



# This Week in New York

Covering New York State and City Government

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*“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-

**Today is the deadline to change your political party [registration online](#) for voting in New York's June 28th primary. Those who wish to change their affiliation [by mail](#) have until February 14th.**

## *In the News – New York State*



### **Comptroller’s Executive Budget Review: State’s Fiscal Position Improved; State Should Build Reserves to Prepare for End of Temporary Federal Funding**

Although the State Division of the Budget (DOB) forecasts in the State Fiscal Year 2022-23 Executive Budget that the budget will remain in balance for the next five years, the direction of the pandemic, inflation, and supply chain issues all remain risks to the State’s economic recovery and financial plan, [according to a review](#) by New York State Comptroller Thomas DiNapoli.

“Thanks to an unprecedented amount of federal aid as well as tax collections that are more than \$10 billion higher than initially expected, New York is on solid fiscal footing,” Comptroller DiNapoli explained. “However, the pandemic’s continued uncertainty makes forecasting economic performance difficult. Policymakers should keep an eye on the years ahead when temporary federal funding will end and build up the state’s reserves, so we are better prepared for future emergencies or an economic downturn.”

According to the Comptroller, the 2022-2023 Executive Budget has a significantly improved outlook from last year. The DOB General Fund budget gaps forecasted last year averaged nearly \$11 billion annually over the four-year financial plan period. Federal funding and higher than anticipated tax collections have turned DOB’s estimated gaps into forecasted budget surpluses through SFY 2025-26.

However, he cited, that continued disruptions in supply chains or uncontrolled price increases are also risks. Higher inflation would reduce spending power, resulting in lower consumer spending.

In addition, New York's job recovery has been slow and there are fewer workers in the labor force. Comptroller DiNapoli noted DOB's forecast of a return to pre-pandemic employment levels in 2024 is more optimistic than others, including IHS Markit's forecast, which projects the full recovery occurring in 2027.

The Executive Budget proposes to set aside \$11.8 billion as informal reserves, as well as planned deposits to the two rainy day funds through SFY 2024-25, which would increase reserve funds to a total of \$19.4 billion in that year. In SFY 2022-23, \$5.1 billion would be set aside for reserves. However, Comptroller DiNapoli noted, only \$920 million or 18% would be to restricted reserves, despite an allowed maximum of \$7 billion.

The Comptroller concluded that the proposed increase in reserve funds reflects progress towards preparing the State for the next inevitable downturn, but the proposal disproportionately uses unrestricted reserves. These funds could be obligated and spent at any time, at DOB's discretion, for any appropriated purpose. As a result, these informal, unrestricted reserves do not have the same stabilizing value as formal, statutorily restricted reserves.



## **Governor Hochul Rejects New Jersey's Withdrawal from Waterfront Commission**

Governor Kathy Hochul this week rejected New Jersey's attempt to dissolve the Waterfront Commission of New York Harbor, calling the agency a key player in policing the region's ports and in barring corruption and organized crime.

"In order to effectuate a dissolution of the commission, the terms of the compact would require New York to adopt concurrent legislation. New York has not done so, and therefore the act is without effect," Elizabeth Fine, Counsel to the Governor, wrote in response to New Jersey's December 27<sup>th</sup> letter notifying New York of its intention to withdraw from the compact. "...Despite law enforcement's successes, there remains the threat of organized crime and corruption in the port. As the federal law enforcement community has noted, the commission provides invaluable resources and expertise at the intersection of organized crime and port operations."

The Commission — which includes one member from each state appointed by its governor — has jurisdiction over the region's piers and terminals, including the ports in Newark, Elizabeth, Bayonne, Staten Island and Brooklyn. It certifies that those hired on the waterfront are not tied to organized crime and are otherwise fit to work in the shipping trade.

Fine added that the Waterfront Commission “also plays an essential role in ensuring that hiring through the port is done in a fair and non-discriminatory manner pursuant to state and federal law.

## *In the News – City*



THE CITY OF NEW YORK  
OFFICE OF THE MAYOR

### **Mayor Adams Delivers Testimony to NYS Legislative Committees on Executive Budget**

New York City Mayor Eric Adams this week testified before the New York State Senate Finance and Assembly Ways and Means Committees focusing on initiatives aimed at making New York City “safer and more prosperous.”

Specifically, Mayor Adams called for investments in mental health resources, an enhanced Earned Income Tax Credit, a new childcare tax credit, and expanded borrowing authority. He also took the opportunity to promote his recently released gun violence plan including revisions to the State’s bail and discovery laws, as well as the Raise the Age law.

**Mental Health Resources:** Mayor Adams called for the State’s immediate assistance in expanding the number of beds for those in critical need of mental health care, and funding for the medical and support staff they require.

**Earned Income Tax Credit:** He asked the State to authorize the City to increase the amount of the Earned Income Tax Credit, up to 30 percent of the federal benefit depending on income. In addition, the Mayor called upon the State to increase the amount of the Credit with an additional State investment of up to \$250 million.

**Childcare tax incentives:** Mayor Adams proposed two childcare tax incentives: 1) Authorize the City to offer property owners a tax abatement for retrofitting space to establish childcare centers; and 2) Authorize New York City to provide a tax credit to companies that provide free or subsidized childcare for their employees in their place of business.

**Finance:** The Mayor requested the State authorize an increase in the Transitional Finance Authority’s borrowing capacity for the City’s long-term capital program. According to the Mayor, the increase is necessary because of reduced commercial property values, which is tied to the borrowing capacity for its capital program.

The Mayor also requested that the State codify the Debt Service Provision into State law to maintain the City’s strong credit ratings. Mayor Adams asserted that this will be important to signal to investors that New York City will always be a safe investment.

Mayor Adams is looking for the Legislature to reverse previous year cuts and cost shifts that “have weakened our social safety net and eliminated support for health care.” Specifically, the Mayor noted the following cuts: \$204 million per year for Temporary Assistance for Needy Family (TANF), \$59 million per year for Article 6 Public Health Funding, and \$30.5 million per year for the Close to Home program.

In addition, he called upon the Legislature to stop the permanent extension of the Sales Tax Intercept for the Distressed Hospitals fund, asserting that the intercept takes \$200 million annually — and indefinitely — from the City’s budget, but provides no support to the City’s hospital system.



## Adams Administration Appointments

**Jessica Carrano, Director of City Legislative Affairs.** Jessica Carrano joins the Adams Administration as Director of City Legislative Affairs. Prior to joining the Administration, Carrano spent five years at Red Horse Strategies as a vice president. Before that, Carrano worked on several issue advocacy campaigns, including the Share Better Coalition. She started her career with the Working Families Party, serving as the Long Island political director, and eventually as the New York State elections director. Carrano was born in Brooklyn and raised on New Jersey Coast Guard bases. She received her B.A. in Politics from New York University.

**Christopher Ellis, Director of State Legislative Affairs.** Christopher Ellis will join the Adams Administration as Director of State Legislative Affairs. Ellis previously served as Associate Vice Chancellor for Workforce Development Initiatives at the State University of New York (SUNY). Prior to SUNY, Ellis served as the special assistant to the New York State chief information officer and Director of the Office for Technology. Ellis began his career in public service as a Senior Legislative Fiscal Analyst for the New York State Assembly Ways and Means Committee. Ellis has a B. A. degree with a double major in Economics (modified with Mathematics) and Africana Studies from Dartmouth College. He holds a Masters Degree in Economics from Youngstown State University.

**Lisa Lashley, Director of Appointments.** Lisa Lashley joins City Hall as the Director of Appointments. Her career spans nearly two decades in government, having served as an Assistant District Attorney in Brooklyn and as a trial attorney at the New York City Transit Authority. More recently, Lashley worked in community engagement in the New York City Council. Prior to that, she served as counsel in the New York State Senate. She has served as a board member on the East New York Local Development Corporation and the Urban Purpose Community Affairs, and on the Kings County Judicial Screening Panel. Lashley earned her J.D. from Seton Hall University School of Law and her B.S. from Norfolk State University.

**Gladys Miranda, Director of Scheduling and Senior Advisor to the Mayor.** Gladys Miranda joins the Adams administration as the Director of Scheduling and Senior Advisor to Mayor Adams. Miranda, who emigrated to the United States from Peru, first joined the Office of Brooklyn Borough President in 2007 and was later appointed Executive Assistant.

**Molly Schaeffer, Deputy Chief of Staff and Senior Emergency Advisor.** Molly Schaeffer joins the Adams Administration as a Deputy Chief of Staff and Senior Emergency Advisor. She has spent the last nine years in city government, starting in the Chancellor's office at the New York City Department of Education and then as an advisor for mental hygiene at the New York City Department of Health and Mental Hygiene. A lifelong New Yorker and product of New York City public schools, Schaeffer received her B.A. from the University of Southern California.

**Vilda Vera Mayuga** will serve as Commissioner of the Department of Consumer and Worker Protection (DCWP). Previously, she served as Deputy Secretary for Economic Opportunity at the New York State Department of State, Chair of the New York State Industrial Board of Appeals, Deputy Commissioner for Worker Protection at the New York State Department of Labor, Executive Director of the State Department of Labor's Division of Immigrant Policies and Affairs, and as an Assistant Attorney General in the Civil Rights Bureau of the Office of the New York Attorney General. Mayuga graduated magna cum laude with a Bachelor in Arts in International Relations from Boston University in Boston, Massachusetts. She received her law degree from the University of Puerto Rico School of Law in Rio Piedras, Puerto Rico.

**Jose Ortiz, Jr.** will serve as Senior Advisor for Workforce Development. Previously, he was appointed Chief Executive Officer of the New York City Employment and Training Coalition (NYCETC). Immediately prior to joining NYCETC, Ortiz served as the managing director of External Affairs, Partnerships, and Business Development at Pursuit and spent more than a decade at 92Y. Ortiz attended Baruch College and Milton Academy.



## **Council Speaker Adams Delivers Council's Priorities to NYS Legislative Fiscal Committees**

New York City Council Speaker Adrienne Adams lauded Governor Kathy Hochul's Executive Budget as a "highly constructive starting point for the conversation on how we meet the needs of New Yorkers," and presented the State Legislative Fiscal Committees with the Council's 2022-2023 fiscal priorities.

The Speaker called for the restoration of prior years' State budget cuts that targeted the City and its public health programs. Specifically, she cited how cuts to Temporary Assistance for Needy Family (TANF) grants, foster care tuition, and special education placements in residential schools, as well as the complete elimination of state support for the Close to Home Program left a \$180 million hole in the City budget.

In addition, Speaker Adams prioritized the following areas:

### Health Care

Council Speaker Adams called for the Legislature to:

- Provide additional funding to administer health care for the more than 1 million New Yorkers who remain uninsured including a state mandate for health insurance, premium assistance through subsidies, outreach in hard-to-reach communities, and a public option.
- End the interception of City sales tax revenue for the Distressed Providers Fund, and award funding already collected in that Fund to the City's Health + Hospitals system.
- Direct funding from the American Rescue Plan's State Fiscal Recovery Funds to New York City to support health care infrastructure.

### Public Safety

The Council Speaker requests that the City receive "substantive support" from the proposed \$95 million earmarked to support community-based responses to gun violence. In addition, the grant program for capital investments related to crime-reduction should be made available to the City's communities.

### Economic Recovery

**Design-Build:** The Speaker called for the City's Design-Build authority to be made permanent. In addition, Speaker Adams explained that to ensure the City will have efficient capital project delivery, it must have access not only to Design-Build, but also to tools like CM-As-Manager, CM-At-Risk and Progressive Design-Build.

**Casinos:** On behalf of the Council, the Speaker requested that the State engage in conversations with the City and other stakeholders on this issue apart from and subsequent to this current budget process.

### Education

The Council asserts that with respect to the school funding formula, if the State is counting federal stimulus funds as part of the budget growth for public school operations, it should not count that growth in funding in a way that would make the City obligated to pay more of charter school tuition payments.

### Housing

The Council urges the State to consider allocating an Emergency Rental Assistance program "backstop" in the event the requests by the Governor and the Mayor for more federal funding are not granted.

In addition, the Council asserts that discussions regarding the affordable housing crisis and rethinking of tax incentives and zoning should be considered outside of the budget process.

## *Briefs*

### **State Sends Cease-and-Desist Letters to Unlicensed Cannabis Dispensaries**

The State Office of Cannabis Management (OCM) this week sent cease-and-desist letters to more than two dozen businesses, demanding they halt sales immediately. Violators will be subject to “substantial fines and possible criminal penalties,” the letters said, and could lose the right to win a legal license.

“We want to make sure these operators fully understand the law and the consequences they face,” OCM Executive Director Chris Alexander said in a statement, “and now that these letters have been sent, we fully expect them to cease and desist their activities – if they don’t, we will take action.”

### **Comptroller DiNapoli: New York Power Authority’s Installation of Electric Vehicle Chargers Years Behind Schedule**

The New York Power Authority (NYPA) has failed to install electric vehicle (EV) chargers where they are most needed by New York’s nearly 50,000 registered EVs, leaving nearly half of the state’s counties without any NYPA-installed charging stations, according to an audit released this week by New York State Comptroller Thomas DiNapoli.

“Compared to what was promised, the rollout of electric vehicle chargers has been a disappointment so far,” Comptroller DiNapoli said. “... NYPA needs to look at our recommendations, deliver on its commitments and get this program headed in the right direction.”

The State’s plan for increasing the number of public EV charging stations was meant to spur increased use of EVs, reduce carbon emissions, and address the climate emergency. The Charge NY program was announced in 2013 as a statewide network of up to 3,000 public and workplace charging stations to be ready in five years. It was followed in 2018 by Charge NY 2.0, a plan to install 10,000 public charging stations by the end of 2021. That same year, NYPA also announced EVolve NY, a \$250 million project to put high-speed chargers at airports and along major highways.

Despite the allocation of significant funding, NYPA has fallen short on fulfilling its EV program goals, the State Comptroller contends. At a State Assembly hearing this week, NYPA indicated that to date the Authority has spent \$25 million on the program.

Assembly Environmental Conservation Committee chairman Steve Englebright charged the EV rollout was “beaurcraacy in action,” likening it to the “Keystone Cops.”

Meanwhile, the Biden Administration yesterday rolled out a plan to allocate \$5 billion to states to fund electric vehicle chargers over five years, as part of the bipartisan infrastructure package that includes \$7.5 billion to build a network of EV charging stations across the country.

## **MTA Announces Catherine Rinaldi to Serve as Interim President of MTA Long Island Rail Road**

Catherine Rinaldi has been tapped to serve as Interim President of MTA Long Island Rail Road. Rinaldi will concurrently serve as President of Metro-North Railroad, a role she has held since 2018. She will succeed Phillip Eng, who is retiring.

In addition to Rinaldi's roles at both the Long Island Rail Road and Metro-North, she has served as MTA Deputy Executive Director and General Counsel, and Chief of Staff and Counsel at MTA Headquarters. Rinaldi's first day as Interim Long Island Rail Road President will be Saturday, February 26.

## **Governor Hochul Pocket Vetoes Judge Certification Bill**

Governor Kathy Hochul pocket vetoed legislation (S4379/A6044) which would have recertified judges at age 70, opting not to act on the legislation which had passed both houses of the Legislature unanimously.

Under State law, Supreme Court justices must apply for recertification and undergo cognitive exams every two years after turning 70 until they reach a mandatory retirement age of 76. The Office of Court Administration (OCA) is not required to approve a recertification.

"We are pleased that the Governor chose not to sign this bill into law, which would have undermined the Administrative Board's discretion in the Judicial certification process," the Office of Court Administration said, according to published reports.

## **Mayor Adams Approves Medicare Plan for Retired NYC Workers**

Mayor Eric Adams this week directed his administration to proceed with implementing a new Medicare plan for retired city workers. The Medicare Advantage Plus plan, first proposed under former Mayor Bill de Blasio, will maintain "premium-free" insurance for retired City employees with new and enhanced benefits.

"That is why after a careful and thorough review by my administration, I am announcing my support for this plan," Mayor Adams said. "I believe the new program will be in the best interest of retirees and the city's taxpayers, who stand to save \$600 million annually."

The Mayor acknowledged that some retirees have concerns about the switch.

"As a blue-collar mayor and someone who himself will collect municipal retiree benefits, I am sympathetic to those who have voiced concerns about how this plan will affect their coverage," the Mayor said. "Our administration will continue to work to assuage these concerns before and after the plan is implemented."

Retirees can opt to keep their current Medicare coverage at a \$191 monthly fee.

# Coming Up

## ***New York State***

### ***Monday, February 14<sup>th</sup>***

***Mental Hygiene***, NYS Legislative Hearing on the Executive Budget, 11 a.m.

***Assembly session***, 2 p.m.

***Senate session***, 3 p.m.

### ***Tuesday, February 15<sup>th</sup>***

***Transportation***, NYS Legislative Hearing on the Executive Budget, 9:30 a.m.

***Assembly session***, TBD

***Senate session***, 3 p.m.

### ***Wednesday, February 16<sup>th</sup>***

***Economic Development***, NYS Legislative Hearing on the Executive Budget, 9:30 a.m.

***Topic Taxes***, NYS Legislative Hearing on the Executive Budget, 1 p.m.

***Assembly session***, TBD

***Senate session***, 3 p.m.

### ***Thursday, February 17<sup>th</sup>***

***Assembly session***, TBD

***Senate session***, 11 a.m.

## ***New York City***

### ***Wednesday, February 16<sup>th</sup>***

***Subcommittee on Landmarks, Public Sitings & Dispositions***, Remote Hearing - Virtual Room 3, 10 a.m.

***Committee on Veterans***, Remote Hearing - Virtual Room 2, 1 p.m.

Oversight – The Needs of the Department of Veterans Services.

### ***Thursday, February 17<sup>th</sup>***

***Subcommittee on Zoning and Franchises***, Remote Hearing - Virtual Room 1, 12 p.m.

***Committee on Land Use***, Remote Hearing - Virtual Room 1, 12:30 p.m.

***Committee on Contracts***, Remote Hearing - Virtual Room 2, 1 p.m.

Oversight – Updates to the Procurement and Sourcing Solutions Portal (PASSPort).



**“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-**

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