



NEW YORK STATE SENATOR

James Tedisco

## Tedisco, Santabarbara Sponsor New Bill to Keep St. Clare's Hospital Corp. Open Until State Investigates Collapse of Pension Fund

SENATOR JIM TEDISCO May 9, 2019

| ISSUE: **PENSIONS**



Senator Jim Tedisco (R,C,I,REF-Glenville) and Assemblyman Angelo Santabarbara (D, I, WF, REF-Rotterdam) today introduced new legislation to halt the dissolution of the St. Clare's Hospital Corporation until the state conducts an investigation and/or audit to determine exactly what led to the collapse of the \$53 million pension fund leaving more than 1,100 former employees without their retirement.

Last year, more than 1,100 former St. Clare's Hospital employees and retirees were notified their pensions will either be significantly reduced or outright eliminated with just three weeks' notice. In some cases, people who worked at the hospital for decades will receive no pension at all.

St. Clare's Hospital was closed 10 years ago by a requirement to right-size our medical facilities through the state's Berger Commission and its operations were absorbed by Ellis Medicine. At the time, the state paid \$50 million to St. Clare's to cover transition costs including \$28 million to cover the anticipated needs of the St. Clare's pension fund. The St. Clare's Hospital Corporation is currently seeking permission from the state Supreme Court to legally dissolve its existence. A move Tedisco and Santabarbara say is untimely and questionable considering the circumstances.

In response, Tedisco and Santabarbara have introduced legislation ([S.5596/A.7503](#)) that would require the Department of State to delay the issuance of a Certificate of Dissolution for St. Clare's Corporation until the New York State Department of Health, Attorney General or Comptroller can conduct an investigation and/or audit to ascertain whether or not there were any improprieties that led to closure of the St. Clare's pension fund`.

"We have over 1,100 Capital Region residents who worked hard, did their job and played by the rules for many years as loyal St. Clare's Hospital employees and now the retirement they've been planning for has evaporated in what seems like a snap of a finger. We've already formally asked the Governor, Attorney General and Comptroller to look into what happened to the St. Clare's Pension Fund and the taxpayer dollars that were spent on it more than a decade ago, but they have yet to do so. This legislation that we are putting forth today aims to put the brakes on shutting down the legal authority that controlled the pension fund until the state does its due diligence and gets to the bottom of what happened to the money to prevent something like this from happening again, and find a course to

make things right for the 1,100 pensioners,” said Senator Tedisco.

“Following the termination of the St. Clare’s retirement fund, employees of the former St. Clare’s Hospital in Schenectady were told that they will receive no retirement benefits—they deserve to know why,” said Assemblyman Santabarbara. “This attempt to now dissolve the St. Clare’s Corporation while we are calling for an investigation into the matter is untimely and unacceptable,” Santabarbara added. “We have certainly not given up on trying to find a solution to fully restore the pension fund and neither should the Corporation,” Santabarbara said. “The hardworking men and women who dedicated years of their lives to the health of our community deserve better!”

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#### RELATED LEGISLATION

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### **2019-S5596**

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- Introduced
  
- - In Committee Assembly
  - In Committee Senate
  
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
  
- - Passed Assembly

- Passed Senate

- Delivered to Governor

- Signed By Governor

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Prohibits the New York Department of State from issuing a certificate of dissolution and filing a judgment or final order of dissolution for the pension fund for employees of the former St. Clare's Hospital

May 08, 2019

In Senate Committee Corporations, Authorities and Commissions

Sponsored by James Tedisco

Do you support this bill?