1	COURT OF APPEALS
2	STATE OF NEW YORK
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4	MATTER OF CITY OF SCHENECTADY,
5	Appellant,
6	-against- No. 93
7	NYS PUBLIC EMPLOYMENT RELATIONS BOARD,
8	Respondent.
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10	20 Eagle Street Albany, New York
11	September 6, 2017 Before:
12	CHIEF JUDGE JANET DIFIORE
13	ASSOCIATE JUDGE JENNY RIVERA ASSOCIATE JUDGE LESLIE E. STEIN
14	ASSOCIATE JUDGE EUGENE M. FAHEY ASSOCIATE JUDGE MICHAEL J. GARCIA
15	ASSOCIATE JUDGE ROWAN D. WILSON ASSOCIATE JUDGE PAUL G. FEINMAN
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1	Appearances:
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24	Sara Winkeljohn Official Court Transcriber
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1	CHIEF JUDGE DIFIORE: The first matter on this
2	afternoon's calendar is number 93, Matter of the City of
3	Schenectady v. Public Relations Board.
4	Counsel.
5	MR. LANGLOIS: Good afternoon; may it please the
6	court, Christopher Langlois on behalf of the appellant,
7	City of Schenectady. With the court's permission, I'd like
8	to reserve two minutes of my time for rebuttal?
9	CHIEF JUDGE DIFIORE: You may, sir.
10	MR. LANGLOIS: Thank you. The first conclusion
11	that the enactment of the Taylor Law in 1967 superseded the
12	Second Class Cities Law by requiring police discipline to
13	be the subject of collective bargaining lacks a rational
14	basis and is at odds with this court's prior decisions in
15	Patrolmen's Benevolent Association, generally referred to
16	as PBA, and its decision in Town of Wallkill.
17	CHIEF JUDGE DIFIORE: Counsel, what's the
18	standard of review that we apply here?
19	MR. LANGLOIS: As in any Article 78 proceeding,
20	which this is, you're looking to see whether or not PERB's
21	determination was affected by an error of law, is arbitrary
22	and capricious, or lacks a rational basis.
23	CHIEF JUDGE DIFIORE: And do we apply deference
24	to the agency?
25	MR. LANGLOIS: In some circumstances, you do, but

1 not in this circumstance, Your Honor, because the questions 2 that were resolved by PERB involve pure matters of 3 statutory interpretation and construction to which this 4 court owes PERB no deference. 5 Thank you, counsel. CHIEF JUDGE DIFIORE: б MR. LANGLOIS: The difficulty with the conclusion 7 reached by PERB is this: If, as PERB concluded, the 8 enactment of the Taylor Law superseded the Second Class 9 Cities Law, then it should logically follow that the 10 enactment of the Taylor Law also would have superseded the 11 legislation previously considered by this court in PBA and 12 Town of Wallkill, that is the New York City Charter 13 Administrative Code, the Rockland County Police Act, and Town Law Section 155. 14 15 JUDGE GARCIA: Counsel? 16 MR. LANGLOIS: Yes, sir. 17 JUDGE GARCIA: It seems that the Appellate 18 Division, and - - - and I think what's before us is whether 19 or not, given those cases you cite, Wallkill, PBA, this 20 language that you find in the Second Class Cities Law: 21 "That until such provision superseded pursuant to," 2.2 whatever, "or otherwise changed, appealed, or superseded 23 pursuant to the law changes the legal analysis of this 24 court's decisions." 25 MR. LANGLOIS: It does not, Your Honor.

1	JUDGE GARCIA: But then what does that language
2	mean?
3	MR. LANGLOIS: My view is that that language is
4	simply restating a self-evident proposition, that any
5	legislation enacted by the state legislature is always
6	going to be subject to either being changed, repealed, or
7	superseded pursuant to
8	JUDGE GARCIA: Then why say it?
9	MR. LANGLOIS: If I could go back to 1909 and ask
10	the drafters of the Second Class Cities Law why they chose
11	to include that language, I
12	JUDGE GARCIA: Do you know of any other statutes
13	that have that language in it?
14	MR. LANGLOIS: I searched electronically all the
15	statutes in the State of New York to find out if there was
16	a comparable language provided anywhere else, and there was
17	not.
18	JUDGE STEIN: What about "Except as otherwise
19	provided by law"? Is that comparable?
20	MR. LANGLOIS: That language, Judge Stein, that
21	you're referencing is found in two of the laws previously
22	considered by this court, Town Law Section 155 and the
23	Rockland County Police Act. My view is that that language
24	is and should be interpreted exactly the same as the
25	language in Second Class Cities Section 4, and I'm not the

only one who thinks that. In my - - - my brief in a footnote, I point out that a previous PERB decision involving the Town of Wallkill, I think it was 2009 - it was 2009. PERB looked at that language, "Except as otherwise provided by law," and concluded that it meant essentially the same thing as the language that was cited in the Second Class Cities Law. In other words, that it could be superseded by a subsequent enactment.

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If those - - - if either the language in Second Class Cities Law Section 4 is simply a self-evident legal proposition, which is equally true for the other laws, or 12 if the language means exactly the same thing as "except as 13 otherwise provided by law," as used in the other laws, that 14 language does not provide a rational basis to treat the Second Class Cities Law any differently than this court 16 treated the Rockland County Police Act or the Town of Wallkill decision. And - -

JUDGE WILSON: When you searched other statutes, did you happen to search the Constitution?

20 MR. LANGLOIS: I do not believe I did. Т 21 searched - - -

2.2 JUDGE WILSON: Did you notice that Article IX 23 Section(3)(b) of the Constitution has the exact same 24 language?

> State of federal, Your Honor? MR. LANGLOIS:

1	JUDGE WILSON: State.
2	MR. LANGLOIS: I'll take your word that.
3	JUDGE WILSON: All right.
4	MR. LANGLOIS: But no. I did not. I searched
5	the statutes of the legislature, not specifically the
6	Constitution. If you remove the basis relied upon by PERB,
7	the language in Section 4 of the Second Class Cities Law
8	from the analysis, what you're left with is a pure question
9	of statutory construction and the question of whether the
10	Taylor Law has a subsequently has a subsequently
11	enacted law effected a repeal by implication of the Second
12	Class Cities Law. And applying very well-established rules
13	regarding repeal by the implication, the answer should be
14	no. And by the way, it's not an analysis that PERB used or
15	went through in its in reaching its decision. Repeal
16	by implication is greatly disfavored. It's found in only
17	the clearest of cases and only where the two provisions are
18	in such irreconcilable conflict that they cannot coexist.
19	JUDGE STEIN: The Taylor Law also has a
20	grandfathering provision. How did how does that play
21	into this, or or does it?
22	MR. LANGLOIS: The Taylor Law has grandfathering
23	or Civil Service Section 75, Your Honor?
24	JUDGE STEIN: Sorry, Civil Service Law. Yes.
25	MR. LANGLOIS: This court's decision in PBA was

1 based on the fact that while a public employer under the 2 Taylor Law has an obligation to negotiate where discipline 3 is controlled by Civil Service Law Section 75, not all 4 discipline is governed by 75 because, as you point out, 5 there is a grandfathering section that preserves б preexisting laws. And the court concluded that legislation 7 like the Rockland County Police Act, Town Law Section 155, 8 and as the City would argue, the Second Class Cities Law, 9 are preexisting laws enacted prior to Section 75 that were 10 grandfather and therefore, still have control and effect. 11 JUDGE FAHEY: So you're saying there's no 12 conflict with this supersession of law of the Second Class 13 Cities Law Article 4 and 76(4), is it, of the Civil Service 14 Law? 15 That's not the conflict that we're MR. LANGLOIS: 16 talking about. We're talking about, as framed by PERB in 17 its decision, a conflict between the Taylor Law enacted in 18 1967 - -19 JUDGE FAHEY: Right. Right. 20 MR. LANGLOIS: - - - and the Second Class Cities 21 Law enacted in 1909, which has very specific provisions for 2.2 the local control of police discipline. Because the two 23 laws occupy completely different fields of operation, the 24 Taylor Law has nothing to do with police discipline. Ιt 25 talks generally about an obligation to negotiate. Second

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1 Class Cities Law has nothing to do with negotiation. Ιt 2 talks only about police discipline. There is no conflict 3 between the two. The only conflict you have is this 4 tension that was resolved in PBA between the policy 5 supporting collective bargaining and the policy supporting б local control over police discipline. And that conflict 7 was resolved with this court concluding that - - -8 essentially resolving the conflict by saying where you have 9 a preexisting law enacted prior to Civil Service Law 10 Section 75, which governs police discipline, there is no 11 obligation to bargain under the Taylor Law, and therefore, 12 there is no conflict. 13 JUDGE WILSON: What do you make of the - - -14 CHIEF JUDGE DIFIORE: Counsel, for years the City 15 abided by the Collective Bargaining Agreement with respect 16 to police disciplinary matters, correct? 17 MR. LANGLOIS: Correct. 18 CHIEF JUDGE DIFIORE: So - - - and then they announced the new procedures. Are there any principles of 19 20 waiver of their posi- - - - that operate here? 21 MR. LANGLOIS: No, Your Honor. 22 CHIEF JUDGE DIFIORE: They waived their position? 23 No. 24 MR. LANGLOIS: No. I mean -25 CHIEF JUDGE DIFIORE: And why is that?

1	MR. LANGLOIS: the City of Schenectady did
2	nothing differently than Rockland County and the Town of
3	Wallkill had done in terms of entering the collective
4	bargaining agreements based on a mistaken belief that they
5	were under affirmative obligation to do so under the Taylor
6	Law only to learn, through this court's decision in PBA,
7	that those collective bargaining agreements are essentially
8	void as far as police discipline is concerned because not
9	only is police discipline in these circumstances not a
10	permissible subject of collective bargaining, the court
11	ruled it's a prohibited matter of bargaining. So the fact,
12	Your Honor, that the City and the PBA entered into
13	collective bargaining agreements, the fact that discipline
14	was resolved through the provisions of the CBA up until the
15	announcement does not foreclose the City from reverting
16	back to the Second Class Cities Law.
17	JUDGE WILSON: And how do you reconcile our
18	affirmance of the Third department's decision in the Auburn
19	case with PBA and Wallkill?
20	MR. LANGLOIS: Fairly easily, Your Honor. Auburn
21	established the principle which was recognized, again, in
22	your PBA decision, that court's decision, that where
23	Section 75 of the Civil Service Law is the governing
24	statute for police discipline, the Taylor Law applies, and
25	then a public employer has an obligation to negotiate

1 regarding police discipline. PBA said that's true as far 2 as that goes and Auburn still remains true, but only where 3 Section 75 controls. Where you have a preexisting law 4 enacted prior to Section 75, which is maintained pursuant 5 to the grandfathering provision set forth in Section 75, б Civil Service Law does not apply. The preexisting statute 7 controls discipline, and there is no obligation to engage 8 in collective bargaining. 9 JUDGE STEIN: So what you're saying is is that in 10 Auburn there was no - - - there was no preexisting specific law giving an alternative method of police - - -11 12 MR. LANGLOIS: That's correct. 13 JUDGE STEIN: - - - discipline? 14 MR. LANGLOIS: I - - - I believe everybody 15 conceded that Section 75 was the operative statute and the 16 only question was, given that being the case, is a public 17 employer obligated to negotiate regarding alternatives to 18 the Section 75 procedure, and this court said yes, you are. 19 These species of cases, PBA, Town of Wallkill, and now 20 involving the Second Class Cities Law are different than 21 Helsby. We're talking about not Section 75 but preexisting 2.2 laws which express a policy vesting local control over 23 police discipline. 24 CHIEF JUDGE DIFIORE: Thank you, counsel. 25 MR. LANGLOIS: Thank you, Your Honor.

1	CHIEF JUDGE DIFIORE: Counsel.
2	MR. QUINN: Good afternoon; David Quinn from
3	PERB. First, the Taylor Law does not repeal the Second
4	Class Cities Law at all. The Second Class Cities Law
5	remains fully operative and in full force and effect. What
б	the Taylor Law does is it overlays the bargaining
7	obligation concerning alternatives to the Second Class
8	Cities Law and so that the Second Class Cities Law remains
9	in effect except where the parties mutually agree to some
10	different procedure. The Second Class Cities Law contains
11	that specific language. Who knows what they were saying
12	and why they put it in there in 1906. I do not know. But
13	it's in there, and it says that the provisions contained in
14	the Second Class Cities Law may be repealed, modified, or
15	changed pursuant to law.
16	JUDGE GARCIA: But isn't that the question we're
17	looking at now?
18	MR. QUINN: Yes.
19	JUDGE GARCIA: Whether they have been? But to go
20	back to a point Judge Stein just raised, doesn't the Civil
21	Service Law itself say: "It's not to be construed to
22	repeal or modify preexisting laws"? So if you read this
23	language from the Second Class Cities Law in conjunction
24	with the Civil Service Law, isn't that the answer to the
25	question? I mean yes, it could be. We're deciding was it.

1 And the Civil Service Law is saying don't read it that way. 2 Why isn't that the answer here? 3 MR. OUINN: I want to make sure I understand it. It is true that the Second Class Cities Law is the 4 5 operative law notwithstanding the subsequent enactment of б Section 75 of the Civil Service Law. That is true. And so 7 what we have, then, is on the - - - on the landscape is the 8 Second Class Cities Law. And the question is - - - as you 9 - - - as you pose it and as Judge Stein posed it, does the 10 Second Class Cities Law permit negotiations under the 11 Taylor Law. And I think that the Second Class Cities Law, 12 as the Appellate Division held, is plainly and clearly 13 unambiguously says that its provisions may be modified, 14 changed, or superseded pursuant to law, and that pursuant 15 to law is - - -16 JUDGE WILSON: But isn't that true of every 17 statute? I mean what does that add? 18 MR. QUINN: I'm sorry? Isn't that true of every statute, 19 JUDGE WILSON: 20 that it may be changed by law? 21 MR. QUINN: Certainly that's true it can be But under - - -2.2 changed by law. 23 JUDGE WILSON: So what does that - - - what does 24 that language add if you, as you already said, don't know 25 why it was included by the 1906 legislature anyway?

1	MR. QUINN: It adds this. It it adds
2	it's for purposes of statutory construction and
3	specifically this case, it adds that it's the law
4	itself on its face contemplates the establishment of
5	different provisions pursuant to law. Now
6	JUDGE GARCIA: But what if the different
7	provision itself says don't read this to supersede any
8	earlier laws? Wouldn't that affect the broad supersession
9	clause of the Second Cities Second Class Cities Law?
10	MR. QUINN: If the law said that
11	JUDGE GARCIA: I mean if the Civil Service Law
12	says don't read this to supersede then why would we read it
13	to supersede?
14	MR. QUINN: Oh. I just want to make sure that
15	we're clear on this point. The Civil Service Law Section
16	75 is not the Taylor Law. The Civil Service Law 75 is its
17	own freestanding disciplinary procedure. So if the Civil
18	Service Law said, listen, it our the Civil
19	Service Law Section 75 does not apply to Cities of the
20	Second Class, it would not affect this decision this
21	case at all.
22	JUDGE FAHEY: You know, in a different in a
23	different area, Mr. Quinn, I'm wondering a more basic
24	question, I guess. How can the PERB decision be reconciled
25	with, which what I read is our clear precedent, that the

1 Court of Appeals did not say that the Taylor Law superseded 2 preexisting laws. I'm wondering do - - - if we were to 3 agree with you do we have to overturn the New York City PBA and Wallkill? 4 5 MR. QUINN: No. I don't believe that's correct. б JUDGE FAHEY: No? Why not? 7 MR. QUINN: I'll tell you. Because neither New 8 York City PBA nor Wallkill declare a carte blanche ban on 9 collective negotiations. In NYC PBA, the court wrote if 10 you have Civil Service Law 75, alternatives to that 11 procedure are negotiable. The Taylor Law was enacted nine 12 years after Civil Service Law 75. So when the Taylor Law 13 was enacted it, too, overlaid 75. It simply said 75 14 applies unless the parties mutually agree to something 15 different, and in Auburn you held that that was a 16 satisfactory conclusion. So again, NYC PBA and Wallkill do 17 not declare a carte blanche ban on collective bargaining, 18 and in NYC PBA you say that it's permissible under Section 19 I don't think you have to repeal or reverse NYC PBA or 75. 20 Wallkill. There are - - - is legislative history that 21 might support that proposition, but I'm not making that 22 argument here today. I think my light is on. If I'm - - -23 if I'm due - - -24 CHIEF JUDGE DIFIORE: Thank you, counsel.

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MR. QUINN: Thank you all very much.

1	MR. RAVALLI: Good afternoon, Your Honors; may it
2	please the court, my name is Michael Ravalli, and I
3	represent the Schenectady PBA. First, I as far as
4	overturning Wallkill and New York City PBA, this is a
5	different statutory scheme than the court was faced in both
6	Wallkill and New York City PBA. The Second Class Cities
7	Law simply doesn't evidence a strong public policy of this
8	state to render police discipline, a brand subject of
9	bargaining in Second Class City.
10	JUDGE WILSON: Well, how is it different from,
11	let's say, the New York City legislation considering
12	concerning police discipline?
13	MR. RAVALLI: Because the Second Class Cities Law
14	Section 4 contains a broad suppression clause. And
15	and a Second Class City can supersede any provision of the
16	Second Class Cities Law by a local law pursuant to Section
17	4 of the Second Class Cities Law and the municipal home
18	rule Law. So if the legislature viewed the Second Class
19	Cities Law as an expression of a strong public policy that
20	police discipline should be prohibited in a Second Class
21	City, then a city, a municipality, would not be allowed to
22	supersede its provision by a local law. So
23	JUDGE WILSON: Well, the the legislation of
24	New York City is a local law.
25	MR. RAVALLI: It's not a local law. It's a

1 back when the New York City chartered an administrative 2 code - - -3 JUDGE WILSON: Right. 4 MR. RAVALLI: This is the tension between the 5 state and municipalities back when - - - when the administrative code for the New York City was first б 7 enacted, it was pursuant to state law. Because 8 municipalities weren't afforded the opportunity to enact 9 their own charters. And that's what happened to Second 10 Class Cities Law, as well. However, it - - - it was later 11 in this tension between the state legislature and the local 12 municipalities effectively resulted in a compromise. And 13 that compromise is state legislature said here's your 14 charter in the Second Class Cities Law, but you can change 15 it pursuant to your municipal home rule law. And that's 16 different. So because that language isn't contained in the 17 New York City Charter, I'm not so sure that they could 18 amend that portion of their local law because it may 19 violate, as this court held, a public policy of the state. 20 But - - - but here, the state legislature specifically said 21 you can do it, municipality, and that's different. So they 2.2 have discretion to do it, and because of that it doesn't 23 make sense for them to have the ability to change that by 24 local law and yet say that they can't negotiate with the 25 police union pursuant to the Taylor Law. And that's an

1 important distinction. It is a different statutory scheme. 2 I would also like to - - - to address the 3 Optional City Government Law because, really, the question here is does Section 75 and 76 apply in the City of 4 5 Schenectady? And - - б JUDGE STEIN: Was that - - -7 JUDGE GARCIA: Was that rejected? Was that addressed or -8 JUDGE STEIN: Yeah. 9 MR. RAVALLI: That was addressed. And – 10 JUDGE STEIN: Sorry. Was it rejected? 11 JUDGE GARCIA: By PERB? 12 MR. RAVALLI: It was not rejected. And - - - and 13 the PERB decision itself spent three pages on that 14 argument. And if you look in the record page 41 to 44, 15 here's what they had to say about it: "The subject of 16 police discipline might also be a mandatorily negotiable 17 under Auburn because Civil Service Law Section 75 and 76 18 appear applicable to PBA Unit Members based upon the City's 19 prior adoption of a form of government under the Optional 20 City Government Law and precedent from the Appellate 21 Division Third Department." That's at page 41. Then the 2.2 PERB goes on at page 44 to say: "A final determination 23 concerning whether Civil Service Law Section 75 and 76 is 24 applicable to the entire PBA Unit will have to await 25 judicial clarification of the relationship between the

1 Second Class Cities Law's Sections 137 and 138 and the 2 Optional City Government Law Section 46. 3 JUDGE STEIN: So it didn't decide - - -4 MR. RAVALLI: Well - - -5 JUDGE STEIN: - - - applicability. It said it б has to await interpretation, right? And it didn't make its 7 own interpretation. MR. RAVALLI: I think it did interpret it except 8 9 it recognized, as we started this off with, that - - - that 10 a court is not going to give deference to PERB's 11 interpretation of a statutory construction. So I would 12 just say that in Section 135 of the Second Class Cities 13 Law, it specifically says that the - - - that the Civil 14 Service Law shall apply except as otherwise provided 15 Which - - - which allowed the police commissioner herein. 16 or public safety commissioner to discipline pursuant to the 17 further provisions of the Second Class Cities Law. 18 When the Optional City Government Law was 19 enacted, it said pursuant to the Civil Service Law, period, 20 and it did not include that exception. So - - - so that's 21 a distinction. It was all-encompassing. The Civil Service 2.2 Law applies to all changes in status and it added the word 23 "removals," the Optional City Government Law did. So 24 clearly, the Civil Service Law applies in the City of 25 Schenectady, not the Second Class Cities Law, when it comes

1 to police discipline. And therefore, under Wallkill and 2 New York City PBA, it's a mandatory subject of bargaining 3 as they reaffirmed Auburn. CHIEF JUDGE DIFIORE: Thank you, counsel. 4 5 Counsel. 6 MR. LANGLOIS: Thank you. Just responding to - -7 - to points raised during respondent's arguments in reverse 8 order and responding to Judge Stein's comment and question 9 about whether or not PERB actually made any decision about 10 some of the alternative arguments that have been raised by 11 PBA, the answer is no. They did not. They did spend some 12 time discussing the issue but ultimately reached no 13 conclusion. There was only one ground upon which PERB 14 relied in reaching its determination. That's the ground 15 that we've appealed. The conclusion that the enactment of 16 the Taylor Law superseded the Second Class Cities Law, 17 that's the only issue, in my view, that's before this court 18 for determination. And PERB conceded - - - acknowledged 19 maybe is the better word, that that was the sole ground and 20 it decided none of these other issues in its briefing 21 before the Third Department. I believe I referenced that 2.2 in my brief. 23 With a last comment to your question about 24 whether or not you could affirm PERB's determination in

this case without overturning PBA and Town of Wallkill, in

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1 my view, the answer is no. You have four statutes, Second 2 Class Cities Law and the three collectively considered in 3 PBA and Town of Wallkill that are basically - - - need to be treated the same way. Either they all stand or they all 4 5 fall together. The only way that you could distinguish б treating the Second Class Cities Law differently than these 7 other three is if you somehow found that there was meaning 8 behind that language in Second Class Cities Section 4 about 9 otherwise changed, repealed, or superseded pursuant to law. 10 I don't believe that that is a rational for this court to 11 distinguish between the two. So either we need to - - -12 the court needs to affirm, essentially, its prior holdings 13 and reverse the PERB in this case or affirm PERB and wipe 14 out PBA and Town of Wallkill. Unless the court has any 15 other questions, thank you. 16 CHIEF JUDGE DIFIORE: Thank you, counsel. 17 (Court is adjourned) 18 19 20 21 22 23 24 25