



This Week in New York

Covering New York State and City Government
A Publication of Pitta Bishop & Del Giorno LLC
 January 21, 2022 Edition



“Every record has been destroyed or falsified, every book rewritten, every picture has been repainted, every statue and street building has been renamed, every date has been altered. And the process is continuing day by day and minute by minute. History has stopped. Nothing exists except an endless present in which the Party is always right.”
 -George Orwell, 1984-

In the News – New York State



Hochul Administration Releases Inaugural “Once-in-a-Generation Opportunity” Executive Budget Plan

Fueled by federal funding and increased tax receipts, Governor Kathy Hochul’s \$216.3 billion budget plan includes record setting spending in education and health care and significant investments in infrastructure and housing. The Governor touted the plan as a “once-in-a-generation opportunity” to spur the state’s recovery.

The Governor projected balanced budgets through 2027, with \$2 billion in pandemic recovery initiatives and \$2.2 billion in property tax rebates for homeowners to be delivered next fall.

She called for infrastructure investment of \$32.8 billion over five years for highways, bridges and other transit projects; \$31 billion will go toward schools across the state; \$25 billion to help build or preserve 100,000 housing units; \$10 billion to health care initiatives; and \$1.5 billion for public university operating expenses.

Overall state spending would increase by about 3.1 percent under Governor Hochul’s Executive Budget, which is lower than inflation, but more than the 2 percent cap under the previous Administration.

"We have the means to immediately respond to the COVID-19 pandemic as well as embrace this once-in-a-generation opportunity for the future with a historic level of funding that is both socially responsible and fiscally prudent," Governor Hochul said. "... It's time for a better, fairer, and more inclusive version of the American Dream. I'm calling it the New York Dream. We will make that New York Dream real - and ensure that it can be realized by every single New Yorker."

The Executive Budget FY 2023 Budget Book Available [Here](#). Specifics of the plan include:

Capital Plan and Infrastructure

Non-MTA: The new five-year, \$32.8 billion DOT capital plan will leverage Federal funding commitments made in the Infrastructure Investment and Jobs Act to support final phases of infrastructure projects, including Hunts Point Interstate Access Improvement and the replacement of I-81 in Syracuse.

The new plan also supports new large-scale projects, including: modernizing the Livingston Avenue Bridge in Albany; reconnecting neighborhoods across the Kensington Expressway in Buffalo; converting Route 17 to I-86 in Orange and Sullivan Counties; and assessing ways to improve road capacity at the Oakdale Merge in Suffolk County.

The Five-Year DOT Capital Plan also increases the existing BRIDGE-NY program by \$1 billion, adds a new \$1 billion Operation Pave Our Potholes program, and continues record commitments to funding local highway and bridge programs through the Consolidated Highway Improvement Program (CHIPS).

MTA: The MTA will receive \$6.6 billion in State operating aid in FY 2023, including resources collected by the State and sent directly to the MTA without appropriation. On-budget MTA assistance will increase over 24 percent, from \$3.1 billion to over \$3.8 billion. With respect to the \$52 billion 2020-24 MTA Capital Program, the State will reappropriate \$3 billion which will be matched by the City of New York.

Health Care

Workforce & Capital: Governor Hochul proposes a \$10 billion, multi-year investment in healthcare, including: \$1.2 billion of state support for healthcare and mental hygiene worker retention bonuses, (up to \$3,000 bonuses going to full-time workers with one year service) and pro-rated bonuses for those working fewer hours; \$500 million for Cost-of-Living Adjustments (COLAs) to help raise wages for human services workers; and \$2.4 billion for healthcare capital infrastructure and improved lab capacity.

Medicaid: The Executive Budget proposes revising the Global Cap Index to support spending growth of \$366 million in FY 2023, growing to \$3.1 billion in FY 2027. The Executive Budget proposes a restoration of the 1.5 percent across-the-board reduction to fee-for-service providers implemented in the FY 2021 Budget, as well as an increase of 1 percent to all provider reimbursement rates.

Education

School Aid: The FY 2023 Executive Budget provides \$31.3 billion in total School Aid for SY 2023, a year-to-year increase of \$2.1 billion (7.1 percent), including a \$1.6 billion Foundation Aid increase and a \$466 million increase in all other School Aid programs.

SUNY and CUNY (\$1.5 Billion): The Executive Budget will invest more than \$300 million in SUNY and CUNY operations each year over the next five years. It also provides SUNY and CUNY with \$106 million - \$53 million each - to hire additional full-time faculty at both four-year colleges and community colleges, funding an estimated 880 additional full-time faculty - 340 at SUNY and 540 at CUNY.

Energy and Environment

The Executive Budget includes \$4 billion for the Clean Water, Clean Air, and Green Jobs Environmental Bond Act and includes \$500 million investment to develop the State's offshore wind supply chains and port infrastructure.

Housing

Five-Year, \$25 Billion Housing Plan. The Executive Budget advances a new \$25 billion, five-year Housing Plan to create and preserve 100,000 affordable homes, including 10,000 homes with support services for vulnerable populations, and electrify an additional 50,000 homes as part of the State's plan to electrify one million homes and make another one million electrification-ready. Funding includes \$5.7 billion in capital resources, \$8.8 billion in State and Federal tax credits and other federal allocations, \$11 billion to support the operation of shelters and supportive housing units and to provide rental subsidies.

Revenue Actions

Accelerate the Implementation of the Middle-Class Tax Cut: The five-year phase in of tax rate reduction will be fully implemented reduced tax rates effective in the 2022-2023 fiscal year.

Tax Credit for Small Businesses' COVID-19-Related Expenses: Eligible COVID-19-related capital investments include, but are not limited to, costs associated with expanding space to accommodate social distancing, HVAC equipment, expenses related to outdoor space expansions, as well as machinery and equipment to facilitate contactless sales.

Small Business Tax Relief: The Executive Budget provides tax relief to small businesses by increasing the small business subtraction modification from 5 percent to 15 percent of net business income or farm income and expanding the benefit to include pass-through entities with less than \$1.5 million NY-source gross income.

Homeowner Tax Rebate Credit: The Executive Budget creates a new property tax relief credit to eligible low- and middle-income households, as well as eligible senior households. Credits will be an advance on Tax Year 2022 income tax returns, to be directly sent to eligible homeowners beginning in Fall 2022.

New York City Musical and Theatrical Production Tax Credit. The Executive Budget extends the initial application deadline to June 30, 2023 and doubles the overall cap on the program from \$100 million to \$200 million.

Require S-Corporation Conformity with Federal Returns. The Executive Budget requires all S corporations at the Federal level to be treated as such for state tax purposes. This is estimated to generate \$14 million in 2024.

Revise Tax Law to Include the Vacation Rentals: Subjects all vacation rentals to State and local sales taxes, as well as the daily NYC Convention Center hotel fee of \$1.50 per unit. Marketplace Providers facilitating rentals will be responsible for collecting and remitting taxes and fees. Estimated revenue is \$20 million in 2023 and \$40 million in 2024.

Make Local Sales Tax Rate Authorizations Permanent. Grants permanent local sales tax authority for all counties and cities at their existing rates or up to 4 percent.

Authorize Casino Licenses. The Budget authorizes the awarding of up to three additional casino licenses by allowing the Gaming Facility Location Board to issue a Request for Applications and allows the additional casino gaming facilities to be located statewide, including the Downstate region.

Workforce

Transit Worker Protections: The Executive Budget includes legislation that makes it a felony to attack and physically injure transit workers and creates the new crime of aggravated harassment of a transit worker in the second degree, for on duty public-facing transit workers. It expands the list of transit worker positions listed for which it is a class D felony to attack and physically injure and aims to better protect on-duty transit workers by providing that a person is guilty of aggravated harassment in the second degree when that person subjects transit workers to physical contact, including spitting on them, which would be a class A misdemeanor.

Expansion of the Statutory Shift Pay Differential. The Executive Budget advances legislation to improve staffing of hard-to-fill shifts within the State's institutional settings, including healthcare settings, by authorizing the provision of the shift pay differential for any work shift which it is deemed necessary to incentivize employees to work.

Waive the Income Cap for Retired Teachers and School Workers: The Executive Budget will incentivize retired teachers and other school workers to rejoin the workforce by temporarily waiving the \$35,000 income limit for retirees. This cap serves as a disincentive to return to work, and thousands of educational professionals have left the workforce during the pandemic.

2022-2023 Executive Budget Bills

State Operations ([S 8000 / A 9000](#))

Legislature and Judiciary ([S 8001/A 9001](#))

State Debt Service ([S 8002 / A 9002](#))

Aid to Localities ([S 8003 / A 9003](#))

Capital Projects ([S 8004/A 9004](#))

Public Protection and General Government Article VII Bill ([S 8005 / A 9005](#))

Education, Labor and Family Assistance Article VII Bill ([S 8006 / A 9006](#))

Health and Mental Hygiene Article VII Bill ([S 8007 / A 9007](#))

Transportation, Economic Development and Environmental Conservation Article VII Bill ([S 8008 / A 9008](#))

Revenue Article VII Bill ([S 8009 / A 9009](#))

NYS Legislative Fiscal Committees' Executive Budget Hearing Calendar

Joint Legislative Hearing & Date	Request to Testify by 5 p.m.	Submission of Written Testimony Due by 5 p.m. For Individuals Giving Oral Testimony	Submission of Written Testimony ONLY Due by 5 p.m.
January 25 Public Protection	January 20	January 22	January 25
January 26 Elementary & Secondary Education	January 20	January 23	January 26
January 31 1. Workforce Development 2. Housing	January 26	January 27	January 31
February 1 Environmental Conservation	January 26	January 28	February 1
February 2 Human Services	January 26	January 29	February 2
February 7 Higher Education	February 2	February 3	February 7
February 8 Health	February 2	February 4	February 8
February 9 Local Government	February 2	February 5	February 9
February 14 Mental Hygiene	February 9	February 10	February 14
February 15 Transportation	February 9	February 11	February 15
February 16 1. Economic Development 2. Taxes	February 9	February 12	February 16

In the News – City



Adams Administration Focuses on Pedestrian Safety

Mayor Eric Adams, New York City Department of Transportation (DOT) Commissioner Ydanis Rodriguez, and New York Police Department (NYPD) Commissioner Keechant Sewell this week announced new actions and investments in pedestrian safety at intersections, including expanded enforcement against drivers who fail to yield to pedestrians in crosswalks.

NYPD officers have begun enforcing a new DOT traffic rule that drivers and cyclists passing through intersections must fully stop (not yield) until a pedestrian has completely crossed the street. The new rule will be enforced at over 1,200 intersections citywide that are governed by neither a traffic signal nor a stop sign. It is intended to clarify enforcement and remove any subjectivity from violations, according to Mayor Adams.

In addition, DOT will make design improvements to 1,000 intersections with improved traffic signals, raised crosswalks, and other expanded pedestrian space and visibility measures.

Briefs

Senate Confirms Dr. Mary Bassett as State Health Commissioner

The State Senate this week confirmed Dr. Mary Bassett as the State's Health Commissioner, with a party line vote of 43-20. Commissioner Bassett joined the Hochul Administration on December 1st as Acting Commissioner.

Dr. Bassett previously led New York City's Department of Health. She most recently was director of Harvard University's François-Xavier Bagnoud (FXB) Center for Health and Human Rights.

Governor Hochul Releases Feasibility Report for the Interborough Express

Governor Kathy Hochul this week released the results of a yearlong study assessing feasibility of the Interborough Express, the transit project which would connect communities in Brooklyn and Queens to as many as 17 subway lines and the Long Island Rail Road.

The study's [results](#) indicate that it is physically feasible to accommodate passenger traffic alongside the existing freight rail traffic, that there is significant demand, and that Bus Rapid Transit, Light Rail, and conventional Heavy Rail are all options in terms of the possible modes of transit.

The MTA's next step is to conduct required state and federal environmental review processes.

SLA Rules Movie Theaters Can Serve Beer and Wine at Concession Stands

Movie theaters can now serve wine and beer at concession stands and patrons can now take their drinks into the theater, the State Liquor Authority ruled in a unanimous vote this week.

Under the new rule, cinemas serving popcorn and other snacks can now also sell wine, beer and cider as long as it is not the businesses' "prime source of revenue." Previously, theaters were allowed to sell alcohol only if they had a restaurant or tavern license.

Hard liquor sales are still not permitted unless the theater has a restaurant license and serves the drinks at a patron's seat.

PSC Approves Three-Year 2% Rate Increase for Niagara Mohawk

The State Public Service Commission (PSC) granted National Grid the authority to raise electric and natural gas rates in Upstate New York by two percent over each of the next three years.

According to PSC officials, the rates approved under a joint proposal between Niagara Mohawk and the Commission are "significantly lower" than what the utility originally requested.

"The joint proposal we adopted today allows for funding for the company to maintain safe and reliable service, while moderating rate impacts during the term of the rate plan and mitigating the impacts to ratepayers suffering the financial consequences of the pandemic," PSC Chairman Rory Christian said in a statement. "Further, this agreement is consistent with our nation-leading clean energy initiatives, as well as our social and economic policies."

Governor Hochul Announces \$230 Million in Additional Food Assistance for New Yorkers in January

Governor Kathy Hochul confirmed that all New Yorkers enrolled in the Supplemental Nutrition Assistance Program (SNAP) will receive the maximum allowable level of food benefits for January. All households participating in SNAP—including those already at the maximum level of benefits—will receive a supplemental allotment later this month.

The emergency assistance supplement is provided to households that do not ordinarily receive the maximum allowable benefit per month on SNAP – a federally funded program overseen by the state Office of Temporary and Disability Assistance. Those households already near or at the maximum benefit level --\$835 for a household of four –will receive a supplemental payment of at least \$95.

Mayor Adams Appoints Dan Garodnick as City Planning Commission Chair and Department of City Planning Director

Edith Hsu-Chen as Department of City Planning Executive Director

New York City Mayor Eric Adams announced the appointment of Dan Garodnick as chair of the City Planning Commission (CPC) and director of the Department of City Planning (DCP) and Edith Hsu-Chen as executive director of DCP.

Garodnick most recently served as president and CEO of the Riverside Park Conservancy. Hsu-Chen was most recently the Manhattan Borough Director for DCP.

In their new roles, both will oversee and implement the mayor’s development agenda and both will report to Deputy Mayor for Economic and Workforce Development Maria Torres-Springer.

Mayor Adams Consolidates City Tech Agencies Under New Office of Technology and Innovation

New York City Mayor Eric Adams signed an executive order to consolidate all city technology agencies under a single authority to streamline their operations and foster interagency cooperation. New York City Chief Technology Officer (CTO) Matthew C. Fraser will lead the Office of Technology and Innovation.

The office will oversee and coordinate efforts among the following agencies:

New York City Department of Information, Technology, and Telecommunications
Mayor's Office of Data and Analytics
Mayor's Office of the Chief Technology Officer
Mayor's Office of Information Privacy
New York City Cyber Command
Algorithms Management and Policy Office
NYC 311

Speaker Adrienne Adams and Rules Committee Announce Council Leadership and Committee Chairs

City Council Speaker Adrienne Adams this week announced the [New York City Council committee chairs and leadership](#).

“I am proud to announce our City Council’s Leadership, as well as committee chairs and assignments. This is the most diverse City Council in history, and each member’s experiences and expertise will shape the important work of our legislative body,” said City Council Speaker Adrienne Adams. “I am confident that this City Council will work together to achieve our shared goal of providing strong oversight as a co-equal branch of city government and improving the lives of every New Yorker. We are unified and ready to roll up our sleeves and get to work.”

Mayor Adams Vetoes Bill to Impose Fines on Sale of SoHo Property to Non-Artists

Mayor Eric Adams vetoed legislation that would have imposed a \$15,000 fee on SoHo residents that sell their property to individuals without an artist license. Proceeds from the fee were earmarked to a fund to promote neighborhood artists.

According to a statement released by the Mayor, “We are still committed to increasing options for existing [Joint Living Work Quarters for Artists] JLWQA owners by providing a legal pathway to residential use for non-artists in the neighborhood should they elect to legalize or sell, and to make sure windfall profits of those sales get invested back into the artistic legacy for SoHo and NoHo in perpetuity via the SoHo/NoHo Arts Fund. But we will take a little more time to make sure we are right-sizing any fines associated with this process and clarifying the associated enforcement mechanisms going forward.

Coming Up

New York State

Monday, January 24th

Assembly Session, Remote, 1:45 p.m.

Senate Session, Remote, 3 p.m.

Tuesday, January 25th

Assembly Session, Remote, time to be announced.

Senate Session, Remote, 3 p.m.

Wednesday, January 26th

Assembly Session, Remote, time to be announced.

Senate Session, Remote, 11 a.m.

New York City

No Scheduled Hearings*
(* at time of publication)

“No man can be a good citizen unless he has a wage more than sufficient to cover the bare cost of living, and hours of labor short enough so 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.”

-Theodore Roosevelt-

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
Facsimile (212) 652-3891

**111 Washington Avenue, St. 401
Albany, New York 12210**
Telephone (518) 449-3320
Facsimile (518) 449-5812

**25 Hyatt Street, St. 202
Staten Island, New York 10301**
Telephone (718) 943-1050
Facsimile (718) 943-1051

**1220 19th Street NW
Washington, D.C. 20036**
Telephone (202) 964-475
Facsimile (202) 964-5754