

**WAYS AND MEANS COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE**

Minutes

A meeting of the Ways and Means committee of the Suffolk County Legislature was held at the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, NY 11787 on Monday, **September 9, 2002** in the Rose Y. Caracappa Auditorium at 1:30 P.M.

Members Present:

Legislator George Guldi, Chairman
Legislator Allan Binder
Legislator Ginny Fields, Member
Legislator Fred Towle, Member

Also in Attendance:

Paul Sabatino, Counsel to the Legislature
Bill Faulk, County Executive's Office
Carria Mason-Draffen, Newsday
Tim Motz, Democratic Caucus Aide
Marian Zucker, Suffolk County Affordable Housing
Basia Braddish, Suffolk County Attorney's Office
Valerie Burgher, Newsday
Leslie Baffa, Civil Service/Risk Management
Ann Marie Carbonetto, Suffolk County Dept. of Health
Robert Cabble, Suffolk County Attorney
Jeanette Mauza, Risk Management
Jim Burke, Suffolk County Real Estate
John Ortiz, BRO
Eben Brofman, Aide to Legislator Guldi
Christine D. Costigan, Suffolk County Real Estate
Tom Donovan, Aide to Presiding Officer Tonna
Jim Spero, BRO
Brenda Rosenberg, Suffolk County Labor Department
And all other interested parties

Minutes taken by:

Eileen Schmidt, Legislative Secretary

(The meeting was called to order at 2:00 P.M.)

CHAIRMAN GULDI:

We'll call the meeting to order and ask Legislator Binder to lead us in the Pledge of Allegiance.

SALUTATION

Shall we observe a moment of silence in memory of those victims of the

September 11th attack?

Moment of Silence

Okay, thank you. Fortunately, I found my own glasses and I won't have to borrow Legislator Fields' for the meeting. The County Attorney's Office I would like to call you up first to address us on the pending resolutions before us. I don't have any cards or any scheduled speakers. If there is anyone who would like to address this please let the stenographer now. You have two matters you wanted to give us?

MS. BRADDISH:

(inaudible)

CHAIRMAN GULDI:

Use the mike and tell us that you're Basia otherwise we won't know.

MS. BRADDISH:

Basia Braddish, County Attorney's Office. IR 1963 and that's the Kellum School Building that is only a budgeting change it's not actually an amendment. We're already occupying this space. It was being paid for through a contract pass through and in order to put up properties more in order it's just being converted that little chunk that was being paid through the pass through is being attached to an existing lease we already have there. So it's not more money it's just not being paid for a pass through its being paid through leasing.

CHAIRMAN GULDI:

Legislator Towle.

LEGISLATOR TOWLE:

Okay. I just want to -- is this new space?

CHAIRMAN GULDI:

No. It's existing space.

MS. BRADDISH:

No. It's existing space.

LEGISLATOR TOWLE:

Let me ask you the question Legislator Guldi do you mind?

CHAIRMAN GULDI:

No. Go ahead. You can ask anything you want.

LEGISLATOR TOWLE:

Thanks. How many square feet is it all together?

MS. BRADDISH:

I actually don't have the lease with me. Maybe Ann Marie knows.

LEGISLATOR TOWLE:

Okay.

CHAIRMAN GULDI:

Use the mike.

MS. CARBONETTO:

I believe the space is 1,200 square feet.

LEGISLATOR TOWLE:

1,200 square feet. How much time is left on the lease?

MS. BRADDISH:

Two years.

LEGISLATOR TOWLE:

Okay. And what are you actually amending; just go back to that one more time. If the lease is in place now we're there today what are you here before us to amend?

MS. CARBONETTO:

There's two programs in the building Public Health Nursing has a lease and the Community Health Workers Program is in the building, but they don't -- their space is paid directly through the pass through -- Good Sam?

LEGISLATOR TOWLE:

The pass through being what? Just explain that.

MS. CARBONETTO:

The contract with Good Sam.

LEGISLATOR TOWLE:

Okay.

MS. CARBONETTO:

Good Sam has a lease with the Health Department and the monies through Good Sam's contract.

LEGISLATOR TOWLE:

Okay. Why is the lease in that way and not with Good Sam? Why isn't it with the County?

MS. BRADDISH:

There is a lease between the County and the school district for one of the programs.

LEGISLATOR TOWLE:

Right. Okay. I got that part.

MS. BRADDISH:

Okay.

LEGISLATOR TOWLE:

Now the second program somebody said Good Sam.

MS. BRADDISH:

The second program is a contract that we go through Good Sam. Last year a decision was made to move that money to -- to be paid through a lease and the contract was amended to provide that so we've been using two classrooms which we haven't paid for all year because they're supposed to be paid under a lease, but the lease hasn't been amended yet.

LEGISLATOR TOWLE:

That was damn nice for Good Sam to do that for us.

MS. BRADDISH:

The school district has been very patient.

LEGISLATOR TOWLE:

Who made that decision though? Who made the decision to pay Good Sam through a lease as oppose to giving them --

MS. BRADDISH:

No, no.

MS. CARBONETTO:

The school district hasn't been paid.

LEGISLATOR TOWLE:

I understand that.

MS. BRADDISH:

No, Good Sam is -- they have a program that's paid for on a contract basis. It's a contract basis program and whenever that contract was done originally the two classrooms were included in the contract cost and then Good Sam had a separate arrangement with the school district where they paid for those two classrooms. Now it's being re-ordered and the contract only provides for the services. The two classroom payment has been taken out so Good Sam hasn't been receiving any money for that and the County going to pay it directly to the school district by just amending our existing lease. The numbers are the same as what was under the existing lease which is adding the 200 sum square feet or additional space whatever it was I don't remember.

CHAIRMAN GULDI:

The -- if I may interject the saline feature that I remember of this from the Space Committee that it all makes sense is for the word reimbursement. The Good Sam programs are reimbursed program under the contract agency could --

LEGISLATOR TOWLE:

-- rent free it doesn't matter.

CHAIRMAN GULDI:

-- the rent is reimbursed as part of that program and were spinning the rent out of the reimbursement so the contract agency and the County is going to have an actual lease with the school, the landlord and use the reimbursement money to give it directly to the school landlord instead of having Good Sam take the reimbursement money and give it to the school district as it's been done in the past.

LEGISLATOR TOWLE:

And what's the dollar amount for the additional space.

MS. BRADDISH:

I was only told I was here on one so I didn't even realize this one --

CHAIRMAN GULDI:

My recollection is it was diminimus amount.

MS. BRADDISH:

Well, whatever was we didn't change the existing lease.

LEGISLATOR TOWLE:

It's going to be more money obviously --

CHAIRMAN GULDI:

-- no, it's the same money because to the extent that we're paying rent directly to the Kellum School District dollar for dollar reducing the amount that we're giving Good Sam for the program that they're running from that school room all of which is reimbursed dollars from the State.

LEGISLATOR TOWLE:

So the question then becomes what is that dollar amount. I mean, that's a question.

CHAIRMAN GULDI:

My recollection something in the order for some reason \$6,000 a year something like that sticks in my head.

LEGISLATOR FIELDS:

According to the resolution it said that the existing term of the lease is annual rental rate of \$5,272.28 from January 2002 to May 31st. 2003 and at an annual rate of \$5,430.45 from June of '03 to May of 2004. Does that answer your question?

LEGISLATOR TOWLE:

More so (inaudible).

CHAIRMAN GULDI:

Okay. All right, any other questions on this issue? The other issue on its address.

MS. BRADDISH:

The Huntington Methadone Clinic.

CHAIRMAN GULDI:

Give us a brief -- the County Executive's Office has informed us that they may want to bring this on by C/N. Please -- and I've asked that the committee be briefed on it, please tell us why and what basically the lease terms are?

MS. BRADDISH:

The reason I'm guessing is that they might want to bring it by C/N is we -- when we received the signed lease back from the landlord he had requested that or demanded in his letter that if it was not totally executed by October 15th that all proceedings had would be null and void. This is going on a long time; we've had a tremendous amount of back and forth on this to the point where we to the point we're we had legal proceedings brought against us and then we went back into negotiation. We looked for new premises then we were back in negotiation with him so this is been going on a full year at this point. I spoke with the landlord and he agreed to sort of work with us and gave us until October 30th. So it's an existing facility, the numbers are good; the lease is basically the County does all with the methadone clinic.

CHAIRMAN GULDI:

Okay. Any questions on that issue?

LEGISLATOR TOWLE:

Let's give it a whirl.

MS. BRADDISH:

I actually -- I have my copy if you'd like to take a look at it I know --

LEGISLATOR TOWLE:

-- I'd really like to if, you know, just for future reference if you're going to do this it would nice that if we get a copy of the lease prior to the meetings so that I can sit and take a look at it and think about my questions so that when I'm here I can obviously ask questions --

MS. BRADDISH:

-- right --

LEGISLATOR TOWLE:

-- instead of, you know, doing this. If you are going to do this on C/N by Tuesday, if I haven't gotten it by Friday you can expect me to vote no as far as the lease is concerned cause I'm not going to vote on anything like this without having an opportunity to read through it, but how long has the lease expired?

MS. BRADDISH:

It expired last year.

LEGISLATOR TOWLE:

What time last year? See these are the kind of questions that you -- this stuff should flow out of your mouth as you're sitting here. I'm not going to waste anymore of your time or mine. Let's move on to the agenda

CHAIRMAN GULDI:

Any other questions for anyone? Okay. There not being any other questions, any other speakers, anyone else want to address the committee on these or any other issue? Hearing none let's go to the agenda. First item,

TABLED RESOLUTIONS

1770. Adopting Local Law No. –2002, A Local Law to update County Financial Disclosure Statement Form. ASSIGNED TO WAYS & MEANS (Tonna) Counsel, why did we table this at the last meeting?

MR. SABATINO:

There was a little I think level of discomfort with the breath of the disclosure it would have to be with regard to third parties that have substantial and significant business contracts or relationships with the County and similar contacts or relationships with a County employee. And I think the committee just expressed a philosophical concern that maybe that went a little too far.

CHAIRMAN GULDI:

Motion to table subject to call by Legislator Towle. Is there a sec -- second by Legislator Binder. Yeah, my recollection is that it -- Counsel, just to clarify the far reaching nature of it, this bill would disclose -- require the disclosing official to disclose not only the relationships with individuals they have contracts, but the -- also the relationships that those individuals may in turn have with third parties known or unknown to the official, is that correct?

MR. SABATINO:

Well, they would have to disclose their relationship with third parties that either had a significant business relationship with the, you know with the County or regulated by the County or licensed by the County. So it would mean that you as an individual employee would have to go a step beyond just the direct disclosure of those direct relationships that you might have with the County and go to third party relationships. It's a recommendation from the Ethics Commissioner I explained the last time to modify the form, the disclosure form itself to take into account the Grecco, you know, amendment from earlier in the year. So that's the geneses of it, but again, yeah, there was some concern at the committee it's a philosophical question at this point.

CHAIRMAN GULDI:

Yeah. See the trouble with it is, is that it creates a -- the concern I have is that it creates an obligation for the disclosing public official to disclose the relationships that second parties, parties it has a relationship with in turn have with third parties and to that extent I can't see being practicable. Is that correct interpretation of what this form would require?

MR. SABATINO:

Well, two observations, one is the Ethics Commission suggested language from the State form, you know, to try to get into this third party situation under the other Grecco amendment, but I think you maybe overstating it in one respect which is that it's not that you're disclosing that person's relationships. It's just that you have to be aware that that other party has some kind of relationship with the County. So --

CHAIRMAN GULDI:

-- yeah, but do you act as an official if you do business with XYZ, XYZ in turn does business with the County on other matters that you may or may not know about, do you act at your peril or does it create an obligation for you to essentially interrogate XYZ as to what their other relationships with the County might be?

MR. SABATINO:

I think the burden that imposes on you is to have to do diligence with the third parties that you may come into business relationships or contacts with, so you has an individual are going to probably be even more careful or scrutinizing than you might current might be because you have to be concerned about what that third party may or may not be doing with the County. It would be similar like when we interview, you know, firms sometimes that come before the committee. We'll say to them as one of the questions, do you have any existing business relationship or contact with the County. You'd have to start doing that, you know, in your personal life. I think do diligence and reasonableness would be the standard.

CHAIRMAN GULDI:

Is the only backup we received is this two page memo that's annexed to the -- your memo, or is there additional back up on this?

MR. SABATINO:

There was just the initial -- there was two letters from the Ethics Commission making the request.

CHAIRMAN GULDI:

All right, we have a motion to table subject to call. All those in favor? Opposed? Binder, Towle or else Towle, Binder. It's tabled subject to call 3-0.

SPEAKER:

(inaudible)

CHAIRMAN GULDI:

One. I'm getting there come on. **(Vote: 3-0-1-0 Abstain:)**

1784 does not belong on this agenda. It was previously discharged by position is before the full Legislature and is tabled there.

1785 is in the same status; it was previously discharged and is no longer in this committee.

1800. Authorizing the sales of surplus property sold at the May 15 and May 16, 2002 Auction pursuant to Local Law 13-1976 (Toussie Parcels). ASSIGNED TO WAYS & MEANS (Guldi) Is there anyone here to speak on this resolution? Hearing no one I'll make a motion to table.

LEGISLATOR TOWLE:

Second.

CHAIRMAN GULDI:

Second by Legislator Towle. Discussion? All those in favor? Opposed? Tabled.

LEGISLATOR BINDER:

Abstain.

CHAIRMAN GULDI:

Abstention by Legislator Binder. 3-0-1. **(Vote: 3-0-1-0 Abstain: Binder)**

1805. Establishing procedures for access to Living Wage Contingency Account. ASSIGNED TO WAYS & MEANS (Bishop) I believe we did ask for the Director of Living Wage compliance to be here for this meeting. Did we do, Mr. Brofman, did we do that by writing from our district office or just we just do it on the record?

LEGISLATOR TOWLE:

District trailer.

CHAIRMAN GULDI:

Yeah. We wanted the Director of Living Wage compliance to -- and the department -- head of the Department of Labor to be here at this -- excuse me; you have to use the microphone.

MR. BROFMAN:

(inaudible)

CHAIRMAN GULDI:

Okay. So where are they, does anyone know? Could we ask the Presiding Officer's representative to the Ways and Means Committee to join us in the auditorium? Oh, there you are, do you know whether or not this request was transferred -- transmitted to the County Executive Office and where are these people?

MR. DONOVAN:

I will find out.

CHAIRMAN GULDI:

Thank you. Come back and report to us. Skip over that item on the agenda for now.

1847 Authorizing use of Blydenburgh County Park property by the Sierra Club, for fundraiser. ASSIGNED TO WAYS & MEANS AND PARKS, SPORTS & CULTURAL AFFAIRS (Crecca)

LEGISLATOR BINDER:

Are they open?

CHAIRMAN GULDI:

Is the park open? Any motions?

LEGISLATOR FIELDS:

We were going to invite them to the committee.

LEGISLATOR BINDER:

We were going to ask for a representative.

MR. SABATINO:

The park is open, but I think what was shutdown was just certain activities my recollection. Legislator Fields is correct the committee was going to invite some representatives to come down and explain what they were doing.

MR. BROFMAN:

(inaudible)

CHAIRMAN GULDI:

You'll have to use the microphone or she won't get it. Use the microphone. Mr. Brofman my aide.

MR. BROFMAN:

Yes, we did that in writing to the Sierra Club from the district trailer.

CHAIRMAN GULDI:

Thank you very much.

LEGISLATOR TOWLE:

Was there any response?

CHAIRMAN GULDI:

Was there any response?

MR. BROFMAN:

There was no response.

LEGISLATOR TOWLE:

Okay.

LEGISLATOR BINDER:

Motion to table.

CHAIRMAN GULDI:

Motion to table by Legislator Binder.

LEGISLATOR TOWLE:

Second.

CHAIRMAN GULDI:

Second by Legislator Towle. Discussion? All those in favor? Opposed? 1847 is tabled. **(Vote: 4-0)**

INTRODUCTORY RESOLUTIONS

1918. Authorizing the sale of County-owned real estate pursuant to Section 215, New York State County Law to Frances Scribner.

ASSIGNED TO WAYS & MEANS (Fields) Ms. Costigan it looks like we're getting to your section, come on down. This is apparently our error if it's a 215.

MS. COSTIGAN:

This is a normal 215; it was timely filed by the prior owner to Legislator Fields office.

CHAIRMAN GULDI:

Okay. Motion by Legislator Fields.

SPEAKER:

(inaudible)

CHAIRMAN GULDI:

Does it meet the criteria?

MR. SABATINO:

This meets the medical criteria, yes.

CHAIRMAN GULDI:

Motion by Legislator Fields second by myself.

SPEAKER:

(inaudible)

CHAIRMAN GULDI:

Meets the medical criteria is what he said.

MR. SABATINO:

Medical documentation; these are not the waivers these are the redemptions.

CHAIRMAN GULDI:

Okay. Motion to approve and place on the consent calendar by Legislator Fields and second by myself.

MR. SABATINO:

It takes a 2/3 vote just so you know.

CHAIRMAN GULDI:

Put it on the consent calendar, consent calendar always gets 2/3 vote that way you don't have to listen to mumble mouth read it again at the meeting. Okay. All those in favor? Opposed? Approve 4-0. **(Vote: 4-0)**

1919. Appointing new members to Suffolk County Off-Track Betting Corporation Board of Directors (Herbert G. Hemendinger). ASSIGNED TO WAYS & MEANS (Tonna)

LEGISLATOR FIELDS:

Is he here?

CHAIRMAN GULDI:

Is he here?

LEGISLATOR FIELDS:

Motion to table.

CHAIRMAN GULDI:

Motion to table by Legislator Fields second by Legislator Guldi I'll second the tabling motion.

LEGISLATOR FIELDS:

In addition, Legislator Guldi, there's no --

CHAIRMAN GULDI:

-- letter to Mr. Hemendinger asking him to be at our next meeting.

LEGISLATOR FIELDS:

There's no backup showing who he is or what he's done in his life.

CHAIRMAN GULDI:

Yeah. Mr. Brofman, also request a resume. Anyone want to be heard on the tabling motion? All those in favor? Opposed? Tabled.

MS. SCHMIDT:

The vote please.

CHAIRMAN GULDI:

It was 3-1, Legislator Binder is opposed. **(Vote: 3-1-0-0 Opposed: Binder)**

1925. Authorizing that Resolution No. 276-2000 be rescinded due to lack of payment of prior fee owner. ASSIGNED TO WAYS & MEANS (Co. Exec.) Is this a prior approved sale where we didn't get payment, is that the situation?

MS. COSTIGAN:

No, these were rescinded certificates of abandonment --

CHAIRMAN GULDI:

-- where we didn't receive payment. Have the -- have we been in communication with these -- have we attempted to confirm in writing with the applicant for the redemption that payment is due and if not this will be rescinded and we'll take title?

MS. COSTIGAN:

These are not redemptions; these are --

CHAIRMAN GULDI:

-- a failure to redeems, right?

MS. COSTIGAN:

No. These were where it was discovered by the Treasurer's Office that there was faulty notice of the original notices to the owners. So having taken the deed the Treasurer moved to for the certificate of abandonment. The property owners weren't the ones who initiated this, but we would be glad to give them one more, you know, contact.

CHAIRMAN GULDI:

Hold on. So what's happened here is we have issued a certificate of abandonment and we're rescinding it? What are we doing here? The prior resolution 276 of 2000 did what exactly?

MR. SABATINO:

It authorized the abandonment of the County's tax deed or interest. This was probably one of those back door scenarios where the period of redemption had expired. They didn't qualify for Chapter 215 and perhaps, you know, the recommendation was to give them back the property in exchange for paying the back taxes which were over \$8700. Okay. So this is not going to be your traditional certificate of abandonment situation like we had with those HUD properties that they claimed that they hadn't gotten the notice. This was more likely one of those they were beyond the redemption period because they're asking for the payment of non -- for the payment of taxes on this one. They have failed to make the payment of taxes so we should take back our interest in the property.

CHAIRMAN GULDI:

Okay. And one question I have then all of these, have you given a written certified mail notice to the applicant for the certificate of abandonment if we do not receive payment the certificate of abandonment will be reversed and the County will keep title to the property? Has the division had an opportunity to take that step?

MS. COSTIGAN:

We have not.

CHAIRMAN GULDI:

I'm going to request -- I'm going to make a motion to table 1926, 27 and 28 all in the same situation?

MR. SABATINO:

No. They're not all the same.

CHAIRMAN GULDI:

Well, they're different applicants they're all rescinded it's the same process. Are they all rescinding?

MR. SABATINO:

No. They're not all rescinding.

CHAIRMAN GULDI:

No. 1926, 27 and 28 they all seem to be lack of payment rescinders.

MS. COSTIGAN:

Yes. They're all the same.

CHAIRMAN GULDI:

Okay. So I'm going to make a motion to table 1925, 26, 27 and 28 till the next meeting and ask the department to by certified and regular mail send each of --

MR. SABATINO:

-- if I could just interject. The reason I was making a distinction though is that there seems to be something wrong with 27 and 28 because on those unlike 26, reference is made to an unknown owner and non-payment so, you know, the inquiry I, you know, I put in my notes was how can there be payment from an unknown owner.

MS. COSTIGAN:

We have subsequently --

MR. SABATINO:

-- there's different categories, okay. You see the first property probably has real value because there's \$8700 worth of back taxes.

CHAIRMAN GULDI:

Not necessarily.

MR. SABATINO:

We could put it on an auction block; we can get back the property. On the other two at least the backup indicates --

CHAIRMAN GULDI:

-- oh, I see. They're both Southampton parcels; they're probably multi mapping situations is the problem.

MR. SABATINO:

Except that this one shows substantial back taxes the other one's I don't see -
- these are unknown owners.

MS. COSTIGAN:

We have located these 27 and 28 --

CHAIRMAN GULDI:

Say again.

MS. COSTIGAN:

I say, we have subsequent to the original located deeds into 27 and 28, so there is someone we could notice.

CHAIRMAN GULDI:

Yes. All right. So take the step, notice those four applicants and let me know what you get for a response and making a motion to table those four resolutions by myself second by Legislator Towle. All those in favor? Opposed? Tabled. **(Vote: 4-0)**

1931. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Harry G. Durham, as Executor of the Estate of Harry J. Durham a/k/a Harry James Durham (0200-282.00-02.00-001.000). ASSIGNED TO WAYS & MEANS (Co. Exec.)

MS. COSTIGAN:

It's Brookhaven.

CHAIRMAN GULDI:

Brookhaven the other B town.

MS. COSTIGAN:

The taxes have been paid; this is a normal --

CHAIRMAN GULDI:

-- redemption by an executor. Motion to approve by myself and placed on the consent calendar.

LEGISLATOR TOWLE:

Second.

CHAIRMAN GULDI:

Second by Legislator Towle. Discussion? All those in favor? Opposed? Approved and placed on the consent calendar. **(Vote: 4-0)**

1932. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Victor E. Pavelko, as Surviving Tenant by Joint Tenancy (0200-494.30-01.00-558.000). ASSIGNED TO WAYS & MEANS (Co. Exec.) This is the same situation?

MS. COSTIGAN:

It is; all taxes have been paid and the current 2002 will be paid prior to delivery of the deed. Same motion, same second, same vote, placed on the consent calendar. **(Vote: 4-0)**

1933. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Boris Munt (0300-028.00-07.00-016.000 & 017.000). ASSIGNED TO WAYS & MEANS (Co. Exec.) that's Babylon or is that no, Easthampton, right. It's Easthampton Town 0300 it's Easthampton Town. The situation on this one is taxes paid normal redemption --

MS. COSTIGAN:

-- it's a normal timely redemption, yes.

CHAIRMAN GULDI:

Same motion, same second, same vote, placed on the consent calendar. **(Vote: 4-0)**

1934. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Salem Methodist Church (0400-203.00-01.00-001.000). ASSIGNED TO WAYS & MEANS (Co. Exec.) South Huntington. How is the church on taxable property? Is it non-church purposes or hah, what's this one about?

MS. COSTIGAN:

It's a normal file of redemption.

CHAIRMAN GULDI:

By a church that's paying taxes on what vacant land or do we know? Or does it matter? It's a normal file application as a matter of right.

MS. COSTIGAN:

Right.

CHAIRMAN GULDI:

Whether or not it's properly assessed is not our concern or our jurisdiction. Same motion by myself. Same second. Same vote and placed on the consent calendar. 1834 is approved. **(Vote: 4-0)**

1935. Authorizing the sale, pursuant to Local Law 16-1976, of real property acquired under Section 46 of the Suffolk County Tax Act Josef Kubacka (0900-123.00-02.00-001.005). ASSIGNED TO WAYS & MEANS (Co. Exec.) Southampton Town. Application as of right timely and taxes paid?

MS. COSTIGAN:

That's right. Same motion, same second, same vote, placed on the consent calendar. **(Vote: 4-0)**

1950. Appropriating funds in connection with the interfacing of District Court Judgments in the County Clerk's Office (CP 1759). ASSIGNED TO WAYS & MEANS (Pres. Off.) Jim Spero has his hand up already.

MR. SPERO:

Just to -- there's a couple of technical errors on the resolution. The capital project numbers are incorrect and hopefully we'll get the information in by 5 o'clock today for a corrected copy.

CHAIRMAN GULDI:

Is this one of the ones the County Exec's Office talked to me about? This is one that they wanted tabled anyway, right? Is that correct? Let the record reflect nodding. Motion to table by Legislator Towle second by myself. Discussion? All those in favor? Opposed? Tabled. **(Vote: 4-0)** If we get the corrections and the questions answered we can always discharge it at the meeting.

SPEAKER:

(inaudible)

MR. SABATINO:

Yes. You need a bond resolution, yes.

CHAIRMAN GULDI:

Okay. There's no bond. Okay.

1951. Accepting and appropriating 100% local government records management improvement fund grant from New York State for Records Management Programs. ASSIGNED TO WAYS & MEANS (Co. Exec.) Legislator Towle's motion to approve and place on the consent calendar to take the money. Second by myself. All those in favor? Opposed? On the consent calendar is 1951. **(Vote: 4-0)**

1959. Sale of County-owned real estate pursuant to Section 72-h of

the General Municipal Law (Incorporated Village of Southampton) (0904-006.00-01.00-005.007). ASSIGNED TO WAYS & MEANS (Co. Exec.) Motion to approve by myself. This is the -- we have village resolution on -- this is affordable housing purposes?

MS. COSTIGAN:

Yes, it is.

CHAIRMAN GULDI:

Okay. Actually motion to approve and place on the consent calendar by myself. Is there a -- second by Legislator Fields. Discussion? All those in favor? Opposed? Approved and place on the consent calendar.

1960. Authorizing the sale of County-owned real property pursuant to Section 72-h of the General Municipal Law to the Town of Brookhaven for Affordable Housing purposes. ASSIGNED TO WAYS & MEANS (Co. Exec.) Same motion. Motion to table by Legislator Towle. You've got someone on their feet. Come on down. No? Okay. Motion to table by Legislator Towle second by myself. Do you want to be heard?

LEGISLATOR TOWLE:

A couple actually. First of all it's in my district and I've asked the Town of Brookhaven that when they're looking to do some type of partnership with the County of Suffolk that they contact me. So they failed to do that. Secondarily, I went to the Town of Brookhaven on three other pieces of property that the County's transferred to them that they've not moved forward on with at this point where I've received constituent complaints in the community about dumping taking place on their property. So until I get some answers on those questions I'm not about to give Brookhaven anymore property.

MS. ZUCKER:

If there's anything I can do to get answers for you just let me know.

CHAIRMAN GULDI:

Okay. On the tabling motion. All those in favor? Opposed?

MS. SCHMIDT:

Who second it?

CHAIRMAN GULDI:

I second it. Tabled 4-0. **(Vote: 4-0)**

1963. Authorizing the Amendment of a lease of premises located at the Kellum School Building, Town of Babylon, NY for the Department of Health Services. ASSIGNED TO WAYS & MEANS AND HEALTH (Co. Exec.) I'll make a motion to approve by myself. Second by -- this is the one Ms. Barci talked on earlier. This is essentially to change the routing of the reimbursement or the rent from the contract agency with the hospital through our Department Health Services. It's an administrative change.

LEGISLATOR FIELDS:

Second.

CHAIRMAN GULDI:

Second by Legislator Fields. Discussion? All those in favor? Opposed? Abstentions?

LEGISLATOR TOWLE:

Abstain.

CHAIRMAN GULDI:

3-0-1 Legislator Towle abstains. Approved. **(Vote: 3-0-1 Abstains: Towle)** 1981 is moot. It was approved by C/N at the last meeting. We have one to go back to which is 1805 looking for the Director of Living Wage compliance and the head of the Labor Department. We still have one of those don't we? Oh, what did we find out regarding the request from the Presiding Officer's Office?

MR. DONOVAN:

I don't have a definitive answer at this time. Between your office and my office we will find out.

CHAIRMAN GULDI:

Well, actually, you know, a request was -- the request was communicated to the County Exec's Office here at the meeting, the last meeting. There's no one here. The purpose of this bill is to seek compliance of the County Executive with already established policies. By tabling the bill we essentially defeat the purpose of the bill which is bring some kind of accountability. I suggest that the contrary result is what we ought to do and that is we tabled it once at the request it's really an accommodation to the County Executive to bring personnel here. They did actually -- representatives of the County Exec's office did talk to me about producing them. They're not here; I suggest that rather than tabling the bill we approve it and I'll make a motion to that end.

LEGISLATOR BINDER:

I'll make a motion to table.

CHAIRMAN GULDI:

I have a motion to table by Legislator Binder, a motion to approve by myself. We got any seconds?

LEGISLATOR BINDER:

I'll second the approval.

LEGISLATOR TOWLE:

I'm going to second the table, but I do want to be recognized.

CHAIRMAN GULDI:

Okay. We got a second on the approval and a second on the tabling. Legislator Towle wants to be recognized. The tabling one is before us.

LEGISLATOR TOWLE:

Thanks. The reason I'm supporting the tabling motion is that I don't want to bring the debate that we obviously want to try to have to find out where things are going with the Living Wage bill to the full floor of the Legislature because it will turn into a circus and we really won't get questions answered; that's the purpose of the committee. But the County Executive's staff should clearly understand that that I will not table it at the next meeting (inaudible) Labor Department failed to show up again and this bill will be approved out of committee.

CHAIRMAN GULDI:

Okay. Legislator Binder you want to be heard.

LEGISLATOR BINDER:

I think there are some big outstanding question as to how 3.5 I think it's three and a half million dollars (inaudible) spent from our budget and I don't think we should pass it out of here because I don't think this does anything. In other words, the administration we're not accommodating them by not passing this or passing it. They already, well, they were already told that supposed to do some kind of format some kind of process to spend \$3.5 million and they haven't done anything on it. We've asked them to come here for accountability as to where we are in the process. We are now in the middle of September; \$3.5 million has been in the budget all year. Do they know who needs the money, who's hurting, who's affected? There's no information and I think before we even pass this and I just agree with Legislator Towle that we should at the next meeting just pass it because as if it's going to do something. I don't think it's going to do anything to them. We could pass this and nothing will still happen. The point is that this committee wants to know, this is called oversight; this committee wants to know how \$3.5 million is going to be spent. What's the procedure of parsing out who, what, where, when all the questions of how we're going to do that -- spend that money and this is where it has to be -- this is where the question has to be answered and if they don't come here then I think in the end no one's going to get the \$3.5 million because it has to come out of here in the end. We've got it; it's in a contingency account because they're going to have to come here. Right. Now whether we pass this or we don't pass it this they gotta come here and they're going to tell us at some time probably in December, oh, we've decided that here's the list of agencies and by the way they need 3.5 million and if you don't pass it now this is what's going to happen I think. If you don't pass it now then it's going to be after the end of the year so we're not going to have the money to spend. Oh, maybe it'll just rollover to the next year. Right. Well, that was the -- I was just leading to that, that's what I wanted to do. That's what this might be all about and I'm upset that our legislative oversight function is being thwarted by them not coming to the committee and I would ask that a demand letter, basically,

from this committee be sent to them.

CHAIRMAN GULDI:

Counsel, may I interject, can we do a Davis Law compliance letter and demand that someone bring the documents to our next meeting? Would it cover that or do we need to ask the issuance of subpoena power to get one of our department heads here to answer to answer why they're not spending the \$3.5 million.

LEGISLATOR BINDER:

This is too there's not only Living Wage, but maybe more importantly the Labor Department is suppose to set up the procedure; that's who's suppose to be doing this. There's a Labor Department who is directed by our legislation to create a procedure so that's why I'm most interested in is why the Labor commissioner is not standing or sitting before us and telling us what the procedure is. And I don't think they're here because I don't have a procedure that's what I think.

CHAIRMAN GULDI:

Legislator Fields.

LEGISLATOR FIELDS:

From the County Executive's representative, were you told that they weren't coming? Were you told that they --

MR. FAULK:

The request was made to contact the Labor Department. The Presiding Officer sent out a memo directing the committees and the chairmen to notify departments when they want people to attend. I spoke to Legislator Guldi Aide who said that he had requested the Labor Department attend the meeting. So I'm not sure why they're not here; it's probably miscommunication.

LEGISLATOR FIELDS:

Okay, then why can't we just call them now before the end of the meeting and find out why they ignored that request so that we know where we stand? That's the beginning of accountability is to ask the question and get an answer not just be ignored.

CHAIRMAN GULDI:

After the request was made on the record at the meeting since then I spoke to Mr. Johnson at the County Exec's Office to discuss the scope of the inquiry and who wanted to or what subjects needed to be discussed and what those personnel needed to be here to be prepared. They're not here; that's not good. Counsel, could address my question, what tools do we have available to us as a legislative body to compel the presence of County employees, department heads and directors of offices to be here to account for the allocation of County funds?

MR. SABATINO:

One option is not to have confirmed commissioners' appointments; another option is to --

SPEAKER:

(inaudible)

MR. SABATINO:

-- that will definitely work. Another option is to do the Davis Law; the third option would be subpoena power, but that would be a last resort not a first resort.

CHAIRMAN GULDI:

Okay. So what are we going to do? Are you going to tell me that they're going to be here at my next meeting?

MR. FAULK:

I'll see what I can do.

CHAIRMAN GULDI:

That wasn't one of the choices. You have choice a) yes and b) no.

MR. FAULK:

I'll contact the department and ask them to attend. I personally can't make that kind of guarantee.

LEGISLATOR FIELDS:

Can we call a recess and have you make the phone call directly to that person and come back? Tell them they're holding up the meeting until we get an answer.

CHAIRMAN GULDI:

All right. We'll take a five-minute recess to make a phone call.

Recess began at 2:35 p.m. ended at 2:50 p.m.

CHAIRMAN GULDI:

Mr. Cabble, I see you're here, obviously, for the usual reasons. The vultures are circling and we need an exec. session. I'm going to make a motion to go into the executive session to discuss litigation settlements and we have a workers comp case and approving the presence of --

SPEAKER:

(inaudible)

CHAIRMAN GULDI:

-- we have to do it by the motion. We have to do this on the record. The presence of Legislator's, legislative staff, Counsel to the Legislature, Law Department, Employee Benefits and Insurance and Risk Management. Oh, good. I've just been informed that Brenda Rosenberger is on her way over -- Rosenberg. I'm giving her a couple extra letters, no charge for that. We will

reconvene in here at the end of the exec. session. Do we anticipate how long in the exec. session? Five, ten minutes?

SPEAKER:

(inaudible)

CHAIRMAN GULDI:

That's two minutes. The executive session will convene in the back room and we will reconvene in this room at the conclusion of the exec. session.

Executive Session started at 2:55 p.m. and ended at 3:20 p.m.

CHAIRMAN GULDI:

We'll reconvene the Ways & Means Committee meeting at the conclusion of the executive session. The only existing matter on the agenda is 1805 establishing procedure for access to Living Wage contingency account. Ms. Rosenberg no er has joined us to address this issue. Come on down. My colleagues have a few questions on where we are with this program. Who wants to start? Come on or we'll have to draw straws for it.

LEGISLATOR TOWLE:

I'll go first.

CHAIRMAN GULDI:

Legislator Towle will begin.

LEGISLATOR TOWLE:

Thanks for coming on such short notice.

LEGISLATOR BINDER:

(inaudible)

LEGISLATOR TOWLE:

I'll let you handle that end of it. Obviously, Commissioner O'Donnell is not with you so I'm not sure if this is going to move out of committee today or not, but obviously, some of the concerns of Legislator's was to discuss where we are with things regarding the Living Wage. Where we are with, you know, people making out application for the money and, you know, how you've adapted to this new position and kind of an update I guess on everything because I've been hearing still some concerns from some of the agencies that do business with the County about the process and I imagine so is Legislator Bishop which facilitated him to file this bill, I guess? And obviously, we want your thoughts on the bill.

MS. ROSENBERG:

Okay. 1805 I don't have it in front of me, but 1805 is actually a moot bill. The procedures were put in place for the hardship assistance funding prior to him --

CHAIRMAN GULDI:

You have to speak into the mike.

MS. ROSENBERG:

The procedure was put into place and an ADH was sent out prior to Legislator Bishop's bill being introduced and there is a procedure in place for people to apply for this hardship assistance.

LEGISLATOR TOWLE:

When was that, when did you send out the ADH?

MS. ROSENBERG:

Can you tell me the date of the bill? I was just told two minutes ago to come so I don't have the dates.

LEGISLATOR TOWLE:

Okay.

MS. ROSENBERG:

8-6, so it was done the week prior to that, that had gone out already and all department heads have copies of it with the forms that these agencies have to fill out.

LEGISLATOR TOWLE:

Did you send copies of that to the Legislature?

MS. ROSENBERG:

That comes from the County Executive's Office.

LEGISLATOR TOWLE:

Okay, so it didn't come from your division?

MS. ROSENBERG:

We send it to the County Executive for approval and they send it out to all departments.

LEGISLATOR TOWLE:

Obviously, the County Executive rep should make sure that before the weeks' over that we all get copies of that ADH. The last time I checked that wouldn't have been a bad idea. Yeah. So why don't you go through the procedure; I want you to walk us through the procedure.

MS. ROSENBERG:

For the hardship assistance?

LEGISLATOR TOWLE:

Well, yeah, do that and generic. I mean, whatever the situation is.

MS. ROSENBERG:

Okay. We can start generically. When a contract is up for renewal prior to

that being renewed the employer has to fill out certain forms that go back to their managing agency which is either Social Services, the Department of Labor, Health whatever agency there are.

LEGISLATOR TOWLE:

It could be anybody.

MS. ROSENBERG:

Anybody, depending on who they deal with. Those forms go back to the agency. They review them to see if they're correct, they're shipped over to us for review to see if there are different criteria, I'll go through the forms. The first form is called a notice of application and that just basically gives a workforce profile of the company. How much money they expect to get from the County, their address, contract vendor number, things of that nature. The second form says they will comply with the Living Wage Law and they have to attest to the fact that even if the Living Wage Law does not apply to them if they ever reach that \$10,000 mark in the amount of money that they will be getting from the County, they're attesting to the fact that they are getting it. Those are the only two forms we need back unless they feel they're exempt from the law.

If they feel they're exempt from the law there's three different forms that they can fill out. One is a non-applicability form, if they have less than 10 employees if they're not going to get the threshold of the contract. The second form is a non-specific exemption form, if they're not for profit the law lists what criteria they must meet and that's on there and they send that back. If it's a general exemption which is based on a statutory regulation in conflict with the County law they would send that form back. The general exemption goes always to the County Attorney for review because it's a legal matter and the other forms we review within the department and made a determination.

LEGISLATOR TOWLE:

What if the contracts are just extensions, let say they're not complete (inaudible) let say we had a five year option with somebody with a five year option to renew? I mean, they may just, you know, concur on the renewal of the contract and not, you know, draw up a new, you know, new details or, you know, what if it's a renewed contract? Is that also fall under the same --

MS. ROSENBERG:

-- anything contract that's either new or renewed or amended falls under the law if it happens after July 1st.

LEGISLATOR TOWLE:

Okay. How many contracts have you seen so far since you've come aboard?

MS. ROSENBERG:

Oh, we've gotten approximately 500 applications so far.

LEGISLATOR TOWLE:

500 applications for a relief or 500 applications period?

MS. ROSENBERG:

500 total applications.

LEGISLATOR TOWLE:

Okay. And what breakdown are those for relief or --

MS. ROSENBERG:

-- ah, we've gotten I would say about 20 general exemptions; many of them were based on Section 4410 of the New York State Education Law which is where the state actually sets rates for day-care providers. So it's all state money, so we really -- the County Attorney's Office (inaudible) that they weren't covered by it. We've just actually given Maryhaven Center of Hope a general exemption based on that's same rational and we've only had about 20 of those total, I would say.

LEGISLATOR TOWLE:

Just Kids being one of those I think?

MS. ROSENBERG:

Yes.

LEGISLATOR TOWLE:

Okay.

MS. ROSENBERG:

They're the 4410's.

LEGISLATOR TOWLE:

Yeah. So out of the 500 applications you've got 20 for generic state objections because of the fact that their fees are stated.

MS. ROSENBERG:

Many are non-applicability ones. Many are sole providers, speech therapists, and physical therapists we have many of those. I could give you -- I have a breakdown in the office. I would have brought it if I thought this was -- I was told it was only on 1805.

LEGISLATOR TOWLE:

Yeah. Okay. So if you could provide us with that information I'd be curious to see what -- how things are progressing and where things are moving as far as that's concerned. Have you had anybody also, you know, obviously, companies that have fallen into this situation, being unaware of it of course, I imagine for some of them have any of them said forget it I don't want to do a contract anymore?

MS. ROSENBERG:

We've had a couple of calling up to complain that they won't do it. I don't know if they never sent back their forms to their agency, so I could tell you that.

LEGISLATOR TOWLE:

Okay. Do we follow-up with those or you're not tracking as far as people that fall of the radar scope?

MS. ROSENBERG:

We haven't had any that have come back to us yet.

LEGISLATOR TOWLE:

Okay.

MS. ROSENBERG:

I've had some that say they, you know, when they come up like six months down the road they will not renew.

LEGISLATOR TOWLE:

I'd also be curious if anybody does, you know, say forget it I don't want do anymore business with you guys.

MS. ROSENBERG:

We've had several who've said that, but I don't think their contracts have been up. Some of them aren't up until January so we haven't seen them yet.

LEGISLATOR TOWLE:

Right. Understandably. Okay. We'll look forward to seeing you at the next committee then.

LEGISLATOR BINDER:

Mr. Chairman.

CHAIRMAN GULDI:

Legislator Binder.

LEGISLATOR BINDER:

The question is access to the \$3.5 million. Has Labor Department set up a procedure in how they'll prioritize how that monies going to be allocated?

MS. ROSENBERG:

As far as figuring out who's going to get what, it's very hard to tell. Nobody's' applied I might add for the assistance yet. I have had not one person apply.

LEGISLATOR BINDER:

Do they know how to apply?

MS. ROSENBERG:

The agencies have all the rules and regulations. They're the ones who's

supposed to be telling their employees employers rather how to apply. Yes.

LEGISLATOR BINDER:

Okay. Well, --

MS. ROSENBERG:

-- they do know. They all know.

LEGISLATOR BINDER:

No, no --

SPEAKER:

(inaudible)

LEGISLATOR BINDER:

-- right. We're just saying do County departments know how to get the applications, but we don't know that the employers the contract agencies we don't know if they've been informed. We just know that our County agencies so have we followed up or is Labor Department followed up to find out if there's been communication with the contract agencies as to the method of -- cause I can tell you I've spoken to a lot of contract agencies and they have no idea how this money will be accessed. If there are forms, if they can get on-line, how it works.

MS. ROSENBERG:

The forms are on-line for everybody to access so they can pull it right off our website. The County, the agencies themselves are speaking to -- when they come they know if these people are having trouble because we talk to them on a daily basis and we know which employer is having difficulty.

LEGISLATOR BINDER:

And no one's having difficulty?

MS. ROSENBERG:

Well, funny that Maryhaven was one that was going to apply, but now they've gotten an exemption. None of the others have felt that they were going to have a problem. A lot of these agencies already are paying -- employers already are paying their contractors their employees the Living Wage. The one the agencies that we're going to wind up having troubles with the contracts haven't come up yet. They're starting to come up now.

LEGISLATOR BINDER:

So if the contract comes up now at the end of the year and the contract doesn't really start until the beginning of next year --

MS. ROSENBERG:

-- there's no money --

LEGISLATOR BINDER:

-- then we have \$3.5 million in the budget that's not going to be used.

MS. ROSENBERG:

That's correct.

LEGISLATOR BINDER:

Mmm, Mmm.

MS. ROSENBERG:

As a matter of fact I don't know who told well, you -- Allan, you should be aware that the Child Care Council is unaware they are aware now because they called me that that money expired at the end of the year and their contracts don't come up until January. They thought they could just, you know, tap into this funding and they also think it's an entitlement which obviously it's not an entitlement. They have to show us there's a hardship.

LEGISLATOR BINDER:

Right. And now you're saying that the Labor Department has created a procedure of ranking or some method of ranking the hardship because obviously not everybody is going to get what they think they should get, right, I would assume?

MS. ROSENBERG:

That's not what I said.

LEGISLATOR BINDER:

Okay. So let me say --

MS. ROSENBERG:

-- we have a procedure in place for somebody to apply (inaudible) --

LEGISLATOR BINDER:

-- okay, so now let's go to the next step.

MS. ROSENBERG:

Okay.

LEGISLATOR BINDER:

Has the Labor Department put together a procedure so that they can parse out or prioritize or figure out how we should disburse so that when the recommendation comes to the Legislature cause it's money and it's in a contingency account and if we have to vote on it have they figured out how to do that have they?

MS. ROSENBERG:

That was one of the problems we ran into. These contracts come due on all different times of the year and there's no way to prioritize who should get what.

LEGISLATOR BINDER:

That's a concern because if they come due at different times of the year then it's going to be first in line or first in time and if your contract comes up earlier maybe you have a better shot because by the time the other guy says sorry the money doesn't exist for you anymore. And the truth is as we go further into this and really next year is going to be the real hit on the County and that's going to be the beginning of the real cost. We have literally no idea of what this can cost us.

MS. ROSENBERG:

I agree with you.

LEGISLATOR BINDER:

Unless we just put a cap on it and say too bad for those agencies that are under the stress and if you have to close your doors too bad.

MS. ROSENBERG:

I agree with you. I can't prioritize not knowing what's coming up.

LEGISLATOR BINDER:

So this legislation if this passes what will you need to do in reaction to this legislation?

MS. ROSENBERG:

That legislation is moot. We have those procedures in place.

LEGISLATOR BINDER:

So the procedures that are discussed here are already in place?

MS. ROSENBERG:

Correct.

LEGISLATOR BINDER:

So it's just the access.

MS. ROSENBERG:

Yes.

LEGISLATOR BINDER:

It's the access it's not the prioritization. This doesn't speak to how to prioritize it, it just speaks on how to access.

MS. ROSENBERG:

I would be at a lost to tell you how to prioritize that.

LEGISLATOR BINDER:

Well, somebody better not be at a loss because if we put money -- we're about to do another budget and some dollars I would assume are going to be in there again in some form to give to those who need the money. The problem is I would think it would be fool hardy for us to do if we don't think

that the administration has figured out a way to at least give us a recommendation cause the alternative is that Legislators here are going to decide on their own who needs it and boy that'll be fun.

MS. ROSENBERG:

I would assume if somebody doing business with us and knows that the Living Wage is in place at this point, when they give in there are RFP's they're going to be included in that in their RFP's. So that would not be under hardship assistance anymore that would be under their contracts.

LEGISLATOR BINDER:

Right. But even if it's under their contract, right. They're going to want more money, but we in some instances give them a set amount. We have per diem rates, home health care this is how much we pay. There's no RFP here and that's a big one is home health care. Home health care we say we give you X number of dollars this is how it works if capped out we know what we give. So now they don't come in -- they're not going to come in and say I need this extra money unless #1 a procedure and #2 after the procedure that there's got to be a way to decide are they more deserving than someone else because in the totality of the money that we put in the budget there might be requests especially next year for more than that amount. And I don't -- do we wait till the end of the year? I mean, agencies might be closing the doors by the end of the year. So do we on a rolling basis prioritize and make sure the money is given out in a way that will protect agencies from --

MS. ROSENBERG:

-- well, the best way that I can say is when we're looking at these hardship cases we're looking at whether or not they're actually it's a big difference between their existing costs and the cost that they incur because of Living Wage. It's really a hardship for them and we're going to have to get auditors to actually look at their books because we can't do that. We don't have --

LEGISLATOR BINDER:

-- okay. Now this is new. Okay. So now we're going to need auditors; now are you planning on looking at the County Executive's Office, no I should say the Comptrollers Office for auditors or are we going to hire. Is there going to be a request for outside auditors because I don't think you're going to be able to stretch our auditing staff at the Comptrollers Office beyond where they are.

MS. ROSENBERG:

Well, my staff is very short.

LEGISLATOR BINDER:

Right. And you don't have auditors. I mean, you'll need professional auditors.

MS. ROSENBERG:

Correct. When I was asked about what we would need for next year

because Mr. Bishop put in his last version IR 1640 that just got signed that we have to go out and review and audit every contract within a period of three years. So we're going to need some extra help and I asked for that.

LEGISLATOR BINDER:

Okay.

MS. ROSENBERG:

I don't know if that's in the budget or not.

LEGISLATOR BINDER:

Okay.

LEGISLATOR BISHOP:

When we use the word audit we're not talking about an accounting audit --

LEGISLATOR BINDER:

-- Legislator Bishop, I was hoping you would join us --

LEGISLATOR BISHOP:

-- we're speaking about a peek into their payroll.

LEGISLATOR BINDER:

-- but it might be something no, no it's beyond that because to determine revenue expenditure particularly on County contracts is somewhat of a complicated matter and it becomes an auditing function. It's not a basic, if you want to try to start comparing apples to apples especially if you're prioritizing as to who gets what and who's in (inaudible) and who is not sometimes you have to go beyond a basic, how much is your payroll and how much more did it just cost you.

LEGISLATOR BISHOP:

The enhancement that \$3.5 million set aside is to assist not for profits, a very limited class, with specific employees who had their salaries specifically raised and work under the County contract in order to meet the Living Wage.

LEGISLATOR BINDER:

Is --

LEGISLATOR BISHOP:

-- work under the County contract and had their salaries raised in order to meet the Living Wage.

LEGISLATOR BINDER:

Is there legislation that brings it to what you just said?

LEGISLATOR BISHOP:

It's a very distinct group of people.

LEGISLATOR BINDER:

Let me ask you is there legislation that limited to what you said cause it was in the budget --

LEGISLATOR BISHOP:

-- it's the Living Wage Law.

LEGISLATOR BINDER:

But it said that extra monies that are put in the budget are only for not for profits. It would seem -- when the monies in -- when the monies in the budget there's not authorizing language that limits it in its scope as to whom. That \$3.5 million --

LEGISLATOR BISHOP:

-- that's some kind of loophole it's always --

LEGISLATOR BINDER:

-- no, it's more than a loophole. The monies in the budget so --

LEGISLATOR BISHOP:

--well, then we can close the loophole. Are you arguing that that's not the intention of the law or the money?

LEGISLATOR BINDER:

Intention or not, I'm saying that that the money exists and there might be for profits because home health care agencies could be for profit agencies, but also we want them to exist and if they're under the kind of strain where they start going out of business we might be concerned about it. So now I'm just adding to your little world of only these people get. I can tell that if might be for profits that are under the kind of hardship that would hurt this County if they closed their doors.

LEGISLATOR BISHOP:

And they have contacted me, their attorney contacted me and said I should be included in this \$3.5 million pool and where I left him with him he was going to write back to me with a survey of his member agencies and their workforce and see where they're at. So the ball is in their court if they could make a reasonable case.

LEGISLATOR BINDER:

Except that most of them --

LEGISLATOR BISHOP:

-- the reason that they would be able to perhaps is because they're so regulated that they can't set their own price scale. So that's why they might even though their for profit might fall under this. It's something that the Legislature would have to revisit and consider, but the intention of the Living Wage Law and this fund was limited to not for profits and for those employees who had to have their salaries raise in the not for profit sector in order to comply with the law.

LEGISLATOR BINDER:

That isn't in the legislation and that wasn't said and so what I'm saying is that we --

LEGISLATOR BISHOP:

-- Paul, that's not the legislation?

LEGISLATOR BINDER:

-- we only did it in the budget process the amount of money and the money isn't limited in the budget.

MR. SABATINO:

The funding mechanism -- the funding of the contingency account was not in the original Local Law, it couldn't have been. The contingency account was put together to deal with the issue that was raised by all of the adversely -- by all the parties who claimed they were being adversely affected and said that it would take the state two years to catch up on reimbursement rates, but what the legislature said was that \$3.5 million would be put into an account to give them an opportunity to come and make their cases to what the financial and economic hardship was going to be and this money would be available and that's as far as it goes.

LEGISLATOR BINDER:

But it didn't say as to who; it doesn't say as to how. It didn't say the procedure not because it's a budgetary item, it's not in Law, it's not in resolution. The actual money itself is a budgetary item so because of that it's in a contingency and who controls a contingency, this Legislature. So on one level --

LEGISLATOR BISHOP:

-- apparently the administration controls the contingency. We have to vote it out each time?

MR. SABATINO:

The money has -- this capital last committee meeting they're two ways for the money to come out. One could be what we did with the contingency account a few months ago for bio-terrorism. When the department showed up with a program and a way to use the money the Legislature released the 1.1 million because there was something specifically in front of them for the 1.1. The alternative is if there's not a program in front of them for the 3.5 million on this you would do it in segments. You would, you know, if the first round of applications show \$500,000 you would release 500,000. If the weight of applications gets to 3.5 million I mean you have to make a decision, but the money clearly has to be released. The reason it was put into the contingency account because it was --

LEGISLATOR BISHOP:

-- the reason that this legislation was filed is because nothing was

happening.

MR. SABATINO:

This legislation was filed because you --

LEGISLATOR BISHOP:

-- I was under the impression and now I'm hearing that you're telling me that there's a whole mechanism now that there were not regulations as of six or eight weeks ago. I think it was right before we went on summer break there was no mechanism for the non for profits to access the funds. Now there is they make application to you, right and you're going to come --

MS. ROSENBERG:

-- I'll tell you the procedure. They make applications to their agencies who has the best knowledge --

LEGISLATOR BISHOP:

-- right --

MS. ROSENBERG:

-- of their funding. The agency sends it over to us with their recommendation base on their knowledge.

LEGISLATOR BISHOP:

Right.

MS. ROSENBERG:

If we feel that it's appropriate it comes to you for --

LEGISLATOR BISHOP:

-- are you not limiting it to people work under County contracts and are having their salaries raised in order to comply with the Living Wage Law.

MS. ROSENBERG:

We're applying it to not for profits.

LEGISLATOR BISHOP:

You're not answering my questions. Is that mean that you disagree?

MS. ROSENBERG:

Maybe I didn't understand you. No. Tell me again I don't understand what you're saying.

LEGISLATOR BISHOP:

The intention of the fund, the legislative intent when the budget was put in was that in the not for profit sector there would be employees who made \$7 an hours. Agency X would have to raise employee, Mary's salary from 7 to

9.25, \$9 an hour with benefits. The difference between the 7 and the \$9 an hour and the benefits that's what they could make application for reimbursement.

MS. ROSENBERG:

They might make application for less than that. They have to show us, yes, they have to show that.

LEGISLATOR BISHOP:

Right.

MS. ROSENBERG:

Absolutely.

LEGISLATOR BISHOP:

It's not anything more than that, right? It's limited to that.

MS. ROSENBERG:

Of course not it's limited to, yes.

MR. SABATINO:

The reason was because the groups that came in said there was a two-year lag in getting their reimbursement from the state. So this was to be a bridge this wasn't to become a permanent forever kind of a fund. You were building it as a bridge to embarrass the state and to either accelerating their process or letting the process flow through which would take two years.

LEGISLATOR BINDER:

But the legal point is no matter what --

LEGISLATOR BISHOP:

-- yeah, what is the point --

LEGISLATOR BINDER:

-- the administration is doing it all it is a contingency fund and we can choose how to spend that contingency fund because that's all it is is a pot of money. You can talk about what your intent was generally what you wanted to do. There's no legal restrictions on that particular money.

LEGISLATOR BISHOP:

So are you advocating a tighter resolution? I don't understand, what's the point ultimately. You're pointing something out, yes.

LEGISLATOR BINDER:

What I'm saying is that right now you have a process and this is before you came in, my questioning was, okay, so now we have a process to access the money in some form or at least to get it -- at least to get the requests here, but that's still not enough because there has to be a prioritization. And right now we're okay because renewal of contracts hasn't happened, but when the

renewals come in which are going to come in really next year and there's going to be probably a number of agencies acc -- trying to access the money. The contracts happen on a basis over the year so you've got a pot of money and you're not going to know at the beginning of the year what the demand will be by the end of the year.

LEGISLATOR BISHOP:

Right.

LEGISLATOR BINDER:

So if you don't have a prioritization process and if you don't have a good idea of how much demand is going to be those agencies who can apply at the beginning of the year because of their contract renewal or periods by sometime later in the year we might have depleted the fund because we don't have a deceit --

LEGISLATOR BISHOP:

-- but then on the other hand we could be like this year where we're going to have apparently a huge surplus in the fund. It's proven --

LEGISLATOR BINDER:

-- oh, because this year there just hasn't been contracts -- they haven't renewed the contracts they're not under the Living Wage Law. So right now the bulk of agencies are not --

LEGISLATOR BISHOP:

-- well, every agency that came through said that they were not going to wait for the renewal. They were going to do this right away. I don't know if they are or they're not, but I find it interesting that if they are not for profits and they have these funds available to comply that they would choose not to comply and to say, oh, my contracts not up till next year.

LEGISLATOR BINDER:

And they might not have been --

LEGISLATOR BISHOP:

-- which to me would show a general attitude toward their staff that led to the law in the first place.

LEGISLATOR BINDER:

Well, that they might not be complying because they're really concerned and I don't know I haven't had conversations with them either so.

LEGISLATOR BISHOP:

(inaudible)

LEGISLATOR FIELDS:

Could I just ask why Maryhaven was exempt?

MS. ROSENBERG:

Yes, because their funding -- their funding is also based on a rate set by the state and it conflicted with, I believe it was Section 4405 of the State Education Law. In other words they set the rates and we can't do any pass throughs.

LEGISLATOR FIELDS:

So there maybe a lot of groups that fall under that then.

MS. ROSENBERG:

Maybe.

LEGISLATOR FIELDS:

Thank you. I'll make a motion table subject to call.

LEGISLATOR BINDER:

Second.

CHAIRMAN GULDI:

Second the motion table subject to call by Legislator Binder. Discussion? All those in favor? Opposed? 1805 is tabled subject to call. **(Vote: 4-0)** Thank you for coming over Ms. Rosenberg.

MS. ROSENBERG:

You're welcome.

CHAIRMAN GULDI:

Pleasure to see you. And I want to know for the record, you did occasionally manage to get a word in edge wise between Legislator Binder and Legislator Bishop.

(Having no further business the Ways and Means Committee was adjourned at 3:45 P.M.)

{ } denotes spelled phonetically.

