



This Week in New York

Covering New York State and City Government

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January 18, 2019 Edition



In the News – State



Governor Cuomo Outlines 2019 Justice Agenda: The Time Is Now

Governor Andrew Cuomo this week delivered his 2019 State of the State Address and proposed his 2019-2020 \$175.2 billion State fiscal plan. Building upon his 100 Days Justice Agenda, the Governor outlined his 2019 plan which ranged from legalizing marijuana and sports betting, to enacting the Child's Victim Act and GENDA, to launching New York's Green New Deal to reorganizing and refunding the MTA, to reforming rent control and affordable housing initiatives, to enacting the DREAM Act and reducing the influence of lobbyists.

Seemingly no stone was left unturned, as Governor Cuomo rallied his fellow Democrats now in majority in the Legislature, "It's just us... We are in control."

To fund this wide-ranging agenda, the Governor proposed a 175.2 billion Executive Budget which closed a \$3.1 billion budget deficit, held Executive agency spending at 0.8 percent, and increased health and education spending at 3.6%. Included among the 2019 issues are:

Cannabis

Governor Cuomo is proposing a regulated cannabis program for adults 21 and over in the FY 2020 budget. Specifically, the program will:

- Reduce impacts of criminalization affecting communities of color.
- Automatically seal certain cannabis-related criminal records.
- Implement quality control and consumer protections to safeguard public health.
- Counties and large cities can opt out.
- Restrict access to anyone under 21.
- Generate approximately \$300 million in tax revenue and create jobs.

The newly established Office of Cannabis Management (OCM) will centralize all the licensing, enforcement and economic development functions in one entity. The OCM will administer all licensing, production, and distribution of cannabis products in the adult-use, industrial, and medical cannabis markets.

Adult-use cannabis market: The OCM will implement a three-tier model of distribution. Similar to the market for alcohol, the OCM will issue licenses for producers, distributors and retailers. Producers will be prohibited from also owning retail cannabis establishments. The program will limit the number of producers and retail dispensaries, encourage craft growers and cooperatives, and provide training and incubators to “ensure meaningful and sustained participation” by communities disproportionately harmed by cannabis prohibition.

Hemp cannabis market: The OCM will administer the licensing, extraction, and distribution of wellness and pharmaceutical grade cannabis products; including the establishment of the Canopy Growth Corporation’s \$100 million Hemp Industrial Park, headquartered in the Southern Tier, that includes growing, processing, manufacturing and research facilities.

Medical cannabis market: The OCM will supervise the continued expansion of the current medical cannabis program and institute reforms that expand patient access and product affordability while also encouraging research opportunities among medical cannabis providers, health care providers, and medical insurers.

Education

Require Districts to Distribute State Aid to Their Neediest Schools: School districts will be directed to devote a portion of their 2019-20 school aid to increase the per-pupil allocation in those high-need schools. Education Aid is increased by \$1 billion to \$8.1 billion. Foundation Aid is increased by \$338 million.

Protect Student Loan Borrowers: The Governor proposes that companies servicing student loans must obtain a state license and meet standards consistent with the laws and regulations governing other lending products such as mortgages. Provisions will include banning upfront fees; requiring fair contracts and clear and conspicuous disclosures to borrowers; and providing penalties for failing to comply with the law.

Pass the Jose Peralta DREAM Act: Under the Executive Budget, New York will enact the Senator Jose R. Peralta DREAM Act which will give undocumented New York students access to the Tuition Assistance Program, as well as state administered scholarships.

Environment

Launching the Green New Deal: New York will launch the Green New Deal which mandates 100 percent clean power by 2040, enacts new climate action council to develop roadmap to make New York carbon neutral and invests \$1.5 billion in 20 large-scale renewable energy projects upstate and up to \$200 million in port infrastructure to make New York the nation's offshore wind hub.

Establish \$10 Billion Green Future Fund: This year, Governor Cuomo will advance a \$10 billion Green Future Fund to support clean water infrastructure, renewable energy and clean transportation, and open space and resiliency. This fund includes \$5 billion in total for drinking water and wastewater infrastructure.

Expanding the Bottle Bill to Include Most Nonalcoholic Drinks: Governor Cuomo will expand the Bottle Bill to make most non-alcoholic beverage containers eligible for 5 cent redemption, including those for sports drinks, energy drinks, fruit and vegetable beverages and ready-to-drink teas and coffee.

Continue \$300 Million Environmental Protection Fund: Governor Cuomo proposes maintaining the State's \$300 million EPF. This investment will prioritize programs to protect New York's water bodies, promote stewardship projects in parks and on other state lands, revitalize municipal waterfronts, and build community resilience to climate change.

Prohibiting the Use of Plastic Bags: Governor Cuomo proposes a statewide plastic bag prohibition with certain exceptions.

Ethics Reform

Adopt Campaign Finance Reform: Governor Cuomo will advance a package of campaign finance reform legislation:

- *Public Financing of Elections:* 6:1 public financing matching ratio for small donations.
- *Lowering Campaign Contribution Limits:* All candidates.
- *Ban Corporate Contributions and Fully Close the LLC Loophole.*
- *Strengthen Disclosure Laws that Expose "Dark Money" in Politics:* The Governor is seeking to streamline the reporting process for 501(c)(3) and 501(c)(4) organizations, including by providing a mechanism for organizations to apply for a statutory exemption before the start of a reporting period.

Require Financial Disclosures by Local Elected Officials: This Executive Budget proposal will require local elected officials to submit basic financial disclosure information to JCOPE. The Executive Budget mandates that candidates for State Assembly and State Senate disclose the past five years of tax returns to the State Board of Elections as a condition of getting on the ballot for a general election. Candidates for statewide office will be required to provide 10 years of tax returns.

Expand FOIL to the Legislature. The Executive Budget advances a reform to FOIL so that it applies equally to the Legislature.

Reduce the Influence of Lobbyists. The Governor proposes:

- Increasing penalties on lobbyists for violations or failure to comply with reporting requirements;
- Enacting a code of conduct for lobbyists;
- Preventing political consultants from lobbying the elected officials they worked for.
- Lowering threshold for lobbying disclosures to \$500;
- Prohibiting lobbyists from making loans to candidates;
- Requiring lobbyists to file lists of all political contributions with JCOPE and provides greater transparency into the source of lobbyists funds; and
- Expanding the bar on leaving government service and becoming a lobbyist from two years to five, and making it apply to elected officials, their staff, and State agency staff.

Ban Employees from Campaign Volunteering. The Executive Budget bans current government employees from volunteering for campaigns of elected officials for whom they work.

Health

Universal Access to Health Care: The Executive Budget establishes a Commission on universal health care to be supported by Department of Health and Department of Financial Services, to develop options for achieving universal access to “high-quality, affordable” health care in New York. This review process will consider all options for expanding access to care, including strengthening New York's commercial insurance market, expanding programs to include populations that are currently ineligible or cannot afford coverage, as well as innovative reimbursement models to improve efficiency and generate savings to support expanded coverage.

Authorizing Additional Awards for Statewide II Health Care Facility Transformation Program Applications: This bill would permit the Department of Health (DOH) to award up to \$300 million, made available under the Statewide III Health Care Facility Transformation Program, to applications already submitted under the Statewide II Health Care Facility Transformation Program.

Tobacco Usage Reform: The Executive Budget includes:

- Raising the Minimum Sales Age for Tobacco and Electronic Cigarette Products from 18 to 21.
- Ending the Sale of Tobacco and Electronic Cigarette Products in Pharmacies.
- Clarify the Department of Health's Authority to Ban the Sale of Certain Flavored E-Cigarette Liquids.
- Introduce a Tax on E-Cigarettes & Require E-Cigarettes to Be Sold Only Through Licensed Retailers.

Defer Cost of Living Adjustment (COLA) Payment. The Executive Budget defers FY 2020 cost of living adjustment for human service workers.

Ensuring Safe Staffing and Patient Safety: Under the Executive Budget proposal, the Department of Health will conduct a study, which examines how staffing enhancements and other initiatives can be used to improve patient safety and the quality of healthcare service delivery. The study will also analyze the range of potential fiscal impacts of various patient safety and staffing strategies.

Housing

Enact Legislation to Strengthen Rent Regulation: Governor Cuomo proposes rent regulation reforms, including ending vacancy decontrol, repealing preferential rent, and limiting building and apartment improvement charges.

Continue the \$20 Billion Affordable Housing and Homelessness Initiative. The Executive Budget continues the State's \$20 billion, five-year investment in affordable housing, supportive housing and related services. This investment is creating or preserving over 100,000 units of affordable housing and 6,000 units of supportive housing. Funding includes \$3.5 billion in capital resources, \$8.6 billion in State and Federal tax credits and other allocations, and \$8 billion to support the operation of shelters, supportive housing units, and rental subsidies.

Infrastructure

Invest an Additional \$150 Billion in the State's Infrastructure Program: Governor Cuomo has made a commitment to invest \$150 billion in infrastructure projects over the next five years. Beginning in FY 2020, these capital projects will rebuild transportation and mass transit systems, drive economic and community development, create new environmental and park facilities, and support sustainable energy projects.

Reduce Traffic Congestion in NYC and Fund the MTA: The Executive Budget will implement congestion pricing to establish a reliable funding stream to transform the transit system and reduce congestion in Manhattan. These funds would be reinvested into transit improvements.

Establish Accountability for the MTA: The Governor will work with the Legislature to establish clear authority over the MTA and provide for splitting capital funding shortfalls between New York City and New York State.

Expand Design-Build and Enact Other Efficiencies to Expedite Construction Projects: The Executive Budget includes legislation authorizing the use methods such as construction manager at-risk and construction manager-build, while expanding design-build to additional agencies.

Labor/Workforce

Launch the \$175 Million Workforce Initiative: New York will launch a new Consolidated Funding Application for workforce investments to support strategic regional efforts that meet businesses' short-term workforce needs, expand apprenticeships, and address the long-term needs of growing industries. Particular focus will be placed on emerging fields such as clean energy, health technology, and computer science.

Governor Cuomo also proposes to expand the Employee Training Incentive Program to enable employers with dedicated training shops to draw on in-house expertise in delivering approved training, and by extending ETIP tax credits to internship opportunities in additional high-tech industries.

Protecting the Personal Privacy of Union Members: The Executive Budget prohibits the disclosure of personal information by public employers for all public sector employees, including State and municipal employees.

Increase Criminal Penalties for Wage Theft: Governor Cuomo will advance legislation to increase criminal penalties for employers who knowingly or intentionally commit wage theft violations to more closely align with other forms of theft.

Pass the Equal Rights Amendment: Governor Cuomo will push to pass the Equal Rights Amendment to add sex as a protected class to Section 11 of Article 1 of the New York State Constitution.

Increase Protections Against Harassment in the Workplace: Governor Cuomo will advance legislation to hold employers accountable under the New York Human Rights Law for sexual harassment, protect employees' rights to pursue complaints, and ensure workers know their rights, by requiring all employers to conspicuously post a sexual harassment educational poster in their workplace.

Modernize New York's Pay Equity Law: The Governor will advance legislation to expand the definition of "equal pay for equal work" to require equal pay on the basis of race, ethnicity, gender, and other protected characteristics, and expand the requirement that equal pay be provided for all substantially similar work, adding flexibility in recognition of the complexity of the issue.

State Retiree Health Insurance

The Executive Budget includes three proposals to help “restrain the growth” of NYSHIP:

Eliminate Taxpayer Subsidy for the Medicare Part B Income Related Monthly Adjustment Amounts (IRMAA) for High Income State Retirees: The Executive Budget eliminates reimbursement to higher income retirees effective January 1, 2019.

Establish a Floor for State Reimbursement of the Medicare Part B Standard Premium for New York State Retirees. The Executive Budget maintains State reimbursement at \$135.50 per month, consistent with CY 2019 Federal program costs. Any future increases in reimbursement above this level would be subject to the annual budget process.

Implement Differential Health Care Premium Contributions for New Civilian Hires at Retirement Based on Years of Service. Under this Executive Budget proposal, financial support for new civilian hires at retirement would vary based on years of service. Those retiring with less than 30 years of service would receive a taxpayer subsidy which is less than that for retirees with 30 or more years of service. Subsidies begin at 10 years of service and gradually increase until they are no different than current levels once an individual reaches 30 years of service. This change will be fully implemented for post April 1, 2019.

Social Justice

In addition to his 100 days agenda which included bail and pretrial detention reform, improve transparency in the discovery process and ensure the right to a speedy trial, Governor Cuomo’s reforms include:

Transform the Use of Solitary Confinement in State Prisons: The Governor is directing Department of Corrections and Community Supervision (DOCCS) to limit the length of time spent in separation, build dedicated housing units for rehabilitation and integration following a disciplinary sanction, and expand therapeutic programming to reinforce positive and social behavior. No incarcerated individual may be placed in segregated confinement for longer than necessary and no more than ninety days of segregated confinement on April 1, 2021; no more than sixty days of segregated confinement on October 1, 2021; and no more than thirty days effective April 1, 2022.

Establish Compassionate Release: The Governor proposes a process of compassionate release for incarcerated individuals over the age of 55 who have incapacitating medical conditions exacerbated by their age.

Federal Claiming for Medicaid in Prison. The Executive Budget directs the Department of Health to apply for a Federal waiver to secure Federal Medicaid funding to support medical services for inmates 30 days prior to release from a Department of Corrections and Community Supervision facility.

Reform the Persons in Need of Supervision (PINS) Process. The FY 2020 Executive Budget advances legislation that prohibits the detention and placement of most youth who are alleged to be PINS.

Reform Residential Domestic Violence Shelter Requirements. FY 2020 Budget eliminates statutory provisions that require domestic violence victims to apply for public assistance and permits providers to charge victims with sufficient resources a fee for services.

Codify Executive Order Prohibiting State Agencies from Inquiring About Immigration Status: The Governor proposes codifying Executive Order 170, which prohibits State agencies and officers from inquiring about or disclosing an individual's immigration status unless required by law or necessary to determine eligibility for a benefit or service, into law.

MWBE Programming: The Executive Budget reauthorizes and extends the provisions of law relating to participation by minority and women-owned business enterprises in state contracts and expands upon those provisions based upon the findings of the 2016 Disparity Study.

Taxes/Fees

Extend the Millionaire's Tax & Continue Middle Class Tax Cut: Governor Cuomo is proposing a five-year extension of the current tax rate on millionaires. In addition, he continues the scheduled decrease in the middle class tax rate as follows: tax rates will drop to 6.21 percent in the \$43,000-\$161,550 income bracket, and 6.49 percent in the \$161,550-\$323,200 income bracket.

Make Permanent the 2% Property Tax Cap: The Executive Budget would make the New York make 2% property tax cap permanent.

Close the Carried Interest Loophole: Governor Cuomo proposes closing the carried interest loophole under New York State law.

Eliminate Internet Tax Advantage. The Executive Budget will provide a consistent framework for collection of required sales taxes by marketplace providers.

Impose a Supplemental Auto Rental Surcharge. The FY 2020 Budget raises new revenues for Upstate transit systems by expanding an auto rental surcharge from the Metropolitan Commuter Transportation District (MCTD) to the entire state.

Increase Indigent Legal Services Fund Support. The Executive Budget increases two fees that support the Indigent Legal Services Fund: the Attorney Registration Fee is increased by \$50, to \$425 every two years; and the Criminal History Search Fee is increased by \$25, to \$90 per search.

Impose Penalty on the Use of Lead Paint. The Executive Budget supports new regulations that provide necessary authority to State and municipal housing maintenance code enforcement agencies to include lead paint hazard control in existing enforcement activities and levy applicable fines.

Transportation

Congestion Tolling: The Executive Budget authorizes the Triborough Bridge and Tunnel Authority (TBTA) to create a congestion tolling program for vehicles entering Manhattan below and inclusive of 60th Street.

Increase Limousine, Bus, and Livery Safety: The Executive Budget increases penalties for operating without authorization from DOT and operating after receiving an out-of-service violation during an inspection, and by placing a new per-inspection cost on for-profit vehicle.

Authorize Speed Cameras: The Executive Budget extends New York City's authorization to operate a school zone photo speed violation program until July 1, 2022, and allows the City to install an additional 150 monitoring systems. In addition, the budget will extend the current red light camera programs in Albany, Mount Vernon, New Rochelle, New York, Nassau, Suffolk, White Plains and Yonkers to 2014.

MTA Organizational Reforms: The Executive Budget would allow for the assignment, transfer, sharing or consolidating of powers, functions, or activities of the Metropolitan Transportation Authority.

New York City Bus Lane Enforcement Cameras and New Camera Enforcement Program Purpose: This bill amends Vehicle and Traffic Law by removing the 10-route cap on the number of bus lane automated enforcement cameras and authorizing the use of such cameras for stopping, standing, parking, and turning violations while in the congestion toll zone or designated bus lanes in New York City.

Increase Transportation Worker Assault Protections: The Budget increases penalties for assaulting of airport workers, highway workers, certain Metropolitan Transportation Authority employees, and Department of Transportation inspectors.

2019 Joint Legislative Hearing Schedule

(Hearings to be held in Hearing Room B, Legislative Office Building, Albany)

January 23	Wednesday	9:30 AM	Environmental Conservation
January 24	Thursday	9:30 AM	Human Services
January 28	Monday	11:00 AM	Higher Education
January 29	Tuesday	9:30 AM	Public Protection
January 30	Wednesday	9:30 AM	Transportation
February 4	Monday	11:00 AM	Housing
		3:00 PM	Workforce Development
February 5	Tuesday	9:30 AM	Health/Medicaid
February 6	Wednesday	9:30 AM	Elementary and Secondary Education
February 7	Thursday	9:30 AM	Mental Hygiene
February 11	Monday	11:00 AM	Local Government Officials/General Govern
February 12	Tuesday	9:30 AM	Economic Development
		1:00 PM	Taxes



Bills Delivered to the Governor



A576 (Sponsored by M of A Glick / Senator Hoylman) -- Designates engaging in sexual orientation. change efforts by mental health care professionals upon patients under 18 years of age.

A774 (Sponsored by M of A Lavine / Senator Carlucci) -- Relates to voter pre-registration.

A775 (Sponsored by M of A Dinowitz / Senator Carlucci) -- Relates to voter registration transfers.

A776 (Sponsored by M of A Simotas / Senator Kavanagh) -- Relates to political contributions by LLCs.

A779 (Sponsored by M of A Lavine / Senator Stewart-Cousins) -- Relates to primary elections and the timely transmission of ballots to military voters stationed overseas.

S1047 (Sponsored by Senator Hoylman / M of A Gottfried) -- Prohibits discrimination based on gender identity or expression and includes offenses regarding gender identity under the hate crimes statute.

S1102 (Sponsored by Senator Myrie / M of A Lavine) -- Relates to early voting.

In the News – City

Renee Champion Breaks Glass Ceiling at NYC Office of Labor Relations (OLR)

Mayor names First Deputy Commissioner to replace Robert Linn



Renee Champion, who joined the Office of Labor Relations 17 years ago as an Assistant Commissioner has been named to replace OLR Commissioner Robert Linn upon his retirement February 15. Champion will become the first woman to lead the Office of Labor Relations.

Prior to joining OLR, Champion served as Director of Contract Admiration for the Doctors Council, where she negotiated union contracts on behalf of some 3,300 medical doctors and dentists in both the public and private sector.

She joined OLR as an Assistant Commissioner, and held titles of Associate Commissioner, Advisor to the Commissioner and, is currently First Deputy Commissioner. Champion holds a B.A in American Government from Clark University.



Bills Approved by the Council

Introduction 89-C, sponsored by Council Member Andy King, would require the Department of Education (DOE) to report twice a year on the number of school bus routes scheduled to take less than an hour, between one and two hours, and over two hours, and the average length of time scheduled for school bus routes in each community school district.

Introduction 451-B, sponsored by Council Member Daniel Dromm, would require DOE to distribute a School Bus Ridership Guide in hard copy and electronically to all students and parents.

Introduction 926-B, sponsored by Council Speaker Corey Johnson, would require the DOE to share with parents and post on its website how parents can file a complaint about a school bus employee, the process by which the department investigates such a complaint, and the possible results of such an investigation.

Introduction 929-B, sponsored by Council Member Joseph Borelli, would require the DOE to report twice a year on all of the calls and complaints received from parents and guardians about school bus services, the investigations DOE opened into school bus employees, the number of those investigations that were substantiated, and a description of outcomes taken by DOE in the event of a substantiated investigation.

Introduction 1099-A, sponsored by Council Member Ben Kallos, would require each school bus to be equipped with a two-way radio or other communication device. This bill would also require each bus to be equipped with a GPS tracking device, and require authorized parents and guardians to have access to the real time location of their child's school bus whenever it is in use.

Introduction 1173-B, sponsored by Council Member Mark Treyger, would require the DOE to report twice a year on the department's school bus services.

Coming Up

New York State

Tuesday, January 22nd through Wednesday, January 23rd
The Legislature is in session

Tuesday January 22nd

NYSERDA programs funded by the SFY 2018-2019 budget

Assembly Standing Committee on Energy, Roosevelt Hearing Room C, Legislative Office Building, 2nd Floor, Albany, 10 a.m.

New York City

Tuesday January 22nd

NYC Advisory Commission on Property Tax Reform, Committee Room – 250 Broadway, 10 a.m.

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

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.

Committee on Cultural Affairs, Libraries & International Intergroup Relations, Council Chambers – City Hall, 1 p.m.

Committee on Public Housing, Committee Room – 250 Broadway, 16th Floor, 1 p.m.

Committee on Civil Service and Labor, Committee Room – 250 Broadway, 16th Floor, 1 p.m.

Wednesday January 23rd

Committee on Mental Health, Disabilities & Addiction, Committee Room – 250 Broadway, 10 a.m.

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

Committee on Aging, Council Chambers, City Hall, 10 a.m.

Committee on Economic Development, Committee Room – 250 Broadway, 16th Floor, 1 p.m.

Committee on Transportation, Committee Room – City Hall, 1 p.m.

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

Committee on Environmental Protection, Committee Room – City Hall, 1 p.m.

Thursday January 24th

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

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

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120 Broadway, 28th Floor
New York, New York 10271
Telephone (212) 652-3890
Facsimile (212) 652-3891

111 Washington Avenue, St. 401
Albany, New York 12210
Telephone (518) 449-3320
Facsimile (518) 449-5812

25 Hyatt Street, St. 202
Staten Island, New York 10301
Telephone (718) 943-1050
Facsimile (718) 943-1051