



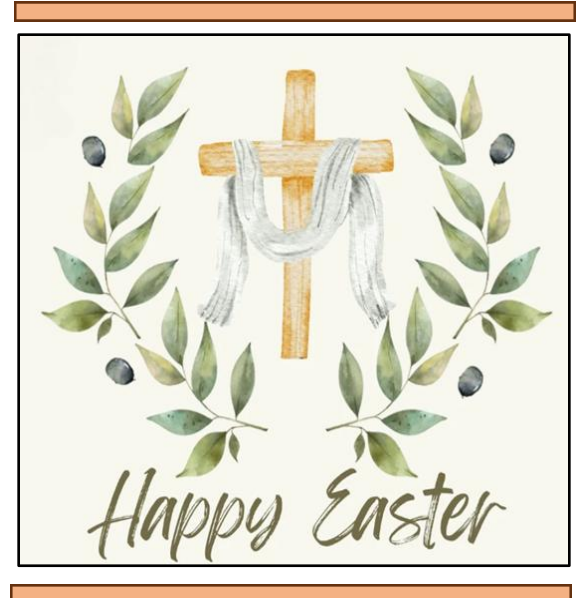
A PUBLICATION OF
 PITTA BISHOP & DEL GIORNO LLC
 Government Relations / Consulting

THIS WEEK IN NEW YORK
 COVERING NEW YORK & CITY GOVERNMENT

APRIL 2, 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



As New York Moves to the Temporary Extender Phase of Budget Negotiations, Legislators Interject “New” Issues

New York’s April 1st budget deadline was unceremoniously pushed forward to April 7th this week by the first of what could be multiple temporary extenders, providing the opportunity for the Chairs of the Senate and Assembly Health Committees to rally with advocates to call for the use state funds to continue expiring health care access for moderate income New Yorkers.

In response to funding cuts under the Trump Administration, last month the state secured federal approval to revise the Essential plan to maintain coverage for 1.3 million New Yorkers. However, due to the new income limits, an estimated 450,000 to 470,000 enrollees are set to be disenrolled from the plan in July.

Legislative Health Committee Chairs Senator Gustavo Rivera and Assemblymember Amy Paulin have introduced legislation that would direct the state to use its own funds to continue Essential Plan access for these New Yorkers.

Specifically, the legislation (S.9589/Assembly number pending, Paulin) amends the social services law to ensure continuity of coverage for approximately 450,000 citizen and immigrant New Yorkers with incomes up to 250 percent of FPL. It also amends the public health law to establish and administer a state-only funded premium assistance program for lawfully present immigrants who will lose their federal premium assistance come January 1st.

Governor Kathy Hochul's Executive Budget proposal included an additional \$2 billion in Medicaid spending to account for the loss of the Essential plan in the event the federal government did not approve the State revision plan. The federal approval could free up this funding.

A recent [report](#) by the Community Service Society of New York estimated that extending coverage for moderate income New Yorkers could cost \$2.3 billion a year.

Yesterday, in published reports, Assembly Speaker Carl Heastie said following health care-related discussions, the number of New Yorkers who will lose coverage due to Essential Plan changes will be closer to 1/3 of the estimated 450,000, taking into account switches to employer insurance.

State health officials began mailing notices this week to New Yorkers losing coverage, directing them to seek out insurance from employers or purchase plans through the state's exchange.



New York State Gaming Commission Releases Proposed Regulations to Ban Promotional AI Use, Add Responsible Gaming Practices & Prevent Underage Gambling

Governor Kathy Hochul this week previewed proposed regulatory measures that would prevent youth online gambling, bar wagering operators from using AI to target bettors, establish activity triggers that would require operators to check on their patrons, and establish other efforts to protect New Yorkers who are legally able to gamble from potential harms.

The NYS Gaming Commission has published two draft regulations detailing potential safeguards to protect youth and implement additional responsible gaming practices. The Commission is accepting comments on the draft language until May 15, 2026 via email to gamingrules@gaming.ny.gov.

The full text of the draft regulations are online: [Potential Rulemaking for Underage Play Prevention \(9 NYCRR § 5402.4\)](#) and [Potential Rulemaking for Responsible Gaming \(9 NYCRR Part 5404\)](#).

In her 2026 State of the State address, Governor Hochul directed the Gaming Commission to take appropriate action to ensure young people are not downloading betting apps, creating accounts or using others' accounts and directed the Commission to consider ways to use new technology.

Banning All Gaming Operators from Using AI to Target Customers

The Commission is considering restricting all licensees or franchisees — not just sports wagering — from using AI to offer personalized promotions or suggested wagers or wager amounts to a customer.

This potential proposal would propose one element of the Governor’s initiatives by limiting the ability of betting platforms—including commercial casinos, mobile sports wagering platform providers and operators, video lottery gaming agents, and horse racing racetracks, off-track betting corporations and multi-jurisdictional account wagering providers — and lottery courier services to use artificial-intelligence-powered services to target customers with personalized promotions and wager suggestions.

Operator Responsible Gaming Lead, Patron Action Triggers, and Phases of Intervention

This potential proposal would also require any sports-wagering provider to:

- Designate a responsible gaming lead to implement responsible gaming regulatory requirements, including, without limitation, identifying and maintaining a list of at-risk patrons, ensuring at-risk patrons are provided with responsible gaming information and ensuring at-risk patrons are not presented with direct advertising materials;
- Conduct due diligence on any patron meeting certain criteria, including scope of wagering activity and initiation (but not completion) of self-exclusion resources;
- Require phases of interventions a mobile sports wagering licensee must undertake;
- Restrict the ability of a patron to cancel a funds-withdrawal request; and
- Prevent a mobile sports licensee from soliciting a patron to rescind a funds withdrawal request.

Preventing Underage Access

To further prevent underage individuals from accessing sports wagering in New York State, the Commission is considering:

- Requiring age-assurance and device registration controls to prevent any underage person from downloading or installing a gambling app on their device.
- Requiring individuals to provide biometric data to create an account to ensure the later user of the account is the same as the person who established the account. Current account holders would be given two months to provide their biometric data, or their account would be closed.
- Requiring a bettor to provide their biometric ID before placing a wager in a session and again before the wager is accepted.
- Requiring sports wagering licensees to use geolocation controls to deny access when attempted from:
 - 1) A mobile device other than the one normally used by the customer;
 - 2) Locations where the customer does not normally use the app unless they confirm their identity through biometric ID;
 - 3) Preventing account access at two or more locations that are too far for the customer to be at the same or near the same time.

According to the Governor, the Commission is also considering involuntarily banning any individual who allows an underage person to gamble from participating in any gambling in New York State. Such individuals would be prohibited from playing the New York Lottery, attending a horse race, attending a concert, or eating at a restaurant at a commercial casino, etc. anywhere in New York State.



New York's 5-Year Adult-Use Cannabis Program by the Numbers

New York marked the five-year anniversary of the passage of [the Marijuana Regulation and Taxation Act](#), which legalized adult-use cannabis and established the Office of Cannabis Management. Since the launch of adult-use sales, New York's cannabis market has generated \$3.3 billion in total retail sales and expanded to more than 600 licensed dispensaries statewide.

Market Growth and Consumer Participation

- \$3.3 billion in total retail sales generated since market launch
- 2,161 adult-use cannabis licenses issued statewide
- [610 licensed retail dispensaries now operating across New York](#)

Social and Economic Equity

- 56 percent of adult-use cannabis licenses across the supply chain have been awarded to Social and Economic Equity (SEE) applicants, exceeding the State's statutory goal
- 57 percent of SEE licenses have been issued to women-owned businesses, and 51 percent to minority-owned businesses
- 342 Conditional Adult-Use Retail Dispensary (CAURD) licensees have been approved statewide
- 86 percent of CAURD dispensaries are currently open and operating across New York

Delivering Justice and Reform

- More than 400,000 marijuana-related convictions are eligible for expungement
- More than 200,000 convictions have been sealed, with an additional 107,000 suppressed pending sealing
- No individual in New York State remains incarcerated solely for a marijuana-related offense
- \$10 million in total reinvestment through the Community Grant Reinvestment Fund — \$5 million already awarded and an additional \$5 million now available, supporting youth development, workforce training, housing stability, and public health initiatives in communities disproportionately impacted by cannabis prohibition

Strengthening Enforcement and Public Safety

- 2,017 enforcement actions completed statewide in 2025, resulting in more than \$20 million in illicit cannabis seized
- 579 illicit cannabis storefronts shut down statewide
- 1,481 enforcement inspections conducted statewide to date
- 1,094 Notices of Violation issued to date
- 581 padlocked locations statewide to date

In The News-New York City



New York City Council Releases Preliminary Budget Response, Identifying \$6 Billion in Resources as Alternative Path to Closing Funding Shortfall

Council prioritizes expanding Fair Fares to provide free transit and seed up to \$3,000 in college savings account

The New York City Council published its response to Mayor Zohran Mamdani's Preliminary Budget proposal, offering an alternative budgeting path for Fiscal Years (FY) 2026 and 2027. The Council asserts the response provides the necessary resources to fund spending priorities without increasing taxes on property owners and renters, reducing funding for critical services, or drawing down the City's reserves.

The plan to address the City's financial challenges closes an estimated \$6 billion budget shortfall identified by the Council over the two years, "offering proposals that identify new resources that can be achieved through cost and revenue re-estimates, efficiencies and reforms, and additional revenue-raisers without cutting services or staff."

The Council's full Fiscal Year 2027 Preliminary Budget Response is available [here](#).

"Amid a serious affordability crisis impacting New Yorkers across the city, the Council has a responsibility to act as a strong fiscal steward as we face a significant budget shortfall," said Speaker Julie Menin. "We cannot in good conscience fund the City's needs on the backs of homeowners or renters, by digging into emergency reserves, or by cutting essential programs. Our response offers a clear alternative to taking those steps, puts the City back on stable footing and invests directly in New Yorkers."

The Council's response addresses approximately \$1.1 billion in Council priorities that were negotiated into the FY 2026 budget but were not baselined in the Mayor's preliminary budget for the coming fiscal year. The Council's response adds those funding priorities back in by identifying alternative resources to pay for them. The additions include:

- \$30 million for cultural institutions
- \$30.7 million to support the three library systems' operations
- \$16.9 million for housing and domestic violence-related legal services
- \$5 million to provide for students' mental health needs
- \$7.8 million for CUNY Reconnect, a program providing services and resources to working-age adults who are pursuing their advanced degrees at CUNY

"The City Council's Preliminary Budget Response serves to confront the challenges facing our city, while responsibly addressing fiscal uncertainty," said Council Member Linda Lee, Chair of the Committee on Finance.

The Administration’s preliminary plan projected expenditures and revenues of approximately \$122.4 billion in Fiscal Year 2026 and \$127.0 billion in Fiscal Year 2027. The budgets presented were balanced through \$3.7 billion in anticipated revenue from a property tax rate hike that the Council opposes, and “risky drawdowns” of the City’s multiyear reserves of \$1.2 billion. The \$1.1 billion in Council priorities was also excluded, which together totaled \$6 billion in funding shortfalls.

That gap can be erased using the following methods:

- **Re-estimations of City Revenues and Expenditures:**

- The City should recognize an additional \$80 million in Department of Buildings (DOB) construction permits and late fee re-estimates in FY 2026. OMB has already recognized \$218 million in construction fees and \$91 million in late fees, while it is estimated DOB will collect at least \$258 million and \$131 million, respectively, this fiscal year.
- The City should “right size” the total wages and salaries budgeted across agencies for what is realistically likely to be spent in FY26. These represent \$860 million in savings that have been accrued throughout the year as certain positions budgeted for in the financial plan have not been filled, and thus the expenditures have not been made. The Council is not calling for eliminating any vacancies, but recognition of the unspent money to date.
- The City should recognize an additional \$42 million in FYs 2026 and 2027 in rental revenue from the Port Authority. The FY27 Preliminary Plan only includes \$162.4 million, down from \$204.4 million in FY25.

- **Efficiencies and Reforms:**

- The Council estimates the City could save \$175 million in FYs 2026 and 2027 by competitively bidding all Department of Education (DOE) contracts, auditing all the agency’s non-essential contracts, and rightsizing contracts that are typically underspent.
- Based on historical savings, and accounting for the re-estimates identified in the budget response, the Council believes the City should be able to find an additional \$204 million in FY26 through 2027 debt service savings.

- **Revenue Enhancements:**

- The Graveyard Trust, which amasses older and harder-to-collect tax liens but only remits them to the City upon request, could provide \$74 million in off-the-books funding.

The Council also highlighted three initial priorities for negotiations over the coming months, including the expansion of the college savings program NYC Kids RISE, to significantly grow the allotment of investment funds available for 5-year-olds. The additional funding would provide an initial investment of up to \$1,000 for every public-school kindergartener and up to \$3,000 for children with the greatest need.

The second priority is to expand the Fair Fares program to make subways and buses fully free for households under at least 150% of the federal poverty line, so that the lowest-income New Yorkers can count on accessing public transportation without economic strain. The program currently provides half-price fares for these households. The Council is also looking at ways to increase Fair Fares enrollment, including through automatic enrollment.

The third priority is achieving increased wages for paraprofessionals, an issue that a supermajority of Council Members has supported.

The Council is also calling on the Administration to agree to several such measures, including:

- Appointing a citywide Chief Savings Officer to determine targeted long-term savings Citywide
- Identifying a Tax Expenditure Chief Savings Officer to identify inefficient or outdated tax breaks
- Partnering with the Council to develop clear guidelines for the future use and replenishment of the City's various reserves.

Briefs

AG James Encourages New Yorkers to Beware of AI-Powered Tax Scams and Report Suspicious Activity to Her Office

New York Attorney General Letitia James this week issued a consumer alert to warn New Yorkers about tax preparation frauds and to provide tips to avoid common scams during tax season, particularly aware of those using artificial intelligence (AI) technologies.

“Scammers are increasingly using sophisticated AI programs to create more deceptive schemes this tax season,” said Attorney General James. “As New Yorkers file their taxes, I encourage everyone to be on the lookout for scammers who try to steal their money and personal information.”

Attorney General James is warning New Yorkers about AI-powered tax scams, including:

- **Fake videos of government officials or celebrities providing false tax information.** AI allows scammers to quickly and easily create lifelike videos of well-known figures who may push fake tax incentives or deductions, or otherwise convince unsuspecting victims to give up money or sensitive information.
- **Tax-related phishing emails.** AI technology allows attackers to send highly convincing, personalized emails disguised as tax notices or tax preparation offers to steal users' personal information. Previously, these emails may have been identifiable by typos or awkward grammar, but AI can make phishing emails extremely difficult to detect.
- **Clone phone calls. Scammers can use AI to pretend to be an IRS official or a tax preparer.** New technology allows users to copy and replicate voices and images to create believable, lifelike impersonations of tax professionals or people in official positions. Scammers may manipulate the caller ID so that the call appears to come from a recognized number and may reference information from a victim's recent credit card transactions to appear legitimate. New Yorkers should be wary of surprise calls from people claiming to be affiliated with the tax return or refund process who demand money or sensitive information.
- **False information in Google's AI Overview.** Scammers can manipulate results in Google's AI Overview to show false phone numbers or links alongside legitimate information. Users searching for tax return-related assistance or information are more likely to find accurate information in non-AI-created web entries on trusted websites, which should appear below the Google AI Overview.

\$100 Million Available for Climate Resiliency Projects Through the \$4.2 Billion Environmental Bond Act

The Hochul Administration announced nearly \$100 million in new grant funding to support nature-based and green infrastructure projects designed to reduce flood risk and enhance community resilience to extreme weather. Two programs — the Resilient Watersheds Grant (RWG) Program, managed jointly by the New York State Department of Environmental Conservation (DEC) and New York State Environmental Facilities Corporation (EFC), and the Community Resilience and Flood Risk Reduction Grants Program, administered by the New York State Department of State (DOS) are available to both municipalities and not for profit organizations.

Resilient Watersheds Grant (RWG) Program: \$60 million is available to advance projects that take a comprehensive approach to build community resilience, reduce flood and ice jam risk, strengthen infrastructure and protect New Yorkers from the impacts of extreme weather. Eligible RWG projects include dam, bridge, culvert and other barrier removal, culvert replacements, stream and floodplain restoration, streambank stabilization and property buyouts. The RWG program is administered jointly by DEC and EFC. RWG builds on the success of DEC’s Resilient NY program, which delivers state-of-the-art studies of flood-prone, high-risk watersheds across the State. Learn more about the [Resilient Watersheds Grant Program](#).

Community Resilience and Flood Risk Reduction Grant Program: \$40 million is available through DOS two categories — \$20 million for Coastal Rehabilitation and Resilience, which includes projects that will strengthen climate resiliency within, and draining into, the New York State Coastal Area and the Coastal Nonpoint Source Boundary; and \$20 million for Inland Flooding and Local Waterfront Revitalization Program Implementation, which includes climate resiliency projects for eligible communities that have participated in the DOS Local Waterfront Revitalization Program (LWRP). Explore the [New York State Coastal Atlas](#). Find more details about this grant under [DOS Funding & Bid Opportunities](#).

Applications can be submitted through [the Consolidated Funding Application \(CFA\) portal](#), and are due by 4 p.m. on Friday, June 26, 2026.

Additionally, DOS, DEC and EFC will co-host a live webinar to provide further information on the programs on Tuesday, April 7, from 10:30 a.m. to 12 noon. Participants can [register online](#) for the live webinar.

Comptroller DiNapoli: Western Regional OTB Must Strengthen Financial Operations

An [audit released](#) by New York State Comptroller Thomas P. DiNapoli of the Western Regional Off-Track Betting Corp. (WROTB) found poor oversight of operations by the board of directors, cost overruns and significant estimation errors. The audit found WROTB’s failure to take action to address the declining handle, the total amount wagered on horse races and other gaming activities, adjust to changes in the gambling industry, and control costs limited the amount of revenues provided to participating municipalities.

Comptroller DiNapoli offered 16 recommendations to help the organization improve its financial operations, which WROTB officials said they were acting on. The audit covered the period from January 2021 through December 2024 and some contracts going back to 2020, with nearly all the period being before significant changes in WROTB board and leadership occurred.

WROTB was formed in 1973 and is owned by 15 participating counties and the cities of Buffalo and Rochester. It offers off-track pari-mutuel wagering on horse racing at Batavia Downs Gaming and other locations. A portion of the revenues generated are distributed to the participating municipalities. The board is comprised of representatives from the 15 participating counties and two cities. WROTB management changed significantly in October 2024, when the former CEO resigned and the board appointed a replacement.

Mayor Mamdani Announces Expansion of “Next Mile NYC” to Rikers Island, Connecting Incarcerated New Yorkers to Jobs

New York City Mayor Zohran Mamdani, Mayor’s Office of Criminal Justice (MOCJ) Director Deanna Logan and Department of Correction (DOC) Commissioner Stanley Richards announced the expansion of the City’s “Next Mile NYC” Commercial Driver’s License (CDL) training program to people in custody on Rikers Island.

Through a partnership with [Emerge Career](#), eligible participants will begin a 40-hour online training while in custody and complete hands-on instruction and testing after release, creating a direct pathway from incarceration to stable employment. Three participants who began training while in custody have already received conditional job offers.

The expansion launched in February 2026 at the Rose M. Singer Center Enhanced Supervised Housing (RESH) Annex, with additional sites planned at the Eric M. Taylor Center and the Rose M. Singer Center. It includes a \$2.9 million investment in Fiscal Year 2026 and will serve up to 290 additional participants, building on a 2025 pilot.

Monte Tarbox Selected as Chief Investment Officer for the Office of the New York City Comptroller’s Bureau of Asset Management

New York City Comptroller Mark Levine announced his appointment of Monte Tarbox as Chief Investment Officer for the Office of the New York City Comptroller’s Bureau of Asset Management (BAM). Tarbox has [served as interim chief investment officer](#) since the beginning of the year.

In the role of Chief Investment Officer, Tarbox will ensure the Bureau executes Comptroller Levine’s responsibilities as investment advisor and custodian to the five New York City public pension systems.

Prior to his current role, he was president of the AFL-CIO Investment Trust Corporation until January 2024. He also served as the Executive Director, Investments, for the National Electrical Benefit Fund (NEBF) for ten years, as CIO of the Machinists National Pension Fund in Washington. In 2024, President Joseph Biden appointed Tarbox to the Advisory Committee of the Pension Benefit Guarantee Corporation in Washington, DC.

Tarbox received a Bachelor of Arts from Carleton College and a Master of Business Administration from the University of Chicago with a specialization in finance.

Mamdani Administration Launches Child Care Website and Interactive Map

Mayor Zohran Mamdani announced the launch of a new online child care map and resource center designed to make it easier for families to find, understand, and choose child care programs that meet their needs.

Families can visit nyc.gov/childcare to search for childcare options citywide using a single platform. The site allows users to filter by location, age group, and cost, and provides key details about providers, including services offered, eligibility requirements and contact information.

In addition to the map, the website offers tools to support parents at every stage of the childcare search. These include guides to each seat-types – including 3-K, 2-K, pre-K and other early child care options, a questionnaire to help parents identify providers that best match their needs, schedules and preferences; information on 10,000 child care programs including health and safety inspection records, walking and transit directions, and contact details.

The center also provides live support by phone or email, in partnership with Child Care Resource Centers, multilingual community organizations with a “long track record” of helping families navigate the system.

Coming Up

New York State

Tuesday, April 7th

New York State Senate Session, Senate Chamber – Capitol Building, 11 a.m.

New York State Assembly Session, Assembly Chamber – Capitol Building

New York City

Monday, April 6th

Committee on Sanitation and Solid Waste Management,
250 Broadway – 8th Floor – Hearing Room 3, 10 a.m.

Committee on Rules, Privileges, Elections, Standards and Ethics, 250 Broadway – 8th Floor – Hearing Room 1, 10 a.m.

Committee on Environmental Protection and Waterfronts, 250 Broadway – 8th Floor, 1 p.m.

Thursday, April 9th

Committee on Consumer and Worker Protection,
250 Broadway – 8th Floor – Hearing Room 1, 10 a.m.

Friday, April 10th

Committee on Public Housing, 250 Broadway – 8th Floor – Hearing Room 2, 10 a.m.

Committee on Aging, 250 Broadway – 8th Floor – Hearing Room 1, 10 a.m.

Disclaimer: The materials in this *This Week in New York* report are provided for informational purposes only and are not intended to be a comprehensive review of legislative or governmental or political developments, to create a client-consultant/lobbyist relationship, or to provide consulting, lobbying or political advice. Readers are cautioned not to attempt to solve specific problems on the basis of information contained in this *This Week in New York*. If consulting, lobbying or government relations advice is required, please consult a professional expert in such matters.

The information contained herein, does not necessarily reflect the opinions of Pitta Bishop & Del Giorno LLC, or any of its members or employees or its clients. Neither Pitta Bishop & Del Giorno LLC, nor its members or employees make any warranty, expressed or implied, and assume no legal liability with respect to the information in this report, and do not guarantee that the information is accurate, complete, useful or current. Accordingly, Pitta Bishop & Del Giorno LLC is not responsible for any claimed damages resulting from any alleged error, inaccuracy, or omission. This communication may be considered an advertisement or solicitation. To request that copies of this publication be sent to a new address or fax number, to unsubscribe, or to comment on its contents, please contact Theresa Cosgrove at tcosgrove@pittabishop.com or at (518) 449-3320.

To Our Clients: If you have any questions regarding any of the matters addressed in this newsletter, or regarding any legislative, government relations or political or consulting or related issues in general, please contact the Pitta Bishop & Del Giorno LLC professional with whom you usually work. *This Week in New York* is a publication of Pitta Bishop & Del Giorno LLC.

120 Broadway, 28th Floor
New York, New York 10271
Telephone (212) 652-3890

111 Washington Avenue, St. 401
Albany, New York 12210
Telephone (518) 449-3320

1220 19th Street NW, St. 600
Washington, D.C. 20036
Telephone (202) 964-4753
