



# This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

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## *In the News – New York State*

### **Stakeholders and Legislators Weigh in on Executive Budget**

The Senate and Assembly fiscal committees this week began their public review of Governor Andrew Cuomo's 2017-2018 Executive budget. Members of the Senate Finance Committee and the Assembly Ways and Means Committees heard testimony on the Governor's Higher Education and Work force initiatives.

Leading off the 2017-2018 budget review on Tuesday was outgoing State University of New York Chancellor Nancy Zimpher. Chancellor Zimpher engaged in over five hours of questioning, spending the majority of that time discussing the potential cost and impact of Governor Cuomo's Excelsior Scholarship proposal which would cover in-state tuition costs for students attending the State and City University System's two- and four-year institutions.

The \$163 million proposal provides tuition-free public college to students from households earning up to \$100,000 annually in fall of 2017, students from households up to \$110,000 in 2018 and students from households up to \$125,000 in 2019. The proposal does not cover additional costs (books and fees).

Lawmakers chronicled a number of concerns with the program, including how many students the proposal would impact, potential negative impacts on private colleges, if the proposal discriminates against students who cannot enroll full time and if SUNY and CUNY could handle a potential influx of students. Based upon testimony, it was clear that many of these questions remained.

"We've had what, 10 days to sort and assess," Chancellor Zimpher told reporters after the hearing, according to published reports. "There are some unknowns... If [the hearing] were in February and [we] had two more weeks or three more weeks to calculate impact, I think we'd have answers."

To assist with the questions, the Governor sent State Director of Operations James Malatras to the hearing later in the day.

"The responses from the chancellor, SUNY, CUNY and even (the state Education Department) -- there seems to be some confusion about who's eligible, what they're eligible for, whether or not disabled students would have an exemption," State Senator Diane Savino said.

On Wednesday, the focus shifted to the State workforce, with lawmakers questioning the use of contractors and stakeholders questioning reductions in the state workforce.

Both Senators and Assemblymembers identified a provision of the budget that would authorize up to 250 appointments to the Office of Information Technology Services. Those appointments could serve for up to 60 months without taking and passing the Civil Service exam in order to continue.

Senator Savino and Assemblyman Michael DenDekker asserted that this provision overlooks existing state workers who have already passed the Civil Service exam,

“People took the test looking for jobs, and now you’re not even going to that list to the people who took that test, passed it and were put on the list,” Assemblyman DenDekker said. “Now you’re going to hire other people. It seems very unfair to the people who took the time to prepare and take that test,” he said, adding that there’s no guarantee that the outside contractors will fill the job adequately.

In an exchange between Senator Savino and Lola Brabham, Executive Deputy Commissioner at the state department of civil service, the Civil Service head indicated “The state workforce doesn’t always have the cutting-edge IT skills.”

“Why not simply go to the list that’s existing, and hire from that list?” Senator Savino asked Executive Deputy Commissioner Brabham.

“The state workforce doesn’t always have the cutting-edge IT skills, or the most recent certification, or necessarily the talent that ITS is looking for to move certain projects forward,” Ms. Brabham said. “So we see this as a way of providing an opportunity and a vehicle for ITS to get people in quickly with the in-demand skills we need now.”

The Public Employees Federation fired back at the Commission, taking “great exception” to the remarks made by Deputy Commissioner Brabham.

"PEF members working in the Office of Information Technology Services are highly educated, highly qualified state workers who are always looking for opportunities for additional training to ensure they have the 'cutting-edge skills' required to help the State provide the most up-to-date technology services New Yorkers need," according to a PEF statement.

The Governor’s budget also includes a reduction in state workers through attrition, the bulk of these reduction are in the Office for People With Developmental Disabilities (OPWDD) and the Office of Mental Health (OMH).

PEF legislative director Greg Amorosi explained that the State budgets OPWDD for the loss of 253 positions and OMH another 353 positions.

“The underlying theme for the past few years has been the continued diminishment of public services available for those with developmental disabilities and behavioral health needs,” PEF asserted.

The legislative budget hearings continue next week. On Monday, the State's local officials will travel to Albany to discuss how the Governor's budget impacts their respective communities. Public Protection and Economic Development issues will be aired on Tuesday and Wednesday.

Also this week the Legislature introduced the Governor's budget bills. Below please find a list of the budget bills:

- |   |             |
|---|-------------|
| ➤ <i>State Operations Budget</i>  | A3000/S2000 |
| ➤ <i>Legislature and Judiciary Budget</i>   | A3001/S2001 |
| ➤ <i>Debt Service Fund</i>  | A3002/S2002 |
| ➤ <i>Aid to Localities Budget</i>   | A3003/S2003 |
| ➤ <i>Capital Projects Budget</i>  | A3004/S2004 |
| ➤ <i>Public protection &amp; General Government budget</i>                          | A3005/S2005 |
| ➤ <i>Education, labor and family assistance budget</i>                              | A3006/S2006 |
| ➤ <i>Health and Mental Health budget</i>  | A3007/S2007 |
| ➤ <i>Transportation, Economic Development and Environmental Conservation Budget</i> | A3008/S2008 |
| ➤ <i>Fiscal Plan</i>  | A3009/S2009 |
| ➤ <i>Good government and Ethics Reform</i>  | A3010/S2010 |

## ***In the News – New York City***

### **Mayor de Blasio Releases Preliminary Budget**

Mayor Bill de Blasio this week released an \$84.67 billion FY2018 spending plan which continues to grow the city's budget and its workforce, but acknowledges that this plan may be impacted by federal actions.

“Deepening the progress we’ve made over the last three years, this budget further invests in the foundations central to a strong, fair city – more classroom seats, enhanced traffic safety initiatives, crucial infrastructure upgrades and public safety progress,” Mayor de Blasio explained. “At the same time, in the face of economic and political uncertainty from Washington, this budget once again will save money through efficiency measures and invest further in reserve funds aimed at safeguarding our city's financial future.”

City-funded spending is set to grow 4.6 percent, from \$60.6 billion in fiscal year 2017 to \$63.4 billion in fiscal year 2018. It makes “targeted investments” including \$6.3 million 200 new school crossing guards and 100 school crossing guard supervisors and \$571 million in capital funds to ensure a state of good repair on our bridges through FY25.

The Mayor's plan forecasts improvement in tax revenue growth in FY18. While tax revenue is expected to slow to 2.4 percent in FY17, the Mayor anticipates modest improvement to 3.9 percent in FY18.

With caution in mind, the Administration has set the General Reserve at \$1 billion in FY18 and every year of the financial plan; the Retiree Health Benefits Trust Fund is at \$4 billion; and the Capital Stabilization Reserve has been modified to include \$250 million in every year of the four-year plan (compared to the one-time \$500 million previously established).

The Mayor asserted that under the Preliminary Budget, agency and debt savings will reduce expenses by \$1.1 billion in FY17-18. This is addition to the \$1 billion found in the FY17 November Plan and "with more to come in the Executive Budget this spring."

City Council Speaker Melissa Mark-Viverito and Finance Chair Julissa Ferreras-Copeland indicated that while they are pleased that the Preliminary Budget includes some of the programmatic savings and increase in reserves the Council has called for, more must be done to find additional, lasting savings across all City agencies.

"While the Mayor's Preliminary Budget increases real programmatic savings, there is room to find additional, lasting savings across all agencies" the Council members said in a prepared statement. "For instance, we are pleased that the Administration is reevaluating overtime spending. Additionally, we are strongly concerned about funding for the Department of Homeless Services: constant re-estimation of spending raises serious concerns about the Administration's plan to reduce homelessness numbers."

Funding initiatives included in the budget:

- Hiring 200 part-time school crossing guards and 100 full-time school crossing guard supervisors to ensure 100 percent coverage at all school crossing posts citywide through \$5.4 million in FY17 and \$6.3 million in FY18.
- Installing bullet-proof window inserts in police vehicles - \$5.2 million in FY17 and \$5.2 million in FY18 – and upgrading the Rodman's Neck Firearms Training Facility, a capital investment that will total \$275 million over FY18-FY19.
- Making a \$1 billion capital commitment to repair 729 roofs over the next ten years in NYCHA housing.
- Allocating an additional \$571 million in FY17-FY21 capital funds to ensure a state of good repair on all city bridges through FY25.
- Continuing road repaving through an additional \$147 million in FY19 capital funds to increase lane miles resurfaced from 630 to 1,300.

- Allocating an additional \$317 million in capital funds for FY18-FY23 to fund new investments to reduce pedestrian fatalities, including pedestrian and traffic safety street reconstruction projects, signal improvements and street lighting at intersections.
- Funding upgrades and improvements to Special Education Student Information System to better deliver special education service. This is funded through \$12.7 million in FY17 and \$16.2 million in FY18 with additional funding in the out years.
- Improving internet speed in all of our schools through a commitment of \$23.6 million in FY17, \$16.4 million in FY18, \$8.6 million in FY19, \$11.2 million in FY20 and \$11.5 million in FY21.
- Increasing K-12 capacity by adding \$495 million in capital expenses in FY20-FY24 to keep the Mayor's commitment to increase capacity for 38,487 new school seats at a total of \$4.6 billion.
- Providing a wage increase to nearly 90,000 employees of contracted human service employees by 2020.

## ***Briefs***

### **Public Service Commission Soon to be Down to Two Members**

The State Public Service Commission (PSC) will be down to two Commissioners after Chair Audrey Zibelman announced she will be stepping down, according to published reports. The PSC board is comprised of five Commissioners. Presently there is one vacancy.

With the chair's departure and Patricia Acampora's retirement in February, the two remaining members are Gregg Sayre and Diane Burman. PSC members are appointed by the Governor and approved by the State Senate.

### **Assembly unveils expanded millionaires' tax proposal (updated)**

The Assembly Democrats on Thursday released a proposal that would expand the so-called millionaires' tax on high-income earners, creating new tax brackets for New York's wealthiest. In addition to extending the current rates, the proposal would increase the tax on those earning between \$1 million to \$5 million at an 8.82 percent rate, \$5 million to \$10 million earners at a 9.32 percent rate, \$10 million to \$100 million earners at a 9.82 percent rate and those earning more than \$100 million a year at a 10.32 percent rate.

It's projected that the restructured millionaires' tax would generate \$5.6 billion in revenue and affect 66,143 taxpayers.

## State Eyes Parking Garage Regulations

The Department of State has begun drafting new regulations for elevated parking garages in New York State. The regulations would require periodic inspections by structural for t above-grade parking structures, according to a news release from Assemblywoman Donna Lupardo and Senator Tom O'Mara.

Legislators have pushed for stronger oversight after the partial collapse of a parking ramp at UHS Wilson Medical Center in Johnson City in July 2015. A 2015 investigation by the USA Today Network's news organization in Binghamton, Elmira and Ithaca found the state has no laws or regulations that require public or private parking structures to undergo structural inspections.

The assembly and senate overwhelmingly approved a 2016 bill that would amend New York's building code standards to require inspections every five years of all public and private parking garages, and public reporting of the results. Governor Andrew Cuomo vetoed the measure, in part because it did not involve the state's Fire Prevention and Building Code Council, which is charged with updating building codes.

## MTA Votes to Increase Multiple-Use Subway Fares

The price of unlimited MetroCards will rise, but the base single-ride fare will not, under a fare plan approved by the Metropolitan Transportation Authority Board on Wednesday.

Monthly unlimited cards will rise to \$121, from \$116.50, and weekly unlimited cards to \$32 from \$31.

The base fare for one ride on an MTA subway or bus plus a transfer will remain \$2.75. However, the "bonus" for cash-value MetroCards will fall to five percent from 11.

The base fare has been \$2.75 since 2015, when the board raised the fare from \$2.50.

## UAlbany Names Dean of New Homeland Security College

The nation's first college of emergency preparedness, homeland security and cybersecurity has a new dean, according to published reports.

Robert Griffin has been appointed as the dean of the University at Albany's College of Emergency Preparedness, Homeland Security and Cybersecurity. Griffin has more than 25 years of experience in homeland security and emergency response.

In addition to positions in the Department of Homeland Security, Mr. Griffin has taught at Georgetown University in Washington, D.C. and he was the first director of the Arlington County Office of Emergency Management.

Mr. Griffin also led the Loudoun County Emergency Operation Center's response to the Sept. 11 terrorist attacks on the Pentagon and the anthrax attack on the Dulles Postal Facility in 2001.

UAlbany announced plans for the emergency preparedness college in 2015. The college will be housed in the \$184 million emerging technology and entrepreneurship complex at the Harriman office campus in Albany. The 236,000-square-foot building is expected to be complete by 2020.

## **DFS to Issue Reproductive Health Regulations**

Governor Andrew Cuomo recently directed the State Department of Financial Services (DFS) to develop regulations requiring that contraceptive drugs and devices are covered by commercial health insurance policies without co-pays, coinsurance, or deductibles; contraceptives are available in amounts exceeding one month's supply at a time; and all medically necessary abortion services are covered by commercial health insurance policies without co-pays, coinsurance, or deductibles.

Specifically, the Department of Financial Services will mandate that health insurers:

- Provide coverage for all contraceptive drugs and devices and cover at least one form of contraception in each of the FDA-approved contraceptive delivery methods without co-pays, coinsurance, or deductibles, regardless of the future of the Affordable Care Act.
- Provide coverage for the dispensing of an initial three-month supply of a contraceptive to an insured person. For subsequent dispensing of the same contraceptive prescribed by the same health care provider and covered under the same policy or renewal, an insurer must allow coverage for the dispensing of the entire prescribed contraceptive supply, up to 12 months, at the same time.
- Provide coverage for abortion services that are medically necessary without co-pays, coinsurance, or deductibles (unless the plan is a high deductible plan).
- Provide full and accurate information about coverage, enforced in a letter available.

According to the Governor, the Department of Financial Services regulation with respect to abortion services includes an exemption for religious employers.

The proposed regulations regarding abortion services and dispensing of contraceptives, which were submitted to the New York State Register, will be finalized following a 45-day notice and public comment period and become effective 60 days following final issuance. DFS has issued a circular letter, effective immediately, reminding health insurers of their obligations to cover contraceptive drugs and devices without any co-pays or deductibles.

# Coming Up

## New York State

### Monday, January 30<sup>th</sup>

*Assembly Standing Committee on Real Property Taxation*, Roosevelt Hearing Room C, Legislative Office Building, 2nd Floor, Albany, New York 12 p.m.

Public Hearing: Real Property Tax Relief Credit Programs.

*Joint Legislative Budget Hearing*, Hearing Room B, Legislative Office Building, Albany 10 a.m.  
Local Government Officials/General Government.

### Tuesday January 31<sup>st</sup>

*Joint Legislative Budget Hearing*, Hearing Room B, Legislative Office Building, Albany 9:30 a.m.  
Public Protection.

### Wednesday February 1<sup>st</sup>

*Joint Legislative Budget Hearing*, Hearing Room B, Legislative Office Building, Albany 9:30 a.m.  
Economic Development.

## New York City

### Tuesday January 31<sup>st</sup>

*Committee on Housing*, Council Chambers – City Hall, 9:30 a.m.

Int 0081-2014 in relation to OSHA notification act.

Int 0443-2014 in relation to crane modernization.

Int 0774-2015 in relation to prevailing wage requirement.

Int 1403-2016 in relation to anamometers.

Int 1404-2016 in relation to penalties for violations of construction codes.

Int 1419-2017 in relation to penalties for aggravated violations of construction codes.

Int 1421-2017 in relation to requiring that cranes be equipped with GPS.

Int 1422-2017 in relation to crane wind restrictions.

Int 1429-2017 in relation to task-specific safety meetings for construction workers.

Int 1431-2017 in relation to registration and duties of lift directors.

Int 1432-2017 in relation to certain projects receiving city financial assistance.

Int 1433-2017 in relation to requiring DOB to report on all construction incidents.

Int 1435-2017 in relation to requiring that cranes be equipped with data logging devices.

Int 1436-2017 in relation to Requiring DOB to report on site safety managers and coordinators.

Int 1437-2017 in relation to increasing civil penalties for construction sites with excessive violations.

Int 1442-2017 in relation to repealing section 28-420.5 of the administrative code.

Int 1444-2017 in relation to requiring site specific safety orientations for workers at all construction sites.

Int 1445-2017 in relation to requiring safety netting and guard rail systems.

Int 1446-2017 in relation to licensing for class B hoisting machine operators.

Int 1447-2017 in relation to training and qualifications for persons engaged in demolition and construction.



Int 1448-2017 in relation to safety plans for buildings more than 4 stories in height.

**Committee on Sanitation**, 250 Broadway--Committee Room 14<sup>th</sup> Fl 1 p.m.

T2017-5484 Oversight-Expanding New York City's Extended Producer Responsibility Law.

Int 0201-2014 in relation to reuse or recycling of discarded carpet.

**Committee on Consumer Affairs**, 250 Broadway—Committee Room 16<sup>th</sup> FL 1 p.m.

Int 0436-2014 in relation to authorizing a cure period for certain item pricing violations.

### **Wednesday February 1<sup>st</sup>**

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

T2017-5516 Resolution approving the new designation and changes in the designation of certain organizations to receive funding in the Expense Budget

T2017-5554 Resolution concerning the establishment of the New Dorp Business Improvement District in the Borough of Staten Island and setting the date, time and place for the public hearing to hear all persons interested in the establishment of such district.

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

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