



## THIS WEEK IN NEW YORK COVERING NEW YORK & CITY GOVERNMENT

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*"Obstacles don't define us. Rather, it is the unparalleled courage and character of us that defines us as a people. So my confidence in the future is steeped in our glorious past - in the face of adversity, we always persist. We persevere, we prevail." Governor Kathy Hochul*

### *In the News-New York State*



#### **DFS Superintendent Harris Adopts Insurance Guidance to Combat Discrimination in Artificial Intelligence**

##### *Establishes Principles to Protect Consumers When Insurers Use Artificial Intelligence in Underwriting and Pricing*

Department of Financial Services ("DFS") Superintendent Adrienne Harris this week adopted guidance to protect consumers from unfair or unlawful discrimination by insurers using artificial intelligence. The guidance was released in a [circular letter](#) to the insurance industry.

"New York has a strong track record of supporting responsible innovation while protecting consumers from financial harm," said Superintendent Harris. "Today's guidance builds on that legacy, ensuring that the implementation of AI in insurance does not perpetuate or amplify systemic biases that have resulted in unlawful or unfair discrimination, while safeguarding the stability of the marketplace."

According to the Superintendent, the use of external consumer data and information sources ("ECDIS") and artificial intelligence systems ("AIS") can benefit insurers and consumers by simplifying and expediting insurance underwriting and pricing processes. However, it is critical that insurers who utilize these technologies establish a proper governance and risk management framework to mitigate the potential harm to consumers.

The guidance outlines DFS's expectations for how all insurers authorized to write insurance in New York State develop and manage the integration of ECDIS, AIS, and other predictive models. Pursuant to DFS's guidance, insurers are expected to:

- Analyze ECDIS and AIS for unfair and unlawful discrimination, as defined in state and federal laws;
- Demonstrate the actuarial validity of ECDIS and AIS;
- Maintain a corporate governance framework that provides appropriate oversight of the insurer's overall outcome of the use of ECDIS and AIS; and

- Maintain appropriate transparency, risk management, and internal controls, including over third-party vendors and consumer disclosures.

The DFS guidance follows consideration of the feedback received from regulated entities and other key stakeholders, including trade associations, advisory firms, universities, and the broader public.



## NYS Enacts Legislation to Increase Regulation of E-Bikes & Lithium-Ion Batteries

Governor Kathy Hochul this week signed a legislative package to raise awareness about the safe use of e-bikes and products that contain lithium-ion batteries and protect New Yorkers.

“As e-bike adoption increases and battery technology continues to develop, I urge New Yorkers to be aware of safety best practices and to use their devices and chargers properly,” Governor Hochul said. “These laws underscore our commitment to help New Yorkers make educated, safe, smart choices with their purchases of products with lithium-ion batteries and how to best store and use them in order prevent any more tragedies from occurring.”

- **Chapter 195 of the Laws of 2024 (Sponsored by Senator Krueger/AM Dinowitz)** – Prohibits prohibits the sale of lithium-ion batteries used in micro-mobility devices, bicycles with electric assist or mopeds unless such batteries are manufactured in accordance with certain standards and specifications. Legislation S.154F/A.4938-D provides a civil penalty and authorizes district attorneys, county attorneys, and corporation counsel to have concurrent authority to seek the relief.
- **Chapter 196 of the Laws of 2024 (Sponsored by Senator Cooney/AM Bores)** -- Requires police and judicial officers investigating an accident with an e-bike or e-scooter that results in death or injury to make a report to the Department of Motor Vehicles, consistent with current requirements for motor vehicles and motorcycles. The law also requires police to investigate such incidents when they are made aware of them.
- **Chapter 197 of the Laws of 2024 (Sponsored by Senator Chu/AM Eachus)** -- Requires micro-mobility devices, mopeds, and bicycles with electric assist to have a red tag attached to the charging cord which states to unplug when not in use.
- **Chapter 198 of the Laws of 2024 (Sponsored by Senator Hoylman-Sigal/AM Bores)** -- Requires mopeds to be registered by dealers at the point of sale, if they are to be used in the State.
- **Chapter 199 of the Laws of 2024 (Sponsored by Senator Cleare/AM Taylor)** -- Requires the State Fire Administrator within the Office of Fire Prevention and Control of the Department of Homeland Security and Emergency Services to provide training materials for first responders regarding emergency response to incidents involving lithium-ion batteries.

- **Chapter 200 of the Laws of 2024 (Sponsored by Senator Cleare/AM De Los Santos)** -- Directs the Department of State, in consultation with the Division of Homeland Security and Emergency Services and the New York State Energy Research and Development Authority, to develop and maintain safety resources, information, and protocols in regard to fire hazard prevention relating to, but not limited to, lithium-ion batteries, second-use lithium-ion batteries, bicycles with electric assist as defined in section one hundred two-c of the vehicle and traffic law, mopeds, and micro-mobility devices.
- **Chapter 201 of the Laws of 2024 (Sponsored by Senator Cleare/AM Zinerman)** --Requires retailers of micro-mobility devices, bicycles with electric assist and mopeds powered with lithium-ion batteries, and lithium-ion batteries intended for use in such devices or bicycles to provide customers with an operating manual.
- **Chapter 202 of the Laws of 2024 (Sponsored by Senator Chu/AM Eachus)** -- Requires retailers to affix a notice on any bicycles with electric assist and micro-mobility devices which states to always yield to pedestrians and follow traffic laws. This legislation also authorizes that any retail entity who violates the law may be penalized with a fine of no more than \$250 per unit for the first offense and not more than \$1,000 for each subsequent offense.



## Chapters of the Laws of 2024

**Chapter 128 (Sponsored by AM Fall/Senator Scarcella-Spanton)** -- Adjusts the base pilotage tariffs at Sandy Hook, Sands Point and Execution Rocks

**Chapter 136 (Sponsored by AM Lavine/Senator Thomas)** -- Extends provisions related to the assessment and review of assessments in the county of Nassau

**Chapter 149 (Sponsored by AM Benedetto/Senator Mayer)** -- Relates to annual professional performance reviews of teachers and principals.

**Chapter 147 (Sponsored by Rules (AM Davila)/ Senator Kavanaugh)** -- Extends provisions relating to the Department of Housing Preservation and Development in the City of New York.

**Chapter 153 (Sponsored by Senator Hoylman-Sigal/AM Rosenthal)** -- Clarify that claims filed against governmental entities under the Adult Survivors Act (Ch. 203 of 2022) do not require the filing of a notice of claim or a notice of intention to file a claim.

**Chapter 155 (Sponsored by Senator Stavisky/AM Williams)** -- Extends certain provisions authorizing a tuition wavier for one course for police officer students at CUNY.

**Chapter 157 (Sponsored by Senator Ramos/AM Lunsford)** -- Extends the reciprocity of debarments imposed under the federal Davis-Bacon Act for three years.

**Chapter 162 (Sponsored by Senator Goundardes/AM Pheffer Amato)** -- Provides a cost of living increase in the Special Accidental Death Benefits (SADB) for surviving spouses, dependent children, and certain other eligible beneficiaries of former uniformed employees of the City of New York and the New York City Health and Hospitals Corporation, and of the Triborough Bridge and Tunnel Authority, who were members of the New York City retirement systems and pension funds and died as a natural and proximate result of an accident sustained in the performance of duty.

**Chapter 168 (Sponsored by Senator Gonzalez/Rules (AM Otis))** -- Revises legislation related to materially deceptive media in political communications to better conform with federal law.

**Chapter 170 (Sponsored by Senator Comrie/Rules (AM Simone))** -- Extends until 2028 the non-membership composition of the Metropolitan Transportation Authority Board.

## *In the News-New York City*



### **Gateway Development Commission Secures Full Funding for Hudson Tunnel Project**

#### ***Federal Government Finalizes \$12 Billion Funding Commitment***

The Gateway Development Commission (GDC) this week signed a Full Funding Grant Agreement (FFGA) with the Federal Transit Administration (FTA) for \$6.88 billion in federal funding for the Hudson Tunnel Project (HTP) and closed on Railroad Rehabilitation and Improvement Financing (RRIF) loans from the Build America Bureau totaling \$4.06 billion to fund the local share of the project.

With these actions, GDC has secured the entire \$16 billion commitment needed to complete the HTP. Construction of the HTP started on both sides of the Hudson River in November 2023 and is expected to create 95,000 jobs and generate \$19.6 billion in economic activity.

“For a long time now, the Gateway project has been my passion. It’s a labor of love. And after many false starts and obstacles placed in our way, Gateway is full speed ahead with billions from FTA ready to go and be used for critical work and construction,” said Senator Charles Schumer. “Gateway’s future is assured and the most important public works project in America is all systems go.”

According to the Commission, the HTP will eliminate one of the biggest risks of failure on the Northeast Corridor by building two additional tracks and rehabilitating the existing North River Tunnel, resulting in four modern tracks between New York and New Jersey. The new tunnel will be in service by 2035 and the full rehabilitation of the existing tunnel will be complete by 2038.

“After decades of delays, the Gateway Hudson Tunnel Project is finally moving forward. This Full Funding Grant Agreement will provide the critical resources needed to deliver an essential piece of infrastructure that will bring millions of visitors to New York every year,” said New York Governor Kathy Hochul. “I am proud of the work we have done with President Biden, Secretary Buttigieg, Amtrak, and our partners in New Jersey to advance this project and I thank Majority Leader Schumer and the New York Congressional delegation for providing their support.”



The total \$16 billion cost of the HTP will be split 70/30 between the federal government and the project's local partners: New York, New Jersey, and the Port Authority of New York and New Jersey (PANYNJ).



## Mayor Adams Test Drives “NYC Bin” and Announces New DSNY Residential Garbage Requirements

Mayor Eric Adams and City Department of Sanitation (DSNY) Commissioner this week “test drove” NYC’s new official trash bin by symbolically putting Gracie Mansion’s trash and recycling out at the curb and announced new residential garbage requirements effective in November.

DSNY has advanced a proposed rule requiring that all buildings with one to nine residential units and all special use buildings that receive DSNY collection (e.g. city agency buildings, houses of worship, and professional offices located within residential buildings) put their trash in containers, effective November 12, 2024. The rule provides a period of more than 18 months during which residents and owners may continue to use bins they already have, provided those bins are 55 gallons or less and have a latching lid to keep rats out.

Effective June 1, 2026, those buildings will be required to use the official NYC Bin to facilitate “faster, safer, cleaner mechanized” collection with rear-loading “tipper” garbage trucks.

According to the Mayor, any property owner or manager covered by the rule who does not currently have a bin is encouraged to purchase the official NYC Bin, as this bin is far cheaper than anything of its quality sold in retail stores. While the requirements of this new rule only cover trash and compostable material, matching green (paper) and blue (metal, glass, plastic, cartons) NYC Bins are also available for purchase for any property owner or manager who prefers a matched set.

Implementation of the rule will include a warning period extending through the end of 2024, with issuance of fines to commence on January 2, 2025. As with existing commercial containerization requirements, the fine for leaving trash on New York City streets rather than in a secure bin of 55 gallons or less is \$50 for a first offense, \$100 for a second offense, and \$200 for a third offense and each thereafter.

The first-ever official NYC Bin is scheduled to be available online now, however, the site has experienced limited accessibility since the launch on Monday.



# Briefs

## **New York State Court of Appeals Dismisses Lawsuit Against Equal Rights' Amendment Ballot Question in November Election**

A proposed amendment to New York State's Constitution to bar discrimination against "gender identity" and "pregnancy outcomes" will be included on the ballot this November, following a ruling by the State Court of Appeals.

In a decision released yesterday, the Court of Appeals affirmed a lower court ruling, dismissing an appeal "upon the ground that no substantial constitutional question is directly involved." Republican State Assemblymember Marjorie Byrnes (R) led the lawsuit, which argued the Democratic-dominated Legislature passed the amendment before receiving a formal opinion from the state attorney general's office about its constitutionality.

## **Comptroller DiNapoli: LIRR Ridership Is Recovering but Service Improvement Must Remain a Priority**

The Long Island Rail Road (LIRR) is making a steady recovery from the pandemic with growing ridership, increased service routes into the Grand Central Madison terminal and on-time performance in 2023 that was better than in 2019. Still, the LIRR had 31% more delays from train car problems last year than in 2019, showing there are still areas that can improve as ridership returns, [a new report](#) from State Comptroller Thomas DiNapoli shows.

LIRR's 65.2 million riders in 2023 were 23% fewer than its 2019 pre-pandemic peak of 91.1 million, but reflected consistent growth from the 52.5 million riders in 2022 and 35 million in 2021.

According to the Comptroller, LIRR considers trains on-time if they arrive less than six minutes past their scheduled arrival. For 2023, LIRR reported 93.9% of its trains were on time, or not delayed. However, delays in 2023 increased by 96 percent compared to 2022 as service increased 34% and ridership increased 24%. There were 17,064 late trains systemwide, including 2,465 that were more than 15 minutes late. Total delays did represent a slight improvement over the 17,682 late trains in 2019. Report estimates cite that the average late train was 11.2 minutes late in 2023.

Comptroller DiNapoli's report also notes that LIRR's measure for late trains may not reflect some riders' experience as a delay of just a few minutes can result in a missed connection or other problems. For example, if trains had to arrive within four minutes of their scheduled time, instead of six minutes, to be rated on-time, then on-time performance would decline to 79.9%.

## **Governor Hochul Unveils “Sail-Thru Summer” Initiative to Promote MWBE Certification Across New York State**

Governor Kathy Hochul this week unveiled a statewide effort led by Empire State Development to advance Minority and Women-Owned Business Enterprise (MWBE) opportunities across New York State.

This “Sail-Thru Summer” initiative encourages applicants to collaborate with local Entrepreneurship Assistance Centers (EACs) or Small Business Development Centers (SBDCs) in completing their New York State MWBE certification applications. These specialized centers provide free expert guidance throughout the application process, helping applicants navigate requirements efficiently and submit complete, accurate documentation for a potentially faster certification decision.

ESD Commissioner Hope Knight unveiled the initiative at the 2024 NYC MWBE Expo in Manhattan. Applicants can [search for their local EAC](#) and [SBDC here](#).

## **New York's Balance of Payments with Federal Government Returns to Pre-Pandemic Levels**

*With expiration of most pandemic aid, New York’s per capita balance fell from \$6,178 in 2021 to -\$984 for 2022*

New York State's balance of payments (BOP) with the Federal government is a net negative \$19.4 billion for Federal fiscal year (FFY) 2022, according to the Rockefeller Institute of Government's latest report, [Giving or Getting? New York’s Balance of Payments with the Federal Government](#).

The results of this year’s analysis for FFY 2022 represent a “dramatic break” from the prior two years when New York received a net positive of \$122.7B (2021) and \$155.8B (2020). On a per capita basis, New York's balance of payments fell from \$6,178 in 2021 to -\$984 in 2022. These findings appear to represent a return to New York's pre-pandemic balance of payments position relative to the Federal government.

"As we predicted in prior years' analysis, the fiscal relationship between New York State and the Federal government has shifted dramatically in favor of the Federal government as population-based pandemic emergency aid programs expired," said Rockefeller Institute President Bob Megna. "As New York State confronts significant challenges related to immigration, housing, and climate change, among other areas, policymakers should keep these findings in mind."

Other findings from the report include:

- The remaining five states with the least favorable dollar BOPs include California (-\$72.0 billion), Massachusetts (-\$30.0 billion), Washington (-\$22.5 billion), and New Jersey (-\$19.4 billion).
- The five states with the most favorable BOPs in 2022 were Virginia (\$129.2 billion), Maryland (\$71.6 billion), Kentucky (\$65.4 billion), Ohio (\$56.7 billion), and North Carolina (\$52.7 billion).

# Coming Up

## New York State

Monday, July 15<sup>th</sup>

*New York State Board of Regents Meeting, 11:25 a.m.*

*New York State Lobbying Commission Bimonthly Reports are due  
New York State Lobbying Commission Semi Annual Reports are due*

## New York City

Monday, July 15<sup>th</sup>

*New York City Clerk Lobbying Bimonthly Reports are due*

Thursday, July 17<sup>th</sup>

*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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