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RUSH TRANSCRIPT: MAYOR DE BLASIO ANNOUNCES TENTATIVE CONTRACT AGREEMENT WITH UNIFORMED FIREFIGHTERS ASSOCIATION, AGREEMENT ON DISABILITY PENSION LEGISLATION

Mayor Bill de Blasio: Well, we have great news to announce and it's very important news for the people of New York City. We have reached a contract agreement with the Uniform Firefighters Association. And we are, in addition to this agreement that we have reached on a contract, we are joining with the UFA to enthusiastically support new disability pension legislation. It's very important to note at the outset that the brave men and women represented by this union – I've had the honor of working closely with this union and the workforce for many, many years. We all depend on them. We depend on them every single day in every neighborhood in this city. They put their lives on the line for the rest of us. And we must do right by them. Today, we're taking an important step forward for the almost 8,000 firefighters who serve us and for the city as a whole.

The labor agreement recognizes and respects the hard work and sacrifice and the dedication of the members of this union, and at the same time, does what we've said all along over the last year and a half is our mantra – respect the workforce while protecting the taxpayers. When this contract is ratified, the city of New York will have contracts with 11 of the 13 uniformed unions under the fair pattern that we set last year.

And again, when ratified, we will have 83 percent of the total city workforce under contract. We believe in the notion of true partnership between management and labor. I'm someone who believes deeply in the role of the labor movement in our society – the positive role it plays. There has been an atmosphere of respect and communication, even when there are disagreements. And I want people to understand that. You can disagree on any particular issue and still keep talking. You can disagree at any given moment and still recognize the many things that bind us together.

I can safely say that the city of New York and all of my colleagues here – we never stopped talking to Steve and the other leaders of the UFA, because there's a longstanding relationship here and a lot of mutual respect. And that spirit of communication and dialogue has led us to this day.

I want to thank my colleagues. You'll hear from the commissioner in a moment, but I want to thank the three people who really always need to be thanked when we successfully complete a bargaining over a contract. One of them, First Deputy Mayor Tony Shorris, could not be with us because he's about to leave on vacation, but the two with us today – Bob Linn, who has done an

absolutely extraordinary job as our commissioner for labor relations, had a very long night but looks no worse for the wear; Dean Fuleihan, our director of OMB, who always tells us what's possible and is a key partner with Bob and Tony in achieving these outcomes.

Now, work that the members of the UFA does is complicated. It is difficult. It is sometimes dangerous. And we knew that and we factored that into these discussions. And we also knew that the process – we had a sacred responsibility to look for the future, to look to the long-term needs of this city and to protect the city's long-term fiscal health.

The agreement does just that. This agreement, we believe, is fundamentally fair. It is a good deal for the men and women of the UFA. It is a good deal for the people of New York City. Firefighters under this agreement receive raises and benefits similar to others who have signed contracts previously – following the pattern which, again, recognizes the particular significance and role of the uniformed unions. It totals 11 percent in raises over seven years. The contract also includes the same unprecedented and guaranteed savings, as with all the previous contracts, towards the overall goal of the city and the workforce securing \$3.4 billion in healthcare cost savings through Fiscal '18, which we had reported to the Financial Control Board earlier in the week we are on track to do.

In addition, all of these negotiations led to discussion of other matters, and we were able to resolve other matters favorably. We agreed, as I said, together – the city and UFA – to jointly and energetically support new state legislation on disability pensions. And I look forward to working closely with Steve and his team to get that legislation passed.

Via this legislation, firefighters will receive the coverage and the benefits they need when they are hurt on the job. At the same time, as we've been able to guarantee these benefits, we insured that the taxpayers' interests were protected. The cost to the taxpayers has been cut in half by the UFA agreeing the firefighters will raise their contribution by three percent to six percent.

Another note, a very important one – since 2011, there has been a litigation over the roster staffing agreement. It's been a contentious situation, obviously started under the previous administration. Steve and I have talked about this as part of the process. This was something that needed to be ended once and for all. It was an area of dispute that needed to be cleared up. And we were able to come to a satisfactory outcome and agree to resolve that litigation, and resolve that issue favorably and address the concerns raised by the UFA.

As a city – I've often talked about the values of this city – we value hard work. We value sacrifice. We value service to others. All of that is epitomized by the men and women of his department. They should never have had to go years without a contract. It's just not right. It never was right. And I want to just give you context of how the workload of this union continues to grow.

Last year, approximately 1.6 million emergency calls answered – a record for the proud 150 year history of the FDNY. So, we knew that, again, even when there were ups and downs, we knew the right thing to do was to get to a contract, and give these hardworking men and women that security. As everyone remembers, we walked in the door with no city employees under contract, with some who have been without a contract going back to 2009. I said, first year I wanted to get to 50 percent under contract. Bob Linn deserves so much credit for surpassing that goal by a lot.

Now, once this contract is ratified, 83 percent of the workforce under contract. That is what is achievable when people work together and communicate respectfully.

I want to say a few words in Spanish before I introduce Steve Cassidy and then Dan Nigro.

[Mayor de Blasio speaks in Spanish]

With that, I want to bring forward Steve Cassidy. I want to say at the outset, Steve and I have known each other a long time and we got to know each other as colleagues, as friends in the common cause. I believed, from the time I first served in the City Council starting in 2002, that we had to recognize the work that these men and women do, and we had to recognize the importance of our firehouses to our communities. The next year, in 2003, a very dramatic fight was fought in my neighborhood – in my council district over Engine 204. And I got to work closely with leaders and members of the UFA in common cause. And we continued to stand shoulder to shoulder year in and year out to protect our firehouses.

So, for those who might be tempted to say, well, you had some disagreements – how is this possible? I want to remind you of all the years and years where we stood shoulder to shoulder. I also want to say, on a personal level, I consider Steve Cassidy a friend and a colleague and someone I truly respect. His word has been his bond over these years. I think many people in this town would say the same. And I appreciate the fact that we all kept talking, and we all knew that if we worked enough, we would get to the common ground that the members of the union deserve and the people of New York City deserve. With that, I bring forward the president of the UFA, Steve Cassidy.

[...]

Mayor: I'm going to take questions, and obviously, Bob, you might want to come over here, because I suspect you're going to be asked a lot of them.

Okay. Questions on this agreement.

Question: The disability portion of this, at this point, Steve, do you expect that that could go before the legislature later this year? And if so, do you anticipate it's just going to sail through?

Stephen Cassidy, President, Uniformed Firefighters Association (UFA): Well, historically, anytime a union and the city administration agree on a bill, they've always gone through – my understanding, it's never been a problem. I don't think – I don't know on timing. My sense is probably not until January, which is not that far away, but my – my – my main concern is that it get done as quickly as possible. We can take until January if it takes until January. We believe we're going to have the Council's support. I believe we'll have the speaker of the Assembly's support; the leader of the Senate, and I certainly believe the Governor's support, since he knows how important this is to New York City firefighters.

Question: Mr. Cassidy, have you ever struck a contract deal with the city prior to the PBA, in your tenure or in the union's history? And have you talked to Mr. Lynch about this? And what do you expect will happen next with them?

Cassidy: I have struck deals in the past. My view is that my job is to represent New York City firefighters, regardless of when somebody else's contract expires. Pat did call me this morning. I gave him a rundown on what we got in our contract. I talked to him about how important the disability component was and how important the staffing component was. We had a nice, cordial conversation. I don't know what he thinks, but we had a cordial conversation.

Question: Follow-up on [inaudible], what's your message to the PBA and to Pat Lynch? He's one of the few uniformed unions who have an outstanding contract.

Cassidy: I – I don't have a message. I never tell another union leader what to do. That's not my job. Pat's been around a long time. He's a very, very smart, qualified leader. They're going to do what they're going to do. We did what was in our best interests. We had a chance to do two things that I don't think we really ever imagined – settle a roster staffing agreement that could drag on for another two years, and we got five-man engine companies locked down – 20 of them – in our contract. We got our 96 hours of roster staffing locked down in our contract. And we got a disability bill, which solves a problem for 1,700 New York City firefighters, and all the ones that are going to follow who never have to say what if? What will happen to me if I get hurt today? We took that off the table – critically important.

Mayor: Gloria.

Question: Mr. Mayor, can you – does this apply to only the pension benefits? Does it apply to [inaudible] because I know that the – it was supposed to cover correction officers and police officers as well, so do they now have to come up with a different deal, or is this going to cover everyone?

Mayor: I'll have Bob and Dean speak to it.

Commissioner Bob Linn, Office of Labor Relations: So the agreement we reached covers firefighters, in terms of – our agreement that we would jointly support legislation. And the legislation that we will jointly support covers firefighters only. In the discussion that we had in the past, we talked about what would happen if a bill covered all of the uniformed forces, and that was a bill that was described as costing about \$400 million, and we have in this agreement to support legislation for the UFA, we would intend to go forward and speak to all of the other groups and give them an opportunity to come in. So we have proposed that this is an agreement to support legislation for the UFA, but our hope is that others will come in and we will make a similar deal with all of them as well.

Question: [inaudible] does the proposal you brought through to the Council four weeks ago – is that still not on the table in terms of correction officers and police officers?

Mayor: I'll start, and again, Dean – Dean, stay over here, and Bob, if you want to join in. So again, based on the conversations I've had with Speaker Mark-Viverito and certainly everything that we have seen in this process – you know, we are ready to pursue this legislation. That's the simple point. This is a new piece of legislation – the one that we're talking about today. I look forward to enthusiastically supporting it. Obviously the Council needs to get fully briefed, but based on the initial conversations, I believe they'll be very positive about it as well, and we'll all go together to Albany. We'll get a Home Rule message done here, with the Council's agreement,

and then go to Albany for passage. I agree with Steve's estimation of the history – that the history says when the mayor, City Council, and union are all on the same page, that Albany generally goes along very rapidly. And I agree with Steve too – we want to get this done at the first available opportunity. That certainly would be no later than January we'd have a chance to get that started. So, in terms of the other unions, again, the door is open to them if they want to talk about coming into this similar kind of arrangement.

Question: What is – what is your message, then, Mr. Mayor, to the PBA? Is this is a tough battle [inaudible] police union, 20,000-plus – what's your message to them?

Mayor: It's the message I – for any union not currently under contract, it's the same message. We welcome a chance to talk further. We welcome the chance to continue negotiations. Every union has to make its own decision.

Question: It looks like this deal doesn't have the gap between year one and two raises that some of the other uniformed officers have. Is it slightly [inaudible]?

Bob Linn: The settlement has the same cost as all of the other pattern settlements with the uniformed superior officers and sanitation. In each of those agreements – no two of them have the exact same dates for the increases. And part of the negotiations were, if parties wanted to move money around to change start dates, then we would have to find funding within the agreement. And that's what we did here. We did move the increases to an earlier date, and we found funding within the agreement to keep the costs within the pattern.

Question: I can't imagine that a lot of folks between 2009 and now are receiving the disability pensions, but is that retroactive? Like, would this legislation mean that they would, you know, go and get this new package? Or would it be – they would be getting what was [inaudible]?

Bob Linn: According to the draft legislation, the proposed legislation, people who are now on board would have the ability to opt into this provision – into this language, or not. And if they do opt in, then they would make the contribution.

Question: Question for Mr. Cassidy – was it difficult at all to get members to swallow contributing the extra 3 percent? Was that [inaudible]?

Cassidy: Well, we haven't ratified the contract. We just negotiated last night at 2 o'clock in the morning. I think the answer to that is going to be absolutely not. We think 3 percent additional is fair. Firefighters who were hired 20 years ago paid a pension based on their age, many of them were paying around 5, 6, 7, percent. So the new hires, when – when the legislation – when Governor Patterson vetoed Tier 2, they went into Tier 3, and Tier 3 was an automatic 3 percent, but you had no disability benefits. We believe that the 3 percent that they have to pay for the restoration of the disability benefits is more than fair. I want to thank the mayor and his team on that. We think it's fair and we think every single one of our members will opt in immediately.

Question: In the wake of Steve's conversations with Pat Lynch, have you had any conversation with him or anyone else from the PBA about coming back to the table, rather than just proceeding ahead on the arbitration?

Bob Linn: I've had no further conversations yet.

Question: Okay. In terms of this agreement, assuming it gets ratified, how much do you think it strengthens your case that the PBA should be held to the same terms?

Bob Linn: I think the arbitration is going forward. I think we presented a good case in that arbitration. And that is separate from these negotiations. We reached a very good deal for – with the UFA, that worked for both the city and for the UFA.

Question: For Mr. Cassidy, I understand you're agreeing to drop the lawsuit to the Council that you filed a couple of weeks ago. And I just have another question on the –

Cassidy: That's true. We did agree to drop the FOIL request lawsuit against the Council in light of the fact that we have a deal on the disability benefit. We need a Home Rule from the Council. The mayor asked me to do it. We were happy to do it as part of this deal.

Question: And the other question is I wonder if there's a reopener clause that's part of this deal? If the PBA is able to get more, or, are the – can the UFA come back and ask [inaudible]?

Bob Linn: There is not a reopener as part of the agreement.

Question: Can I ask the commissioner –

Cassidy: Let me just – let me just say that we had language in the agreement that allows us – that – I can't memorize it, but in effect, it says if any uniformed union does better during the seven-year period, we would be allowed to go to arbitration immediately on the expiration of the contract. The contract will expire on July 31 of 2016. We thought that was important language for us.

Mayor: '17.

Bob Linn: '17.

Cassidy: '17 – I'm sorry. '16 – I wish. 2017. That was important for us. And we believe it helps us.

Question: How important is it to have the extra firefighters that [inaudible]? I know like on City Island, there were a lot of concerns about that in other places that they've had fewer firefighters – now they're going back –

Commissioner Daniel Nigro, FDNY: Certainly five firefighters gives us operational flexibility that we don't have with four. It gives safety factors in the middle of tours – if a number of firefighters are injured, that we can move firefighters around more. So the department, as I said before, this operationally benefits the department; it benefits our firefighters; and overall, benefits the city – the safety of the residents of our city.

Mayor: Okay, we're coming in for a landing.

Okay.

Question: Is it possible to give us any kind of sense of the \$3.4 billion dollars in savings in healthcare through 2019 –

Mayor: [inaudible]

Bob Linn: Well, we just issued the most recent quarterly report, and that, as I think most know – everyone knows – that we reached the \$400 million that we agreed to reach in the first year. We are on target to hit the \$700 million for the second year. And most importantly, we have a collaborative relationship with the workforce and with the union leadership to solve healthcare cost problems. And I think it is – we’ve made extraordinary leaps and bounds in terms of what I – we discovered when we got here, in terms of the relationship of trying to solve healthcare issues. And we are now collaboratively solving problems.

Question: [inaudible] average firefighter salary [inaudible]?

Bob Linn: Give me one second. Do we have that? Or we could give it to you right afterwards? I’ll find it – we’ll get it to you right after.

Mayor: Last call, going once, going twice. Thanks, everyone.

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