Board of Directors

Officers
President
Charles H. Nesbitt, Jr.
Orleans County

President Elect
Hon. Scott B. Samuelson
Sullivan County

First Vice President
Hon. John F. Marren
Ontario County

Second Vice President
Hon. Martha C. Sauerbrey
Tioga County

Immediate Past President
Hon. MaryEllen Odell
Putnam County

Members
Hon. Steven Bellone
Suffolk County

Hon. Philip R. Church
Oswego County

Hon. Cheryl Dinolfo
Monroe County

Hon. Daniel P. McCoy
Albany County

Hon. Marcus Molinaro
Dutchess County

Hon. Mark C. Poloncarz
Erie County

Hon. Bill de Blasio
Mayor of NYC

Hon. Beth A. Hunt
Hamilton County

Hon. Margaret M. Kennedy
Otsego County

Michael E. Zurlo
Clinton County

Parliamentarians
Hon. Herman Geist, Esq.
Westchester County

Hon. A. Douglas Berwanger
Wyoming County

NYSAC Staff

Partial Listing

Stephen J. Acquario
Executive Director

Legislative Team

Patrick Cummings  Counsel
pcummings@nysac.org
Issue areas: Indigent Defense/ Judiciary, Veteran Services,
Public Employee Relations, Real Property Taxation,
Gaming, and Native American Affairs

Ryan Gregoire  Legislative Coordinator
rgregoire@nysac.org
Issue Areas: Public Safety, Elections, Emergency Management,
Children and Families (PreK Special Education and
Early Intervention), Health and Human Services, Aging, Youth.

Alexandra LaMonte  Research Analyst
alamonte@nysac.org
Issue Areas: Agriculture/Rural Affairs, Economic Development,
Environment, Planning, Higher Education,
Public Health/ Mental Health, Shared Services

Mark F. LaVigne  Deputy Director
mlavigne@nysac.org
Issue areas: Workers Comp, Public Works, Insurance,
Transportation, Shared Services

Dave Lucas  Director, Finance & Intergov. Affairs
dlucas@nysac.org
Issue areas: Medicaid, Taxation, Finance/Budget,
Resolutions, Pensions

Karen Catalfamo  Fiscal/Office Manager
kcatalfamo@nysac.org

Nicole Correia  Communications Manager
ncorreia@nysac.org

Jaqueline Dederick  Records Manager
jdederick@nysac.org

Patricia Gettings  Executive Assistant
pgettings@nysac.org

Juanita Munguia  Marketing Specialist
jmunguia@nysac.org

Kate Pierce  Multimedia Specialist
kpierce@nysac.org

Jeanette Stanziano  Director, Education & Training
jstanziano@nysac.org

New York State Association of Counties | 540 Broadway Albany, NY 12207 | 518-465-1473 | www.nysac.org |
# Table of Contents

Agriculture and Rural Affairs ......................................................................................... 5
  Statewide Supplemental Price Support System ................................................................. 5

Economic Development ...................................................................................................... 6
  Expand Access to Broadband and Cellular Services .......................................................... 6

Energy & Environment ....................................................................................................... 7
  Expansion of Bottle Bill ..................................................................................................... 7
  Paint Stewardship Program ............................................................................................... 7

Labor ................................................................................................................................... 8
  Prevailing Wage .................................................................................................................. 8

Local Government Finance ............................................................................................... 9
  Non-Partisan Legislative Budget Office .............................................................................. 9
  Strengthening Current Tax Law Assessment Requirements “Dark Store Theory” .................. 9
  Mortgage Recording Tax .................................................................................................... 10

Gaming ............................................................................................................................... 11
  Sports Betting ..................................................................................................................... 11

Public Health ...................................................................................................................... 12
  Cannabis Legalization & Reforms .................................................................................... 12

Public Safety ...................................................................................................................... 13
  County-wide EMS Districts ............................................................................................... 13
  Increase Income Tax Credit for Volunteer Firefighters and EMS Workers ....................... 13
  Parole Violators .................................................................................................................. 14
  Pre-Arraignment Holding ................................................................................................... 14
  Prohibition of Drones Near Jails ....................................................................................... 15

Public Infrastructure and Transportation ........................................................................... 16
  CHIPS Bidding Threshold ................................................................................................ 16
  Design Build for Major Local Government Construction ............................................... 16
  Emergency Winter Recovery Funds .................................................................................. 16

Shared Services & Government Efficiency ....................................................................... 17
  Expansion of Article 47 ..................................................................................................... 17
  Self-Funded or Self-Insured Health Plans ....................................................................... 17
  Court Judgement Interest Rates ....................................................................................... 18
  Scaffold Law Reform ......................................................................................................... 18
  Wicks Reform .................................................................................................................... 19
2019 Legislative Program

NYSAC POST-BUDGET PRIORITIES

Agriculture & Rural Affairs
- Support a statewide dairy supplemental price system, promote consumption of milk in schools, and fund local agricultural assistance.
- Increase support for Cornell Cooperative Extensions.

Cannabis Legalization
- Provide counties with resources for public education and technical assistance to manage the societal impact to public health, public safety, criminal justice, consumer protection, and economic development, among others.
- Provide a 4% revenue sharing for counties and local governments to meet local needs with implementations.

Economic Development
- Prioritize and expand broadband and cellular coverage to unserved and under-served communities.

Environment
- Support educational initiatives related to recycling.
- Provide state assistance for localities affected by increases in recycling costs.
- Create an industry supported paint stewardship program.
- Expand the NYS Returnable Container Act (“Bottle Bill”) to include more glass containers, such as liquor, wine, and iced tea bottles.

Finance & Tax Relief
- Increase county retention of revenues derived from county DMV operations.
- Ensure local home rule bills—like sales tax—are acted on quickly, provide longer extension periods, and eventually make them permanent.
- Eliminate the use of “dark store theory” as a way to lower property tax assessments.
- Create a Non-Partisan Legislative Budget Office.

Human Services
- Provide temporary training locations closer to home for county child welfare workers.

Judiciary
- Lower court judgement interest rates.

Property Tax Reduction
- Enact “No New Unfunded Mandates” legislation and cap current state mandated costs at a rate that does not exceed the state-imposed property tax cap.

Public Employee Relations
- Repeal the NYS Scaffold Law, or reform it to include a pure standard of comparative negligence.
- Grant county home rule authority to allow for the establishment of countywide EMS related districts.

Public Infrastructure & Transportation
- Authorize use of successful wildlife management at airports.
- Increase CHIPS funding for extreme winter restoration fund.
- Increase the CHIPS bidding threshold to give municipalities flexibility to bid out or perform in-house projects.
- Authorize use of design-build contracts for localities.

Public Safety
- Release the interoperable emergency communication funds in a more timely manner.
- Reimburse counties detaining state parole violators at local correctional facilities for over 10 days.
- Increase the State income tax credits for volunteer firefighters and EMS workers.
- Prohibit the use of drones near jails.

Shared Services
- Make it easier for local governments to create health insurance consortiums.
- Adjust property tax cap provisions that work against local shared services and functional consolidations.
- Ease court consolidation procedures.

Gaming
- Resolve the gaming compact dispute with the Seneca Nation and hold counties harmless through state payments in the interim.
- If sports gaming is permitted in NYS, equitably share some of this revenue to all New York counties by including off-track betting corporations.
STATEWIDE SUPPLEMENTAL PRICE SUPPORT SYSTEM

Background

A crisis is gripping New York State’s dairy farmers. The overabundance of milk, decreasing demand, dramatically lower prices, higher operating costs and unfavorable weather conditions have negatively impacted the economic viability of dairy farms across the state. Despite 52 months of robust milk production, commercial sales and consumption of fluid milk decreased about 20% over a 17-year period, including a 10% reduction since 2011.

Milk prices are highly erratic and unpredictable. It is estimated that the 2016 earnings for New York dairy farmers from milk sales are just one-third of that of 2013, and today’s prices are similar to those received in 1985.

Recommendations

NYSAC supports the development of a state-sponsored New York price supplemental program or margin protection program that addresses low milk prices for our dairy farmers when the cost of production exceeds revenue from sales.
EXPAND ACCESS TO BROADBAND AND CELLULAR SERVICES

Background

Broadband and cellular service are no longer luxuries; they are now critical to education, public safety and economic development. While nearly every urban and suburban community has cellular communications capabilities, there are large coverage gaps, particularly in rural areas, that are either underserved or not served at all by cellular phone carriers. These gaps prevent residents, visitors, and travelers from accessing necessary emergency services through E-911 at the time of need. Lack of cellular coverage is a major concern in the Adirondacks, Catskills, and other upstate rural areas. It restricts individuals from fully participating in today’s economy, educational systems, and government processes compared to their counterparts with full access to these services.

Recommendations

NYSAC encourages the Governor to name members of the Upstate Cellular Coverage Task Force, consisting of industry experts, community leaders, government officials, environmental representatives, and other key stakeholders, so that it is modeled after the New NY Broadband Program. The Task Force will review existing policies, potential constraints, available resources and funding sources, including federal support, to develop implementable recommendations for enhancing cellular coverage in unserved areas, including the Adirondack and Catskill counties.

NYSAC also encourages the Empire State Development, Broadband Program Office to engage with the NY federal delegation to pressure the Federal Communications Commission to release congressional funding for cellular deployment.
EXPANSION OF BOTTLE BILL

Background
Counties play an important role in sustainable waste management. In the face of global recycling market volatility that has caused unsustainable cost increases, we will need additional state support to maintain recycling efforts that are essential for conserving natural resources and keeping unnecessary waste out of landfills.

Recommendation
One way to instantly improve the quality of the recycling stream is to remove glass containers. Glass is difficult for municipalities to recycle because when it breaks it contaminates other recyclables and wrecks the machinery in processing plants. To reduce contamination and save municipal material recovery facilities (MRFs) money, we recommend expanding the Bottle Bill to include additional glass receptacles, such as liquor, wine, and tea bottles. As New York State’s craft beverage industry continues to grow, we have an opportunity to dramatically reduce present and future glass contamination.

PAINT STEWARDSHIP PROGRAM

Background
Local governments bear the costly burden of collecting and disposing of most of the 3.9 million gallons of paint that go unused in New York State each year. If this responsibility was transferred to paint manufacturers, local governments would save approximately $25 million annually. This would provide relief to property taxpayers, create local jobs, and encourage environmentally sound recycling and disposal of unused paint.

Recommendation
NYSAC supports the framework laid out in A.6373/S.4351 that establishes a Post-Consumer Paint Collection Program to manage leftover household paint. All architectural paint manufacturers selling in New York would be required to fund the program through a cost-based, independently audited assessment added to their current price of paint. This measure would reduce local and state government costs, increase resident convenience, and create new jobs in recycling and manufacturing.

Eight states – including Connecticut, Maine, Rhode Island, and Vermont – and Washington, D.C. have passed their own paint stewardship laws. These laws are estimated to have saved taxpayers over $69 million, created over 200 jobs, and led to the recycling of over 17 million gallons of high-quality paint.

The bill has drawn the support of a range of environmental advocacy organizations, paint industry representatives, and municipal agencies.
LABOR

NYSAC Staff Contact: Patrick Cummings

PREVAILING WAGE

Background

The proven model for a growing economy in New York and throughout the county—both historically and presently—is based on public-private and academic partnerships. New York counties attract and keep necessary local business and complete complex projects because of these partnerships, which increase local job rates and deliver necessary services to residents.

New York State is in direct competition for business and job growth with all other states and even other countries. Over the past decade, the Governor and Legislature have made great strides to keep New York competitive in this modern business environment. Even with this state-lead effort, New York is still one of the most expensive states to do business.

Recommendation

NYSAC and our county members support policies that help working men and women. If the intent of Prevailing Wage is to strengthen New York’s middle class, then that is an admirable goal and one counties support. However, the current legislation (A.1261/S.4351) would drive up the cost of projects across NYS. This would make doing business in New York even more costly and less competitive. According to a 2014 study by the Center for Urban Real Estate (CURE) and Columbia University, prevailing wage would increase project costs by an additional 25-30%. Expanding prevailing wage to private projects would simply mean fewer projects, job loss, and billions in lost revenue across New York State. By reducing the number of projects undertaken in New York State, this legislation will hurt the vulnerable workers it intends to help.
THE CREATION OF A NON-PARTISAN LEGISLATIVE BUDGET OFFICE

Background
Over the past sixty years there has been an increase of unfunded state mandates levied upon county government, and local taxpayers. During this current legislative session, election law reforms including early voting, the use of electronic poll books and reforms to the criminal justice system including bail reform have only escalated the costs borne by local governments, specifically county governments, without appropriate fiscal impact notes before the house.

Recent efforts to make the property tax cap permanent and reduce the burden of unfunded mandates such as the Medicaid cap has helped ease this burden to a degree.

Recommendation
NYSAC supports A.1835/S.3287 the creation of a non-partisan budget office to provide members of the legislature with reliable, factual fiscal impact reports on pending legislation. This informative process will educate members of the legislature on the potential financial burden new proposals place on other branches of government.

STRENGTHENING CURRENT TAX LAW ASSESSMENT REQUIREMENTS

Background
Under NYS Real Property Tax Law, assessors are required to assess real property at a uniform percentage of value in each assessing unit on the basis of the building as it existed on the taxable status date, and to assess property as it is being used “value in use” on March 1st of each year. Assessors use three approaches to determine value including Cost, Income and Sales. Across the country, and now in New York, large big box retailers have used an assessment approach that values their buildings and businesses as if it were a shuttered, deed restricted and abandoned property—the “Dark Store Theory.” Such an approach generates an assessed value that is in no way similar to a fully operational comparable store.

There have been several court rulings in New York that have adopted the Dark Store Theory in their decisions, which we believe is contrary to real property tax law in New York. This unfairly causes the real property tax levy to be redistributed to others in the community, including homeowners and small businesses.

Recommendation
The State should enact legislation that requires sound appraisal theory in the valuation of real property for taxation purposes to eliminate the Dark Store Theory as an argument to lower property assessments in New York.
**MORTGAGE RECORDING TAX ACT**

**Background**

Under current law, when a mortgage or a refinanced mortgage is filed, counties collect between 25 to 50 cents per every 100 dollars of the mortgage/refinance value. Towns, cities, and villages also collect this revenue. In recent years almost 40% of all mortgage recording taxes collected came from refinancing of mortgagees.

Counties rely on this revenue stream to provide needed services to our residents, the majority of these being state mandated programs and services. The Department of Social Services, the County Health Department, Community Colleges, Public Works, Youth Services, and Criminal Justice services are all dependent on keeping our local revenue streams intact. Other local governments also rely on this revenue stream.

**Recommendation**

NYSAC opposes A.6886/S.3238 as drafted. Enacting the Homeowner Mortgage Refinance Relief Act exempts mortgage recording taxes from being collected when homeowners and business refinance their mortgages. Currently these mortgage recording taxes are collected by every municipality that has enacted a local mortgage tax or recording tax. We estimate that New York City, Yonkers, towns, counties and a variety of local transit systems could collectively lose significant local revenues.

We acknowledge and agree that lowering taxes should be the main focus of our State Legislature, particularly because New Yorkers are the most taxed residents in the nation. However, eliminating a revenue stream without eliminating any State mandated services on local governments will not achieve lower taxes for our residents. In fact, the Mortgage Recording Act will do the opposite, forcing local governments to increase real property taxes, which are already among the highest in the nation.
SPORTS BETTING

Background
In 2018, the United States Supreme Court struck down the Federal Professional and Amateur Sports Protection Act of 1992, which restricted sports gaming and sports gaming operations to four states (Nevada, Oregon, Delaware, and Montana). The decision allowed all 50 states to regulate sports gambling. Under current NYS law, casinos are permitted to provide for sports betting operations when the NYS Gaming Commission regulations are implemented. The NYS Gaming Commission regulations are currently in the 60-day public comment period, which began March 13, 2019, and is expected to be adopted this summer. These regulations, if adopted, would allow for private casinos to allow for sports gaming only within the casino. Accordingly, racinos, harness tracks, OTBs and other venues that allow specific gaming would not be eligible to offer sports gaming. This would also exclude the ability for mobile or internet sports gaming in New York.

Under the current revenue sharing system, New York State receives funding from gaming facilities and a portion of this funding is passed to local governments for needed infrastructure and resident services. Depending on the geographic location of a county, this revenue share can come from several sources: private commercial casinos, Native American casinos, racinos, house and harness raceways, and Off-track Betting Corporations (OTBs). Without future state regulatory changes, only the casinos (commercial and Native American) will be allowed to provide sports betting.

Recommendation
NYSAC anticipates New York State will legalize sports gaming in the near future. When this occurs, NYSAC requests that the State creates a distribution system that provides an equitable percentage of income and gaming revenues to all counties. The state should also consider a method where pre-existing gaming facilities, such as OTB’s, racinos, and harness tracks, are involved in sports gaming services. This method will retain revenue locally, create/keep local jobs and to support local government services.
PUBLIC HEALTH

NYSAC Staff Contact: Alexandra LaMonte

CANNABIS LEGALIZATION & REFORMS

Background

In 2018, the NYS Department of Health (DOH) issued an official report recommending that the State legalize non-medical (recreational) use of marijuana. Ten states—Alaska, California, Colorado, Maine, Massachusetts, Michigan, Nevada, Oregon, Vermont, and Washington—and Washington DC have already legalized recreational cannabis.

The State report acknowledges the difficulties that legalization is anticipated to present for local law enforcement. This legislation will also have other social and practical impacts that will place new responsibilities and service requirements on many county departments, including public health, mental health, substance abuse, consumer protection, economic development, and others.

Recommendations

The State should provide counties with resources for public education and technical assistance to manage the societal impact to public health, public safety, criminal justice, consumer protection, and economic development, among others.

Counties recommend the State changes the retail tax from 2% to 4%, and to treat Cannabis retail sales revenue the same as alcohol. These recommendations will ensure adequate public safety, and that public health needs are met.
PUBLIC SAFETY

NYSAC Staff Contact: Ryan Gregoire

COUNTY-WIDE EMS DISTRICTS

Background
Counties with rural populations have been exploring the potential benefits of creating and operating county-wide emergency medical services (EMS) districts. Currently, only a town board or village board may create such a district and may only establish a joint district to provide EMS services when the territory is contiguous. This restriction creates difficulties for districts in rural communities or those with unique geography such as waterways or mountains, as transportation networks can be limited and response times unavoidably delayed. In addition, local governments have had difficulty recruiting and retaining volunteer crews in rural communities and this trend appears to be growing.

Recommendation
Amend state law to allow county-wide EMS services and that this new county government authority should be a local option, not a mandate, and will only be implemented in areas where it will increase public health and safety and help local taxpayers.

INCREASE INCOME TAX CREDIT FOR VOLUNTEER FIREFIGHTERS AND EMS WORKERS

Background
The vast majority of people serving as firefighters and EMS personnel in NYS are volunteers. Of the state’s 1,795 municipal fire departments, 89% are volunteer organizations. Our system of providing these essential services varies by municipal jurisdiction. Cities and most villages have municipal fire departments with a combination of paid and volunteer staff while towns usually have independent fire districts comprised of volunteers. Most of these entities are substantially smaller than those found in cities and villages and are often comprised of part-time volunteers.

Over the last decade, NYS has experienced several volunteer ambulance departments that have closed shop, transferring their certificates of operation to a for-profit provider or merging with other volunteer ambulance departments.

According to a NYS Comptroller report, in March 2017, there were approximately 92,000 to 96,000 volunteer firefighters statewide. In 2007, the State Legislature and the Governor enacted a volunteer firefighters’ and ambulance workers’ credit (Section 606 of the NYS Tax Law). Active volunteer firefighters or volunteer ambulance workers are entitled to a credit against their state income tax equal to $200. Tax credits are a benefit that has been proven to help attract and retain volunteer firefighters and EMS workers.
**Recommendation**

NYSAC recommends that the Governor include language to provide an increase to the Volunteer Firefighter and EMS Worker State Income Tax Credit to at least $500 annually.

**PAROLE VIOLATORS**

**Background**

New York State counties incur substantial costs to construct and maintain jail facilities for inmate populations in accordance with standards set by the New York State Commission of Correction. The incarceration of state parole violators in county jails is an unfunded State mandate on counties. In the 2009-10 State Budget, the State eliminated reimbursements to counties for the cost of housing parole violators in county jails. Counties are mandated to pay for medical, hospital and dental expenses of parole violators incarcerated in county jails. The sheriff’s department also incurs expenses for transport costs of parole violators and court appearances.

**Recommendation**

NYSAC supports A.3661/S.1368, Parole Violator Reimbursement, which requires parole violators, after 10 days in a local correctional facility, to either be transferred to state correctional facilities or remain in the local facility with all costs borne by the state.

This bill will give the court the option to grant an extension up to 20 days for the defendant’s stay at the local correctional facility. Under the current law, the parole violator is transferred by Department of Correctional and Community Supervision (DOCCS) to a state facility. This bill permits the parole violator to stay at the local correction facility but requires DOCCS to reimburse the local facility for the cost of the temporary detention of the parole violator.

**PRE-ARRAIGNMENT HOLDING**

**Background**

Currently, 21 counties have State authority for the detention of persons under arrest being held for arraignment in any court located in the county.

**Recommendation**

NYSAC supports providing all counties the option for their local correctional facility to detain persons under arrest and being held for arraignment in any court in their county. The remaining 36 counties would like to have this option.
PROHIBITION OF DRONES NEAR JAILS

**Background**

The use of drones or unmanned aerial systems, including recreational civilian drones, has increased exponentially in recent years. It has been reported that drones have been dropping packages containing marijuana, heroin, and other contraband items into recreational areas of correctional facilities across the country. Contraband items in prison and jails have been known to endanger the safety and wellbeing of both inmates and correctional staff.

**Recommendation**

NYSAC supports A.1600/S.1380, which amends the correction law by adding a new section prohibiting drone use within 1000 feet of a correctional facility or a local correctional facility in this state. This legislation also defines the term drone and provides a $1,000 penalty for violating this law. By restricting drone use in the immediate vicinity of a correctional facility this legislation promotes a safer and more harmonious prison environment by keeping all members of the correctional community safe.
PUBLIC INFRASTRUCTURE AND TRANSPORTATION

NYSAC Staff Contact: Mark LaVigne

CHIPS BIDDING THRESHOLD

Background

The current competitive bidding threshold for highway projects is $250,000. The last increase to this threshold was in 2011 to bring the threshold up from $100,000. Legislation has been introduced in both houses to increase the amount of the current cost threshold from $250,000 to $500,000.

Recommendation

NYSAC supports an increase in the CHIPS bidding threshold to give municipalities the flexibility and the option to bid out or perform in-house projects that cost less than $500,000.

DESIGN-BUILD FOR MAJOR LOCAL GOVERNMENT CONSTRUCTION

Background

Design-build is a common method used in the private construction industry to deliver a project in which the engineering design and construction services are contracted by a single entity. Especially in larger construction projects allowing local governments to use this method would reduce costs and complete projects quicker. The State of New York has recently passed legislation allowing for more design-build options for State projects in order to reduce costs and streamline projects. Counties and New York City do not have this same flexibility under the law.

Recommendation

Support extending design-build authority to counties and New York City.

EMERGENCY WINTER RECOVERY FUNDS

Background

The enacted 2019-20 State Budget does not include $65 million in Emergency Winter Recovery funds (EWR), which are funds that have been included in the past three state budgets.

New York’s bridges and road systems are deteriorating at an alarming rate. According to the state Comptroller’s office, thirty-four percent (34%) of bridges are deficient and forty-eight percent (48%) of road pavements are rated fair or poor and getting worse. These conditions are worsened by the extreme weather brought on by traditional winters and exacerbated by climate change weather patterns.

Recommendation

It is our understanding that a “supplemental capital budget” may be considered before the Legislature adjourns in June. Our counties are advocating for the restoration of the $65 million in extreme weather funds.
EXPANSION OF ARTICLE 47

Background
Governor Andrew M. Cuomo and State Lawmakers are strongly encouraging local governments to pool resources and share services to improve efficiency and reduce costs to taxpayers. In 2017, the State enacted the County-Wide Shared Services Initiative for local governments to develop shared services plans to reduce the property tax burden. Several plans have cited health insurance cooperatives to reduce costs for taxpayers. The challenge is that whenever two or more local governments join to provide employee health insurance, Article 47 of the Insurance Law is triggered. Unfortunately, the onerous regulations of Article 47 have allowed only one consortium to form since 1993.

Recommendations
NYSAC supports A.513/S.3622, which expands the types of public organizations that would be allowed to join Article 47, municipal cooperative health insurance plans, and lower their taxpayer funded health insurance costs.

NYSAC has long advocated for amending Article 47 of the Insurance law to reduce the barriers for creating municipal health insurance consortiums. The State also needs to reduce the number of covered (contracted) lives from 2,000 and lower the IBNR (incurred but not reported) reserves required in the Article 47 statute.

SELF-INSURED HEALTH PLANS

Background
Health insurance costs are among the fastest growing costs for local governments across the state. To address this challenge, counties should have the ability to assist local governments by jointly self-funding their health plans at a significantly lower cost for taxpayers and ensure quality health coverage for all local government employees. Allowing these smaller municipalities to join larger self-insured plans is in line with the state’s County-wide Shared Services Program that requires local governments to develop shared service efficiency plans that can demonstrate taxpayer savings.

State mandates and regulations constrain local government leaders from controlling much of the costs in their annual budgets. For example, on average, counties control less than 20 percent of their annual spending plans. Health insurance is a non-mandated area where local governments can achieve savings, and any state-imposed barriers to secure taxpayer savings should be repealed.

Recommendation
NYSAC supports A.310/S.1408, which allows counties to bring smaller local governments into their self-insured programs to lower health insurance costs and consolidate a significant back office employee benefits function.
COURT JUDGEMENT INTEREST RATES

Background

Current New York law, defendants of a lawsuit are required to pay interest on the original judgement until an appellate division determination is made. Judgement interest rates in New York are set at 9 percent under an outdated state law. Unfortunately, the appeals process can take months and sometimes years to be resolved. In some instances, a local government’s interest penalties can exceed the underlying award. This state rate was set in the 1970’s when 9 percent matched the federal rate at a time where less court volume equated to a quicker appeal process. Today, federal interest rates are just over 2 percent. It is inequitable and unjust to carry forward outdated interest rates that have a chilling effect on the appeal process.

Recommendation

Counties support the Governor’s proposal to modernize how New York calculates court judgement interest rates. We agree that this is long overdue and believe the Governor’s proposal to have the state set these interest rates similar to how the federal government does will provide savings for the state and counties.

NYSAC supports S.3875, which aligns the state rate with current federal rates. This is an equitable solution that allows parties to appeal matters when justified by legal reasoning and not be forced into settlements based entirely on fiscal pressure. This change would provide mandate relief for local governments and will result in taxpayer savings, and lead to more cases being heard when justified and the outcomes of these cases will be more equitable for all involved.

SCAFFOLD LAW REFORM

Background

New York Labor Law §240 and §241, commonly known as the “Scaffold Law” outlines the liability for injuries caused by an employee’s fall from a height. The Scaffold Law imposes strict liability on employers and owners of buildings if a worker falls from any height. This law was first imposed in 1885, when worker safety was severely lacking in New York State and at a time when modern scaffolding and safety equipment did not exist. The Scaffold Law increases construction costs due to increased insurance required for employers in the construction business, causing New York State to have the highest general liability insurance costs in the nation.

New York State is the only state in the country to impose a construction law like the Scaffold Law and is one of a very few laws that imposes strict liability in the State of New York. This law increases costs in New York State and drives away investment in our infrastructure when developers and contractors can get better rates in neighboring states.

Recommendation

NYSAC supports a negligence standard, as outlined in A.3737/S.326. The negligence standard under the Scaffold Law would not ban recovery for any injured worker due to their own negligence but would allow the employer to bring issues with employee culpability to mitigate the damages in cases where the worker’s actions contributed to his/her own injury.

A report by the Rockefeller Institute of Government estimates that this statute costs the State of New York $785 million annually and the private sector $1.49 billion. This bill
would amend §1411 to ensure that the culpable conduct attributable to the claimant which caused the damages would apply to any action to recover damages for personal injury, and property damage brought under article 10 of the labor law.

A.3737/S.326, the Scaffold Law Reform, would ensure that liability is proportional to fault, and greatly reduce burdensome insurance premiums that impact construction projects throughout the state. The legislation would result in cost savings for counties as insurance premiums for construction projects would be greatly reduced.

**WICKS REFORM**

**Background**

Under General Municipal Law § 101, state and local government construction projects (including school district construction projects) costing more than $3 million in New York City, $1.5 million in Nassau, Suffolk and Westchester counties, and $500,000 in the rest of the state are subject to separate plumbing, heating/ventilation/air conditioning and electrical contracts. This law does not require that each of the three types, plumbing, heating, and electrical, be present in the contract to which Wicks Law applies but will apply whenever the amount of work is above the set limit and whenever any of the three types of work are present. Exemptions from the Wicks Law have been granted to some entities and have provided taxpayer savings and project efficiency. New York City School Construction Authority is exempt as are authorities in Buffalo, Niagara Falls and Syracuse.

**Recommendation**

Repeal of the Wicks Law would ensure all state taxpayers are treated equitably. If full repeal cannot be accomplished quickly the current thresholds should be raised significantly—to at least $10 million for all entities currently subject to limits.
Represent – Educate – Advocate – Serve