



New York State Assembly
2011 ANNUAL REPORT

committee on
**OVERSIGHT,
ANALYSIS &
INVESTIGATION**

Andrew Hevesi
Chairman



Sheldon Silver
Speaker

THE NEW YORK STATE ASSEMBLY

**COMMITTEE ON OVERSIGHT, ANALYSIS
AND INVESTIGATION**

Jonathan Bing

Chair

January to June 2011

Andrew Hevesi

Chair

June to December 2011

THE 2011 ANNUAL REPORT

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MAJORITY:

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Daniel J. O'Donnell

Annette Robinson

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MINORITY:

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December 15, 2011

The Honorable Sheldon Silver
Speaker of the Assembly
Legislative Office Building, Room 932
Albany, New York 12248

Dear Speaker Silver:

It is with pleasure that I present you with the 2011 Annual Report of the Assembly Standing Committee on Oversight, Analysis and Investigation (Oversight). Contained within are summaries of the Committee's major projects during 2011, as well as planned future projects, and a summary, in the appendices, of previous projects.

Oversight is crucial to an efficient and responsible government. The Oversight Committee analyzes implementation of the law and investigates whether State agencies are acting effectively, efficiently and in compliance with Legislative intent.

In June 2011, I was appointed as Chair of the Oversight Committee, succeeding Jonathan Bing. The Committee held meetings (in March and June) with its members, who provided input and guidance on Committee projects.


In 2011, the Committee:

- Held a series of hearings with the Committee on Mental Health on the allegations of abuse in group homes for the developmentally disabled, resulting in new legislation to improve oversight;
- Initiated a review of State use of federal stimulus dollars;
- Began an exploration of the impact of changes in information technology on State agencies and municipalities to improve accountability and transparency; and,
- Researched State oversight of legally-exempt childcare.

Also, in 2011, we mourned the loss of our esteemed colleague Assembly Member Tom Kirwan, who was committed to public service and representing the interests of his constituents.

I have been honored to lead this Committee as it continues to fulfill its mandate to strengthen the accountability and efficiency of New York State government.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrew Hevesi', written in a cursive style.

Andrew Hevesi, Chair,
Assembly Committee on Oversight, Analysis and Investigation

TABLE OF CONTENTS

LEGISLATIVE OVERSIGHT	1
• The Role of Legislative Oversight	
• The Function of the Oversight, Analysis and Investigation Committee	
COMMITTEE PROJECTS IN 2011	3
• Oversight of Group Homes for People with Developmental Disabilities	3
• Regulation of International Medical Schools and Clerkships	4
• Legally Exempt Childcare	4
• Federal Stimulus Dollars for Infrastructure in New York	5
• Information Revolution and New York State’s Progress	6
• Budget Implementation Public Hearings	6
○ Group Homes for People with Developmental Disabilities	
○ State Liquor Authority and Mail-Order Wine Purchases	
○ Creation of the Department of Financial Services	
○ Pay Equity	
COMMITTEE PUBLICATIONS	8
COMMITTEE HEARING TRANSCRIPTS	12

LEGISLATIVE OVERSIGHT

The Role of Legislative Oversight

Every year, the Legislature and Governor enact hundreds of new laws. Legislative oversight enables policy makers to examine how those laws are implemented and, thereby, enforce Legislative intent.

Oversight investigations shed light on governmental and non-governmental actions and promote honesty and efficiency in the administration of laws. They help identify whether programs operate as required and whether State funds are effectively spent. This insight lays the foundation for making sound policy decisions.

The power of the New York State Legislature to conduct oversight activities is inherent in Article III of the State Constitution. The Constitution allows the Legislature to appoint committees to investigate matters relating to the property and affairs of government and the State. The Constitution empowers the Legislature to modify and assign new functions and powers to executive departments.

Several laws and rules reinforce the Legislature's mandate to conduct oversight. Legislative and Civil Rights laws allow a legislative committee to require the appearance of witnesses at a hearing. The State Finance Law strengthens the Legislature's "power of the purse" by requiring legislative appropriations before any State monies are spent and by limiting the ability of the Executive to move money from within and between agencies.

The Assembly's oversight role was strengthened when its House rules were amended to allow standing committees more time to focus on oversight. Specifically, House Rule IV, §1(d) was revised to require every standing committee to "...devote substantial efforts to the oversight and analysis of activities, including but not limited to the implementation and administration of programs, of departments, agencies, divisions, authorities, boards, commissions, public benefit corporations and other entities within its jurisdiction." Also, House Rule IV §4(b) was amended in 2005 to require all standing committees to call at least one public hearing after adoption of the State budget. "The purpose of such public hearing shall include, but not be limited to, the impact, if any, of the state budget on the implementation and administration of the programs within such entities' jurisdiction."

The Function of the Oversight, Analysis and Investigation Committee

The Oversight, Analysis and Investigation Committee plays a number of important roles in furthering the Assembly's oversight activities. The Committee:

- **Reviews implementation and adequacy of laws and programs**

The Committee is charged with reviewing the implementation and adequacy of laws and programs to ensure compliance by the public and State governmental agencies.

Through its assistance to standing committees and lawmakers and its own investigative activities, the Committee seeks to determine whether programs operate as required and whether program funds are spent effectively, efficiently and in accordance with Legislative intent.

- **Conducts program and budget reviews**

The Committee conducts targeted program and budget reviews both jointly with other Committees and individually based on suggestions of the Speaker, the Committee Chair, individual members, governmental sources, or the public. Projects can be short-term, involving only a few telephone calls, or in-depth, requiring Legislative, financial and historical data collection, field investigations, on-site State agency visits, interviews, and public hearings.

- **Helps create a climate for change**

Findings are often compiled in a report or memorandum and are often distributed publicly to generate support and help create a climate for necessary change. Recommendations to put a program back on track may be incorporated into the law-making process through the budget or legislation, or simply through administrative recommendations to the Executive.

- **Acts as a resource to other Assembly standing committees**

The Committee has incorporated oversight activity into the legislative process. With expertise in research and data collection, the Committee acts as a resource to other Assembly standing committees, lawmakers and staff by providing technical assistance and guidance during program reviews. Additionally, each lawmaker is provided with a copy of the Committee's "A Guide to Legislative Oversight," which explains how effective oversight reviews are conducted and sets forth the Assembly's authority to perform oversight activities. The Committee also acts as a repository of other information critical to the Legislature's oversight function, including: Comptroller's audits, State agencies' 90-day responses and reports mandated by law.

COMMITTEE PROJECTS IN 2011

Oversight of Group Homes for People with Developmental Disabilities

On March 12, 2011, *The New York Times* published an investigative report on the care and treatment of individuals served in facilities and programs licensed by the Office for People with Developmental Disabilities (OPWDD). The report described incidents of severe abuse and mistreatment of residents with ineffective enforcement actions taken against those who committed abuses. While highlighting abuses the State clearly needs to stop, the series of stories also tainted the reputation and public perception of important programs and of individuals who have chosen to dedicate their lives to providing care to this population.

The Oversight Committee joined with the Committee on Mental Health, Mental Retardation and Developmental Disabilities and the Committee on Codes to examine State and regulatory oversight of residential programs licensed by OPWDD, review current investigative policies and procedures as they relate to incident reporting, and explore additional safety and quality measures to protect the State's most vulnerable residents. The four Assembly hearings to evaluate the quality of care provided to individuals with disabilities were held in Buffalo, Farmingdale, New York City and Albany.

As a result of the hearings, Assembly members introduced and passed a legislative package that would create a prior abuse notification system ([A.8330/Weisenberg](#)), mandate immediate reporting of violent crimes ([A.8325/Ortiz](#)) and standardize training for providers ([A.8323/Bing](#)). Other elements of the Assembly's OPWDD Quality of Care legislative package would:

- ensure that investigations into employee conduct would continue even if the employee resigns, and that notices of this policy would be provided to all current and new employees of OPWDD ([A.8324/Ortiz](#));
- establish a cap on the number of overtime hours OPWDD employees can work ([A.8127-A/Ortiz](#));
- strengthen the status of the Developmental Disability Service Office (DDSO) ombudsman as an independent advocate by making him or her an employee of the Commission on Quality of Care and Advocacy for Persons with Disabilities. Currently, the ombudsman is an employee of OPWDD ([A.8322/Schroeder](#)); and
- require OPWDD to make at least three unannounced visits per year at each facility and program. The bill also would authorize any DDSO Board of Visitor member or any other individual approved by the commissioner of OPWDD to attend an inspection as an independent monitor ([A.6665-A/Ortiz](#)).

Regulation of Offshore Medical Schools and Medical Clerkships

Concerned that international medical school students were displacing students from top-rated New York City medical schools in New York hospitals, the Committee pressed the Board of Regents to review its policies in regard to the distribution of medical clerkships for New York-based and offshore medical schools, which had not been revised since 1985. The Regents had been moving in this direction.

More than 42,000 students apply to medical schools in the United States every year and only about 18,600 matriculate, some leaving to attend international schools. Graduates of foreign medical schools in the Caribbean and elsewhere constitute more than a quarter of the residents in United States hospitals. New York medical schools were concerned that the offshore schools turn out poorly-trained students who undercut the quality of training and health care, as well as take more than their share of the limited number of placements available.

The Committee learned about how clerkships are awarded and distributed through correspondence and meetings with representatives from the State Education Department (SED), offshore medical schools and medical schools based in New York City.

At their July 2011 meeting, the Regents created an Advisory Committee on Long-Term Clinical Clerkships to recommend new standards and processes for assessing applications by international medical schools for approval to place students in long-term clinical clerkships in New York State. At that time, 14 international medical schools had approval to place students in long-term clinical clerkships in New York.

In December 2011, the Regents approved the Advisory Committee's recommendations to update both the process and the approval standards to provide better information on potential candidates and to encourage greater oversight. More specifically, the new rules will require that: (1) the medical school is engaged in continual self-analysis for quality improvement; (2) the medical education program has adequately prepared the medical student for clinical clerkships; and, (3) the graduates of the medical school exhibit the general competencies of physicians prepared for the next stage of training. SED will develop regulations implementing the process and approval standards for submission to the Board of Regents in early 2012.

Legally-Exempt Child Care

The Oversight Committee has begun to examine a certain category of child care provided in New York State that appears to have little oversight. The goals of this project are to improve the safety standards and quality of care provided for all children.

There are several different types of child care for which parents can receive a combination of federal, state and local financial subsidies, but the primary differences for the purposes of the Oversight Committee's review is that some are licensed and some are legally-exempt. While legally-exempt care providers receive fewer subsidy dollars per child than licensed care providers, they compose a large share of the care provided. In New York, 42 percent of providers eligible for subsidies are legally exempt, which is high compared with most other states.

Legally exempt providers undergo less oversight and supervision than licensed caregivers, have far fewer state on-site visits, and have only to attest to minimum health and safety standards. Legally exempt care can be provided either in the child's home or, if elsewhere, for only two or fewer children for only a few hours at a time, or can be considered group child care that is not licensed by the State Office for Children and Families (OCFS), but is required to meet standards under the auspices of another federal State or local government agency, e.g. summer day camps, day care centers or nursery schools.

The Committee began looking at legally-exempt providers because they undergo less oversight and regulatory supervision than day care providers who are licensed or registered. Also, as the Federal Government is providing states with significant amounts of money to improve the quality of daycare, New York has not qualified for an appropriate share to date, nor increased its share for ten years, which some speculate could be due in part to the fact that so many children are in legally-exempt care in New York.

The Committee, which has been joined by the Committee on Children and Families, is currently exploring the current processes for enrolling legally-exempt providers and licensed child care providers to ascertain if there is adequate review and oversight, and to determine how the state can improve both the safety and quality of all child care.

Financing and Planning for State Infrastructure under the American Recovery and Reinvestment Act.

The federal stimulus legislation of 2009, the American Recovery and Reinvestment Act (ARRA), provided large investment dollars for state infrastructure projects. New York State alone received many billions of dollars, which were committed to specific projects and programs within a two-year time frame.

The Committee is in the process of obtaining information to better understand how infrastructure projects were assigned and executed to ensure that appropriate standards of transparency and accountability have been maintained.

The Committee has contacted all State agencies that received ARRA funding in an effort to review awards received and expended. Although the Federal Government's Recovery.gov website provides a high level of data on projects in each state, the Committee seeks to supplement this information with additional facts on agency planning and implementation.

At the year's end, agency responses were being received and reviewed by the Committee.

Access to State Government Information through Technology and Social Media

New advances in information technology and various social media make it possible to achieve improvements in government efficiency and fiscal transparency. The Federal Government has led the way with new "Open Government" initiatives, and many states and cities throughout the nation are making government databases available online, and establishing better links between citizens and government agencies through websites, cell phone applications and twitter accounts. Governments, such as New York City, are allowing residents and visitors easy access to data and information.

The Committee is in the process of seeking to understand what steps New York State agencies are taking to implement similar goals and initiatives, and how the State is helping localities do the same.

The Committee, with the Committee on Government Operations and the Legislative Commission on Government Administration, expects to hear from experts and the public on the best applications and any possible obstacles to their adoption in the 2012 Legislative Session.

Budget Implementation Hearings

An important responsibility of the Oversight Committee is to join with other Standing Committees of the Assembly in holding oversight hearings on the implementation of elements of the State budget in the fall of each year. This year, the Committee partnered with:

- the Committee on Economic Development, Job Creation, Commerce and Industry to review the performance of the State Liquor Authority (SLA) in its administration of interstate wine sales. The SLA reported few problems thus far, and representatives of the wine industry in New York were pleased with the opportunities to expand markets.
- the Committees on Insurance and on Banks to examine the result of the creation of the new Department of Financial Services, a merger of the former banking and insurance agencies. While in operation only a short time, integration of the different departments has been smooth, and the new department is on target to implement savings of 10 percent as expected. Witnesses were pleased with the effort so far, although some expressed concerns about the long-term future of the State's foreclosure protection program.

- the Committees on Labor, Governmental Employees, Governmental Operations and the Task Force on Women's Issues to examine wage disparities between men and women that continue to exist in New York State. Following input from witnesses, the Assembly expects to revise its legislative package in the coming year.

COMMITTEE PUBLICATIONS

Guide to Oversight – April 2008

Committee Chair Joan Millman issued a revised Guide to Legislative Oversight, which reviews legislative oversight principles and the many methods used to conduct oversight. The report is to be used as a resource for other standing committees and Assembly members.

Delaying Necessities, Denying Needs: An Assembly Investigation of New York State's Handling of Medicaid Durable Medical Equipment Claims – July 2006

Jointly issued with Richard N. Gottfried, Chair of the Committee on Health, Amy Paulin, Chair of the Task Force on People with Disabilities, and James Brennan, former Chair of the Oversight Committee, the report's major finding was that the Department of Health (DOH) had been systematically depriving poor people with severe disabilities, many of them children, of wheelchairs and other "durable medical equipment" needed to help reduce their pain, preserve their health, and enable them to live more productive lives.

The report was a culmination of a year-long review of the management of the "prior approval" program, which included two public hearings and a more intensive review of DOH's prior approval process under Medicaid. According to lawmakers, DOH used and misused legal and bureaucratic means to unfairly prevent people with severe disabilities from getting necessary equipment. The result was that vulnerable people are hurt and programs may face greater spending.

Among the problems uncovered in the investigation was that, despite having installed a new, costly computer system (more than \$600 million), DOH did not track the time it took to process all prior approval requests even though it is mandated to issue determinations within 21 days. And DOH seemed to deliberately "stop the clock" by sending out multiple requests for more information — often irrelevant, redundant and otherwise unreasonable — which often added months onto the process.

The report offered recommendations to improve the durable medical equipment prior-approval system and ensure taxpayer dollars are spent more efficiently. The recommendations included: DOH must comply with its own regulations, especially in regard to: the definition of "medically necessary." The report also recommended that DOH promulgate clear criteria for prior approval applications, respond in a timely manner, use its data to see where applications are being held up, and communicate better with vendors and clinicians.

Needle in a Haystack – August 2005

New York State Assembly's Oversight Committee, and the Administrative Regulations Review Commission, released a report which exposed State agencies' failures to meet

legal minimum standards regarding the Freedom of Information Law (FOIL) requirement that a FOIL “subject matter list” must be available to the general public.

Needle in a Haystack examined State agency compliance with FOIL’s requirement that an agency maintain a reasonably detailed current list by subject matter of all records in the possession of an agency. Such a list helps those interested in requesting records by identifying what kinds of records are maintained by an agency. This subject matter list serves the same purpose as a store directory.

Uncharted Waters: A Study of Compliance with New York Laws Governing Water Supply Emergency Planning – February 2004

This report was issued after a year-long review by Committee staff on the efforts of water suppliers to comply with Chapter 405 of the Laws of 2002. This law requires water suppliers statewide to update their emergency plans to include an analysis of the threat of terrorism.

Shopping for Asthma Drugs: A Survey of Prices in New York City – August 2004

This report was issued after Oversight Committee staff visited 148 pharmacies in New York City to find the average "market basket" price of ten asthma drugs. Only 66% of the pharmacies complied with the Drug Price List Law.

For the Sake of Security: An Assessment of New York State Government Cyber Security – June 2003

The Oversight Committee’s release this report detailed the Committee’s investigation of New York State government computer security. Government computers store information about the State’s critical infrastructures, personal data, infectious diseases, criminal records, financial documents and more. Violations of computer security can cost millions of dollars, can be life-threatening and can erode the trust between government and citizens. This report detailed the Office for Technology’s (OFT) failure to release a statutorily required computer inventory and how its use of outdated software and standards puts State computers at risk. Release of the report led OFT to replace outdated technology standards with new standards, upgrade to supported software and add Information Security Officers where required.

No Room in the Playground: A Report Examining Playground Space in New York City Elementary Schools – September 2003

The Oversight Committee investigated New York City’s compliance with State Education Law §2556 (5), which states: “it shall be unlawful for a schoolhouse to be constructed in the city of New York without an open-air playground attached to or used in connection with same.” This report revealed that inadequate outdoor recreation space was available to New York City’s elementary school children, and that State and City agencies failed to consider outside playground space as both a priority and a mandatory

requirement for active and healthy children. Temporary classroom units (TCUs), used to alleviate overcrowded classrooms, often take up a school's entire playground area and in some instances, remain for as long as eight years. The report recommended that SED step up its current authority over playground sites, maintain current data, annually review placement of TCUs and expand the Joint Operating Playground program to provide more facilities to schools suffering from insufficient outdoor playground space.

Time to Change the Channel: Cable Television Prices in New York State – March 2003

In response to rising cable TV prices, the Oversight Committee conducted a survey in 2003 of cable prices throughout New York State. This report set forth specific prices for each of the cable companies, and compared their rates and programming offerings in different parts of the State. Based on the report's recommendations, legislation was introduced in 2004 to require that cable companies supply rate and programming information in plain language and that such information should specify consumer premium and pay-per-view options and rates.

NYC Water Infrastructure: Is Security Water-Tight – May 2002

The Oversight Committee began its investigation of compliance with security measures for New York City's water infrastructure system in August 2001. Following the September 11th attack, the Committee accelerated its review because of the belief that New York City's water supply could be considered a target for terrorism. As a result of this investigation, the report offered suggestions for upgrading security at water facilities in order to bring them into compliance with State Department of Health and Federal Environmental Protection Agency recommendations.

Adult Homes in Crisis: Plan for Reform – June 2002

The Oversight Committee joined with the Assembly Committees on Health, Mental Health and Aging to investigate the poor conditions and inappropriate health care provided to residents of adult homes. An in-depth investigation included meetings with the State Commission on Quality of Care for the Mentally Disabled, the State agency responsible for investigating complaints regarding quality of care, advocates and State agency officials; detailed information requests to the Departments of Health and Mental Health; and public hearings. Many of these investigative activities, along with proposed reform legislation, were reflected in this report from all four Committee Chairs.

CONNECTIONS: An Investigation of New York's Statewide Child Welfare Computer System – March 2001

The Oversight Committee and the Committee on Children and Families released their joint report: *Too Much, Too Little, Too Late. An Assembly Investigation of CONNECTIONS—New York's Statewide Child Welfare Computer System*. This report marked the culmination

of a two-year investigation of the flawed computer system, which was supposed to help child welfare workers better track children in foster care.

Too Much, Too Little, Too Late details the Committees' findings related to: problems with the CONNECTIONS system and their impacts on children and families; procurement issues; State agency management and administration of the CONNECTIONS contracts; and costs and fiscal impacts. The report also presents administrative, budget, and legislative recommendations. It was hoped that these recommendations would help get the project back on track, strengthen legislative oversight of the project and related costs, and ensure that similar problems do not recur with future large information technology projects. The report won the 2001 Notable Documents Award, in the category of Public Policy, from the National Conference of State Legislatures.

Losing Our Children: An Examination of New York's Foster Care System –May 1999

The Oversight and Children and Families Committees released “Losing Our Children: An Examination of New York's Foster Care System,” a report which detailed the Committees' findings identifying factors that have contributed to the breakdown of the State's foster care system. Specifically cited in the report were issues related to State oversight, the implementation of State laws, child welfare financing, State agency administration, and the provision of child welfare services. The report won the 2000 Notable Documents Award by the New York Library Association.

PUBLIC HEARING TRANSCRIPTS

Pay Equity – December 12, 2011, New York City

The Oversight Committee joined the Committees on Labor, Government Employees, Government Operations and the Task Force on Women to examine the extent to which wage disparities continue to exist in New York State, almost 50 years after the passage of the federal Equal Pay Act (EPA) and Title VII of the Civil Rights Act. Witnesses testified about the problem of pay inequity in New York, the response of State government, and several legislative initiatives to address pay equity concerns in both public and private sector workplaces in New York.

Merger of Banking and Insurance Departments – December 1, 2011, Albany

The Oversight Committee joined the Committees on Insurance and on Banks to examine the result of the creation of a new Department of Financial Services. The new department had been in operation only a short time, but witnesses testified that integration of the two departments and their missions were smooth and that the department was on target to implement savings of ten percent as expected. Other witnesses expressed concerns about the long-term future of the State's foreclosure protection program.

Interstate Wine Sales – October 25, 2011, Albany

The Oversight Committee joined the Committee on Economic Development, Job Creation, Commerce and Industry to review performance of the State Liquor Authority (SLA) administration of interstate wine sales. The SLA reported few problems thus far, and representatives of the wine industry in New York were pleased with the opportunities to expand markets.

Group Homes for People with Developmental Disabilities – June 3, 2011, Buffalo; June 9, 2011, Farmingdale; June 10, 2011, New York City; and, June 13, 2011, Albany

The four hearings were held to evaluate the quality of care provided to individuals with disabilities at programs and facilities operated by the OPWDD. Throughout 2011, the New York Times published a series of investigative stories on the care and treatment of individuals served in facilities and programs licensed by OPWDD. The articles described incidents of severe abuse and mistreatment of residents with developmental disabilities receiving services in these facilities and programs.

The purpose of these hearings was to examine state and regulatory oversight of residential programs licensed by OPWDD, review current investigative policies and procedures as they relate to incident reporting, and to explore additional safety and quality measures to protect the State's most vulnerable residents.

Adult Protective Services – October 1, 2010, Buffalo

The Oversight Committee, in conjunction with the Committee on Children and Families, held a hearing examining the effectiveness of adult protective services in Erie County, and whether local practices reflect a need for broader statewide reform.

Department of Economic Development – December 6, 2010, Albany

The Committee held a public hearing, in conjunction with the Committee on Economic Development, Job Creation, Commerce and Industry, examining the implementation of the SFY 2010-11 State Budget. The Committees examined the budget and programs of the Department of Economic Development (DED) and related agencies. Witnesses were asked to speak to implementation of the State Budget and its impact on the programs under the purview of DED, as well as the Foundation for Science, Technology, and Innovation and the Urban Development Corporation. This hearing also included oversight of the State's Alcoholic Beverage Control Laws.

Parks, Arts and Tourism – December 9, 2010, Albany

The Committee, in conjunction with the Committee on Tourism, Parks, Arts, and Sports Development, held a public hearing to examine the budgets and programs of the Department of Economic Development Tourism Division, the New York State Council on the Arts, and the Office of Parks, Recreation, and Historic Preservation. This hearing was intended to provide oversight and analysis of each agency and its statewide programs, and the impact of recently enacted and significant State budget cuts.

Office of Parks, Recreation and Historic Preservation – December 9, 2009, NYC

The agencies under the jurisdiction of the Committee on Tourism, Parks, Arts, and Sports Development and the Committee on Oversight, Analysis, and Investigation include the Department of Economic Development Tourism Division, the New York State Council on the Arts, the Office of Parks, Recreation, and Historic Preservation, and the State Athletic Commission. Each performs a valuable role in the implementation and administration of legislatively mandated programs for the people of the State. This hearing was intended to provide oversight and analysis of each agency and their state-wide programs.

Department of Economic Development – October 28, 2009, Albany

This hearing was held to review the implementation of the State Budget and its impact on programs under the purview of the Economic Development, Job Creation, Commerce and Industry Committee. In addition, the Committee is responsible for overseeing implementation of the State's Alcoholic Beverage Control Laws. The SFY 2009-2010 Department of Economic Development's budget was an estimated \$52 million and the State Liquor Authority's budget an estimated \$18 million. Others under the purview of the committee included the Foundation for Science, Technology, and Innovation and the

Urban Development Corporation. The purpose of this hearing was to examine the overall impacts of the 2009-2010 budget on economic development programs and enforcement of the State's liquor laws.

Progress on Redevelopment of the World Trade Center – January 29, 2009, NYC

Along with the Speaker, and the chairs of the Committee on Cities and the Commission on Corporations, Authorities and Commissions, the Oversight Chair held a hearing to examine the status of the plans and the timetable for the redevelopment of the World Trade Center site and surrounding structures.

In October 2008, the Port Authority of New York and New Jersey issued a report outlining the progress that had been made in the rebuilding of the World Trade Center site in Lower Manhattan and redevelopment of the surrounding area. The report also included modifications to the World Trade Center design, and adjusted timetables for the completion of construction projects along with a targeted overall completion date of 2013.

This hearing sought an update on the status of redevelopment projects in Lower Manhattan and at the World Trade Center site. In addition, the Speaker and the Committees sought information on the impacts that the economic climate would have on the advancement of redevelopment plans.

Subprime Mortgages – December 8, 2008, New York City

The Oversight and Banking Committee Chairs, Joan L. Millman and Darryl Towns, respectively, held a public hearing to assess implementation of the Foreclosure Prevention and Responsible Lending Act of 2008 (Chapter 472 of the Laws of 2008), which was enacted to help homeowners in default and foreclosure and to prevent abusive lending practices.

Although many of the law's provisions had just gone into effect two months prior to the December 2008 hearing, and a tight credit market was inhibiting lending to the extent that some of the law's provisions could not be tested at that time, the Committee Chairs felt that because of the gravity of this issue and the devastating impact it could have on families and the state as a whole, they should try to determine how well the law was working.

Testimony indicated that the Banking Department was implementing the law as intended, and was educating the public and bringing together thousands of delinquent borrowers and housing counselors, lenders and servicers (lenders who work out loan modifications). The Bankers Association noted few homeowners were participating in mandatory conferences. Consumer groups cited a variety of reasons for this, such as it was still too early; homeowners were unable to reach servicers to make loan modifications; and, foreclosure attorneys were often showing up unprepared. Consumer groups contended that until servicers cannot make money from collecting aggressively, they're not going to

work with borrowers to work out a modification.

Witnesses asked the Assembly to expand the subprime foreclosure prevention program to support counseling of all foreclosure cases regardless of whether they are subprime or high-cost loans. They also asked mandatory conferences be expanded to all who apply for mortgage foreclosure proceedings, not just those with high-cost loans.

Office of Parks Capital Plan – November 19, 2008, Albany

The Assembly Oversight Committee held a public hearing with several other Assembly Committees — Tourism, Arts and Sports Development, Ways and Means, and Environmental Conservation — to examine the Office of Parks, Recreation and Historic Preservation's (OPRHP) capital spending of \$75.5 million (as was enacted in the 2008-09 state budget).

The 2008-2009 State Budget appropriated \$95 million in capital dollars to be used by four agencies. The majority, \$75.5 million, went directly to the OPRHP to spend on some 213 state parks and historic sites throughout New York. OPRHP had initiated more than 150 capital construction projects to remedy the health and safety issues and rehabilitate deteriorated facilities in state parks and historic sites across the state—addressing health and safety concerns, and providing safe and affordable recreational and educational experiences for millions of New Yorkers.

Hearings on the Economy of Upstate New York – June 2, 2006, Buffalo; October 11, 2006, Rochester; October 13, 2006, Syracuse; and, December 4, 2006, Binghamton

The Committee held hearings — along with the Assembly Standing Committees on Cities, Economic Development, Job Creation, Commerce and Industry, and Tourism, Arts and Sports Development — to investigate the causes of and share effective solutions for the challenges faced by cities in upstate New York.

Upstate cities are a vital cornerstone of the New York State economy. They have unfairly felt the brunt of the shift in manufacturing jobs to areas to the south and west as well as overseas, resulting in decreased population and property values. This has caused considerable increases in expenditures which have nearly exhausted many cities' tax and debt limits. The compromised fiscal health of upstate cities has the unfortunate effect of attracting fewer businesses and residents, in turn contributing to their economic decline.

New York State has provided these cities with increased unrestricted aid in recent years as a step towards renewing their financial health. In 2003 the Assembly Committee on Cities and the Oversight Committee held "City Summit" hearings throughout the State to receive input on some of the challenges facing New York's cities. The 2006 hearings were part of a series of hearings which were designed to gain a fresh perspective from community leaders on what other steps the state can take to aid upstate cities.

Hearing on Bridge Safety – March 6, 2006

This hearing was held to question Department of Transportation witnesses regarding the Tonawanda Bridge.

Hearings on the Child Welfare System – February 9, 2006, Albany; February 10, 2006, New York City; February 16, 2006, Buffalo; March 2, 2006, Syracuse

The Committee held a series of hearings to evaluate the oversight and accountability of the child welfare system and to evaluate the ability of the child welfare system to protect abused children.

Protection of children is one of the paramount responsibilities of government. New York State upholds that responsibility through its child welfare system and in the care and protection of children who have been abused or neglected. The highly publicized deaths of four children whose families were known to NYC's Administration for Children's Services raised serious concerns about State's systems and the quality of care provided to children that are under the supervision of or known to the child welfare system.

One of the major complaints heard at the Assembly hearings was that the State's automated child welfare computer system, CONNECTIONS, was still not working well and that bugs in the system were preventing front-line case workers from seeing children. CONNECTIONS, first installed in 1995 at a cost of well over a half billion dollars, was supposed to help child welfare workers better track children suspected of being abused and in foster care. Oversight staff was familiar with CONNECTIONS, having issued a report in March 2001: *Too Much, Too Little, Too Late: An Assembly Investigation of CONNECTIONS—New York's Statewide Child Welfare Computer System*, which detailed the many problems with the CONNECTIONS computer system (See Appendix A.).

Hearings on Governor's Proposed Indian Land Claim, Casino and Tax Agreements
– March-April 2005, Syracuse, Albany and Monticello

In February, 2005, Assembly Speaker Sheldon Silver called for public hearings on legislation which Governor Pataki had proposed to settle Indian land claims in New York State and to expand to five the number of gambling casinos authorized for the Catskills. The hearings examined the legal, governmental, economic and environmental implications of the proposed settlement agreements with the Akwesasne Mohawks, the Stockbridge-Munsee Community Band of Mohican Indians, the Oneida Tribe of Indians of Wisconsin, the Cayuga Indian Nation of New York and the Seneca-Cayuga Tribe of Oklahoma. On April 15, the Governor withdrew his proposed legislation for five casinos.

Hearing on Staten Island Firehouse – May 13, 2005, Staten Island

In 2001, the Giuliani Administration began construction of a large, modern firehouse in the Rossville area of Staten Island. However, as of April, 2005 the Bloomberg Administration was refusing to place an engine company in the new firehouse, citing cost

reasons. A hearing was scheduled for May 13 requesting the appearance of the Fire Commissioner. On May 12, the hearing was postponed at the request of the FDNY. On May 15, Bloomberg Administration officials said that the Mayor will place an engine company in the Rossville firehouse within two weeks.

Examination of the Procurement Stewardship Act and Procurement Issues – September 27, 2005, Albany

In 1995, the Procurement Stewardship Act (State Finance Law, Article 11) was enacted in order to consolidate, codify and update the procurement laws of New York State. In order to review the effectiveness of the Procurement Stewardship Act, a public hearing was held in Albany on September 27, 2005. Sponsoring the hearing were Oversight Committee Chair Brennan, Governmental Operations Chair Destito, Local Governments Chair Sweeney, Small Business Chair Weprin, Environmental Conservation Subcommittee on Oversight Chair Bradley and Government Administration Chair Millman. This 2005 hearing obtained information in order to review the impact of those changes.

Medicaid Fraud Hearings – September 19, 2005, Albany

A series of newspaper articles by *The New York Times* in July of 2005 revealed serious fraud and abuse of New York's Medicaid system. On September 19 of that year, the Assembly Health, Codes, Judiciary and Oversight Committees held a hearing on this subject.

Key issues examined by the Committees were: The level of coordination among state agencies and the effectiveness of their fraud-prevention efforts; the numerous information systems that the State has paid for and operates to assist in identifying fraudulent activities; and the adequacy of staffing levels to identify and pursue enforcement efforts against violators.

Durable Medical Equipment (DME) Hearings – July 19, 2005, NYC; November 15, 2005, Albany

In February 2005, The Chairs of the Oversight and Health Committees met with Department of Health (DOH) representatives to discuss reasons for the delays in funding for durable medical equipment (DME). The first hearing was held July 19, 2005, in New York City, and the second on November 15, 2005 in Albany. Medicaid funding of DME requires prior approval by DOH. The DOH Regional Medicaid Office in New York City, which handled all of the funding requests for New York City and Long Island, was closed in November 2004, with little public notice. Operations were moved to Albany. DOH admitted it did not prepare its staff for this change. As a result, a large backlog of funding requests was amassed.

Hearings on Fire House Closings – March, 4, 2004, and April 30, 2004

On May 25, 2003, the NYC Fire Department closed six fire companies, ostensibly for budgetary reasons. Assembly hearings were held to investigate the effects of these closings on the affected neighborhoods. Statistical evidence emerged that suggested response time may have increased more than the Fire Department forecast. Actual response times were in excess of city estimates. While the City had predicted that average, citywide response times would rise by 1 second, they actually rose by 11 seconds in the ten-month period following the firehouse closings.

Statewide Wireless Network – May 4, 2004

The Oversight Committee joined with the Assembly Committees on Governmental Operations, Local Governments, Ways and Means, Codes and Corporations, Authorities and Commissions to review the process of the Statewide Wireless Network (SWN) procurement. The Office for Technology (OFT) issued a request for proposal on December 12, 2001. The initial cost estimate from OFT was approximately \$300-\$500 million. On April 30, 2004, OFT announced that a contract was awarded for a reported cost of over \$1 billion. Hearings were held to determine whether \$1 billion was a reasonable and accurate cost estimate, why the disparity between the initial cost estimate and the reported contract award and when the State could expect to have a fully operational SWN.

Quality of Care in Adult Homes – May 10, 2002, and June 6, 2002

The Oversight Committee joined with the Assembly Committees on Health, Mental Health and Aging to investigate the poor conditions and inappropriate health care provided to residents of adult homes. Hearings were held in New York City and Albany where testimony was presented from government agencies, adult home operators, and advocacy groups representing adult home residents. Hearing testimony revealed the State had minimized fines imposed on adult home operators, halted enforcement actions and dragged its feet in bringing in temporary operators. Findings from the hearings were included in the Oversight Committee's June 2002 report ADULT HOMES IN CRISIS: Plan for Reform.

Charities Hearing – November 7, 2001

The September 11, 2001 terrorist attack on the World Trade Center created widespread need for financial assistance. In addition to the injury and deaths of thousands of people, the attack resulted in damage to property, unemployment, physical and emotional stress, loss of housing and business disruptions. As of the end of October 2001, over \$1 billion had been donated to various charitable organizations in New York State. These organizations were then faced with the task of distributing the donations.

On November 7, 2001, the Assembly held a public hearing in Manhattan to learn about the planned uses and distribution of charitable donations made in response to the attack on the

World Trade Center. Oversight Committee Chair Scott Stringer co-chaired the hearing, along with Speaker Sheldon Silver and the Chairs of the Committees on Governmental Operations, Codes, and Judiciary.

The Speaker and Committee Chairs sought to learn: how much money had been pledged and received; how such contributions were restricted and how they could be used; what needs would be met by federal and State funds and charitable organizations; what unmet needs would continue to exist in the community; to what extent are charities were coordinating their efforts; how eligibility for assistance and the amounts of award were determined; would charitable gifts affect eligibility for State and federal benefits and vice versa; how any leftover money should be used; to what extent have there been fraudulent charitable solicitations related to September 11; and what steps should be taken to protect the public and legitimate charities from abuse.

CONNECTIONS – May 12, 2000, and May 23, 2000

The Committee held joint public hearings on the CONNECTIONS system in New York City with the Children and Families and Governmental Operations Committees. During the course of the hearings the Committees found that: computer equipment was delivered before a contract was signed; the Governor’s office had direct involvement over the selection of contractors for the project; the hardware contract was amended 78 times after the contract was signed; providers had been frustrated by CONNECTIONS, referred to as “a costly boondoggle” by one provider; the Office of Children and Family Services had not properly overseen the development of the project; CONNECTIONS did not operate as intended; and, children were potentially at risk because the system has been unable to accurately search for an alleged abuser’s prior history of abuse.