

## City Hall, DC37 renegotiate raises for lowest-paid workers

Sally Goldenberg May. 15, 2015 capitalnewyork.com

Nearly a year after the de Blasio administration settled a contract with the city's largest municipal union, District Council 37, it has negotiated higher wages for the union's lowest-paid employees. The raises, in many cases, exceed the pattern of salary increases—10 percent over seven years—granted to the city's civilian workforce over the past 16 months. (In each labor contract, no increase in a given year is more than 3 percent.)

In the latest change for DC37, many job training participants are seeing a nearly \$2-an-hour bump, from \$9.62 an hour to \$11.50, which represents a 19.5-percent increase.

## Ogdensburg police make bust following parolee checkup; variety of drugs, paraphernalia found

May 15, 2015 North Country Now

OGDENSBURG -- A parolee residence check led to multiple charges against three people after police allegedly discovered a variety of drugs in Loffler Loffler

During the early morning hours of Thursday, the Ogdensburg Police Department assisted a New York State parole officer with a residence check at the home of Lee A. Loffler, 31, of 705 Pickering St.

They allegedly found crack cocaine packaged for sale, four types of pills including Soma, Clonazepa, and two types of Suboxone, a small quantity of marijuana, as well as drug paraphernalia used in the packaging and sale of narcotics and scales.

Loffler was charged with third-degree criminal possession and sale of a controlled substance, four counts of seventh-degree criminal possession of a controlled substance, criminal possession of a hypodermic instrument and second-degree criminal use of drug paraphernalia.

## Carl Paladino is surveying the rubble in the aftermath of Dean Skelos' arrest

Bob McCarthy May 17, 2015 Buffalo News

The Albany earthquake that last week claimed Dean Skelos as Senate majority leader continues to rattle the state's Republican establishment. Indeed, its aftershocks may very well inflict more collateral damage.

Buffalo's Carl Paladino emerged as one of the first to survey the rubble and declare how he would deal with the disaster. A longtime Skelos archenemy, the 2010 Republican candidate for governor seemed to revel in the senator's arrest on federal corruption charges.

For years, Paladino labeled the Long Island Republican a "RINO," or Republican In Name Only. He blistered him for supporting Gov. Andrew Cuomo's strict gun control law known as the SAFE Act, and featured Skelos in his GOP establishment rants.

Now Paladino is targeting Olean's Cathy Young, who had the audacity, in his view, to successfully side with Suffolk County's John Flanagan to succeed Skelos. Paladino threatened a "blistering primary" if she voted for Flanagan – which she did.

## Audit of ESDC Finds Few Measurable Results for \$211 Million State Advertising Contract

May 11, 2015 InstanceEndEditable , Contact: Press Office (518) 474-4015  
The Empire State Development Corporation (ESDC) spent \$211 million on an advertising contract to promote economic development

and tourism in New York state with no tangible results, according to an audit released today by State Comptroller Thomas P. DiNapoli. “When government spends hundreds of millions of taxpayer dollars to send a message that New York is a place to visit and open for business, it should have clear objectives and show the public actual results,” DiNapoli said. “ESDC’s attempts to measure the results of this advertising campaign were weak at best, leaving real questions about whether the results justify the cost.”

In December 2011, ESDC awarded a contract to BBDO USA LLC, an advertising and marketing agency, for up to \$50 million. ESDC amended and increased the contract four times, bringing the total of the contract to \$211.5 million. Of this, \$36.5 million was targeted to promote tourism and business in the wake of Hurricane Sandy. The remaining \$175 million could be spent at the authority’s discretion, which ESDC allocated to promoting Start-Up NY, tourism, Taste NY and Masterbrand.

## Flanagan’s row to hoe as Senate leader must allow a vote on farm workers’ labor rights

NEW YORK DAILY NEWS May 18, 2015

It’s harvest time for Flanagan’s promises to farm workers. Traveling from Long Island vineyards, Hudson Valley vegetable fields and western New York orchards, farm workers go to Albany Tuesday to seek equal labor rights.

Under a legacy of the Jim Crow era, New York denies 100,000 field hands protections like the right to overtime, an unpaid day off per week and collective bargaining. Pending legislation would correct those injustices.

FOR IMMEDIATE RELEASE: MAY 18, 2015

# AQE: GROUPS UNITE TO BLOCK GOV. CUOMO'S EDUCATION TAX CREDIT

Long Island Press Releases

Parent, Religious, Labor Groups and Education Advocates Fight to Block Gov. Cuomo's Flawed Tax Break for Wealthy

(Long Island, NY) Education advocates, religious and labor organizations and parent groups have joined forces to block Gov. Cuomo's education tax credit proposal that he has deceitfully dubbed Parental Choice in Education Act.

Disguised as a way to provide needy children with a private school education, the act is a tax credit designed to reimburse wealthy donors who want to contribute large sums of money to private schools. Under the act, state taxpayers will reimburse 75 percent of the donor's contributions. In the first year alone, the act will cost the state \$150 million.

## The East Bronx Doubles Down on Traffic-Oriented Development

Stephen Miller May 18, 2015, streetsblog.org

The East Bronx is on track to get new Metro-North service, but developers are building unwalkable, traffic-generating projects near the stations, fueled by state and city funding for highway ramps and expansions. Unless things change, the new rail service will be marooned in a sea of car-centric sprawl and traffic congestion.

The biggest development site, sandwiched between an Amtrak line and the Hutchinson River Parkway, is just east of Jacobi Medical Center and the Albert Einstein College of Medicine. It was originally a 76-acre campus for the Bronx Psychiatric Center, a state facility that's downsizing and selling off land for development.

## Mostly Questions and Criticism Ahead of Cuomo Email Summit

David Howard King, May 19, 2015 Gotham Gazette

On Friday - the Friday of Memorial Day weekend - Gov. Andrew Cuomo will host a summit on email retention policy. It is a much-anticipated meeting that a large number of key stakeholders don't see a need for, and it's unclear what attendance will look like in terms of representation from the major entities in state government being called together to agree on a uniform approach to keeping and deleting official emails.

Good government advocates and legislators say that outcry over Cuomo's 90-day email deletion policy was what birthed the meeting and it is in Cuomo's hands to silence the critics. They say that a grand summit is unnecessary. "This is misdirection, plain and simple," said Blair Horner of the New York Public Interest Research Group (NYPIRG).

## Fast food workers rally in Manhattan, Albany, other New York cities for \$15 minimum wage

CHRIS SOMMERFELDT/JENNIFER FERMINO NEW YORK DAILY NEWS May 20, 2015,

Shantel Walker, 33, a worker at Papa John's for the last 10 years, speaks at the minimum wage rally in Manhattan outside the New York State Department of Labor.

Fast food workers rallied around the state of New York on Wednesday to push for an increase in the minimum wage in their industry to \$15 an hour.

In New York City, dozens of workers and their allies — including Controller Scott Stringer and Lt. Gov. Kathy Hochul — held a rally

outside the New York State Department of Labor on Varick St. in Manhattan.

## New York City hospitals hit up state, feds for another \$1 billion

Evidently, \$6.4 billion for Medicaid reform doesn't go very far.  
Barbara Benson May 20, 2015 Crains

In February 2014, Gov. Andrew Cuomo announced that the federal Department of Health and Human Services had agreed to plow \$8 billion in Medicaid savings back into the state's fragile health care system. Federal health officials believed the huge cash infusion would be enough to overhaul how health care is delivered within New York's \$62 billion Medicaid program.

They were wrong—by \$1 billion.

Certain powerful New York City hospitals made it clear to Albany and Washington in recent weeks that they felt shortchanged by how that money is being divided. The uproar by downstate hospitals threatened to halt the implementation of carefully negotiated Medicaid reforms. And so now New York state and HHS officials are discussing adding another \$1 billion to \$1.2 billion to the pot over several years.

## A profile in cowardice

May 21, 2015 | By TU Editorial Board

In 2009, in the tumultuous coup in which they seized power back from Democrats, state Senate Republicans sought to cast themselves as worthy of leadership by implementing internal reforms that they vowed would lead to an “open, effective and bipartisan Senate that will benefit everyone in this state.”

That, as they say, was then.

Now, Senate Republicans are using some legally suspect sleight-of-hand to weasel out of one of those very rules in order to avoid taking

a stand on one of the most needed ethical reforms in Albany. It's the worst of politics: cowardice, duplicity, greed and abuse of power.

At issue is the notorious LLC loophole, a flaw in the state's election rules that allows wealthy donors to get around New York's already-high limits on political donations. Under a 1996 opinion by the state Board of Elections, limited liability companies are treated as individuals for the purposes of campaign contributions. So if a contributor has donated the legal limit to a candidate, all he or she needs to do is create an LLC, and donate to the limit again in the LLC's name. And she or he can keep creating LLCs in order to donate even more – three, five, 10 times the limit. Really, there is no limit.

It's through this loophole that people with a keen desire to influence legislation have poured millions of dollars into New York political campaigns, from that of Gov. Andrew Cuomo on down. Not surprisingly, at least one of those names – developer Leonard Litwin – figures prominently in the corruption charges against both former Assembly Speaker Sheldon Silver and former Senate Majority Leader Dean Skelos, charges that chased both men out of their leadership posts.

When Republican and Democratic commissioners on the evenly-divided state Board of Elections recently deadlocked on revising their 1996 opinion, some lawmakers set out to close the LLC loophole by law. The Assembly approved such a bill, but it has been bottled up in Senate committees. So the sponsor, Sen. Daniel Squadron, D-Brooklyn, turned to a Senate rule created by Republicans during the 2009 coup that allows individual senators to push bills out of committee. Without taking a vote, Republicans bounced it from the Election Committee to the Corporations Committee, where a GOP staff lawyer opined that Mr. Squadron needed to file another motion to force that committee to take it up. Because of the deadlines involved, it would mean the committee could sit on the bill until after the session ends.

It's a craven maneuver by Republicans to keep this worthy bill from getting to the Senate floor, where senators would have to go on record as either reining in the influence of big money in government

or defending an outrageous loophole that keeps the cash flowing to their campaigns.

Six years ago, Republicans hailed the package of rules reforms as “a major step toward restoring the public’s faith and confidence in the Senate.”

Six years later, they have hypocritically broken that faith.

## Fulton parolee with heroin ditches 5-year-old at park to run from cops

Ken Sturtz May 20, 2015 [syracuse.com](http://syracuse.com)

FULTON, N.Y. -- A man on parole from prison is accused of abandoning his 5-year-old at a park to try to escape police with 35 bags of heroin.

Fulton police said Matthew A. Merrill Sr., 29, of 2488 state Route 3, was charged with third-degree and seventh-degree criminal possession of a controlled substance, second-degree obstructing governmental administration and endangering the welfare of a child.

Fulton officers and members of the Oswego County Drug Task Force responded Monday to Voorhees Park in the city of Fulton for a report of a man selling drugs.

## Sen. Ortt blasts Office of Mental Health for 'state-funded, booze-filled weekend'

May 22, 2015|STAFF REPORTS [news@eastniagarapost.com](mailto:news@eastniagarapost.com)

State Sen. Rob Ortt, chairman of the Senate Committee on Mental Health and Developmental Disabilities, blasted a Queens non-profit as well as the state Office of Mental Health (OMH) after an audit showed what he referred to as "gross misuse of taxpayer funds."

The audit revealed that Promoting Specialized Care and Health (PSCH), which has a five-year contract with OMH for \$30 million to

provide services to individuals with mental disabilities and substance abuse, spent more than \$150,000 expenses that were determined to be inappropriate, including nearly \$32,000 on a high-end conference at a Long Island resort including alcohol, cruises, and gifts.

## Cuomo admin switches off 90-day email deletion

May 22, 2015 Casey Seiler Capitol Confidential

Gov. Andrew Cuomo's administration will switch off a controversial email policy that automatically deleted emails at state agencies and the executive chamber after 90 days unless they were actively retained.

Deletion will now be "entirely manual," said Cuomo's Counsel Alphonso David, one of six participants in a meeting at the governor's offices in Manhattan on Friday morning.

Also on hand were representatives from the offices of Comptroller Tom DiNapoli and Attorney General Eric Schneiderman. Calling in via conference call was Republican Assemblyman Andy Goodell, the only representative of a legislative conference to take part.

## Lovett: Senate Republicans wary of deal-making under the watchful eye of crusading U.S. Attorney Preet Bharara

NEW YORK DAILY NEWS May 24, 2015 Kenneth Lovett

ALBANY - Some Senate Republicans are so afraid of crusading U.S. Attorney Preet Bharara that they don't want to engage in the traditional end-of-legislative session political deal making for fear of sparking more investigations.

With less than a month to go before the end of the legislative session, that concern promises to gum up negotiations to extend the expiring

rent regulation law and a controversial 421a tax credit for developers who provide affordable housing in new buildings, Republicans say.

"You just don't give rent control for nothing," one GOP senator said. "Usually it's part of a broader deal for something we want. Several members have talked about their uneasiness and nervousness of doing anything when they don't know what this guy (Bharara) will do.

## [NY state Republicans to target Long Island's 'leftward shift'](#)

Fredric U. Dicker May 25, 2015 NY Post

A coalition of conservative activist groups, determined to halt what they call a "leftward shift" among Republican state senators from Long Island, have begun secretly polling the districts of key GOP lawmakers with an eye toward knocking them off in next year's primaries.

The coalition — led by the anti-abortion Chiaroscuro Foundation, which backed several conservative Republicans who won office in last year's state Senate races — just finished a poll in the district of Senate Health Committee Chairman Kemp Hannon (R-Nassau), 69, the sponsor of several "end of life" measures that critics compare to euthanasia.

"Kemp Hannon is someone who is clearly vulnerable, and he's just the start," said a source familiar with the polling results. "If these Republicans no longer vote like Republicans, if they continue their leftward shift, why keep them?"

## **New York Real Estate Executive With 'Access to Politicians' Is at Center of Scandals**

CHARLES V. BAGLI MAY 24, 2015 NY Times

There are two phrases that Charles C. Dorego's friends and colleagues use to describe him: "very smart" and "very charming."

That is why colleagues in the real estate industry are wondering how he finds himself at the center of a corruption scandal that has toppled two of the most powerful politicians in the state: Sheldon Silver, the former Democratic speaker of the State Assembly and Dean G. Skelos, the former Republican majority leader in the State Senate.

Mr. Dorego, the general counsel for one of Manhattan's biggest developers, Glenwood Management, is an influential figure in real estate circles whose warm smile and easygoing demeanor could disarm even those with whom he disagreed in an industry famous for its bitter rivalries.

But Mr. Dorego also likes to let associates know about the political access he enjoyed to the governor, the mayor and top lawmakers that came from being a major developer who dispensed millions of dollars in political contributions on behalf of Glenwood and its owner, Leonard Litwin.

"Charlie likes access," said one executive who worked with Mr. Dorego at the Real Estate Board of New York. "He likes to talk about access to politicians."

Lawyers at Mr. Dorego's former law firm and several real estate executives all spoke admiringly of Mr. Dorego but declined to be identified for fear of being dragged into the matter.

Mr. Dorego hired an army of lobbyists that eclipsed the contingents from either of real estate's two most powerful trade groups — the Real Estate Board and the Rent Stabilization Association — ensuring he had the ear of state officials who oversee important housing rules, including a lucrative tax abatement program set to expire next month.

The fate of the housing program, known as 421-a, is critical to Glenwood. The company owns nine Manhattan apartment buildings with a total of nearly 3,000 apartments that receive 421-a tax breaks worth more than \$700 million over 20 years. The newest building,

Hawthorn Park, overlooks Lincoln Center and features two-bedroom apartments renting for \$7,400 a month.

Mr. Dorego, who friends say once considered leaving the law to manage a minor-league baseball team, figures prominently in the federal criminal complaints against Mr. Silver and Mr. Skelos, that involve payoffs, graft, fraud and solicitation of bribes.

In exchange for a non-prosecution agreement, Mr. Dorego in April began cooperating with the Federal Bureau of Investigation and prosecutors in the office of the United States attorney's office for the Southern District of New York.

Mr. Dorego, whose lawyer did not return calls, has not been charged with any wrongdoing. He is not identified by name in the criminal complaints, but is referred to as CW-1, or cooperating witness, in the complaint against Mr. Skelos and his son, and as "a representative of Developer-1" — which is Glenwood — in the charges against Mr. Silver.

Prosecutors have declined to release a copy of the non-prosecution agreement, which could illuminate which crimes, if any, Mr. Dorego may have committed; why the government chose not to charge him; and how and what he knows about potentially illegal acts by Mr. Silver, Mr. Skelos or others.

Mr. Dorego has had cancer, which friends say returned last fall. It is unclear if that may have affected his decisions in the investigation.

J. Bruce Maffeo, a former top federal prosecutor who is not involved in the case, also noted that "the line between a victim and a co-conspirator is left to the whim of the prosecutor."

Mr. Dorego is one of three people running Glenwood, which owns at least 26 luxury rental buildings in Manhattan. In recent years, the company's founder, Leonard Litwin, has turned over the reins to his daughter Carole Litwin Pittelman; Gary Jacob, a longtime executive; and Mr. Dorego, who was responsible for hiring lobbyists and distributing political contributions.

As a young man, Mr. Dorego, who is divorced with two sons, played semiprofessional baseball, according to a partner at his old law firm. Shortly after graduating from Brooklyn Law School in 1984, he joined a law firm headed by Leonard Boxer, a prominent real estate lawyer. The firm later merged with Stroock & Stroock & Lavan, a Manhattan firm with a large real estate practice.

In the early 1990s, Mr. Litwin asked Mr. Boxer if he could “borrow” Mr. Dorego for a project in Arizona, where his grandson, Steven Swarzman, owned a minor-league baseball stadium. After failing to lure the Kansas City Royals there for spring training, the men demolished the stadium in 1994 and erected an apartment building for older people.

Mr. Dorego returned to Stroock for five years, before joining Glenwood in 2001 as a senior executive. He and Mr. Litwin served on the Real Estate Board’s executive committee where Mr. Dorego successfully argued against several major developers, including Related and the Durst Organization, that wanted to sue the city over what they viewed as unfairly high taxes on multifamily rental housing. He managed to maintain good relations with them.

“Charlie’s a good guy,” one real estate lawyer said. “He really is. He doesn’t lie. He always had a big smile on his face. Sometimes you get yourself into a situation with people that you come to regret.”

From the beginning, Mr. Dorego was engaged in politics and power relations, all the while protecting Glenwood’s interests.

Since 2005, Glenwood has given more than \$12 million in political contributions in New York, including donations to Mr. Silver, Mr. Skelos and Gov. Andrew M. Cuomo, a Democrat, according to an analysis by Common Cause New York, which included contributions from related companies and individuals.

Glenwood — along with its affiliates — was the second-largest single political donor to state-level candidates and party committees in 2013, according to an analysis by the New York Public Interest Research Group.

Glenwood's "business model depends in substantial part on favorable tax abatements and rent regulations that must be periodically renewed" in Albany, according to the criminal complaint against Mr. Skelos.

The complaint as well as the one against Mr. Silver provide another glimpse of Mr. Dorego.

At the insistence of Mr. Skelos, the complaint says, Mr. Dorego arranged for Mr. Skelos's son Adam to receive a \$20,000 commission from a title company for work he did not perform. Mr. Dorego also arranged for a consulting job for Adam Skelos at an environmental firm, in which Mr. Dorego and Mr. Swarzman, Mr. Litwin's grandson, had ties, according to the complaint. The firm eventually paid Adam a total of \$200,000, prosecutors say, and his father used his position to help the company win a government contract.

For Mr. Silver's part, the complaint filed against him says he asked Mr. Dorego and Glenwood, which owns three buildings in his Manhattan district, to hire a small law firm to handle some property tax work.

Mr. Dorego, the complaint says, was unaware that Mr. Silver collected 25 percent of the fees paid to the firm. The complaint, however, does not indicate what Mr. Dorego thought he would get in return for steering work there.

But a battle in the State Legislature in 2011 over renewing the 421-a tax program as well as rent regulations that govern one million apartments in New York City provide some clues.

Housing and tenant activists wanted major changes to both programs. But the state's two major real estate organizations were not on the same page.

The Real Estate Board, which is dominated by Manhattan developers, concentrated on extending the 421-a tax abatements, while the Rent Stabilization Association, which represents mostly landlords in the boroughs outside Manhattan, was focused on fending

off attempts to eliminate regulations allowing landlords to deregulate apartments and escalate rents.

Mr. Litwin, as head of Glenwood, is one of the rare developers who is a major player in both organizations.

Today, nine Glenwood buildings get 421-a tax benefits, according to New York City records. In exchange for the tax breaks, Glenwood set aside 459 units, a relatively low 15 percent, of the 2,987 apartments for low- and moderate-income households, according to city records and an analysis by the Association for Neighborhood Housing Development.

“Glenwood takes an absurd amount of benefit from the taxpayer’s pocket to boost its bottom line,” said Benjamin Dulchin, executive director of the housing group, which has called for reforming the housing program. “No wonder they use every bit of influence at their disposal.”

Days after Glenwood contributed \$1,000 to Mr. Cuomo’s re-election campaign, Mr. Dorego and a lobbyist met in April 2011 with the governor to discuss rent regulation, according to state records.

A short while later, after Glenwood contributed \$25,000 to the Senate Republican Campaign Committee, Mr. Dorego met with Mr. Skelos to discuss real estate regulations and legislation affecting Glenwood, the complaint says.

As the legislative session heated up, Mr. Cuomo met one day in June with representatives from two real estate groups, Mr. Dorego and Mr. Jacob, another top Glenwood executive, as well as Mr. Silver and Mr. Skelos.

Two weeks later, Mr. Cuomo had another meeting on rent regulations that included Mr. Dorego and the trade groups.

Though it is common for the groups to meet with top officials in Albany, it was unusual, according to several Real Estate Board members, for Mr. Dorego to attend.

In the end, real estate executives said, Mr. Dorego and the Real Estate Board were successful in lobbying lawmakers to renew the 421-a program.

But the landlords' association felt betrayed by their allies. The Legislature passed changes to rent laws making it more difficult to deregulate apartments, but they were more painful for landlords outside Manhattan than for companies like Glenwood, which build in Manhattan where rents are already high.

Glenwood was "more aligned with Rebny, so we got hurt," said Joe Strasberg, the president of the Rent Stabilization Association, referring to the board. "We lost ground on rent regulation."

With both rent regulations and the tax credit program up for renewal, housing advocates have mounted a strenuous campaign for changes that they say are needed to increase the amount of low-cost housing.

This time, however, the battle playing out in Albany is unfolding without Mr. Dorego, Mr. Silver or Mr. Skelos.

## Grievance targets PEF coordinator over records

Challenger for Southern Tier post claims financial reports aren't in order and accessible

Brendan J. Lyons May 21, 2015 Times Union

Albany—A regional coordinator for the Public Employees Federation is the target of a complaint alleging he neglected to file budgets and rebuffed a member's request for access to union expense reports.

The ethics complaint was filed earlier this month against James Moffitt, a PEF coordinator in Region 5 that represents about 1,600 state employees in the Southern Tier region. Moffitt characterized the complaint as baseless and politically motivated, noting it was filed by a fellow PEF member who is challenging him for his position in the next month's PEF election.

David Dubofsky, who filed the complaint, acknowledged that he is challenging Moffitt for the regional coordinator's post and running on the slate with current PEF President Susan Kent.

The complaint alleges Dubofsky was unable to review audit reports and that Moffitt has avoided his requests to review the regional union's financial statements. Dubofsky also accused Moffitt of paying his wife to provide food at union events. Moffitt said the allegations are false and that his wife has not set up the food for union meetings since he became regional coordinator three years ago.

"We can certainly set up a time for him to ... review the audits," Moffitt said. "We went back and forth on some dates."

Dubofsky, a former PEF executive board member, filed the complaint May 1 accusing Moffitt of failing to file budgets and appoint an audit committee in each of his three years in the position.

"I had some PEF members come to me concerned regarding my region, Region 5, and our expenses and what was being done with them," Dubofsky said.

His grievance claims Moffitt "has also failed to maintain receipts and expense reports to allow for the proper conducting of an audit." Moffitt disputes the allegations and said he has filed the required audits and budgets with PEF headquarters.

The infighting comes as Kent is in the midst of a heated campaign in which a state parole officer, Wayne Spence, who is a PEF vice president, is challenging her for the position in next month's election.

Dubofsky contacted the Times Union about his grievance this week after he said Kent told him the paper asked about it.

"We didn't direct anyone to contact you; we said we had gotten this inquiry and if they wanted to contact you to tell you specifics about something that concerned them as a principle, just to be clear," Kent said. "There have been many, many issues related to lax financial policies that were carried forth by the previous administration that we are dealing with on an ongoing basis."

# Pensions and Politics Fuel Crisis in Illinois

MONICA DAVEY/MARY WILLIAMS WALSH MAY 25, 2015 NY Times

CHICAGO — Illinois is facing one of the worst fiscal crises of any state in recent decades, largely because it has mismanaged its pension system.

The shortfalls could potentially mean sharply higher taxes and cuts in spending. And even though the state's highest court just this month threw out a landmark plan to cut worker and retiree benefits, some lawmakers say they may have to find another way to make those reductions as well.

Illinois's problems resonate well beyond its borders. Pennsylvania, New Jersey and Kentucky are among the states confronting similar problems, and to them, Illinois is a model of what can go wrong — with political intransigence, mounting costs and a complicated legal terrain.

So elected officials, union leaders, investors, fiscal hawks and even bankruptcy lawyers across the country are watching Illinois closely to see how it addresses the crisis. In Washington, some Republicans have even raised pointed concerns that President Obama's home state might someday seek federal help.

The state faces a range of problems. Illinois has one of the worst-funded pension systems in the nation. Chicago also has a pension crisis, leading Moody's Investors Service to downgrade its credit rating to junk status on May 12, potentially threatening the city's ability to borrow.

And the state faces an expected budget deficit of \$6 billion, which it needs to address quickly. With just days before a legislative deadline, the new Republican governor, who ran on cutting costs and holding

down taxes, is at odds with Democrats who hold a veto-proof supermajority in the legislature.

“Really, it’s not a clear road map at this point,” the governor, Bruce Rauner, said of solving the pension crisis.

“We have to make big decisions,” Mr. Rauner told reporters. “The state is in dire financial straits. Chicago is in big, big challenges. And everybody’s a little bit on edge.”

Courts in other states, including Colorado and Minnesota, have sometimes approved measured pension cuts for public workers, especially for the benefits that current workers have not yet earned. And in Detroit and Stockton, Calif., federal judges have said pensions could be cut in a bankruptcy.

But Illinois has one of the most explicit constitutional pension guarantees of any state. The State Supreme Court found that the landmark plan was unconstitutional, and interpreted the clause in a way that protects even benefits that current public workers have not yet earned, as well as cost-of-living adjustments for retirees.

That has made a dire situation worse and raised the possibility that Illinois, its biggest city and Chicago’s schools must all simultaneously find a way to keep running pension systems that are already unsustainable.

“What has happened is the loudest wake-up call possible,” said Laurence J. Msall, president of the Civic Federation, a watchdog group. “This is a financial tsunami for the City of Chicago and the State of Illinois that will not be fixed without politically painful changes.”

Many states and cities have been doing to a lesser degree what Illinois did: promising pensions without calculating the costs correctly or really preparing to pay them. Other states have pulled back from the brink of fiscal disaster through extraordinary measures, including New York in 1975, to deal with the threat of bankruptcy in New York City, and California in 2012, when Gov. Jerry Brown talked his famously tax-averse voters into approving a tax increase.

But the Illinois public pension system is at or near the bottom of national rankings. Standard & Poor's Rating Services said in 2014 that the Illinois system was last among state systems, with just 40 cents available for every dollar of promised benefits.

The system sank over decades, as officials promised pensions without setting aside enough to pay them. In its unanimous opinion on May 8, the State Supreme Court cited commissions dating to 1917 that had warned of a crisis as more retired workers started drawing benefits.

Warnings were ignored, though, and shortfalls accumulated. It was easy for officials to let that happen because actuarial calculations can understate the true cost of a pension plan, and Illinois had some of the biggest actuarial distortions of any state. In 2013, Illinois became the second state in history, after New Jersey, to be accused of fraud by the Securities and Exchange Commission, which found that it had misled the public about the condition of its pension system.

In recent years, with the system estimated to be more than \$100 billion short and Illinois's yearly pension payments consuming more and more of the state's budget, Democratic leaders broke with unions that had traditionally been their allies.

In late 2013, Gov. Pat Quinn signed what was considered a landmark bill that claimed to bring the pensions up to full funding, in part by curtailing cost-of-living increases for workers, capping salary levels used to calculate pension benefits and raising the retirement age for some.

The state argued that the changes did not violate the provision in the State Constitution banning the reduction of pensions because a financial emergency had taken hold. But the Illinois Supreme Court said that any emergency was of the state's own making and that the cuts could not stand.

That has left officials scrambling at a moment when the state has a divided government for the first time in a decade and the political differences between Mr. Rauner and the Democratic-controlled

legislature make compromise difficult. A splintered set of political leaders is now debating options including tax increases, large spending cuts, new pension reductions, changes to the State Constitution and even legislation to permit Illinois municipalities to file for bankruptcy.

Some in Illinois assert that changes to pension benefits remain possible under certain conditions, and various deals are being discussed in the State Capitol in Springfield, though cuts are all but certain to draw more legal challenges.

Mr. Rauner has proposed switching workers into a pension plan that would let them earn less generous benefits starting in July, but he has acknowledged that even he is uncertain whether his idea would hold up in court.

Some leaders want to amend the State Constitution so benefit changes for future years of service can be made — an idea that other states are closely watching. But that path is long and uncertain: An amendment would need support from three-fifths of the House and Senate, then approval from voters.

“I do think there should be attempts to amend constitutions for current employees, not just in Illinois but probably other states, including California,” said Joshua D. Rauh, a finance professor at Stanford University who has written about public pensions.

Others say the pension ruling takes benefit changes off the table and means that the government must pay what has been promised even if it means tax increases and spending cuts.

“This will present major challenges for any policy maker, and they really have no other alternative,” said Richard C. Dreyfuss, an actuary and senior fellow at the Commonwealth Foundation, a public policy research organization in Harrisburg, Pa.

For Chicago, the state pension ruling could not have come at a worse time. The city is facing about \$20 billion in unfunded pension liabilities, an additional \$550 million yearly pension payment it must start making next year, and a school system that has a \$1 billion

deficit of its own, underfunded pensions and a new contract for teachers under negotiation.

Only a few American cities have shakier pension systems than Chicago's, according to a 2013 Pew Charitable Trusts report on 61 major city pension systems.

The State Supreme Court ruling raised new doubts about efforts Chicago has made to shore up two of its four main pension funds. Last year, after discussions with some unions, Mayor Rahm Emanuel pressed state lawmakers to approve an overhaul that would require some workers in the two funds to pay more for retirement benefits, and would slow cost-of-living increases for retirees.

That overhaul is also being challenged in court, but city officials have argued that, over the long term, it would protect the existence of the pensions rather than unconstitutionally diminish them. Talks are underway with those tied to the city's remaining pension funds, and Mr. Emanuel has sought permission for a Chicago-based casino to help fund those systems.

Facing debts including unfunded pensions, Detroit in 2013 became the largest city ever to seek federal bankruptcy protection. But bankruptcy is not an option available to any state, and legislators would need to pass a law to allow an Illinois city to take such a step. Some here, including Mr. Rauner, have said they support such a notion.

Mr. Emanuel, who was sworn in on May 18 for a second term, disputed Moody's downgrades as outliers and said Chicago, despite its pension problems, still had a vibrant economy. Asked what the developments all bode for a property tax increase in Chicago, Mr. Emanuel told WTTW television's "Chicago Tonight" this month that revenue "has to be part of any solution." Yet Mr. Emanuel said a tax increase would be a last option, not the first one, adding, "You cannot put all the burden on the taxpayers alone."

Illinois is racing to settle on a budget for the fiscal year that starts July 1, and pension costs are estimated to consume as much as a quarter

of general fund spending — an unusually high share and a sign of real trouble.

In a State Capitol that had grown accustomed to being run by Democrats, the election of Mr. Rauner has complicated hopes for a budget solution by Sunday, after which the number of votes required for passage will increase. He opposed an extension of a temporary income tax increase enacted four years earlier and has demanded billions in spending cuts. Democrats accuse him of trying to use the budget impasse to leverage concessions on other elements of his agenda to shrink union power and help businesses. Republicans assert that Democratic leaders are not genuinely negotiating.

By Monday afternoon, Democratic leaders announced that they would offer their own state spending plan, while a spokesman for Mr. Rauner said the Democrats were walking away from the negotiating table and refusing to compromise on critical reforms.

“So far, it looks like partisan bickering is the dominant theme,” said Bob Reed, director of programming for the Better Government Association, a watchdog group based in Chicago. “Governor Rauner and House Speaker Michael Madigan talk about compromise and negotiation, but there’s no evidence of that happening, and time is running out.”

## Doctoring, Without the Doctor

SABRINA TAVERNISE MAY 25, 2015 NY Times

WOOD LAKE, Neb. — There are just a handful of psychiatrists in all of western Nebraska, a vast expanse of farmland and cattle ranches. So when Murlene Osburn, a cattle rancher turned psychiatric nurse, finished her graduate degree, she thought starting a practice in this tiny village of tumbleweeds and farm equipment dealerships would be easy.

It wasn't. A state law required nurses like her to get a doctor to sign off before they performed the tasks for which they were nationally certified. But the only willing psychiatrist she could find was seven hours away by car and wanted to charge her \$500 a month.

Discouraged, she set the idea for a practice aside and returned to work on her ranch.

“Do you see a psychiatrist around here? I don’t!” said Ms. Osburn, who has lived in Wood Lake, population 63, for 11 years. “I am willing to practice here. They aren’t. It just gets down to that.”

But in March the rules changed: Nebraska became the 20th state to adopt a law that makes it possible for nurses in a variety of medical fields with most advanced degrees to practice without a doctor’s oversight. Maryland’s governor signed a similar bill into law this month, and eight more states are considering such legislation, according to the American Association of Nurse Practitioners. Now nurses in Nebraska with a master’s degree or better, known as nurse practitioners, no longer have to get a signed agreement from a doctor to be able to do what their state license allows — order and interpret diagnostic tests, prescribe medications and administer treatments.

“I was like, ‘Oh, my gosh, this is such a wonderful victory,’” said Ms. Osburn, who was delivering a calf when she got the news in a text message.

The laws giving nurse practitioners greater autonomy have been particularly important in rural states like Nebraska, which struggle to recruit doctors to remote areas. About a third of Nebraska’s 1.8 million people live in rural areas, and many go largely unserved as the nearest mental health professional is often hours away.

“The situation could be viewed as an emergency, especially in rural counties,” said Jim P. Stimpson, director of the Center for Health Policy at the University of Nebraska, referring to the shortage.

Groups representing doctors, including the American Medical Association, are fighting the laws. They say nurses lack the knowledge and skills to diagnose complex illnesses by themselves. Dr. Robert M. Wah, the president of the A.M.A., said nurses practicing independently would “further compartmentalize and fragment health care,” which he argued should be collaborative, with “the physician at the head of the team.”

Dr. Richard Blatny, the president of the Nebraska Medical Association, which opposed the state legislation, said nurse practitioners have just 4 percent of the total clinical hours that doctors do when they start out. They are more likely than doctors, he said, to refer patients to specialists and to order diagnostic imaging like X-rays, a pattern that could increase costs.

Nurses say their aim is not to go it alone, which is rarely feasible in the modern age of complex medical care, but to have more freedom to perform the tasks that their licenses allow without getting a permission slip from a doctor — a rule that they argue is more about competition than safety. They say advanced-practice nurses deliver primary care that is as good as that of doctors, and cite research that they say proves it.

What is more, nurses say, they are far less costly to employ and train than doctors and can help provide primary care for the millions of Americans who have become newly insured under the Affordable Care Act in an era of shrinking budgets and shortages of primary care doctors. Three to 14 nurse practitioners can be educated for the same cost as one physician, according to a 2011 report by the Institute of Medicine, a prestigious panel of scientists and other experts that is part of the National Academy of Sciences.

In all, nurse practitioners are about a quarter of the primary care work force, according to the institute, which called on states to lift barriers to their full practice.

There is evidence that the legal tide is turning. Not only are more states passing laws, but a February decision by the Supreme Court found that North Carolina's dental board did not have the authority to stop dental technicians from whitening teeth in nonclinical settings like shopping malls. The ruling tilted the balance toward more independence for professionals with less training.

“The doctors are fighting a losing battle,” said Uwe E. Reinhardt, a health economist at Princeton University. “The nurses are like insurgents. They are occasionally beaten back, but they’ll win in the long run. They have economics and common sense on their side.”

Nurses acknowledge they need help. Elizabeth Nelson, a nurse practitioner in northern Nebraska, said she was on her own last year when an obese woman with a dislocated hip showed up in the emergency room of her small-town hospital. The hospital's only doctor came from South Dakota once a month to sign paperwork and see patients.

"I was thinking, 'I'm not ready for this,' " said Ms. Nelson, 35, who has been practicing for three years. "It was such a lonely feeling."

Ms. Osburn, 55, has been on the plains her whole life, first on a sugar beet farm in eastern Montana and more recently in the Sandhills region of Nebraska, a haunting, lonely landscape of yellow grasses dotted with Black Angus cattle. She has been a nurse since 1982, working in nursing homes, hospitals and a state-run psychiatric facility.

As farming has advanced and required fewer workers, the population has shrunk. In the 1960s, the school in Wood Lake had high school graduating classes. Now it has only four students. Ms. Osburn and her family are the only ones still living on a 14-mile road. Three other farmhouses along it are vacant.

The isolation takes a toll on people with mental illness. And the culture on the plains — self-reliance and fiercely guarded privacy — makes it hard to seek help. Ms. Osburn's aunt had schizophrenia, and her best friend, a victim of domestic abuse, committed suicide in 2009. She herself suffered through a deep depression after her son died in a farm accident in the late 1990s, with no psychiatrist within hundreds of miles to help her through it.

"The need here is so great," she said, sitting in her kitchen with windows that look out over the plains. She sometimes uses binoculars to see whether her husband is coming home. "Just finding someone who can listen. That's what we are missing."

That conviction drove her to apply to a psychiatric nursing program at the University of Nebraska, which she completed in December 2012. She received her national certification in 2013, giving her the right to act as a therapist, and to diagnose and prescribe medication for

patients with mental illness. The new state law still requires some supervision at first, but it can be provided by another psychiatric nurse — help Ms. Osburn said she would gladly accept.

Ms. Nelson, the nurse who treated the obese patient, now works in a different hospital. These days when she is alone on a shift, she has backup. A television monitor beams an emergency medicine doctor and staff into her workstation from an office in Sioux Falls, S.D. They recently helped her insert a breathing tube in a patient.

The doctor shortage remains. The hospital, Brown County Hospital in Ainsworth, Neb., has been searching for a doctor since the spring of 2012. “We have no malls and no Walmart,” Ms. Nelson said. “Recruitment is nearly impossible.”

Ms. Osburn is looking for office space. The law will take effect in September, and she wants to be ready. She has already picked a name: Sandhill Behavioral Services. Three nursing homes have requested her services, and there have been inquiries from a prison.

“I’m planning on getting in this little car and driving everywhere,” she said, smiling, behind the wheel of her 2004 Ford Taurus. “I’m going to drive the wheels off this thing.”

## Fired auditors say Medicaid errors remain issue at New York Health Department

Fired auditors accuse Department of Health of altering Medicaid eligibility mistake rates

Brendan J. Lyons May 26, 2015 TIMES UNION  
(Patricia Pafundi, PEF E-Board, Harvey Brody)

The auditors worked in a non-descript, three-story brick building near a warehouse district in Menands, a couple miles north of the state Capitol.

Their surroundings were ordinary, including hand-me-down state government furnishings. But their job was a crucial one: auditing the

eligibility rates for recipients of New York's \$22 billion-a-year Medicaid program.

For New York, the potential of paying tens of millions of dollars in penalties was at stake if their error rates exceeded a threshold set by the federal government. The audits were mandated by Congress, in part, to rein in the fraud and mistakes that have permeated the nation's massive health care system for people with low incomes.

Now, several current and former state employees, who were part of two federal lawsuits that alleged the state's Medicaid program is awash in fraud, are speaking out about their efforts to report the abuse. In one case, a group of auditors whose job it was to detect fraud said state Health Department managers unethically directed and altered their work results.

"People stopped us from doing it," said Patricia Monks, then a longtime state worker who questioned the interference. "I was fired after eight months because I 'didn't have the right attitude.' "

At the time, Monks, 68, worked in the Menands office for the Center for Development of Human Services, which was headquartered at SUNY Buffalo State and served as an arm of the quasi-public SUNY Research Foundation. The Research Foundation had won a contract with the state Health Department to do the work

In April 2008, with less than a year on the job, Monks and a supervisor in her office, Patrick Campion, complained to supervisors that state Health Department officials were interfering with their work and taking steps to manipulate the audit results. Monks said Diane Farrell, a DOH manager tasked with monitoring the work, was a fixture in the Menands office and met weekly in a conference room with a CDHS supervisor, Ann Marie Hutchinson.

"I saw her and Ann Marie in the conference room on several occasions. They had case files open," Monks said in an interview last week, marking her first public comments on the case. "I had discussions with Ann, specifically, about how unethical that was. ... The other thing they did was they destroyed records. Any of the cases I called in error, they destroyed, and did their own audit."

Less than a month after Champion and Monks reported their concerns, they were both fired, in April 2008, according to court records.

Monks brought her concerns to the U.S. Attorney's office in Albany, where she met with a former assistant U.S. Attorney, Sara Lord, who opened a criminal investigation that would languish for years as the case bounced to different attorneys in the office. Initially, several Health Department managers were told they were targets in the criminal probe, but no one was ever charged and the state would ultimately be absolved of wrongdoing.

Two years after she was fired, Monks and four other former Research Foundation employees in the audit unit, including Champion, filed a federal complaint, known as a qui tam, under the False Claims Act accusing their supervisors and state Health Department managers of undermining their work and manipulating the Medicaid error rates.

"Frankly, the entire Medicaid program is a sham in New York," Monks said. "People are getting Medicaid and maybe shouldn't be. ... Ninety percent of the cases I had I couldn't tell if they were eligible or not. We weren't allowed to contact anyone. We weren't allowed to write letters to anyone."

The state terminated its contract with the Research Foundation in 2010, a year after the U.S. Attorneys office in Albany launched its investigation of the workers' allegations. Five months ago, the civil claim filed by Monks and her colleagues ended with the Research Foundation agreeing to pay \$3.75 million to settle the case. For its part, the state Health Department admitted no wrongdoing and was not listed as a defendant, but the Health Department is referenced more than 30 times in the 15-page complaint, which casts the DOH as a co-conspirator with the Research Foundation.

"CDHS got a bum rap," Monks said. "They took the heat for the Department of Health."

James Ryan, who quit the unit not long after Monks was fired, was one of the five who filed the civil complaint and split more than \$800,000, which was their share of the settlement. Ryan, 65, who like

Monks was also a longtime state worker, said federal regulators who were monitoring New York's Medicaid program "were not happy" about their lack of access to information. He said the state's error rate for Medicaid recipients was higher than 20 percent and the Health Department was "bound and determined to report five percent."

In a statement Friday, a Health Department spokesperson said: "The NYS DOH was not a party to the qui tam lawsuit. The SUNY Research Foundation was and settled the matter with the federal government. There has been no action brought against NYS DOH alleging any wrongdoing."

The federal case was not the only False Claims Act case targeting New York's Medicaid system.

The same year that Monks and her colleagues filed their claim, five state Health Department workers, including a pharmacist, a nurse and a Medicaid fraud investigator, filed a second complaint in U.S. District Court outlining allegations of fraud against Computer Sciences Corporation, a Nevada company that ran New York's Medicaid management system since 1986, according to court records.

The claim against CSC said the company, by virtue of its contract with New York, "accepted the responsibility to screen out fraudulent claims by recipients and providers."

"During the course of their employment with the New York state Department of Health, relators have uncovered multitudinous instances in which Medicaid benefits were paid to residents of other states, deceased individuals, incarcerated individuals, or to individuals classified as 'undomiciled' or using bogus addresses or with invalid social security numbers," states the complaint, which was filed under seal in July 2010.

The case remained sealed until last October, when a federal judge ordered it opened two days after the U.S. Attorney's office notified the court that it would not pursue a fraud case against CSC.

A spokesman for U.S. Attorney Richard S. Hartunian declined comment, noting the civil case against CSC remains open. Federal prosecutors told the court they are reserving their right to pursue a case at a later time.

Harvey Brody, one of the claimants against CSC, is an investigator for the state Office of Medicaid Inspector General. For the past three years, he said, the state has paid him a salary even though he has not been allowed to return to work, has no duties, and still receives favorable job reviews annually.

"They were afraid of me and the other relators (complainants) because we found a pattern of false claims," Brody said. "We had actual evidence, documents ... showing that payments were made to people that didn't receive services. We think it was about \$970 million over roughly a three-year period."

But their federal complaint lost footing after the U.S. Attorney's office declined to pursue the case, and their former attorney, state Assemblyman Phil Steck, filed papers asking a federal judge to dismiss the lawsuit.

"We don't have access to the government's investigation, so I can't tell you whether the allegations were completely false or just couldn't be substantiated," Steck said. "I think from a lawyer's point of view sometimes you can have enough probable cause to file a lawsuit, but ... it turns out you come to the realization that the case cannot be proven."

Steve Sumner, an attorney in Dallas, represented CSC in the case and said the allegations made by Brody and his colleagues were baseless.

"Those types of allegations were just off-the-charts inaccurate," Sumner said. "We were in real close contact with the U.S. Attorneys and DOH investigators, and in fact conducted some of the investigation with the government."

Patricia Pafundi, a pharmacist with the state Office of Medicaid Inspector General, was a complainant in the federal claim against

CSC. She said that in her work checking prescriptions for accuracy she uncovered numerous instances of fraud, including claims paid to deceased individuals, ineligible recipients, residents of other countries and to pay for forged prescriptions. Abusing the Medicaid system is "like stealing candy from a baby," she said.

Pafundi said she reported the problems to everyone from former Senate Majority Leader Joseph L. Bruno to U.S. Sen. Kirsten Gillibrand.

"I think that was the most irritating thing is you would report these and nothing would get done and you continue to see it over and over again," she said. "The reality is every dollar that's stolen is another dollar that can't be spent on people who legitimately earned and need health care. ... It's a shame that people aren't concerned enough to stop what's going on."

blyons@timesunion.com • 518-454-5547 • @blyonswriter

## PEF leadership vote starts next week

May 26, 2015 Jeff Waggoner Capitol Confidential

On Monday, the ballots for the PEF leadership vote will be sent out by the American Arbitration Association, the firm that administers the PEF elections, as spelled out by the union's constitution:

Statewide and Executive Board elections shall be by secret ballot and certified by the American Arbitration Association. The election balloting shall commence on the first Monday in June and continue for three (3) weeks. Elections shall be by majority vote of regular members of PEF voting in any election.

The ballots for the triennial vote will be counted Tuesday, June 23, in New York City.

Three years ago, Susan Kent received 8,739 votes, enough to push out President Ken Brynien, who garnered 7,562.

With about 16,000 casting ballots, participation in 2012 was just over a third of the union's members, a bit higher than the 30 percent that voted in 2006, the previous time there was a contested election for statewide offices.

In 2012, anger among members over a no-raise contract approved the previous year might have driven the uptick in participation.

The current leadership, led by Kent and PEF Secretary-Treasurer Carlos Garcia, calls its slate New York Union Proud, or NYUP. Information about its candidates can be found [here](#).

The challenging slate, New York Coalition of Union Professionals, or CoUP, is led by Long Island-based parole officer Wayne Spence, candidate for president, and Buffalo-based Kevin Hintz, an engineer for the state Department of Environmental Conservation who's running for secretary treasurer. Information on its slate can be found [here](#).

## New York state audit: Canal safety imperiled by lack of checks

Risks rise as fewer crucial checks are made of dams, locks  
Rick Karlin, May 26, 2015 Times Union

Albany—Boaters take heed: An audit from state comptroller's office finds that the state canal system has hundreds of structures, including critical dams and locks, that haven't been inspected in years.

No one is saying the system is unsafe but the audit by Comptroller Tom DiNapoli concludes that the Canal Corporation, which is part of the state Thruway Authority, has failed to conduct crucial inspections. Breakdowns could potentially endanger not only boaters but flood-prone communities along the canal.

"There are significant canal structures that have not been inspected in many years – and some not at all, possibly elevating risks to the canal system, canal users and those who live by it," DiNapoli said

Tuesday in a prepared statement. "Because the canal system depends on aging hydraulic structures and includes many other structures that are exposed to the elements, regular inspections are essential."

Canal officials didn't dispute the audit's finding and said they would secure the money for needed inspections.

The canal system has a total of 2,065 "structures," including 408 that are deemed "high" priority — such as dams or locks.

If any of those failed, loss of life or injury could result as well as serious damage to surrounding communities.

Among the structures that have never had underwater inspections were the Fixed Crest Dam at Lock C1 in Waterford as well as one of the gates — known as a Taintor Gate — and the earthen embankments at Lock E4 in Waterford, according to records examined by auditors.

Of the 1,068 structures requiring below-water inspections, 832 (or 78 percent) have not received one within five years.

Systemwide, there are 339 "intermediate" and 1,318 "low"-priority structures such as ditches or parking lots which are less crucial, according to the audit.

All told, 792 (or 38 percent) of the system's structures lacked an above-water inspection within the last five years, and 163 of these (8 percent) have never been examined.

Auditors also found that 430 high- and intermediate-importance structures (58 percent) have not had an inspection in the last two years, as required by the system's guidelines.

Canal officials said they will be stepping up inspections.

"We will be working closely with the Thruway Authority to further enhance the way we manage and conduct inspections and to ensure

that all available resources are used to maintain our canals," said canal system spokesman Shane Mahar.

Additionally, the Canal Corp. has allocated \$28 million for dam rehabilitation and will install an \$8.5 million web-based flood warning system.

The Canal Corp. was created in 1992 to oversee the waterway as part of the state Thruway Authority, which primarily runs the Thruway. Former Democratic Schenectady Mayor Brian Stratton was appointed Canal Corp. director in 2011.

The Canal Corp's manual calls for inspections every two years. The audit found that canal inspections had seemingly been made without any overall plan, or reason why one would take priority over another. Auditors also cited ongoing cash shortages in funding the inspections.

Adding to the trouble were the double whammies of tropical storms Irene and Lee which swept through large parts of the canal's upstate regions in 2011.

The cost of rebuilding after those storms ate up \$120 million of \$279.6 million that had been earmarked for regular repairs and improvements.

Despite that, auditors found the Canal Corp. officials could have used their resources more efficiently.

Auditors also found a lengthy lag time from the Federal Emergency Management Agency, which was supposed to help rebuild after the storms.

While FEMA approved \$86.3 million for the Canal System, they've only paid \$6.6 million, with the parent Thruway authority making up most of the payments in the meantime, Auditors urged Canal officials to set up a more coherent system for setting and carrying out inspection priorities.

The auditors said the Canal Corp. should seal an agreement with the state Department of Transportation in which DOT could assume responsibilities for inspecting bridges and roads linked to the system.  
rkarlin@timesunion.com • 518-454-5758

## Governor Cuomo's Legislative Agenda Faces New and Familiar Obstacles

JESSE MCKINLEY MAY 26, 2015 NY Times

ALBANY — When Gov. Andrew M. Cuomo unveiled his vision for his second term on New Year's Day in an inaugural speech from the heights of 1 World Trade Center, his ambitions were as lofty as the view, an expansive agenda touching on poverty, income inequality, ethics and criminal justice reform.

But with less than a month remaining on the legislative calendar and Mr. Cuomo faced with two untested newcomers at the negotiating table, the focus in Albany is on a range of more prosaic, time-sensitive issues which nonetheless could affect millions of New Yorkers.

Some long-sought initiatives already appear to be doomed, including tuition assistance for immigrants and even broader ethics changes, despite pleas from reformers and public outrage at a series of corruption scandals, including criminal charges against Sheldon Silver, the former Assembly speaker, a Democrat from the Lower East Side of Manhattan, and his Senate counterpart, Dean G. Skelos, the former majority leader, a Republican from Long Island.

Their successors — Speaker Carl E. Heastie, a Bronx Democrat, and the majority leader John J. Flanagan, a Long Island Republican — are entering into their final weeks of negotiations with Mr. Cuomo on a raft of knotty and sometimes intertwined issues, including rent control, property taxes, charter schools and mayoral control of New York City schools.

For his part, Mr. Cuomo — a savvy political tactician whose longtime companion, Sandra Lee, recently had breast cancer surgery — is also seeking new policies on sexual assaults on college campuses, killings involving police officers, and the minimum wage, which he has already shown a willingness to act on unilaterally.

But veterans of Albany's legislative alchemy are not optimistic that many of the tougher issues will be addressed, particularly with two new leaders still earning the confidence of their colleagues.

"If they are not considered 'must-dos,'" said Blair Horner, the legislative director for the New York Public Interest Research Group, "then they probably will become 'won't dos.'"

Indeed, with lawmakers still adapting to the new leaders, there is a sense that bills may need near unanimous support inside party conferences to pass this session.

June 17 is the lawmakers' last scheduled day in Albany, and two major areas of contention are housing and education, including extensions to rent laws — restricting rent increases for about one million New York City apartments — and the program known as 421-a, which offers tax breaks to developers to encourage construction in the city. Both expire on June 15, and negotiations could run right up until that deadline.

Mayor Bill de Blasio is expected to travel to Albany on Wednesday. Mr. de Blasio, a Democrat, said he is looking forward "to speaking with each and every one of the leaders," including Mr. Flanagan. Issues the mayor will push include rent regulations and mayoral control of the city's schools, which lapses next month.

The issue has caused friction between Mr. Cuomo — who believes a three-year extension is appropriate — and Mr. de Blasio, who has lobbied for permanent control. But last week Mr. de Blasio said he was satisfied with a bill passed by the Assembly that granted a three-year extension without alteration.

But Mr. Flanagan, who led the Senate's education committee before taking over as majority leader, has suggested he wanted changes in

mayoral control, and would like the city to pay a bigger share of costs to improve underperforming schools.

Mr. de Blasio is also deeply invested in the negotiations over 421-a, which he would like to see revamped to require developers to set aside more of their buildings for working-class residents in exchange for city tax breaks. But Mr. Flanagan has been guarded in his comments on the issue. And some Albany observers believe that some simple extensions — rather than modifications of current laws — are more likely.

Mr. Cuomo has shown a willingness to work closely with Republicans and in recent weeks has signaled a pressing interest in providing tax credits to families whose children attend private and religious schools. Mr. Flanagan supports a similar proposal which has already been approved by the Senate. Both Mr. Cuomo and Republicans would also like to increase the number of charter schools, but the Assembly — whose Democrats are strongly backed by public school teachers' unions — have been cool to such proposals.

Last week, both Democrats and Republicans used so-called “one house” bills, with little to no chance of passing a Legislature divided by party to stake out their priorities. The Assembly, controlled by Democrats, passed a four-year extension of rent regulations. Hours later, the Republicans, who hold a slim majority in the Senate, announced the passage of legislation to make permanent the state cap on local property taxes.

The cap, enacted in 2011, Mr. Cuomo's first year in office, does not technically expire until next year, but — in an only-in-Albany twist — is linked to the extension of the rent laws.

As is often the case in the closing weeks of the session, hundreds of bills on scores of issues are likely to be considered, a dizzying array including mixed martial arts and dining rights for dogs.

Mr. Horner said the onslaught of legislation, and the comparative inexperience of Mr. Heastie and Mr. Flanagan, could make the job of lobbyists easier and that of good-government groups like his harder.

“It’s really whack-a-mole season when it comes to bad bills,” he said.

Some of Mr. Cuomo’s inaugural themes are echoed in pending proposals, albeit in less grand terms. The governor’s plan to require private colleges to enact a so-called affirmative consent or “yes means yes” policy regarding sexual behavior seems to have some backing, despite some hesitation from legislators and educators about how the bill is worded. (Public colleges already use that standard.)

The issue of criminal justice reform is also still percolating. In his State of the State address in January, Mr. Cuomo outlined a seven-point plan to improve relations between the public and law enforcement after the death of Eric Garner, an unarmed man black man who died after a police officer on Staten Island put him in a chokehold, and the killings of two New York City police officers.

That plan seemed to gain new attention in mid-May when the governor wrote a letter to the Legislature — posted online in The Huffington Post — calling on it to take up his reforms. But some advocates seeking changes said that they would rather the Legislature not act on one of the governor’s proposals: an independent monitor empowered to review killings involving the police and instead name a special prosecutor.

Mr. Cuomo has shown a willingness to act unilaterally on the minimum wage, which he has proposed be raised to \$11.50 an hour in New York City and \$10.50 an hour in the rest of the state. But Republicans do not agree with proposals on the wage, which will increase automatically to \$9 an hour by 2016.

So this month, Mr. Cuomo instructed the state’s labor commissioner to impanel a wage board to examine whether workers in the fast-food industry were earning enough. The board held its first administrative meeting last week and is expected to return its recommendations this summer.

But other bills may have already been scuttled, such as the Dream Act, which would allow some undocumented college students to access state financial aid. The bill has repeatedly passed the

Assembly but, in an interview last week, Mr. Flanagan said it would not in the Senate.

“Let me make it clear: We are not doing the Dream Act,” he said.

The Legislature and Mr. Cuomo agreed to some new ethics laws as part of the state budget deal in March, though they were criticized for not going far enough. A plan to strip pensions from corrupt public officials stalled in the Assembly but may have been revived last week with a new, more tightly worded proposal.

Still, Gerald Benjamin, professor of political science at the State University of New York at New Paltz, said the circumstances of both Mr. Heastie’s and Mr. Flanagan’s rise to power — in “an unpleasant political context,” rather than campaigns of big ideas — may mean both men want to minimize risk in closing days.

“You essentially want to get out of town without any major damage being done,” Mr. Benjamin said. “And a credible claim that you took care of business.”

## Judge Rules Larry Seabrook, Ex-New York Councilman, Must Forfeit His Pension

BENJAMIN WEISER MAY 26, 2015

A former New York City councilman, Larry B. Seabrook, must forfeit his public pension benefits to pay a \$418,000 judgment he owes the government as a result of his 2012 conviction on federal corruption charges, a judge ruled on Tuesday.

The ruling by Judge P. Kevin Castel of Federal District Court in Manhattan is an advance for the government’s effort to strip pension benefits from corrupt city and state politicians.

Mr. Seabrook, a Democrat and a onetime pillar of Bronx politics whose career included stints as an assemblyman, state senator and councilman, is serving a five-year prison sentence as a result of his

conviction on charges he schemed to funnel hundreds of thousands of dollars in city money to friends, relatives and a girlfriend, using a network of nonprofits that he controlled.

Preet Bharara, the United States attorney in Manhattan, who has pursued a series of high-profile corruption cases, said in 2013 that his office would use the civil forfeiture laws to “claw back” the pension benefits of politicians in such cases.

In 2014, for example, a former councilman, Miguel Martinez, a Democrat from Upper Manhattan who had been convicted in a federal corruption case, agreed to forfeit his city pension until he paid back \$106,000 that he had stolen.

In the case of Mr. Seabrook, who was convicted of conspiracy, mail and wire fraud, a judge had ordered that he also forfeit the proceeds of his offenses, but Mr. Bharara’s office said it had been unable to locate that money.

Yuval Hibshoosh, a financial investigator in Mr. Bharara’s office, said in a declaration this month that the last available bank records for Mr. Seabrook’s accounts showed a combined balance of less than \$10,000.

In such cases, prosecutors may seek forfeiture of “substitute” assets — that is, other money or property of the defendant’s that can be used to pay the financial obligation.

Mr. Seabrook had argued that forfeiture of his public pension was not permitted under the state Constitution, but Judge Castel ruled that the federal forfeiture law governed. Margaret M. Shalley, Mr. Seabrook’s lawyer, said he would appeal the forfeiture of his pension as a substitute asset “since his pension is specifically protected by the New York State Constitution.”

Thomas Kaplan contributed reporting.

## THE BIG UGLY

Is a monstrous mishmash of bills looming at the 11th hour?

ASHLEY HUPFL MAY 26, 2015 City&State

In the closing weeks of the 2011 legislative session, Gov. Andrew Cuomo had yet to reach a deal with state lawmakers on some of the biggest bills of the year. The state Senate Republicans, enjoying their return to the majority, were pushing hard for a tax cap to limit the annual growth of local property taxes to less than 2 percent.

Assembly Democrats were demanding stronger rent regulation laws, which were set to expire shortly. Cuomo, just a few months into his first term as governor, was also negotiating with Senate Republicans to secure support for a landmark same-sex marriage law.

“They’re all together because they’re not done,” Senate Deputy Majority Leader Thomas Libous said at the time, referring to the three proposals, all of them unrelated. “Whether they’re in the same bill, I don’t know. Those are discussions the governor and the two leaders make.”

## Shorter Sentences, Shrinking Prisons

A new report could have a big impact on New York’s prison population — if anyone pays attention.

BETH SCHWARTZ APFEL The Marshall Project

A new report by some of New York’s key criminal justice players recommends major changes to the state’s sentencing system. The report, which will be released on Wednesday, would reduce the length of prison sentences and broaden eligibility for probation and other alternatives to incarceration for about one-third of the felony convictions New York hands down each year. The report would also end the state parole board’s traditional role as the arbiter of when, exactly, prisoners go home.

With more than 50,000 people imprisoned in New York State, even small sentencing changes can make a big difference. “If you increase the time served even by three months across 10,000 people, you’re going to generate a whole lot more imprisonment,” says Martin Horn, executive director of the New York State Sentencing Commission, which produced the report. Jonathan Lippman, chief judge of the

state's highest court, established the commission in 2010 to craft a simpler, more transparent sentencing scheme. "He did not specifically charge us to reduce the prison population," Horn says. "If that turns out to be a side benefit, that's terrific."

## Lippman proposes shift to determinate sentencing

Colby Hamilton May. 27, 2015 capitalnewyork.com

New York State's chief judge, Jonathan Lippman, announced on Wednesday new legislation to change how the state imposes sentences for felony convictions.

In prepared remarks provided to Capital, Lippman said he supports the recommendations, made by the state's Permanent Commission on Sentencing, to do away with with indeterminate sentencing, which provides for a broad range of possible years, and gives broad discretion to parole boards as to when an offender is actually released.

Instead, Lippman said, the state should shift to a determinate sentencing system, which will allow a judge to impose a precise prison term from a range under the law.

"All offenders, as well as crime victims, prosecutors, police and all others interested in the case, will know with far greater certainty the date on which an offender will be released," Lippman said.

## Schneiderman Unveils Ethics Package

Nick Reisman, newyorkstateofpolitics, May 27, 2015

Attorney General Eric Schneiderman outlined a broad ethics and campaign finance overhaul proposal on Wednesday by introducing legislation that would change much of how the Legislature does business.

Schneiderman unveiled the omnibus package at the Tweed Courthouse in New York City — the same spot in which Gov. Andrew Cuomo launched his 2011 campaign for governor and promised to rid the Capitol of public corruption.

Since then, the parade of state lawmakers led out in handcuffs continues unabated.

Schneiderman's omnibus package would:

- Ban outside income of state lawmakers, save for payment from military service, royalties or pension income from previous employment
- Ban per diem and switch to a reimbursement system
- Give the attorney general's office the jurisdiction to prosecute public corruption
- Create new crime for undisclosed self-dealing such as using an official position to enrich oneself and strengthens anti-bribery laws
- Shift the Legislature from a two-year term to a four-year term
- Creates a 6-to-1 public donor matching system for political campaigns and caps matching funds for a candidate to receive in primary and general elections
- Lowers political giving limits for candidates both in and out of the public financing system, with a statewide cap of \$5,000 for the primary and general elections each.
- Ends the practice of unlimited giving through limited liability companies and eliminates housekeeping or "soft money" accounts
- Enacts lobbying reforms that would ban lobbyists from seeking donations for a public official or party and lowers the cap on personal contributions from a lobbyist to \$250.
- Adds clothing and tuition payments to the list of banned items that can be spent using campaign funds

## Labor groups: de Blasio 421a plan a 'slap in the face'

May 27, 2015 Chris Bragg Capitol Confidential

The state's umbrella labor group, the New York State AFL-CIO, released a statement Wednesday blasting typically pro-union New York City Mayor Bill de Blasio for his plan to extend the 421a tax

abatement — without a prevailing wage mandate for construction workers.

A companion statement from New York City's umbrella labor group, the Central Labor Council, also deems the move by the de Blasio administration a "slap in the face to the hardworking men and women who have helped to build our city."

The statements are interesting in part because of the labor dynamics at play: de Blasio's plan would actually expand the prevailing wage mandate for some workers at developments that take the 421a tax subsidy — building service workers — but would not do so for building trades workers that construct the buildings. De Blasio, who is currently in Albany meeting with state lawmakers, is more closely politically aligned with the building workers 32BJ than the building trades unions.

As the state's umbrella labor group, the AFL-CIO is charged with representing all of its member organizations across the state, and must balance the sometimes-competing needs of the wide array of unions. The same is true in New York City for the Central Labor Council.

## N.Y. Assembly to vote on single-payer health plan

May 27, 2015 Claire Hughes Times Union

The state Assembly is scheduled to vote Wednesday afternoon, for the first time since 1992, on a bill to create a single-payer health system in New York, a proposal that Health Committee

Chair Richard Gottfried has introduced annually for years.

The proposal, called the New York Health Act and dubbed "Medicare for all" by advocates, would provide comprehensive health coverage to all New Yorkers.

With 82 co-sponsors, the bill has a superb chance of getting the 76 votes it needs to pass the Democratic-controlled Assembly. (Passage is highly unlikely, however, in the Republican-majority state Senate.)

Some medical groups and labor unions have supported the proposal in recent years, in addition to grassroots proponents. They argue that a single-payer system would be less costly and easier to administer than the current private health system.

The Health Plan Association, which represents insurance companies, has opposed it; its CEO, Paul Macielak, said at an Assembly hearing in January that the act would dissolve the current private health care industry, which has a proven record for providing care.

Since a public option that would run parallel to a private insurance system failed to make it into the federal law known as Obamacare five years ago, advocates for a single-payer health system have focused their work on the states.

The failure of the federal law known as Obamacare to include even a public option that would run parallel to a private insurance system moved the focus of the single-payer movement to the states.

Vermont recently backed away from implementing a single-payer plan due to the high cost. An analysis released in March by a University of Massachusetts professor estimated New York health care expenditures would actually be reduced by \$45 billion a year if the law were enacted.

## FBI probing NYC jail guards union over investments

Jamie Schram/Josh Saul May 27, 2015 NY Post

Federal prosecutors are probing the finances of the powerful correction-officers union, the Post has learned.

The Manhattan US Attorney's Office has subpoenaed financial documents from the treasurer of the 9,000-member Correction

Officers Benevolent Association, said union President Norman Seabrook.

“I will cooperate with the US attorney’s investigation. I have nothing to hide,” said Seabrook, adding that he has not been personally interviewed or subpoenaed.

The investigation appears to focus on allegations made in a lawsuit filed by union secretary William Valentin, a 22-year of the Department of Correction veteran, who asked a court in January to oust Seabrook for allegedly being a paranoid, -vindictive bully.

## JCOPE's new guidelines: You might be a lobbyist if ...

Proposed guidelines clarify what "actions constitute lobbying"  
Chris Bragg, May 27, 2015 Times Union

Albany—A growing class of New York political consultants who enjoy close ties to elected officials but don't register as lobbyists may well have to start doing so, in light of a proposed guidance issued Wednesday by the state's ethics watchdog panel.

The Joint Commission on Public Ethics clarified that political consultants who take certain actions related to lobbying efforts must register, even if they don't directly ask lawmakers or agencies to take actions on bills or regulations.

That could force firms that currently enjoy close relationships with lawmakers – and which simultaneously have clients with interests before those politicians – to start disclosing more interactions with them. For instance, if a political consultant sets up a lobbying meeting between a registered lobbyist and a legislator but doesn't personally lobby that politician, that interaction is still likely covered under the lobbying law, according to the guidance.

If a consultant sits in on a lobbying phone call with a lawmaker or attends an in-person meeting but doesn't personally lobby, that is also considered lobbying.

"It's certainly not a crazy idea," said former top lobbying regulator David Grandeau, a frequent JCOPE critic. He cautioned that such a sanction might not hold up if a lawsuit were filed.

JCOPE spokesman John Milgrim said that the proposed guidance clarifies what "actions constitute lobbying," and should be considered the panel's interpretation of state law. He added that it would be formalized as an advisory opinion, or a regulation, after a period in which JCOPE will seek feedback from the public.

Prominent New York strategic consulting firms that have close ties to elected officials, but whose employees don't typically register as lobbyists, include SKDKnickerbocker and BerlinRosen. Unlike registered lobbyists, who face scrutiny for lobbying lawmakers they often help elect, these firms have not had to disclose interactions with officials. Non-lobbyists also haven't had to disclose their contracts with clients.

Another provision of the JCOPE guidance would impact "grassroots lobbying" campaigns, in which firms don't directly lobby lawmakers but instead call on the public to contact lawmakers about legislative issues.

The guidance directs firms who control the message and content of such campaigns to register as lobbyists.

One potential example of an entity that could be covered is Mayor Bill de Blasio's nonprofit lobbying arm, Campaign For One New York, which has spent heavily to influence Albany legislation.

Under the guidance, lobbyists would still have to hit an annual \$5,000 compensation threshold to be forced to register.

## 'One man, one vote' ruling could upend New York politics

Seth Lipsky May 27, 2015 NY Post

Hang on to your hats, New Yorkers. That's the word in the wake of this week's US Supreme Court decision to take a new look at the meaning of the constitutional mantra of "one man, one vote." It could ignite an earthquake in American politics.

The case — known as *Evenwel v. Abbott* — is arising from Texas. It's about whether voting power has to be apportioned equally by general population or by eligible voters.

The impact could extend way beyond the Lone Star State, shifting political power away from cities.

Particularly cities with relatively high, non-voting immigrant populations like — oh, say — New York.

## Leader of correction officers' union faces federal probe for allegedly accepting gifts from firms

STEPHEN REX BROWN/REUVEN BLAU NEW YORK DAILY NEWS  
May 27, 2015

The feds have one of the city's most powerful union leaders squarely in their sights.

Norman Seabrook, who heads the Correction Officers' Benevolent Association, is under investigation for allegedly receiving kickbacks from firms that do business with the labor union, the Daily News has learned. Among the golden gifts, sources say, were two free trips to Israel.

U.S. Attorney Preet Bharara subpoenaed COBA's financial records last week, according to multiple sources. No charges have been filed.

Seabrook, reached by The News on Friday, didn't seem fazed.

William Valentin, a former union employee, claims he was unfairly canned from his union job after he tried to get a copy of the

organization's mailing list. He filed two lawsuits that spawned the federal probe.

“It's not the first union in America to get a subpoena and I'm sure it won't be the last,” he said. “We will gladly provide all the requested documents and I'm confident that the government will see that there has been no wrongdoing.”

## State funds to help with mental health services for Chenango inmates

Shawn Magrath, Sun Staff Writer May 28th, 2015

NORWICH – Money recently allocated by the New York State Office of Mental Health is allowing the Chenango County Department of Mental Hygiene Services to explore new options when it comes to providing rehabilitation services for inmates at the county jail.

In response to the reduction of services to state-supported inpatient facilities – namely the Greater Binghamton Health Center in Broome County and the Elmira Psychiatric Center in Chemung County – the state OMH has tagged \$160,800 to be shared between Chenango and Delaware counties.

According to Chenango Mental Hygiene Services Director Ruth Roberts, those funds will be used to support four full-time positions between the Chenango and Delaware county jails (one engagement and transitional support position in each county, and one care recovery position in each county). The aim of those positions, said Roberts, is to provide services to inmates that may keep them from reverting to the lifestyles that landed them in jail in the first place.

## State officials respond to Sunmount questions

Brian Mann, in Tupper Lake, NY, North Country Public Radio

May 28, 2015 — Nearly a month ago, North Country Public Radio and the Adirondack Daily Enterprise sent detailed questions to the New York State Office for People with Developmental Disabilities about on-going concerns at Sunmount, the institution in Tupper Lake, N.Y., that houses roughly 105 severely disabled residents.

The Office for People with Developmental Disabilities (OPWDD) initially promised an interview to address these questions and to provide an opportunity for follow-up questions. The interview has been delayed repeatedly by state officials without explanation. Instead, the department's media office sent an emailed reply.

Here is the full transcript of our questions and their responses.

Editor's Note: The order of questions and answers has been edited for clarity of subject matter. The specific language of our questions and OPWDD's responses has not been altered or edited in any way.

## Two charged following meth lab discovery in Ogdensburg parolee home

W.T. ECKERT, MAY 27, 2015 Watertown Daily Times

OGDENSBURG — A residential check on a parolee Tuesday by city and state police led to the discovery of a methamphetamine lab and the arrest of two city men.

Police charged Rusty T. Simmons, 27, of 829 Pickering St., a state parolee, with felony third-degree unlawful manufacture of methamphetamine, and seventh-degree criminal possession of a controlled substance, a misdemeanor.

Police also charged John E. Pratt, 50, of 1423 Ford St., with two counts of fourth-degree criminal possession of a weapon.

Police said a search of Mr. Simmons's home with state parole officers Tuesday morning led to the discovery of several components and ingredients used in the "one-pot" methamphetamine lab manufacturing process. Mr. Simmons also was alleged to have been in possession of 31 packages of Suboxone.

## Watch livecast of Cuomo at Greene Correctional

May 28, 2015 Casey Seiler, Capitol Confidential

Just to be clear: He's only visiting.

On Thursday morning, Gov. Andrew Cuomo took a short tour of the Greene Correctional Facility in Coxsackie as part of his "Raise the Age" push to increase the age of criminal responsibility — an initiative that has been greeted coolly by state Senate Republicans as the legislative session rushes to its conclusion.

Following the tour, the governor will hold what his office has described as a "short" press conference — which will be his first media availability in the greater Capital Region in almost two months.

## Skelos And Son Indicted On Six Counts

Nystateofpolitics, Nick Reisman, May 28, 2015

Former Senate Majority Leader Dean Skelos and his son Adam were indicted Thursday on a half-dozen counts of extortion, bribery and fraud by U.S. Attorney Preet Bharara's office.

The charges leveled against the two men stem in part from the elder Skelos's alleged efforts to use his influence as a top state lawmaker in the Republican-led Senate to help the business interests of his son.

The indictment released on Thursday is in large part the same from the criminal complaint unsealed on May 11, when both Dean and Adam Skelos surrendered to federal authorities. However, a new claim against Skelos is added to include the accusation that a medical malpractice insurance company gave Adam Skelos what amounted to a no-show job that was simultaneously lobbying Dean Skelos.

# We Need More Nurses

ALEXANDRA ROBBINS MAY 28, 2015 NY Times

SEVERAL emergency-room nurses were crying in frustration after their shift ended at a large metropolitan hospital when Molly, who was new to the hospital, walked in. The nurses were scared because their department was so understaffed that they believed their patients — and their nursing licenses — were in danger, and because they knew that when tensions ran high and nurses were spread thin, patients could snap and turn violent.

The nurses were regularly assigned seven to nine patients at a time, when the safe maximum is generally considered four (and just two for patients bound for the intensive-care unit). Molly — whom I followed for a year for a book about nursing, on the condition that I use a pseudonym for her — was assigned 20 patients with non-life-threatening conditions.

“The nurse-patient ratio is insane, the hallways are full of patients, most patients aren’t seen by the attending until they’re ready to leave, and the policies are really unsafe,” Molly told the group.

That’s just how the hospital does things, one nurse said, resigned.

Unfortunately, that’s how many hospitals operate. Inadequate staffing is a nationwide problem, and with the exception of California, not a single state sets a minimum standard for hospital-wide nurse-to-patient ratios.

Dozens of studies have found that the more patients assigned to a nurse, the higher the patients’ risk of death, infections, complications, falls, failure-to-rescue rates and readmission to the hospital — and the longer their hospital stay. According to one study, for every 100 surgical patients who die in hospitals where nurses are assigned four patients, 131 would die if they were assigned eight.

In pediatrics, adding even one extra surgical patient to a nurse’s ratio increases a child’s likelihood of readmission to the hospital by nearly 50 percent. The Center for Health Outcomes and Policy Research

found that if every hospital improved its nurses' working conditions to the levels of the top quarter of hospitals, more than 40,000 lives would be saved nationwide every year.

Nurses are well aware of the problem. In a survey of nurses in Massachusetts released this month, 25 percent said that understaffing was directly responsible for patient deaths, 50 percent blamed understaffing for harm or injury to patients and 85 percent said that patient care is suffering because of the high numbers of patients assigned to each nurse. (The Massachusetts Nurses Association, a labor union, sponsored the study; it was conducted by an independent research firm and the majority of respondents were not members of the association.)

And yet too often, nurses are punished for speaking out. According to the New York State Nurses Association, this month Jack D. Weiler Hospital of the Albert Einstein College of Medicine in New York threatened nurses with arrest, and even escorted seven nurses out of the building, because, during a breakfast to celebrate National Nurses Week, the nurses discussed staffing shortages. (A spokesman for the hospital disputed this characterization of the events.)

It's not unusual for hospitals to intimidate nurses who speak up about understaffing, said Deborah Burger, co-president of National Nurses United, a union. "It happens all the time, and nurses are harassed into taking what they know are not safe assignments," she said. "The pressure has gotten even greater to keep your mouth shut. Nurses have gotten blackballed for speaking up."

The landscape hasn't always been so alarming. But as the push for hospital profits has increased, important matters like personnel count, most notably nurses, have suffered. "The biggest change in the last five to 10 years is the unrelenting emphasis on boosting their profit margins at the expense of patient safety," said David Schildmeier, a spokesman for the Massachusetts Nurses Association. "Absolutely every decision is made on the basis of cost savings."

Experts said that many hospital administrators assume the studies don't apply to them and fault individuals, not the system, for negative

outcomes. “They mistakenly believe their staffing is adequate,” said Judy Smetzer, the vice president of the Institute for Safe Medication Practices, a consumer group. “It’s a vicious cycle. When they’re understaffed, nurses are required to cut corners to get the work done the best they can. Then when there’s a bad outcome, hospitals fire the nurse for cutting corners.”

Nursing advocates continue to push for change. In April, National Nurses United filed a grievance against the James A. Haley Veterans’ Hospital in Tampa, which it said is 100 registered nurses short of the minimum staffing levels mandated by the Department of Veterans Affairs (the hospital said it intends to hire more nurses, but disputes the union’s reading of the mandate).

Nurses are the key to improving American health care; research has proved repeatedly that nurse staffing is directly tied to patient outcomes. Nurses are unsung and underestimated heroes who are needlessly overstretched and overdue for the kind of recognition befitting champions. For their sake and ours, we must insist that hospitals treat them right. □

Alexandra Robbins is the author of “The Nurses: A Year of Secrets, Drama, and Miracles With the Heroes of the Hospital.”

## **George Pataki Adds a Socially Liberal Voice to the Race for the G.O.P. Nomination**

ALEXANDER BURNS MAY 28, 2015 NY Times

EXETER, N.H. — It had the outlines of a significant event: A three-term governor of New York, who forced Mario M. Cuomo from office and led his state through the Sept. 11 terrorist attacks, announced Thursday that he was running for president.

But as the former governor, George E. Pataki, prepared in recent weeks to announce his candidacy, he conceded to friends and allies that he was an extreme long shot for the Republican nomination. Once a formidable figure in the party, Mr. Pataki has entertained

campaigns for the presidency numerous times over the years, seemingly waiting for the perfect moment — only to jump in now, when his profile has waned.

Mr. Pataki declared his candidacy late Thursday morning in an address to supporters in New Hampshire. He vowed to enact far-ranging changes in Washington, pointing to his record of attacking government spending and entrenched Democratic interests.

“After 12 years of my conservative policies, we replaced dependency with opportunity, resignation with hope, mere existence with dreams, a welfare check with a paycheck,” Mr. Pataki said, adding, “I know we can do the same thing for the United States.”

Perspiring under the lights in Exeter’s crowded town hall, Mr. Pataki laid out a vision that veered from the politically mundane (cutting taxes on manufacturers) to the soaring (curing cancer and Alzheimer’s in the next decade). He pledged to slash the federal work force and called for aggressive military action against the Islamic State, including the possible deployment of American troops.

Mr. Pataki, who left office in 2006, is an unlikely match for the Republican Party of 2016. A former Yale debater with an easy public demeanor, he supports abortion rights and pushed as governor for antidiscrimination rules protecting gays. He invokes Theodore Roosevelt, the Republican environmentalist and crusader against corporate power, as a political hero.

In recent elections, the Republican base has gravitated mainly toward more pugilistic candidates with more orthodox conservative views.

It may be difficult for Mr. Pataki, 69, to raise money for his campaign, or to qualify for national debates. His hope of making a mark depends almost completely on New Hampshire, the only Northeastern state with an early primary, and the only spot where Mr. Pataki’s social views might find an audience.

What George Pataki Would Need to Do to Win

“He sees and believes that there’s an opportunity in New Hampshire to put himself forth in this race,” said Alfonse M. D’Amato, a former Republican senator from New York and a longtime ally of Mr. Pataki.

A Pataki-for-president campaign has been long in coming, and there is a heavy sense of anticlimax to the announcement: In 1998, Mr. Pataki declined to pledge that he would serve a full second term as governor, raising the prospect of a national campaign in 2000 that never jelled. Before the 2008 and 2012 elections, Mr. Pataki formed committees to help prepare for White House bids that did not materialize.

Mr. Pataki has acknowledged the here-we-go-again dimension to his 2016 effort. At a gathering of political donors, hosted this year by Earle I. Mack, a real estate developer, Mr. Pataki joked that some things simply happened every four years: the Olympics, for instance, and George Pataki’s visiting New Hampshire.

Who Is Running for President (and Who’s Not)?

For a time, Mr. Pataki seemed to represent the resurgence of moderate Republicanism, along with his fellow Northeastern governors, including Christine Todd Whitman of New Jersey and Tom Ridge of Pennsylvania, as well as Rudolph W. Giuliani, then the mayor of New York City.

That faction of the party has dwindled, and Mr. Giuliani showed the limits of running nationally as a socially liberal, hawkish Republican in the 2008 election, when he did not win a single state.

Mr. Pataki did not explicitly describe himself as a centrist on Thursday. But Libby Pataki, his wife, called him a model for national Republicans. “I think his message is where the Republican Party should be,” she said in a brief interview. “He’s a voice of moderation.”

David P. Currier, a former New Hampshire state senator supporting Mr. Pataki, said the New Yorker would appeal to voters turned off by rampant partisanship.

“We’re frustrated with what’s going on in Washington and what’s going on, in some respects, with the Republican Party,” said Mr.

Currier, who first met Mr. Pataki when he was considering a run for president in 2008.

Since leaving office, Mr. Pataki has seemed at times like a political lost soul: He founded a business advisory firm and joined a law firm, Chadbourne & Parke, but he has struggled to maintain his footing in national Republican circles.

He has associated himself with no fewer than a half-dozen political action committees and nonprofit political groups, several of them raising and spending only nominal sums on electioneering.

Former Representative Bob Turner, a New York Republican who now leads the party organization in Queens, said Mr. Pataki had a cleareyed view of his prospects.

“He is a realist, and he has good reasons for pursuing this,” said Mr. Turner, who met with Mr. Pataki and other county chairmen this month.

Mrs. Pataki said the difficulty of the race was no deterrent to the former governor or his family.

“I really feel like his whole life has really sort of led up to this moment,” she said, adding, “He’s going to give it his best shot, and we’ll see what happens.”

## Cuomo touts proposal for 'hybrid' prisons for young offenders, tours Greene County facility

Raise the Age effort pushed as call for more guards made  
Rick Karlin May 29, 2015 Times Union

Acknowledging an increased number of attacks on correctional officers, Gov. Andrew Cuomo on Thursday said an additional 103 guards will be hired and on the job in state prisons by the end of the year.

And while he said he believes that will make correctional facilities safer, the governor also wants to shrink the inmate population and is pushing for a measure that would keep those under 18 from being sent to state prisons.

Under the Raise the Age initiative, 16- and 17-year-olds convicted of felonies would go to a "hybrid" facility that is neither an adult prison nor a juvenile facility to which younger offenders are sent.

"It is too early to condemn a 16-year-old to a life without redemption," Cuomo said at the Greene Correctional Facility in Coxsackie.

Cuomo toured the medium-security prison with union officials and met briefly with some young inmates, including Xavier Pirela, 17, of Troy.

Pirela, according to state records, assaulted and robbed a 28-year-old man of his cell phone and stole phones and other devices during a break-in.

He and two other 17-year-old inmates, Lowell Houston of Buffalo and Justin Joseph of Newburgh, said they had previously spent time in juvenile detention facilities.

Pirela said there were more programs at Greene, where he took a class in electrical work for seven or eight months.

"That was good. It taught me a lot," he said.

They are among the approximately 90 inmates statewide who are under age 18 and incarcerated in state prisons for felonies.

Only New York and North Carolina continue to put such people in adult prisons, Cuomo noted, repeating a call by supporters of the Raise the Age movement.

Putting young offenders in a "hybrid" facility would avoid exposing them to older, more hardened convicts, with the idea that they could still turn their lives around. Under the current proposal such teens

would go to family rather than criminal court and, if convicted, be sent to the hybrid facilities.

"So if you have a 16- or 17-year-old who made a mistake, or made a bad choice, or a bad act, try to give them a skill and education so you can actually improve their lives," the governor said.

The Democratic-controlled Assembly and Republican-led Senate are debating the bill.

As is often the case, the Democrats want a more liberal interpretation while Republicans are seeking a more conservative approach surrounding details of the proposal.

Cuomo is urging them to strike a compromise by the end of the legislative session, which is set for June 17.

"Even if the Senate and Assembly can't agree on everything, they must agree to get the 16- and 17-year-olds out of state facilities and into discrete facilities where they are getting the services they need," said Cuomo. "Those are two of the issues we're going to be working on."

As for the additional correction officers, who will go to prisons across the state, they were funded in this year's budget, the governor said.

It's a response to what Cuomo said is the changing nature of inmates.

With an aging populace and following the Rockefeller Drug Law reforms of the last decade, the state's prison population, now about 53,000, has been shrinking. As a result, the most hardened and aggressive inmates remain. That combined with the rise of synthetic marijuana, which is relatively easy to smuggle into prisons despite safeguards, has made for a volatile mix, said the governor.

"The one thing that always works, in my opinion, is increase the staffing — more correction officers," said Cuomo.

The Associated Press contributed

# Why Labor Should Get Behind Bernie Sanders in the Primary Elections

STEVE EARLY, In These Times, May 27, 2015

When I first met Brooklyn-born Bernie Sanders, he was a relatively marginal figure in his adopted state of Vermont. It was 1976 and he was running, unsuccessfully and for the fourth time, as a candidate of the Liberty Union Party (LUP).

Liberty Union was a radical third party spearheaded by opponents of the Vietnam War who had, like Sanders, washed up in the Green Mountain State as the sixties subsided. At its historic peak, the LUP garnered maybe 5 or 6 percent of the statewide vote for some of its more presentable candidates—in short, nothing like the winning margins racked up in recent years by the far more savvy and effective Vermont Progressive Party, which now boasts a ten-member legislature delegation and attracts growing union support.

## Breaking: State admits plan to cut Sunmount residents by one-third

Brian Mann, in Tupper Lake, NY May 29, 2015

May 29, 2015 — State officials are confirming that they plan to reduce the number of residents or clients housed at the Sunmount home for persons with developmental disabilities in Tupper Lake by one-third.

A spokesperson for the Office for People With Developmental Disabilities said in an email Friday that "Sunmount's current census is 161." They added that in the future, Sunmount's "census is expected to remain at approximately 105."

It is our understanding that [OPWDD's] goal is to downsize from 161 living on-site to 105. Sunmount is a key employer in Tupper Lake, with more than 900 workers. Questions have surfaced in recent months

over the future of the facility, but OPWDD insists that it will remain open long-term.

When asked about the number of disabled residents at Sunmount, state officials failed in an email sent earlier this week to acknowledge the planned reduction. Here is that exchange:

NCPR: What is the overall population of Sunmount now and how does OPWDD expect that to change in the future?

OPWDD: Sunmount's census is expected to remain at approximately 105 individuals.

But speaking Thursday on the program Capitol Pressroom, the president of the Public Employees Federation, Susan Kent, revealed that a significant reduction in the number of residents at Sunmount is already in the works.

## Andrew Cuomo thanks Mount Sinai Hospital for its care during Sandra Lee's double mastectomy

KENNETH LOVETT NEW YORK DAILY NEWS May 27, 2015

Gov. Cuomo (right) thanked Mount Sinai Hospital for their care of girlfriend Sandra Lee (left) during her double mastectomy last week. ALBANY - Gov. Cuomo on Wednesday thanked Mount Sinai Hospital for their care of his longtime girlfriend Sandra Lee, who underwent a double mastectomy last week.

“Sandy has a long road ahead, but the care and support she’s been given help make it that much easier,” Cuomo said in a statement.

The governor said the hospital staff was “kind, compassionate and skilled” and gave a special shoutout to SEIU 1199 — the politically powerful health care workers union.

# NYSCOPBA thanks Cuomo for promise of more prison guards

May 29, 2015 Jeff Waggoner Capitol Confidential

Acknowledging increased attacks on correctional officers, Gov. Andrew Cuomo on Thursday said 103 more prison guards will be hired and on the job by year's end, the Times Union reported.

Cuomo made the announcement on a visit to the Greene Correctional Facility in Coxsackie.

The state Correctional Officers and Police Benevolent Association have been campaigning for months to prod the state to hire more correctional staff.

## Parole Staffing Cut in Rochester

Rachel Barnhart

05/20/2015 rochesterhomepage.net

The number of parole officers in Rochester has declined over the last five years, according to state records obtained by News 8.

After the killing of a Rochester police officer by a parolee, questions were raised about parole staffing. Officer Daryl Pierson was killed by Thomas Johnson on September 3, 2014. Johnson missed an appointment with his parole officer on August 19 and a warrant was issued for his arrest on August 27. There had been 55 parole absconders in Rochester at the time.

"The parole officers will be the first ones to tell you that they are stretched thinner than ever before and they need more assistance," said State Senator Joseph Robach, R-Greece.