

NYC Council Overrides Veto of Health Care Expansion

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New law endorsed by Fairway, Gristedes, D'Agostinos, Key Food and Pathmark protects responsible businesses, employees and taxpayers

New York, NY — Today the New York City Council voted 40-to-2 to override Mayor Bloomberg's veto of the Health Care Security Act — a new local law supported by leading businesses in the city to ensure that all large grocery stores help pay for their employees' health care costs. Lawmakers in Suffolk County on Long Island and in Maryland have passed similar measures, which are expected to become law in the coming months. Other states and cities including New Jersey and San Francisco are also considering similar legislation.

“The Health Care Security Act is a practical response by New York to the costs that low-wage, no-benefits jobs impose on our communities,” said Paul Sonn, Deputy Director of the Poverty Program at the Brennan Center at NYU School of Law.

In industries where large employers have traditionally helped pay for their employees' health care, growing numbers are not. This puts

pressure on all employers to cut back on health care to compete. And employers who don't do their part are shifting to taxpayers and the public health care system the cost of caring for their employees. Columbia University researchers estimate that New York City's government, taxpayers, and public health system spend more than \$612 million each year on care for uninsured workers and their families

"Today's vote is a victory for New York workers, businesses and taxpayers," said Adrienne Shropshire, Executive Director of New York Jobs with Justice. "It demonstrates the City Council's commitment to pick up where the federal government has left off." New York Jobs with Justice organized the coalition of business leaders, workers' rights advocates, public health leaders, and religious and community groups that supported the new law. It included more than 100 employers and trade associations from across the city, including major supermarket chains such as Fairway, Gristedes, D'Agostinos, Key Food, and Pathmark.

When it takes effect in July 2006, the new law will require large grocery stores, including "big box" retailers, to contribute to employee health care costs at the "prevailing rate" in their industry — approximately \$2.50 for each hour that their employees work. Most grocery companies in the city currently contribute at that rate.

The legislation enacted today establishes a pilot program for New York City's grocery industry. If successful, the City Council is expected to expand the law in the future to cover more industries and employers.

For more background, see [Frequently Asked Questions](#) on the new law.