

NEW YORK STATE  
A S S E M B L Y

SHELDON SILVER, SPEAKER



committee on  
Oversight, Analysis and Investigation  
Michele Titus, Chair



Annual  
Report 2010

THE NEW YORK STATE ASSEMBLY

**COMMITTEE ON OVERSIGHT, ANALYSIS  
AND INVESTIGATION**

Amy R. Paulin  
Chair  
*January to March 2010*

Michele Titus  
Chair  
*March to December 2010*

**THE 2010 ANNUAL REPORT**

**COMMITTEE MEMBERS**

**MAJORITY:**

Ginny Fields  
William B. Magnarelli  
Daniel J. O'Donnell  
Annette Robinson  
Mark J. F. Schroeder

**MINORITY:**

Michael Montesano

December 15, 2010

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

Dear Speaker Silver:

It is with great pride that I present you with the 2010 Annual Report of the Assembly Standing Committee on Oversight, Analysis and Investigation. Contained within are summaries of the Committee's major projects during 2010, 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 and investigates whether State agencies are acting efficiently, responsibly and in compliance with Legislative intent.

In March 2010, I was appointed as Chair of the Oversight Committee, succeeding Amy Paulin. The Committee held meetings (in February and April) with its members, who provided input and guidance on Committee projects.

In 2010, the Committee:

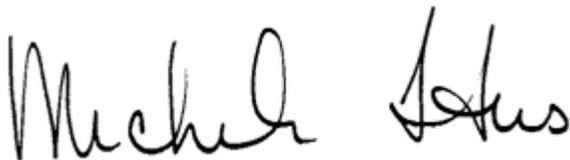
- Developed legislation, which was introduced by former Chair Amy Paulin, based on the Committee's review of more than one hundred statutorily authorized boards, task forces and commissions. The legislation would require the Department of State to keep a running list of all such entities on its website, with links for relevant information, such as purpose, products, meetings, and expenditures. This information would also make these entities more accountable to the public. The bill, A10052-B, passed both houses, but was vetoed by the Governor. It will be re-introduced in 2011.
- Examined the existing Medicaid enrollment system to assess whether the State and localities could save money by enrolling beneficiaries more efficiently using technology rather than the present paper-driven system, especially given the need to enroll up to another one million people. This project was halted as the enacted budget required the state to take over administration of Medicaid enrollment and to issue a

plan by late 2010. Committee staff is reviewing that plan, and will consider next steps in 2011.

- Held public hearings on the implementation of the SFY 2010-11 budget. In conjunction with the Committee on Economic Development, Job Creation, Commerce and Industry, the committee examined the budget and programs of the Department of Economic Development (DED) and related agencies. This hearing also included oversight of the State's Alcoholic Beverage Control Laws. A second public hearing, with the Committee on Tourism, Parks, Arts, and Sports Development, examined the budgets and programs of the DED's Tourism Division, the New York State Council on the Arts, and the Office of Parks, Recreation, and Historic Preservation.
- Held a public hearing, co-sponsored by the Committee on Children and Families, on the response to complaints that Erie County's Adult Protective Services unit failed to provide assistance despite repeated calls for an investigation.
- Began examining individualized education plans (IEPs) and how well schools are following through on the implementation of IEPs statewide, and the extent to which the State Education Department is providing oversight.
- Began inquiring about the quality of education at juvenile justice centers, how well students transition out, and what NYS is doing to help promote educational continuity/attainment. After meeting with the Office of Children and Family Services, the scope of the project has been broadened to examine a reported lack of discharge and transition planning/services for children aging out and moving from placement in both foster care and juvenile justice facilities.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Michele Titus". The signature is written in a cursive, flowing style.

Michele Titus, Chair,  
Assembly Committee on Oversight, Analysis and Investigation

## TABLE OF CONTENTS

<b>LEGISLATIVE OVERSIGHT .....</b>	<b>1</b>
• The Role of Legislative Oversight	
• The Function of the Oversight, Analysis and Investigation Committee	
<b>COMMITTEE PROJECTS IN 2010 .....</b>	<b>3</b>
• Oversight of Boards, Task Forces and Commissions .....	3
• Medicaid Enrollment System .....	4
• Public Hearings .....	4
○ Department of Economic Development’s programs/budget	
○ Office of Parks, Recreation and Historic Preservation programs/budget	
○ Erie County's Adult Protective Services	
• Individualized Education Plans and statewide implementation/oversight ....	6
• Juvenile Justice Centers .....	6
• New York State Police Functions .....	7
• Expedited Partner Therapy regulations .....	7
<b>COMMITTEE PUBLICATIONS .....</b>	<b>8</b>
<b>COMMITTEE HEARING TRANSCRIPTS .....</b>	<b>12</b>

## LEGISLATIVE OVERSIGHT

### *The Role of Legislative Oversight*

Every year, the Legislature and Governor enact hundreds of new laws, and 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: Comptroller's audits, State agencies' 90-day responses and reports mandated by law.

## COMMITTEE PROJECTS IN 2010

### *Oversight of Boards, Task Forces and Commissions*

At the request of Oversight Committee members, Committee staff examined the rules and functions of more than one hundred statutorily authorized boards, task forces and commissions to assess whether they were fulfilling Legislative intent. The Committee found that there was very little oversight regarding such entities, and therefore, the Committee chair introduced legislation to make boards and commissions more accountable to the public. This bill was vetoed by the Governor in 2010, but will be reintroduced in 2011.

Specifically, in its review, the Committee:

- Inventoried statutorily authorized boards and commissions (not public authorities), of which there are hundreds;
- Identified what State laws apply to them;
- Investigated whether they meet and/or produce reports and regulations as required in law; and,
- Tried to calculate how much money they spend.

All the entities Committee staff selected have board members who receive some type of annual compensation or per diem or receive only reimbursement for expenses.

Staff found that an inventory of boards had not existed, and that there was no clear way to determine whether board members fulfill Legislative intent or how much money boards spend. The Committee's research revealed that only about half of such entities have information online — either through an independent website or contact information on a state agency website — and less than one-third list public meeting times.

To address these issues, the Committee developed legislation (A.10052) that would assign the Department of State as the agency responsible for compiling a list and relevant information on such entities. The boards and commissions would be required to annually send DOS information, such as purpose, membership, duties, contact information, products, meeting times and places, and expenditures. DOS would then publish this list on its website, updating it annually, thereby making it readily available to the public. Having information on each advisory body in one location would be an important step in improving accountability.

Forty-one states have some form of centralized compilation or list of state boards. This legislation would bring New York in line with the majority of states which already provide this information to their citizens, and enable New Yorkers to easily find information about boards relevant to their interests. Overall, this is an important step in improving accountability and increasing government transparency.

This information will also enable oversight authorities, such as legislative committees, to make recommendations to merge boards with duplicative duties and purposes or eliminate non-functioning boards.

As part of this review, the Chair (Amy Paulin) wrote to the Speaker, supporting the Governor's efforts to eliminate and consolidate unneeded, obsolete and underused advisory and task forces as part of his executive 2010 budget proposal. Governors in several other states, including Michigan, Arizona and Iowa, have also called for the elimination of examples of unneeded advisory bodies.

### ***Medicaid Enrollment Systems***

In 2009, Committee staff began examining the existing Medicaid enrollment system to assess whether the State and localities could save money by enrolling beneficiaries more efficiently using technology rather than continuing to use a mostly paper-driven system, especially given the need to enroll up to another one million people.

The Committee found that each of the State's counties and New York City use different methods for enrolling Medicaid beneficiaries, and most of these processes are paper-driven, duplicative and prone to errors. Furthermore, about 40 percent of Medicaid beneficiaries are involuntarily un-enrolled each year. As a result, they are without coverage for several months and must reapply, all of which is costly and unnecessary.

After meeting with Hudson Health, a Westchester County nonprofit provider, which uses technology to process new applications, the Committee Chair thought that technology could be used to reduce the number of people needed in the field, paper use, storage, time, mistakes and thereby lower costs.

The Chair and Committee staff met with several key players which enroll Medicaid beneficiaries to determine whether the current system is too archaic and would be more efficient and cost-effective if updated.

This project was halted in 2010 as the enacted budget required the state to take over administration of Medicaid enrollment and to issue a plan by late 2010. Committee staff is reviewing that plan, and will consider next steps in the 2011.

### ***Public Hearing on Statewide Economic Development Budget***

In December, the Committee held a hearing in Albany to examine the overall impact of the 2010-11 State Budget on economic development programs and the enforcement of the State's liquor laws. This hearing was held in conjunction with the Assembly Committee on Economic Development, Job Creation, Commerce and Industry.

Witnesses were asked to speak about implementation of the 2010-11 Budget and its impact on the programs under the purview of DED, for example, job creation, commerce and industry, as well as the Foundation for Science, Technology, and Innovation and the

Urban Development Corporation. This hearing also covered oversight of the State's Alcoholic Beverage Control Laws.

The committees heard from the Empire State Development Chair and CEO, Dennis Mullen, as well as the Executive Director of NYSTAR, Edward Reinfurt. Discussion focused on how the State can best leverage its economic development resources and how the results should be measured under the current fiscal conditions. Also explored was implementation of ESDC new programs, the Excelsior Tax Credit and Small Business Revolving Loan Fund. Chairman Rosen of the State Liquor Authority addressed the agency's success in reducing its administrative backlog as well as operational and technological solutions that have improved efficiency.

### ***Public Hearing on Arts, Tourism and Parks Budget***

Also in December, the Committee held a public hearing in Albany to examine the programs and budget of the Office of Parks, Recreation and Historic Preservation, the Department of Economic Development's Tourism Division and the New York State Council on the Arts. The hearing was held in conjunction with the Assembly Committee on Tourism, Parks, Arts, and Sports Development, and was intended to examine, in large part, how these state agencies were implementing large, recently enacted budget cuts and how these cuts impact the State park system, tourism and arts programs.

Over the past two years, OPRHP had absorbed five rounds of budget cuts totaling 25 percent of the agency's operating budget. As a result, the agency's workforce had been reduced by 1,000 permanent and seasonal workers, and budgets for equipment, supplies, and service contracts have been deeply cut. OPRHP implemented service reductions at 100 State Parks and Historic Sites, which meant shortened seasons, days, and hours of operation, and reduced programming. Closing or cutting operations at state parks hurts tourism industries and economies much more than the modest savings to the state budget. In fact, a 2009 study documented that NY's State Park System generates \$1.9 billion in economic activity every year – five times the agency's total annual budget. The State's tourism and arts programs have also absorbed significant cuts during recent budget cycles.

The committees heard testimony from the respective agency heads, Dennis Mullen, President and Chairman of the Empire State Development Corporation, Andy Beers, the Acting Commissioner of the Office of Parks, Recreation and Historic Preservation, and Heather Hitchens, Director, New York State Council on the Arts. Following the agency heads, the committees heard from a wide range of organizations and advocates on the impact of budget cuts on the operation of the parks, the state's tourism efforts and support for the arts.

## ***Public Hearing on Erie County's Adult Protective Services***

The Committee, in conjunction with the Committee on Children and Families, held a public hearing in October in Buffalo on the response to complaints that Erie County's Adult Protective Services unit failed to provide assistance despite repeated calls for an investigation.

The Office of Children and Family Services (OCFS) oversees the provision of adult protective services in each local social services district. As required by State law, each local district is responsible for receiving and investigating reports of abuse or neglect of adults who, due to physical or mental impairment, cannot protect themselves. The district is responsible for arranging for any services required to safeguard and improve the circumstances of such adults, including assistance in moving to a safe setting. Districts have the authority to seek a court order, or the assistance of law enforcement, in order to gain access to an adult believed to be in need of protection.

The purpose of this public hearing was to examine the procedures of adult protective services in Erie County, and whether local practices there reflect a need for broader statewide reform. The Committees asked witnesses to answer how such services can be improved to better protect vulnerable adults in Erie County, and around the State.

## ***Oversight of Individualized Education Plans***

Committee staff began examining individualized education plans (IEPs) and how well schools are following through on IEPs statewide, as well as the performance of the State Education Department in overseeing these plans. This project will continue into the 2011 Legislative Session.

Students with IEPs receive specially designed individualized or group instruction or special services or programs to meet their unique needs. Most students are served in the district or even the building where they attend school, although some are placed outside of the district. The law requires they are placed as close as possible to their home.

The IEP is supposed to be reviewed and, if needed, modified or revised by the student's distinct Committee, which is comprised of parents, teachers and other specialists, at least once a year. The student is also supposed to be re-evaluated at least once every three years to review their needs for special education programs and services and to revise the IEP, as appropriate.

## ***Juvenile Justice Centers***

Based on a request from an Assembly member, the Committee staff began an evaluation of the quality of education at juvenile justice centers throughout the State. The Committee will continue this project into 2011. Committee staff is examining the quality

of education at juvenile justice centers, how well students transition out, and what New York State government is doing to help promote educational continuity and attainment.

After meeting with the Office of Children and Family Services, the scope of this project was broadened to examine a reported lack of transition planning for kids aging out and moving within the foster care and juvenile justice systems. This project will become part of the above project to examine IEPs statewide.

### ***New York State Police Functions***

In March 2010, then Committee Chair Amy Paulin wrote to the Superintendent of the Division of State Police, in conjunction with the chair of the Assembly Committee on Governmental Operations, requesting information regarding the policy and general practices of the state police in incidents when an individual with a high public profile is involved in an alleged criminal incident. The chairs asked for the history, guidelines, purpose, and parameters of the current policy.

### ***Expedited Partner Therapy***

In February 2010, the chair of the Committee wrote to New York State Department of Health (DOH) Commissioner Richard F. Daines inquiring into why DOH had not yet promulgated regulations on expedited partner therapy as required by legislation enacted more than two years prior, Chapter 577 of the Laws of 2007.

These regulations are especially important because without them, doctors who treat adolescents did not have the regulatory protection needed to offer reproductive health care services to teenagers. This effectively meant denial of service by regulation delay. Furthermore, the legislation is set to sunset January 1, 2014, and it was then more than two years into the effective date of this law and there were still no guiding regulations.

The Department's January 2009 regulatory agenda listed an item, indicating time the rules had been under development and/or consideration for proposal. However, that same text was listed one year later, in the Department's January 2010 regulatory agenda, at which time DOH staff told the Committee that the regulations were undergoing internal review.

The Department did adopt the regulations in October.

## **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 types of 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 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, Analysis and Investigation Committee, and the Administrative Regulations Review Commission, released a report in August 2005 which exposed State agencies' failures to meet legal minimum standards regarding the Freedom

of Information Law's 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 the 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 in a supermarket. Shoppers don't walk in expecting to see a sign telling them where to find the Macintosh apples or the chicken noodle soup, but shoppers do expect a sign directing them to the produce section or the soup aisle, making it easier to locate the products they want.

**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 of "For the Sake of Security: An Assessment of New York State Government Cyber Security" 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 the citizens it serves. 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

Chairman Klein directed the Oversight staff to investigate New York City's compliance with the New York Education Law §2556 (5) which states, in part, that "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 the State Education Department 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 11<sup>th</sup> 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 is hoped that these recommendations will 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

### **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, the Office of Parks, Recreation, and Historic Preservation. This hearing was intended to provide oversight and analysis of each agency and their 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 statewide 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 the Programs under the purview of the Economic Development, Job Creation, Commerce and Industry Committee. In addition, the Committee is responsible for 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 include 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 the 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 target 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 current economic climate will 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 so some of the law's provisions could not be tested yet, 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, however, consumer groups cited a variety of reasons, such as it was still too early; homeowners were unable to reach servicers to make loan modifications; and,

foreclosure attorneys were often showing up without payment histories. Consumer groups said 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 '05 revealed serious fraud and abuse of New York's Medicaid system. On September 19, 2005, the Assembly Health, Codes, Judiciary and Oversight Committees held the first 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 hearing was held 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 admits 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 is a reasonable and accurate cost estimate, why the disparity between the initial cost estimate and the reported contract award and when can the State 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 are restricted and how they can be used; what needs will be met by federal and State funds and charitable organizations; what unmet needs continue to exist in the community; to what extent are charities coordinating their efforts; how is eligibility for assistance and the amounts of awards determined; will charitable gifts affect eligibility for State and federal benefits and vice versa; how should any leftover money 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 have 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 does not work 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.