 Ms. Turner, have you had any
22 opportunity to see the total employee impact
23 in terms of displacements across the state on
24 all sectors?

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1 MS. TURNER: I don't have a cumulative
2 report.

3 I can tell you that all of our
4 members, from the Corrections and from OPWDD,

5 ... regardless of what you

12 families that can afford to just pick up and
13 move and go to Brooklyn.

14 One of the things that we have asked
15 and talked to the Governor's office about is
16 perhaps delaying some of these transfers
17 until at least after the school year.
18 Because maybe some people would be willing to
19 move and relocate, but they have families. I
20 mean, it's not that easy.

21 Many times in -- in the CSEA
22 workforce, there's husbands and wives that
23 are both in the state workforce or the local
24 government workforce or in public service.

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1 So it's not easy to go from Finger Lakes,
2 New York, to Brooklyn. And a lot of what
3 we're seeing in OPW, that's where the jobs
4 are. They'll offer a cook a job, Grade 5,
5 it's 200 miles away.

6 So I wouldn't say that it is perfect
7 by any means. Not everyone's getting placed.

8 SENATOR NOZZOLIO: And as you further
9 develop numbers, please share them with us.

10 MS. TURNER: Absolutely. I will do
11 that.

12 And, you know, one thing, Senator,
13 that you might be helpful with, I think that
14 they need to think outside the box a little
15 bit more and be a little more creative in
16 where they can place these people. I did
17 listen to Mike Volforte and thought, they

18 haven't gone far enough in what they can look

19 at.

20 For instance, some of the OPW people,

21 the cooks could probably be placed in OCFS.

22, ~~but they haven't approached OCFS to say how~~

Any other questions, Senators? thank

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1 you.

2 CHAIRMAN FARRELL: Thank you very
3 much.

4 MS. TURNER: Thank you.

5 CHAIRMAN FARRELL: Susan Kent,
6 president, PEF.

7 (Discussion off the record.)

8 CHAIRMAN FARRELL: You know, this
9 (indicating) is thick.

10 (Laughter.)

11 MS. BRIGGS: We're not doing that.

12 CHAIRMAN FARRELL: If you can do a
13 better job, I'd appreciate that.

14 MS. BRIGGS: Yes.

15 CHAIRMAN FARRELL: Thank you very
16 much.

17 MS. BRIGGS: Many of you know, have
18 seen that I am not Susan Kent, the president
19 of the Public Employees Federation.
20 Unfortunately, Susan is stuck in Washington,
21 D.C. Her flight was canceled, and she was
22 unable to get here on time. But because she
23 believes this is such an important hearing,
24 she wanted to make sure that somebody was

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1 here to represent her.

2 My name is Jane Briggs. I'm her
3 executive assistant. And we did hand in some
4 written testimony; I'm just going to

5 highlight some of the important things Susan
6 wanted me to make sure that you knew, and to
7 take any of your questions.

8 And if I can't answer them, I have my
9 colleagues here, Pat Lavin, who is the
10 director of our legislative office, and
11 Hector Millan, who is our director of civil
12 service enforcement and research. And
13 anything we can't answer for you today, we'll
14 bring back to Susan and we'll get you answers
15 as soon as possible.

16 With that, I'm sure you all know that
17 the Public Employees Federation represents
18 54,000 professional, scientific and technical
19 workers, highly educated experts in their
20 fields. As I just mentioned, today we'd just
21 like to highlight several points that stand
22 out in this year's Executive Budget that
23 President Kent wanted to make sure I brought
24 to your attention.

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1 I'm going to start with what is
2 happening with SUNY hospitals. This year's
3 Executive Budget eliminates the \$27 million
4 SUNY hospital subsidy that the Legislature
5 added last year. As you know, SUNY
6 hospitals are hallmarks of excellence and
7 provide vital medical education, research,
8 and essential healthcare services to their
9 communities. Our public hospitals have been
10 losing state support since at least fiscal

11 year 2007-2008.

12 SUNY Downstate in Brooklyn serves more
13 than a quarter million patients a year and
14 has 75 community outreach programs. Private
15 hospitals are not the answer. We need
16 hospitals that focus on patients, not
17 profits. We believe there's a better way.
18 We call it the Brooklyn Hospital Safety Net
19 Plan. This plan includes 15 public and
20 private hospitals in Brooklyn and creates a
21 healthcare safety net to improve services for
22 the underinsured, uninsured and underserved
23 in that community. This plan is supported by
24 doctors, healthcare professionals, community

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1 leaders and union activists.

2 What PEF is requesting is that you
3 stand with us in ensuring that the Brooklyn
4 safety net plan that is supported by all
5 those stakeholders I just mentioned is
6 adopted this year.

7 Privatizing mental health care. Last
8 summer the Office of Mental Health released
9 its plan to redesign the delivery of public
10 mental health services, with the announcement
11 of the Regional Centers for Excellence plan.
12 These regional centers will be established in
13 five regions of the state: Western New York,
14 Central New York, Mid-Hudson, New York City
15 and Long Island.

16 What we are concerned with is that the
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17 Governor's plan does not provide assurances
18 that mental health services will not be
19 diminished. And we are especially concerned
20 with the diminishment of innovative programs
21 that include family involvement in their
22 children's or relative's treatment. To date,
23 we have seen nothing of a detailed plan
24 outlining how the state will maintain

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1 services to this population under the
2 Regional Centers for Excellence plan.

3 More privatizing in OPWDD. We just
4 heard some information from our colleagues
5 from CSEA, and I want to expand on that a
6 little bit. The Governor's proposed budget
7 opens the door to further privatization of
8 services provided by OPWDD. So far the track
9 record has not been good. Just yesterday,
10 news reports out of Rochester uncovered
11 evidence that the state is moving convicted
12 sexual predators from institutions into
13 neighborhoods. These sex offenders had
14 previously been at the Monroe Developmental
15 Center until the state closed its doors there
16 last year.

17 Even though Governor Cuomo said
18 something like this could never happen, it
19 did happen. Once duties are outsourced and
20 the state starts relinquishing its
21 responsibilities to provide services, the
22 consumers and communities suffer. We hope

23 that you, like us, are concerned about the
24 effort to undermine the civil service merit

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1 system that ensures your constituents get the
2 best services from the qualified
3 professionals that we represent.

4 Close to Home. In September of 2012,
5 the Close to Home juvenile justice initiative
6 was begun. Under this program, youth
7 offenders are transferred from state OCF
8 facilities to the care of New York City's
9 Administration for Children's Services.

10 well, what's happened? We have seen
11 record numbers of youth going AWOL,
12 committing murders and other serious crimes.
13 Queens Family Court Judge John Hunt calls the
14 Close to Home initiative "a threat to public
15 safety. Last year you rejected expanding
16 this program past 2014. We ask you this year
17 to not extend the date from September 2014 to
18 April 2015 as the Governor is requesting.

19 In conclusion, the Governor's current
20 budget is placing the state workforce and the
21 public at risk. For example, a recent state
22 audit by the State Comptroller found that the
23 Department of Agriculture and Markets was
24 falling behind in inspections because of

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1 staffing shortages. And like at other
2 agencies, this has resulted in record levels

3 of overtime, and this is all due to staff
4 shortages.

5 An editorial in the Albany Times Union
6 yesterday supports this, saying: "Spending
7 cuts in critical areas have dangerously
8 hampered the ability of government to do its
9 job."

10 we believe the public interest is best
11 served by public workers. The Public
12 Employees Federation appreciates your time
13 and the opportunity to address you today.

14 Thank you.

15 CHAIRMAN FARRELL: Thank you.

16 Questions?

17 SENATOR FARLEY: That was good,
18 succinct testimony.

19 (Laughter.)

20 MR. BRIGGS: Thank you.

21 CHAIRMAN FARRELL: Thank you.

22 Barbara Zaron, president, OMCE. This
23 is the 3 o'clock show.

24 MS. ZARON: Hello.

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1 CHAIRMAN FARRELL: Haven't seen you in
2 a couple of days.

3 MS. ZARON: Yes, I know. I'm glad to
4 see you again.

5 And with me is Joe Sano, our executive
6 director.

7 SENATOR FARLEY: I knew him when he
8 was a pup.

(Laughter.)

MS. ZARON: Good afternoon. Thank you for staying the course with us and still having the energy and the interest to listen to us.

I'm going to try to be brief. First of all, we want to thank Assemblyman Farrell, Senator DeFrancisco, members of the committee, first for allowing us to talk to you on behalf of OMCE and the state's M/C employees about the Governor's budget and the ongoing lack of attention to treating M/Cs fairly.

We thank you for being our champions last year when we asked you to pass the M/C salary commission bill, which was much

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appreciated by M/Cs across the state and provided them a glimmer of hope that they were going to see their withheld salary increases.

As you know, that was not to be, since the Governor vetoed the bill. Interestingly, in his veto message, he said: "The overall salary structure for employees in public offices warrants a review and analysis to make it more fair to all state workers. This should be done within the context of the state budget." That's just what we are trying to do, with your help.

We met last fall with the Governor's

15 staff to discuss what they would be putting
16 in the budget. Their response was, "You're
17 right, we're not arguing with you, we just
18 don't have any money." So I don't know if
19 anything is going not budget.

20 Actually, the state saved about
21 \$500 million by not paying the M/Cs what has
22 been withheld from them since 2009. In
23 addition, there's probably another
24 \$200 million that has been saved as a result

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1 of the reduction of almost 2,000 M/C
2 positions since 2008.

3 And somehow there's money to hire
4 fellows. There are about 94 fellows on the
5 payroll at this time, making between \$60,000
6 and \$72,500 a year. And they're asking for
7 more, so that they'd be authorized to have
8 230 of them on the payroll. And these folks
9 are supposed to be doing policy work, and
10 that's what M/Cs are on the payroll to do.

11 Career civil service M/Cs used to do
12 the work that's now being done by somebody
13 else. And actually they could still be doing
14 it if there were enough of them around.

15 Hiring of high salary appointees
16 doesn't appear to be diminished either.
17 These are just examples, but clearly there is
18 money available. It's just not being used to
19 pay the outstanding debt to the career M/Cs.

20 So, lo and behold, we've had

21 discussions with Senator DeFrancisco and with
22 Assemblyman Farrell. And just last week
23 Senator DeFrancisco introduced a bill, Senate
24 6571, which will provide for changes to the

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1 salary and benefits for M/C employees. And
2 we know that Assemblyman Farrell is working
3 on introduction of the bill in the Assembly.
4 And we thank them.

5 what this would do is bring the
6 salary, the M/C salary structure up to where
7 it would be had the withholdings not taken
8 place in 2009-2010 and continued up until
9 today.

10 So the real question is we have a lot
11 of things going on, there are a lot of
12 reports in the press lately about staff in
13 certain agencies having their salaries
14 supplemented by other funds. Some agency
15 heads we know are paid out of several
16 different sources. They're setting up
17 duplicate organizational structures in
18 certain agencies.

19 The career M/Cs are asking, why can't
20 I get the one salary that the law says I'm
21 entitled to have, when all of this other
22 stuff is going on? We think some of these
23 things could use some real serious oversight
24 and investigation.

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1 So anyway, back to the chronology.
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2 when the budget was released in January, we
3 looked to see, where's the money? we found
4 nothing.

5 So Budget Division staff have told us
6 that the scheduled 2014 increases for M/Cs
7 are in the budget. You can't identify them,
8 because those funds are not separately
9 identified. But we take them at their word
10 that the money is in there.

11 The real question is, is it going to
12 be paid in April of 2014 as the statute
13 requires? I don't know the answer to that.
14 That would be a wonderful step in the right
15 direction.

16 But M/Cs would still be 7.12 percent
17 behind their coworkers if all they get is the
18 scheduled 2014 payment. We've tried to meet
19 with the Governor's staff to request
20 submission of a budget amendment, so far to
21 no avail.

22 But Senate 6571 would actually address
23 this issue and would provide that the salary
24 schedule, effective April 1, 2014, would

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1 include the withheld percentages from
2 2009-2010 and also include the scheduled 2014
3 percentages.

4 Now I'll just pause with a bit of good
5 news. Just yesterday DOB released the budget
6 bulletin to provide for payment of fiscal
7 year 2014 M/C performance advances in

workforce2014.txt

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longevity payments, which will be done in

2014. The payments will be made on 10/1/14 and 10/1/15 when

14 Secondly, passage post-budget of the
15 M/C salary commission bill to ensure that
16 there's an objective, nonpartisan, neutral
17 body to review and recommend a fair and
18 equitable M/C compensation system. Even if
19 the bill is included in the budget and the
20 instant problem is resolved, the M/C
21 compensation system has been so completely
22 broken that we think that we still need to
23 have a neutral entity to look at it and make
24 recommendations on what a reasonable

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1 situation should be.

2 So we ask your action to include
3 Senate 6571 and the Assembly counterpart in
4 the 2014-2015 budget, and to pass the M/C
5 salary commission bill again to ensure
6 fairness and equity in the future.

7 And I'll just point out that there are
8 several other proposals that we're working on
9 that we will be discussing at a later date.

10 I'm going to change subjects. The
11 Governor's budget proposes to eliminate state
12 reimbursement of the additional monthly

13 Federal Medicare Part B premium paid by

20 already this afternoon about concerns about
21 the workforce. We also have serious concerns
22 about the continuing downsizing and
23 downgrading of the career civil service
24 workforce and the administration of the civil

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1 service system. M/Cs are the ones who
2 actually have to manage everything, and there
3 are constantly diminishing resources, not
4 only in terms of staff availability but
5 addressing nonpersonnel services, changing
6 organizational and program directions that
7 they have to deal with, in addition to the
8 ongoing work that has to get done and a
9 variety of other factors. And as we have
10 repeatedly said, the reward is to be
11 undercompensated for their work.

12 There's a statement we came across;
13 I'm going to leave it with you to ponder
14 upon. And this is a message that Governor
15 Mario Cuomo, in 1988, in his message to the
16 Legislature, said: "As an employer, the
17 state must ensure that its agencies have an
18 adequate supply of workers and managers with
19 the proper skills to provide high-quality
20 services. A long-term comprehensive
21 workforce planning strategy is necessary for
22 the effective recruitment, retention and
23 deployment of our employees."

24 Now we come up to this Governor Cuomo.

♀

1 we heard from Civil Service and OER that they
2 are working on workforce planning strategy,
3 on succession planning, on revising the
4 training programs. That's very nice. I have
5 to tell you, we haven't seen the evidence. I
6 look forward to seeing it, but so far we
7 haven't.

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And further, the Fiscal Policy
Institute points out in its 2014-2015 report:
"The modest overall reduction in state
government staffing reported in the 2014-2015
Executive Budget masks substantial cuts and
dislocations and comes on the heels of a 30
percent reduction in staffing between the
late 1980s" -- when Governor Cuomo the first
gave this message -- "and 2013."

So inadequate staff means inadequate
services. You've heard that this afternoon
already. We would suggest that we stop the
downgrading and downsizing of the career
civil service workforce and start seriously
reinvesting in a reinvigorated career civil
~~service workforce that has the resources to~~

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and will provide the people of the state the

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high-quality services they want, need and
deserve.

we will take any questions.

6 Any questions?

7 SENATOR SAVINO: I agree with you
8 totally.

9 MS. ZARON: Thank you.

10 CHAIRMAN FARRELL: Thank you.

11 By the way, I didn't mention that
12 Joseph Sano was sitting next to you, for the
13 record.

14 MR. SANO: Thanks, Assemblyman.

15 CHAIRMAN FARRELL: You do exist now.

16 (Laughter.)

17 CHAIRMAN FARRELL: Next, Paul Moore,
18 president, Retired Public Employees
19 Association, to close.

20 MR. MOORE: From the last-but-not-
21 least department.

22 Chairman Farrell, members of the
23 Senate Finance Committee and the Assembly
24 Ways and Means Committee, and my State

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1 Senator, Hugh Farley, I'm here on behalf of
2 the men and women who are retirees of state
3 and local governments in New York. To my
4 right is Ed Farrell, the executive director
5 of our agency.

6 And together we're going to talk to
7 you about three things that retirees bring to
8 New York State government, and then we're
9 going to talk to you about two things that
10 you can do to correct the inequities and
11 unfairness of the proposed budget, one of

12 which was already mentioned by Barbara Zaron
13 earlier, and we want to reinforce that in
14 your thinking.

15 First, we need to remind you just how
16 productive retirees are in New York. There
17 are approximately 400,000-plus state and
18 local government retirees in New York. Over
19 80 percent of them live here in New York
20 State. We pay \$1.4 billion annually in
21 property taxes -- and that's a
22 disproportionately high percentage. We pay
23 almost \$500 million in sales and use taxes.
24 We also contribute to the economy by spending

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1 close to \$11.1 billion and support over
2 61,000 jobs in New York State. These aren't
3 our numbers, they're from the State
4 Comptroller's office.

5 Finally, we remain vitally interested
6 in how the state is functioning, how
7 government is working, and we vote at a much
8 higher average than normal.

9 So that's who we are. The things that
10 we would like you to do for us in terms of
11 the inequity, we're deeply concerned about
12 the investment we've made in New York through
13 our sweat, our taxes, our investment and our
14 involvement. But inexplicably, the
15 Governor's budget contains language, as

18 break a commitment.

19 We had said that we would be delighted
20 to pay for the share of Medicare so the state
21 could save billions of dollars. In return
22 for that, the state was going to pay for the
23 cost that we to pay for this coverage. Now
24 that's being eroded. Language in the

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1 Governor's budget would require us to pay the
2 IRMAA payment. And it is also said that they
3 would not pay the new Part D prescription
4 drug portion, even though we are going to be
5 required to pay it, and that will save the
6 state additional hundreds of millions of
7 dollars.

8 So we ask you, like you did last year,
9 to remove that offensive language. It's a
10 very simple fix. And in the testimony that
11 I'll be providing you, we specifically show
12 you where in the budget that is.

13 The other thing that we ask you to do
14 is a little bit more convoluted, because the
15 Executive is doing this through executive
16 power rather than through legislation.

17 You may recall back in 2011, on the
18 last day or the second-to-last day of

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24 administratively shift healthcare costs onto

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1 retirees. We think that's patently unfair
2 and unjust.

3 And we would ask you to adopt language
4 that has support in both houses of the
5 Legislature. The bill number again is in the
6 testimony that I'll be submitting. It's a
7 bill from Senator Golden and from Assemblyman
8 Abbate. We would ask that you incorporate
9 that into the Executive Budget language.

10 These are the only two things that we
11 would ask you to do, and by doing so you can
12 improve the fairness and equity in the way
13 the state's retirees are treated. Remember,
14 we've given a lifetime of service to New York
15 State. We live here, we pay taxes here, we
16 buy things here, we're very involved in the
17 community. And we need your help, because
18 you're the only ones that can help us.

19 That's really all I have to say. It's
20 very simple. Any questions, I'll be happy to
21 answer them.

22 SENATOR FARLEY: I'm just going to
23 make a comment, Paul.

24 I want my colleagues to notice how

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1 many of my constituents are testifying. And
2 of course so many of your members are my
3 constituents. And of course I carried a lot
4 of your legislation for a lot of years too.

Workforce2014.txt

5 I'm very proud of what you're doing.

6 Ed, good to see you too.

7 MR. MOORE: Thank you, Senator. And

8 we appreciate your help over the years.

9 CHAIRMAN FARRELL: And it's over.

10 (Whereupon, the budget hearing concluded
11 at 5:55 p.m.)

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