



This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

March 11, 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



Just in Time for the Holidays: NY Grown Adult-Use Cannabis

New York Targets the First Sale by End of the 2022

Governor Kathy Hochul this week announced New York’s *Seeding Opportunity Initiative*, which will position individuals with prior cannabis-related criminal offenses to make the first adult-use cannabis sales with products grown by New York farmers before the end of 2022. In addition, the initiative guarantees support for future equity applicants, and secures investment into communities most impacted by the enforcement of cannabis prohibition.

The State Cannabis Control Board this week advanced two components of the *Seeding Opportunity Initiative*:

- **Conditional Adult-Use Retail Dispensaries Regulations** – The Board approved the publication of regulations providing for an initial set of dispensaries owned by equity-entrepreneurs with a prior cannabis-related criminal offense who also have a background owning and operating a small business. Under the proposed regulations, eligible applicants must: have a cannabis-related offense that occurred prior to the passage of the Marijuana Regulation and Tax Act (MRTA) on March 31, 2021, or had a parent, guardian, child, spouse, or dependent with a pre-MRTA cannabis offense in the State of New York. They will be the first to open and make sales in New York State. These regulations now move to the State’s approval process.
- **Adult-Use Conditional Cultivator License:** The Board approved the online license application for hemp farmers seeking to grow adult-use cannabis this spring. The license was enacted by legislation Governor Hochul [signed](#) last month. The Board designated March 15th as the opening date for the application portal. The first licenses are expected to be distributed by late summer or early fall 2022.

According to Governor Hochul, these actions position equity-entrepreneur-owned dispensaries to make the first adult-use cannabis sales in New York State by the end of 2022.

The third piece of the initiative is the \$200 million New York Social Equity Cannabis Investment Program which Governor Hochul proposed in her FY 2023 Executive Budget. Under the proposal, the Dormitory Authority of the State of New York (DASNY) would provide support with its leasing and construction services to site dispensaries and renovate them to meet health, safety, and security requirements. The proposal remains under discussion with the Legislature.

“The initiatives announced by the Governor will help to ensure that the equity and justice goals of the MRTA will be met, and that New York farmers and small businesses will serve as the foundation of the legal cannabis market,” Senator Liz Krueger explained. “The MRTA was designed not only to end the failed war on drugs in New York, but specifically to take positive action to help rebuild those communities that were most harmed by prohibition. Offering the first retail licenses to people who have been convicted of marijuana-related offenses is a big step in the right direction, and will set the marketplace on a path where social equity applicants can compete successfully.”



Federal Relief Aid Temporarily Reverses Trend of NY Sending More to Washington Than It Gets Back

NY Received \$1.59 for Every Tax Dollar Sent to DC in Federal Fiscal Year 2020

COVID-19 relief funding from the federal government boosted New York's per capita balance of payments from Washington from second-to-last in federal fiscal year (FFY) 2019 to 40th in FFY 2020, according to [a report released](#) by New York State Comptroller Thomas DiNapoli. New York received \$146 billion, or \$7,236 per capita, more in federal spending than residents paid in total taxes to the federal government in FFY 2020.

Prior to FFY 2020, the gap between the taxes New Yorkers paid and the spending the state received has fluctuated, but it remained consistently negative over Comptroller DiNapoli's five previous fiscal analyses, ranging from \$19.9 billion in FFY 2013 and up to \$40.9 billion in FFY 2016.

The late Senator Daniel Patrick Moynihan advanced the concept of this balance of payments analysis when he represented New York in the U.S. Senate, believing that this work could help produce a more equitable outcome for all Americans, according to the Comptroller.

For every tax dollar paid to Washington, New York received \$1.59, an increase from 91 cents the prior year. The national average was \$1.92. New Jersey received the least amount for every tax dollar paid at \$1.36, while at \$3.66, New Mexico netted the biggest return.

New York generated 7.8% of the \$3.2 trillion in tax payments to the federal government in FFY 2020. In total, New Yorkers paid about \$250 billion in FFY 2020 compared to \$265 billion in FFY 2019, ranking third among the states behind California and Texas.

Direct payments to individuals for Social Security, Medicare, veterans' benefits, food assistance and more made up the largest category of federal payments to the states in FFY 2020, totalled over \$3.6 trillion, or 58%. This category increased by more than \$1 trillion compared to FFY 2019.

In the News – New York City



Mayor Adams to "Rebuild, Renew, Reinvent," Unveils Blueprint for NYC's Economic Recovery

New York City Mayor Eric Adams this week released "Rebuild, Renew, Reinvent: A Blueprint for New York City's Economic Recovery," which outlines the Mayor's plan for the City's economic recovery and the future of the City's economy. The blueprint specifically aims to accelerate the return to pre-pandemic employment levels and addresses "historic injustices and reimagining outdated ways of doing business."

Mayor Adams acknowledged the post-COVID challenges that face the City. For example, more than 26,000 businesses have closed; unemployment among Black New Yorkers remains more than three times the national average at 15 percent; and tourism remains far below pre-pandemic levels.

To reverse these trends, the Mayor plans to build a "more resilient economy [that] rests on five key pillars:

- Restarting the City's economic engines and reactivating the public realm;
- Supporting small businesses, entrepreneurship, and a more equitable economy;
- Driving inclusive sector growth and building a future-focused economy;
- Connecting New Yorkers to quality jobs and in-demand skills; and
- Planning and building for inclusive growth now and in the future.

Addressing these challenges, Mayor Adams said, will require a collaborative effort between the business community, labor unions, neighborhood advocates, faith leaders, educators, and New Yorkers across the five boroughs. His blueprint, comprised of 70 actions, represents the first stage of this effort and includes:

- **Hunts Point:** Invest in Hunts Point infrastructure, community priorities, and the redevelopment of the Hunts Point Produce Market.

- **“New New York” Blue-Ribbon Panel:** Convened by Mayor Adams and New York Governor Kathy Hochul, the panel would re-envision business districts, invest in the workforce, and stimulate economic growth by engaging leaders in business, labor, academia, nonprofit, and philanthropy.
- **NYC Strategy for Equity and Economic Development (SEED) Fund:** Launch a new equitable capital planning framework to invest City resources into neighborhood needs in ways that address historic disinvestment, immediate public health and safety issues, and growing climate risks, while creating jobs and spurring economic growth.
- **Small Businesses Relief:** The Mayor calls for cutting opening times in half, suspending the City’s 25 percent surcharge on liquor licenses, streamlining inspections, reforming licensing requirements, providing back-office support and free tax preparation, improving language access, and helping small businesses expand their digital footprints. In addition, he called for a Small Business Opportunity Fund to meet the financing needs of local businesses and entrepreneurs.
- **Reform and Expand the City’s Minority- and Women-Owned Business Enterprises (M/WBE) program:** The Mayor calls for an increase the number and size of City contracts going to M/WBE firms.
- **Address Public Safety and Quality-of-Life Concerns in Commercial Corridors:** Launch a Public Realm Working Group to execute a strategy of coordinated initiatives and programs in the City’s public spaces.
- **Green Economy:** Establish an education and research institution on Governors Island, which will work to identify equitable urban climate solutions and drive growth of accessible green jobs and leverage zoning and land use tools to foster innovation and support emerging industries, and facilitate green projects.
- **Build an Equitable Cannabis Industry:** Offering financial support and technical assistance to help entrepreneurs launch their businesses and launching a broad-based community engagement effort to make New Yorkers aware of opportunities to participate in the industry.
- **Protect Workers’ Rights:** Raising and enforcing labor standards for app-based delivery workers and adding new city resources focused on protecting the rights of home care aides, nannies, house cleaners, and other domestic and care workers.

Briefs

Push for Pension Equity for NYC's Uniformed Workforce Gains Steam in State Budget Negotiations

A proposal to win pension benefit equity for the most recently hired members of New York City's uniformed forces is gaining momentum in the 2022-2023 state budget negotiations.

Harry Nespoli, Chair of the Municipal Labor Committee, is calling for legislation to eliminate the social security reduction in service, early service, and vested retirement benefits for police officers, firefighters, sanitation workers, corrections officers and District Attorney investigators hired after April 1, 2012. Currently, uniformed members who were hired before 2012 are not subject to the 50% social security offset in their pension benefits.

This inequity is the direct result of then-Governor Andrew Cuomo's 2012 "top legislative priority" to drastically reduce retirement benefits for future state and municipal employees, creating a Tier 6 for new hires.

"This is an issue of both pension and social equity," Mr. Nespoli explained. "As New York City labor leaders work to increase diversity in its uniformed ranks, we are forced, under the current system, to offer newly hired members benefits that automatically put them at a disadvantage."

Mr. Nespoli is working with his partners in organized labor to correct this inequity.

In the past few years, legislation to eliminate the social security offset has been introduced by Assemblyman Peter Abbate and Senator Andrew Gounardes. Current versions of the legislation are awaiting updated fiscal notes from the City Actuary.

NYS JCOPE Back Online

Lobbying & Ethics Regulator Returns Following February "Cybersecurity Incident"

The New York State Joint Commission on Public Ethics (JCOPE) returned online March 9th following last month's cybersecurity incident. The target of the cybersecurity incident, the pre-2019 legacy online lobbying filing system, will remain offline until further notice, according to a [notice](#) released by JCOPE Executive Director Sanford Berland.

Any filings due between February 17th and March 9th will be automatically granted an extension to March 31st. Additionally, the March 15th lobbying bi-monthly report deadline is also extended to March 31st. Any questions about reviewing and affirming lobbying filings submitted during the outage period should be directed to the JCOPE Helpdesk at helpdesk@jcope.ny.gov.

State Education Department Releases Proposed Educational Standards for Nonpublic Schools

The State Education Department (SED) this week announced new [draft regulations](#) for “substantial equivalency” of instruction in nonpublic schools. The regulations will be presented at the Board of Regents’ meeting this month, according to Commissioner Betty A. Rosa.

Any of the State’s more than 1,800 nonpublic schools will be able to demonstrate their substantial equivalency of instruction through one of the following pathways:

- The school is accredited by a Department-approved accreditation organization;
- It is an approved Private Special Education School (‘853’), State-Operated, or a State-Supported School (‘4201’);
- It is a high school registered by the Board of Regents (grades 1 through 8 of a nonpublic school that has a registered high school program will also be deemed substantially equivalent by virtue of the school’s high school registration);
- It participates in the international baccalaureate program;
- It delivers instruction approved by the United States government on a military base or service academy; or
- It regularly uses assessments approved by the Department that can be used to demonstrate student academic progress.

In the instances where a non-public school chooses not to use one of the above pathways, the local school authority (LSA) must complete a review. As part of this process, LSAs must complete initial reviews and make final substantial equivalency determinations by the end of the 2024-2025 school year, and the LSA must vote on all substantial equivalency determinations.

Governor Hochul Announces \$232 Million in Additional Food Assistance for New Yorkers in March

Governor Kathy Hochul this week announced that all New Yorkers enrolled in the Supplemental Nutrition Assistance Program (SNAP) will receive the maximum allowable level of food benefits for March. All households participating in SNAP—including those already at the maximum level of benefits—will receive a supplemental allotment this month. As a result, New York State’s economy will receive roughly \$232 million in federal funding.

SNAP households in all counties outside of New York City should see these extra benefits posted between now and the end of the day Thursday, March 17th. Those SNAP households in the five-county New York City region should see their benefits post between Thursday, March 17th, and Wednesday, March 30th.

MTA to Get \$770 Million in Extra Federal COVID-19 Relief

The Federal Transit Administration (FTA) announced this week that the Metropolitan Transportation Authority (MTA) will receive an additional \$769.2 million from President Biden's American Rescue Plan. The agency has already received \$14.5 billion in pandemic aid.

The fund is part of \$2.2 billion in grants the FTA released this week, the largest of appropriations awarded to 35 recipients in 18 states. The MTA applied for the funding to cover costs of daily operations, cleaning and sanitizing, "combating the spread of pathogens in transit," and keeping employees, according to published reports.

2022 NYC St. Patrick's Day Parade Returns



**2022 Grand Marshal
James T. Callahan**

The New York City St. Patrick's Day Parade is set to return in its full form to Fifth Avenue on March 17th after two years of pandemic-related disruptions. James T. Callahan, General President of the International Union of Operating Engineers, will serve as this year's Grand Marshal.

The New York City Saint Patrick's Day Parade™ is the oldest and largest St. Patrick's Day Parade in the world. The first parade was held on March 17, 1762 — fourteen years before the signing of the Declaration of Independence.

The parade is held annually on March 17th (unless March 17th falls on a Sunday, then the Parade is held on March 16th for religious observances) at 11 a.m. in honor of St. Patrick, the Patron Saint of Ireland and of the Archdiocese of New York. The parade route goes up Fifth Avenue beginning at East 44th Street and ending at East 79th Street.



Coming Up

New York State

Monday, March 14th

Assembly Session, New York State Capitol Building, Assembly Chamber, Albany, 1:45 p.m.

Senate Session, New York State Capitol Building, Senate Chamber, Albany, 3 p.m.

Tuesday, March 15th

Assembly Session, New York State Capitol Building, Assembly Chamber, Albany, TBD

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

New York City

Monday, March 14th

Committee on Housing and Buildings, Remote Hearing – Virtual Room 1, 10 a.m.

Oversight – Preliminary Budget Hearing – Housing and Buildings.

Committee on Youth Services, Remote Hearing – Virtual Room 2, 10 a.m.

Oversight – Preliminary Budget Hearing – Youth Services.

Committee on Immigration, Remote Hearing – Virtual Room 2, 2 p.m.

Oversight – Preliminary Budget Hearing – Immigration.

Committee on Small Business, Remote Hearing – Virtual Room 1, 2:30 p.m.

Oversight – Preliminary Budget Hearing – Small Business.

Tuesday, March 15th

Committee on Oversight and Investigations, Remote Hearing – Virtual Room 2, 10 a.m.

Oversight – Preliminary Budget Hearing – Oversight and Investigations.

Committee on Consumer and Worker Protection, Remote Hearing – Virtual Room 1, 3 p.m.

Oversight – Preliminary Budget – Consumer and Worker Protection.

Wednesday, March 16th

Committee on Transportation, Remote Hearing – Virtual Room 1, 10 a.m.

Oversight – Preliminary Budget Hearing – Transportation and Infrastructure.

Committee on Economic Development, Remote Hearing – Virtual Room 2, 10 a.m.

Oversight – Preliminary Budget Hearing – Economic Development.

Committee on Civil and Human Rights, Remote Hearing – Virtual Room 2, 1 p.m.

Oversight – Preliminary Budget Hearing – Civil and Human Rights.

Friday, March 18th

Committee on Public Safety, Remote Hearing – Virtual Room 1, 9:30 a.m.

Oversight – Preliminary Budget Hearing – Public Safety.



“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) 964-4753
Facsimile (202) 964-5754