

# Targeting MTA labor costs

Watchdog group sees a need for 'self-funded raises'

BY ELLEN YAN

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A new report by a fiscal watchdog group calls on the MTA and its unions to work together in their next contract negotiations to reduce skyrocketing labor costs that are on pace to consume three-fifths of the agency's operating budget.

The report, titled "Reform at the Bargaining Table," from the nonprofit Citizens Budget Commission, or CBC, provides several recommendations on ways to shrink labor costs while still offering fair raises to workers, including by offering incentives for increased productivity, requiring union workers to contribute more to their health insurance plans, and changing work rules that force the MTA to make "penalty payments" for certain assignments.

The report comes as the Metropolitan Transportation Authority continues to feel the backlash from commuters and elected officials over a payroll report released last week that revealed alarming overtime payments to some workers. The agency's highest-paid employee in 2018, Long Island Rail Road chief measurement officer Thomas Caputo — took home \$344,147 in



HOWARD SCHNAPP

The Citizens Budget Commission wants MTA union workers to contribute more to their health insurance.

overtime, on top of his \$117,499 salary. A subsequent Newsday analysis found that the LIRR's overtime costs have grown by 51 percent over the last four years.

Meanwhile, the MTA is projecting growing deficits in coming years that are expected to reach \$976 million by 2022. Although the CBC report notes

that having workers forgo raises altogether in the MTA's current four-year financial plan would save the agency \$950 million, it said the agency could save hundreds of millions by offsetting raises through other union givebacks.

"The authority's current fiscal plight and physical degradation

make a stronger case for self-funded raises than at any point since the recession in 2008," the report said. "An approach to collective bargaining that freezes total labor costs over the life of the financial plan is best suited to place the MTA on solid financial ground."

MTA spokesman Maxwell

Young said, "This is an important report that comes at a time of extraordinary financial difficulty for our agency, and is a public service on the part of the Citizen's Budget Committee. We need to address these financial challenges, and all options must be on the table."

Among the ideas proposed by the CBC to reduce labor costs is to have union workers, who contribute 2 percent of wages toward health care premiums, contribute closer to what nonunion MTA workers do: about 18 percent. The change would save the MTA about \$97 million annually, according to the report.

The group also called for the MTA and its unions to jointly support state legislation to require future employees to contribute more to their pensions, and to set new productivity goals for workers. According to the report, if the LIRR could match the employee productivity of sister railroad Metro-North, it would save \$86 million annually.

The report comes as the MTA prepares to enter into negotiations for new contracts with most of its unions, including those representing LIRR workers. The CBC noted that the last two rounds of collective bargaining at the MTA resulted in cumulative worker raises totaling 14 percent, "while attaining little in additional employee benefit contributions and little in work rule reforms."

## Trademark rough surf smoothed out

BY VERA CHINESE

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A Hauppauge-based clothing manufacturer is free to trademark the name of a popular Montauk surfing beach after reaching a settlement with East Hampton Town.

Seena International filed a trademark application with the U.S. Patent and Trademark Office in 2013 to trademark its Ditch Plains logo used on hoodies, T-shirts and other items. The town soon after filed its opposition to the trademark application, claiming the trademark would prevent other local businesses from using the term,

which is commonly printed on souvenirs in Montauk T-shirt and gift shops.

The town dropped its opposition in an April 2 agreement signed by Town Supervisor Peter Van Scoyoc and Jatinder Dhall, the CEO of Seena International, who is known professionally as Ricky Singh.

In exchange, Seena grants local companies a nonexclusive license to sell Ditch Plains-themed merchandise in the town. Local merchants can apply for a sublicense from the town to sell the goods, said Ted Weitz of the Manhattan intellectual property law firm Ferdinand IP, which was hired in No-

member to represent the town in the matter.

"It's because East Hampton is such a well-known place, a mark like Ditch Plains does carry extra value," said Weitz, a part-time Springs resident. "A mark like Hoboken, people aren't rushing out to register. We're sort of in a special case."

The town must pay Seena \$1 per year for 50 years for the license, under the agreement.

Van Scoyoc could not be reached for comment.

Singh's attorney, Todd Gabor of Cedarhurst, described his client's contemporary apparel as hip hop-themed. He said the clothes are available in major

department stores but declined to say where. He plans to call the brand "Ditch Plains by Ricky Singh," Gabor said.

"[In settlements], either both parties are unhappy or happy," he said. "In this case both parties are happy."

Montauk Chamber of Commerce executive director Laraine Creegan said members of the organization hadn't discussed the issue with local merchants, but noted the name Ditch Plains is historically inaccurate, but somehow stuck over the years.

"It's funny," she said, "The historical original name is Ditch Plain."



SEENA INTERNATIONAL / TOM HARZYNSKI

Settlement allows Ricky Singh to trademark the name Ditch Plains.