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THIS WEEK IN NEW YORK

COVERING NEW YORK & CITY GOVERNMENT
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“No Man can be a good citizen unless he has a wage more than sufficient to cover the bare cost of living, and hour of labor short enough so that after his day’s work is done he will have time and energy to bear his share in the management of the community, to help in carrying the general load” Governor Theodore Roosevelt.

In The News-New York State



Governor Hochul Tightens New York Firearm Laws in Response to Federal Rule Changes

Governor Kathy Hochul unveiled a series of new and proposed gun control measures on Thursday in response to the Trump administration's rollback of [federal firearm regulations](#).

Earlier this year, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) announced changes to more than 30 rules to “streamline regulations and forms, reducing burden on dealers and gun owners alike.” According to Governor Hochul, New York is taking action by increasing enforcement and education and exploring legislative changes that will “blunt the effect of many of these changes.”

“Time and time again, we see the Trump Administration concede to the gun lobby, and these rollbacks are yet another giveaway that will have devastating and dangerous effects across the country,” Governor Hochul said.

New York’s immediate actions include:

- ❖ Stepping up oversight and enforcement to ensure that its state-licensed dealers are complying with the standards imposed by law. The New York State Police will prioritize onsite inspections of dealers linked to crime guns.
- ❖ Expanding the Scope of the Interstate Task Force on Illegal Guns which includes local, state, and federal law enforcement agencies in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, Ohio, Pennsylvania, Rhode Island and Vermont. The scope of this Task Force will expand to combine resources, share information, and develop strategies to combat increased public safety threats.
- ❖ Launching a public awareness campaign and increased enforcement operation targeted specifically at gun dealers to remind them that many of New York’s strong laws remain in effect notwithstanding the federal regulations and must be followed despite the federal rollbacks.

In addition, at the start of the next legislative session, Governor Hochul plans on introducing legislation to amend the penal law to require in-person sale of firearms. This law change would align firearm sales with ammunition sales, which are required to be done in-person. The ATF rule changes would allow for online sales of firearms.

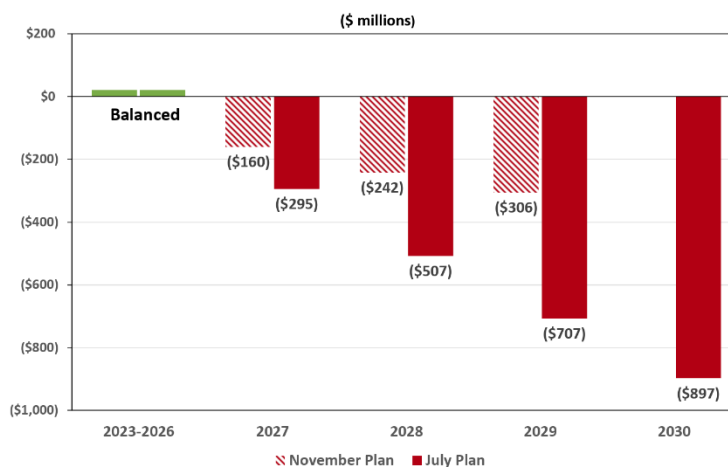


MTA Announces Balanced 2026 Operating Budget

The Metropolitan Transportation Authority (MTA) released its [2026 July Financial Plan](#), which remains balanced in 2026 and reflects almost \$600 million in annual savings achieved through operating efficiencies. However, estimates show a \$300 million deficit in 2027.

According to MTA Chief Financial Officer Jai Patel, the Plan projects deficits beginning in 2027 as costs outpace revenues for energy, health care, claims, and other categories that are outside the MTA's direct control. Employee and retiree health care costs are projected to increase by an average of 8% annually, compared with projected inflation of 2.6%. Costs for energy, insurance and claims, workers' compensation, and maintenance and operations are also expected to rise.

Structural cost pressures drive out-year budget deficits



“The MTA remains on firm financial footing this year, but the July Plan shows deficits beginning next year as costs largely outside our control continue to rise,” CFO Patel said. “We will keep finding efficiencies and carefully managing the expenses we can control, while being candid about the growing gap in the years ahead.”

Patel explained that these pressures are partially offset by stronger tax and subsidy receipts and lower projected debt-service costs.

The July Plan continues to assume proposed fare and toll adjustments in March 2027 and March 2029. Each would generate a 4% increase in annual fare and toll revenue and remain subject to MTA Board approval.

“Tax revenue, including from downstate casino expansion, is expected to provide the MTA with additional revenue for the MTA,” State Comptroller Thomas DiNapoli noted. “However...fast growing costs that are not directly in the MTA's control will eat into those revenues leading to a \$300 million budget gap next year and larger gaps thereafter. The MTA must continue to identify and execute on its savings programs and work with its labor partners to provide further stability to its finances in the coming years.”

In The News-New York City



Mayor Mamdani Tasks City Agencies with Identifying 2.5% in Savings for FY27, FY28 & the Outyears

Mayor Mamdani on Tuesday called upon every City agency to identify savings cuts of 2.5% as the City is projected to face a multi-billion-dollar budget gap in the upcoming fiscal year.

The initiative will be headed by the agency Chief Savings Officers. The Officers identified \$1.5% in savings (\$1.77 billion) in the current fiscal plan. The 2.5% in reductions will be for the coming fiscal year as well as future years.

"Budget season may have just ended, but our work to build a government that delivers more for New Yorkers is never finished. Every dollar we save by making government work better is a dollar we can put toward services New Yorkers rely on," Mayor Mamdani said. "By setting these ambitious savings targets early, we're giving agencies ample time to thoughtfully review their operations, eliminate inefficiencies and strengthen the important work they do without compromising service."

The Mayor is promoting the 2.5% benchmark as a saving goal to reduce bureaucratic waste, as opposed to a plan to reduce services. To help meet those targets, the administration will launch a Workforce Savings and Efficiency Survey. This voluntary survey will invite City employees to identify opportunities to reduce waste, improve efficiency and make government work better for New Yorkers. Each submission will be reviewed by the agency's Chief Savings Officer to inform future savings plans.

The City's estimates next year's budget gap to be \$6.4 billion.



Mayor Mamdani, Office of Labor Relations Announce Ratification of Contract with NYC Deputy Sheriffs' Benevolent Association

New York City Mayor Zohran Mamdani and Office of Labor Relations (OLR) Commissioner Renee Campion announced the ratification of a new 62-month contract with the New York City Deputy Sheriffs' Benevolent Association (DSBA). The agreement, which runs from Jan. 1, 2022, through Feb. 28, 2027, provides retroactive wage increases, higher entry-level salaries, enhanced uniform allowances and increased funding for health and welfare benefits.

Contract highlights include:

- ❖ Higher Starting Pay: Effective Jan. 1, 2025, the first step of the deputy sheriff salary schedule increases by \$4,368 to strengthen recruitment and support career advancement.
- ❖ General Wage Increases (GWIs): Compounded annual raises totaling more than 18% over the life of the agreement:
 - Jan. 1, 2022: 3.25%
 - Jan. 1, 2023: 3.25%
 - Jan. 1, 2024: 3.5%
 - Jan. 1, 2025: 3.5%
 - Jan. 1, 2026: 4%
- ❖ Uniform Allowance: Effective Jan. 1, 2026, the annual uniform allowance increases by \$475, bringing the total allowance to \$1,042.
- ❖ Health and Welfare Benefits: Effective Jan. 1, 2026, welfare fund contributions for active members and retirees increase by \$100.

Briefs

New York Temporarily Pauses Medicaid Enrollments for High-Risk Providers

In response to a directive from the Trump Administration, New York will temporarily pause the addition of health care providers in certain high-risk categories in the State's Medicaid program, effective immediately. New York's moratorium will remain in effect for a minimum of six months.

According to a report published this week in *Politico*, Medicaid Director Amir Bassiri announced the moratorium Thursday during the United Hospital Fund's annual Medicaid conference. The Director cited that the federal government encouraged state Medicaid programs to freeze new provider enrollments within sectors with a greater propensity for fraud, waste and abuse.

New York's moratorium applies to licensed home care agencies, adult day care programs, durable medical equipment suppliers and providers of applied behavioral analysis, laboratory and pharmacy services. Providers currently enrolled in Medicaid are not affected by the moratorium.

[Under 42 CFR 455.450](#), a "high risk provider" is a Medicaid provider designated by a State Medicaid agency as requiring the most extensive screening, including criminal background checks and fingerprinting, due to potential risk of fraud, waste, or abuse.

In a [letter sent April 23](#) to all state Medicaid directors, CMS Administrator Mehmet Oz ordered states to develop plans for revalidating Medicaid. "CMS also urges you to increase oversight measures of provider types designated in the "high" categorical risk level under 42 CFR § 455.450 by adopting off-cycle or more frequent revalidation intervals than the minimum five-year requirement under 42 CFR § 455.414. You may also want to prioritize high-risk providers who have not been screened within the past 12 months for near-term revalidation."

Governor Hochul and Attorney General James Announce Final SAFE for Kids Act Rules to Protect Children Online

Governor Kathy Hochul and Attorney General Letitia James this week announced the release of [final rules](#) on how social media companies must restrict addictive features on their platforms to comply with the Stop Addictive Feeds Exploitation (SAFE) for Kids Act and protect children's mental health.

New York's SAFE for Kids Act requires social media companies to restrict algorithmically personalized feeds and nighttime notifications for users under the age of 18 unless they obtain parental consent. Algorithmic feeds and nighttime notifications are tied to depression, anxiety, eating and sleep disorders, and other mental health issues among children and teenagers. The rules released on Wednesday establish criteria to clarify which platforms are subject to the SAFE for Kids requirements and outline standards to determine users' age and obtain parental consent.

First Enforcement Action by New Office of Immigrant Trust to Ensure Compliance With the Local Cops, Local Crimes Act

New York's new Office of Immigrant Trust (OIT), a statewide bureau within the Office of the Attorney General (OAG), sent letters to the 12 local law enforcement agencies in New York that currently have 287(g) agreements with U.S. Immigration and Customs Enforcement (ICE), informing them that state law requires they unwind the agreements by August 25, 2026.

Created as part of a legislative package included in the FY2027 State Budget, OIT limits the use of state and local resources for federal civil immigration enforcement. As part of its duties, the OIT will receive complaints, provide guidance to state and local agencies, conduct investigations, and take legal action when necessary to ensure compliance with state law.

The letters notify the 12 local New York law enforcement agencies with existing 287(g) agreements that New York law now prohibits local governments and law enforcement agencies from participating in any formal or informal 287(g) agreement and using correctional facilities, juvenile detention facilities, and facilities for youth to house federal civil immigration detainees.

New Yorkers with Disabilities & MTA Reach Agreement on Disability Access

Metropolitan Transportation Authority chairman Janno Lieber signed a tentative agreement with disability advocates this week, with the intent to end a longstanding Manhattan Federal Court class-action lawsuit. The agreement outlines an action plan for the MTA and the Transit Authority to address elevator outages that render subway access difficult, if not impossible, people with mobility issues.

Manhattan Judge George Daniels must approve the agreement which requires the MTA to provide real-time updates on elevator outages, including duration estimates, online and on information screens at stations and street-level signs. It also requires signage to be posted by broken elevators and throughout stations detailing alternative routes, how to contact an agent, and QR codes for accessibility updates.

The case filed by a coalition of disability rights organizations and New Yorkers who use wheelchairs in 2017 under the Americans with Disabilities Act.

Governor Hochul Secures USDA Disaster Declaration for 32 Counties for Growers Who Sustained Significant Crop Loss From Extreme Spring Weather

Governor Kathy Hochul this week announced that New York State has been granted a United States Department of Agriculture (USDA) Secretarial Disaster Designation for counties in the Finger Lakes, Mid-Hudson, Capital, Central New York, Long Island, Mohawk Valley, New York, North Country, Southern Tier, and the Western New York regions following extreme weather in the spring that significantly impacted many fruit operations, including apple, stone fruit, grape and strawberry growers.

To date, producers that reported in these regions have experienced an estimated loss of more than \$30 million. A Disaster Designation allows affected farmers to apply for USDA low-interest emergency loans. This designation was granted after a request for a disaster declaration by Governor Hochul on May 19, 2026.

Mayor Mamdani Unveils 30% Discount on Produce, All Meat and Key Pantry Staples at New Municipal Grocery Stores

Mayor Zohran Kwame Mamdani, Deputy Mayor for Economic Justice Julie Su and New York City Economic Development Corporation (NYCEDC) announced that a core basket of everyday groceries will be 30 percent cheaper at the five new municipal grocery stores.

The basket will include all fresh produce, meat and seafood, along with roughly 20 additional categories of pantry staples, dairy and refrigerated goods. The discount will apply to all regardless of income, with prices locked in and predictable rather than fluctuating week to week as is the case at private grocers. Combined, the savings are projected to cut New Yorkers' average grocery bill by 15 percent, about \$90 a month, or roughly \$1,000 a year.

The Mayor also issued a request for proposals (RFP) from qualified grocers or firms to serve as operators of one or more N.Y.C. Groceries stores. The selected operator will be responsible for day-to-day store operations, including merchandising, staffing and adherence to strong labor practices.

According to published reports, the Multicultural Business Coalition's (MBC) board voted to file a lawsuit against the city over Mamdani's taxpayer-funded grocery stores. The MBC is composed of members from African, Asian, Caribbean, Hispanic, Jewish and Middle Eastern business communities.

DEP Announces Major Expansion of the Bureau of Coastal Resilience to Protect City from Future Storm Surges and Coastal Flooding Events

Department of Environmental Protection (DEP) Commissioner Lisa F. Garcia this week announced a dramatic expansion of the Bureau of Coastal Resilience to better protect communities against rising sea levels and the growing threat of stronger, more severe coastal storms worsened by climate change.

The Bureau centralizes the planning, operation and maintenance of the City's growing network of coastal flood-protection infrastructure, and for years, has relied on a team of six staff and the support of borrowed crew members from across DEP. Mayor Mamdani is investing in a Bureau of Coastal Resilience that has the expertise and manpower necessary to meet the moment and protect our coastal communities for generations to come.

The Mayor has invested \$43.2 million across the City's financial plan, including \$10.6 million in the current fiscal year, to hire 69 additional staff members to the Bureau, including engineers, field crews, city planners and other flood experts. The funding also supports several major studies that will strengthen the City's long-term coastal resilience strategy, including a roadmap for protecting all 520 miles of New York City's coastline.

There are currently 15 active infrastructure projects in the Bureau's portfolio, including the City's first major coastal flood protection system: the \$1.45 billion East Side Coastal Resiliency (ESCR) project, which features raised parkland, floodwalls and 18 swinging or sliding flood gates to create a continuous line of protection. ESCR will come online next year.

Mayor Mamdani Appoints Jennifer Jones Austin as CCRB Chair

Mayor Zohran Kwame Mamdani this week announced the appointment of Jennifer Jones Austin as Chair of the New York City Civilian Complaint Review Board (CCRB), the City's police oversight board.

According to the Administration, the appointment marks the first time the CCRB has had a permanent chair since 2020. Interim Chair Sherene Crawford, Esq., will continue to serve as a member of the CCRB Board.

Jones Austin is the CEO and Executive Director of Federation of Protestant Welfare Agencies (FPWA), an anti-poverty policy and advocacy organization representing 170 member agencies and faith partners. She earned a juris doctor from Fordham University School of Law, a Master of Science in management and policy from New York University's Robert F. Wagner School of Public Service and a Bachelor of Science from Rutgers University.

Churchill Downs Explores Possible Sale of del Lago Resort and Casino

Churchill Downs Incorporated is exploring a possible sale of del Lago Resort and Casino as part of a review of its nine wholly owned regional gaming properties gaming properties, according to published reports.

In a filing Wednesday with the U.S. Securities and Exchange Commission, the company said it completed a comprehensive review of its operations and long-term capital allocation priorities. The company stressed that the review does not guarantee del Lago will be sold or that any potential deal will be completed.

The other properties under review are Calder Casino in Florida; Terre Haute Casino Resort in Indiana; Hard Rock Hotel & Casino in Iowa; Oxford Casino Hotel in Maine; Ocean Downs Casino and Racetrack in Maryland; Harlow's Casino Resort and Spa and Riverwalk Casino Hotel in Mississippi; and Presque Isle Downs and Casino in Pennsylvania.

Coming Up

New York State

*There are currently no meetings at the State Level at the time of this Publication**

New York City

Tuesday, August 4th

Subcommittee on Landmarks, Public Sitings, Resiliency and Dispositions, Committee Room – City Hall, 11 a.m.

Subcommittee on Zoning and Franchises, Committee Room – City Hall , 11:30 a.m.

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