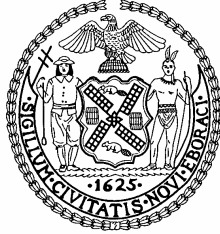


# ON SENATE CALENDAR



## THE CITY OF NEW YORK OFFICE OF THE MAYOR

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### MEMORANDUM IN SUPPORT

**LEGISLATIVE REFERENCE** A.9106A – by M. of A. Lancman – Committee on Ways and Means  
S.6180A – by Senator Golden – Calendar # 442

A.9873 – by M. of A. Lancman – Committee on Ways and Means  
S.6772 – by Senator Golden – Calendar # 443

**TITLE** AN ACT to amend the military law, in relation to enacting the public servant soldier salary act

**SUMMARY OF PROVISIONS** This bill and its corresponding chapter amendment would amend the Military Law to make changes in law with respect to salary paid to New York City employees called up to active duty. This bill would amend the City’s current Extended Military Benefits Program (“EMBP”) to change the plan from a “full pay/repayment plan” to a “differential plan.”

**REASONS FOR SUPPORT** Immediately following the events of September 11<sup>th</sup>, former Mayor Rudolph W. Giuliani promulgated the Extended Military Benefits Program (“EMBP”) to ensure that City employees called up to active military service in Operation Enduring Freedom would not suffer undue financial hardship, and that employees and their families would have no interruption in health care, pension and other benefits as a consequence of military service. Mayor Michael R. Bloomberg continued the program immediately after coming into office and extended the benefits to City employees called-up to serve in homeland security or military operations related to the events of September 11, 2001.

The EMBP has, essentially, treated those called to active military service as if they are still showing up for work every day. Eligible City employees have been given the choice to participate by signing-up before reporting for active military service, and those who have chosen to do so have remained on their agency’s payroll in active pay status for as long as they have remained in covered military service. They have received their full City salaries, have accrued annual and sick leave, have received full health insurance benefits, and have had welfare fund contributions made on their behalf as if they were present at work. Thus, participating employees have received two salaries, and all the other above-described benefits, while on active duty.

As a condition of participating in the program, City employees have had to agree that, upon returning to their City jobs after completing their military service, they will repay the lesser of their military pay or City salary. From the promulgation of the EMBP until late 2006, the EMPB was administered individually by each agency with participating members. In late 2006, when it came to the attention of the Administration that some agencies were administering the EMBP differently, citywide oversight was given to Department of Citywide Administration Services (“DCAS”).

Although the current program is extremely generous, the City is aware that the receipt of two salaries, with an obligation to repay the lesser upon return, has, in some instances, created challenging situations for some City employees. We are aware that it has been difficult for some employees to manage the receipt of two salaries in a manner which would allow them to comply with the repayment terms to which they agreed. We are also aware that there are novel and sometimes complicated tax consequences.

To address these circumstances and assist our active duty servicemen and women who took advantage of the EMBP program, the City has worked closely with the sponsors of this legislation to modify the program from a “full pay/repayment plan” to a “differential plan.” Under the amendments contained in these two bills, City employees would receive the difference between their City salary and military salary. Under this plan, there would be no repayment obligation, thereby greatly simplifying the program for the City’s Public Servant Soldiers.

We have also worked with the sponsors of this legislation on modifications to the repayment plan (for those City employees who will still have a repayment obligation under the current EMBP) that is less onerous than the current EMBP.

Accordingly, it is urged that this bill be approved.

Respectfully submitted,

SW: mac  
S:A9106-A-08  
A9873-08  
3/18/08  
S – Cal.

Michelle L. Goldstein  
Legislative Director