

5602--B

2015-2016 Regular Sessions

I N S E N A T E

May 18, 2015

Introduced by Sens. PANEPINTO, HAMILTON, KRUEGER, PARKER, PERKINS, STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Labor -- recommitted to the Committee on Labor in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the labor law, the education law and the general municipal law, in relation to the minimum wage; to amend the public health law, in relation to home care worker wage parity; and to amend part H of chapter 59 of the laws of 2011, amending the public health law and other laws relating to known and projected department of health state fund medicaid expenditures, in relation to medicaid disbursements

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

1 Section 1. Paragraph (n) of subdivision 5 of section 651 of the labor
2 law, as amended by chapter 481 of the laws of 2010, is amended to read
3 as follows:
4 (n) by [a] THE federal[, state or municipal] government or political
5 subdivision thereof. The exclusions from the term "employee" contained
6 in this subdivision shall be as defined by regulations of the commis-
7 sioner; or
8 S 2. Subdivision 6 of section 651 of the labor law, as amended by
9 chapter 281 of the laws of 2002, is amended to read as follows:
10 6. "Employer" includes any individual, partnership, association,
11 corporation, limited liability company, business trust, legal represen-
12 tative, STATE OR MUNICIPAL GOVERNMENT OR POLITICAL SUBDIVISION THEREOF,
13 or any organized group of persons acting as employer.
14 S 3. Subdivision 1 of section 652 of the labor law, as amended by
15 section 1 of part P of chapter 57 of the laws of 2013 is amended to read
16 as follows:

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

LBD10738-06-6

1 1. Statutory. (A) Every employer shall pay to each of its employees
2 for each hour worked a wage of not less than:

3 \$4.25 on and after April 1, 1991,
4 \$5.15 on and after March 31, 2000,
5 \$6.00 on and after January 1, 2005,
6 \$6.75 on and after January 1, 2006,
7 \$7.15 on and after January 1, 2007,
8 \$8.00 on and after December 31, 2013,
9 \$8.75 on and after December 31, 2014,

10 \$9.00 on and after December 31, 2015, or, if greater, such other wage
11 as may be established by federal law pursuant to 29 U.S.C. section 206
12 or its successors
13 or such other wage as may be established in accordance with the
14 provisions of this article.

15 (B) EMPLOYERS IN ALL AREAS OF THE STATE NOT COVERED BY PARAGRAPH (C)
16 OF THIS SUBDIVISION SHALL PAY TO EACH OF ITS EMPLOYEES FOR EACH HOUR
17 WORKED A WAGE OF NOT LESS THAN:

18 \$9.75 ON AND AFTER JULY 1, 2016,
19 \$10.75 ON AND AFTER DECEMBER 31, 2016,
20 \$11.75 ON AND AFTER DECEMBER 31, 2017,
21 \$12.75 ON AND AFTER DECEMBER 31, 2018,
22 \$13.75 ON AND AFTER DECEMBER 31, 2019,
23 \$14.50 ON AND AFTER DECEMBER 31, 2020, AND

24 \$15.00, AND ON AND AFTER DECEMBER 31, 2021 AND ON EACH FOLLOWING
25 DECEMBER THIRTY-FIRST, THE COMMISSIONER SHALL CALCULATE AND ESTABLISH AN
26 ADJUSTED MINIMUM WAGE RATE BY INCREASING THE THEN CURRENT MINIMUM WAGE
27 RATE BY THE RATE OF INFLATION FOR THE MOST RECENT TWELVE MONTH PERIOD
28 AVAILABLE PRIOR TO EACH DECEMBER THIRTY-FIRST USING THE CONSUMER PRICE
29 INDEX-ALL URBAN CONSUMERS, CPI-U, OR A SUCCESSOR INDEX AS CALCULATED BY
30 THE UNITED STATES DEPARTMENT OF LABOR, IF SUCH RATE OF INFLATION IS
31 GREATER THAN ZERO PERCENT, OR, IF GREATER, SUCH OTHER WAGE AS MAY BE
32 ESTABLISHED BY FEDERAL LAW PURSUANT TO 29 U.S.C. SECTION 206 OR ITS
33 SUCCESSORS OR SUCH OTHER WAGE AS MAY BE ESTABLISHED IN ACCORDANCE WITH
34 THE PROVISIONS OF THIS ARTICLE.

35 (C) EMPLOYERS IN A CITY WITH A POPULATION IN EXCESS OF ONE MILLION AND
36 IN COUNTIES WITH A POPULATION OF NINE HUNDRED THOUSAND OR MORE THAT FALL
37 WITHIN THE METROPOLITAN COMMUTER TRANSPORTATION DISTRICT AS DEFINED IN
38 SECTION TWELVE HUNDRED SIXTY-TWO OF THE PUBLIC AUTHORITIES LAW, SHALL
39 PAY TO EACH OF ITS EMPLOYEES FOR EACH HOUR WORKED A WAGE OF NOT LESS
40 THAN:

41 \$10.50 ON AND AFTER JULY 1, 2016,
42 \$12.00 ON AND AFTER DECEMBER 31, 2016,
43 \$13.50 ON AND AFTER DECEMBER 31, 2017, AND
44 \$15.00 ON AND AFTER DECEMBER 31, 2018 AND ON EACH FOLLOWING DECEMBER

45 THIRTY-FIRST, THE COMMISSIONER SHALL CALCULATE AND ESTABLISH AN ADJUSTED
46 MINIMUM WAGE RATE BY INCREASING THE THEN CURRENT MINIMUM WAGE RATE BY
47 THE RATE OF INFLATION FOR THE MOST RECENT TWELVE MONTH PERIOD AVAILABLE
48 PRIOR TO EACH DECEMBER THIRTY-FIRST USING THE CONSUMER PRICE INDEX-ALL
49 URBAN CONSUMERS, CPI-U, OR A SUCCESSOR INDEX AS CALCULATED BY THE UNITED
50 STATES DEPARTMENT OF LABOR, IF SUCH RATE OF INFLATION IS GREATER THAN
51 ZERO PERCENT, OR, IF GREATER, SUCH OTHER WAGE AS MAY BE ESTABLISHED BY
52 FEDERAL LAW PURSUANT TO 29 U.S.C. SECTION 206 OR ITS SUCCESSORS OR SUCH
53 OTHER WAGE AS MAY BE ESTABLISHED IN ACCORDANCE WITH THE PROVISIONS OF
54 THIS ARTICLE.

55 (D) THE RATES AND SCHEDULE ESTABLISHED IN SUBDIVISION (C) OF THIS
56 SECTION SHALL NOT BE DEEMED TO BE THE MINIMUM WAGE FOR PURPOSES OF THE

1 CALCULATIONS SPECIFIED IN SUBDIVISIONS ONE AND TWO OF SECTION FIVE
2 HUNDRED TWENTY-SEVEN OF THIS CHAPTER.

3 S 4. Paragraph a of subdivision 3 of section 2023-a of the education
4 law is amended by adding a new subparagraph 3-a to read as follows:

5 (3-A) ADD ANY INCREASE ATTRIBUTABLE TO INCREASES IN MINIMUM WAGE
6 PURSUANT TO SECTION SIX HUNDRED FIFTY-TWO OF THE LABOR LAW.

7 S 5. Paragraph (c) of subdivision 3 of section 3-c of the general
8 municipal law, as added by section 1 of part A of chapter 97 of the laws
9 of 2011, is amended to read as follows:

10 (c) Each local government shall calculate the tax levy limit applica-
11 ble to the coming fiscal year which shall be determined as follows:

12 (i) Ascertain the total amount of taxes levied for the prior fiscal
13 year.

14 (ii) Multiply the result by the tax base growth factor, calculated
15 pursuant to paragraph (b) of this subdivision, if any.

16 (iii) Add any payments in lieu of taxes that were receivable in the
17 prior fiscal year.

18 (iv) ADD ANY INCREASES ATTRIBUTABLE TO INCREASES IN MINIMUM WAGE
19 PURSUANT TO SECTION SIX HUNDRED FIFTY-TWO OF THE LABOR LAW.

20 (V) Subtract the tax levy necessary to support expenditures pursuant
21 to subparagraph (i) of paragraph (g) of subdivision two of this section
22 for the prior fiscal year, if any.

23 [(v)] (VI) Multiply the result by the allowable levy growth factor.

24 [(vi)] (VII) Subtract any payments in lieu of taxes receivable in the
25 coming fiscal year.

26 [(vii)] (VIII) Add the available carryover, if any.

27 S 6. Subdivision 1 of section 92 of part H of chapter 59 of the laws
28 of 2011, amending the public health law and other laws relating to known
29 and projected department of health state fund medicaid expenditures, as
30 amended by section 8 of part B of chapter 57 of the laws of 2015, is
31 amended to read as follows:

32 1. For state fiscal years 2011-12 through 2016-17, the director of the
33 budget, in consultation with the commissioner of health referenced as
34 "commissioner" for purposes of this section, shall assess on a monthly
35 basis, as reflected in monthly reports pursuant to subdivision five of
36 this section known and projected department of health state funds medi-
37 caid expenditures by category of service and by geographic regions, as
38 defined by the commissioner, and if the director of the budget deter-
39 mines that such expenditures are expected to cause medicaid disburse-
40 ments for such period to exceed the projected department of health medi-
41 caid state funds disbursements in the enacted budget financial plan
42 pursuant to subdivision 3 of section 23 of the state finance law, the
43 commissioner of health, in consultation with the director of the budget,
44 shall develop a medicaid savings allocation plan to limit such spending
45 to the aggregate limit level specified in the enacted budget financial
46 plan, provided, however, such projections may be adjusted by the direc-
47 tor of the budget to account for any changes in the New York state
48 federal medical assistance percentage amount established pursuant to the
49 federal social security act, changes in provider revenues, reductions to
50 local social services district medical assistance administration, and
51 beginning April 1, 2012 the operational costs of the New York state
52 medical indemnity fund and state costs or savings from the basic health
53 plan. Such projections may be adjusted by the director of the budget to
54 account for increased or expedited department of health state funds
55 medicaid expenditures as a result of a natural or other type of disas-
56 ter, including a governmental declaration of emergency. FOR PURPOSES OF

THIS SECTION, FOR PERIODS ON AND AFTER JULY 1, 2016, MEDICAID DISBURSEMENTS SHALL NOT INCLUDE ANY ADDITIONAL EXPENDITURES RELATED TO INCREASES IN THE MINIMUM WAGE ESTABLISHED PURSUANT TO SECTION 652 OF THE LABOR LAW.

S 7. Section 3614-c of the public health law, as added by section 33 of part H of chapter 59 of the laws of 2011, is amended to read as follows:

S 3614-c. Home care worker wage parity. 1. As used in this section, the following terms shall have the following meaning:

(a) "Living wage law" means any law enacted by Nassau, Suffolk or Westchester county or a city with a population of one million or more which establishes a minimum wage for some or all employees who perform work on contracts with such county or city.

(b) "Total compensation" means all wages and other direct compensation paid to or provided on behalf of the employee including, but not limited to, wages, health, education or pension benefits, supplements in lieu of benefits and compensated time off, except that it does not include employer taxes or employer portion of payments for statutory benefits, including but not limited to FICA, disability insurance, unemployment insurance and workers' compensation.

(c) "Prevailing rate of total compensation" means the average hourly amount of total compensation paid to all home care aides covered by whatever collectively bargained agreement covers the greatest number of home care aides in a city with a population of one million or more. For purposes of this definition, any set of collectively bargained agreements in such city with substantially the same terms and conditions relating to total compensation shall be considered as a single collectively bargained agreement.

(d) "Home care aide" means a home health aide, personal care aide, home attendant or other licensed or unlicensed person whose primary responsibility includes the provision of in-home assistance with activities of daily living, instrumental activities of daily living or health-related tasks; provided, however, that home care aide does not include any individual (i) working on a casual basis, or (ii) who is a relative through blood, marriage or adoption of: (1) the employer; or (2) the person for whom the worker is delivering services, under a program funded or administered by federal, state or local government.

(e) "Managed care plan" means any managed care program, organization or demonstration covering personal care or home health aide services, and which receives premiums funded, in whole or in part, by the New York state medical assistance program, including but not limited to all Medicaid managed care, Medicaid managed long term care, Medicaid advantage, and Medicaid advantage plus plans and all programs of all-inclusive care for the elderly.

(f) "Episode of care" means any service unit reimbursed, in whole or in part, by the New York state medical assistance program, whether through direct reimbursement or covered by a premium payment, and which covers, in whole or in part, any service provided by a home care aide, including but not limited to all service units defined as visits, hours, days, months or episodes.

(G) "CASH PORTION OF THE MINIMUM RATE OF HOME CARE AID TOTAL COMPENSATION" MEANS THE MINIMUM AMOUNT OF HOME CARE AIDE TOTAL COMPENSATION THAT MAY BE PAID IN CASH WAGES, AS DETERMINED BY THE DEPARTMENT IN CONSULTATION WITH THE DEPARTMENT OF LABOR.

(H) "BENEFIT PORTION OF THE MINIMUM RATE OF HOME CARE AIDE TOTAL COMPENSATION" MEANS THE PORTION OF HOME CARE AIDE TOTAL COMPENSATION

1 THAT MAY BE PAID IN CASH OR HEALTH, EDUCATION OR PENSION BENEFITS, WAGE
2 DIFFERENTIALS, SUPPLEMENTS IN LIEU OF BENEFITS AND COMPENSATED TIME OFF,
3 AS DETERMINED BY THE DEPARTMENT IN CONSULTATION WITH THE DEPARTMENT OF
4 LABOR. CASH WAGES PAID PURSUANT TO INCREASES IN THE STATE OR FEDERAL
5 MINIMUM WAGE CANNOT BE USED TO SATISFY THE BENEFIT PORTION OF THE MINI-
6 MUM RATE OF HOME CARE AIDE TOTAL COMPENSATION.

7 2. Notwithstanding any inconsistent provision of law, rule or regu-
8 lation, no payments by government agencies shall be made to certified
9 home health agencies, long term home health care programs or managed
10 care plans for any episode of care furnished, in whole or in part, by
11 any home care aide who is compensated at amounts less than the applica-
12 ble minimum rate of home care aide total compensation established pursu-
13 ant to this section.

14 3. (a) The minimum rate of home care aide total compensation in a city
15 with a population of one million or more shall be:

16 (i) for the period March first, two thousand twelve through February
17 twenty-eighth, two thousand thirteen, ninety percent of the total
18 compensation mandated by the living wage law of such city;

19 (ii) for the period March first, two thousand thirteen through Febru-
20 ary twenty-eighth, two thousand fourteen, ninety-five percent of the
21 total compensation mandated by the living wage law of such city;

22 (iii) for [all periods on and after] THE PERIOD March first, two thou-
23 sand fourteen THROUGH MARCH THIRTY-FIRST TWO THOUSAND SIXTEEN, no less
24 than the prevailing rate of total compensation as of January first, two
25 thousand eleven, or the total compensation mandated by the living wage
26 law of such city, whichever is greater;

27 (IV) FOR ALL PERIODS ON OR AFTER APRIL FIRST, TWO THOUSAND SIXTEEN,
28 THE CASH PORTION OF THE MINIMUM RATE OF HOME CARE AIDE TOTAL COMPEN-
29 SATION SHALL BE TEN DOLLARS OR THE MINIMUM WAGE AS LAID OUT IN PARAGRAPH
30 (C) OF SUBDIVISION ONE OF SECTION SIX HUNDRED FIFTY-TWO OF THE LABOR
31 LAW, WHICHEVER IS HIGHER. THE BENEFIT PORTION OF THE MINIMUM RATE OF
32 HOME CARE AIDE TOTAL COMPENSATION SHALL BE FOUR DOLLARS AND NINE CENTS.

33 (b) The minimum rate of home care aide total compensation in the coun-
34 ties of Nassau, Suffolk and Westchester shall be:

35 (i) for the period March first, two thousand thirteen through February
36 twenty-eighth, two thousand fourteen, ninety percent of the total
37 compensation mandated by the living wage law as set on March first, two
38 thousand thirteen of a city with a population of a million or more;

39 (ii) for the period March first, two thousand fourteen through Febru-
40 ary twenty-eighth, two thousand fifteen, ninety-five percent of the
41 total compensation mandated by the living wage law as set on March
42 first, two thousand fourteen of a city with a population of a million or
43 more;

44 (iii) for the period March first, two thousand fifteen, through Febru-
45 ary twenty-eighth, two thousand sixteen, one hundred percent of the
46 total compensation mandated by the living wage law as set on March
47 first, two thousand fifteen of a city with a population of a million or
48 more;

49 (iv) for all periods on or after March first, two thousand sixteen,
50 [the lesser of (i) one hundred and fifteen percent of the total compen-
51 sation mandated by the living wage law as set on March first of each
52 succeeding year of a city with a population of one million or more or;

53 (ii) the total compensation mandated by the living wage law of Nassau,
54 Suffolk or Westchester county, based on the location of the episode of
55 care] THE CASH PORTION OF THE MINIMUM RATE OF HOME CARE AIDE TOTAL
56 COMPENSATION SHALL BE TEN DOLLARS OR THE MINIMUM WAGE AS LAID OUT IN

1 PARAGRAPH (C) OF SUBDIVISION ONE OF SECTION SIX HUNDRED FIFTY-TWO OF THE
2 LABOR LAW, WHICHEVER IS HIGHER. THE BENEFIT PORTION OF THE MINIMUM RATE
3 OF HOME CARE AIDE TOTAL COMPENSATION SHALL BE THREE DOLLARS AND TWENTY-
4 TWO CENTS.

5 4. [Any portion of the minimum rate of home care aide total compen-
6 sation attributable to health benefit costs or payments in lieu of
7 health benefits, and paid time off, as established pursuant to subdivi-
8 sion three of this section shall be superseded by the terms of any
9 employer bona fide collective bargaining agreement in effect as of Janu-
10 ary first, two thousand eleven, or a successor to such agreement, which
11 provides for home care aides' health benefits through payments to joint-
12 ly administered labor-management funds.

13 5.] The terms of this section shall apply equally to services provided
14 by home care aides who work on episodes of care as direct employees of
15 certified home health agencies, long term home health care programs, or
16 managed care plans, or as employees of licensed home care services agen-
17 cies, limited licensed home care services agencies, or under any other
18 arrangement.

19 [6.] 5. No payments by government agencies shall be made to certified
20 home health agencies, long term home health care programs, or managed
21 care plans for any episode of care without the certified home health
22 agency, long term home health care program, or managed care plan having
23 delivered prior written certification to the commissioner, on forms
24 prepared by the department in consultation with the department of labor,
25 that all services provided under each episode of care are in full
26 compliance with the terms of this section and any regulations promulgat-
27 ed pursuant to this section.

28 [7.] 6. If a certified home health agency or long term home health
29 care program elects to provide home care aide services through contracts
30 with licensed home care services agencies or through other third
31 parties, provided that the episode of care on which the home care aide
32 works is covered under the terms of this section, the certified home
33 health agency, long term home health care program, or managed care plan
34 must obtain a written certification from the licensed home care services
35 agency or other third party, on forms prepared by the department in
36 consultation with the department of labor, which attests to the licensed
37 home care services agency's or other third party's compliance with the
38 terms of this section. Such certifications shall also obligate the
39 certified home health agency, long term home health care program, or
40 managed care plan to obtain, on no less than a quarterly basis, all
41 information from the licensed home care services agency or other third
42 parties necessary to verify compliance with the terms of this section.
43 Such certifications and the information exchanged pursuant to them shall
44 be retained by all certified home health agencies, long term home health
45 care programs, or managed care plans, and all licensed home care
46 services agencies, or other third parties for a period of no less than
47 ten years, and made available to the department upon request.

48 [8.] 7. The commissioner shall distribute to all certified home health
49 agencies, long term home health care programs, and managed care plans
50 official notice of the minimum rates of home care aide compensation at
51 least one hundred twenty days prior to the effective date of each mini-
52 mum rate for each social services district covered by the terms of this
53 section.

54 [9.] 8. The commissioner is authorized to promulgate regulations, and
55 may promulgate emergency regulations, to implement the provisions of
56 this section.

1 [10.] 9. Nothing in this section should be construed as applicable to
2 any service provided by certified home health agencies, long term home
3 health care programs, or managed care plans except for all episodes of
4 care reimbursed in whole or in part by the New York Medicaid program.

5 [11.] 10. No certified home health agency, managed care plan or long
6 term home health care program shall be liable for recoupment of payments
7 for services provided through a licensed home care services agency or
8 other third party with which the certified home health agency, long term
9 home health care program, or managed care plan has a contract because
10 the licensed agency or other third party failed to comply with the
11 provisions of this section if the certified home health agency, long
12 term home health care program, or managed care plan has reasonably and
13 in good faith collected certifications and all information required
14 pursuant to subdivisions [six and seven] FIVE AND SIX of this section.

15 S 8. Notwithstanding any inconsistent provision or policy to the
16 contrary, any increase attributable to the increase in the minimum wage
17 established pursuant to section 652 of the labor law, shall be excluded
18 from the calculation of any policy of the state spending limitations in
19 the enacted budget financial plan pursuant to subdivision 3 of section
20 23 of the state finance law.

21 Notwithstanding any inconsistent provision of law, any program or
22 service including not-for-profits funded by New York state through the
23 department of the office of mental health, office for people with devel-
24 opmental disabilities, office of alcoholism and substance abuse
25 services, department of health, office of children and family services,
26 office of temporary and disabilities assistance, the state office for
27 the aging and the department of labor shall be adjusted to reflect the
28 increase in labor costs related to the minimum wage pursuant to section
29 652 of the labor law.

30 S 9. Severability clause. If an amendment made by section four or
31 section five of this act or their application to any person, legal enti-
32 ty, or circumstance is held invalid by a court of competent jurisdic-
33 tion, the remainder of this act or the application of such amendment to
34 other persons, legal entities or circumstances shall not be effected.

35 S 10. This act shall take effect immediately; provided, however, that
36 sections four and five of this act shall first apply to school district
37 budgets and the budget adoption process for the 2016 - 2017 school year;
38 provided, further, that section five of this act shall first apply to
39 the levy of taxes by local governments for the fiscal year that begins
40 in 2017; provided, further, that the amendments to paragraph a of subdi-
41 vision 3 of section 2023-a of the education law made by section four of
42 this act shall not affect the repeal of such section and shall be deemed
43 repealed therewith; provided, further, that the amendments to paragraph
44 (c) of subdivision 3 of section 3-c of the general municipal law made by
45 section five of this act shall not affect the repeal of such section and
46 shall be deemed repealed therewith.