

**Welfare to Work Commission  
Of the Suffolk County Legislature  
Minutes of the December 14th, 2012 Meeting**

**Present:** Richard Koubek, Chair; Kathy Liguori, Vice Chair; Charvon Pierce for Legislator DuWayne Gregory; DOL Deputy Commissioner Pam Killoran for Ray O'Rourke; Anne Stewart for Marcia Spector; Paula Freis for Michael Stoltz; James Andrews; Don Friedman; Marjorie Acevedo; Lori Andrade; Barbara Egloff; Debbie Joseph; Nina Leonhardt; Jeff Reynolds; Gwen Branch; Bridget DePasquale; Michael Haynes; Peggy Boyd; Ellen Krakow; Roland Hampson; Rob Greenberger; Kathy Malloy

**Excused:** Kimberly Gierasch

**Guests:** Legislator John Kennedy; DSS Commissioner Gregory Blass; Tim Rothberg for Legislator Kate Browning; Dylan Levine – LI Cares; Meghan Ashford Grooms – HWCLI

1. **Minutes:** The meeting began promptly at 9:30. Minutes of the November 15<sup>th</sup> meeting were adopted unanimously on a motion by Kathy Liguori, seconded by Jeff Reynolds.
2. **Suffolk Poverty Report:** The remainder of the meeting was devoted to the Commission's poverty report. Commission Chair Richard Koubek distributed copies of the report, as amended at the November 15<sup>th</sup> meeting. He reminded the Commission that the amended draft had also been sent electronically to each member shortly after the November 15<sup>th</sup> meeting, with changes made on or after November 15<sup>th</sup> indicated in red and incomplete sections indicated in blue.
  - a. Mr. Koubek thanked the following Commission members for having assisted with editing the report: Don Friedman, Rob Greenberger and Ellen Krakow who did close edits of the entire document; Mike Stoltz, Jeff Reynolds, Marcia Spector and Kathy Liguori who edited the mental health, substance-abuse disorders, school-lunch and child care sections respectively.
  - b. Mr. Koubek again thanked the Poverty Hearings Committee for their contributions, particularly in developing the recommendations that were submitted and discussed at the November 15<sup>th</sup> meeting.
  - c. The Chair noted that there would be differences of opinion as the recommendations were now up for a vote. Finally, he stated that, as in the past adoption of Commission reports, each section would be reviewed, with changes made by consensus. Specific changes could also be introduced by motions. Where desired, a member could ask for a roll call vote, the results of which would be published in the report.
  - d. Kathy Malloy pointed out that the report's recommendation to restore SCDSS staffing levels to 2011 falls short, in the view of the Suffolk County Association of Municipal Employees (SCAME) union because, as far back as 2008, SCDSS staffing was already inadequate due to high vacancy rates. She cited an analysis of the 2008 County budget by Abrams, Herde, and Merkel, LLP, Certified Public Accountants, commissioned by SCAME, which showed 2007 staffing reflected a 10.9% vacancy rate which is why the union believes staffing should have been restored to the 2008 level.

- e. Kathy Liguori moved and Marjorie Acededo seconded a motion: *To adopt the Commission's report, "Struggling in Suburbia: Meeting the Challenges of Poverty in Suffolk County."* The Commission then began its analysis of each section of the report.
- f. Mr. Koubek pointed out a change in the opening of the Executive Summary, which now explicitly states that the actual poverty level for Suffolk County is 200% of the Federal Poverty Level (FPL) or \$46,100 for a family of four. This change was accepted by consensus.
- g. Lori Andrade said the Health and Welfare Council of Long Island (HWCLI) believes that the report could benefit from additional research and editing. When asked by the Chair for specifics about what portions of the report needed additional editing, Ms. Andrade pointed to pages 7-37 and noted that the writing styles were inconsistent throughout those pages and that information was duplicated. Commissioner Blass stated that the appropriate protocol would be for HWCLI to make motions amending specific portions of the report, rather than broad statements about the quality of the report.
- h. Ms. Andrade said HWCLI also believes that more time is needed to research and refine the report's recommendations. She noted that HWCLI, as well as other organizations, was unable to give its full attention to the poverty report because Welfare to Work meetings were held soon after Super Storm Sandy devastated parts of Long Island. She pointed out that HWCLI has been extremely active in helping coordinate the disaster recovery efforts by governments and nonprofit organizations as a facilitator of the Long Island Voluntary Organizations Active in Disaster. Mr. Koubek stated that he received calls from Mike Stoltz, Chair of the HWCLI Board and from Gwen O'Shea, President and CEO of HWCLI on December 13<sup>th</sup> informing him of the Council's objections to the report.
- i. Paula Freis, representing Mike Stoltz, introduced a motion, seconded by Jeff Reynolds: *To remove any reference from the report that suggests that the Commission itself is proposing, suggesting, or supporting an increase in any tax - including property, local, or sales taxes -- and replace any such language with "the need for revenue"*. Mr. Koubek then distributed and Ms. Freis read Mr. Stoltz's rationale for this motion, which is appended below. Mr. Stoltz does not see recommendations for tax increases as within the purview of the Commission's charge and he is concerned that such recommendation could distract "undecided" legislators from addressing the core findings of the report. He also is concerned that the increased revenues from the new taxes might never find their way to human services programs. There next ensued an extensive discussion of the motion.
  - i. Mr. Koubek reminded the Commission that the tax recommendations were approved by the Poverty Hearings Committee because it was felt that the Commission needed to act responsibly, providing revenue streams for the recommendations contained in the report. He further stated that the 1/4 cent sales tax and 2% General Fund tax increases would yield \$70million and \$1 million respectively, of which the report recommends designating 21% or \$15 million to the anti-poverty recommendations in the report. He added that the 1/4 cent sales tax recommendation is drawn from the

Legislature's Budget Review Office (BRO) recommendation and that the 2% General Fund increase, as stated in the report, would cost the typical Suffolk resident only \$2 a year.

- ii. Mr. Koubek reported that Presiding Officer Bill Lindsay informed him earlier in the week that the Legislature is already committed to a ¼ cent sales tax increase but needs the County Executive to lobby the State Legislature for approval. Mr. Koubek further noted that *Newsday* reported on December 12<sup>th</sup> that the sales tax increase would not be a lobbying priority of the County Executive because he does not think he can secure State legislative approval. Legislator Kennedy pointed out that there is not unanimity in the County Legislature for a sales tax increase.
- iii. Marjorie Acevido and Commissioner Greg Blass stated that the County Legislature needs to hear from the Commission on revenue policies. Kathy Malloy pointed out that the public accounting firm hired by SCAME each year to assess the County budget has repeatedly found a need for the County to raise revenues to pay for services. Mr. Koubek reiterated the BRO's calls for a sales tax increase. Legislator Kennedy noted that this has been a BRO recommendation for a number of years but that some members of the Legislature reject this tax increase.
- iv. Mr. Koubek also confirmed that BRO Director Gail Vizzini welcomed the Commission's tax-increase recommendations and that she thought many legislators would be pleased that this community-based group publically identified the revenue shortfalls facing the County. Ms. Vizzini also verified to Mr. Koubek the Commission's position that the General Fund tax has been slashed to only a third of the County's revenue base since the early 1990s and that this has been a partial cause of a "structural imbalance" in the County's revenue streams.
- v. However, a number of Commission members said they were concerned that HWCLI, which represents the nonprofit sector, was opposing the inclusion of tax increases in the report recommendations and they feared that the lack of HWCLI's support could undermine the report. Jeff Reynolds also pointed out that the sales tax is very regressive and falls most heavily on the working poor whom the report is attempting to help. Lori Andrade stated that the weeks after thousands of Suffolk residents have suffered extensive property damage and economic insecurity because of Sandy is a difficult time to be asking them to pay more in taxes. She also said that because of the way the Legislature functions and the County budget is prepared, there is no way to guarantee that revenue that would be raised (if the report's tax increases were put into place) would be dedicated to the anti-poverty policies recommended in the report. Legislator Kennedy confirmed that Ms. Andrade's point was correct. Mr. Koubek stated that getting this revenue dedication is at the heart of the Commission's mission in 2013.
- vi. Peggy Boyd reflected the position of a number of nonprofit Commission members when she stated that she and her agency – Family Service

League – are uncomfortable recommending to elected officials how revenue would be raised to meet the needs of County residents.

- vii. Charvon Pierce stated that Legislator DuWayne Gregory supports raising revenues for the programs contained in the recommendations but that the Commission needs to be careful that committing County revenues to these programs does not negatively affect State funding formulas which could reduce the amount of money the County receives from the State because the County has increased its contributions to certain programs.
- viii. James Andrews suggested, and the Commission reached consensus, that the additional revenue recommendations contained at the very end of Mr. Stoltz's rationales (see below) be incorporated into the report's revenue recommendations.
- ix. Seeing no further debate, the motion was called and defeated by a vote of 14 NO; 7 Yes (Jeffrey Reynolds – Long Island Council on Alcoholism and Drug Dependence; Bridget DePasquale – Catholic Charities; Lori Andrade – HWCLI; Paula Freis for Michael Stoltz – Clubhouse of Suffolk; Peggy Boyd – Family Service League; Debbie Joseph – Wyandanch Homes and Property Development Corporation; Rob Greenberger - FECS); 0 ABSTENTIONS.
- j. Paul Freis on behalf of Michael Stoltz introduced a motion, seconded by Lori Andrade: *To continue the work of the committee of the Commission that was previously charged with developing the hearings and this report and to charge the committee to further develop the recommendations section of the report by June 30, 2013. Coincident to that, this "next stage" work should be clearly noted in the release of this report.*
  - i. Ms. Freis then read Mr. Stoltz's rationale that is appended below which calls for additional study of the recommendations prior to their promulgation. There next ensued an extensive discussion of the motion.
  - ii. Mr. Koubek again reminded the Commission that, while this report may be the first comprehensive analysis of poverty on Long Island, much of its content has been reported elsewhere. He reiterated a comment made to him by Mr. Stoltz some weeks back that the strength of the report is its recommendations which are absent from most previous media and academic reports about poverty in Suffolk. He stated that removing the recommendations could gut the impact of the report.
  - iii. Ms. Boyd again stated her concern about moving forward with a report that is not endorsed by HWCLI which represents the nonprofit sector on Long Island. She moved to amend the motion to delay the release of the recommendations until March 31<sup>st</sup>, 2013. Her amendment was accepted by Ms. Freis. Ms. Boyd argued that the additional time could be used to refine and improve the recommendations so as to build a consensus that includes HWCLI.
  - iv. Commissioner Blass pointed out that most laws are not adopted unanimously by legislatures and that even Supreme Court decisions have dissenting votes, with many coming in as 5-4 decisions. He noted that the

- report seeks to help suffering Long Islanders –especially children – and that delaying its release is denying these working-poor people justice.
- v. Legislator Kennedy noted that delaying the recommendations until the spring will cause the Commission to miss the State’s legislative calendar since the State budget is supposed to be adopted by April 1<sup>st</sup>. Marjorie Acevedo added that the County legislative budget is developed in the spring by the County Executive and that delaying the report’s recommendations until March 31<sup>st</sup> would undercut the report’s impact on County Government.
  - vi. Ellen Krakow noted that the recommendations have been circulated for over a month and that this should have been sufficient time for them to be addressed by all Commission members.
  - vii. Don Friedman stated that while there is always room to improve recommendations, he believes the Commission should move forward with them at this time since they are the start of a public dialogue about poverty in Suffolk and on Long Island . Mr. Koubek reminded the Commission that these recommendations will be the Commission’s agenda for 2013 and that they can be refined throughout the year.
  - viii. Seeing no further debate, the motion was called and defeated by a vote of 18 NO; 3 Yes (Lori Andrade – HWCLI; Paula Freis for Michael Stoltz – Clubhouse of Suffolk; Peggy Boyd – Family Service League); 0 ABSTENTIONS.
- k. Peggy Boyd moved, and Lori Andrade seconded a motion to delay release of the entire report until March 31<sup>st</sup> so as to build more consensus and conduct more research around the recommendations. Ms. Boyd reiterated her belief, and that of her agency, that they see this as an important report and agree with the vast majority of its content. After a brief discussion, the motion was defeated 17 NO; 4 YES (Lori Andrade – HWCLI; Paula Freis for Michael Stoltz – Clubhouse of Suffolk; Peggy Boyd – Family Service League; Rob Greenberger – FECS); 0 ABSTENTIONS
- l. The Commission next discussed the section of the report titled, “Can’t Private Charities Do the Job?”
- i. Ms. Andrade stated that the section of the report containing the testimony that HWCLI President/CEO Gwen O’Shea gave during her May 18<sup>th</sup> Commission testimony and her August *Newsday* Op/Ed on the role of government and nonprofits in providing human services did not accurately characterize the content of either because her statements needed to be put in context. A number of Commission members said the report need not compare how the government and nonprofits deliver services. The Commission reached a consensus to strike from the report references to Ms. O’Shea’s testimony and Op/Ed along with any comparisons of government and nonprofit services. The Commission reached consensus to retain the portion of the report that documents the chronic underfunding of nonprofit human services contracts. Mr. Koubek announced a clarification in the report’s statement on the LI Council of Churches funding for its food pantries in Suffolk and Nassau which were accepted by consensus.

- ii. At the suggestion of Jeff Reynolds, the Commission reached consensus to strike the report's recommendation for a COLA for contract agencies, replacing it with the following:
    - 1. "Continue partnerships with nonprofit and other community agencies in the delivery of social services but monitor these contracts to ensure that they afford agencies adequate funding to provide these services."
    - 2. "Suffolk's Five Year Human Services Plan should analyze existing programs, pinpoint emergency needs and implement performance-based contracts."
  - m. Rob Greenberger submitted a paragraph to be added to the report just prior to the recommendations that calls attention to the additional suffering caused to and yet to be felt by poor Long Islanders due to Hurricane Sandy. The Commission reached consensus to adopt this paragraph.
  - n. Mr. Koubek pointed out the details provided by Legislator Jay Schneiderman regarding the estimated costs of evening bus hours, which were accepted by consensus. The Commission reviewed the remaining recommendations and made no substantive changes.
  - o. Seeing no further debate, the motion was called and the report was adopted, 18 YES; 2 NO (Lori Andrade – Health and Welfare Council of Long Island; Peggy Boyd – Family Service League); 0 ABSTENTIONS
  - p. Mr. Koubek again thanked the Commission for their hard work on this report and for their patience and intelligent dialogue during the discussions of the report at both the November 15<sup>th</sup> and December 14<sup>th</sup> Commission meetings. He announced that the press conference releasing the report would be at 1PM on December 20<sup>th</sup> in the lobby of the Legislature in Hauppauge. Any Commission member wishing to speak should let him know.
- 3. **Child Care:** Mr. Koubek announced that *Newsday* confirmed on December 12<sup>th</sup> that the County Executive announced that seeking a State adjustment to the child-care funding formula is one of his priorities for 2013. Presiding Officer Lindsay, Legislators Gregory and Kennedy have agreed to attend a meeting with the County Executive and the Commission to coordinate the County's advocacy on this issue. That meeting will be set up in January.
- 4. **Next Meeting:** To be announced
- 5. **The meeting adjourned** at 12:15PM

### **Motions with Rationales Submitted by Michael Stoltz, December 14<sup>th</sup>, 2012**

*Motion 1: To remove any reference from the report that suggests that the Commission itself is proposing, suggesting, or supporting an increase in any tax -- including property, local, or sales taxes -- and replace any such language with "the need for revenue".*

It is my opinion that recommendations on County tax policy are outside the purview of our Commission just as would be if we were to take a position on other revenue increasing strategies such as raising user fees for County Parks, selling a County asset, or recommending changes in the municipal employees' benefits package. It is the role of our elected official leaders to make such a recommendation and -- based on the power of our portrayal of human service needs -- to

assert themselves and advance their conviction for these needs. Furthermore, I believe that our advocacy for a general tax increase at this phase of our study will serve to diminish the impact of the report among those elected officials who are “undecided” about the need for expanded resource support for human services.

Finally, I see no basis for a guarantee from County leaders that, if sales and County taxes were increased, they would in fact commit the tax proceeds to human services, including all of the revenues areas that are outlined. Such new revenue would likely be greeted by a multitude of special need interests outside of human services.

*Motion 2: To continue the work of the committee of the Commission that was previously charged with developing the hearings and this report and to charge the committee to further develop the recommendations section of the report by June 30, 2013. Coincident to that, this “next stage” work should be clearly noted in the release of this report.*

Some of the focal areas of the report pinpoint the need for more sustained policy and regulatory advocacy at County, state, and Federal levels. We should make use of expertise that is readily available to us as sector leaders to give more specificity to these issues.

With respect to revenue needs --- if the Commission decides that this is within our purview to illumine -- there are other potential revenue pathways to critical revenues and resources that our Commission can explore. These include:

- Funds available from other levels of government (i.e. policy change by NYS OTDA regarding statewide equity in day care funds, Federal transportation or housing funds, etc.)
- Grants
- Tax credit programs
- User Fees
- Refinement of Empire Community Development projects for low- and mid-income areas such as is being use in Wyandanch and Ronkonkoma.
- Dedicated fees and taxes such as the east end’s Peconic tax.