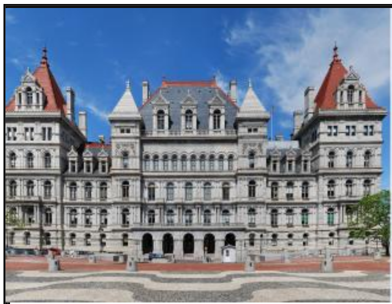

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THIS WEEK IN NEW YORK

COVERING NEW YORK & CITY GOVERNMENT
AUGUST 14, 2026 EDITION

"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 Commits Additional State Funds for Legal Assistance to Unaccompanied Minors and Demands Localities Adhere to New State Law

Governor Kathy Hochul, New York City Mayor Zohran Kwame Mamdani, and Attorney General Letitia James appeared jointly on August 12 with members of the State Legislature and representatives of State and City agencies to present a unified front against what they characterized as federal immigration overreach by the Trump Administration. The centerpiece of the announcement was $7.25 million in new State funding to provide legal representation for approximately 1,400 unaccompanied immigrant children and youth — including more than 250 who are currently detained — following the federal government's July 31 expiration of a critical legal services contract.

Governor Hochul said, "No child in our state should ever face the fear and uncertainty of the immigration process without advocates and legal support in their corner." She added that while the Trump Administration is "walking away from these children," New York is stepping in to ensure they continue to have access to legal services.

The New York State Office for New Americans (ONA) will execute contracts with a coalition of providers led by the Hispanic Federation to serve children previously covered under the federal program. The $7.25 million commitment builds on the nearly $87 million allocated to ONA in the FY 2027 State Budget, a 27% increase over the prior year.

At the press conference, Governor Hochul also highlighted a package of new State laws enacted earlier this year that significantly restrict cooperation between State and local governments and federal immigration authorities. The measures include prohibiting local governments and law enforcement agencies from entering into 287(g) agreements that deputize local officers to participate in civil immigration enforcement; banning face coverings by officers during public interactions; creating a State cause of action for constitutional rights violations; codifying access to public education regardless of immigration status; and restricting immigration enforcement at sensitive locations, including schools and hospitals. The provisions have varying effective dates, with the Dignity Not Detention law taking effect this month.

Governor Hochul and Attorney General James also announced that the State is moving to enforce the new restrictions on 287(g) agreements. According to the Governor and Attorney General, five of the 12 law enforcement agencies with such agreements have indicated that they intend to comply with State law. The seven remaining agencies, including the Nassau County Sheriff's Office and Police Department, were given 11 days to formally unwind their agreements with ICE.

"The safety of New Yorkers is our top priority," Hochul and James said in a joint statement. "That's why New York passed these laws, why we will enforce them, and why we will continue standing up to federal overreach. Our job is to enforce the law, and that is exactly what we plan on doing."

New York State Launches $60 Million Competition for Regional Quantum Technology Hubs to Encourage Economic Growth Throughout the State

Governor Kathy Hochul has launched a competitive Request for Proposals (RFP) to establish up to four Regional Quantum Technology Commercialization Hubs across New York State. The RFP is backed by $60 million appropriated in the FY 2027 Budget. This RFP delivers on a key component of the Governor's 2026 State of the State agenda, the initiative aims to accelerate the translation of quantum research into commercial products, startups, and jobs throughout the State.

Each selected hub, administered through Empire State Development's Division of Science, Technology and Innovation (NYSTAR), will be eligible for up to $15 million in State funding. Hubs must hold 501(c)(3) nonprofit status and are expected to operate startup incubators, provide mentorship, and connect researchers and entrepreneurs with quantum computing infrastructure. Two or more eligible organizations may also apply jointly as a consortium.

Applications are due October 14, 2026. An informational session for prospective applicants will be held on August 21, with registration required by August 18. Proposals will be evaluated based on several factors, including the strength of the proposed operating plan, industry partnerships, capacity to support startups, and access to research infrastructure.

The initiative complements the Governor's separate $300 million investment in a Quantum Research and Innovation Hub at Stony Brook University and represents another component of the State's broader strategy to establish New York as a national center for emerging technologies. The announcement also comes on the heels of the Governor's moratorium on the construction of new data centers, highlighting the State's effort to balance the growth of advanced technology industries with concerns about energy demand and infrastructure capacity.

The global quantum technology market is projected to reach $97 billion in revenue by 2035. New York's investment is intended to position the State to attract private investment and compete for leadership in a sector expected to have significant implications for computing, communications, and drug discovery.

In The News-New York City

Mayor Mamdani Makes History by Breaking Ground on Bronx's First Busway Along Tremont Avenue

Mayor Zohran Kwame Mamdani and NYC Department of Transportation Commissioner Mike Flynn marked the start of construction on the Tremont Avenue busway in the Bronx on August 12 — the first busway in the borough and the eighth in New York City overall. The project will serve approximately 39,000 daily riders on the Bx36 bus route, where current speeds during rush hour average less than five miles per hour.

The Tremont Avenue project is a Priority Corridor under Next Stop, the City's multi-agency action plan, developed in partnership with New York State and the MTA, to accelerate bus improvements along 175 routes citywide. It is also integral to the Reimagine the Cross Bronx vision, a broader, community-driven initiative to address the legacy of the Cross Bronx Expressway—the Robert Moses-era highway constructed in the 1950s that displaced residents, divided the Tremont neighborhood, and is often cited as a significant contributor to decades of disinvestment and blight in the surrounding communities.

The Tremont Avenue project will contain:

- One mile of new busway plus 0.26 miles of additional bus lane
- Safety redesigns at eight intersections along the corridor and on adjacent streets
- New bus priority signal treatments from Webster Avenue to Southern Boulevard
- Dedicated loading zones to reduce double parking
- Busway hours: 6 a.m. to 8 p.m., seven days a week, enforced by cameras and NYPD

The busway will serve as the foundation for future Bus Rapid Transit investment along the broader Tremont corridor, with planned upgrades to include station-like stops and additional streetscape improvements. The project connects riders to eight subway lines and Metro-North Railroad.

The Tremont groundbreaking is the latest in a series of bus infrastructure moves by the Mamdani administration, which has advanced busway and bus lane projects on Fordham Road, 161st Street, 34th Street, Madison Avenue, Lexington Avenue, Flatbush Avenue, and other corridors since taking office in January.

New York City Council Takes Aim at Prediction Market Platforms Over Predatory Marketing

The New York City Council has launched a formal investigation into four prediction market platforms — Kalshi, Polymarket, Coinbase, and Gemini Titan over allegations of deceptive and predatory advertising, with a focus on marketing aimed at young people.

Council Speaker Julie Menin sent official letters to each company demanding information about their advertising practices targeting New Yorkers. The Speaker said, "prediction markets aggressively entice consumers to bet and wager on sports, politics, culture, weather, and pretty much anything. We refuse to let New Yorkers, especially our young people, become collateral damage. As a regulatory attorney and the former Commissioner of Consumer Affairs, I take consumer protection extremely seriously. I intend to harness the full power of the Council to protect New Yorkers from deceptive and predatory marketing practices by prediction market platforms."

Notably, three of the four companies under scrutiny — Kalshi, Polymarket, and Gemini Titan — are headquartered in New York City. This investigation is part of a broader national reckoning with the fast-growing prediction market industry, which has aggressively marketed its platforms through high-profile advertising at sporting events and across social media. A bipartisan coalition of 41 state attorneys general has filed formal comments with the Commodity Futures Trading Commission (CFTC) arguing that prediction markets are effectively unregulated sports books. New York AG Letitia James went further in April, suing Coinbase and Gemini Titan directly, alleging they operate illegal, unlicensed gambling platforms under state law. The NYC Council aims to determine whether new consumer protection legislation, enforcement actions, or public health measures are needed.

Briefs

Mayor Mamdani Attends Annual Financial Control Board Meeting

Governor Kathy Hochul chaired the New York State Financial Control Board's (FCB) annual meeting in New York City on August 12. Mayor Zohran Kwame Mamdani attended for the first time as Mayor, joining State Comptroller Tom DiNapoli and City Comptroller Mark Levine. In her opening remarks, Governor Hochul emphasized the importance of the state-city partnership, crediting state support with helping the Mamdani administration address a significant inherited budget deficit, stabilize the city's finances, and preserve access to capital markets. She characterized the FCB's role not as adversarial oversight, but as part of a broader partnership between the state and local governments, pointing to what she described as "unprecedented financial support to cities and counties from Western New York to Long Island."

The FCB was created by the State Legislature in 1975 under the New York State Financial Emergency Act, during the height of New York City's fiscal crisis. At the time, the city was nearing default amid declining tax revenues, rising municipal labor costs, heavy borrowing, and the national downturn that followed the 1973 oil crisis. The FCB was established as a state oversight body with broad authority over city finances, including the power to review and approve financial plans, reject certain contracts, and, during a formal "control period," limit city spending. The Board is chaired by the Governor and includes the State Comptroller, the Mayor of New York City, the City Comptroller, and three gubernatorial appointees.

In the early years of its existence, the FCB operated under an active control period and exercised direct oversight of city finances. By 1986, New York City's fiscal condition had improved sufficiently for the Board to transition to a "review period." Under this framework, the FCB continues to monitor the city's finances and retains the ability to intervene under certain circumstances, but it no longer exercises day-to-day financial control. Today, the FCB functions primarily as a formal checkpoint on the financial health of the nation's largest city, with its assessments closely watched by institutional investors, credit rating agencies, and municipal bond markets.

New York Attorney General James Sues Charity Over Alleged Misuse of Donations Amid Broader Crackdown on Charitable Fraud

New York Attorney General Letitia James filed a lawsuit against Healing for Heroes – A Disabled Veteran's Retreat and Wooded Oasis, Inc., alleging that the organization and its leaders defrauded donors by raising money to support disabled veterans while using charitable funds and property for their own benefit.

Founded in 2024, Healing for Heroes represented itself as a nonprofit offering free retreats for disabled veterans at a 30-acre property in Bemus Point, Chautauqua County. According to the Office of the Attorney General (OAG), however, the organization held only four retreats in 2024 and 2025, all attended by board members and their friends and family.

The OAG alleges that Board President Thomas Nelsen and Board Secretary and Treasurer Jennifer Milchanoski-Nelsen also rented the property through Airbnb at least 32 times, generating more than $33,000 in proceeds that were deposited into their personal account despite representations that the money would benefit the charity. Investigators found that nearly half of the approximately $100,000 donated to Healing for Heroes was spent on property improvements and personal expenses, including meals, shopping, vehicle repairs, and gasoline.

The lawsuit also alleges that Healing for Heroes solicited donations before registering as a New York charity, failed to maintain appropriate governance and financial records, and deposited some cash and Venmo donations into personal accounts. "Our veterans have sacrificed so much for this country, and they deserve real supportive services when they return to civilian life," Attorney General James said. The Attorney General is asking the court to dissolve Healing for Heroes, distribute its remaining assets to legitimate charities serving disabled veterans, recover damages and civil penalties, and prohibit the Nelsens from soliciting charitable contributions or serving in leadership positions at other New York charities.

The case is part of the Attorney General's broader charitable enforcement efforts. In March 2026, James sought greater transparency from GoFundMe after approximately 1.4 million donation pages were created for nonprofits without the organizations' consent. Her office has also pursued charitable enforcement matters involving the St. Clare's pension fund, VDARE, and the National Rifle Association.

Teamsters Rally in Support of Passage of the Delivery Protection Act

On August 13, 2026, the International Brotherhood of Teamsters rallied with elected officials and labor allies outside City Hall to urge the City Council to pass the Delivery Protection Act, sponsored by Council Member Tiffany Cabán. The legislation would significantly regulate New York City's growing "last-mile" delivery industry by requiring operators of last-mile distribution facilities to obtain a license from the Department of Consumer and Worker Protection and establishing new worker safety, training, employment, and retention requirements. Most significantly, the bill would require companies such as Amazon to directly employ delivery drivers rather than rely on third-party Delivery Service Partners (DSPs), making the larger companies directly responsible for workplace and safety standards.

The Delivery Protection Act has gained significant momentum, securing the support of a supermajority of the City Council. This week, Mayor Zohran Kwame Mamdani also announced his support for the legislation, taking aim at Amazon's use of subcontractors to make deliveries while limiting the company's direct responsibility for the workers delivering its packages. In a post on X, the Mayor wrote:

"If it looks like an Amazon delivery and drives like an Amazon delivery, then it's an Amazon delivery, right? Not according to Amazon. Big companies like Amazon have built a vast network of subcontractors who deliver their packages while shielding them from accountability."

The Mayor's support, combined with the legislation's strong backing in the Council and organized labor's public push, adds pressure for the Council to advance the measure.

City Council August Stated Recap: Year Round Outdoor Dining and SCOOP Act Passes

The New York City Council passed 13 bills, highlighted by significant changes to the City's outdoor dining program that will allow roadway dining to operate year-round, replacing the current seasonal framework. The package also addresses winterization, sanitation and cleanliness requirements, and payment options for outdoor dining fees, representing a significant expansion of the City's permanent outdoor dining program.

The Council also approved a package of measures aimed at curbing dog waste following widespread complaints about dog feces accumulating on streets and sidewalks during last winter's blizzard and prolonged deep freeze. The measures include dog-waste bag dispensers on public litter baskets, a composting pilot program at dog runs, additional signage, and a public education campaign. Separately, the Council established a new Office of Insurance Affordability to address the cost and availability of insurance in New York City.

Bills Passed by the City Council

Introduction 320, sponsored by Council Member Frank Morano, amends the administrative code of the city of New York, in relation to codifying the official flag of the borough of Staten Island.

Introduction 655-A, sponsored by Council Member Lincoln Restler, amends the administrative code of the city of New York, in relation to expanding access to roadway cafes.

Introduction 685-B, sponsored by Speaker Julie Menin, amends the New York city charter, in relation to establishing an office of insurance affordability.

Introduction 839-A, sponsored by Council Member Pierina Ana Sanchez, amends the administrative code of the city of New York, in relation to making the certification of no harassment pilot program permanent and adding criteria for inclusion of certain buildings in the program.

Introduction 857-A, sponsored by Speaker Julie Menin, amends the administrative code of the city of New York, in relation to requiring the department of sanitation to install and refill dog waste bag dispensers on public litter baskets.

Introduction 864-A, sponsored by Council Member Harvey Epstein, relates to establishing a pilot program for collecting dog feces at dog runs for the purpose of composting.

Introduction 872-A, sponsored by Council Member Shahana Hanif, relates to a public education and outreach campaign regarding the removal of dog waste, and to repeal such local law upon the expiration thereof.

Introduction 880-A, sponsored by Council Member Mercedes Narcisse, amends the administrative code of the city of New York, in relation to the posting of signs regarding dog waste removal.

Introduction 894-A, sponsored by Council Member Gale Brewer, amends the administrative code of the city of New York, in relation to vertical winterization coverings for sidewalk cafes.

Introduction 917-A, sponsored by Council Member Justin Sanchez, amends administrative code of the city of New York, in relation to sanitation and cleanliness requirements for roadway and sidewalk cafes.

Introduction 918-A, sponsored by Council Member Shanel Thomas-Henry, amends the administrative code of the city of New York, in relation to paying sidewalk and roadway cafe revocable consent compensation in quarterly installments.

Introduction 935-A, sponsored by Council Member Oswald Feliz, amends the administrative code of the city of New York, in relation to quarterly reporting on confirmed firearm discharges.

Introduction 1002-A, sponsored by Council Member Linda Lee (By request of the Mayor), This bill would require the Commissioner of Finance to establish a temporary program to resolve certain outstanding judgments imposed by the Environmental Control Board.

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 18th

Committee on Finance held jointly with the Committee on Government Operations, State and Federal Legislation, Committee Room – City Hall, 1:00 p.m. - Oversight - Implementation of the Pied-à-Terre Tax.

Committee on Government Operations, State and Federal Legislation held jointly with the Committee on Finance, Committee Room – City Hall, 1:00 p.m. - Oversight - Implementation of the Pied-à-Terre Tax.

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