A PUBLICATION OF
PITTA BISHOP & DEL GIORNO LLC
Government Relations / Consulting

THIS WEEK IN NEW YORK
COVERING NEW YORK & CITY GOVERNMENT
OCTOBER 9, 2026 EDITION

"No Man can be a good citizen unless he has a wage more than sufficient to cover the bare cost of living, and hour of labor short enough so that after his day's work is done he will have time and energy to bear his share in the management of the community, to help in carrying the general load" Governor Theodore Roosevelt.

In The News-New York State

Wall Street Remains a Key Driver of New York's Economy

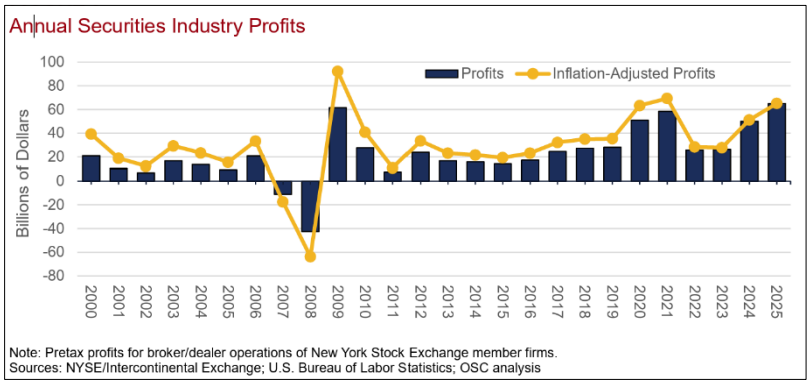
Strong First Half Could Push 2026 Profits to New Record and Boost State and City Tax Revenues

Wall Street is on pace for a far stronger year than anticipated, with profits reaching $45.9 billion in the first half of 2026, up 51.3% from the same period last year, according to a report released by New York State Comptroller Thomas DiNapoli.

"Wall Street is having an exceptionally strong year, fueled by a boom in artificial intelligence spending, increased merger and acquisition activity, and elevated trading volumes amid market volatility," Comptroller DiNapoli said. "Despite geopolitical tensions and economic uncertainty, the industry has remained resilient. Barring a recession or major market disruption, strong profits should continue to provide an important boost to state and city revenue."

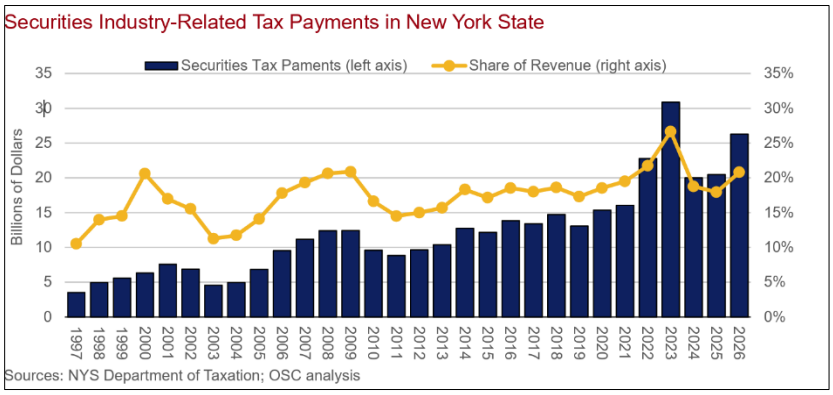
Comptroller DiNapoli's report looks at the pretax profits of the broker/dealer operations of New York Stock Exchange (NYSE) member firms. There are 168 NYSE member firms.

In 2025, industry profits totaled $65.1 billion, a 30.4 percent increase over 2024, per the report. This was the highest level of annual profits on record, surpassing the previous high of $61.4 billion in 2009, which followed a loss of $42.6 billion in 2008. When adjusted for inflation, 2025 marked the third-highest year of profits on record, eclipsed only by 2009 and 2021.



Despite strong first-half results, the Comptroller emphasized that risks remain, including ongoing global conflicts, high inflation and rising interest rates, the "outsized" contributions of the AI sector, and the deregulatory push of the current administration.

In relation to tax revenue, New York State depends on Wall Street tax revenues more than the City, according to the Comptroller. Specifically, the State relies more heavily on revenue from personal income taxes and does not levy a general real property tax. As a result, the industry accounted for an estimated 20.8 percent of total tax collections in State fiscal year (SFY) 2025-26, which ended March 31, 2026.



In addition, the City and State fiscal years begin in different months (June vs. April), leading to some timing effects on the industry's tax contribution to their respective budgets. New York State OSC estimates that tax payments attributable to the securities industry in SFY 2025-26 grew from the prior year by 28.5 percent to reach $26.3 billion (higher than pre-pandemic levels). Personal income tax collections accounted for 88.3 percent of this amount. During SFY 2015-16 through 2019-20, securities-related tax collections averaged $14.1 billion and accounted for an average of 18.2 percent of total tax collections. The State assumed the larger finance and insurance industry bonuses would increase by 7.3 percent in its enacted budget for SFY 2026-27, up from the forecast in its executive plan.

State Ranking of Securities Employment

Rank	State	Jobs in 2025	Added from 2019 to 2025	Added in 2026 Q1*
1	New York	223,600	24,300	6,400
2	California	102,600	8,200	700
3	Texas	91,800	18,800	3,500
4	Florida	64,800	16,600	3,100
5	Illinois	57,900	6,400	1,600
6	Massachusetts	50,700	5,800	1,200
7	Pennsylvania	50,500	5,900	700
8	New Jersey	44,000	5,700	400
9	North Carolina	33,400	7,400	700
10	Colorado	26,700	3,300	200
U.S. Total		**1,103,400**	**153,600**	**25,800**

*Note: Preliminary and based on comparison to 2025 Q1.
Sources: U.S. Bureau of Labor Statistics Quarterly Census of Employment and Wages; OSC analysis

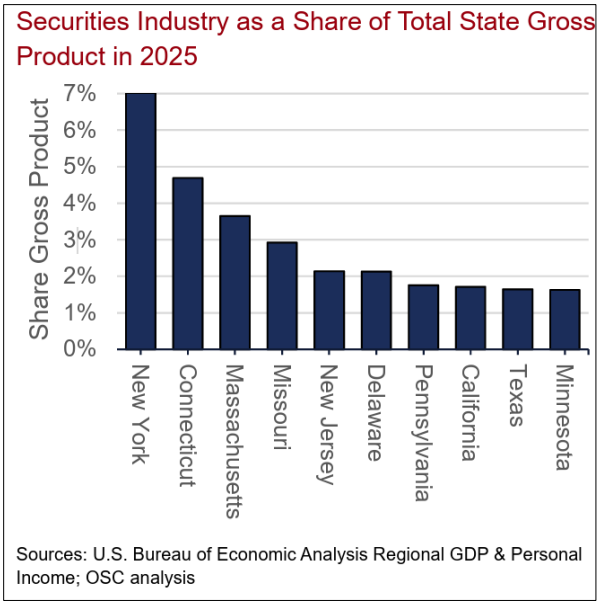
As of 2025, 88.7 percent of securities jobs in New York State are located in New York City (with 87.7 percent of statewide jobs in Manhattan). Of the jobs located outside the City, nearly half were located in nearby Long Island (8,000 jobs, 31.4 percent of jobs in the rest of the State) and Westchester County (4,300 jobs, 17 percent). The remainder of securities employment is distributed throughout the State, with concentrations in the metropolitan areas around Albany, Buffalo, Rochester and Saratoga Springs.

In the first quarter of 2026 (the most recent available data), New York State showed an increase of 6,400 jobs compared to the same period in 2025, a growth rate of 2.9 percent. This was the largest number of jobs added by any state and outpaced the national growth rate of 2.4 percent. The Comptroller noted that these figures are based on preliminary data and may change with subsequent data releases.

In New York State, 1 in 21 jobs (less than 5 percent) was associated with the industry in 2024, unchanged from the prior year, but below the 2019 ratio of 1 in 16. OSC also estimates that each job gained or lost in the industry leads to the creation or loss of more than one additional job in other industries in the State.

The securities industry also makes up a larger share of the State's economy compared to the rest of the nation. In total, the securities industry comprised 7 percent of the State's gross product in 2025, according to the U.S. Bureau of Economic Analysis, an increase from 6.4 percent in 2024.

The industry's share of the New York State's economy is well above the states with the next-largest shares: Connecticut (4.7 percent), Massachusetts (3.6 percent) and Missouri (2.9 percent), New Jersey (2.1 percent) and Delaware (2.1 percent). All other states' securities industries accounted for less than 2 percent of their economies, with the majority at less than 1 percent. Nationally, the industry accounts for 1.8 percent of the country's gross domestic product.



In The News-New York City

Speaker Menin and Mayor Mamdani Cut Red Tape to Expedite Payments for Up to 800 Nonprofits

Streamlined grant process eliminates nine steps and allows eligible nonprofits to receive 100% of their awards of up to $25,000 within 30 days

New York City Council Speaker Julie Menin and New York City Mayor Zohran Mamdani announced the expansion of the Discretionary Grant Pilot, a streamlined contracting approach that eliminates nine steps from the traditional discretionary contracting process and gets City funding to community-based nonprofits up to nine months faster.

During Fiscal Year (FY) 2026, the pilot disbursed $1 million to more than 100 providers. Participating nonprofits received funding approximately 300% faster – or, on average, in three months compared to the more than 12 months required under the traditional contracting process.

The expansion will include more City agencies and providers with expiring multi-year discretionary contracts, allowing up to 800 community-based nonprofits to receive 100% of their awards within 30 days after both the grantee and agency sign the grant agreement.

Nonprofits receiving City Council discretionary funding in FY 2027 may qualify for the pilot if they are awarded a cumulative total of $25,000 or less from Mayoral agencies, including but not limited to:

- NYC Department of the Aging (NYC Aging)
- NYC Department of Health and Mental Hygiene (DOHMH)
- NYC Department of Social Services/NYC Human Resources Administration (DSS)
- NYC Department of Veterans Services (DVS)
- NYC Department of Youth and Community Development (DYCD)

- ❖ NYC Housing Preservation and Development (HPD)
- ❖ NYC Department of Small Business Services (SBS)

"In all five boroughs, our nonprofits are relied upon to deliver essential services that New Yorkers need, but they face severe bureaucratic challenges that impede service delivery and keep them from being paid on-time," said Speaker Menin. "As a city government, it's our responsibility to fix these hurdles and ensure they receive the funds without delay. I look forward to this successful pilot continuing to break through red tape for hundreds of organizations."

According to the leaders, in the coming days, the Mamdani administration, City Council and the contracting agencies will identify participating organizations for FY 2027, based on award amounts and clearance status, and notify them of their inclusion in the pilot. Final announcements confirming provider eligibility are expected shortly thereafter, with grant agreements to be issued in November 2026. Participating organizations will have 30 days to return signed agreements and payments will be issued in late 2026 or early 2027.

"Non-profits play a critical role in educating young New Yorkers, supporting older adults and providing the community programs that makes New York City special. Our city government must work tirelessly to pay them quickly and efficiently so they can continue providing these essential services without disruption," said Mayor Mamdani. "By expanding this pilot, we are reducing barriers for 800 providers and simplifying a process that, for too long, has burdened non-profits."

New York City Council Convenes Hearing on Artificial Intelligence Risks with Testimony from AI Executives, Whistleblowers, Experts

Findings from the hearing highlight need for further safeguards to protect New Yorkers as New York City looks to be a blueprint for regulatory action

New York City Council Speaker Julie Menin and Council colleagues held a Committee of the Whole hearing this week to examine the risks posed by rapidly advancing artificial intelligence and the potential safeguards needed to protect New Yorkers. Approximately 40 Council Members participated in the hearing throughout the day.

Council Members were able to question senior policy executives at leading AI companies under oath on a host of safety issues. Representatives of OpenAI; Meta; Google; and Anthropic participated by zoom.

During the company testimony, Speaker Menin asked each company representative to "quantify the risk posed by AI in the worst-case catastrophic scenario." Unfortunately, none of the representatives offered a quantifiable answer.

"I don't know," said Morgan Dwyer, head of policy development and operations at OpenAI. "I also don't think it matters whether it's 1% or 10% or 20% chance of something catastrophic or wrong. None of these levels is remotely acceptable."

"To say you don't know and it doesn't matter is flippant at best," Speaker Menin responded.

The hours-long convening heard legislative proposals geared towards AI safety, including a nation-leading whistleblower incentive program, private right-of-action, and third-party validation requirements. Additional bills focused on prohibiting the generation of deceptive deepfakes and creating a better understanding of the impacts that algorithmic tools have on job duties.

"When the federal government fails to act, cities take the lead and that's exactly what the New York City Council has done today by holding this unprecedented hearing on AI safety and regulation," said Speaker Julie Menin. "Leading experts and AI executives themselves have been warning about the potentially grave risks of rapidly advancing AI. It is our responsibility as a government to take action to protect New Yorkers. We hope that the critical information we obtained today will not only help safeguard New Yorkers, but will help governments across the country and around the world take the lead in a moment that demands decisive action."

The Council has already enacted several City laws to protect New Yorkers from risks associated with artificial intelligence. In 2025, the Council passed laws that created an Office of Algorithmic Accountability to review City agency use of AI and algorithmic systems, conduct risk assessments, investigate potential harms, and require corrective action when appropriate; established standards and safeguards governing the development, procurement, and use of AI by City agencies, including requirements related to privacy, civil rights, security, monitoring, and risk management; and required the City to maintain a publicly available inventory of AI systems subject to algorithmic accountability review.

NYC Office of the Mayor

Mayor Mamdani Launches Partnership With Organized Labor to Speed Up and Modernize Hiring for City Jobs

The Civil Service Modernization Advisory Committee is comprised of government and labor partners and will prioritize both in-house solutions and legislative recommendations to improve the civil service system.

"A strong, efficient civil service system is vital to both our municipal workforce and the New York City residents who rely on city services every day," said Office of Labor Relations Commissioner Renee Campion. "By partnering closely with our labor leaders, we can cut through administrative hurdles and build a faster, more modern hiring framework. This committee is a crucial step forward in ensuring we continue to attract and retain the dedicated talent our city deserves."

According to the Mayor, though New York was the first state to adopt a civil service system in 1883, the system suffers from outdated technology, burdensome administrative processes, lengthy timelines and fragmented responsibility across agencies — limiting its ability to meet today's needs.

DCAS Commissioner Yume Kitasei will chair the committee, with DC 37 Executive Director Henry Garrido serving as vice-chair. Committee members include:

- Deputy Mayor for Operations Julia Kerson
- Office of Labor Relations (OLR) Commissioner Renee Campion
- Office of Management and Budget (OMB) Director Sherif Soliman
- Law Department Corporation Counsel Steve Banks
- Chief Counsel Ramzi Kassem

- Department of Social Services (DSS) Commissioner Erin Dalton
- CWA Local 1180 President Gloria Middleton
- SEIU Local 246 President Joseph A. Colangelo
- SSEU Local 371 President Anthony Wells
- COBA President Benny Boscio Jr.

The Civil Service Modernization Committee will put forth recommendations to create a hiring system that is "fast, transparent and modern." Key priorities include:

- ***Fast and high-quality process*:** Faster ways to hire qualified talent while still ensuring a system of integrity.
- ***Transparent and trustworthy*:** A fair, merit-based, easy-to-navigate system that attracts top talent.
- ***Clear pathways*:** Easy access to City service opportunities and career advancement.
- ***Modern tech systems*:** A digital interface that meets the demands of the 21st-century and allows for seamless navigation for City workers and agencies alike.

The City of New York employs more than 300,000 employees; approximately 80% of positions are typically filled through the civil service system via an exam. DCAS administers about 175 exams per year.

Briefs

MTA: New Subway Gate Pilot Project Reduced Fare Evasion by 35%, 20 New Stations to Receive Modern Fare Gates

Based upon the success of the Metropolitan Transportation Authority's (MTA) subway fare gate pilot project, the Authority will continue the $1.1 billion plan to upgrade fare control areas across 150 stations.

The MTA-qualified three vendors – Cubic, STraffic, and Conduent – will submit bids and compete to deliver the systems at an additional 20 stations across Manhattan, the Bronx, Brooklyn and Queens. Bids for the first phase of the new fare gate program will be submitted this month, with new gates beginning to be installed by the end of 2026.

When complete this initiative will cover almost three quarters of all daily subway riders. The rollout of modern fare gates will continue into 2027, with a second phase consisting of 30 additional stations under construction by the end of next year. Between the pilot stations and phases one and two, 70 subway stations will be outfitted with modern fare gates.

Mayor Mamdani Appoints Christopher Watler as Chair of the Board of Correction

Mayor Zohran Mamdani announced the appointment of Christopher Watler as Chair of the Board of Correction (BOC), the independent body responsible for overseeing the City's jail system. Interim Chair Felipe Franco will continue serving as a member of the BOC.

Most recently, Watler served as Executive Vice President of the Center for Employment Opportunities (CEO), where he led efforts to connect people returning from incarceration with employment opportunities and reentry services.

Watler is a graduate of the State University of New York at Purchase, where he received a bachelor's degree in political science, and John Jay College, where he received a master's degree in public administration.

The BOC is charged with establishing and ensuring compliance with minimum standards governing conditions of confinement, correctional health and mental health care in all City correctional facilities.

NYC OLR Begins Audit of City Health Plans

The New York City Health Benefits Program is launching a citywide audit this month to confirm the eligibility of all dependents enrolled in the city's health plans. The Dependent Eligibility Verification Audit will occur in phases with the help of independent verification specialist Health Management Systems Inc.

"The City of New York is committed to providing robust healthcare benefits to our dedicated workforce and retirees while ensuring that our programs are managed responsibly and transparently," the Mayor's Office of Labor Relations (OLR) said in a statement. "This routine dependent eligibility audit protects the long-term fiscal integrity of our health program, ensuring that public resources are safeguarded for eligible participants and their families."

Below is the audit survey schedule:

Group	Category	Employer	Inital Letter Mailing Date On or About*
Group 1A	Employees	NYCAPS agencies: Last Name A-H	10/9/2026
Group 1B	Employees	NYCAPS agencies: Last Name I-R	11/20/2026
Group 2A	Employees	NYCAPS Agencies: Last Name S-Z Non-NYCAPS Agencies: H+H, SCA, CUNY Senior Colleges, Cultural Institutions, Public Libraries and Charter Schools, MTA, FIT	12/28/2026
Group 2B	Pre-Medicare Retirees	All	2/8/2027
Group 3A	Medicare Retirees	Retirees: Last Name A-L	3/22/2027
Group 3B	Medicare Retirees	Retirees: Last Name M-Z	5/3/2027

*Please allow up to 5 business days for mail to arrive. Dates may be subject to change.

Note: NYCAPS Agencies include all City payrolls, including DOE and NYCHA.

Mayor Mamdani Announces Introduction of the POWER Act Allowing New Yorkers to Sue Corporations for Business Practices

Mayor Zohran Mamdani and Department of Consumer and Worker Protection (DCWP) Commissioner Samuel A.A. Levine announced the introduction of the POWER (People and Organizations Winning Economic Relief) Act, legislation that would strengthen New York City's consumer and worker protection laws. The POWER Act (Int 1105-2026) was introduced on behalf of the Mayor by Committee on Consumer and Worker Protection Chair Harvey Epstein.

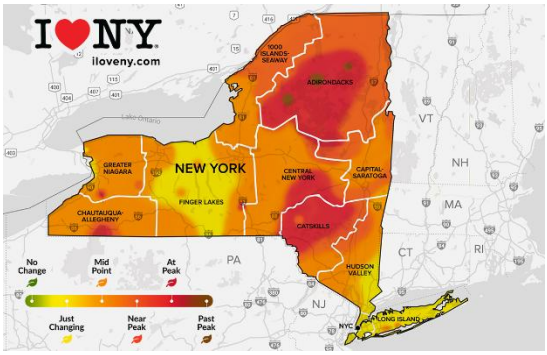
The POWER Act would create a municipal private right of action, allowing workers, consumers, tenants, small businesses, and nonprofits can seek relief from business practices. Specifics of the law would:

- Allow tenant unions to sue landlords for deceptive trade practices;
- Allow taxi drivers to sue financing companies over loan terms;
- Allow consumers of for-profit schools to seek loan relief; and
- Allow nonprofits to bring claims on behalf of themselves, their members, and the public.

Under current New York consumer protection laws, individuals can only sue over deception.

Mayor Mamdani will also introduce two additional consumer protection bills. The Truth in Pricing Act revises the City's pricing display rules to allow business owners to choose to display prices on either the item or on the shelf A separate amendment to the City's Consumer Protection Law revised the City's rulemaking requirements to allow DCWP to act more quickly against business practices.

NYS Foliage Report: Fall Colors Progress Across the State



The progression of fall colors continues across New York State, with near-peak and some peak foliage expected in parts of the Adirondacks this weekend, along with leaves at midpoint of change throughout much of the mid and upper Catskills, and many Capital-Saratoga region locations. This is according to the field reports from volunteer observers for the Empire State Development Division of Tourism's I LOVE NY program.

Locations with the most significant foliage changes will include Lake Placid, Tupper Lake, Wilmington, Newcomb, Saranac Lake, Old Forge, Lake Pleasant, Long Lake and Benson (Adirondacks); Windham, Highmount, Delhi and Tannersville (Catskills); Stratford, Brunswick and East Nassau (Capital-Saratoga); Salamanca (Chautauqua-Allegheny); Corning and Cortland (Finger Lakes); and Kingston and New Paltz (Hudson Valley).

Coming Up

New York State

There are currently no meetings scheduled at the time of this Publication

New York City

Thursday, October 15th

Committee on Sanitation and Solid Waste Management, 250 Broadway – 8th Floor – Hearing Room 1, 1 p.m.

Friday, October 16th

Committee on Disabilities, 250 Broadway – 8th Floor – Hearing Room 2, 10 a.m.

Committee on Civil and Human Rights, 250 Broadway – 8th Floor – Hearing Room 2, 10 a.m.

Committee on Civil Service and Labor, 250 Broadway – 8th Floor – Hearing Room 1, 10 a.m.

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40 Wall Street, 24th Floor
New York, New York 10005
Telephone (212) 652-3890

111 Washington Avenue, St. 401
Albany, New York 12210
Telephone (518) 449-3320

1220 19th Street NW, St. 600
Washington, D.C. 20036
Telephone (202) 964-4753
