

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON STATE AND FEDERAL LEGISLATION

----- X

May 29, 2015
Start: 10:19 a.m.
Recess: 12:43 p.m.

HELD AT: Committee Room - City Hall

B E F O R E:
KAREN KOSLOWITZ
Chairperson

COUNCIL MEMBERS:
Inez E. Dickens
Brad S. Lander
Rafael L. Espinal, Jr.
Ben Kallos
Alan N. Maisel
Antonio Reynoso
Vincent J. Gentile
Elizabeth S. Crowley
I. Daneek Miller
Mark Levine
Helen K. Rosenthal

A P P E A R A N C E S (CONTINUED)

Robert Linn
Commissioner
Office of Labor Relations

Ken Godiner
Associate Director
Office of Management and Budget

Dominic Williams
Chief of Staff to First Deputy Mayor

Dean Fuleihan
Budget Director
Office of Management and Budget

Sherry Chan
Chief Actuary
NYC Office of the Actuary

Gregory Zelikovsky
Actuarial Specialist
NYC Office of the Actuary

Patrick Lynch
President
Patrolmen's Benevolent Association

Steve Cassidy
President
Uniformed Firefighters Association

Peter Abbate
New York State Assembly

A P P E A R A N C E S (CONTINUED)

Harry Nespoli
President
Uniformed Sanitationmen's Association

Thomas Farrell
Legislative Chairman
Correction Officers' Benevolent
Association

Elias Husamudeen
Vice President
Correction Officers' Benevolent
Association

Robert Bishop
Legislative Representative
Sanitation and Corrections

2 CHAIRPERSON KOSLOWITZ: I now call the
3 meeting of State and Federal Legislation to order. I
4 want to tell everybody, please refrain from clapping;
5 if you're happy with what's being said, go like this
6 [demonstrating waving hands]; it saves time, and
7 we'll get the message.

8 Good morning. My name is Karen Koslowitz
9 and I am the Chairperson of the State and Federal
10 Legislation Committee. Today we will be discussing
11 the important issue of disability pension benefits
12 for benefits of the New York City Uniformed Services.

13 After the recent terrible incidents in
14 which officers Kenneth Healey and Rosa Rodriguez of
15 the Police Department and Danny Interlandi of the
16 Sanitation Department were seriously injured on the
17 job, elected officials and union leaders raised
18 concerns about the level of disability benefits these
19 men and women are currently entitled to under state
20 law. Today we will be examining this issue, as well
21 as the various proposals that have been put forth to
22 address it.

23 In June 2009, Governor David Paterson
24 vetoed a bill that would have extended the Tier 2
25 benefit plan for police and firefighters. The

2 practical effect of the veto was that it cemented
3 Tier 3 pension status for all new police and
4 firefighters hired. Persons hired under the new
5 pension tier plan pay a higher share of their salary
6 for benefits and receive less generous benefits than
7 persons in Tier 2.

8 In 2012, the New York State Senate and
9 New York State Assembly passed and Governor Andrew
10 Cuomo signed a bill that aligned all uniformed
11 workers, including sanitation and correction workers,
12 under benefit schedules similar to those police and
13 firemen receive in Tier 3 for disability pensions.

14 Disability pensions, particular
15 accidental disability pensions, represent one of the
16 starkest differences between Tier 2 and Tier 3
17 benefits. Generally speaking, under Tier 2 a
18 uniformed service worker that is injured on the job
19 is entitled to an accidental disability pension that
20 is equal to 75 percent of their final average salary
21 with no offset for Social Security Disability
22 Benefits. By contract, uniformed service workers in
23 Tier 3 that are disabled by injury on the job are
24 entitled to a pension of 50 percent of their final

2 average salary which is reduced by 50 percent of
3 Social Security Disability Benefits they receive.

4 One of the more serious consequences of
5 this is that if a Tier 3 member is disabled early in
6 his or her career, given the relatively lower
7 salaries of these younger members, their disability
8 pension ends up being low. The situation is quite
9 real for police officers Kenneth Healey and Rosa
10 Rodriguez and sanitation workers Danny Interlandi,
11 each of whom sustained serious injuries while
12 performing service to our city early in their
13 careers. It's no secret that pension obligations are
14 a serious budgetary issue for our and many other
15 cities across the nation. Pension contributions
16 represent a significant expenditure to our city's
17 budget. In Fiscal 2015, pension contributions
18 represent 11 percent of the budget; just two decades
19 ago, in 1995, pension contributions only accounted
20 for 4 percent of the budget. Escalating pension
21 costs pose a threat to the stability of the City's
22 present and future finances; two options have been
23 proposed -- State legislators have called for a
24 return to Tier 2 for the disability pension benefits
25 of uniformed service workers; the Mayor has proposed

2 a fix that would address the problem for uniformed
3 service members that are injured early in their
4 careers but that would leave all other members with
5 Tier 3 benefits. My goal for this hearing is to
6 examine these various proposals, all of which are
7 designed to address the serious disability pension
8 issues facing our uniformed services workers.

9 And now I would like to introduce someone
10 who has been [background comment] at the forefront of
11 this issue for a very long time, and that's my
12 colleague, Elizabeth Crowley.

13 COUNCIL MEMBER CROWLEY: Thank you,
14 Chairperson Karen Koslowitz, thank you for your
15 leadership and having this hearing today.

16 Good morning. My name is Elizabeth
17 Crowley and I am the Chairperson of the Fire and
18 Criminal Justice Services Committee here at the
19 Council. Today we will hear a resolution I sponsored
20 which calls on the State to pass legislation that
21 would give parity among different disability pension
22 tiers of uniformed workers; 39 of my colleagues have
23 also signed on to this resolution, so this is a long-
24 awaited hearing, as we've had a super majority since
25 January. Currently any uniformed service member

2 hired after 2009 injured in the line of duty receives
3 a disability pension of only 50 percent of their
4 salary and a reduction of any Social Security
5 benefits, whereas members hired prior to 2009
6 received 75 percent of their salary with no Social
7 Security deduction. This is a two-tiered system,
8 which is simply unacceptable. Emergencies do not
9 happen in tiers. A raging fire does not know and
10 does not care if you are Tier 2 or Tier 3; every
11 responder arrives on the same scene, takes the same
12 risks and deserves the same disability benefits.

13 When our uniformed officers risk
14 everything for the safety of New Yorkers, we owe it
15 to them, the assurance to their families that god
16 forbid anything happens this city will take care of
17 them. Sadly, thousands of new uniformed officers
18 lack this critical benefit and there is no excuse for
19 this; we as a city are experiencing good fiscal
20 times, we have a very large budget surplus, planning
21 to expand many programs and to roll an overall
22 savings surplus into the next fiscal year. If we as
23 a city are in good fiscal times, then we should not
24 try to find savings on the backs of our emergency
25 workers.

2 I'd like to thank again Committee
3 Chairperson Karen Koslowitz and all those who work on
4 the State and Federal Legislation for your attention
5 to this very important issue. I look forward to a
6 productive dialogue and ideally, eventually,
7 hopefully very soon, passing a benefit package that
8 is equal and fair to all of our uniformed workers.
9 Thank you.

10 CHAIRPERSON KOSLOWITZ: That's it; you
11 got it. [laughter]

12 I'd like to introduce the Council Members
13 that have joined us; first I'll introduce the ones
14 that are on the Committee and then those that
15 graciously joined us today. Rafael Espinal, Council
16 Member; Brad Lander, Council Member; Council Member
17 Ben Kallos and Council Member Antonio Reynoso;
18 Council Member Vincent Gentile; Council Member Daneek
19 Williams [sic] and Council Member Elizabeth Crowley.

20 And now I'd like to call up Robert Linn
21 -- you're all sitting there, Dominic Williams and
22 Dean Fuleihan. You can begin. [background comments]
23 Who? [background comments]

24 ROBERT LINN: Now I'm on. [laughter]
25 Okay. Shall I begin?

2 CHAIRPERSON KOSLOWITZ: Yes.

3 ROBERT LINN: Thank you, Chair Koslowitz,
4 Chair Crowley and members of the Committee for giving
5 us an opportunity to speak today.

6 I did want to mention -- I guess you have
7 to some extent already, but I am with Dean Fuleihan,
8 the Budget Director, sitting next to him is Ken
9 Godiner from OMB and to my left, your right is Dom
10 Williams, Chief of Staff to the First Deputy Mayor.

11 I would also like to say that in
12 testifying today I do want to state my office, the
13 administration's view of the importance of the
14 workers involved in this conversation today; that I
15 wanna begin that we have, in labor negotiations with
16 all of the members in this room, all of the union
17 leadership in this room, we've reached a number of
18 labor settlements and it's with the ultimate respect
19 for those workers and what they do and the sacrifices
20 that they are involved in, we heartily wanna say a
21 real positive regard for all of what they do.

22 I also wanna say that as you know, when
23 the administration arrived in January of 2014 we had
24 no labor settlements with any of our workers and we
25 have spent the last 16 months working in a

2 collaborative, respectful relationship with the
3 leadership of unions so that we now have 73 units
4 settled and 80 percent of the workforce under labor
5 agreement, and so this has been an administration
6 that has inherited a lot of issues and we have moved
7 through the labor issues one by one and it is my hope
8 that we complete moving from 80 percent to 100
9 percent in the not-so-distant future, but our effort
10 has been one of a respectful dialogue with our
11 workers and with the leadership of our workers to
12 solve problems in a way that was mutually acceptable
13 to both sides, and the agreements we have reached
14 have been ratified overwhelmingly by the membership
15 of those unions and I'm very proud of that work.

16 Another thing that we inherited was the
17 Tier 6 pension legislation and so this is not --
18 we're all in a room of nothing of our doing of this
19 administration is yet another problem we need to sort
20 through and I believe that in the same approach to
21 trying to solve problems as we deal with them, on a
22 case by case matter and trying to solve each of those
23 problems in a respectful and efficient and effective
24 way, that is what we're bringing you today. We
25 believe that specific problems were brought to us

2 were expressed by the police and fire unions and we
3 believe that we've come up with an approach that
4 exactly responds to the issues that you mentioned,
5 Chairman Koslowitz and we believe that they have
6 mentioned and that our proposal is to deal exactly
7 with the problems that you've spoken about and that
8 they have presented to us. So we hope that you will
9 give a very fair hearing to what we're proposed; we
10 bring it in total good faith, seeking to deal with an
11 issue that we believe is real and seeking to do it in
12 a way that is fair to the public, to the taxpayer and
13 fiscally reasonable.

14 So with that, as I said, when it comes to
15 our uniform workers, the bottom line is that safety
16 is paramount. These public servants risk their lives
17 every day to protect the City and we must ensure that
18 the City is protecting them after a tragic injury.

19 This is why this administration has
20 proposed a change to disability benefits for
21 uniformed employees that will meaningfully increase
22 the support these workers receive if they're disabled
23 on the job, and I look forward to explaining these
24 proposals here today.

2 Pensions for New York City uniformed
3 forces are currently some of the most expensive in
4 the country; the costs to the City are over twice the
5 national average for police and fire [background
6 comments] and probably over one-and-a-half times, or
7 about one-and-a-half times the average of the cost of
8 police and fire in New York State.

9 Over the last several years the State has
10 passed pension reforms to attempt to control the
11 costs of these benefits; ultimately, including the
12 passage, as you mentioned, of the 2012 Governor
13 Cuomo's Tier 6 legislation.

14 Sweeping reform, specifically for city
15 workers, generally requires longer service and higher
16 employee contributions for new hires. Tier 6 reform
17 also applied the same benefits to all four city
18 uniformed forces -- police, fire, sanitation;
19 correction. And let me make clear, the nature of
20 pension reform throughout the history of this city
21 has been creating new pension tiers for new workers,
22 protecting, as constitutionally required, the
23 pensions for those who already receive those
24 pensions, and the nature by necessity is that Tier 2
25 benefits were less good than Tier 1 benefits; Tier 3

2 were less good than Tier 2; workers would work side
3 by side with different pension benefits; that is the
4 only way that the escalating costs of pension
5 benefits could ever be gotten under control, and what
6 we see all around the country is a tier after tier
7 being implemented and we see city after city under an
8 incredible burden of pensions and retiree benefits
9 that they simply can't afford, and that's why I think
10 it is so critical, so very critical that when we look
11 at particular problems we make sure that we deal with
12 them as efficiently and effectively as possible and
13 that's exactly what we're here today to be
14 presenting.

15 So the pension benefits of Tier 6 still
16 provide income replacement for retirees and
17 protection for employees who become disabled while
18 taking measures to reduce the previously
19 unsustainable cost of pensions.

20 Last year Governor Cuomo vetoed
21 legislation that would have allowed members of public
22 retirement systems to purchase credit for military
23 service rendered during peacetime; writing in his
24 veto message that the bill "would run roughshod over
25 systematic reforms carefully negotiated with the

2 Legislature to avoid saddling local property
3 taxpayers with additional unmanageable burdens." The
4 Governor continued by writing that the bill
5 explicitly throws pension reforms to the wind and
6 seeks to enhance existing pension arrangements by
7 imposing substantial unfunded mandates on localities.
8 That bill would've cost less than the current Albany
9 Bill S-5596, making the point stated in the
10 Governor's veto message even more poignant. The
11 Albany bill would undermine the most significant
12 pension reform in over 30 years and subject New York
13 to unsustainable fiscal implications would impinge on
14 our ability to deliver vital services.

15 However, we do know that the current law,
16 which has been in effect since 2009, been in effect
17 for six years for police and fire, we know that under
18 the current law some recently hired employees who
19 become severely disabled would wind up with very
20 modest city-provided pension benefits, and that is
21 why we come here to address that issue. The City has
22 proposed a bill, A-7854; to directly address the
23 disability pensions of more recently hired employees
24 who are severely disabled, which I am here today to
25 testify.

2 Now I believe that there is a modified
3 version of the bill before you that is currently
4 undergoing a fiscal review and there should be a
5 fiscal note early next week, I believe, and I'm gonna
6 talk about that substitute bill that will be before
7 you in a couple of days.

8 That bill would modify the current law
9 with respect to disability pensions by offering new
10 employees the choice at hire and incumbent employees
11 the choice of retirement of the current Tier 6
12 disability benefit or a new benefit that changes the
13 Tier 6 disability. The changes will more fully
14 protect uniformed public servants who more recently
15 joined city service and are injured on the job and
16 allow them and their families to receive much needed
17 support; this would change the way disability benefit
18 calculations are made in three significant ways; let
19 me describe those ways.

20 The new benefit would be based on the
21 higher of the basic maximum salary or the actual
22 salary of the employee. This is specifically
23 designed to address the concern that workers with
24 fewer years of service who are still in the lower
25 portion of the salary progression and are receiving

2 modest disability benefits, we wanna fix that and for
3 example, a police officer disabled on the second year
4 of the job would now receive a pension benefit based
5 on the basic maximum for the salary instead of the
6 lower actual salary that officer was receiving.

7 The new benefit would no longer be
8 reduced by the amount of Social Security benefits
9 that the employee would receive. Currently under
10 Tiers 3 and 6 disability benefits are reduced by half
11 of the Social Security benefits received; our change
12 is specifically designed to address those employees
13 who are severely injured and therefore would qualify
14 for Social Security Disability Insurance, known as
15 SSDI. Eliminating the reduction for benefits who
16 receive SSDI will increase the disability pensions of
17 severely injured employees by thousands of dollars
18 and thereby provide greater income support for those
19 most in need.

20 The post-retirement cost of living
21 adjustment, COLA, would be returned to the COLA under
22 the old retirement system for uniformed forces, which
23 is the same COLA enjoyed by the rest of the
24 workforce. This proposed bill would maintain the
25 tax-free treatment of the disability benefits that

2 existed in all pension tiers. This targeted bill
3 will dramatically increase the support those recently
4 hired workers receive if they're disabled on the job,
5 especially those who are severely injured and provide
6 them and their families with the vital support they
7 need. It specifically addresses the concerns that
8 have been raised about the existing structure,
9 providing these additional protections for our
10 uniformed workers without rolling back critical
11 reforms to our pension system to protect the
12 taxpayer.

13 And let me talk specifically about the
14 arguments that were made. In arguing for a change of
15 the existing structure, the UFA has raised the issue
16 of the level of disability benefits received by a
17 newly hired firefighter who is seriously injured.
18 The City's bill fully addresses the situation,
19 indeed, by using the basic maximum salary and
20 eliminating the Social Security offset, this bill is
21 intended to increase the disability benefit of a
22 seriously injured newly hired employee. Under this
23 bill, a firefighter injured in the first year of the
24 job will receive a higher benefit than they would

2 have received under Tier 2 and far more than under
3 the existing Tier 6.

4 Similarly, the PBA has advocated for
5 pension reforms by using the example of a recently
6 hired police officer who is seriously injured in a
7 fire, the benefits this police officer would receive
8 under our proposed legislation would be approximately
9 equal to those this officer would've received under
10 Tier 2.

11 The City's proposed bill accomplishes
12 these objectives at a cost of \$47 million through
13 Fiscal 19. In comparison, with the alternative being
14 offered, which would cost \$400 million through Fiscal
15 19 for all four uniformed agencies, or \$342 million
16 just for police and fire. The dramatic increases in
17 costs of up to \$400 million through FY19 would do
18 much to undo the efforts made by the Legislature to
19 control pension costs.

20 In contrast, our proposed reforms
21 accomplish the goal of aiding shorter service
22 workers, let me emphasize that. We looked at the two
23 examples proposed by the Police Union and the Fire
24 Union and our proposal does at least as much if not
25 more as rolling back of the legislation.

2 So in contract, our proposed reforms
3 accomplish the goal of aiding shorter service workers
4 without rolling back vital reforms to our pension
5 system to protect the taxpayer, reforms that the
6 Legislature itself passed and the Governor signed
7 only a few years ago. I hope the Council will join
8 us in supporting this vital proposal that will
9 protect the brave public servants who put their lives
10 on the line every day to protect us while also
11 protecting the long-term fiscal health of our city.
12 Thank you.

13 [background comments]

14 CHAIRPERSON KOSLOWITZ: Who's... Who's
15 next? Who wants to go?

16 ROBERT LINN: I think that's all... that's
17 the state... that's the statement... [crosstalk]

18 CHAIRPERSON KOSLOWITZ: That's it? Good.
19 Thank you. I wanna make a correction before we
20 continue. I introduced my colleague as Daneek
21 Williams; I want you to be very famous, you know.

22 ROBERT LINN: This is a merger.

23 CHAIRPERSON KOSLOWITZ: His name, as
24 everybody knows, is Daneek Miller.

25 I'd like to ask some questions.

2 ROBERT LINN: Sure.

3 CHAIRPERSON KOSLOWITZ: This
4 administration has prided itself on having a new,
5 more respectful relationship with labor. We realize
6 that pensions are not a subject of collective
7 bargaining; even so, it is clear that Tier 3 and Tier
8 4 pensions are a concern for parts of organized
9 labor. Have there been discussions with the unions
10 on this issue at all?

11 ROBERT LINN: So actually, under The
12 Taylor Law pensions are precluded, we are not allowed
13 to talk about pensions in collective bargaining under
14 the New York State Taylor Law; that doesn't mean that
15 the parties don't informally have conversations
16 around what they could jointly support and there have
17 been some conversations, but I think it's clear that
18 we have sought to pinpoint the issues that have been
19 raised, and that has not met with the acceptance of
20 the unions to this point.

21 CHAIRPERSON KOSLOWITZ: Okay. Has the
22 administration alternative pension proposal been
23 discussed at all, the new proposal, anybody?

24 ROBERT LINN: They've been presented to
25 the unions.

2 CHAIRPERSON KOSLOWITZ: Excuse me?

3 ROBERT LINN: They have been presented to
4 the unions, our proposal.

5 CHAIRPERSON KOSLOWITZ: Okay. The
6 Council understands the administration's proposal
7 intentionally included -- unintentionally, my glasses
8 are not working today -- unintentionally included a
9 clause that would make benefits worse for some
10 categories of workers; what steps is the
11 administration taking to remedy this and what's the
12 timeline?

13 ROBERT LINN: So I think, as I mentioned
14 to begin with, we are submitting a substitute bill
15 that I think the fiscal note should be with you early
16 next week and that gives the ability for employees to
17 opt into either the old Tier 6 or the new proposal.

18 CHAIRPERSON KOSLOWITZ: Or the new...

19 ROBERT LINN: Yes. Yes.

20 CHAIRPERSON KOSLOWITZ: And what would
21 disability pensions for members of the uniformed
22 services who are injured early in their careers look
23 like under the corrected proposal?

24 ROBERT LINN: Well as I described,
25 employees who -- the two examples that each unions...

2 each union presented a proposal and each of those two
3 examples, our proposed bill would provide at least as
4 much as Tier 2.

5 CHAIRPERSON KOSLOWITZ: Okay. I wanna
6 introduce people that have joined us; Council Member
7 Inez Dickens. With that I'd like to call on some of
8 my colleagues, Council Member Brad Lander for
9 questions.

10 COUNCIL MEMBER LANDER: Go ahead and let
11 other members go first; I apologize; I have a few,
12 but you can start with [background comment].

13 CHAIRPERSON KOSLOWITZ: Okay. Ben
14 Kallos.

15 COUNCIL MEMBER KALLOS: I'll also pass.

16 CHAIRPERSON KOSLOWITZ: Elizabeth
17 Crowley.

18 COUNCIL MEMBER CROWLEY: Yes, thank you.

19 CHAIRPERSON KOSLOWITZ: We knew she
20 wouldn't pass.

21 [laughter]

22 COUNCIL MEMBER CROWLEY: Thank you,
23 Commissioner Linn and the administration for being
24 here today, and Mr. Linn, for your commitment to
25 resolving many of these outstanding labor contracts,

2 but as you said in your own testimony, that the
3 resolution we're considering today is not negotiated
4 with you necessarily in the room; it's law, there's a
5 State bill right now which has the Governor's
6 support, the State Senate support; it has the
7 Assembly's support, as well as 39 of my colleagues;
8 39 plus me is 40, which is six more than needed if
9 the Mayor was to veto this bill. You talked of some
10 other substitute bill, but it's not before us; how
11 could we even consider that today? Where is your
12 substitute bill?

13 ROBERT LINN: The substitute bill is
14 currently getting a fiscal note and I understand will
15 be before you by Tuesday. Is that right... earliest...
16 [crosstalk]

17 COUNCIL MEMBER CROWLEY: Has the Mayor
18 not had enough time? I mean he's known that the
19 Council has had a super majority on this bill since
20 January... [interpose]

21 ROBERT LINN: I think...

22 COUNCIL MEMBER CROWLEY: nearly five
23 months ago.

24 ROBERT LINN: I... I... with all due respect,
25 I think that the reason for the substitute bill was

2 we submitted a bill, questions were raised by Council
3 Members and that we thought that there were issues we
4 should address and the new bill will substitute for
5 it.

6 COUNCIL MEMBER CROWLEY: The majority of
7 my colleagues, myself, the rest of the elected
8 officials in the entire state believe that the
9 current tiered system is not fair. Emergency workers
10 throughout the State, outside of New York City, have
11 better benefits. Do you think that's fair?

12 ROBERT LINN: Let me address that in a
13 couple of ways. First of all, I believe that the
14 benefits throughout the State are different from
15 ours; they are different... [interpose]

16 COUNCIL MEMBER CROWLEY: Yes, they're
17 better, they're fair.

18 ROBERT LINN: No. No. No... no... no... no,
19 they are different; that there is a lot of... there's a
20 separate tier of disability benefit in the State;
21 there are very complex issues in terms of pension
22 reform that are broad and I have to say I've been
23 involved in the City for a number and then left for
24 24 years and then returned after that; there is a
25 constant effort every time there is pension reform of

2 workers saying it's unfair, that the workers are
3 working side by side with other workers... [crosstalk]

4 COUNCIL MEMBER CROWLEY: Right.

5 ROBERT LINN: who receive a lesser
6 benefit, and that is always the case, always will be
7 the case, as long as the only way you can change
8 pension benefits and get control of pension benefits
9 are prospectively impacting new hires. So the
10 question then is; we have been given a Tier 6 pension
11 benefit and this was not something that we initially
12 were part of, it was the law that was presented to
13 us. We believe that given the overall set of
14 benefits that have lots of -- disability is part of
15 an overall benefit structure -- we believe that
16 overall, given the problem we were presented, that
17 our proposal does an excellent job dealing with the
18 issue of new hires who become disabled and that was
19 exactly the problem that was presented and we think
20 that it is appropriate given that the problem looked
21 at those employees; let's deal with that now, let's
22 move forward with that now; that doesn't mean that
23 there won't be issues to discuss in the years to
24 come, but the particular issue that was presented to

25

2 us we have grappled with and we think we have
3 adjusted appropriately.

4 COUNCIL MEMBER CROWLEY: Commissioner,
5 you mentioned workers throughout the State always
6 saying that their pension is not fair; this is not
7 workers saying that alone; it's nearly the entire
8 body of the City Council and almost every single
9 elected official in the State, yet our mayor doesn't
10 agree. I wanna ask questions about your model, but I
11 don't even think it's fair for us to consider your
12 model because we do not have a copy of it.

13 ROBERT LINN: You have a copy of the bill
14 that all that is different in the new bill is the
15 ability to opt out for incumbents and new hires.

16 COUNCIL MEMBER CROWLEY: I've heard that
17 your bill takes a very bad situation of unfairness
18 and makes it even worse.

19 ROBERT LINN: So I don't know who you've
20 heard that from, but I think it's just not true.

21 COUNCIL MEMBER CROWLEY: I see that your
22 bill, and I think you said the bill would save money
23 in the long run compared to the current tier system.

24 ROBERT LINN: No, it costs \$48 million,
25 \$49 million more... [crosstalk]

2 COUNCIL MEMBER CROWLEY: Does your... Does
3 your bill have benefits going down for members who
4 work in the line of service after six years? Does
5 the pension benefit decline?

6 ROBERT LINN: Pension benefit does not --
7 There's an adjustment to the COLA for workers who opt
8 into this provision.

9 COUNCIL MEMBER CROWLEY: Please tell me
10 what the difference between the adjustment COLA is
11 from your plan to the existing plan.

12 ROBERT LINN: Why don't I have... which of
13 the two of you; Ken?

14 [background comments]

15 KEN GODINER: Okay. The difference is
16 that under the current law, the COLA is what is
17 called escalation; it is essentially a capped CPI of
18 3 percent, [background comments] on the entire
19 salary... on entire pension. Under the existing law
20 there is a floor of 1 percent per year, a cap of 3
21 percent a year and on the... [crosstalk]

22 COUNCIL MEMBER CROWLEY: Wait; am I
23 hearing that right? You take 3 percent and you
24 reduce that to 1 percent and that's not a reduction
25 of benefits...? [crosstalk]

2 KEN GODINER: No... No, that's not, that's
3 not correct. No, the difference is that under the
4 current law there is no floor; of what we're
5 proposing, there's a floor of 1 percent, okay; a cap
6 is the same at 3 percent; the amount of CPI under one
7 is full CPI; the other is... under the proposed it's
8 half CPI. So the outcome depends significantly on
9 what the CPI is in a given a year.

10 COUNCIL MEMBER CROWLEY: Is there a
11 reduction in what is currently in the pension
12 disability plan for the COLA in your new plan or your
13 proposed plan...? [crosstalk]

14 KEN GODINER: It depends on the... As I
15 said, it depends on what the CPI would be for a given
16 year. Over the last 12 months CPI has been negative,
17 the change. So in that case, clearly the... what we
18 are proposing would be higher; it doesn't mean that
19 that would be frequent, you know, but it depends on
20 the outcome of... [interpose]

21 COUNCIL MEMBER CROWLEY: What is the
22 average COLA over the past 10 years?

23 KEN GODINER: This bill...

24

25

2 COUNCIL MEMBER CROWLEY: I'm just talking
3 about the average COLA, Cost of Living Increase..
4 [crosstalk]

5 ROBERT LINN: Two to... Two to three
6 percent.

7 COUNCIL MEMBER CROWLEY: Which is greater
8 than 1 percent.

9 ROBERT LINN: Yes. Yes.

10 COUNCIL MEMBER CROWLEY: Okay. So then
11 your bill reduces a benefit.. [crosstalk]

12 ROBERT LINN: But the employees have.. the
13 employees have the ability.. will have the ability to
14 opt into our bill or not.

15 [background comments]

16 CHAIRPERSON KOSLOWITZ: Council Member
17 Miller.

18 COUNCIL MEMBER MILLER: Thank you, Madame
19 Chair. Good afternoon to the panel, good morning and
20 I have a few questions here.

21 First of all, what would you attribute
22 the dramatic differences in costs and the benefits
23 and the proposed benefits from the union side and
24 what the administration has proposed?

25

2 ROBERT LINN: I would say there were a
3 number of disability retirements late in careers in
4 both of the unions, some more than others, that
5 generally would drive the costs that would not be
6 adjusted under this, but that was exactly what was
7 legislated into 2009.

8 COUNCIL MEMBER MILLER: So in terms of
9 the actuarials, is it in fact as it was implied, that
10 the initial actuarials were based on numbers that
11 would certainly include those disabled during 9/11?

12 ROBERT LINN: I didn't do the actuarial
13 analysis; I don't know. We were dependent on the
14 Office of the Actuary. So I was not the one that did
15 it; I don't know... did... you know? [background
16 comment]

17 KEN GODINER: Nobody who was in service
18 on 9/11 would be in Tier 2; I mean, would be in
19 anything other than Tier 2.

20 [background comments]

21 COUNCIL MEMBER MILLER: So you do an
22 actuarial based on previous years, right, and so what
23 previous years were they based on?

24 ROBERT LINN: Do we know?

25

2 KEN GODINER: I'm not sure I understand
3 the question.

4 COUNCIL MEMBER MILLER: So when we
5 evaluate what the cost is going to be, obviously an
6 actuarial is necessary that's based on the previous
7 experience, what previous experience; what body of
8 work is that based upon?

9 KEN GODINER: Probably when you have the
10 actuary up they'll be able to give you a better
11 answer, but essentially they have a set of actuarial
12 assumptions that the use for all of these purposes
13 based on a combination of a larger period of
14 experience and the actuary's sort of analytical
15 approach to what they think the future's gonna look
16 like, but I think the actuary's gonna testify, so
17 probably let her do it.

18 ROBERT LINN: Yep.

19 [background comments]

20 DOMINIC WILLIAMS: I just wanna clarify;
21 there... I feel like there are two questions that you
22 asked... [crosstalk]

23 CHAIRPERSON KOSLOWITZ: Can you please
24 state your name?

25

2 DOMINIC WILLIAMS: Dominic Williams from
3 the Mayor's Office. There are two questions that you
4 asked; the first one was about what drives the
5 difference in cost and then the second one was how do
6 you do the sort of actuarial scoring of that cost and
7 you asked about 9/11 specifically.

8 COUNCIL MEMBER MILLER: To be honest, the
9 first question was; how do you justify the disparity
10 in the... [crosstalk]

11 DOMINIC WILLIAMS: Okay. So on the first
12 question of the change in the cost, the driver of
13 what we are doing here, is we are fixing a problem by
14 finding a way within the current tier system to
15 increase the benefit for people who are injured early
16 in their careers and who lots of people have pointed
17 out and the laborers pointed out and elected
18 officials have pointed out, that leads to a modest
19 benefit. That's the difference in cost; the fact
20 that we are not increasing the benefit across the
21 board is the reason that our benefit on the model
22 that we've done costs that \$49 million as opposed to
23 the full \$400 million over the four-year term.

24 On the actuarial question, the way it
25 will work is; you will have the historical

2 assumptions that you can make about all of the
3 different kinds of things that happen that cause
4 people to go out on disability and then from that you
5 can project forward, here's what you're going to see
6 in the future from people taking disability, and then
7 you take into account additionally the populations
8 that you have that would be going out on disability
9 and what the specific, you know rules are and
10 governance that they have that allow them to go on
11 disability. So for example, you'd take into account
12 there is a pool of people who are currently covered
13 by the World Trade Center set of bills and they're in
14 a specific population; if a person is accounted for
15 by that and that's the reason that they go out on
16 disability, you wouldn't take the assumption of
17 people who are on World Trade Center bill as part of
18 the actuarial calculation. If you do a change to you
19 know something, whether it's like heart presumptions
20 or other presumptions, that's taken into account in
21 the analysis.

22 COUNCIL MEMBER MILLER: Okay. Thank you
23 for that; I'm not so sure that's what I was looking
24 for or what I asked, but [bell]... I'm sorry; can I get
25 a little... and just so you know, that I was... my

2 previous life I was a business agent and union
3 president in part of Tier 6 negotiations, a part of
4 Tier 5 negotiations, so I am well-versed in these
5 things, but I wanted you to explain to others that
6 may not know and have that opportunity.

7 Is there an additional contribution to
8 those new employees for this proposed pension?

9 ROBERT LINN: No.

10 COUNCIL MEMBER MILLER: There is no
11 pension contribution at all...? [crosstalk]

12 ROBERT LINN: No additional contribution.

13 COUNCIL MEMBER MILLER: No additional
14 contribution. So they are opting in to just having
15 what you say is a better pension at no cost, to the...

16 DOMINIC WILLIAMS: There's no additional
17 contribution; they're making a choice of two benefit
18 structures; we are proposing a benefit structure that
19 actually provides more benefit earlier and that's the
20 trade-off that we're making.

21 COUNCIL MEMBER MILLER: And does that put
22 a cap on the deferred compensation?

23 ROBERT LINN: No.

24 COUNCIL MEMBER MILLER: So what they
25 receive going out will not be capped as opposed to

2 what previous tiers or what the other benefit will
3 allow for?

4 ROBERT LINN: Whatever the rules are
5 under Tier 6, we're not changing any of them.

6 COUNCIL MEMBER MILLER: Okay. Thank you.

7 CHAIRPERSON KOSLOWITZ: Council Member
8 Kallos.

9 COUNCIL MEMBER KALLOS: Thank you to our
10 Chair, Karen Koslowitz and to Council Member
11 Elizabeth Crowley for sponsoring this resolution and
12 leading 40 of us on this issue, as well as the
13 uniformed service members who are here with us today
14 for all that you do every day to keep us all safe and
15 keep our city running. None of us have to risk our
16 lives every day; you do; thank you.

17 During the Preliminary Budget, I raised
18 questions regarding our city's ability to pay debt
19 service, pensions and retiree health obligations; at
20 the time I was told everything was fine; it was
21 actually reported in capital; however to quote
22 Moody's, "High and growing burden from debt service
23 pension retiree healthcare cost is a challenge." We
24 currently pay more than 10 percent of our expense
25 budget, \$8 billion on debt service every year and

2 I've advocated for prepayment, defeasement and
3 staying away from our debt ceiling and yet the
4 Executive Budget has a capital budget that increased
5 from the Preliminary of roughly \$68 billion; this is
6 off the top of my head; you can correct me if I'm
7 wrong, to over \$80 billion. While our debt service
8 is something we can do something about, our pension
9 costs are largely fixed prior obligations and we
10 can't balance our budget on the backs of our City
11 employees, let alone our heroes as they retire or
12 become disabled. This is actually indicative of a
13 business model that brought me into politics; I was
14 on the GM bankruptcy for Delphi when they spun off
15 all of their failing businesses into Delphi and then
16 went after the pension obligations, and that's
17 private sector and that's an indication of everything
18 that's wrong with America right now and we can't be
19 doing the same thing, so can we use our billions and
20 billions of dollars and budget surplus to support
21 parody for uniformed officers?

22 [background comment]

23 DEAN FULEIHAN: So a couple answers.
24 First, I don't recall ever saying that the retiree
25 health benefit liability was not of concern; of

2 course it's a concern, you have pointed out that the
3 total liability is \$90 billion; it is the reason that
4 together we reversed the decision of the prior
5 administration on a billion dollar rate from that
6 trust fund, it is the reason that together we put
7 another \$640 million into that fund at adoption; it
8 is the reason the Mayor is recommending in the
9 Executive Budget \$280 million more into that fund.
10 So we never would've made those investments with you
11 if we thought that there wasn't a liability we needed
12 to be concerned about; as you know, that would bring
13 our trust fund number to \$2.6 billion, which would
14 cover one year through 2018 of the Retiree Health
15 Benefit Trust Fund liability. The debt service on
16 the pension, you also know that we are not fully
17 funded on our pension system, but unlike other
18 municipalities around the country, we are on a
19 process to fully amortize that and to bring us to 100
20 percent because we recognize the importance to our
21 employees, the same way as Bob said, the Commissioner
22 said, the same way we have treated our workforce with
23 respect and move forward on now 80 percent labor
24 contracts with our workforce. So we recognize the
25 importance of that and we are amortizing over the

2 next 20 years to get to 100 percent, so we are
3 recognizing that payment and the commitment we need
4 to make to that payment.

5 On the debt service, you do know, and
6 many of your colleagues have talked about the capital
7 needs of the City, but it is also the reason that we
8 are being cautious and to put aside the \$500 million
9 for the very reasons that you've articulated, that we
10 need to be careful about our debt service so that we
11 can make sure that we meet those obligations.

12 ROBERT LINN: I wanna just add one thing.
13 A specific problem has been expressed over and over
14 again; that newly hired workers who are severely
15 disabled received an inadequate pension benefit;
16 we've fixed that, and I think that that ought to be
17 recognized that the problem that was brought and
18 discussed widely has been fixed by our proposal and
19 we think that is the appropriate move to make at this
20 point.

21 COUNCIL MEMBER KALLOS: So if I may have
22 one more question, though my time is expiring..
23 [interpose, background comment]

24 CHAIRPERSON KOSLOWITZ: ...that we'll do a
25 second round.

2 COUNCIL MEMBER KALLOS: so... sure, I just
3 want to follow up. So I guess the question is;
4 you're concerned about the liability for this [bell]
5 parody, but in essence, when we're talking about our
6 budget we could actually just take care of our debt
7 service and then that would alleviate some of the
8 additional funding that we need to take care of our
9 heroes, and similarly, unlike Delphi and GM, we can't
10 externalize our costs, so if we don't take care of
11 them through our pension disability system, then new
12 just end up having to pay for them out of our General
13 Welfare Funds. So in all ways we're paying, it's
14 just a question of but which budget line it comes out
15 of and who else is helping us pay.

16 DEAN FULEIHAN: Once again, the major
17 action of this administration has been the labor
18 settlement; the major devotion of resources has been
19 at that labor settlement and at no time are we saying
20 we're not paying our debt service.

21 CHAIRPERSON KOSLOWITZ: Okay, Council
22 Member Espinal.

23 COUNCIL MEMBER ESPINAL: Thank you, Chair
24 and thank you Liz for sponsoring this resolution.

25 How urgent is this to the administration?

2 ROBERT LINN: We think that this problem
3 should be solved and we've come forward with a
4 proposal that we think solves the problem,
5 [background comment] so it is important, it's very
6 important to us.

7 COUNCIL MEMBER ESPINAL: We have two-and-
8 a-half weeks left in the State legislative session,
9 you know, we have this resolution, the State supports
10 it, the Governor supports it, as Liz Crowley said
11 earlier, and you're saying that the administration
12 has a proposal, but we haven't seen the proposal;
13 what's the timeline on that proposal?

14 ROBERT LINN: You have seen a proposal,
15 an issue was raised and we are mending the proposal
16 to deal with the issue that was raised; you will have
17 that next week.

18 COUNCIL MEMBER ESPINAL: So next; giving
19 us a week-and-a-half before session is over..

20 [crosstalk]

21 ROBERT LINN: I think you know the
22 proposal, it's in front of you; the only issue that
23 is still not... you're getting a fiscal note upon is
24 the issue of the opt in and opt out and that was... we

25

2 responded to a concern and that's now gonna be in our
3 new provision, our modified provision.

4 COUNCIL MEMBER ESPINAL: Okay. Yeah, I
5 just wanna stress that important time as being the
6 session's over... [crosstalk]

7 ROBERT LINN: Yes.

8 COUNCIL MEMBER ESPINAL: and it's not
9 guaranteed that the Governor will call a special
10 session just to deal with this issue, so I think that
11 we should take the time very seriously and make sure
12 we get this done within the next two-and-a-half
13 weeks.

14 ROBERT LINN: We will. We will.

15 CHAIRPERSON KOSLOWITZ: Council Member
16 Lander.

17 COUNCIL MEMBER LANDER: Thank you, Madame
18 Chair and thanks for your patience before; I
19 appreciate the hearing and I really think it's
20 important for us to understand the issue in detail,
21 which is why I needed a couple minutes before; why I
22 have not signed on to resolutions on any of these
23 bills; I really wanna understand the details here.
24 Of course we all want and I deeply want our public
25 sector workers and especially those who risk their

2 lives and their health and their safety every day to
3 be treated fairly, obviously we also have a long-term
4 responsibility to the public fisc and we can't lurch
5 from one of those things to the other, which I'll be
6 honest, is what I believe the Governor has done here;
7 two years ago he was focused on the public fisc;
8 today, for reasons that to me, honestly appear
9 politically convenient the other direction; it
10 doesn't help us to lurch back and forth; it also
11 doesn't help us to shy away. So I appreciate that
12 we're having the conversation; what I'd like to do is
13 really drill down and understand the issues a little
14 better than I understand them today so I could try to
15 make an intelligent decision.

16 So I first wanna understand your proposal
17 a little better and just make sure I have it right.
18 Our staff has prepared a couple of examples and I
19 just wanna make sure that I understand them; we're on
20 the same page about them. So they first look at
21 someone who would be injured in year two, hired 2015,
22 injured in year two, so covered in any case under the
23 new situation, they're not in Tier 2, today they'd be
24 in Tier 3 or Tier 6. That person, our numbers show,
25 had they been covered by Tier 2, the union proposal,

2 would retire at a final average salary of \$50,000 and
3 change; under the union proposal, the Tier 2 rollback
4 would start year one benefits at 38.5, going up to
5 42; under today's existing situation, start at 25;
6 much less than 38 and go up to 40 in year 20, and
7 under your proposal start at 40 and go up to 44, so
8 that's why you're saying in the near term your
9 proposal addresses the situation; someone who is
10 hired in 2015, injured in 2017 would go from doing
11 worse than they would have done under Tier 2 to a
12 little better than they would have done under Tier 2
13 and meaningfully better than they would be today
14 under Tier 3 and Tier 6. So is that, without getting
15 into every penny, more or less correct?

16 ROBERT LINN: Yes, we think it is.

17 COUNCIL MEMBER LANDER: On the other
18 hand, and understanding why there remains from the
19 unions a concern; someone who is injured much later
20 in their career would do not anywhere near as well as
21 they would have done under Tier 2; somebody hired in
22 2015 who would be injured in 2040, so serves 25
23 years, you know, let's say at a final average salary
24 of \$98,334, thought that makes a lot of assumptions
25 about what happens between now and 2040, under Tier 2

2 would have had a year one benefit of 111, going up to
3 115, and other both, the existing situation and your
4 revised proposal, would start with year one benefits
5 at 51 and go up to about 72, so would be no worse off
6 than they are today, but substantially worse off than
7 they would have been were they a Tier 2 employee;
8 more or less correct understanding of your proposal?

9 ROBERT LINN: So I think that's fairly
10 correct. I do also wanna say that I certainly don't
11 plan to be negotiating those labor agreements through
12 2040.

13 COUNCIL MEMBER LANDER: [laugh] And then
14 the thing you changed is that in your current
15 proposal, before the Council's revision, that
16 officer, the later officer actually would have
17 potentially done even just a little bit worse than
18 the current situation and you're revising it so that
19 at least they would have the option to be where they
20 would be currently, under existing Tier 3; Tier 6?

21 ROBERT LINN: Yes and current employees
22 could make that decision at the time of retirement.

23 COUNCIL MEMBER LANDER: And new employees
24 would have to make the decision at the time of
25 hiring... [crosstalk]

2 ROBERT LINN: Yes, that's correct.

3 COUNCIL MEMBER LANDER: and could choose...
4 Alright, which would be a little complicated, because
5 it's based on a bet about whether they would be
6 injured before or after year seven if they were
7 injured.

8 ROBERT LINN: Right, and there will be
9 pluses or minuses, depending on the analysis and what
10 takes place.

11 COUNCIL MEMBER LANDER: Any other
12 situation where employees upon hiring have to make
13 that kind of choice; it seems like an odd choice to
14 ask people to make to choose between two benefit
15 scenarios really that clearly benefit you one way or
16 the other, depending on when you would be injured, if
17 you were to be injured; obviously we pray no one is,
18 but that's not a...

19 ROBERT LINN: I don't know, but we
20 clearly wanted to make sure that everyone who's
21 currently onboard has the choice at the end of their
22 career to see which would be better. [bell] Madame
23 Chair, I have some additional questions, but I'm glad
24 to ask them at my next opportunity. I can start my
25 round two questions? Thank you.

2 Okay. So my next questions go to a
3 better understanding of what accidental disability
4 really covers and who we're talking about, because I
5 know there's this important distinction made by the
6 actuary and in general between ordinary disability
7 retirement and accidental disability retirement and
8 that there's different proposals in both cases, but
9 one thing really struck me here, because I think we
10 all wanna do everything we possibly can for an
11 officer who is shot or injured in the line of duty,
12 hurt in a fire, you know, shot and paralyzed and
13 that's the officer that's in our head and that the
14 thought of doing less for that officer in year 20 is
15 painful to us and therefore the differential is
16 significant; at the same time I was struck by
17 something in the actuary's note that they make...
18 they've got a couple of different assumptions, but
19 that the vast majority of the folks they are looking
20 at that would be covered by accidental disability
21 retirement are not eligible, would not be eligible
22 for Social Security Disability Retirement and that
23 they only make the lower-bound assumption of 0
24 percent and an upper-bound assumption of 25 percent,
25 which is to say at least 75 percent of the people

2 that the actuary's imagining claiming accidental
3 disability retirement would not qualify for Social
4 Security Disability and obviously one... I don't
5 understand all these distinctions, I'm trying to
6 learn them quickly, but Social Security Disability,
7 for example, requires that you can't work somewhere
8 else because there's obviously a big difference
9 between an officer who is shot and paralyzed and
10 can't work and someone who is able to go on and serve
11 in the State Senate and earn a salary and be paid an
12 additional salary while also collecting and that
13 person is due a pension if they qualify for it, but
14 not necessarily the same level as someone who is
15 paralyzed in the line of fire, and I was surprised to
16 learn that our current system makes no distinctions
17 between those two people even though Social Security
18 Disability would and that most people covered by
19 accidental disability wouldn't qualify. So can you
20 just help me understand what your assumptions are
21 here; I think this is really important to
22 understanding the magnitude and the dollars and I
23 don't understand them.

24 ROBERT LINN: So I'm not the one to
25 respond on that; that's really much more of an

2 actuarial question; I do think it helps explain
3 though how pensions and especially disability
4 pensions can be so expensive and can be so difficult
5 to deal with, and there is exactly that issue of who
6 retires under what with what benefit and whether they
7 do it differently under one system versus another;
8 our costs are tremendously high and they've been
9 tremendously high; the purpose of the legislation in
10 2009 was to gain some control over that. I believe
11 that each of the elements of the pensions work with
12 each other in terms of enhancing costs or reducing
13 costs, and it is very, very complex; that's why I
14 think the most prudent approach is to deal with the
15 specific problem that was raised; that's not to say
16 this is forever, decisions are not forever; we're
17 saying that at this point a specific problem was
18 raised; let's deal with that and then let's consider
19 wisely what is the most prudent approach going
20 forward to deal with other issues as they arise.

21 COUNCIL MEMBER LANDER: So did you -- I
22 guess I wanna ask if you considered two things; one
23 is something which would have addressed the five- to
24 seven-year issue without implicating people's longer-
25 term choices beyond five to seven years, 'cause I

2 understand that is the issue that feels urgent, but
3 what you've put forward solves that, but then also
4 requires people to make a set of choices about the
5 longer term that feel harder to make; did you look at
6 an option that would have solved the short-term
7 problem without adding complexity in the longer term?

8 ROBERT LINN: No, our sense was that
9 proposing a bill that does cost \$49 million over the
10 financial plan was a reasonable approach to the
11 problem and so this is what we're putting forward.

12 COUNCIL MEMBER LANDER: Okay, I have two
13 more questions, but I'll wait my turn.

14 CHAIRPERSON KOSLOWITZ: Okay, we'll do..

15 COUNCIL MEMBER LANDER: Okay.

16 CHAIRPERSON KOSLOWITZ: Okay. Council
17 Member Crowley.

18 COUNCIL MEMBER CROWLEY: I'm trying to be
19 brief with my questions because I am eager to hear
20 testimony from the public, as well as other elected
21 officials who are here today to testify.

22 In your proposed plan, what happens when
23 somebody retires and then takes the usual 50 percent
24 benefit and a few months or a few years later comes
25 down with heart disease or cancer that's directly

2 affiliated to their line of work; do you then bump
3 their pension up to 75 percent? Now this illness is
4 preventing them from doing other jobs and it's
5 connected to their line of work; do you change the
6 pension plan?

7 ROBERT LINN: We didn't change any of the
8 rules... [crosstalk]

9 COUNCIL MEMBER CROWLEY: But you don't...

10 ROBERT LINN: that currently exist in
11 Tier 6.

12 COUNCIL MEMBER CROWLEY: Okay. So you
13 don't address that part of the unfairness in Tier 2
14 from Tier 3...? [crosstalk]

15 ROBERT LINN: We... We address... We
16 addressed the issue... We addressed the issue that was...
17 [crosstalk]

18 COUNCIL MEMBER CROWLEY: Do you think
19 that's fair?

20 ROBERT LINN: I think that there are lots
21 of issues with pensions that can always be discussed...
22 [interpose]

23 COUNCIL MEMBER CROWLEY: Just uhm...

24

25

2 ROBERT LINN: a particular... a particular
3 problem was posed and I think that we very
4 effectively dealt with that problem.

5 COUNCIL MEMBER CROWLEY: Uhm-hm.

6 ROBERT LINN: There may be other problems
7 to look at, but in this bill that we're proposing we
8 effectively addressed the problems that everyone was
9 raising for the last several months... [crosstalk]

10 COUNCIL MEMBER CROWLEY: Well there is a
11 new problem that has not been addressed, it's not a
12 new problem, but it's a problem with your bill
13 because it doesn't address that; it's not unrealistic
14 to imagine a firefighter developing heart disease a
15 year later after finishing working 25 years on the
16 job; the same true for any uniform worker.

17 Earlier you said that after six years
18 your benefits do not go down; just to be clear, you
19 then said the Consumer Pricing Index is greater than
20 2 percent, yet your COLA is less than that; that's a
21 decrease in benefits. And thirdly and finally, I
22 won't ask anymore questions, I'm just going to make a
23 comment; when we look at this current budget that
24 we're negotiating with the Mayor's Office, there is
25 over \$500 million in new spending; that's not

2 existing programs increasing in cost; that's new
3 spending. Furthermore, you have nearly \$1.5 billion
4 that you're rolling over into the Budget
5 Stabilization Account, which is a surplus, bringing
6 that account to nearly \$3 billion. My comment is;
7 how can we realistically raise the amount of money
8 we're spending in new programs and not support people
9 who are risking their lives to protect this great
10 city?

11 DEAN FULEIHAN: I'm gonna repeat the --
12 you realize that the roll from the current fiscal
13 year into the next fiscal year is to create a
14 balanced budget; it is a requirement and is what we
15 both have to achieve. So we are achieving a balanced
16 budget in Fiscal Year 16, that's the purpose, it has
17 significant priorities of both the Council and the
18 Administration, most of which we share, and the
19 biggest commitment that has been made by this
20 administration is to our employees and a workforce, a
21 workforce when we got here that had not contracts and
22 now 80 percent do have contracts and that is the
23 biggest single expenditure that this administration
24 has made.

2 COUNCIL MEMBER CROWLEY: If this
3 administration is predicting a decrease in revenue,
4 they why is this administration funding over \$500
5 million in new programs?

6 DEAN FULEIHAN: At no point did we say we
7 are projecting a decrease in revenues; what we have
8 projected is an increase in revenues, we have talked
9 about the risks that we have to the economy; just
10 this morning we came out with the first quarter GDP
11 at a negative growth rate, so we have isolated those
12 risks and what we had done was create a balanced
13 budget for both the current fiscal year and the next
14 fiscal year; once again, with the major expenditure
15 being what we've done with our workforce.

16 CHAIRPERSON KOSLOWITZ: Council Member
17 Gentile.

18 COUNCIL MEMBER GENTILE: Thank you,
19 Madame Chair.

20 I wanna go back to the chart that
21 Councilman Lander was referring to and it appears
22 that you at least -- this was the chart that the
23 Finance Division put together that you confirmed the
24 numbers, in general, as to an officer who would be
25 injured in year 25 of their career and it indicates,

2 from what you confirmed here, that the Tier 2
3 rollback would provide that officer significantly,
4 almost double of what the Administration's proposal
5 would be for disability benefits and that was part of
6 your discussion with Councilman Lander. So my
7 question to you then would be that, if that's the
8 case and an officer knows that they're gonna make
9 \$51,214, as this chart shows, if they were injured
10 year 25 of their career; wouldn't you think that that
11 officer, whether it be a fireman or a police officer,
12 would decide instead to continue working full-time in
13 a limited capacity position at full salary with full
14 benefits and thereby costing the City more money than
15 a Tier 2 rollback would cost?

16 ROBERT LINN: I think our best analysis
17 to date has been it would be about a \$400 million
18 additional cost of moving to the rollback and those
19 are the numbers that I'm relying on in looking at
20 this and there is no question that Tier 2 provide a
21 more generous benefit than the Tier 6 benefit that
22 enacted in 2009; that's why there's a \$400 million
23 difference. We do think that we have dealt with a
24 very important problem and believe that's where we
25 should start on this issue.

2 COUNCIL MEMBER GENTILE: That's not my
3 question, my question is; the choice at that point
4 for a policeman or a fireman would be to take a
5 limited capacity job full-time, full benefits, stay
6 in the job, not take disability pensions, because
7 disability pensions is half of what a Tier 2 rollback
8 would be, and we'll see that over and over and over
9 again and it'll end up costing the City more money in
10 the end because they'll take civilian positions and
11 they'll place those injured firemen, those injured
12 police officers in those limited capacities at full
13 salary, at full benefit, costing the City a whole lot
14 more down the road.

15 ROBERT LINN: Listen, we have to make
16 projected costs; I don't think we see those savings
17 there... [crosstalk]

18 COUNCIL MEMBER GENTILE: We...

19 ROBERT LINN: if we projected that there
20 would be savings from doing this, I would think that
21 we would look very seriously at it; we just don't
22 project it that way.

23 COUNCIL MEMBER GENTILE: You don't think
24 firemen or policemen would make that choice?

25 ROBERT LINN: I think some may.

2 COUNCIL MEMBER GENTILE: They... We... They
3 would make that choice to stay full-time...?

4 [crosstalk]

5 ROBERT LINN: If they... If they... If they
6 can continue to work the night, they do now. Right
7 now people with... under the old benefit continue to
8 work in limited capacity jobs, so it's not like they
9 don't now, they do right now.

10 COUNCIL MEMBER GENTILE: I think you'll
11 see a deluge of more decisions in that regard, given
12 the fact of the numbers we see here as opposed to a
13 Tier 2 rollback that would at least allow them to
14 take the disability pension at a reasonable amount if
15 they've been injured in year one after serving 25
16 years.

17 [background comments]

18 ROBERT LINN: That's nothing further.

19 CHAIRPERSON KOSLOWITZ: Council Member
20 Reynoso.

21 COUNCIL MEMBER REYNOSO: Thank you,
22 Madame Chair. I just wanna thank you guys for being
23 here, by the way and for testifying. I do wanna say
24 that for me it seems like there is an obvious intent
25 to try to figure out a problem responsibly and I do

2 wanna commend you for that; I think you did address
3 an issue that was of concern to many of us here in
4 the City Council with the first portion, in the first
5 five-year situation; what I do wanna ask is that you
6 said you addressed the issue that was the biggest
7 concern of what you were hearing through the loudest
8 cries for; is there gonna be an opportunity in what
9 you guys are proposing to address more issues that we
10 have with your proposal?

11 ROBERT LINN: Thank you for the comment,
12 recognizing the efforts that we've made here. I
13 believe historically there has always been a
14 continued dialogue about retirement benefits and I
15 would assume that that dialogue will continue in the
16 years to come.

17 COUNCIL MEMBER REYNOSO: And I see that,
18 but if we move forward with the proposal as you've
19 written it, there's gonna be a huge issue, especially
20 when we talk about the later years that we wanna
21 start addressing right away; I was just hoping that
22 we had an opportunity now to discuss that and find a
23 solution and then try to move forward, but again, I
24 understand how difficult this is and the work that we
25 need to do to make it right, but the person or the

2 worker, the worker in the City of New York that gets
3 injured in year 25, it's a huge concern for us right
4 now; we're just hoping we can also have a discussion
5 now about figuring out a way to deal with that
6 responsibly but being able to showcase that we care
7 and that we wanna do something for those folks that
8 are out there in our city. So thank you for the
9 first part, but hoping that we can move forward
10 quickly dealing with the second issue now that we're
11 bringing up.

12 ROBERT LINN: Thank you.

13 COUNCIL MEMBER REYNOSO: Thank you.

14 CHAIRPERSON KOSLOWITZ: Council Member, I
15 have to limit you to the clock.

16 COUNCIL MEMBER LANDER: Okay. I
17 appreciate that, Madame Chair, just it's a
18 complicated issue; I'm trying to understand it. So I
19 think I just have two questions here.

20 First picks up on my prior question about
21 understanding ADR and who's eligible and not eligible
22 and I just wanna ask; did you look at options that
23 might have drilled down there a little bit, and for
24 example, applied different provisions for those
25 people that would qualify for Social Security

2 Disability and those that wouldn't or some -- and
3 just... and I don't know how many people we're talking
4 about, but it looks like to me like part of the issue
5 in the long-term for those folks that serve a long
6 period of time and where the real cost differences
7 are between the administration proposal and the union
8 proposal, about how many people that is and what the
9 severity of injury is and I guess I'm curious if you
10 looked at proposals that look to drill down there and
11 attend to this issue that it looks like more than 75
12 percent of people that have qualified for ADR
13 wouldn't qualify for Social Security Disability and
14 try to understand that. Was that something you
15 looked at or did you say we're gonna try to solve
16 this short-term issue so we're not looking at this
17 longer-term one?

18 ROBERT LINN: I think we said that the
19 issues that were being raised, those were the ones we
20 would focus on and would solve.

21 COUNCIL MEMBER LANDER: So then let me
22 ask a little bit about how to understand the urgency
23 of this issue, because I understand why this is
24 important, this is an important issue and we should
25 get to it and address it, I think we all share that;

2 it's unclear to me whether the urgency here is real
3 or political and the idea that we have to solve this
4 by the end of the Albany session to me feels
5 political and not actual, so it's my understanding
6 we're talking currently about two or three people and
7 that they actually remain on the payroll -- in one
8 case NYPD, another case, I forget whether it's
9 Sanitation or Corrections, in which case -- so is
10 your understanding as well that we're talking about a
11 single-digit number of people, all of whom currently
12 remain on payroll and so the pension issues can be
13 figured out in the fall, let's say, rather than the
14 next two weeks...? [crosstalk]

15 ROBERT LINN: Well I... I... So I think
16 that's an important point; this was a legislation
17 that came in 2009, so that means that we're talking
18 about employees with six years of service, not 25
19 years of service, but currently, with six years
20 maximum. I think that something as complex as
21 pension changes should be made with a lot of analysis
22 and a lot of reasoned discussion; that's why we
23 thought that the issues that were raised that were
24 immediately problematic should be dealt with and that

2 we should be looking at issues collectively in the
3 years to come... [crosstalk]

4 COUNCIL MEMBER LANDER: But I'm asking
5 whether they're even immediately problematic; I feel
6 like we are trying to solve a problem we barely
7 understand in two weeks when Albany's gonna be messy
8 and I'm not sure we shouldn't wait till the fall to
9 figure this out; I'm trying to understand, if what
10 we're talking about is a couple of people who are
11 still on payroll, do we need to act by next week or
12 could we take the time to get this right, it's
13 important, I don't wanna lose it, but I'm not sure
14 we're gonna make a good decision if we act..
15 [crosstalk]

16 ROBERT LINN: And...

17 COUNCIL MEMBER LANDER: in the next week
18 or two.

19 ROBERT LINN: an employee could be
20 severely injured at any time who's in the salary
21 progression and that's why we thought that we should
22 approach that now.

23 COUNCIL MEMBER LANDER: But the ones who
24 have been, I'm correct, remain on payroll,
25 [background comment] as far as you're aware?

2 KEN GODINER: I don't believe there are
3 any current accidental or ordinary disability
4 retirees under Tier 6 or uniformed.

5 COUNCIL MEMBER LANDER: Okay. So I'm
6 gonna... my understanding of that, which I'm not gonna
7 ask you to say, is that the small handful of people
8 we've seen injured on the job who are covered in this
9 period of time are on payroll and have not yet
10 retired; you don't need to answer that, but that's
11 how I understand the current situation, reconciling
12 what you just said and what I read in the newspapers.

13 DOMINIC WILLIAMS: Yeah. And just the
14 one thing I would add is; we do feel like for the
15 specific problem that we've addressed we have
16 provided a clean way to address that problem and if
17 we can address that problem that we found a clean way
18 to do, we'd like to do that as quickly as possible.

19 COUNCIL MEMBER LANDER: Right. And I
20 guess the part of... I understand... it's my
21 understanding that a new senate bill has been
22 introduced that would provide statewide reform; it's
23 a one-house bill so far and rip this out of our
24 control entirely and not require a home rule message
25 and that if that passed and the Governor signed it,

2 it would eliminate the City Council or your ability
3 to have any influence on it at all, which is surely
4 not a better way to make this decision, so I
5 understand why it feels urgent in that context;
6 again, I'll just... that to me feels like a political
7 reason to rush a decision and not a long-term way of
8 making good public policy, but I'll leave that as a
9 statement and not a question. Thank you for your
10 indulgence Madame Chair for all this time to ask my
11 questions.

12 CHAIRPERSON KOSLOWITZ: Thank you. And I
13 just wanna say to you, hurry up; this is very
14 important, we're talking about the rest of people's
15 lives and they deserve the best for giving every day
16 of their lives, so please hurry up and get this done...
17 [interpose]

18 ROBERT LINN: Right.

19 CHAIRPERSON KOSLOWITZ: I'm available
20 24/7. Thank you, thank you very... [crosstalk]

21 ROBERT LINN: And thank you for the
22 opportunity to testify.

23 CHAIRPERSON KOSLOWITZ: I'd like to call
24 Sherri Chan, our [background comments] Actuary and
25

2 Gregory [background comments] Zelikovsky.

3 [background comments.

4 SHERRY CHAN: Good morning Madame Chair;
5 members of the Committee. I'm Sherry Chan; I am the
6 new Chief Actuary of the City and new is defined as
7 the ninth day on the job, so I heard about this
8 hearing 48 hours ago. In light of that, I have an
9 actuary from my office, Greg Zelikovsky, to my right
10 and we are happy to answer any questions, any
11 technical questions, actuarial questions you might
12 have about this.

13 CHAIRPERSON KOSLOWITZ: Council Member
14 Crowley.

15 COUNCIL MEMBER CROWLEY: I actually have
16 no questions; I just wanna thank you for your work
17 earlier in the year when I needed numbers quickly
18 from your office; although it wasn't yourself, we got
19 those numbers quickly. No... [crosstalk]

20 SHERRY CHAN: Thank you.

21 COUNCIL MEMBER CROWLEY: No further
22 questions; eager to hear from the public.

23 [background comments]

24 CHAIRPERSON KOSLOWITZ: I'd like to ask;
25 in your estimation, what percentage of the current

2 Tier 3/Tier 4 workforce in the Fire Department's
3 Pension Fund would qualify for accidental or ordinary
4 disability?

5 [background comments]

6 SHERRY CHAN: So out of the population
7 that is eligible for this, or who would be affected
8 by this, we have about 30 people total that we
9 estimate would be affected by this.

10 CHAIRPERSON KOSLOWITZ: Can you talk more
11 into the microphone, please?

12 SHERRY CHAN: So based on our
13 assumptions, based on the population that would be
14 affected by this proposal, we're estimating about 30
15 people in the... [crosstalk]

16 CHAIRPERSON KOSLOWITZ: Thirty people?

17 SHERRY CHAN: Yes, in the first year.
18 Correct... [crosstalk]

19 CHAIRPERSON KOSLOWITZ: Okay. And how
20 does that break down between accidental and ordinary
21 disability; how does that... [interpose]

22 SHERRY CHAN: About one-fifth is for
23 ordinary disability and the rest is accidental.

24

25

2 CHAIRPERSON KOSLOWITZ: Okay. And what
3 do these numbers look like for a similar group of
4 members of the police pension fund?

5 [background comments]

6 SHERRY CHAN: These are the numbers for
7 the police pension fund.

8 [background comments]

9 CHAIRPERSON KOSLOWITZ: Council Member
10 Gentile.

11 COUNCIL MEMBER GENTILE: Thank you, thank
12 you, Madame Chair.

13 Looking at a chart that your office sent
14 in response to OMB, it appears, in looking at the
15 administration's, you analyzed the administration's
16 proposal and it appears that in the years, Fiscal
17 Years 18 and 19 the actual contributions from the
18 City to this fund actually go down, they go down and
19 they continue to go down; Fiscal Year 18, Fiscal Year
20 19 the employer contributions continue to go down.
21 So do I take that to mean that this trend in Fiscal
22 Year 18, Fiscal Year 19 will continue into Fiscal
23 Year 20, Fiscal Year 21; those contributions will
24 continue to go down and then I would presume then

2 that means that the benefits would not be the same,
3 they would go down also?

4 SHERRY CHAN: Yes, sir; they... [interpose]

5 COUNCIL MEMBER GENTILE: The answer's
6 yes?

7 SHERRY CHAN: The contributions will go
8 down, but they will level out in the future, there is
9 savings generated from it.

10 COUNCIL MEMBER GENTILE: But if the
11 contributions are going down and you're projecting
12 all these members of the Fire Department, Police
13 Department that are gonna be eligible for this
14 disability pension, contributions going down; the
15 benefits have to be going down also.

16 SHERRY CHAN: In aggregate, yes.

17 COUNCIL MEMBER GENTILE: In aggregate?

18 SHERRY CHAN: Yes.

19 COUNCIL MEMBER GENTILE: So the answer is
20 yes...

21 SHERRY CHAN: Yes.

22 COUNCIL MEMBER GENTILE: it will be going
23 down?

24 SHERRY CHAN: Correct.

25

2 COUNCIL MEMBER GENTILE: And is it true
3 that part of the reason that those benefits are going
4 down is that under this proposal you sort of finagle
5 the cost of living adjustment that's in the current
6 law and you take it from a full cost of living
7 adjustment based on the Consumer Price Index...

8 SHERRY CHAN: Yes, sir.

9 COUNCIL MEMBER GENTILE: to a 50 percent
10 of cost of living based on the Consumer Price Index?

11 SHERRY CHAN: Correct. The COLA piece
12 versus the escalation is the biggest piece of this
13 proposal; that is the... [crosstalk]

14 COUNCIL MEMBER GENTILE: I'm sorry;
15 repeat that.

16 SHERRY CHAN: The COLA piece and the
17 escalation, replacing the escalation with the COLA is
18 the biggest piece of this proposal that is driving
19 the savings.

20 COUNCIL MEMBER GENTILE: It's driving the
21 savings and driving the benefits down...? [crosstalk]

22 SHERRY CHAN: Right. Correct.

23 COUNCIL MEMBER GENTILE: And that will...
24 [crosstalk]

25 SHERRY CHAN: The aggregate.

2 COUNCIL MEMBER GENTILE: continue beyond
3 this chart... [crosstalk]

4 SHERRY CHAN: Yes.

5 COUNCIL MEMBER GENTILE: 20, 21, 22?

6 SHERRY CHAN: We haven't done projections
7 beyond 2019, but they will level; after the new hires
8 are in this new benefit proposal, it will level off,
9 it won't forever generate savings. It won't continue
10 to go down, because it will never go negative.

11 COUNCIL MEMBER GENTILE: In terms of
12 contributions, but... [crosstalk]

13 SHERRY CHAN: Correct.

14 COUNCIL MEMBER GENTILE: benefits will
15 continue to go down based on what you're doing with
16 at least particularly on the cost of living...?
17 [crosstalk]

18 SHERRY CHAN: Of the realized in the
19 first year, and then it will exhibit a trend of going
20 down, but it will level off once everybody is in
21 under the new benefit provision.

22 COUNCIL MEMBER GENTILE: Well it seems if
23 you are projecting... but you're projecting out all
24 this cost over how many years... [crosstalk]

25 SHERRY CHAN: Until 2019 and 2000...

2 COUNCIL MEMBER GENTILE: you're saying
3 it's tremendous cost, but the contributions go down...

4 SHERRY CHAN: Correct.

5 COUNCIL MEMBER GENTILE: so concurrently,
6 benefits have to go down.

7 SHERRY CHAN: Correct. In totality, in
8 aggregate, yes.

9 COUNCIL MEMBER GENTILE: Let me also ask
10 you; the fact is, under this proposal that's being
11 put forth, it proposes a situation for those who have
12 less than six years of service; am I correct, that in
13 a non-job-related injury they get a higher final
14 average salary basis for which they determine their
15 benefits than those who have a job-related injury;
16 their final average salary, for those job-related
17 injuries, their final average salary excludes the
18 overtime component, but for those who fall off a
19 ladder while they're doing gardening at their home
20 over the weekend and get a disability, their non-job-
21 related injury and their final average salary
22 includes overtime, but for those who are running into
23 a fire and get injured and disabled running into a
24 fire, their final average salary under this proposal
25 excludes the overtime component; am I correct?

2 SHERRY CHAN: Go ahead.

3 GREGORY ZELIKOVSKY: The way we valued
4 the proposed legislation, they... both ordinary and
5 accidental would be entitled to the six-year salary
6 with overtime, actual overtime [bell] earned.

7 COUNCIL MEMBER GENTILE: Okay, so if it's
8 job-related injury, you're telling me that the
9 overtime component is included in their final average
10 salary?

11 [background comments]

12 GREGORY ZELIKOVSKY: Yes. They..

13 [crosstalk]

14 COUNCIL MEMBER GENTILE: So this document
15 is wrong?

16 GREGORY ZELIKOVSKY: in addition to..

17 COUNCIL MEMBER GENTILE: This document is
18 wrong then?

19 GREGORY ZELIKOVSKY: Why is that?

20 COUNCIL MEMBER GENTILE: This document
21 says it excludes [background comment] overtime.

22 SHERRY CHAN: What page is that?

23 COUNCIL MEMBER GENTILE: I'm not sure
24 exactly; I just wrote it down, but I'll look for it.

25

2 SHERRY CHAN: I think what it was; it
3 excludes... it's a different... it excludes the longevity
4 adjustments, but it includes the overtime.

5 COUNCIL MEMBER GENTILE: For job-related?

6 SHERRY CHAN: Yes, for both. Correct..

7 [crosstalk]

8 GREGORY ZELIKOVSKY: For the six-year
9 salary, the minimum salary that you're... this proposal
10 is proposing.

11 COUNCIL MEMBER GENTILE: Okay, I will
12 take a look at that. Thank you.

13 CHAIRPERSON KOSLOWITZ: Council Member
14 Lander, five minutes.

15 COUNCIL MEMBER LANDER: Madame Actuary;
16 is that how we... I mean...

17 SHERRY CHAN: Sure, that'll work...

18 [crosstalk]

19 COUNCIL MEMBER LANDER: Alright, very
20 good. I feel like it's like the Wizard of Oz or
21 something.

22 So I don't know if you overheard the
23 exchange I had with the administration about better
24 understanding who's in accidental disability and how
25 that relates to Social Security Disability; I was

2 struck by the numbers you gave that a fifth of the
3 folks we're talking about are in ordinary disability;
4 normally ordinary means most of the people, and four-
5 fifths in accidental and then I was struck by the
6 assumptions in your fiscal note of these -- you know,
7 the 0 percent to 25 percent of people in accidental
8 disability retirement category being covered also by
9 Social Security Disability, which means it seems to
10 me you think at least 75 percent of the people
11 receiving accidental disability benefits would no
12 qualify for Social Security Disability benefits. So
13 can you speak to that; just help us understand the
14 numbers and the magnitude, why you made that
15 assumption and whether you or to your knowledge anyone
16 has looked at this a little more. Again, my
17 assumption here is; those people who are both injured
18 on the job and rendered unable to work from our
19 uniformed services we would want to honor with as
20 substantial a package of benefits as we could afford,
21 but being mindful of the need to make some hard
22 distinctions and mindful of the fact that there are
23 at least some publicized cases of people who deserve
24 a disability pension, but maybe not at that same
25 level, based on their disability. So can you just

2 tell us what you learned about that that might
3 inform... [crosstalk]

4 SHERRY CHAN: Yes. To first address the
5 actual assumptions that you're questioning; these
6 actual assumptions are based on our past experience
7 and it is reviewed by an outside firm, actual
8 consulting firm, periodically. So these tables and
9 these declarant assumptions, both for the accidental
10 and ordinary disability are based on looking at our
11 past data and who has become disabled under the
12 accidental definition and the ordinary definition.
13 So that's how our assumptions are generated. To
14 address the count that Madame Chairman had asked
15 previously, that was based on applying our declarant
16 assumptions to the population that is affected, so it
17 is justified by past data. And as far as assuming
18 the Social Security Disability, we ran this analysis
19 using what we would assume in our evaluation each
20 year and that is, you know, based on evaluation, to
21 assume a 0 percent disability eligibility under the
22 Social Security would be the more prudent and
23 conservative measure because we are trying to make
24 sure that we do have enough funds in the trust to pay
25 the benefits when they become due, and providing a 25

2 percent assumption for eligibility under Social
3 Security Disability, that was to give an alternative
4 scenario to let you guys understand what the
5 magnitude of the difference would be assuming a 25
6 percent eligibility.

7 COUNCIL MEMBER LANDER: Historically,
8 what has the percentage been in those actuals that
9 you looked at?

10 SHERRY CHAN: We have assumed a 0 percent
11 in our evaluation, which, because it's an offset
12 would generate a more conservative measure in
13 providing the liabilities and funding the pension
14 obligation.

15 COUNCIL MEMBER LANDER: Would it be
16 possible for us to see some summary of this data,
17 which I guess I couldn't find in the fiscal notes, so
18 we could...

19 SHERRY CHAN: We have a book published
20 with our actual assumptions that we can provide.

21 COUNCIL MEMBER LANDER: You have
22 published that?

23 SHERRY CHAN: Correct.

24 COUNCIL MEMBER LANDER: Okay. Okay.
25 Thank you.

2 CHAIRPERSON KOSLOWITZ: We've been joined
3 by Council Member Mark Levine and he would like to
4 ask a question.

5 COUNCIL MEMBER LEVINE: Thank you, Chair
6 Koslowitz. Hello.

7 SHERRY CHAN: Hello.

8 COUNCIL MEMBER LEVINE: When a
9 firefighter or police officer is injured on the job I
10 believe that they have the option for requesting
11 modified duty, essentially desk duty that might not
12 be as taxing and that their injury would not prohibit
13 them from performing. I presume you're familiar with
14 this phenomena; is that... [background comment] is that
15 accurate? [background comment] If a pension offer
16 for disability is sufficient, then it may be that
17 this uniformed service member would opt to receive
18 the pension and go on disability; if the pension
19 offered is insufficient, then the individual might
20 conclude that financially they just aren't able to go
21 on disability and they'll choose the option of a desk
22 job. Are you with me so far; is this..

23 SHERRY CHAN: Yes. Yeah.

24 COUNCIL MEMBER LEVINE: this making
25 sense?

2 SHERRY CHAN: Yes.

3 COUNCIL MEMBER LEVINE: So it costs the
4 City actually, I would presume, more money if the
5 individual opts for modified duty, because they're
6 still earning their full salary and now you have to
7 hire someone to be on the fire truck, for example,
8 and the desk duty might be displacing someone who
9 would've been a civilian at a lower cost to the City.
10 So I would presume in any kind of analysis of the
11 cost of a given pension level you've gotta make an
12 assumption about the impact on whether people choose
13 to go on modified duty or not; is this correct?

14 SHERRY CHAN: Yes, sir.

15 COUNCIL MEMBER LEVINE: And could you
16 talk us through how you've made that calculus and
17 whether you've seen that at the lower tiers that
18 currently being offered you're assuming a higher rate
19 of opting into the modified duty?

20 SHERRY CHAN: I wouldn't say that we
21 explicitly have an assumption for that; I would say
22 that it is embedded into our disability assumptions,
23 because we do look at the declarant and how many
24 people have become disabled in the past; if they are

25

2 not on disability retirement, then they would not be
3 included in our counts that generate the assumptions.

4 COUNCIL MEMBER LEVINE: Right, but you're
5 not recording when people suffer injuries and then
6 looking at the actions they take, the course they
7 choose afterwards; they don't register with you until
8 they opt into the pension?

9 SHERRY CHAN: Correct. We value the
10 liability of the benefits, so if they are in active
11 service and they're not in disability, they're not
12 electing or started their disability benefit; they
13 are not included.

14 COUNCIL MEMBER LEVINE: So the City
15 actually doesn't have accurate data on how often...
16 [interpose]

17 SHERRY CHAN: It is accurate in the sense
18 that when we value the liability they're not included
19 -- because they haven't started their disability
20 benefit, they are not included in that.

21 COUNCIL MEMBER LEVINE: Right, but you...
22 [interpose]

23 SHERRY CHAN: So as far as the City's
24 concerned for the liability, that is included
25 accurately.

2 COUNCIL MEMBER LEVINE: Right, but did
3 you... do you calculate even a... so you're saying you
4 don't calculate on assumption on the rate at which
5 people opt to go for pension or modified duty; how
6 does... how can you calculate a pension obligation if
7 you're not even looking...? [crosstalk]

8 SHERRY CHAN: There is no change -- In my
9 understanding, there is no change in their retirement
10 benefit or their disability benefit if they go to
11 another position. Their benefit has not commences
12 [sic]; once their benefit commences, they will
13 decrement and we will incorporate them.. [crosstalk]

14 COUNCIL MEMBER LEVINE: Right, but there
15 is an incremental cost to the City, because if they
16 were on a fire truck, now you have to put a new
17 firefighter on the fire truck and they might be
18 displacing a civilian in a desk job, which adds to
19 the cost to the City; correct...? [crosstalk]

20 SHERRY CHAN: Correct. Well that would
21 be included. Because we do.. [crosstalk]

22 COUNCIL MEMBER LEVINE: Okay, so...

23 SHERRY CHAN: make salary projections for
24 them.

25

2 COUNCIL MEMBER LEVINE: Right. So what
3 are your assumptions on whether the lower pension
4 offerings are increasing the rate at which people are
5 opting in to modified duty?

6 SHERRY CHAN: That would be effective by
7 the salary assumption... [crosstalk]

8 COUNCIL MEMBER LEVINE: Right.

9 SHERRY CHAN: if the salary increases,
10 that does affect the bottom line for the pension
11 obligation.

12 COUNCIL MEMBER LEVINE: Right. So how
13 much more frequently do you expect we will see people
14 opting in to modified duty under the lower pension
15 payments?

16 SHERRY CHAN: I think that's embedded in
17 our salary assumptions.

18 COUNCIL MEMBER LEVINE: Okay. Perhaps
19 I'm not understanding the jargon; I'll tell you what
20 I'm seeing here, which is that there's a clear cost
21 to the City in the lower pensions that I'm not sure
22 are factored into any of the projections; the fact
23 is, if you only look at pension payouts without
24 building in the added cost that these modified duties
25 will incur, then you're actually..

2 SHERRY CHAN: Okay.

3 COUNCIL MEMBER LEVINE: you're
4 overstating the cost to the City.

5 SHERRY CHAN: So let... I guess... let me
6 rephrase... not rephrase; let me explain this another
7 word. For the retirees, those are the people already
8 in pay status, so obviously we include their
9 retirement benefits into our liability; for the
10 people who are still in active service, we have data
11 on what their salary is, and based on their current
12 salary we make a projection of what it will be at
13 retirement and therefore that's the future liability
14 obligation. [bell] So we do... if there is experience
15 that deviates from our assumptions, we do account for
16 that and we will amortize the gain or the loss in the
17 future years and in our next experience analysis,
18 which is when the actuaries review the assumptions,
19 we compare that to what the actual demographic is; if
20 that is not... if what we're assuming is not a good
21 match and best fit for what the actual experience is,
22 we do adjust that. So it does get incorporated and
23 if there is gain or loss generated from each fiscal
24 year, we do amortize that.

25 COUNCIL MEMBER LEVINE: Thank you.

2 CHAIRPERSON KOSLOWITZ: Thank you, and
3 thank you very much.

4 SHERRY CHAN: Thank you, Madame Chair.

5 CHAIRPERSON KOSLOWITZ: Thank you. I'd
6 like to call now Patrick Lynch, President of the PBA
7 and Steve Cassidy, President of UFA.

8 [background comments]

9 CHAIRPERSON KOSLOWITZ: I wanna thank you
10 for your patience.

11 PATRICK LYNCH: Thank you, Madame Chair;
12 fellow Council Members, thank you so much for having
13 this hearing here today and especially on this urgent
14 matter to New York City Police Officers and our
15 firefighters.

16 As you know, we're here today because our
17 city is failing to meet one of its most basic moral
18 obligations; every single day New York City police
19 officers and firefighters put their own health and
20 safety on the line in order to protect their fellow
21 New Yorkers, every single day they go to work not
22 knowing whether they might end their tour in the back
23 of an ambulance or in a hospital bed, and that's a
24 reality, rather than home safely with their families;
25 they understand that such risks are part of the job

2 and they accept them on behalf of this city and each
3 and every one of our residents. In recognition of
4 those risks our city has for a better part of a
5 century provided its police officers and firefighters
6 with the protection of an adequate disability pension
7 benefit that would allow them to provide for
8 themselves and their families if they are permanently
9 disabled in the line of duty. But the nearly 9,000
10 police officers hired since July 2009 have been
11 forced to face these risks without adequate
12 disability protection, their disability benefits are
13 not only lower than those provided to their more
14 senior colleagues; they are also lower than the
15 disability benefits provided to all New York City EMS
16 employees and to every other police officer and
17 firefighter in the State of New York. For some,
18 newly hired police officers the City-funded portion
19 of their benefit may amount to as little as \$27 a
20 day. As you may be aware, this unjust situation is
21 not the result of any reasoned decision by lawmakers
22 either in Albany or here in City Hall; instead it is
23 the byproduct of former Governor David Paterson's
24 ill-considered and unilateral decision not to sign
25 legislation extending the Tier 2 pension plan in

2 2009. By default, New York City police officers
3 hired since that day have been placed into pension
4 Tier 3, a plan that had never applied to New York
5 City police officers or firefighters before; even
6 Governor Paterson himself has acknowledged that the
7 reduction in disability benefits was an unintended
8 consequence of his veto and no lawmaker at any level
9 of government has attempted to defend the resulting
10 inequity between police officers who work side by
11 side, facing the same exact dangers, regardless of
12 when they were hired by the City of New York.
13 Instead, an increasing number of leaders at both the
14 City and the State level have joined us in calling
15 for equal disability benefits for all police officers
16 and firefighters.

17 We especially wanna thank you, the 40
18 members of the Council who've signed onto the
19 resolution in support of this change and having the
20 courage to do that. But despite this strong support,
21 the moral obligation has not yet been met; there is
22 currently a bill pending at the State level that
23 would provide police officers hired after July 2009
24 under Tier 3 with the same line of duty disability
25 protections as those under Tier 3. The Legislature

2 has requested the Council's home rule support for
3 this bill before bringing it to the floor for a vote.
4 In order to correct this injustice before the
5 Legislature adjourns in June, it is imperative that
6 this Council introduces and passes the Home Rule
7 Resolution without any further delay. The equal
8 level of disability protections provided under this
9 bill includes a disability pension of 75 percent of
10 final average salary not reduced by any Social
11 Security Disability benefits.

12 Despite what some editorial writers would
13 have you believe, this benefit is not a pension
14 sweetener; it has been a standard protection for all
15 New York City police officers and firefighters for at
16 least 75 years, going back to its unanimous decision
17 of the City Council in 1940.

18 Regardless of the costs, restoring this
19 benefit completely without any other strings or
20 political bargaining chips attached is the only just
21 and acceptable way for the City to honor its
22 obligation. There is no other adequate solution and
23 the solution cannot wait.

24 As far as New York City police officers
25 are concerned, the inequity in disability benefits is

2 not a hypothetical problem, it is not a problem that
3 will affect police officers at some distant point on
4 into the future; the injustice is real and it's
5 affecting police officers right this very moment who
6 stand outside this building who patrol our streets.

7 In the past 18 months at least three
8 police officers who are Tier 3 members have sustained
9 serious injuries in the line of duty. On February
10 26, 2014, Police Officer James Li was shot in both
11 legs as he attempted to apprehend a gun-toting fair
12 beater in Brooklyn. On April 6, 2014, Police Officer
13 Rosa Rodriguez suffered lung damage while responding
14 to a fire in Coney Island, an arson fire that claimed
15 the life of her partner, hero Police Officer Dennis
16 Guerra. On October 23 of last year, Police Officer
17 Kenneth Healey sustained a serious head injury when
18 he and three other officers were set upon by a
19 hatchet-wielding terrorist on Jamaica Avenue in
20 Queens. All three of these police officers are on
21 the road to recovery and each of them hopes to return
22 to full duty; that's our main concern. They hope to
23 do so because they are passionate about their jobs;
24 they are dedicated to protecting the people of this
25 great city, but they also recognize that if their

2 injuries force them to retire from the job they love,
3 they will not be able to support themselves or their
4 families on the disability pension benefits that the
5 City's now providing. It is not only a matter of
6 basic fairness to protect them and their families
7 against the financial risk that they've incurred on
8 our behalf; it is also a matter of public safety.

9 I ask you to put yourself in their
10 position or in the position of their fellow police
11 officers who are still out on the street performing
12 their duties even though they are unsure how they
13 will feed or clothe their kids if they are hurt on
14 the job. If you were in that position, would you
15 hesitate to put yourself in harms way? This is not a
16 question that any police officer wants to ask him or
17 herself; it is not a question that we want our police
18 officers to be asking at all; instead we should all
19 be asking how is it that government cannot now
20 satisfy this most basic obligation. Is it a measure
21 of how far we've fallen? In the context of \$78
22 billion budget, is it reasonable to claim that we can
23 afford to correct this injustice, to claim that we
24 can do no better than second-class treatment for the
25 men and women who risk their lives on all of our

2 behalf everyday, or is it that we are simply
3 unwilling to do what's right?

4 I'm here to ask this Council to do what's
5 right, what's fair and what's just and I therefore
6 once again urge the Council to introduce and pass a
7 Home Rule Resolution in support of Assembly Bill A-
8 6046 and Senate Bill S-4269. Thank you all, Madame
9 Chair, thank you all and all the Council Members for
10 having this hearing and having the courage to have
11 this hearing.

12 CHAIRPERSON KOSLOWITZ: Thank you.

13 PATRICK LYNCH: Steve.

14 STEVE CASSIDY: Thank you Madame Chair
15 and thank you Council Members. The administration
16 came here and said a lot of things that just aren't
17 true. The reality is, number one, Bob North, the
18 former actuary, was asked to assess the value, how
19 much this bill would cost and he went back and took
20 the previous ten years and then he took those ten
21 years and went out going forward. Of course the
22 previous ten years include 9/11, so unless the Mayor
23 and The Speaker believe that we're gonna have another
24 9/11 attack and that hundreds and hundreds of
25 firefighters will be killed and thousands and

2 thousands of police officers and firefighters will be
3 permanently disabled as a result of that, their
4 numbers are bogus, it's not even a debate; right?
5 They didn't even have the integrity to have a
6 discussion with us about this. In the middle of the
7 night, right, without any discussion with the UFA;
8 the PBA, they come up with their proposal. The
9 Speaker, who we've been trying to get to have this
10 hearing for almost a year, on Wednesday at 11:00
11 calls me to say, you're hearing's on for Friday at
12 10; then the Labor Commissioner shows up today and
13 has the gumption to say, well, we don't really have a
14 bill for you today, but we're gonna have one for you
15 next week, as the clock clicks down. It's
16 disgraceful conduct, okay. To those who have said --
17 somebody raised the question earlier today -- Does
18 this have to be voted on now? The answer is, in my
19 view, yes. The reason is; police officers and
20 firefighters need to know today, today, as they run
21 into harms way, is somebody gonna take care of their
22 family. When you family is trapped in the back room
23 of a burning building, do you want a bunch of young
24 firefighters who are worried about, oh my god, what
25 will happen to my family if I get hurt today; we have

2 never worried about that, we have signed on for the
3 risks, the incredible risks that exist to
4 firefighters and police officers and we've done so
5 willingly knowing, knowing that no matter what
6 happens in pension tiers, one thing is crystal clear;
7 if you are injured in the line of duty and
8 permanently disabled, you and your family will be
9 taken care of by the City of New York.

10 The Mayor yesterday decides that he wants
11 to give away \$1 billion annually in tax breaks to
12 real estate developers, some of the wealthiest people
13 on the planet here in New York City, but he doesn't
14 have enough money to make sure that firefighters and
15 police officers who are permanently disabled will be
16 taken care of. He sends his Labor Commissioner in
17 here with some bogus plan that doesn't address the
18 issue. I've got New York City firefighters sitting
19 right here recruited over the last five years and
20 they were told in writing, greatest job with the
21 greatest benefits; they forgot to tell them one
22 thing; don't get hurt in the line of duty, don't get
23 hurt in the line of duty; we won't take care of you.
24 The Mayor's proposal is disgraceful, in my view, it
25 doesn't actually address the real issue; in some ways

2 it's worse than the current system, so I'm asking the
3 Council to take the bill that represents firefighters
4 and police officers that the PBA and UFA have jointly
5 put together, we're asking you to do what's right; we
6 have the overwhelming support of people throughout
7 the entire State, including the Governor, including
8 the Comptroller, including 40 members of the City
9 Council, and those who didn't sign on, I expect they
10 will sign on after they've heard this debate and
11 discussion and all questions are asked and answered.
12 But make no mistake about it, the Mayor's projections
13 are not true. On the reasonable accommodate front,
14 which was raised here today, the benefit is such a
15 disgrace -- you're right, Council Member Levine -- no
16 way a New York City firefighter will take a benefit;
17 instead they will say, I'm sorry; I'm entitled to a
18 reasonable accommodation, protected under the Federal
19 Disability Rules, and I will sit at a desk job, even
20 though I really wanna be a New York City
21 firefighter, and you will have to replace that
22 firefighter in the fire house with another
23 firefighter and that firefighter who takes a desk job
24 will be replacing some civilian who he makes more
25 than. Now the City of New York couldn't figure out

2 how to measure what that cost will be to them; of
3 course not, because it doesn't fit into their plan.
4 Again, because they didn't have a discussion with us
5 because they don't wanna hear the facts because they
6 have some political agenda; I don't know what it is.
7 But the reality is, we have the support of the
8 Governor and so many around the State; we have the
9 support of so many people in this Council; anybody in
10 the Council who does not support our bill, now is the
11 time to ask and answer those questions. But those
12 are my comments; I look forward to your support.

13 [applause]

14 CHAIRPERSON KOSLOWITZ: Thank you. Thank
15 you very, very much and I'm sure everybody heard your
16 message and they will hear your message; it is
17 vitally important. Thank you. Council Member
18 Crowley.

19 COUNCIL MEMBER CROWLEY: Thank you,
20 Madame Chair. Thank you to the union leaders who are
21 here today, for your testimony; importantly, thank
22 your membership, we are.. I am incredibly grateful for
23 the lifesaving work that they do each and every day.
24 We are a city with a \$78 billion plus budget, a city
25 that so many people wanna live and raise a family in

2 because it is the safest big city in the country. We
3 would not have economic development and prosperity if
4 we did not have public safety, and I firmly believe
5 that if we don't pass this resolution, if we don't
6 send the home rule message to Albany, that will
7 affect our public safety.

8 PATRICK LYNCH: Council Member, thank
9 you; exactly right.

10 COUNCIL MEMBER CROWLEY: You know we hear
11 about the heroic efforts of Police Officer Rosa
12 Rodriguez; we hear about that because her partner got
13 killed in the line of duty, but there are so many
14 more that we're not hearing about that are hurt and
15 they're not taking a pension disability benefit
16 because it is not good enough. We as a city cannot
17 continue to let that happen. Thank you.

18 CHAIRPERSON KOSLOWITZ: Council Member
19 Levine.

20 COUNCIL MEMBER LEVINE: Thank you, Madame
21 Chair. I wanted to continue this important point on
22 modified duty, reasonable accommodation.

23 Mr. Cassidy, can you estimate on how much
24 more it would cost to employ a uniformed firefighter

2 for a given duty that might be replacing a civilian;
3 is it a substantial difference?

4 STEVE CASSIDY: Yeah and the answer is,
5 it's probably not hard to calculate; they didn't
6 wanna do it, they didn't want to acknowledge that
7 their package is so inept and so lacking in value
8 that somebody could actually take their disability
9 pension and retire, they can't do it, so they will
10 opt for a desk job. Firefighters and police officers
11 didn't sign on for desk jobs, but they're also smart
12 enough to know that they have to take care of their
13 family and if the City has now decided that they will
14 not provide a disability benefit that will allow them
15 to take care of their family, they will take a desk
16 job; that desk job will replace a civilian, okay;
17 they will make more than that civilian; there's a
18 real cost to that.

19 COUNCIL MEMBER LEVINE: Yeah.

20 STEVE CASSIDY: By the way, a civilian is
21 losing a job; there's a cost to the City on that, and
22 then that firefighter, police officer has to be
23 replaced in the field; there is a real cost to that,
24 make no mistake about it.

25

2 COUNCIL MEMBER LEVINE: We talk here
3 about the budget need to civilianize more positions I
4 think in both of your departments to save money, so I
5 think it's pretty obvious that it's less expensive.

6 Mr. Lynch, maybe you can talk about in
7 the Police Department how this works.

8 PATRICK LYNCH: Absolutely. And in the
9 past it didn't happen because the benefit, the three-
10 quarters benefit, the disability benefit was adequate
11 enough for that man or woman to go home and take care
12 of their family; they're going to select that option
13 now because they won't be able to feed their family
14 here in the City of New York, they will not be able
15 to pay the tuition, put clothes on their back, and
16 that's not drama. You know another thing we hear
17 oftentimes is, people look at this as if it's a perk.
18 Visit a police officer or firefighter at a bedside
19 when you get that emergency call, police officer
20 shot; you rush to the hospital, not one I've ever met
21 laid in that bed and said I hope I get three-
22 quarters. They wanna be made whole, they wanna go
23 home, they wanna breathe and they wanna live with
24 their family, it's not a perk, it's an obligation.
25 So there's a lot of talk about the cost; what about

2 the cost to the police officer? You know earlier on
3 the testimony was, well there's none applying now.
4 Well we have a police officer that stood on the steps
5 today that can't breathe, we had a police officer
6 that can't stand that stood on the steps of City Hall
7 today that can't stand, we had a police officer
8 that's partner was killed in the line of duty; there
9 for the grace of god it wasn't her. There was a
10 police officer who was set upon by a terrorist on
11 Jamaica Avenue that is fighting to come back, a kid
12 that was a surfer, a kid that came on this job, a kid
13 that can run faster than everyone else and now today
14 he had to cancel this therapy so he can come here to
15 say, this is the face of a police officer; no one
16 wants that disability, it's not a dollar and cents,
17 it's a right and wrong and we need to do it and I
18 appreciate the fact that you're hearing us all out.

19 COUNCIL MEMBER LEVINE: Thank you both
20 very much.

21 CHAIRPERSON KOSLOWITZ: We've been also
22 joined by Council Member Rosenthal. I wanna thank
23 you so very much. Oh I'm sorry. Council Member
24 Gentile... [crosstalk]

2 COUNCIL MEMBER GENTILE: I'm still here...
3 still here, Chair... Chairlady, thank you so much.

4 I just wanna be clear; under the
5 reasonable accommodation, that is a right of the
6 worker under the Americans with Disabilities Act; am
7 I correct?

8 STEVE CASSIDY: Yes, absolutely,
9 federally guaranteed right.

10 COUNCIL MEMBER GENTILE: Right. So the
11 department doesn't have a choice in that matter if
12 there is a reasonable accommodation for that injured
13 fireman or injured police officer.

14 STEVE CASSIDY: They don't have any
15 choice; they will have to provide them with a
16 reasonable accommodation job, and the reality is
17 they're likely to replace a civilian or sit at a desk
18 and do nothing, which is counterproductive also. No
19 matter what, it's going to cost the City more because
20 that firefighter or that police officer has to be
21 replaced in the field, he has to be replaced in the
22 field... [crosstalk]

23 COUNCIL MEMBER GENTILE: Right.

24 STEVE CASSIDY: you have to put a body
25 out there every single day and if somebody's sitting

2 at Metro Tech or at police headquarters because they
3 physically can't retire because the disability
4 package is unacceptable, they will have a reasonable
5 accommodation, there is a real added cost to the City
6 and just because they don't wanna calculate it
7 doesn't mean it doesn't exist.

8 COUNCIL MEMBER GENTILE: Right. And it
9 cuts against the trend to civilianize a lot of the
10 administrative jobs in fire and police... [interpose]

11 STEVE CASSIDY: Absolutely.

12 COUNCIL MEMBER GENTILE: Right. Right.
13 And I wasn't aware of the fact that the City's
14 projections; am I correct; you were telling us the
15 City's projections include the injuries sustained on
16 9/11/2001?

17 STEVE CASSIDY: Yes. Bob North has
18 acknowledged that he went back the last ten years,
19 which includes 9/11; one of the things that has
20 skewered their numbers so dramatically and they're
21 intellectually dishonest to present these numbers
22 here, is so many firefighters and police officers,
23 young firefighters and police officers, were
24 permanently disabled because of their lungs, what
25 they breathed in down at Ground Zero in the weeks and

2 months that followed the attacks; I mean, we're
3 talking about firefighters with three, four, five
4 years who were permanently disabled and forced to
5 retire; that's never happened in history, nobody
6 could ever expect that to happen again; for them to
7 use those numbers and to show up here and tell you
8 with a straight face these are the projected costs is
9 disgraceful conduct on their behalf.. [interpose]

10 COUNCIL MEMBER GENTILE: So in essence
11 what the City is really saying is that another
12 catastrophic event would have to happen for the
13 City's projections to be realistic?

14 STEVE CASSIDY: Well I think that's one
15 way to look at it; the other way to look at it is; if
16 there is another disastrous 9/11 attack and you have
17 a friend who's a New York City firefighter or police
18 officer that doesn't have real disability benefits,
19 do you expect them to show up?

20 COUNCIL MEMBER GENTILE: I'm curious; are
21 those hypotheticals or have you heard talk like that
22 among the newer recruits?

23 STEVE CASSIDY: Come on, listen,
24 firefighters signed to risk their lives every day,
25 but make no mistake about it; they had never in the

2 past had to worry about anything but doing their job,
3 and if they're focused on doing their job, the
4 likelihood of success and the likelihood of them not
5 getting injured or anybody on their team not getting
6 injured goes up. If one person is worried about
7 something they shouldn't be worried about, not
8 focused on the dangerous, challenging job of being a
9 firefighter or a police officer, it's a mistake, it's
10 a public safety issue; it needs to be resolved now.

11 COUNCIL MEMBER GENTILE: 'Kay.

12 PATRICK LYNCH: Yeah, that's a reality,
13 that's a reality of human nature. On September 11th,
14 for many of us, the job became real; before that we
15 didn't worry about the disability, we had that pact,
16 the public and government said we'll take care of
17 your family if we lose you or you're disabled, well
18 now that's gone, so that will be a real thought.
19 Just recently we had conversations with Steven
20 McDonald, the hero police officer who was shot in
21 Central Park in 1986 and he's disabled, he's a
22 quadriplegic, and he talked about the reality of the
23 job changed him, reality of job changed his family;
24 his wife, who's an accomplished woman in her own
25 right, the Mayor of Malverne, Long Island, how it

2 changed every aspect of the job. But as the
3 conversation went on, he also said, "Oh by the way,
4 this is my son, he's a New York City police officer;
5 by the way, he's in Tier 3; if what happens to me
6 happens to him, he can't take care of his family,"
7 that's the reality of it; we've gotta stop talking
8 about how much it's gonna cost; we've gotta talk
9 about how much it's gonna cost if we don't have a
10 police officer fully engaged on the street, we don't
11 want a police officer worrying about their injuries.
12 When that affects a police officer when they question
13 what they're doing, it also affects the public as
14 well, it affects the public, 'cause if we are overly
15 concerned about our safety, it affects how we do our
16 job; that affects the public as well; that creates
17 loss of life; we can't have that, we've come too far,
18 the city's changed, it's changed 'cause police
19 officers and our firefighters went out there and put
20 themselves at risk. I know folks are saying well
21 he's the union president, he's supposed to say that;
22 I'm also a father that has two sons in Tier 3; I'm
23 also a father that had the opportunity 'cause the men
24 and women that sit in this audience [bell] that was
25 able to rear their children in safety here in the

2 city 'cause police officers before me put themselves
3 at risk; that's the reality. This resolution needs
4 to be passed. We're talking about is there an
5 emergency, does it need to be done now? It needed to
6 be done six years ago when this ill-conceived veto
7 happened; we didn't create this artificial
8 timeframe, the City did; it was blocked from moving
9 forward; we've tried and tried again, we've tried
10 this session since January; it's coming up now, I
11 don't know why, maybe it is political, I don't know;
12 it should have been done months ago, it needs to be
13 done now; it can be done, just like that veto
14 happened in the dark of night, this can happen
15 tonight; let's work to get it done on all forms of
16 government, when it's here or up in Albany to get
17 this accomplished, it needs to be done. Thank you.

18 COUNCIL MEMBER GENTILE: Those examples
19 really drive it home. Thank you and thank you all.

20 CHAIRPERSON KOSLOWITZ: Thank you so very
21 much. I'd like to call on Assembly Member Peter
22 Abbate. Thank you for your patience.

23 [pause]

24 PETER ABBATE: Yes, thank you very much...
25 Is it on? Yes. Thank you very much, it's a honor to

2 be here, Madame Chair and my colleagues in the
3 Council.

4 I've left some testimony -- I've sat
5 through a number of hearings in my career in Albany,
6 so I'm not gonna -- I know what it's like sitting
7 here reading them, so I will not read it. I just
8 wanted to go over a number of facts with you,
9 especially today what we need to do. I know the
10 resolution has been proposed by Councilwoman Crowley,
11 but I'm actually here today to ask you to please,
12 please lets start working on the Home Rule Messages
13 for Assembly Bill 6046, Assembly Bill 7108 and
14 Assembly Bill 7185; I think it's very urgent that we
15 get these bills up to Albany to do, it does take time
16 for us to get through our committee system like it
17 does to you.

18 I was a little disappointed today, when
19 listening to the Mayor's Office, come by and saying
20 that they're making changes to a bill that they just
21 gave to us a week ago. Actually just yesterday I was
22 speaking to the Mayor's representative in Albany,
23 telling him there were major flaws in the bill, which
24 I've been trying to tell them for three weeks as they
25 were coming back piecemeal to it, and they assured me

2 yesterday that there was no problems with the bill,
3 no problems at all; all of a sudden today they pulled
4 it back and you're gonna get it back Tuesday.
5 There's no mistake about it, they're just, you know,
6 delaying, delaying, delaying; they do not wanna do
7 this; I hope the Council doesn't fall for what
8 they're doing anymore, they go over a number of
9 options, Mr. Linn, Commissioner Linn says that they
10 addressed the major problem that everyone was talking
11 about -- new hires -- well no one ever brought up new
12 hires to them and in the first couple of years; I
13 think that's their idea of it. I've been doing
14 pension bills as the chairman of the committee for 12
15 years, been on the Government Employees Committee for
16 29 years; we never do pension bills looking at one or
17 two years. Tiers are done going forward; the problem
18 with the new Tier system 5 and 6 is we've been
19 rushing into them and that's what the City is trying
20 to do now, take Tiers 2, 3, do them piecemeal; it's
21 not the right way to do it. The simple way to do it
22 is to go long-range and look at it. We don't wanna
23 take care of the firefighters and police officers,
24 sanitation and correction in their first six years,
25 then have to come back after six years and change it

2 again; that makes no sense. So that's one of the
3 things I wanted to stress today. Also, Commissioner
4 Linn says that we got a lot of these bills done,
5 brings up the Governor veto, the vets bill last year
6 because it costs too much; it's apples and oranges,
7 the Governor said he supports the proposals we have
8 in Albany right now, so I just hope we can go
9 forward; Governor Paterson is onboard, the Senate is
10 onboard; the Assembly, we will pass that bill out of
11 my committee and get it on the floor, if we have
12 enough time; that's very important to do.

13 And one of the things you know, I've
14 looked at the resolution; I really wanna thank the
15 members here who have been on it, and I know
16 Councilman Lander is not here right now, but if he
17 does come in, I just wanna say I'm a little
18 disappointed that he wasn't on it because I know all
19 my elected officials in Brooklyn, who are the
20 senators and assemblymen do support this resolution.
21 So any questions, but I can't stress the urgency.
22 Politics -- there's no politics involved in it.
23 Actually, the longer we wait the politics will get
24 there, especially the City Council and the Assembly,
25 we don't do it this year, next year's elections for

2 the Assembly and the Senate, couple years down the
3 road it's your election and so we wanna keep that
4 that away, we wanna do it on the issue, we don't want
5 people coming and saying they're gonna vote on this
6 or someone's not gonna get endorsed, someone will get
7 endorsed, you know, and we don't wanna wait for that
8 point when everyone's gonna run for re-election and
9 say alright, now we'd better do it 'cause I'm not
10 getting endorsed by police or fire, so now I'm for
11 it. Let's do it because it's right thing to do.

12 Thank you.

13 CHAIRPERSON KOSLOWITZ: Thank you and I
14 wanna thank you for all the work you've done
15 throughout the years, thank you; I know you worked
16 very hard on this bill and how eager you are..

17 PETER ABBATE: Thank you.

18 CHAIRPERSON KOSLOWITZ: to have it done.
19 Council Member Gentile.

20 COUNCIL MEMBER GENTILE: Thank you,
21 Madame Chair. Assemblyman Abbate.. [interpose]

22 PETER ABBATE: Wait a minute, you're not
23 allowed to ask me questions, I'm senior to him in my
24 district. Go ahead.

25 [laughter]

2 COUNCIL MEMBER GENTILE: Interesting,
3 right? You've introduced a statewide bill, Assembly
4 7816, which would take everybody in Tier 3 and put
5 them back into Tier 2, I'm curious; is there a point
6 in the next two weeks or three weeks, whatever it is,
7 where you pull the trigger and don't wait for a Home
8 Rule Message and move forward with 7816?

9 PETER ABBATE: That's a good question; I
10 have that bill and in the Senate, Senator Golden has
11 a bill, and a statewide bill that you know, bypasses
12 the City Council. My bill was actually put in 'cause
13 I wanted to negotiate with the administration; I
14 don't want to force everyone into that incident; I
15 don't wanna force, you know take away the powers that
16 the City Council has, but yes, I will try to get that
17 passed out of my committee and onto the floor; I made
18 the Governor aware that before I introduced a bill
19 that I was introducing and I haven't heard anything
20 negative or positive back yet. But yes, and sadly I
21 had to do that, wasting more time and taxpayers'
22 money to get all that printed up and done instead of
23 just getting, you know Home Rule Messages done here
24 and sent up to Albany, you know, as quick as
25 possible. Actually, there's three and four.. there's

2 ten legislative days left in the session in Albany to
3 get it done, counting Monday and the City says they
4 won't have their fiscal note until Tuesday and then
5 you know, when it comes back there's still five
6 problems or seven problems with the bill.

7 COUNCIL MEMBER GENTILE: So is there a
8 "same as" in the Senate or is Senator Golden's bill
9 different...? [crosstalk]

10 PETER ABBATE: I... I... I am being told that
11 there probably will be a "same as" in the Senate.

12 COUNCIL MEMBER GENTILE: Just to be
13 clear, at some point if you don't get a Home Rule
14 from the City Council, you're gonna try to move this
15 bill forward...? [crosstalk]

16 PETER ABBATE: Both... Both... I think both
17 houses will try to move their bills and send them to
18 the Governor.

19 COUNCIL MEMBER GENTILE: Without the City
20 Council bill...? [crosstalk]

21 PETER ABBATE: Right. Those bills do not
22 need a Home Rule Message... [crosstalk]

23 COUNCIL MEMBER GENTILE: You don't need
24 the City Council?

25

2 PETER ABBATE: Right, we do not need a
3 Home Rule Message; it's something that we really,
4 really do not like to do up in Albany, reserve the
5 power of any local government entity, whether it's in
6 New York City, Buffalo or Rochester, we try to work
7 with them, but sometimes you just can't, you know.

8 COUNCIL MEMBER GENTILE: But you haven't
9 set a D-day yet; right?

10 PETER ABBATE: No. Like we said, if the
11 Mayor's Office wants to work and the Council wants to
12 get the Home Rule Message done, it could be done in a
13 day; I've seen them driven up on the throughway, the
14 Home Rule Messages driven up on the throughway; I
15 could have a committee meeting at you know, nine in
16 the evening and get the bill done by eleven at night,
17 you know, if we can get up there. We do put in some
18 late nights in June.

19 COUNCIL MEMBER GENTILE: As I know, yes.
20 Thank you, Assemblyman.

21 PETER ABBATE: Thanks.

22 CHAIRPERSON KOSLOWITZ: Council Member
23 Crowley.

24 COUNCIL MEMBER CROWLEY: Assembly Member,
25 I wanna thank you for all your leadership in the

2 State Legislature and for taking on this right issue
3 and actually joining us here today at the Council to
4 share how important it is that you believe that this
5 bill get passed immediately, and so I just wanted to
6 express how grateful I am. And then I just had a
7 question about support of the Mayor's plan; is there
8 any real support amongst your colleagues in Albany?

9 PETER ABBATE: Yeah. Well first, thank
10 you very much for my support and I also wanna thank
11 you for doing the heavy work down here in the
12 Council, convincing not only your colleagues to get
13 onboard, but trying to convince the leadership here
14 and the Mayor's Office.

15 To my understanding there is very little
16 support of the Mayor's bill, there's no Senate
17 sponsor; not mentioning names, but what I've heard;
18 the sponsor of the bill, the Mayor's bill, was... I
19 think the bill was put in yesterday and I really feel
20 sad for the gentleman who's sponsoring the bill; I
21 think they told him it was a good bill in all, he
22 believed them and all of a sudden they're pulling
23 that bill out from under him and changing it before I
24 guess he had a chance to read it. I spoke to him and
25 told him I didn't think it was a very good bill; it

2 was poorly written. I don't know what parts they're
3 changing, except they said they were only changing
4 the part whether it would be optional or not. But if
5 you look at the bill, you know, and I know some of my
6 colleagues have done some research on it, the
7 different types of benefits are wrong, and I thought
8 it was a drafting error and when I spoke to the
9 Mayor's representative up there and he said there was
10 no drafting, and the truth of the matter, if you have
11 a police or fire officer off duty and they're working
12 on the roof of their house and god forbid they fall
13 off and get a disability, and you have another police
14 or fire officer, one going into a burning building
15 and one getting shot, the person falling off the roof
16 is gonna get a bigger disability in the way they've
17 written the bill; I was hoping they were here,
18 because they're gonna have to go and change that
19 after they come back on Tuesday. So I don't think
20 they looked at that mistake in the bill.

21 CHAIRPERSON KOSLOWITZ: They'll have to
22 take the person and run home with the person. Thank
23 you... right. Right. Right... [crosstalk]

24 COUNCIL MEMBER CROWLEY: So when they get
25 injured in the line of duty pretend they were injured

2 at home and then they'll get a better benefit, and it
3 makes [background comments] absolutely no sense.

4 PETER ABBATE: And it doesn't; that's why
5 it's making... when they said they were making changes,
6 I was hoping they realized that point; I couldn't get
7 up, but yeah. But when they said they were just
8 making the change, you know on the fiscal note for
9 the optional part, obviously they didn't pick up that
10 mistake they have in the bill yet. So obviously take
11 that into consideration that their bill won't be
12 ready on Tuesday and another reason why you should do
13 the Home Rule Messages, you know, on the three bills
14 I've mentioned. So again, thank you.

15 COUNCIL MEMBER CROWLEY: Well and again,
16 thank you and you understand the urgency, but they..
17 [crosstalk]

18 PETER ABBATE: Yeah. I think there's
19 urgen... it's not political; as I said, it gets
20 political the longer we go.

21 COUNCIL MEMBER CROWLEY: And a lot of
22 times... [interpose]

23 PETER ABBATE: No one's running this
24 year, so it's not political... [crosstalk]

25

2 COUNCIL MEMBER CROWLEY: All the time has
3 been wasted; all the time the administration spent
4 here without a real bill for us to even consider.

5 PETER ABBATE: And you know, thank you
6 for bringing that up; I'm gonna make a point that
7 everyone says we're here; they've had this bill to
8 January. The truth of the matter is, there was a
9 similar bill last session and they ran the clock out;
10 at least you had a resolution and a Home Rule Message
11 last year and we didn't get that bill done because
12 the administration did nothing in May and June of
13 last year; the whole fall went by, session came by;
14 Councilwoman Crowley introduces a resolution to get
15 it done and they tell her, well that's on last year's
16 bill; she had to change it, 'cause we don't
17 resolutions on old bills. So it just goes to show
18 them that even when they say they've been working on
19 it, they haven't worked on it at all, and it's a sad
20 situation; you know, the progressiveness is not
21 there; you can't go around the country telling people
22 you wanna give someone \$15.00 an hour in minimum
23 wage, which I'm for, and then telling a police or
24 fire officer injured on the job, you're gonna get
25 \$27, \$30 a day, and I understand, the Mayor and some

2 of the Council, when they go around, god forbid a
3 fireman or a police get injured, sanitation; the
4 first thing you hear, that they run down to the
5 hospital, the funeral parlor; my heart goes out to
6 the family they say. You know, that's important the
7 heart, but you know what; the pocketbook is important
8 too; give some money, that's where... you know, the
9 heart is important, but as the family has to live on
10 through the years, the money is just as important.
11 So thank you again.

12 COUNCIL MEMBER CROWLEY: Thank you.

13 CHAIRPERSON KOSLOWITZ: Thank you very,
14 very much. Last but not least, President Harry
15 Nespoli from the Sanitationmen's Association and
16 Elias Husamudeen. [background comments] You'll all
17 introduce yourself... [crosstalk]

18 HARRY NESPOLI: I know it's been a long...
19 long...

20 CHAIRPERSON KOSLOWITZ: except you,
21 Harry; we all know you.

22 HARRY NESPOLI: Oh okay. Hey, last time
23 I was here I didn't need the glasses. I need the
24 glasses now. Harry Nespoli, President... [crosstalk]

25

2 CHAIRPERSON KOSLOWITZ: Can we... Can we
3 have everybody's name?

4 HARRY NESPOLI: Harry Nespoli, President
5 of the Uniformed Sanitationmen's Association.

6 THOMAS FARRELL: Thomas Farrell,
7 Legislative Chairman, Correction Officers' Benevolent
8 Association.

9 ELIAS HUSAMUDEEN: Elias Husamudeen, Vice
10 President for the Correction Officers' Benevolent
11 Association.

12 ROBERT BISHOP: Robert Bishop; I'm the
13 Legislative Representative for both Sanitation and
14 Corrections.

15 HARRY NESPOLI: I started off with good
16 morning, but now it's good afternoon, so.

17 Thank you to the Chair, the Council
18 Members for having this; I understand it's long
19 overdue. I listened to my brothers in the union that
20 testified before me and I really, really feel that
21 what was shown here today exactly exhibits what we
22 need. The Mayor's bill goes nowhere, it doesn't go
23 far enough; it has to get back to the three-quarter
24 disability and eliminate Social Security at the top
25 if any of our members are injured. It's as clear as

2 that; I mean the people before you for 36 years
3 honestly felt that that's what all uniformed forces
4 in the City of New York need to protect their family.

5 I'm not gonna read it; all I wanna do is,
6 I wanna touch on one of my members that was 22 years
7 old and he came on the job and he turned around, he
8 was a ballplayer, and after six months on the job a
9 truck going by hits him, knocks him into the harbor;
10 since the last two years he's had 14 operations on
11 that leg. And I've heard here something today that
12 I'm definitely gonna look into, because on my job you
13 don't have an option to go to a desk; they put you
14 off the job. This sanitation man now, with the
15 present pension, is making less than minimum wage for
16 the year's salary; he's 23 years old now, he turns
17 around, he started a family and he keeps asking me,
18 are they gonna force me off the job; are they gonna
19 force me off the job? To go before him and tell him
20 exactly what Tier 6 does for sanitationmen, I'm
21 ashamed of it, and this city should be ashamed of it
22 also; it has to be done now, not later on; it should
23 be taken on right now, because there's other classes
24 online to come on my job and it's very difficult. As
25 far as going into a new school of new people and

2 telling them, you know what, this is what you're
3 offered, you're offered this pension or you're
4 offered that pension; they can't even pick what
5 health coverage they're looking at; there's no way
6 they're gonna make a judge on that, it has to be
7 rolled back, it has to go back to the way it was
8 fully and that protects the firemen, the police
9 officer, the correction and sanitation; these are the
10 ones that are out there every single day. If you
11 just turn to what I handed you there, there's a chart
12 there and the U.S. Department of labor just finished
13 up the survey on the most dangerous jobs in the
14 country and guess what -- the most deadly jobs in the
15 country, and guess what; sanitation was number one.
16 So you're saying yeah, but that was based on death,
17 but you know what; the ones that didn't die are
18 disabled and there's a lot of people out there, many
19 of my members that are getting run over, hit by cars,
20 people put some strange things in the pales, it flies
21 back, it's acid in their face, it's down their
22 throat; we lost members like that, we lost members,
23 women on the job; I mean, the city has changed, it's
24 changed and people are more in a hurry right now. We
25 had a truck just the other day that, the car couldn't

2 pass through, he drove up on a sidewalk, drove around
3 the truck on the right and then hopped off; not even
4 thinking about the public or anybody that's walking.
5 So this bill for sanitation is very, very important
6 and I know that many, many union people with the
7 uniformed force feel the same way and I know that the
8 people that are still here right now feel the same
9 way also. That's it with me. I say, do it now;
10 let's get our Home Rule up there; let's get it passed
11 and move one.

12 THOMAS FARRELL: Good afternoon, Chair,
13 members of the Council. I'm testifying on behalf of
14 Norman Seabrook, who couldn't be here today.

15 I wanna touch on a couple of things and
16 I'm not gonna read through all of this. Bob Linn sat
17 up here earlier and he talked about that there were
18 different tiers and he's right, we've worked with
19 different tiers -- Tier 2, Tier 3 -- I had many
20 different members part -- 25-year, Tier 3, 20-year,
21 Tier 3 -- that just was by pension contributions;
22 nothing to do with benefits, benefits were always the
23 same. I kept hearing the word assumption,
24 assumption, assumption; you know what the word assume
25 means; I have to hire an actuary to figure out what

2 my members are gonna get. Just like Harry said, we
3 don't have the luxury of the American Disabilities
4 Act and getting a reasonable accommodation; if you
5 cannot perform the duties of a New York City
6 Correction Officer, within one year you're removed
7 from the job.

8 I have a person right now, 26 years on,
9 so he's gonna fall three weeks short of getting his
10 disability hearing because he went to surgery and the
11 department is gonna medically separate him. So when
12 you talk about the numbers; I mean we... Corrections
13 has been up before your committee how many times;
14 they want reform, they want reform, they want reform;
15 reform has to be on both sides. The jails are at the
16 most violent they've been. Just this quarter, just
17 this quarter alone we had 1200 incidents where
18 officers were injured, officers went to the hospital,
19 stabbings, slashings; they're getting beaten on a
20 daily basis.

21 I'm gonna touch on a couple of cases of
22 officers that were -- Elmhurst Hospital, you figure
23 it's not Rikers Island, it's not gonna be as violent;
24 a female correction officer ordered an inmate to get
25 off the phone; the inmate threw the phone at her, hit

2 her in the face and then continually beat her. She
3 suffered -- she got the three-quarter disability,
4 thank god -- cervical protrusions, tears in the right
5 knee, tears in the left knee, still has chronic knee
6 pain and poor mobility. If this happened now, what
7 would they get? She wouldn't be able to afford to
8 pay for a family; she's a single mom. Majority of my
9 workers, majority of our officers are single parents,
10 46 percent are female. So you talk about what you're
11 doing to the public; this is what you're doing to our
12 members; it has to change, it has to stop and it's
13 gotta start there. Police, fire, corrections,
14 sanitation, we all had the three-quarter bill; they
15 lost it in 2009, we lost it in 2012 when they did the
16 Tier 6 in the middle of the night and they didn't do
17 it right. Governor Cuomo did this and now he wants
18 to fix it; maybe he should've done it right the first
19 time; we wouldn't be there, but it does truly need to
20 get fixed and all four services have carved out; all
21 four services need to get it; no job is harder than
22 the other; I don't wanna be a cop or firefighter or
23 sanitation worker; I don't think anybody wants to
24 work on Rikers Island and get the shit kicked out of
25 them every day. Thank you.

2 CHAIRPERSON KOSLOWITZ: Council Member
3 Crowley.

4 COUNCIL MEMBER CROWLEY: Thank you,
5 Madame Chairperson.

6 Good afternoon and I wanna thank
7 Mr. Nespoli and Mr. Farrell for being here today and
8 also for the work that your members do for the City
9 of New York.

10 Sadly, President Nespoli and myself were
11 in my district about a month ago as we co-named a
12 street in Middle Village after Steven Frosch, who was
13 killed tragically in the garage of his sanitation
14 garage after having served 15 years in the City of
15 New York. There's no doubt in my mind of the dangers
16 our sanitation workers face, as well as our members
17 who work for the Department of Corrections, as well
18 as all uniformed services, and you know you have my
19 unwavering support in seeing this pension benefit
20 through until every single one of your members does
21 not have to go another day without this type of
22 benefit.

23 And just you know, as it relates to the
24 respect and the professionalism that your members
25 deserve, Harry, you mentioned a female sanitation

2 worker; Tom, you mentioned nearly half your force is
3 female; as we're growing, whether you be female or
4 male, you deserve the protection, it's a dangerous
5 job and you know I just compliment the work that both
6 of your respective unions are doing and all of our
7 professional unions are doing to diversify, and as
8 our city is becoming more and more diverse and these
9 jobs are becoming more and more divers, it's really
10 not fair that we're hurting women and people of color
11 with less benefits. So that's it.

12 CHAIRPERSON KOSLOWITZ: Thank you very...
13 you have... Council Member Gentile... [crosstalk]

14 COUNCIL MEMBER GENTILE: Thank... Thank
15 you, Madame Chair.

16 I'm curious, 'cause I did ask this
17 question of Assemblyman Abbate, but in the worse case
18 scenario, if they move forward with the 7816, that
19 bill, would it cover sanitation and corrections?

20 ROBERT BISHOP: Yes, it would.

21 COUNCIL MEMBER GENTILE: It would? So...
22 so that... that bill would cover everybody?

23 ROBERT BISHOP: Yes, that's 71... 7816 in
24 the Assembly and Senate 5700.

2 COUNCIL MEMBER GENTILE: Great. So there
3 is a "same as" in the Assembly...? [crosstalk]

4 ROBERT BISHOP: Yes, there is.

5 COUNCIL MEMBER GENTILE: There is? Okay...
6 [crosstalk]

7 ROBERT BISHOP: Yes, there is.

8 COUNCIL MEMBER GENTILE: Okay, so it's
9 ready to move forward in... [crosstalk]

10 ROBERT BISHOP: Yes, sir.

11 COUNCIL MEMBER GENTILE: in that case?
12 Okay... [crosstalk]

13 ROBERT BISHOP: It's... It's just written
14 as a statewide amendment to Tier 3.

15 COUNCIL MEMBER GENTILE: Right. Right.
16 Okay, great. Thank you. Thank you for being here.

17 HARRY NESPOLI: Can I just say I'd like
18 to thank Abbate for coming down, really, and
19 testifying here and we have to do, like he said, we
20 have to do it down here; we have to get this bill
21 passed. Let's get Home Rule and get it up there as
22 quick as possible.

23 THOMAS FARRELL: Thank you Chair Crowley,
24 Chair Koslowitz; Council Member Gentile.

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

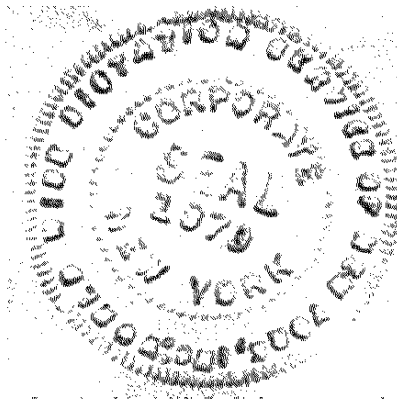
CHAIRPERSON KOSLOWITZ: Thank you and
again, thank you for your patience and we hear you
loudly and clearly.

This meeting is adjourned.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 3, 2015