



UNIONS EYE \$440M HEALTH FUND AS LAYOFF CURE

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City municipal unions are looking to tap \$440 million sitting unused in a health-benefits fund to avert nearly 5,600 layoffs threatened by Mayor Bloomberg, officials said yesterday.

Top union leaders meet tomorrow to discuss the idea after Harry Nespoli, chairman of the Municipal Labor Committee, got the green light to proceed at a steering-committee session yesterday.

"The ball's in their court," said one administration official.

The \$440 million represents money contributed over the years by the city into the Health Insurance Stabilization Fund, which is now overfunded.

"It's the taxpayers' money," noted one official. "Why would we want the money sitting there doing nothing?"

There are already signs that not all union leaders are on board.

Norman Seabrook, president of the Correction Officers Benevolent Association, recalled that the unions gave up \$117 million from the same fund in 2009 only to have the mayor lay off several hundred workers just months later.

"We're going to be taking our money to save our jobs and then have you come back to us and screw us again? I don't think so," fumed Seabrook.

He demanded that the affected workers be guaranteed their jobs until the end of the Bloomberg administration in 2014.

The largest single beneficiary of a bailout deal would be teachers, who face the loss of 6,100 jobs, including 4,100 through layoffs.

Saving all 6,100 teachers would cost \$435 million. Saving only those on the pink-slip list would cost \$293 million.

Firefighters would be spared the closing of 20 engine companies, which would cost \$55 million.