



This Week in New York

Covering New York State and City Government

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In the News – New York State



2019 Budget Negotiations Begin to Take Shape



Armed with at least \$675 million more funding than Governor Andrew Cuomo’s \$168.2 billion Executive Budget, the Senate and Assembly are drafting their respective “one house” budget bills, scheduled to be released next week.

The one-house bills will lay the ground rules for the budget negotiations over the remaining two weeks of the State’s 2017-2018 fiscal year. Each is a statement of the respective house’s priorities and an indicator of where the Executive and Legislature agree and disagree.

Following the release of the one-house bills, the Legislative conference committees will begin meeting, searching for common ground between the Senate and Assembly on the myriad of the States funding issues including education, health, transportation, economic development and workforce issues. These committees, according to the agreed-upon legislative budget schedule, are scheduled to conclude their work on Thursday, March 22nd.

The Joint Legislative Budget Bills are scheduled to be taken up by the Legislature on March 27th through March 29th. The State’s fiscal 2018-2019 fiscal year begins April 1st.

Meanwhile, the Senate and Assembly continue to debate the non-budget initiatives. To date, 53 bills have been passed by both houses of the Legislature. Many of these bills are technical amendments to 2017 chapters. To follow is a sampling of the actions:

Bills Signed by the Governor

Chapter 1 – Sponsored by Senator DeFrancisco / M of A Weinstein -- Relates to the accrual of causes of action for medical, dental and podiatric malpractice.

Chapter 3 – Sponsored by M of A Carroll / Senator Felder -- Requires the fall 2018 primary be held on Thursday, September 13, 2018 and the political calendar be adjusted accordingly.

Bills Passed Both Houses of the Legislature

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

A8919 – Sponsored by M of A Thiele / Senator Croci -- Relates to amendments to the granting of certain service awards.

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.

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.

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

A9052 – Sponsored by M of A Schimminger / Senator Murphy -- Extends the effectiveness of provisions of law relating to temporary retail permits issued by the state liquor authority.

S7290 – Sponsored by Senator Hannon / M of A Gunther -- Relates to a report on nurse practitioners.

S7292 – Sponsored by Senator Peralta / M of A Dinowitz -- Relates to lead paint remediation reporting for the metropolitan transportation authority's and the New York city transit authority's aboveground transit infrastructure.

S7304 – Sponsored by Senator Savino / M of A Otis -- Requires the transmission of reports of missing persons to the National Missing and Unidentified Persons System.

S7306 – Sponsored by Senator Helming / M of A Benedetto -- Mandates testing in the event of a motor vehicle collision resulting in injury or death.

S7308 – Sponsored by Senator Funke / M of A Hevesi -- Relates to the state information technology innovation center.

S7309 – Sponsored by Senator Alcantara / M of A Ryan -- Relates to the composition of an advisory panel on employee-owned enterprises within the division of small business services.

S7310 – Sponsored by Senator Peralta / M of A Dinowitz -- Relates to the frequency of inspections of articles of bedding.

S7312 – Sponsored by Senator Avella / M of A Jaffee -- Relates to establishing a child care availability taskforce.

S7313 Sponsored by Senator Kennedy / M of A Mayer -- Relates to establishing an internet mapping resource of child care providers and afterschool programs; relates to administration of afterschool programs.

S7319 – Sponsored by Senator Marchione / M of A Titone -- Relates to examining the need for standards for the designation of therapy dogs.

S7323 – Sponsored by Senator Murphy / M of A Bronson -- Relates to reciprocity of debarments imposed under the federal Davis-Bacon Act.



AG Announces \$575,000 Settlement With EmblemHealth After Data Breach Exposed Over 80,000 Social Security Numbers

AG Schneiderman Renews Call to Pass SHIELD Act to Protect New Yorkers From Data Breaches

Attorney General Eric Schneiderman this week announced a settlement with healthcare provider EmblemHealth and wholly owned subsidiary Group Health Incorporated (“EmblemHealth”) after the company admitted a mailing error that resulted in 81,122 social security numbers being disclosed on a mailing. In addition to paying a \$575,000 penalty, EmblemHealth agreed to implement a Corrective Action Plan and conduct a comprehensive risk assessment.

In announcing the settlement, Attorney General Schneiderman reiterated his call to improve New York’s security laws with the [“Stop Hacks and Improve Electronic Data Security Act”](#) (or “[SHIELD Act](#)”). Introduced by the Attorney General in November 2017, the SHIELD Act would comprehensively protect New Yorkers’ personal information from the growing number of data breaches and close gaps in New York’s data security laws.

“The careless handling of social security numbers is never acceptable,” said Attorney General Schneiderman. “New Yorkers need to be able to trust that companies entrusted with their private information will guard it appropriately. This starts with good governance—which is why my office will continue to push for stronger security laws and hold businesses accountable for protecting their customers’ personal data.”

According to the Attorney General, on October 13, 2016, EmblemHealth discovered that it had mailed 81,122 policyholders, including 55,664 New York residents, a paper copy of their Medicare Prescription Drug Plan Evidence of Coverage (“EOC Mailing”) that included a mailing label with the policyholder’s social security number on it. Normally, all mailings include a unique mailing identifier that is printed on the envelope. However, in this case, the mailing inadvertently included the insured's Health Insurance Claim Number, which incorporated the insured's social security number.

In connection with its 2016 EOC Mailing, EmblemHealth failed to comply with the Health Information Technology for Economic and Clinical Health Act (“HIPAA”). Printing an individual's social security number on “a postcard or other mailer not requiring an envelope, or visible on the envelope, or without the envelope having been opened” also violates New York General Business Law § 399-ddd(2)(e).

In addition to paying a \$575,000 penalty, under the settlement EmblemHealth must implement a Corrective Action Plan that includes a thorough risk analysis of security risks associated with the mailing of policy documents to policyholders, and submit a report of those findings to the Attorney General’s office within 180 days of the settlement. EmblemHealth must also review and revise its policies and procedures based on the results of the assessment, and notify the Attorney General’s office of any action it takes. If no action is taken, EmblemHealth must provide a written detailed explanation of why no action is necessary.

In the News – New York City

Mayor de Blasio Appoints Richard A. Carranza as NYC Schools Chancellor

Mayor Bill de Blasio this week appointed Richard A. Carranza as New York City’s next Schools Chancellor. Mr. Carranza currently serves as the Superintendent of the Houston Independent School District (HISD). He succeeds Carmen Farina who will retire at the end of March having served the New York City school system for 52 years.



Richard Carranza & Mayor Bill de Blasio

“Richard Carranza understands the power of public education to change lives, and he has a proven record of strengthening public schools and lifting up students and families,” said Mayor de Blasio. “He understands the tremendous work New York City educators do every day to put our children on the path to success. Richard is the right person to lead our school system forward as we build on the progress we’ve made over the past four years and make our vision of equity and excellence for every child a reality. Carmen Fariña leaves a tremendous legacy not only from her four years as Chancellor, but as an inspiring and innovative educator and public servant for more than 50 years.”

According to the Mayor, in Houston, Mr. Carranza has served as Superintendent of the HISD since August 2016. HISD is the largest school district in Texas and the seventh largest district in the United States, with a predominately Hispanic and Black student population. Prior to Houston, Mr. Carranza worked for the San Francisco Unified School District, first as Deputy Superintendent for Instruction, Innovation and Social Justice then Superintendent. During his eight years of service, he raised graduation rates for African-American students by 13.9 percentage points, and for Hispanic students by 15.4 percentage points. He began his career as a high school, bilingual social studies and music teacher, then a principal in Tucson.

Mr. Carranza is the past chairman of the Board of Directors for the Council of the Great City Schools. He also served on the Board of Directors of the Association of Latino Administrators and Superintendents, the National Commission on Teaching and America’s Future, the American Association of School Administrators Executive Committee, and the K to College Advisory Board.



De Blasio Administration to Expedite NYCHA Heating System Upgrades By Up to 20 Months

City presses for Design-Build from State, which would save an additional 12 to 15 months on these repairs

The de Blasio Administration this week announced measures to expedite major heating upgrades at public housing by 8 to 20 months, depending on the size of the project.

In January, the Mayor announced \$200 million in heating system upgrades at 20 developments experiencing chronic outages. The Administration conducted a review of NYCHA’s capital program and will make the scoping and design, procurement and construction processes more efficient.

The City is also pressing the State to grant Design-Build authority, which would save an additional 12 to 15 months on these upgrades.

The Administration reviewed NYCHA's capital program and identified several ways to expedite repairs by 8 to 20 months, depending on the size of the heating system, including:

- **Design Phase:** NYCHA will provide estimated load calculations to engineers to minimize pre-design services. They have also committed to reviewing fewer submissions from designers, and will create a single standard specification to streamline design. These steps will reduce a 12-month process to 6 months.
- **Procurement:** NYCHA is seeking authority from the NYCHA Board to delegate authority for awarding contracts ahead of Board approval; the Board would ratify the contracts. This would cut 30 – 45 days each time a contract is awarded.
- **Construction & Commissioning:** DEP has agreed to expedite review and approval of NYCHA installations for usages, saving 3 weeks. NYCHA will also work with DOB to streamline the inspection and approval processes.



Mayor de Blasio Announces Stepped-Up Enforcement of "Don't Block the Box"

Mayor's congestion initiative includes "Clear Intersections" which will see NYPD write violations at fifty targeted intersections in all five boroughs

Mayor Bill de Blasio announced the City's "Clear Intersections" initiative that will focus on 50 City intersections where block-the-box violations will now be aggressively enforced.

"Late last year, we announced a series of initiatives designed to address congestion issues around New York City, a symptom of the city's record population and economic vitality," said Mayor de Blasio. "Blocking the box is one area where focused NYPD enforcement can and will make a big difference to keep traffic moving around hotspots in every borough."

The Mayor cited that in Manhattan, vehicle travel times have declined by 23% since 2010. Drivers who enter intersections without sufficient space on the other side "block-the box," which can back up traffic and create dangers to pedestrians who cannot cross streets safely. Block-the-box violators face minimum fines of \$115 and possible points that can lead to the loss of a driver's license.

As part of Clear Intersections, DOT has installed special markings and/or updated signage at key intersections (see list below) to make drivers aware of the restrictions. NYPD will increase enforcement at these locations to keep traffic moving, hiring an additional 50 uniformed officers to enforce block-the-box violations.

Clear Intersections will be in effect at the following locations:

Manhattan

1. Broadway & West 57 Street
2. Dyer Avenue & West 41 Street
3. Fort Washington Avenue & West 165 Street
4. 3 Avenue & East 36 Street
5. Broadway & Spring Street
6. Delancey Street & Bowery
7. Delancey Street & Allen Street
8. 9 Avenue & West 207 Street
9. 10 Avenue & West 40 Street
10. West Side Highway (9A)/12 AV & West 51 Street
11. Broadway & Canal Street
12. Canal Street & Centre Street
13. Delancey Street & Essex Street
14. Hudson Street & Beach Street/
Ericsson Place
15. 3 Avenue & East 57 Street
16. 3 Avenue & East 58 Street
17. 3 Avenue & East 59 Street
18. 3 Avenue & East 35 Street
19. 6 Avenue & Watts Street
20. 10 Avenue & West 41 Street
21. Broadway and Broome Street
22. Broadway and Chambers Street
23. Broadway & West 66 Street
24. Amsterdam Avenue & 181 Street
25. Canal Street & West Broadway
26. Hudson Street & Laight Street
27. Hudson Street & Vestry Street

Queens

28. Queens Boulevard & Skillman Avenue
29. Northern Boulevard & Queens Blvd.
30. Queens Boulevard & Roosevelt Avenue
31. Astoria Boulevard & 31 Street
32. 21 Street & 49 Avenue
33. Laurel Hill Boulevard & 65 Place
34. Queens Midtown Expressway *N S/R & Grand Avenue
35. Main Street & Roosevelt Avenue
36. 71 Avenue & Austin Street
37. 37 Avenue & 138 Street
38. Metropolitan Avenue & 60 Street
39. Queens Plaza South (SR) & 28 Street

The Bronx

40. 135 Street & Third Avenue

Brooklyn

41. Flatbush Avenue & 8 Avenue
42. Atlantic Avenue & Pennsylvania Avenue
43. 86 Street & 7 Avenue
44. Tillary Street & Jay Street
45. Flatbush Avenue & Myrtle Avenue

Staten Island

46. College of Staten Island & Victory Bvd.
47. Narrows Road South & Hylan Boulevard
w/b @ Steuben Street
48. Narrows Road South & Hylan Boulevard
49. Narrows Road South & Fingerboard Rd.
50. Narrows Road North & Fingerboard Rd.

Briefs

Dr. Merryl Tisch to Serve as Vice Chair of SUNY Board of Trustees

Dr. Merryl H. Tisch has been appointed to serve as Vice Chair of the State University of New York Board of Trustees. Dr. Tisch has served on the SUNY Board of Trustees since June 2017 and headed the State Board of Regents from 2009 to 2016. She was a member of the Board of Regents for 20 years.

Dr. Tisch currently holds a number of philanthropic and civic positions, including service with International Rescue Committee, the Metropolitan Council on Jewish Poverty, the Metropolitan Museum of Art, The Washington Institute for Near East Policy, Citizens Budget Commission, The Trust for Cultural Resources of the City of New York and the Graduate School of Education's Board of Overseers at the University of Pennsylvania. She founded the Tisch Cancer Institute at Mt. Sinai Hospital in 2008.

Dr. Tisch holds a B.A. from Barnard College, an M.A. in Education from New York University, and received an Ed.D from Teacher's College, Columbia University.

NYS Decarbonization Advisory Panel

Governor Andrew Cuomo and Comptroller Thomas DiNapoli this week announced the members of the state's first-ever Decarbonization Advisory Panel. The panel will advise the Comptroller, as trustee of the \$209.1 billion New York State Common Retirement Fund (Fund), on how best to mitigate investment risks stemming from climate change and maximize opportunities from the new, low-carbon economy.

The panel will evaluate strategies including: expanding the Fund's low-carbon index for public equity holdings, divesting from significant fossil fuel holdings, and using New York Green Bank and other organizations to invest in New York's green economy. The panel will also look at what other pension funds and investors have done to decarbonize their assets. The panel's recommendations will be advisory in nature.

Members of the advisory panel include:

Cary Krosinsky: Mr. Krosinsky is sustainable investing professor at Brown University and lecturer at the Yale School of Management. He is a co-founder and director of the Carbon Tracker Initiative and Real Impact Tracker, principal at NPV Associates and sustainability advisor at BlueSky Investment Management. Mr. Krosinsky is also an author and editor of the *Journal of Environmental Investing*.

Bevis Longstreth: Mr. Longstreth currently serves on the Investment Committee of the New School University and as an adviser to the Kentucky Teachers Pension Fund. He was twice appointed by President Ronald Reagan to serve as a commissioner on the United States Securities and Exchange Commission.

Alicia Seiger: Deputy Director of Steyer-Taylor Center for Energy, Policy and Finance at Stanford University, Ms. Seiger leads sustainable and energy finance initiatives at Stanford's Law School, Graduate School of Business, and Precourt Institute for Energy. Ms. Seiger serves on the board of CERES, a sustainability organization.

George Serafeim: Jakurski Family Associate Professor at Harvard Business School, Mr. Serafeim is a director at the High Meadows Institute, a co-founder and senior partner of KKS Advisors, and a former Standards Council Member at the Sustainability Accounting Standards Board.

Tim Smith: Director of ESG Shareowner Engagement at Walden Asset Management. Previously, Mr. Smith served as executive director of the Interfaith Center on Corporate Responsibility for 24 years..

Joy Williams: Currently a senior advisor for Zizzo Strategy, Ms. Williams previously established the responsible investing framework at the Ontario Teachers' Pension Plan. She is a professional engineer and a chartered alternative investment analyst.

Restaurant Owners Push Back Against Ending Tipped Wage

Restaurant owner and their respective associations have formed the *Save NY Tips Coalition* and launched a website (savenytips.org) this week to oppose an end to the tipped wage credit in New York. The *Save NY Tips Coalition* was initially founded by the New York State Restaurant Association, Empire State Restaurant & Tavern Association, New York State Hospitality & Tourism Association, NYS Bowling Proprietors Association and the New York City Hospitality Alliance, according to its website.

The push comes as the State Department of Labor is holding hearings to review the tipped wage. The current minimum wage for restaurant workers is between \$7.50 and \$8.65 and tips are meant to bring them to the main wage of \$10.40 or \$13, depending on the area of the state.

Coming Up

New York State

The Legislature is in session Monday March 12th through Thursday March 15th

New York City

Monday March 12th

Subcommittee on Zoning and Franchises, Committee Room, 16th Floor – 250 Broadway, 9:30 a.m.

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

Subcommittee on Landmarks, Public Siting and Maritime Uses, Committee Room, 16th Floor – 250 Broadway, 12 p.m.

Committee on Veterans, Committee Room – City Hall, 1 p.m.
Preliminary Budget Hearing

Subcommittee on Planning, Dispositions and Concessions, Committee Room, 16th Floor – 250 Broadway, 2 p.m.

Committee on Justice System, Council Chambers – City Hall, 2 p.m.
Preliminary Budget Hearing

Committee on Public Safety, Council Chambers – City Hall, 2 p.m.
Preliminary Budget Hearing

Wednesday March 14th

Committee on Housing and Buildings, Council Chambers – City Hall, 10 a.m.
Preliminary Budget Hearing

Committee on Environmental Protection, Committee Room – City Hall, 10 a.m.
Preliminary Budget Hearing

Subcommittee on Capital Budget, Council Chambers – City Hall, 1 p.m.
Preliminary Budget Hearing

Committee on Sanitation and Waste Management, Committee Room – City Hall, 1 p.m.
Preliminary Budget Hearing

Thursday March 15th

Committee on Land Use, Committee Room – City Hall, 9:30 a.m.
Preliminary Budget Hearing

Committee on Criminal Justice, Council Chambers – City Hall, 10 a.m.
Preliminary Budget Hearing

Subcommittee on Capital Budget, Council Chambers – City Hall, 10 a.m.
Preliminary Budget Hearing

Committee on Land Use, Committee Room – City Hall, 11:15 a.m.

Committee on Technology, Committee Room – City Hall, 11:30 a.m.
Preliminary Budget Hearing

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

Preliminary Budget Hearing

Friday March 16th

Committee on Cultural Affairs, Libraries and International Intergroup Relations, Council Chambers – City Hall, 10 a.m.

Preliminary Budget Hearing

Committee on Youth Services, Committee Room – City Hall, 1 p.m.

Preliminary Budget Hearing

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