



# State of New York

## Executive Chamber

No. 15

### EXECUTIVE ORDER

#### ESTABLISHING A TASK FORCE ON PUBLIC EMPLOYEE RETIREE HEALTH CARE BENEFITS

WHEREAS, it is in the interest of all New Yorkers that the State and local governments provide retirees receiving health care benefits with quality and affordable health care; and

WHEREAS, many retirees have expressed concern that their health benefits will be singled out for reduction during difficult fiscal times; and

WHEREAS, health care costs have consistently grown faster than the rate of inflation in recent years, straining the finances of public employers; and

WHEREAS, Government Accounting Standards Bulletin (GASB) 45 requires greater disclosure on public entities' financial statements of their future health care liabilities to retired employees, and failure to properly account for these liabilities could potentially impact the State's or localities' financial rating; and

WHEREAS, there is a need for a dispassionate and informed study of this issue, which will allow for compilation of relevant background information; sharing of viewpoints between interested parties; exploration and evaluation of possible reform proposals; and efforts to reach consensus and make recommendations on relevant issues.

NOW, THEREFORE, I, David A. Paterson, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and laws of the State of New York, including section six of the Executive Law, do hereby order as follows:

1. There is hereby established the New York State Task Force on Public Retiree Health Care Benefits, to examine the present status of, and policy options for, health benefits received by retirees that were employed by the State, localities, public benefit corporations and other public employers.

2. The Task Force shall be comprised of the following fifteen members, appointed by the Governor as follows:

- (a) The Chair of the Task Force, who shall be selected by the Governor;
- (b) The Commissioner of Civil Service or his or her designee;
- (c) The Commissioner of Health or his or her designee;
- (d) The Director of the Office for the Aging or his or her designee;

- (e) The Director of the Division of Budget or his or her designee;
- (f) The Superintendent of Insurance or his or her designee;
- (g) One member upon the recommendation of the New York State Comptroller, or his or her designee;
- (h) One member upon the recommendation of the Speaker of the Assembly or his or her designee;
- (i) One member upon the recommendation of the Temporary President of the Senate or his or her designee;
- (j) Two members upon the recommendation of the New York State AFL-CIO;
- (k) One member upon the joint recommendation of the New York State Retired Public Employees Association and Alliance of Public Retiree Organizations of New York;
- (l) One member upon the recommendation of the New York State Association of Towns;
- (m) One member upon the recommendation of the New York State Conference of Mayors and Municipal Officials; and
- (n) One member upon the recommendation of the New York State Association of Counties.

3. The Task Force shall investigate and research, except as to the City of New York and any retiree covered by Chapter 729 of the laws of 1994 and subsequent statutes that extended its terms, the provision of health care coverage to public employee retirees of the State and local governments, potential reforms that will further such goals as: maintaining quality and affordable coverage for retirees; ensuring that retirees are treated equitably and fairly; limiting government health care costs, including through more efficient provision of health care coverage; and maintaining sufficient flexibility for health care benefit management by the State and localities.

4. The Task Force shall look into all matters it deems relevant for such purposes, which shall include, but not be limited to:

- (a) the level and cost of benefits received by New York State public employees of New York State and local governments, including disparities between various recipients;
- (b) the degree to which those benefits have been impacted by difficult fiscal times, and the subject of efforts at diminution by public employers;
- (c) the current legal framework governing retiree health benefits, and any limitations in it;
- (d) potential avenues for addressing rising health care costs;
- (e) the impact of public accounting standard GASB 45; and
- (f) the benefits and problems of proposals for reform, including that presented in S.6457/A.9393 (2008).

5. A majority of the total members of the Task Force who have been nominated and appointed shall constitute a quorum, and all recommendations of the Task Force shall require approval of a majority of the total members of the Task Force who have been nominated and appointed. The Task Force may meet in person or by telephone, and may hold meetings to discuss issues even in the absence of a quorum. Members of the Task Force shall serve without compensation but shall be reimbursed for all actual and necessary expenses incurred in the performance of their duties. All expenses of the Task Force shall be shared the state agencies represented on the Task Force. No member of the Task Force shall be disqualified from holding any public office or employment, nor shall he or she forfeit any such office or employment by virtue of his or her appointment hereunder.

6. Every agency, department, office, division, public authority or political subdivision of the State shall cooperate with the Task Force and furnish such information and assistance as the Task Force determines is reasonably necessary to accomplish its purposes. Staff support for the Task Force shall be provided by the State agencies that serve on the Task Force, and by the Executive Chamber.

7. The Task Force may consult with other interested parties, including members of the legislature, representatives of organized labor not represented on the Task Force such as uniformed public employees and teachers, other government associations such as the School Boards Association and Government Finance Officers Association, academics and experts in public policy.

8. The Task Force shall issue a final report on or before June 1, 2009, or on such later date as is set by a majority of the reinstated or appointed member of the Task Force, setting forth its findings and conclusions and making such recommendations as it shall deem necessary and proper. In addition, the Task Force shall issue such interim reports as it shall deem necessary.

9. The Task Force shall strive to make its recommendations by consensus wherever possible. To the extent that the Task Force cannot achieve consensus on particular recommendations, it may in its report set forth recommendations as to which there is disagreement, and allow those dissenting from the recommendations to state the basis for such disagreement.

10. The Task Force's report may include proposals for legislation that it believes would advance the goals of the Task Force, except that no such proposals shall address the City of New York or any retiree covered by Chapter 729 of the laws of 1994 or any subsequent statute that extended its terms. No such proposals should be made that would require the violation of a collective bargaining agreement currently in force.



G I V E N under my hand and the Privy  
Seal of the State in the  
City of Albany this twenty-  
seventh day of February in  
the year two thousand nine.

BY THE GOVERNOR

*Laurence Schwartz*  
Secretary to the Governor

*David A. Paterson*