

Cuomo, New York State:

Cut NYC education by \$1 Billion

Lay off 15,000 state workers. There are currently 200,000 state workers; to go down to 185,000.

Each year 11,000 workers leave and they will not be replaced. This means in one year a net loss of 26,000 jobs. All layoffs ripple out as workers cannot buy things or use services: approximately 4 jobs are lost for every layoff.

Freeze wages for 1 year.

State contracts are up for renewal in April.

Repeal a section of Taylor law (the Triborough Amendment) which automatically extends provisions of an expired contract until a new contract is negotiated. For example, the NYC teachers union (UFT) has had no new contract for 2 years. Cuomo thinks this will allow him to unilaterally impose new conditions in April. (The Chief, Jan. 28, 2011)

Cut Medicaid by \$2 billion. This will result in losing \$2 billion in matching federal funds lost, for a total of **\$4 billion** in cuts. Hospitals and other healthcare facilities will close. 4.9 million residents of NYS are in this system. (Wall St Journal, Jan 4, 2011)

Cut funds for mental health programs.

Reduce taxes for the rich: Allow the millionaires' tax to expire at the end of the year.

Bloomberg, New York City

Stated priority #1: attack pensions. Bloomberg and Cuomo want their hands on these funds as well as cutting pensions for public workers which average about \$17,000 a year, with many pensions being much lower.

When a contract is negotiated both sides look at the whole package of wages, benefits and pensions. For example, if a contract calls for an hourly amount for a worker of \$20, they get \$15 an hour in regular pay, \$2.50 for benefits, and \$2.50 *guaranteed for retirement*. **Pensions are deferred wages.**

Bloomberg wants the state law overturned that bars the city from including pensions in union negotiations.

Raise the retirement age to 65 for public sector workers, regardless of how many years someone has been working. It is now 55-57 years old.

Cut Variable Supplemental Fund for 12,000 uniformed workers. Here we are mostly concerned with firefighters and sanitation workers. This fund gives an annual bonus to those retired workers. It should be expanded to all city workers. It comes from an agreement in 1975 when banks forced unions to turn over \$2.7 billion of pension money to the city. The city invested it on the stock market and made a killing in boom years. The profit on the investment went into the city budget. The Fund was to return money to retirees taken out of the pension funds.

Layoffs – up to 11,000, including many teachers. Together with attrition, the hiring freeze, and higher retirement age, this will remove approximately **20,000** city jobs.

Raise fees for parking meters and water, while downsizing city agencies

Other cuts (according to the Wall Street Journal, Jan. 5, 2011) scheduled although exact amount is not known:

Fire Dept., Children's Services, Dept. of Aging, Dept. of Youth and Community Development, Child Welfare Agency, Developmental Program for Disabled, Child Health Clinic, and rapid HIV testing, psychiatric hearings to determine fitness to stand trial.

Approximately \$7 million to CUNY

Approximately \$2.6 million for underpayment of Workers Compensation benefits

City Council President Quinn has declared a victory against cuts because the anticipated cuts were reduced by 6%. So if 100 patients die due to cuts, now she can say that only 94 will die.

Board of Education –Bloomberg's new chancellor will cut 12-26 public schools. New bonds are being issued to pay for Charter schools.

Charging individuals up to \$500 for the fire department to respond to vehicle fires.