



# This Week in New York

Covering New York State and City Government

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## *In the News – New York State*



## **NYS Targets Lyme and Tick-Borne Diseases**



As directed by Governor Andrew Cuomo, New York State will employ an “aggressive” Lyme and tick-borne disease control plan to control tick populations on public lands, increase public awareness and access to available data, and create a working group to participate in a Lyme disease summit this summer. In addition, Department of Health’s (DOH) Wadsworth Center will work with private partners to explore ways to improve diagnostic testing and treatment for Lyme and other tick-borne diseases.

According to reports by the Centers for Disease Control (CDC), New York State has the third highest number of confirmed cases of Lyme disease in the country. While this problem has historically been concentrated on Long Island and in the Hudson Valley, DOH reports that it is quickly migrating to other counties across New York.

In his State of the State Address, Governor Cuomo noted the threat posed by tick-borne diseases to both individual New Yorkers and regional economies that rely on outdoor recreation. Each year, there are approximately 8,000 cases of Lyme disease, 700 cases of anaplasmosis, 400 cases of babesiosis, 100 cases of ehrlichiosis, and 30 cases of other tick-borne illnesses reported to DOH—with many other cases going unreported. 2017 also saw deadly cases of the rare tick-borne disease Powassan.

To implement his State of the State plan, the Governor has directed the DOH, Department of Environmental Conservation (DEC), and the Office of Parks, Recreation and Historic Preservation (OPRHP) to collaborate to target priority counties and public lands with the highest risk of tick exposure and Lyme disease.

DOH, DEC and OPRHP will launch a tick reduction strategy. Tick control methods will include application of eco-friendly tick control treatments on parkland in the Hudson Valley, Capital Region, and Southern Tier where the public is at the highest risk of tick exposure and Lyme disease.

The state will expand the use of 4-Poster "tickicide" deer treatment feeding stations that help to control ticks spread by white-tailed deer. The stations are already successfully in use in certain areas on Long Island, including Robert Moses State Park and Connetquot River State Park.

In addition, beginning immediately, participating agencies will develop a campaign focused on deploying information about tick-borne disease and prevention, specifically targeting high-risk groups such as hunters and hikers.

DOH will also post current and retrospective tick collection and testing results to Health Data NY, opening up the data to the public. This information was previously only shared with local health departments and state park managers to aid in their education and prevention campaigns.

Finally, the Governor has directed the Commissioner of Health to establish a new working group on Lyme and other tickborne diseases to review current strategies and improve the prevention, diagnosis and treatment of tick-borne diseases in New York State. He will also convene a tick-borne disease summit this summer, bringing together national experts, members of the new working group and local health departments. The purpose of the summit is to review New York State's current initiatives and make policy recommendations on actions that New York State can take in the next one to three years to advance prevention, diagnostics, and other best practices.

Meanwhile, the State Senate this week passed legislation to strengthen the state's prevention efforts. The bills were initiated by the Senate's Task Force on Lyme and Tick-Borne Diseases, launched in 2013. The measures include:

- **S2588**, sponsored by Senator Serino, directs the DEC to develop guidelines for best practices in treating residential properties to reduce exposure to ticks.
- **S7242**, sponsored by Senator Serino, directs the OPRHP to install and maintain tick warning signs at all state-managed parks, including trail entryways and campgrounds. This bill is sponsored by M of A. Didi Barrett in the Assembly.
- **S8539**, sponsored by Senator Serino, requires the Department of Financial Services (DFS), in consultation with the DOH Commissioner, to conduct a study considering the current scope of health insurance coverage for Lyme and tick-borne diseases.
- **S6926**, sponsored by Senator Hannon, directs the Commissioner of Health to establish a standard protocol for the diagnosis and treatment of Lyme and other tick-borne diseases.
- **S7168**, co-sponsored by Senators Serino and Hannon, requires a coroner, pathologist, medical examiner or other qualified examiner that discovers Lyme and tick-borne disease infections during an examination of a deceased person to report the case to the DOH.
- **S7208**, co-sponsored by Senators Serino and Hannon, requires that the Council on Human Blood and Transfusion Services review current medical research and guidance regarding the donation of blood by patients with a history of Lyme or tick-borne illnesses. This bill is sponsored by M of A Steve Englebright in the Assembly.

Earlier this year, the Assembly passed legislation (A4863-A by M of A Barrett) directing the DFS to study and report upon insurance coverage for the treatment of Lyme disease.

## *In the News – New York City*

# Legalizing Marijuana Could Lead to Millions in Tax Revenue for City and State

As support for marijuana legalization grows across the nation, New York City Comptroller Scott Stringer this week released a new report on the fiscal impact of legalizing adult-use marijuana sales in New York.

The Comptroller's analysis estimates the potential market for adult-use marijuana in New York State at roughly \$3.1 billion, including approximately \$1.1 billion in New York City. By applying tax rates in line with other states, New York State could reap as much \$436 million annually in new tax revenue from legal marijuana sales, while New York City could garner as much as \$335 million.



“This is not just about dollars – it’s about justice. Not only is marijuana an untapped revenue source for the City and the State, but the prosecution of marijuana-related crimes has had a devastating and disproportionate impact on Black and Hispanic communities for far too long,” said New York City Comptroller Stringer. “... Legalizing marijuana and reclassifying past convictions would be critical steps towards turning the page on decades of failed policies.”

### Estimated Size of Adult-Use Marijuana Market in New York

Using data from Washington State and Colorado, which legalized adult-use marijuana sales in 2014 as guides, the Comptroller's office estimated:

- There are roughly 1.5 million regular marijuana users in New York State, of whom roughly 550,000 reside in New York City.
- Assuming New York marijuana users would spend amounts similar to those in Washington and Colorado (about \$2,080 in annual spending per user), the Comptroller's office estimated a total annual adult-use marijuana market of roughly \$3.1 billion in New York State, of which \$1.1 billion is attributable to New York City.
- These estimates do not include the potential impact of some 970,000 workers who work in New York City but live outside it. They also do not account for the impact of foreign and domestic tourism on New York's potential marijuana market.

**Estimating the Size of the Adult-Use Marijuana Market**

Jurisdiction	Adult Population	Monthly Adult Use	Estimated Monthly Users	Estimated Annual Sales/User	Market Size (\$ millions)
Washington State	5,540,571	11.42%	632,733	\$2,055	\$1,300.0
Colorado	4,180,931	17.12%	715,775	\$2,106	\$1,507.7
New York City	6,505,088	8.43%	548,151	\$2,080	\$1,140.4
NY State	15,109,013	9.90%	1,495,792	\$2,080	\$3,112.0

**Potential Tax Revenues from Adult-Use Marijuana Sales**

When estimating the potential tax revenues from marijuana sales in New York, the Comptroller’s office considered a number of factors, including New York’s existing tax system for medical marijuana and the established excise taxes on items like cigarettes, beer, and liquor. The report found:

- A 25% retail excise tax in New York City would generate up to \$336 million in tax revenue annually (and as much as \$570 million in other New York State localities).
- For New York State, tax revenue is estimated at roughly \$436 million annually, combining a 10% retail excise tax together with sales tax at the existing rate of 4%.

**Estimated Tax Revenues from Adult-Use Marijuana Sales**

\$ \$ in millions	Market Size	Excise Tax	Sales Tax	Total
New York State	\$3,111	\$311.2	\$124.5	<b>\$435.7</b>
New York City	\$1,140	\$285.1	\$51.3	<b>\$336.4</b>

- The combined maximum excise tax rate of 35% would be roughly equivalent to Washington State’s current marijuana retail excise tax.

**Social Benefits and Considerations of Legalizing Marijuana**

Along with establishing a new, sustainable stream of revenue, legalizing adult-use marijuana could reduce costs for public safety, help mitigate public health problems related to the opioid crisis, and help drive broader economic and social benefits that will accrue after eliminating a source of harm that has afflicted communities of color for so long.

Also this week, Manhattan district attorney Cyrus Vance indicated that he will stop prosecuting people for possessing or smoking marijuana and Mayor Bill de Blasio promised that the City's police department would overhaul its marijuana enforcement policies in the next 30 days. Brooklyn's district attorney also said he would scale back prosecutions, according to published reports.



## Bills Passed by the Council

**Introduction 599-A**, sponsored by Speaker Corey Johnson, would ensure fire safety guides are distributed in apartment buildings and fire safety and prevention educational materials as well as relevant trainings are provided to building staff. Additionally, the FDNY would be required to submit annual reports on such outreach efforts.

**Introduction 602-A**, sponsored by Council Member Joseph Borelli, would require that all doors in residential occupancies be self-closing by July 31, 2021, and also creates a class C violation of the Housing Maintenance Code for a failure to keep and maintain self-closing doors.

**Introduction 603-A**, sponsored by Council Member Costa Constantinides, would codify the Fire Department's existing hydrant inspection practice. Additionally, the Department of Environmental Protection would be required to report on the occurrence and results of such inspections; including information on the number of hydrants subject to inspection, the number of inspections that occurred in the prior calendar year, the number of hydrants found to be inoperable through inspection, the number of hydrants found inoperable and classified as priority hydrants, and the number of priority hydrants not subsequently repaired after being found inoperable.

**Introduction 604-A**, sponsored by Council Members Robert Cornegy and Chaim Deutsch, would require that after January 1, 2021, smoke alarms in residential occupancies that are installed within 20 feet from a fixed cooking appliance must comply with standards for reduction of nuisance alarms.

**Introduction 606-A**, sponsored by Council Members Donovan Richards and Chaim Deutsch, would require the FDNY, in consultation with the Office of Emergency Management and the Mayor's Office for People with Disabilities, to develop a checklist to assist individuals with disabilities or limited mobility in developing individualized emergency evacuation plans.

**Introduction 609-A**, sponsored by Council Member Ritchie Torres, would require the FDNY, in consultation with the Department of Education, to develop and implement a plan for educating children and parents about common fire dangers and prevention measures.

**Introduction 610-A**, sponsored by Council Member Ritchie Torres, would require that all landlords provide stove knob covers to tenants in units where children under the age of six reside to prevent the children from using the stove.

## **Briefs**

### **State Party Conventions To Be Held Next Week**

Both the state Democratic and Republican Parties will hold their state conventions next week where the parties are expected to name their candidates for governor, lieutenant governor, attorney general and comptroller. The two parties will convene their conventions on Wednesday, May 23 and Thursday, May 24.

Democrats will host their convention on Long Island at Hofstra University and the nearby Long Island Marriott. Republicans will host their convention at the Ziegfeld Ballroom in Midtown Manhattan.

### **Supreme Court Ruling Favors Sports Betting**

The U.S. Supreme Court this week struck down a 1992 federal law which banned commercial sports betting in most states. The court, in a 6-3 ruling, struck down the Professional and Amateur Sports Protection Act which did not ban sports gambling nationwide as a matter of federal law, but provided that the states were not allowed to permit it (Nevada was grandfathered in when the law was passed in 1992).

“It is as if federal officers were installed in state legislative chambers and were armed with the authority to stop legislators from voting on any offending proposals,” Justice Samuel A. Alito Jr. said, writing for the majority. “A more direct affront to state sovereignty is not easy to imagine.”

In New York, the 2012 legislation providing for casinos in the state also allowed sports betting in casinos. However, additional legislation is necessary to fully implement sports betting. Senator John Bonacic has introduced legislation in the Senate. No measures are currently pending in the Assembly.

Given that the legislative session has less than five weeks remaining, neither Governor Andrew Cuomo nor Assembly Speaker Carl Heastie were optimistic about the likelihood of passage this year, according to published reports.

### **NY Offering First-time Campers Free Program with All Gear Included**

Free first-time camper weekends are being offered at 13 New York State parks throughout the summer. New York families who have never camped have the chance to see if they might enjoy the great outdoors before making a commitment to buy all the gear. New campers will be provided with a family tent, sleeping bags, sleeping pads, camp chairs, camp stove, lantern, and firewood. They will be greeted by a camping ambassador to help them set up camp.

The program is available only to New York residents and space is limited. Reservations are required and the application sign-up period for the new lottery system runs through Sunday. Participants will be randomly selected to fill the slots. Contact the Bureau of Recreation at 518-457-2500 for more information.



## **NYS Launches Multi-Agency Effort to Combat Maternal Depression**

Governor Andrew Cuomo this week launched a new multi-agency effort to combat maternal depression including regulations that require coverage for maternal depression screenings, a strategic awareness campaign, and an outpatient clinic focused on maternal depression.

Under new regulations by the Department of Financial Services, all health insurance policies issued in New York will be required to include coverage for maternal depression screenings by both adult and pediatric primary care providers, as well as speedy referrals to treatment specialists. Insurance policies that cover the child but not the mother must provide coverage for maternal depression screening. The proposed regulation will take effect 60 days after publication in the State Register.

The Department of Health (DOH) and the Office of Mental Health (OMH) are launching a strategic awareness campaign to provide information about symptoms and treatment options. As part of the campaign, Commissioners of OMH and DOH this week will issue a joint letter to health care providers reminding them of the seriousness of the issue as well as encouraging expansion of treatment options.

OMH will be launching the first State-operated intensive outpatient service by the end of the month.

## **NY State of Health Releases 2018 Open Enrollment Report**

NY State of Health, the state's official health plan Marketplace, this week released data on the more than 4.3 million New Yorkers who enrolled in health plans during its fifth open enrollment period that ran from November 1, 2017 through January 31, 2018. According to the Department of Health, despite concerns about the continuation of the Affordable Care Act, consumer demand for coverage in New York remains strong.

### ***Individual Market Enrollment***

Combined Qualified Health Plan (QHP) and Essential Plan enrollment increased to nearly 1 million people, reflecting an increase of 84,000 between 2017 and 2018. Across all Marketplace programs, enrollment increased by nearly 700,000 in the past year.

### ***Choice of Health Plan Options***

Twelve insurers offered individual QHP coverage through NY State of Health in 2018, and most consumers have a choice of at least four health insurers available to them. Fifteen health insurers offer coverage to Essential Plan enrollees, 19 insurers offer Medicaid and 16 offer Child Health Plus (CHP). Ten insurers participate in all individual market programs offered through NY State of Health, which allows for continuity of coverage when family members are eligible for different programs and/or individuals' program eligibility changes over time.

No one insurer has more than half of the enrollment in their service area, and most insurers have between 6 and 23 percent of the enrollment in their respective service areas.

## **NYS & NYC Investigation of Construction Company Leads to Indictment**

A joint investigation between the New York State Department of Labor, the Manhattan District Attorney and the Department of Investigation has led to the identification of \$1.8 million in stolen wages and the arrest and indictment of the owners of Parkside Construction, one of New York's largest construction companies.

As a result of this investigation, six individuals have been arrested and charged with several counts of grand larceny, scheme to defraud and insurance fraud. Defendants Francesco and Salvatore Pugliese, co-owners of Parkside Construction and its corporate alter-egos, as well as other Parkside representatives: Payroll Manager Yenny Duarte, Supervising Foreman James Lyons, and Accountant Michael DiMaggio, used Affinity Human Resources, LLC - a Professional Employment Organization, to hide their illegal activity. Affinity's CEO Jerry Hamling has also been arrested.

According prosecutors, Parkside perpetuated a scheme to cheat hundreds of low-wage immigrant laborers of millions of dollars in earned wages. Beyond the massive wage theft component, the criminal investigation also redressed widespread insurance fraud.

## **NYC First-In-Nation Task Force To Examine Automated Decision Systems Used By The City**

Mayor de Blasio announced the creation of the Automated Decision Systems Task Force which will explore how New York City uses algorithms. The task force, the first of its kind in the U.S., will work to develop a process for reviewing “automated decision systems,” commonly known as algorithms, through the lens of equity, fairness and accountability.

The task force will be co-chaired by Emily W. Newman, Acting Director of the Mayor’s Office of Operations, and Brittny Saunders, Deputy Commissioner for Strategic Initiatives at the Commission on Human Rights. It will be composed of City agency commissioners or their designees, as well as representatives from a variety of fields, including individuals from academic and legal communities, experts in data and technology, and leaders of nonprofits and think tanks.

## **Comptroller Releases Agency Watch List Report on Homeless Services**

Comptroller Stringer released the second “Agency Watch List” report, focusing on the City’s spending on homeless services. The analysis found that while total spending on homelessness across agencies is projected in FY 2018 to increase by 149% from FY 2014 (1.2 billion to over \$2.9 billion), the population in shelters has barely changed.

New York City’s homeless services expenditures cross five agencies that share responsibilities for supporting, sheltering and permanently housing every eligible person or family that seeks assistance, including the Department of Homeless Services (DHS), as well as the Departments of Social Services, Youth and Community Development, Health and Mental Hygiene, and Veterans Services.



### **Shelter Population Large**

- New York City's shelter population increased by 17.5 percent between January 2014 and April 2018. The City's shelter population reached a record high of 61,075 individuals on February 7, 2018; and

### **Investment in Prevention Services Grows as Shelter Population Remains High**

- At the same time, the number of single adult shelter entrants has grown while shelter entrances among families with children and adult (childless) families is consistent with, or slightly below, recent levels, contributing to stagnation in the City's shelter population.

### **Use of Cluster Sites and Commercial Hotels Continues as Expenditures Soar**

- The City announced in February 2017 that it would eliminate the use of cluster sites by the end of 2021, and commercial hotel facilities by the end of 2023. However, over the next three years, the City is anticipating nearly \$1.1 billion in expenditures for commercial hotel rooms alone. On average, the City spent in excess of \$1.1 million per month for hotel rooms that were not used during the six-month period ending Dec. 31, 2017.

## ***Coming Up***

### ***New York State***

*The Legislature is in session Tuesday, May 22<sup>nd</sup> through Wednesday, May 23<sup>rd</sup>*

#### ***Thursday May 24<sup>th</sup>***

##### **Gestational Surrogacy**

Joint Assembly Standing Committee on Judiciary, and Committee on Health, Assembly Hearing Room, 250 Broadway, Room 1923, New York, 10:00 a.m.

### ***New York City***

#### ***Tuesday May 22<sup>nd</sup>***

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

Executive Budget Hearings

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

Executive Budget Hearings

***Committee on Civil Service and Labor***, Council Chambers – City Hall, 12 p.m.

Executive Budget Hearings

#### ***Wednesday May 23<sup>rd</sup>***

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

**Thursday May 24<sup>th</sup>**

**Committee on Finance**, Council Chambers – City Hall, 10 a.m.  
Executive Budget Hearings

**Committee on Hospitals**, Council Chambers – City Hall, 2 p.m.  
Executive Budget Hearings

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