



This Week in New York

Covering New York State and City Government

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“Obstacles don't define us. Rather, it is the unparalleled courage and character of us that defines us as a people. So my confidence in the future is steeped in our glorious past - in the face of adversity, we always persist. We persevere, we prevail.” Governor Kathy Hochul

In the News-New York State

Labor Leaders Call Upon the Legislature to Invest in New York Workers in Climate Change Initiatives

One-House Budget Bills Should Add Workforce Protections to Governor Hochul's Executive Budget Green Energy Proposals

Labor leaders representing over half a million workers in New York called upon the State's Legislative Leaders to not only protect working families against the climate crisis, but to invest in workers themselves.

In a [letter](#) to Senator Majority Leader Andrea Stewart-Cousins, Assembly Speaker Carl Heastie, and the legislative committee chairs, the 12 union heads urged the legislative leaders to include labor standards--prevailing wages, labor peace agreements and apprenticeship programs utilization--in the State's green energy proposals.

“This moment is an opportunity to invest not only in working families to protect them against the climate crisis, but to invest in workers themselves,” the labor leaders asserted. “Now is the time to pave the way for good green union jobs accessible to all throughout the green economy, to provide robust financial and job support for displaced workers, and to invest in workforce training, reskilling, and continuing education for new and existing workers, especially new workers from underrepresented and disadvantaged communities.

The labor unions, including Local No. 3 International Brotherhood of Electrical Workers and Teamsters Joint Council 16, called for inclusion of “gold-star labor standards” in funding of new and existing programs including:

- Union prevailing wages.
- Project labor agreements to help protect workers' wages, benefits, and safe working conditions while building the pipeline for underrepresented workers.
- Labor peace agreements to ensure the power of the labor movement to empower workers in the green economy.

- Use of apprenticeship and pre-apprenticeship programs when hiring workers in trades with apprenticeship programs to help provide a pipeline of talent for economically excluded workers.
- Priority hire for workers in disadvantaged communities and displaced workers to put those most directly impacted by the climate crisis and our transition first in the line for good union careers in the green economy while encouraging local economic development.
- Buy American to guarantee investments in New York's manufacturing and supply chain in the buildout of the transition.
- Responsible contracting and best value procurement to incentivize job creation through the bidding process along the clean energy, clean transportation, and low-carbon supply chains.
- Preserving existing collective bargaining agreements to ensure workers' voices, protections, and choice of representation is respected.
- Prevailing wage for staff in buildings and facilities.
- Support for Minority and Women-Owned Business Enterprises (MWBES) and Service-Disabled Veteran-Owned Businesses (SDVOBs)

The leaders also promote \$10 billion in dedicated funding in the FY-2023/24 budget to capitalize the Climate and Community Protection Fund with four accounts: the Climate Jobs and Infrastructure Account, the Community-Directed Climate Solutions Account, the Community and Worker Transition Assistance Account, and the Energy Affordability Account.

The legislative fiscal committees complete their public hearings on the FY24 Executive Budget next week with the Higher Education, Health, Housing, and Workforce Development/Labor hearings. Following these hearings, the Senate and Assembly will issue their respective one-house budgets and then convene the joint budget conference committees to develop a unified fiscal plan. The budget is due April 1st.



State Comptroller DiNapoli: NYC's Fiscal Picture Improves Short Term, but Significant Risks Lie Ahead

With Budget Gaps on the Horizon, State Comptroller Suggests Increased Reserves to Manage Uncertainty

New York City's \$104.8 billion preliminary fiscal year (FY) 2024 budget has benefitted from better-than-projected revenue collections, the reallocation of unused federal pandemic relief funds, and savings initiatives, according to [a report released](#) by State Comptroller Thomas DiNapoli. However, the fiscal risks the City currently faces will continue, increasing the planned budget gap to about \$8.9 billion in FY 2025 and \$13.9 billion in FY 2027.

"Significant risks remain in the city's financial plan, although its recent agreement with its largest labor union has helped clarify the risk over collective bargaining costs," Comptroller DiNapoli explained. "The city should continue to identify efficiencies, build up reserves and monitor its delivery of services amid staffing challenges."

The Comptroller noted that the City's recent contract settlement with the District Council 37 union gives clarity to collective bargaining costs. If it is ratified and sets a pattern for other labor agreements, total labor costs would increase by \$4.7 billion in FY 2027 and will likely be higher thereafter when fully annualized.

According to the Comptroller, the City continues to face uncertainty over the national economy and its impact on financial markets, its own lagging recovery, and the costs associated with asylum seekers. These fiscal risks remain difficult to quantify because they are not fully reflected in current budget figures and are likely to increase the City's budget gaps in the future.

As the City's federal pandemic aid phases out, the Comptroller said the City will likely have to provide its own funding for new or expanded pandemic-era services such as mental health programming, enhanced rental- and food-related income supports and access to legal counsel, if it intends on continuing those services. In addition, the Mayor and City Council have also suggested new programs since the release of the January financial plan that could [create new fiscal cliffs](#) and require additional funding.

For example, the Comptroller cited the following as examples of "fiscal cliffs":

- Funding was added for the expansion of the Summer Youth Employment Program (SYEP) through FY 2026, but MetroCards for program participants are funded for FY 2023 only (\$11 million).
- Expanded services at the Department of Sanitation, including additional litter basket collection, lot cleaning, Staten Island E-Waste collection, and the Precision Cleaning Initiative (\$35.7 million combined) are funded for FY 2023 only.
- Recurring costs funded by one-time federal aid will total \$766 million by FY 2026, with the largest share at the Department of Education.
- Funding to support administrative overhead for nonprofits and human service providers (the Indirect Cost Rate Funding Initiative) ends in FY 2026 (from \$60.5 million annually).

Comptroller DiNapoli's report notes growth forecasts for the nation's economy, which are linked to the performance of the City's financial sector, remain troublesome and numerous markers suggest a continued economic slowdown is likely nationally. The City gained jobs at a greater rate in 2022 than the country, but its unemployment rate still lags the nation (5.8% vs. 3.5% as of December).

On a positive note, the Comptroller noted that City tax revenues have remained resilient as federal relief for households and businesses boosted personal and business income taxes while tourism and commuters boosted sales and hotel taxes. Property values showed better-than-projected improvement, which should allow the city to make an upward adjustment for FY 2024 property tax revenues. Comptroller DiNapoli's office anticipates this improvement will continue, leading to better-than projected revenues over the financial plan.

In contrast to last year, when the City deposited \$500 million into its rainy-day fund, the Comptroller noted that City has not yet set aside money for reserves in the current year. Comptroller DiNapoli's office has recommended a more [systematic approach](#) for depositing funds into reserves, which would enhance the city's fiscal discipline and best prepare it for the uncertainties that lay ahead.



NYS Legislative Fiscal Committee Executive Budget Hearings



<u>Date</u>	<u>Time</u>	<u>Hearing</u>
February 27	11:30 a.m.	Higher Education
February 28	9:30 a.m.	Health
March 1	9:30 a.m.	Housing
		Workforce Development/Labor

In the News-New York City



Mayor Adams, Comptroller Lander: Fitch Ratings Upgrading New York City's General Obligation Bond Rating to AA

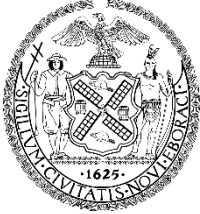
New York City Mayor Eric Adams and New York City Comptroller Brad Lander this week “hailed” Fitch Ratings for upgrading the City’s bond rating to AA from AA-.

According to Mayor Adams, the rating agency also highlighted that the City has now recovered 90 percent of jobs lost due to the COVID-19 pandemic and that the City has resumed its role as a leading international and domestic tourist destination.

The Agency also noted the City’s actions to increase reserves and achieve savings. Budget reserves now total \$8.3 billion. The Adams Administration implemented Program to Eliminate the Gap (PEG) initiatives in Fiscal Years 2022 (FY22) and 2023 (FY23), including a PEG initiative in the FY23 November Plan. In addition, the Adams Administration implemented savings measures in January’s Preliminary Budget which “streamlined” city operations and increased citywide savings. The Mayor noted that Fitch also commended the City’s success in controlling employee headcount as a means of managing spending and achieving savings.

Fitch also noted the City’s investment in environmental resiliency efforts. According to Mayor, his administration will “reveal” the expansion of its sustainability agenda in April 2023’s update to PlaNYC, which will include a new, “first-of-its-kind” climate budgeting process.

The Mayor's Office of Management and Budget (OMB) and the Comptroller's Office jointly issue bonds to finance City infrastructure including the City's roads and bridges, schools, water and sewer infrastructure, parks, libraries, and climate resiliency infrastructure. Since January 1, 2022, the City has sold \$6.14 billion in refunding bonds.



Mayor Adams Signs Legislation to Address Pay Disparities & Support New Yorkers With Disabilities

Pay Equity Initiatives

Intro 515-A — *Sponsored by New York City Council Speaker Adrienne Adams* — Requires city agency annual employment plans to include information on compensation and efforts to address pay disparities within their workforce.

Intro 527-A — *Sponsored by New York City Councilmember Carmen De La Rosa* — Requires DCAS to assess its efforts to provide equal opportunity for a diverse universe of applicants for municipal employment.

Intro 541-A — *Sponsored by New York City Councilmember Farah N. Louis* — Amends the existing Pay Equity Law by requiring DCAS to collect and share additional data with the City Council in an effort to identify and address pay disparities within the city workforce.

Accessibility

Intro 92-A — *Sponsored by New York City Councilmember Diana Ayala* — Creates an accessibility board to advise and make recommendations to the mayor, City Council, and city agencies on ways to increase accessibility for clients living in city shelters.

Intro 141-A — *Sponsored by Councilmember Ayala* — Requires signage at each entrance or egress to a building required to have power-operated or power-assisted and low-energy doors, directing people to that door.

Intro 375-A — *Sponsored by Councilmember Ayala* — Requires HPD to report every three years on how many of their affordable housing units are set aside for people living with disabilities and are rented to people with disabilities.

Intro 676-A — *Sponsored by New York City Councilmember Crystal Hudson* — Requires HPD develop a list of universal design features and require developers who receive city financial assistance to incorporate universal design in all dwelling units in new housing development projects.

Intro 421-A — *Sponsored by New York City Councilmember Kevin Riley* — Requires the New York City Department of Homeless Services to produce a quarterly report on families with children living in shelter and include the number of families in each type of shelter, their average length of stay, how many exit for permanent housing, and metrics on school enrollment and attendance.



Bills Approved by the City Council

Introduction 470-A - Sponsored by Council Member James Gennaro - Accelerates the timeline for prohibiting the use of oil grade no. 4 in boilers across the city. No. 4 fuel oil is the most polluting fuel oil still being used in the city and would be banned for use in city owned buildings after July 1, 2025, and for all other boilers after July 1, 2027.

Introduction 148-A - Sponsored by Council Member Justin Brannan - Amends the definition of “victim of domestic violence” in the New York City Human Rights Law to recognize economic abuse as a form of domestic violence. It would extend the existing protections against discrimination for victims of domestic violence to people who have experienced economic abuse. This would include behavior that controls, obstructs, or interferes with a person’s ability to use or maintain economic resources that they are entitled to or to acquire economic resources, including by coercion, deception, fraud or manipulation.

Briefs

NYS Labor Department Announces Lawful Work Absence Protections Now in Effect

The New York State Department of Labor (NYSDOL) this week announced that a new State Law protecting workers who take legally protected absences from work is now in effect. The [law](#), signed in November by Governor Kathy Hochul, clarifies that it is illegal for employers to threaten, penalize, discriminate, or retaliate against employees for using absences protected under federal, state, or local law, including time off covered by New York State Paid Family Leave and New York State Paid Sick Leave.

Under the new law, employers are specifically prohibited from assigning or deducting points under an absence control policy for using legally protected absences, including those related to sickness, disability, pregnancy, and caregiving obligations. Other examples of legally protected absences include domestic violence leave, jury duty leave, voting leave, and blood donor leave. Employers who violate this law face penalties up to \$10,000 for initial violations and up to \$20,000 for subsequent violations. Impacted employees may also be eligible to receive backpay and other damages.

NYSDOL also reminds New Yorkers that it is illegal for employers to retaliate against an employee for asserting their rights under the labor law. Retaliation can occur in many forms, including dismissal from employment, reduction of hours, alteration of work schedule, pay reduction, disciplinary action, or assignment to difficult duties.

Local Sales Tax Collections Grew by Over 9% in January Compared to Last Year

Local sales tax collections in New York State increased by 9.2% in January compared to the same month in 2022, according to [an analysis released](#) by State Comptroller Thomas DiNapoli. Overall, local collections totaled \$1.89 billion, up \$159 million compared to the same time last year.

New York City's collections totaled \$844 million, an increase of 8.8%, or \$68 million, over January of 2022. Every county experienced some year-over-year growth in January collections, with Delaware County seeing the largest increase at 26%, followed by Schenectady and Cayuga counties at 24.1% and 20.6%, respectively. Onondaga County had the lowest growth at 0.6%.

MTA Announces Catherine Sheridan to Serve as Interim President of MTA Bridges and Tunnels

Metropolitan Transportation Authority (MTA) Chair and CEO Janno Lieber this week announced that he has appointed Catherine Sheridan, P.E. to serve as Interim President of MTA Bridges and Tunnels, effective March 4, 2023. Sheridan succeeds Daniel F. DeCrescenzo Jr., who is retiring after four years as Bridges and Tunnels President.

Sheridan joined the MTA in 2019 and has served as Chief of Staff at MTA Construction & Development since October 2021. During her time at the MTA, Sheridan has led day-to-day agency operations for the MTA's \$55 billion 2020-2024 capital program.

Prior to the MTA, Sheridan served as the Chief Engineer at the New York State Canal Corporation and Chief Engineer at the New York State Thruway Authority. Sheridan also served in the United States Army as a Combat Engineer from 1989 to 1997, reaching the rank of Captain.

In addition, Chair and CEO Lieber announced the appointment of Allison L. C. de Cerreño, Ph.D., as MTA Bridges and Tunnels Chief Operating Officer.

FDNY Seeks 50% Increase in Basic Ambulance Treatment and Transport Cost

The New York City Fire Department this week issues a notice of public hearing and comment period in relation to proposed change to the Rules of the City of New York to revise the amounts it charges patients and insurers for Emergency Medical Service (EMS) ambulance service. Under the [proposal](#), the cost of Basic Ambulance *Treatment and Transportation* increase from \$900 to \$1,385, or 54%.

Fire Department will conduct an on-line public hearing at 11 a.m. on Friday, March 24th.

According to the hearing notice, the charges for ambulance service were last increased two years ago, in January 2021. The proposed rates in part reflect increases (including recent EMS collective bargaining increases and inflation) in personal services (PS) costs and other than personal services (OTPS) costs required to provide emergency ambulance service. The proposed rate increases have been calculated to reduce the portion of such costs that is currently borne by City taxpayers.

The new rate is expected to create more than \$4 million in additional revenue during this fiscal year, and over \$16 million for the full 2024 fiscal year, according to published reports.

Coming Up

New York State

Monday, February 27th

Assembly Session, New York State Capitol Building, Assembly Chamber, Albany, 2 p.m.

Senate Session, New York State Capitol Building, Senate Chamber, Albany, 3 p.m.

Tuesday, February 28th

Assembly Session, New York State Capitol Building, Assembly Chamber, Albany, TBD

Senate Session, New York State Capitol Building, Senate Chamber, Albany, TBD

Wednesday, March 1st

Videoconferencing by the Legislature

Joint – Senate Standing Committee on Investigations and Government Operations & Assembly Standing Committee on Government Operations

Van Buren Hearing Room A, Legislative Office Building, 2nd Floor, Albany, 11 a.m.

Assembly Session, New York State Capitol Building, Assembly Chamber, Albany, TBD

Senate Session, New York State Capitol Building, Senate Chamber, Albany, TBD

Thursday, March 2nd

Long-Term Care Ombudsman Program

Assembly Standing Committee on Aging

Roosevelt Hearing Room C, Legislative Office Building, 2nd Floor, Albany, 10 a.m.

Friday, March 3rd

To Receive an Update on the MTA Budget Forecast, Post-Pandemic Analysis of Ridership and Safety Concerns, and the Penn Station Revitalization Plan

Joint - Senate Standing Committee on Corporations, Authorities and Commissions & Transportation

Senate Hearing Room, 250 Broadway, 19th Floor, New York, 10 a.m.

New York City

Monday, February 27th

Committee on Women and Gender Equity, Council Chambers – City Hall, 10 a.m.

Oversight – The HOME+ Program.

Joint – Committee on Housing and Buildings & Oversight and Investigations, Committee Room - City Hall, 10 a.m.

Oversight - Department of Buildings' Enforcement of Qualifications for Gas Line Work.

Joint – Committee on Youth Services & Small Business, 250 Broadway, 14th Floor, 1 p.m.

Oversight - Support for Unemployed Youth.

Tuesday, February 28th

Joint - Committee on State and Federal Legislation & Civil and Human Rights, Committee Room – City Hall, 10 a.m.

Oversight - Dignity for All: National and Local Efforts to End Appearance-Based Discrimination.

Committee on Government Operations, Council Chambers - City Hall, 10 a.m.

Oversight - Appointing and Supporting NYC's Community Boards.

Committee on Land Use, 250 Broadway - Committee Room, 14th Floor, VOTE, 11:30 a.m.

Committee on Land Use, 250 Broadway - Committee Room, 14th Floor, 12:00 p.m.

Oversight - Residential Conversion of Commercial Buildings.

Joint - Committee on Economic Development, Cultural Affairs, Libraries and International Intergroup Relations, & Technology, Council Chambers - City Hall, 1 p.m.

Oversight - Film Industry Expansion in New York City.

Committee on Public Housing, Committee Room - City Hall, 1 p.m.

Oversight - Air Quality in NYCHA Apartments.

Wednesday, March 1st

Committee on Public Safety, Council Chambers – City Hall, 10 a.m.

Oversight - NYPD's Strategic Response Group.

Committee on Parks and Recreation, Committee Room – City Hall, 1 p.m.

Thursday, March 2nd

Committee on Finance, Committee Room – City Hall, 10 a.m.

Committee on Environment Protection, Council Chambers – City Hall, 1:30 p.m.

Friday, March 3rd

Joint – Committee on Contracts & Finance, Council Chambers - City Hall, 10 a.m.
Oversight - Contracting for the Migrant Crisis: Asylum seekers in New York City.

Committee on General Welfare, Committee Room - City Hall, 10 a.m.
Oversight - Universal Access to Legal Services Law.

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