S T A T E O F N E W Y O R K

7940

I N S E N A T E

May 25, 2010

Introduced by Sen. FLANAGAN -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT to amend the civil service law, in relation to a one year wage freeze; and providing for the repeal of such provisions upon expiration thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislative findings. The legislature hereby finds and declares that a fiscal emergency exists in the state of New York. The state's fiscal condition has been significantly weakened by the impact of the national economic recession and a phase-down of American Recovery and Reinvestment Act funds which will have a negative impact on the state's funds. These factors have led to a structural imbalance between revenues and expenditures which has contributed to New York becoming one of the highest taxed states in the nation. It is hereby found and declared that the state is in a state of fiscal crisis, and that the welfare of taxpayers in the state is seriously threatened. The state, its school districts and municipalities are experiencing extreme pressures to continue to provide adequate infrastructure and core services to its residents while also ensuring that taxes remain affordable. It is therefore, further found and declared that a combination of enhanced budgetary discipline and short-term budgetary relief is necessary to assist the state, municipalities and school districts as well as taxpayers to facilitate a return to fiscal and economic stability, while ensuring adequate funding for the provision of essential services.

S 2. The civil service law is amended by adding a new section 137 to read as follows:

S 137. WAGE FREEZE. 1. NOTWITHSTANDING ANY LAW, RULE OR REGULATION TO THE CONTRARY ALL INCREASES IN SALARY OR WAGES OF EMPLOYEES OF THE STATE, MUNICIPALITIES AND SCHOOL DISTRICTS WHICH WILL TAKE EFFECT AFTER THE EFFECTIVE DATE OF THIS SECTION PURSUANT TO COLLECTIVE BARGAINING AGREEMENTS, OTHER ANALOGOUS CONTRACTS OR INTEREST ARBITRATION AWARDS, NOW IN EXISTENCE OR HEREAFTER ENTERED INTO, REQUIRING SUCH SALARY OR WAGE INCREASES AS OF ANY DATE THEREAFTER ARE SUSPENDED FOR A PERIOD OF ONE

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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YEAR. FURTHER ALL INCREASED PAYMENTS FOR HOLIDAY AND VACATION DIFFERENTIALS, SHIFT DIFFERENTIALS, SALARY ADJUSTMENTS ACCORDING TO PLAN AND STEP-UPS OR INCREMENTS FOR EMPLOYEES OF THE STATE, MUNICIPALITIES AND SCHOOL DISTRICTS WHICH WILL TAKE EFFECT AFTER THE DATE OF THE ORDER PURSUANT TO COLLECTIVE BARGAINING AGREEMENTS, OTHER ANALOGOUS CONTRACTS OR INTEREST ARBITRATION AWARDS REQUIRING SUCH INCREASED PAYMENTS AS OF ANY DATE THEREAFTER ARE, IN THE SAME MANNER, SUSPENDED FOR A PERIOD OF ONE YEAR. FOR THE PURPOSES OF COMPUTING THE PENSION BASE OF RETIREMENT ALLOWANCES, ANY SUSPENDED SALARY OR WAGE INCREASES AND ANY OTHER SUSPENDED PAYMENTS SHALL NOT BE CONSIDERED AS PART OF COMPENSATION OR FINAL COMPENSATION OR OF ANNUAL SALARY EARNED OR EARNABLE.

2. NOTWITHSTANDING THE PROVISION OF SUBDIVISION ONE OF THIS SECTION, NO RETROACTIVE PAY ADJUSTMENTS OF ANY KIND SHALL ACCRUE OR BE DEEMED TO ACCRUE DURING THE PERIOD OF WAGE FREEZE, AND NO SUCH ADDITIONAL AMOUNTS SHALL BE PAID AT THE TIME A WAGE FREEZE IS LIFTED, OR AT ANY TIME THEREAFTER.

S 3. If any section, part or provision of this act shall be adjudged unconstitutional or invalid or ineffective by any court of this state, any party in interest shall have a direct appeal as of right to the court of appeals of the state of New York, and such appeal shall have preference over all other causes. Service upon the adverse party of a notice of appeal shall stay the effect of the judgment or order appealed from pending the hearing and determination of the appeal.

S 4. This act shall take effect immediately and shall expire and be deemed repealed one year after such effective date.