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

4478

2011-2012 Regular Sessions

I N S E N A T E

April 6, 2011

Introduced by Sen. MARTINS -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law and the civil service law, in relation to freezing salary or wage increases of employees of the state and authorizing municipal corporations to institute such wage freezes for their employees; 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 and declarations. The legislature hereby finds and determines that real property taxes in New York state are too high, and that the burden that they place upon our citizens, homeowners and businesses, is making it difficult for New York state to thrive, prosper and succeed.

The legislature further finds and determines that the only way to realistically reduce the real property tax burden upon our citizens, homeowners and businesses, is to place a comprehensive approach in state law which controls costs and spending for local governments, and provides significant mandate relief with respect to their fiscal obligations.

The legislature also finds and determines that real property tax relief and local government mandate reform must be achieved by establishing a comprehensive approach to reduce real property taxes across the state, controlling government costs, and providing significant mandate relief to local governments.

The legislature also finds, determines and declares that a fiscal emergency exists in the state of New York. That the state's fiscal condition, and that of its municipalities, has been significantly weakened by the impact of the national economic recession. This has led to a structural imbalance between revenues and expenditures which has

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

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contributed to New York becoming one of the highest taxed states in the nation.

The legislature additionally finds, determines and declares that the state, and many of its municipalities, are in a state of fiscal crisis, and that the welfare of taxpayers in the state is seriously threatened. As a result, the state, and its municipalities, are experiencing extreme pressures to continue to provide adequate infrastructure and core services to their residents while also ensuring that taxes remain affordable.

The legislature further finds, determines and declares that a combination of enhanced budgetary discipline and short-term budgetary relief is necessary to assist the state, and its municipalities, 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 general municipal law is amended by adding a new section 25 to read as follows:

S 25. WAGE FREEZE. 1. NOTWITHSTANDING ANY LAW, RULE OR REGULATION TO THE CONTRARY, ANY MUNICIPAL CORPORATION, BY LOCAL LAW OF THE GOVERNING BODY OF THE MUNICIPAL CORPORATION, MAY FREEZE AND SUSPEND FOR A PERIOD OF NOT MORE THAN ONE YEAR, ALL INCREASES IN SALARY OR WAGES OF EMPLOYEES OF THE MUNICIPAL CORPORATION, WHICH WOULD OTHERWISE 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. ADDITIONALLY, ANY MUNICIPAL CORPORATION, BY LOCAL LAW OF THE GOVERNING BODY OF THE MUNICIPAL CORPORATION, MAY FURTHER FREEZE AND SUSPEND FOR A PERIOD OF NOT MORE THAN ONE YEAR, ALL INCREASED PAYMENTS FOR HOLIDAY AND VACATION DIFFERENTIALS, SHIFT DIFFERENTIALS, SALARY ADJUSTMENTS ACCORDING TO PLAN AND STEP-UPS OR INCREMENTS FOR SUCH EMPLOYEES. 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 PROVISIONS 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. 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, 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 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 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 PROVISIONS 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 4. Preference of appeals. 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 5. This act shall take effect immediately and shall expire and be deemed repealed one year after such effective date.