



This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

June 1, 2018 Edition



In the News – New York State



So Little Time, So Much to Do... Maybe



June						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Eleven session days remain until the 2018 New York State legislative session comes to close and a wide range of possibilities abound in the halls of the State Capitol. Will the Legislature come to an agreement on a statewide sports betting bill? Will the Governor’s long-awaited report on marijuana move New York State closer to legalization? Will the Senate Democrats continue to threaten with a hostile Reproductive Health amendment, causing the Republicans to tiptoe around parliamentary procedure to bring bills to a vote? Will a former IDC member get a bill passed in the Senate again in 2018? Will the Senate Republicans have enough votes to pass anything? Has the Legislature finished the “people’s business” for 2018?

Time will tell.



Bills Under Consideration by the Governor

A8929 – Sponsored by M of A Rozic / Senator Kavanagh -- Relates to requiring the president of the civil service commission to prepare a triennial report relating to programs within state agencies that allow for alternative work schedules or flexible work hours.

A8938 – Sponsored by M of A Zebrowski / Senator Hamilton -- Relates to directing the department of financial services to study, evaluate and make recommendations concerning online lending institutions.

A8953 – Sponsored by M of A Richardson / Senator Krueger -- Relates to maternal depression treatment.

A8986 – Sponsored by M of A Glick / Senator Kavanagh -- Relates to the qualifications of members of the Battery Park city authority.

A9034 – Sponsored by M of A Gottfried / Senator Alcantara-- Relates to reporting deaths and felony crimes in certain adult care facilities.

A9534– Sponsored by M of A Paulin / Senator Stewart-Cousins -- Authorizes the city of White Plains to impose occupancy tax.

A9728 – Sponsored by M of A Lentol / Senator Golden -- Relates to tuition waivers for police officer students of CUNY.

A10065 – Sponsored by M of A Glick / Senator Serrano -- Extends health care professionals' authorizations to practice in this state at an event sanctioned by New York Road Runners.

A10347 – Sponsored by M of A Magnarelli / Senator Marchione -- Extends certain provisions of the general municipal law and the local finance law relating to electronic bidding.

S7440A – Sponsored by Senator Golden / M of A Dinowitz -- Relates to terms and conditions of employment of certain nonjudicial officers and employees of the unified court system (NYS Court Officers).

S7715 – Sponsored by Senator Bonacic / M of A Abbate -- Relates to the terms and conditions of certain nonjudiciary officers and employees in the unified court system (New York State Court Clerks).



Bills Passed by Both Houses



A4827A – Sponsored by M of A DenDekker / Senator Croci -- Establishes a task force on veteran employment opportunities.

A6175A – Sponsored by M of A Schimminger / Senator Boyle -- Authorizes the empire state development corporation to develop a public awareness campaign promoting businesses located in New York state.

A8003 – Sponsored by M of A Braunstein / Senator Bonacic -- Relates to the procedure for exercising the right of election by a surviving spouse.

A8288B – Sponsored by M of A Paulin / Senator Griffo -- Requires combination gas and electric corporations, the New York Power Authority, and the Long Island Power Authority to provide an annual transparency statement to customers.

A8485B – Sponsored by M of A Nolan / Senator Gallivan -- Provide comprehensive reform to Article 23-B of the Education Law, which relates to the reporting of child abuse in an educational setting.

A8781 – Sponsored by M of A Rosenthal L / Senator Hannon -- Prohibits pharmacy benefit managers from restricting access to certain drug information and collecting certain payments.

A9029 – Sponsored by M of A Dinowitz / Senator Bonacic -- Provides that the attorney - client privilege shall apply to communications between a lawyer referral service and a client.

A9873 – Sponsored by M of A Cusick / Senator Lanza-- Extends, until December 31, 2019, the authorization of residential property owners in high risk brush fire areas on Staten Island to cut and remove reeds.

S565 – Sponsored by Senator Young / M of A Rosenthal L -- Requires the Department of Health to review the safety of ultraviolet nail dryers and authorizes the Department of State to promulgate regulations governing the use of devices used by any appearance enhancement business.

S5517 – Sponsored by Senator Carlucci / M of A Dinowitz -- Requires publisher of magazine subscriptions to disclose on the billing statement or invoice a customer service telephone number.

S7112 – Sponsored by Senator Lanza / M of A Rosenthal L-- Authorizes domestic companion animals be permitted to board any public transportation or public transportation service in the event of a state of emergency and evacuation.

S7281 – Sponsored by Senator Bailey / M of A Rozic -- Provides that the Commissioner of DOCCS shall assure that rehabilitation programs are provided to female inmates are comparable to vocational, academic and industrial programs provided to male inmates.

S7320 – Sponsored by Senator Flanagan / M of A Morelle -- Relates to the educational preparation for practice of professional nursing and to the nursing program evaluation commission.

S7322 – Sponsored by Senator Alcantara / M of A De La Rosa-- Adds suicide research, prevention and reduction to the scope of responsibilities for the Office of Mental Health under the mental hygiene law.

S7331 – Sponsored by Senator Golden / M of A DenDekker -- To allow expanded choice of hybrid electric vehicles as taxicabs in the city of New York.

In the News – New York City



Mayor de Blasio And Speaker Johnson Announce Advisory Commission To Reform NYC's Property Tax System

Mayor de Blasio and Council Speaker Johnson this week announced the formation of a new advisory commission to reform the City's property tax system.

Co-chaired by Vicki Been and Marc Shaw, the Commission is charged to develop recommendations to make New York City's property tax system "simpler, clearer, and fairer," while ensuring that there is no reduction in revenue used to fund essential City services. The last in-depth review of the system by a government-appointed commission was in 1993.

"To be the fairest big city, you need a fair tax system. For too long, New York City taxpayers have had to grapple with a property tax system that is too opaque, too complex, and just feels unfair," said Mayor Bill de Blasio. "New Yorkers need property tax reform, and this advisory commission will put us on the road to achieve it."

According to the Mayor, property taxes make up 45 percent of the local tax base. New York City's current property tax system is set forth in state law and is a "complex structure [that] classifies properties into multiple categories, referred to as tax classes, and contains provisions that govern fractional assessments, market valuation restrictions, and caps on growth, among other things. Application of the various provisions of state law can result in differences in taxes paid on properties, which may become more pronounced with the passage of time."

“This is an important first step towards addressing inequities in this city’s broken property tax system. It is crucial that we work to bring clarity and fairness to this process, which has long perplexed the public and left many feeling hoodwinked by the city government tasked with representing them. The Council looks forward to rolling up our sleeves and addressing this long-standing problem,” said Council Speaker Corey Johnson.

The advisory commission will evaluate all aspects of the current property tax system and its review will include, but not be limited to:

- The tax classification system.
- The methods of determining property market values and assessments.
- Treatment of property value increases.
- Relief for low-income and senior homeowners.
- Method of calculating tax rates.

The advisory commission’s recommendations may include changes that could be made at the City level, as well as those that would require state legislation. The commission will also review comparable property tax systems across the nation, including different methods for property valuation and homeowner protections.

New York City Property Tax Reform Commission

Vicki Been is the Boxer Family Professor of Law at NYU School of Law, an Affiliated Professor of Public Policy of the NYU Wagner Graduate School of Public Service and Faculty Director of NYU’s Furman Center for Real Estate and Urban Policy. Previously Been served for three years as Commissioner of Housing Preservation and Development for the City of New York.

Marc V. Shaw is the Interim Chief Operating Officer for CUNY. Shaw also serves as the Senior Advisor to the Chancellor for Budget, Finance, and Fiscal Policy, as well as Chair of the CUNY Institute for State and Local Governance. Previously, he served as a Senior Advisor to Governor David Paterson, Executive Vice President for Strategic Planning at Extell Development Company and First Deputy Mayor to Michael Bloomberg.

Carol O’Cleireacain is an Adjunct Professor at the Milano Graduate School for Management & Urban Policy at the New School. She has a long history in public service, with appointments as Deputy Mayor for Economic Policy Planning and Strategy (Detroit), Deputy State Treasurer (NJ), Director of the NYC Mayor’s Office of Management & Budget, and Commissioner of the NYC Department of Finance.

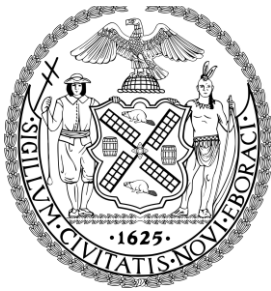
Felice Michetti is Chairperson and CEO of Grenadier Realty Corp. Previously, she served as Commissioner of the Department of Housing Preservation under Mayors Dinkins and Giuliani. Michetti served as First Deputy Commissioner of the Department of Housing Preservation under Mayor Koch.

James Parrott is Director of Economic and Fiscal Policies at The Center for New York City Affairs at The New School. In previous positions, Parrott worked for the Fiscal Policy Institute, the Office of the State Deputy Comptroller for New York City, the City of New York (as chief economist for economic development), and for the International Ladies’ Garment Workers’ Union.

Gary Rodney is Chairman of City Real Estate Advisors (CREA LLC), a low-income housing tax credit syndicator. Prior to assuming this role, Rodney served as the President of the New York City Housing Development Corporation.

Elizabeth Velez is President and Chief Contract Administrator of the Velez Organization and is on a number of construction-related boards, including the New York Building Congress and the NYC Department of Business Services Advisory Board.

The Commissioner of the Department of Finance Jacques Jiha, Director of the Office of Management and Budget Melanie Hartzog, Director of the City Council Finance Division Latonia McKinney, and Deputy Director and Chief Economist Council Finance Division Raymond Majewski will serve as non-voting ex-officio members.



After Audit Shows 90% of Human Services Contracts Late, Mayor Instructs City Agencies to Review Payments

Mayor Bill de Blasio will direct City agencies to review their contractor payments, following an audit by City Comptroller Scott Stringer which found delays in the City's contracting system, particularly for human services contracts where 90.8 percent were submitted late for registration in Fiscal Year 2017 – half of them by six months or more.

The report highlighted "Type 70" contracts, which support programs for some of the City's most vulnerable populations – including seniors, the homeless, and children – and found that some agencies, including the Human Resources Administration (HRA) and the Department of Homeless Services (DHS), submitted 100 percent of their contracts late in FY 2017, forcing non-profits to resort to taking loans and potentially putting themselves at financial risk.

Noting that he was unfamiliar with the specifics of Comptroller Stringer's report, Mayor de Blasio acknowledged that "A lot of the nonprofits that do such crucial work in this city, they are hand-to-mouth when it comes to their budgets... The city of New York is obviously a huge entity, so we owe it to them to pay them as quickly as possible, so I'm not satisfied with the state of affairs..." "I'm sure there are some backlog issues that put extra pressure on agencies... There are many, many layers that slow things down, but that is not the whole answer," according to published reports.

According to the Comptroller, [New York City] vendors can only be paid once a contract is registered, so "retroactive" contracts (or those registered after a contract's start date has already passed) force vendors into a risky, catch-22 choice: wait to begin work, which can stall projects and drive up costs, or begin work without a registered contract, which can cause significant risk and financial burden to a vendor.

The Comptroller’s report includes an extensive analysis of City contracts for FY 2017, with a particular focus on human service contracts. Finding include:

- Of the total 2,448 Type 70 contracts registered for the seven human service agencies, 2,224, or 90.8%, were retroactive by the time they reached the Comptroller’s Office.
- Moreover, the Comptroller’s analysis found that half of human service contracts were retroactive by over six months, with the average retroactive period at over 209 days.
- Retroactivity among human services contracts was higher than for other contracts. In FY17, 81% of all new and renewal contracts arrived at the Comptroller’s Office for registration after the contract start date had passed, and over one-third of all contracts were late by more than six months.

	Under 30 days	31 – 60 days	61 – 90 days	91 – 189 days	181 – 365 days	Over 1 year	Total
# of contracts	428	158	155	371	709	403	2,224
% of total	19.2%	7.1%	7.0%	16.7%	31.9%	18.1%	100%
Average # of days retro	7.1	45.1	76.5	133.7	269.7	504.0	209.5

- Of the seven agencies the Comptroller’s report focused on, two agencies – the Human Resources Administration (HRA) and the Department of Homeless Services (DHS) – submitted 100% of their program contracts retroactively, meaning not one contract from these agencies arrived for registration prior to the contracted start date.
- The Department of Education (DOE) submitted all but one of its 406 program contracts retroactively (99.8%), and DFTA submitted 98.9% of its contracts retroactively, with only 3 of its 275 contracts registered before the contract start date.

Briefs

State Board of Election to Hold Regional Exercises to Strengthen Cybersecurity of New York's Election Infrastructure

Exercise Sponsored by State Board of Elections and U.S. Department of Homeland Security; in Partnership with the Division of Homeland Security and Emergency Services, State Police, and State Intelligence Center

The State Board of Elections—in concert with the U.S. Department of Homeland Security—will host a first-of-its-kind series of tabletop exercises focused on protecting the integrity of New York's electoral systems against cyber-attacks. Partnering with the Division of Homeland Security and Emergency Services, State Police, and State Intelligence Center, the tabletop exercises will identify areas for improvement in cyber incident planning, preparedness, and response through simulation of realistic scenarios attempting to undermine voter confidence, interfere with voting operations, and affect the integrity of elections.

State and local officials, led by the State Board of Elections and new DHSES Cyber Incident Response Team, will utilize information gleaned from six regional tabletop exercises with state, local, and federal stakeholders to identify risks and develop necessary steps to safeguard the election process against a cyber-attack. Exercise dates and locations are below:

- **June 6:** Monroe County - Board of Elections
- **June 7:** Onondaga County - Syracuse University, Dineen Hall
- **June 11:** Nassau County - Morrelly Homeland Security Center
- **June 12:** Orange County - County Department of Emergency Services
- **June 18:** Broome County - Floyd L. Maines Veterans Memorial Arena

The regional tabletop exercises will cover all of New York's county election jurisdictions. The exercises will be substantively similar, with several scenarios contoured for each region. This includes possible social media manipulation, disruption of voter registration information systems and processes, voting machines, and the exploitation of board of elections business networks.

These tabletop exercises are part of the Board's cybersecurity plan that was approved on May 3, 2018, to further strengthen cyber protections for New York's elections infrastructure through the Board's Secure Elections Center. The plan, dubbed **ARMOR** has four elements:

- **Assess** the risk to State and County Elections Systems.
- **Remediate** the vulnerabilities.
- **Monitor** ongoing Operations.
- **Respond** to incidents.

NY AG Report Highlights Enforcement of Mental Health Parity Laws

To mark the end of Mental Health Month, Attorney General Barbara D. Underwood released a report, “Mental Health Parity: Enforcement by the New York State Office of the Attorney General,” which summarizes the results to date of the Attorney General’s Office’s industry-wide initiative to ensure that all New Yorkers have access to behavioral health services.

In 2013, after receiving consumer complaints regarding health plans’ coverage of behavioral health treatment, the New York Attorney General’s Office launched a mental health parity initiative and began investigations into various health plans. Since then, the office has entered into eight national settlement agreements with seven health plans, and has overseen the enforcement of these agreements: MVP, EmblemHealth, Beacon Health Options (formerly known as ValueOptions), Excellus, HealthNow, Anthem, and two settlements with Cigna. Four of the settlements required health plans to implement reforms in their administration of behavioral health benefits, in particular relating to medical management practices, coverage of residential treatment, and co-pays for outpatient treatment, and to submit regular compliance reports.

Since 2014 when the Health Care Bureau initiated its investigations, the number of consumer complaints to the Health Care Bureau Helpline regarding mental health and substance abuse issues diminished by nearly 60%. Consumers who believe that they may have been treated unfairly by a health care provider, HMO or insurance plan, or health-related business, should contact the Attorney General’s Health Care Helpline by either calling the Helpline at 1-800-428-9071.

Vision Zero: Mayor de Blasio Calls for Speed-Camera Expansion in Albany

With the City’s School Zone Speed Camera program set to expire in June, Mayor Bill de Blasio this week called on the State legislature to immediately reauthorize and expand the program. Specifically, the Mayor is calling enactment of legislation to:

- Authorize the City to install speed cameras at an additional 150 school zones—more than double the current number.
- Revise the definition of a school zone to allow DOT to address speeding on streets that are near a school, as opposed to only the street or streets on which a school is located.
- Extend the program until 2022

In addition, following the March crash along 9th Street that claimed the lives of two children and an unborn baby and seriously injured several others, the City is also pushing reforms in Albany that will escalate fines and suspend the vehicle registrations of repeat speeding and red-light running offenders, and require physicians to notify the DMV following medical events that could cause drivers to lose control of their vehicle.

Coming Up

New York State

The Legislature is in session Monday June 4th through Thursday June 7th

Monday June 4th

CVS Health's Acquisition of Aetna Inc.

Joint Assembly Standing Committee on Insurance, and Committee on Health, Roosevelt Hearing Room C, Legislative Office Building, 2nd Floor, Albany, 9:30 a.m.

Thursday June 7th

The Community Service Block Grant (CSBG) Program

Joint Assembly Standing Committee on Social Service and Committee on Government Operations and Senate Standing Committee on Finance, and Committee on Social Services, Roosevelt Hearing Room C, Legislative Office Building, 2nd Floor, Albany, 9:30 a.m.

New York City

Tuesday June 5th

Subcommittee on Planning, Dispositions and Concessions, Committee Room – City Hall, 10:30 a.m.

Subcommittee on Zoning and Franchises, Committee Room – City Hall, 10:45 a.m.

Committee on Land Use, Committee Room – City Hall, 11 a.m.

Thursday June 7th

City Council Stated Meeting, Council Chambers – City Hall, 1:30 p.m.

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To Our Clients: If you have any questions regarding any of the matters addressed in this newsletter, or regarding any legislative, government relations or political or consulting or related issues in general, please contact the Pitta Bishop & Del Giorno LLC professional with whom you usually work.

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