

Mandate Relief

Following is a list of major mandate issues of concern to local governments on which the Commission on Local Government Efficiency and Competitiveness has made recommendations for reform. These recommendations are listed in brief (***bold italics***) following the description of each issue. Most of these mandates are prominently featured in the legislative agendas of local government associations. However, this list is not comprehensive and there are many other mandates that should be reviewed. The Commission generally concentrated on major cost drivers and on changes that related to consolidation or shared services.

Employee Health Insurance

These costs are a major driver of increased local government expenditures, increasing by nearly 70% between 2000 and 2005. A number of local governments are exploring the feasibility of forming cooperative employee health benefit plans. In addition, the Department of Civil Service is currently exploring options to create a lower cost health insurance option for local governments under the New York State Health Insurance Program (NYSHIP).

The Commission recommendations include requiring local government and school district employees to contribute, at a minimum, 10% (for individual coverage) and 25% (for dependent coverage) toward the cost of health insurance. Other proposals would ease provisions relating to municipal cooperative health benefit plans and allow flexibility for municipalities with 50 or fewer employees.

Pension Costs

Local government associations list pension reform among their top mandate relief priorities. Possible reforms include a new pension tier that would still offer a reasonable and adequate pension, but also provide significant savings to local governments and the State.

The Commission recommends a state-convened study of public employee pension benefits, including evaluation of “Tier 5,” reinstating lifetime employee contributions, and also possibly converting to a defined contribution plan or providing one as an employee option.

Wicks Law

The Wicks Law is an antiquated statute that required multiple contracts for all municipal construction projects costing over \$50,000 – a threshold that had not been increased since the early 1960s. The state budget just passed included reform provisions raising the thresholds to \$3 million in New York City, \$1.5 million in downstate suburban counties, and to \$500,000 in all other areas.

The Commission unanimously supports reform of Wicks.

Local Government Procurement

A number of proposals have been considered in recent years to facilitate local government procurement processes by increasing the competitive bidding thresholds for contracts, allowing local governments to consider “best value” when awarding contracts for services, and allowing local governments to “piggy-back” on Federal GSA information technology procurement contracts.

The Commission recommends changes to facilitate cost-effective local purchasing, including increasing thresholds for competitive bid requirements.



Taylor Law

In New York State, labor relations between public employers and unions are governed by the Taylor Law. This law was originally enacted to prevent the once-frequent strikes by public sector unions while granting them bargaining rights, and is often criticized by local government and school district associations. Several aspects of the law impact governmental service sharing or consolidation. For example, the Taylor Law's requirement to negotiate terms and conditions of employment has been interpreted to mean that a municipality's decision to transfer or reassign work that had been done by a particular union to "non-unit" employees is a mandatory subject of negotiation. This means local governments have to negotiate the decision to consolidate (or reassign unit work), which can be a significant impediment to consolidated operations or shared services. In addition, the existence of multiple collective bargaining agreements often stands in the way of savings otherwise available through consolidation because of the tendency to "level up" wages and benefits when multiple groups of employees are joined. This has been cited as a particular problem for school districts, where a regional contract could allow for greater efficiency, teacher mobility, and remove a significant impediment to consolidation.

The Commission recommends allowing municipalities to renegotiate the terms of collective bargaining agreements when undertaking a consolidation. For school districts, a regional collective bargaining contract process is established, which districts can opt into, and would be phased in as contracts expire and initially apply only to new hires.

County Jails

Oversight of county jails is provided by the State Commission of Correction (SCOC), which has the mission of providing for a safe, stable, and humane correctional system. This oversight, while necessary to ensure proper treatment of prisoners, has led to conflicts with counties. Many counties facing jail projects believe their capacity needs were overestimated by SCOC. Under current leadership, SCOC has made its view clear that allowing counties to transfer inmates for non-emergency purposes over extended periods is not appropriate and would discourage counties from constructing jails that meet long-term correctional needs.

The Commission has multiple recommendations to provide immediate relief for counties and more efficiently provide adequate care for prisoners, calling for:

- ***Providing the State Commission of Correction (SCOC) with the authority and obligation to facilitate transfer of inmates between county jails.***
- ***Allowing for multiple counties to use a regional jail instead of requiring each to maintain a jail.***
- ***Eliminating mandatory separation of various classifications of prisoners, except male/female and minor/adult.***
- ***Clarifying statutory provisions to indicate that jail plans and specifications will be approved based upon current capacity needs, rather than projected higher future needs.***
- ***Moving over the long term toward a single statewide jail system, managed by the State Department of Corrections.***