



This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

June 17, 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 honor of Juneteenth, our offices will be closed for the holiday, but, as always, we are reachable by cell or e-mail for all client needs.



Early Voting Starts Tomorrow

The June Primary is scheduled for June 28th, with Early Voting from June 18th to June 26th and will include elections for these offices:

- Governor*
- Lieutenant Governor*
- State Assembly*
- Judge*
- Party Positions*

[NYS Early Voting Information:](https://VoteEarlyNY.Org) VoteEarlyNY.Org
[NYC Early Voting Information:](#) NYC Board of Elections
[Absentee Ballot Information:](#) NYS Board of Elections

In the News – New York State



Comptroller DiNapoli: New York Owes \$8.1 Billion to Federal Government for Unemployment Payment Advances

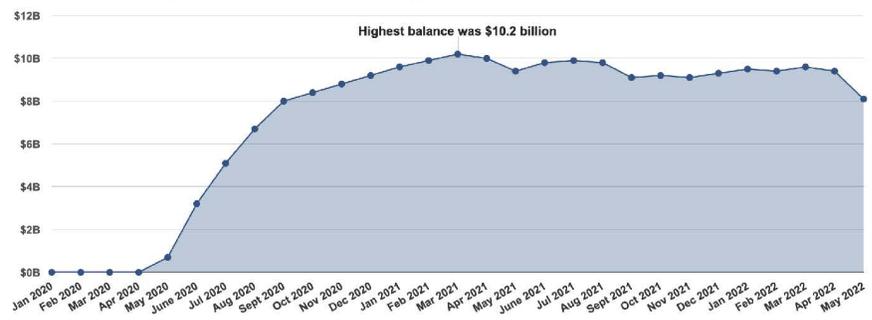
Payment Due Nov. 10th or NYS Businesses Will See Increase in Federal UI Taxes

New York State could not keep up with its COVID-19 related unemployment insurance obligations, leading to a federal debt that may be born by New York’s businesses, [according to a new analysis](#) by State Comptroller Thomas DiNapoli.

“New York’s unemployment insurance debt has remained stubbornly high despite steady employment gains and state tax rates that have already increased to maximum permissible levels,” Comptroller DiNapoli said. “Absent any significant federal or state action, repaying the loan and replenishing the unemployment fund will require federal tax increases that may be burdensome to small businesses and could hinder the state’s economic recovery.”

According to the Comptroller, as pandemic-related unemployment claims increased during the COVID-19 economic shutdown, New York has drawn advances from the federal Unemployment Trust Fund (UTF) since May 2020 when its UI fund initially ran out of funds for paying benefits. The loan balance reached as high as \$10.2 billion in March 2021, declined and then plateaued to an average \$9.3 billion from September 2021 through April 2022. After a series of large repayments, the balance dropped to \$8.1 billion by May 31, 2022.

New York’s Monthly UTF Loan Balance During the COVID-19 Pandemic



Sources: U.S. Department of Labor; U.S. Department of Treasury

The Comptroller explained that if New York’s outstanding balance is not fully repaid by November 10, 2022, interest costs will increase, as will the federal portion of employers’ 2022 tax bills. Specifically, without timely payment, the federal UI tax rate will increase by 0.3 percent to 0.9 percent for 2022.

The Comptroller's report explained that this would represent an additional annual federal tax payment of \$21 per employee. Compared to 2020, the new rate would represent an increase in total tax payments of 30.5 percent for employers required to pay the highest UI tax rates and of 182.3 percent for those who currently pay the lowest rates. If New York continues to hold an outstanding balance on January 1, 2023, employers' federal tax rate will go up to 1.2 percent, representing an additional cost of \$42 per employee over current levels.

This additional cost will increase by \$21 per year for each employee as long as New York retains an outstanding balance on November 10 in the relevant tax year.

Comptroller DiNapoli noted that New York State has not applied any of its allocation of federal pandemic fiscal relief funds to its advance with the federal UTF, and the Enacted Budget for State Fiscal Year 2022-23 did not include use of federal or State funds for this purpose.

New York's New Ethics System Begins to Take Shape

The deans of New York's 15 accredited law schools this week announced the vetting process to select nominees for the State's new 11-member Commission on Ethics and Lobbying in Government. Created by the Ethics Commission Reform Act--included in the FY2023 budget (Chapter 56), the new Commission will replace the current State Joint Commission on Public Ethics (JCOPE) effective July 8th.

Members of the 11-member Commission which will guide New York's ethics and lobbying regulation. The Act provides for the following nominations: Governor (three appointees); Senate Majority Leader (two appointees); Senate Minority Leader (one appointee); Assembly Speaker (two appointees); Assembly Minority Leader (one appointee); State Comptroller (one appointee); and State Attorney General (one appointee).

The vetting process was crafted by the deans' Independent Review Committee, chaired by Anthony W. Crowell, dean of New York Law School. It includes a background check for nominees similar to those conducted by the State Police for high-level executive branch appointees to ensure their "past personal and professional conduct reflects adherence to the highest ethical standards." The background checks will include fingerprinting, detailed questionnaires and financial disclosures as well as reviews of tax and credit reports. The nominating process also will include a seven-day public comment period for the elected officials' proposed nominees.

The official putting forth the nominee will review the background information gathered about the candidate's qualifications, suitability, and fitness for the job before deciding whether to formally nominate the person for review by the Independent Review Committee.

With the effective date of the Act, the Commission will transfer the regulatory scheme from JCOPE, assuming all JCOPE records and property. The law provides that if any employees are transferred from JCOPE to the Commission "such transfer will be without further examination or qualification and such employees shall retain their respective civil service classifications, status and collective bargaining agreements."

In addition, under the law, the Commission shall review any pending inquiries or matters affected and shall establish policies to address them. It will undertake a comprehensive review of all regulations in effect on July 8th; and review of all advisory opinions of predecessor ethics agencies, "which will address the consistency of the regulations and advisory opinions among each other and with the new statutory language, and of the effectiveness of the existing laws, regulations, guidance and ethics enforcement structure." However, this review "shall not be deemed to have revoked or rescinded any regulations or advisory opinions in effect on the effective date of this section that were issued by predecessor ethics and lobbying bodies."

Within 120 days of the transfer, the Commission shall update JCOPE's website to set forth the procedure for filing a complaint with the Commission, the filing of financial disclosure statements filed by state officers, employees and legislative employees, the filing of statements required by article one-A of the legislative law (the Lobbying Act), and any other records or information which the Commission determines to be appropriate.

In the News – New York City



New York City Public Housing Preservation Trust

Governor Kathy Hochul yesterday signed legislation (Chapter 225 of the Laws of 2022) establishing the New York City Public Housing Preservation Trust and paving the way for the overdue repair, rehabilitation, and modernization of 25,000 apartments under control of the New York City Housing Authority.

"Today is a major win for all New Yorkers who call NYCHA home," Governor Hochul said. "This legislation will unlock additional federal funding and lead to billions of dollars in renovations — after decades of federal disinvestment — and provide for critical improvements for 25,000 apartments in NYCHA developments across the city."

The new law will unlock the authority's ability to invest billions of dollars in capital to stabilize its buildings by establishing the Trust as a public benefit corporation able to issue bonds and raise capital for comprehensive building renovations and improvements.

As a result, basic environmental health and safety issues, such as lead, mold, heating, elevators, pests, as well as other systems work, apartment rehabilitation, and grounds improvements, will be better funded and completed more quickly.

Under the plan, NYCHA--which oversees the nation's largest public housing system--will now draw federal dollars in new support per year by utilizing federal Tenant Protection Vouchers that receive a higher per-unit subsidy than traditional Section 9 public housing. This additional subsidy will permit NYCHA to raise debt off the increase for vital capital improvements.

The Trust will guarantee homes are kept permanently affordable while also preserving all current rights and protections for residents, including:

- Residents will pay only 30 percent of income towards rent.
- Residents will maintain all current succession rights.
- Apartments will continue to be restricted to low-income residents,
- Apartment vacancies will continue to be filled using NYCHA waitlists.

In addition, residents will have the right to vote and decide whether to opt-in to the Trust. Residents will also play an active role in determining which vendors are chosen to complete renovation work at their developments.

“New York City's public housing was once considered a national showcase of civic responsibility that provided stability and dignity for countless families,” Teamsters Local 237 and the General Executive Board of the International Brotherhood of Teamsters Vice-President at-Large Greg Floyd explained. “But that was nearly 80 years ago, and throughout those years, without adequate funding and other resources, those same buildings came to symbolize urban decay and hopelessness for other generations of New Yorkers. Today, with the creation of the Trust and unique plans underway to address the problems of public housing, NYCHA is on the path to return to a place of pride for those who live and work there.”



New York City Council Votes to Adopt the \$101 Billion FY 2023 Budget

Speaker Adrienne E. Adams and Members of the New York City Council this week voted to adopt the Fiscal Year (FY) 2023 budget. Under Speaker Adam’s first budget, the Council focused on increasing agency transparency and investing in communities for key programs and services.

The adopted FY 2023 budget includes many of the Council priorities to invest in communities to make New Yorkers safer. These include expansions of key youth programs, increased city funding for schools, expansion of housing access programs, a property tax rebate for working- and middle-class homeowners, funding for parks and sanitation services, and investments in community safety programs. This includes the creation of a new Speaker’s initiative, the Community Safety and Victim Services Initiative. These priorities were outlined in the Council’s [Fiscal Year 2023 Preliminary Budget Response](#).

“This Council secured historic reforms, bringing greater transparency to ensure communities are being met with the services they deserve,” said Speaker Adrienne Adams. “By stepping into our budgetary powers to hold agencies accountable and strengthening oversight, we will uplift the priorities of New Yorkers and advance an equitable recovery for all. We will continue our work as a Council to ensure this budget realizes our shared vision of a safer, healthier, and stronger city.”

The FY 2023 adopted budget includes:

Increasing Budget Accountability & Transparency

Units of Appropriations: Under the New York City budget, an agency’s operating budget is divided into a number of units of appropriation (U/A) which provide specificity in relation to the funding allocations.

The FY 2023 adopted budget includes 18 new Units of Appropriation (U/A) within in the following agencies:

- NYPD: Six (6) additional U/A bringing the total NYPD U/As to 20.
- Department of Corrections: Four (4) additional U/A including jail operations, and health and mental health programming.
- Human Resources Administration: Four (4) additional U/As.
- One (1) additional U/A in in Department of Youth and Community Development (Runaway and Homeless Youth), Department of Buildings (Enforcement and inspection), Department of Education (Student transportation) and Administration for Children’s Services (Committee on Special Education placements).

Terms and Conditions: The budget agreement requires additional reporting in the following areas:

- NYPD Overtime Reporting.
- DOC Reporting on Sick Leave and Unstaffed Posts.
- Cultural Grant Reporting.
- Detailing of Department of Sanitation (DSNY) litter basket pick-ups, school organics, and public waste containers.

Health, Safety & Human Services

- \$60 million for Cost-of-Living-Adjustments for Human Service Providers to increase salaries for human service workers.
- \$19.3 million to increase mental health support and outreach for unhoused individuals.
- \$5 million for Mental Health Continuum to help students with significant mental health challenges access direct mental health services in school and connect students to other services throughout the City.
- \$5 million for community-based hate crimes prevention and response programs.
- \$3 million for Maternal Medical Home and Obstetric Simulation.
- Community Safety and Victim Services Initiative: A new Speaker’s discretionary funding initiative that provides each Council Member with \$100,000.

Education and Youth

- \$700+ million increase in the commitment of city funds spent on our public schools.
- \$277 million for the Summer Rising Program to provide free academic enrichment to students.
- \$33.4 million to expand Career and Technical Education.
- Expand Fair Futures program by \$18.8 million for a total program budget of \$30 million.
- \$4.4 million to establish the City University of New York (CUNY) Reconnect pilot program to help working-age adults attain a degree that expands earning potential—at all CUNY campuses, serving 10,000 students in its first year.
- \$1 million for CUNY STEM to support programming at campuses citywide.

Homeslessness & Housing Affordability

- \$237 million to expand City FHEPS to fully fund and increase the rental voucher rate to match Section 8 levels.
- \$171.3 million to expand funding for Drop-in Centers, Safe Haven Beds, & Stabilization Beds.
- \$90 million to protect working and middle-class homeowners with a property tax rebate.
- \$65.8 million to provide prevailing wage for shelter security.

Benefit Programs & Community Support Services

- \$75 million Fair Fares program to assist low-income New Yorkers with public transit costs.
- \$67 million Infrastructure and support funding for the City's three public library systems.
- \$40 million Emergency Assistance Grants.
- \$40 million Support for Cultural Organizations.
- \$8.6 million Language Access Expansion.
- \$6.7 million Adult Literacy Program Enhancement.
- \$4 million Immigrant Family Engagement.
- \$2 million Low Wage Worker Initiative.
- \$1.7 million Workforce Development Centers.

Environmental Initiatives

- \$22 million to support citywide 6-days/week, twice daily litter basket service pickup.
- Restore Sanitation Funding:
 - Precision Cleaning: \$7.46 million.
 - Lot Cleaning: \$4.9 million.
 - Rat Mitigation: \$4.8 million.
 - Street Cleaning: \$1.9 million.
 - E-waste Collection Restoration: \$1.4 million.

Rainy Day Fund & General Fund Additions

- \$750 million to the Rainy Day Fund, bringing to a total of \$1.95 billion.
- \$500 million to the General Reserves in FY 2023 for a total of \$1.6 billion and \$200 million in FY 2024–2026 for a total of \$1.2 billion in each year.

Briefs

Judge Accepts NYC's Rikers Island Plan

Manhattan Federal Judge Laura Taylor Swain this week accepted Mayor Eric Adams' plan to address staffing and security at Rikers Island, averting a federal takeover of the jail complex.

Judge Swain issued the order on Tuesday "in full recognition that further remedial relief may be necessary should [the city and city officials] not fulfill their commitments and demonstrate their ability to make urgently needed changes."

In her ruling, Judge Swain indicated that city lawyers had assured the court that the plan was "entirely within the power" of Correction Department Commissioner Louis Molina and Mayor Adams.

"There are no quick or easy solutions to reforming Rikers, but in just a few short months, we have seen reductions in slashings and stabbings, reductions in use of force and assaults on staff, increased searches for weapons and contraband, and fewer officers out on sick leave. It is a good start, but we must go much further," Mayor Adams said. "As the plan makes clear and as the court has agreed, we have a strategy to aggressively untangle the dysfunction that has plagued the jails and set them on a path of real, enduring reform.

Federal monitor Steve Martin is scheduled to issue a report updating the court on Rikers reforms in October. Judge Swain plans to hold a hearing in November to discuss the City's progress implementing its plan.

Mayor Adams Appoints Keith Howard as Commissioner of Department of Youth and Community Development

New York City Mayor Eric Adams this week announced the appointment of Keith Howard as Commissioner of the New York City Department of Youth and Community Development (DYCD).

Howard will bring over 30 years of public service to DYCD. He currently serves as an Associate Deputy Commissioner of the New York City Department of Transportation. Previously, Howard served as a special investigator for the Joint Commission on Integrity in the Public Schools, as a special fraud inspector with the New York City Department of Consumer and Worker Protection, and as a senior investigator at both the New York City Police Department's Civilian Complaint Investigative Bureau and the New York City Civilian Complaint Review Board.

An adjunct professor at Queens College and at the Joseph S. Murphy Institute, CUNY School of Labor and Urban Studies, Howard is a two-time graduate of John Jay College with a Bachelor of Science degree in legal research and a Master of Public Administration degree.

Mayor Adams Details Bus Improvements After “Transit Improvement Summit” with MTA

Mayor Eric Adams and Metropolitan Transportation Authority Chair Janno Lieber this week announced a slate of improvements for the City’s buses following a “Transit Improvement Summit.”

According to the Mayor, the City will add 150 miles of new bus lanes and busways to the its streets over the next four years, in accordance with the New York City Streets Plan passed by the City Council in 2019. The first 20 miles of will be rolled out this year including:

- Fordham Road and 207th Street, between 10th Avenue and White Plains Road in Manhattan and the Bronx (3.0 miles).
- Gun Hill Road, between Bainbridge Avenue & Bartow Avenue in the Bronx (3.8 miles).
- University Avenue, between Kingsbridge Road & Washington Bridge in the Bronx (3.4 miles).
- Westchester Avenue at Pelham Bay Park Station in the Bronx (0.1 miles).
- First Avenue between 61st Street and 79th Street in Manhattan (0.9 miles).
- Avenues A and D, various segments in Manhattan (1.0 mile).
- 21st Street, between the RFK Bridge and the Queensboro Bridge in Queens (3.4 miles).
- Northern Boulevard, between Broadway and 114th Street in Queens (5.4 miles).

In addition, the City will also make the busway on Main Street in Flushing, Queens permanent. The City and the MTA will also immediately launch planning and community outreach for the next round of new bus priority projects at the following locations: Tremont Avenue in the Bronx, Flatbush Avenue and Livingston Street in Brooklyn, and Northern Broadway and Second Avenue in Manhattan.

Coming Up

New York State

Wednesday, June 22nd

Public Hearing on New York’s Mental Health Crisis

New York State Attorney General Letitia James

One Chase Manhattan Plaza, 28 Liberty Street, New York, 2 p.m.

Friday, June 24th

To Receive an Update on the Penn Station Revitalization Plan

Senate Standing Committee on Corporation, Authorities and Commissions & Finance

250 Broadway, 19th Floor, New York, 10 a.m.

New York City

Tuesday, June 21st

Joint - Committee on Women and Gender Equity & Aging, Hybrid Hearing – Council Chambers - City Hall, 10 a.m.

Oversight – Challenges Facing LGBTQIA + Older Adults.

Joint - Committee on Sanitation and Solid Waste Management & Public Housing, Hybrid Hearing - Council Committee Room - City Hall, 10 a.m.

Oversight – Sanitation at NYCHA.

Committee on Consumer and Worker Protection, Hybrid Hearing – Committee Room – 250 Broadway, 16th Floor, 10 a.m.

Committee on Youth Services, Hybrid Hearing – Committee Room – 250 Broadway, 16th Floor, 1 p.m.
Oversight – Runaway and Homeless Youth.

Wednesday, June 22nd

Committee on Cultural Affairs, Libraries and International Intergroup Relations, Hybrid Hearing – Council Chambers - City Hall, 10 a.m.

Oversight – Cultural Institutions and Access for Individuals with Disabilities.

Joint - Committee on General Welfare & Housing and Buildings, Hybrid Hearing – Council Chambers - City Hall, 1 p.m.

Oversight – The City’s Housing Voucher Programs.

Committee on Civil and Human Right, Hybrid Hearing – Committee Room – City Hall, 1 p.m.

Oversight – CCHR and EEPIC: Challenges Related to Post-Pandemic Return to Work.

Thursday, June 23rd

Joint - Committee on Contracts, Economic Development & Oversight and Investigations, Hybrid Hearing – Council Chambers - City Hall, 1 p.m.

Oversight – A Good Food Purchasing for Citywide Food Procurement & Developing Preferred Vendor Lists for Community-Based Translation Services.

Joint - Committee on Youth Services & Immigration, Hybrid Hearing – 250 Broadway – Committee Room, 16th Floor, 1 p.m.

Oversight – Adult Literacy Programming and Resource.

Committee on Parks and Recreation, Hybrid Hearing – Committee Room – City Hall, 1:30 p.m.

Oversight – Improving the City’s Tree Canopy.

Friday, June 24th

Joint - Committee on Public Safety & State and Federal Legislation, Hybrid Hearing – Council Chambers - City Hall, 10 a.m.

Oversight – Access to Firearms: City and State Efforts to Curbs Gun Violence.

“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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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.

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