



# This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

October 28, 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-



## NYS General Election: November 8<sup>th</sup>

### Early Voting Begins Saturday

Early voting for the 2022 general election begins Saturday, October 29<sup>th</sup> and runs every day until Sunday, November 6<sup>th</sup>. Election Day is Tuesday, November 8<sup>th</sup>.

New Yorkers will vote for Governor, Lieutenant Governor, Attorney General, State Comptroller, one of the state’s U.S. Senate seats, and the State’s 26 Congressional seats. There are also races for representatives in the state Assembly and the state Senate, as well as state and local judges.

Early voting polling places may differ from the Election Day voting sites and the times vary by county. Poll information can be found at:

**NYS Voters (outside NYC):** Confirm your voting location by visiting the New York State Board of Elections at <https://voterlookup.elections.ny.gov/>.

**NYC Voters:** Confirm your voting location by visiting the New York City’s Board of Elections website at <https://voterlookup.elections.ny.gov/>.

#### **2022 Statewide Ballot Proposal**

New York State voters will also decide on a statewide ballot proposal that would authorize \$4 billion in bonds for climate and environmental projects if approved.

#### **Proposal Number One, A Proposition**

#### **Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022**

*To address and combat the impact of climate change and damage to the environment, the "Clean Water, Clean Air, and Green Jobs Environmental Bond Act of 2022" authorizes the sale of state bonds up to four billion two hundred million dollars to fund environmental protection, natural restoration, resiliency, and clean energy projects. Shall the Environmental Bond Act of 2022 be approved?*

**Abstract:** The purpose of this proposal is to authorize the creation of state debt and the sale of state bonds in the amount of up to four billion two hundred million dollars (\$4,200,000,000) for certain capital projects for the purpose of making environmental improvements that preserve, enhance, and restore New York's natural resources and reduce the impact of climate change. If approved, the proposal would allow the State to borrow up to \$4,200,000,000 to provide funding for capital projects for the following: restoration and flood risk reduction (at least \$1,100,000,000), open space land conservation and recreation (up to \$650,000,000), climate change mitigation (up to \$1,500,000,000), and water quality improvement and resilient infrastructure (at least \$650,000,000).

The proposal also would allow the State to refund the debt to take advantage of lower interest rates if the opportunity arises. To accomplish this, the proposal authorizes the State Comptroller to issue additional state bonds in sums up to or exceeding the amount of the bonds initially issued to refund, to advance refund, or otherwise to repay part or all of such bonds prior to the scheduled dates of their maturity.

**2022 Local Ballot Proposals:** Additional proposals vary by locality. For example, New York City residents will consider [three ballot proposals](#) developed by the New York City Racial Justice Committee. Information on other ballot proposals in other localities can be found at the respective county board of elections.

## *In the News – New York State*



### **Comptroller DiNapoli: Wall St. Profits Return to Pre-Pandemic Levels**

#### *First Half 2022 Profits Down Over 50% From 2021*

Wall Street's pandemic boom came to an end in 2022, with pretax, first half profits of \$13.5 billion, down 56.3% from the \$31 billion earned in the same period last year, according to State Comptroller Thomas DiNapoli's [annual report](#) on New York City's securities industry.

"The last two years of profits and bonuses fueled in part by the extraordinary federal response to the pandemic were not sustainable," Comptroller DiNapoli said. "The securities sector was a buffer for state and city revenues during the pandemic. As the sector slows down in 2022, leading firms are reviewing staffing and office space needs and a prolonged downturn could negatively impact state and city coffers. Continued support for other sectors that have been slow to recover is needed to speed recovery to their pre-pandemic levels and to help offset the decline in Wall Street-related tax revenues."

According to the Comptroller, securities industry performance is measured by the pretax profits of the broker/dealer operations of New York Stock Exchange (NYSE) 126 member firms. The decline in revenue in the first six months of 2022 reflects multiple factors, including a 47.9% drop in income from firms' trading, underwriting, and securities activities. Equity offerings in 2022 were at the lowest level since 2003. The Federal Reserve's (Fed) multiple rate hikes beginning in March of this year drove interest expenses up \$7.5 billion.

To date, profits in 2022 have returned to the range experienced prior to the pandemic. Challenging market conditions persist, and profits for the third and fourth quarters may see further declines. OSC estimates that profits in 2022 may be closer to the 10-year pre-pandemic average of \$20.3 billion per year.

Comptroller DiNapoli's report estimated the securities industry was responsible for \$5.4 billion in City tax revenue in its fiscal year ending June 30, 2022 (City Fiscal Year 2022), or 8% of total tax collections. The industry also accounted for \$22.9 billion in State tax revenue, 22% of the total, in the State's fiscal year ending March 31, 2022 (State Fiscal Year 2022).

The average compensation for securities industry workers in New York City in 2021 was \$516,560, more than five times the average salary in the rest of the private sector. This included bonuses, which averaged \$257,500.

Bonuses in 2022 are expected to fall from their record highs of 2021. New York City's latest economic forecast estimates bonuses to decline 22% but could fall further. Funds set aside for compensation in the industry have declined by 6.5% in the first half.

## ***In the News – New York City***



### **Mayor Announces New Effort to Accelerate Resiliency Projects & Lays out \$8.5 Billion in Future Infrastructure Needs**

The Adams administration this week announced a new program--Climate Strong Communities (CSC)--as part of the City's strategic climate strategy and called upon the Federal government to create an \$8.5 billion pre-disaster mitigation fund.

According to Mayor Eric Adams, CSC will be centered around environmental justice communities that have been left unaddressed by Sandy-recovery funding and that historically face deeper impacts as a result of climate change. The City will create and invest in this program with the hopes of unlocking billions of additional dollars in federal funds through the Inflation Reduction Act and the Infrastructure Investment and Jobs Act. The program will work to create model projects to address various climate risks, including coastal flooding, sea level rise, extreme rain, and heat in city neighborhoods.

Mayor Adams also called on the federal government to create a coastal infrastructure formula funding program that will provide approximately \$8.5 billion in pre-disaster mitigation grant funding. The funding will enable New York City to complete critical resiliency projects, including the following:

- [Coney Island Creek Raise Shoreline](#)
- [Bushwick Inlet Park](#)
- [Coney Island Boardwalk & Beach](#)
- [East Harlem Coastal Resiliency](#)
- [Financial District and Seaport Climate Resilience Master Plan](#)
- [Manhattan Waterfront Greenway](#)
- [Wetlands Management Framework for New York City](#)
- [Forest Management Framework for New York City](#)
- [Tibbets Brook Daylighting Project](#)
- [Raise Shorelines 2.0](#)

These projects which are aimed at increasing protection against coastal storms that can damage waterfront areas and infrastructure are either currently in construction, in design, or in the planning phase, according to Mayor Adams.

To maximize the impact of federal funds, Mayor Adams also laid out several important federal policy reforms to ensure the city is better prepared for future storms. These policy reforms include:

- Increasing the maximum amount of funding allotted for projects under the Federal Emergency Management Agency's (FEMA) Building Resilient Infrastructure and Communities program, where funding is currently capped at \$50 million.
- Implementing a uniform Benefit Cost Analysis method to streamline how projects are funded through various grants.
- Ensuring FEMA forms a new program that supports construction for immediate sheltering after disasters, as well as temporary home repairs to minimize displacing residents, long-term hoteling, and congregate sheltering.
- Reforming the National Flood Insurance Program to ensure flood insurance remains accessible and affordable for all.

In an [audit](#) released this week by State Comptroller Thomas DiNapoli, auditors cited New York City Emergency Management Emergency Management (NYCEM) for failing to ensure the City is prepared for disasters. The audit found weak oversight and poor management of hazard mitigation efforts, operational continuity plans, and evacuation plans. NYCEM generally disagreed with the report's findings. This is the first of four state audits initiated by the Comptroller that focus on New York City resiliency planning.



## Mayor Adams Appoints Laura Kavanagh as FDNY Commissioner

New York City Mayor Eric Adams this week appointed Laura Kavanagh, Commissioner of the New York City Fire Department (FDNY). She is the first woman to officially head the department in its 157-year history and previously served as First Deputy Commissioner and, most recently, as Acting-Fire Commissioner.

FDNY Commissioner Kavanagh will oversee the day-to-day administration of the agency's 17,000 employees and \$2 billion budget. The Fire Commissioner is a civilian administrator.

“Laura Kavanagh is a proven and tested leader, and I’m proud to announce her historic appointment today,” said Mayor Adams. “No matter her role, Commissioner Kavanagh has always been a leader — from helping to lead the FDNY’s response to the Ebola outbreak in 2015 to steering the ship during the COVID-19 pandemic, to directing a firefighter recruitment program that resulted in the most diverse applicant pool in the department’s history. New Yorkers and New York City’s ‘Bravest’ deserve an exceptional leader and Commissioner Kavanagh has the vision, the skills, and the compassion to lead the FDNY into the future.”



**Mayor Adams & Fire Commissioner Kavanagh**

Before City service, Commissioner Kavanagh worked in management and campaign consulting for non-profits, community-based organizations, and unions to advance their organizational goals. In that time, she held senior roles on Presidential, Mayoral, Congressional, and local campaigns.

She has a BA in Political Science and International Relations from Whittier College and a Master’s Degree in Public Administration from Columbia University’s School of International and Public Affairs.

“During her tenure and throughout the whole COVID-19 pandemic she has been a stabilizing leader whose accessibility has fostered an open dialogue between the UFA and the FDNY. We intend to maintain this strong working relationship with Commissioner Kavanagh and wish her the best of luck leading the greatest fire department in the world as we protect the lives of New York’s eight million residents and untold millions of commuters and tourists,” Andrew Ansbro, president, Uniformed Firefighters Association (UFA).



## Bills Approved by the City Council

**Introduction 153-A, sponsored by Council Member Tiffany Cabán,** would require the Office to End Domestic and Gender-Based Violence (ENDGBV), in consultation with the Department of Social Services (DSS) and community-based organizations, to establish a program to provide survivors of domestic and gender-based violence with a low-barrier grant and supportive services that would help survivors with expenses related to maintaining housing. The bill would also require ENDGBV to report on the program on an annual basis.

**Introduction 154-A, sponsored by Council Member Tiffany Cabán,** would require ENDGBV to establish an online portal and a written resource guide of available services for survivors of domestic and gender-based violence in New York City.

**Introduction 258-A, sponsored by Council Member Rita Joseph,** would require that the Mayor designate an agency or office to, in coordination with the Department of Transportation and Department of Parks and Recreation, report on feasible locations for public bathroom facilities across the City.

**Introduction 291-A, sponsored by Majority Whip Selvena N. Brooks-Powers and Council Member Carlina Rivera,** would require the Department of Transportation and the Department of Parks and Recreation to develop a citywide greenway master plan, with the goal of achieving a comprehensive network of greenways.

**Introduction 414-A, sponsored by Council Member Chi Ossé,** would require the Department of Health and Mental Hygiene to issue an annual report on rat mitigation efforts in rat mitigation zones, submit the report to the Speaker of the Council and the Mayor, and make the report publicly available online. The report would describe the metrics DOHMH uses to measure the efficacy of rat mitigation in each zone as well as outreach efforts.

**Introduction 442-A, sponsored by Council Member Erik Bottcher,** would require that before a permit authorizing certain construction work that is subject to rodent extermination is issued, the applicant certify that a licensed exterminator was retained to effectively treat the premises for rodent extermination.

**Introduction 459-A, sponsored by Council Member Shaun Abreu,** would require that the Department of Health and Mental Hygiene designate by rule rat mitigation zones throughout the City. This bill would also provide that the Department of Sanitation may determine by rule the times during which buildings must set out their garbage and recycling for collection.

**Introduction 460-A, sponsored by Council Member Shaun Abreu,** would require that buildings that receive two or more rodent-specific housing maintenance code or two or more rodent-specific health code violations place their refuse in rodent-proof containers for at least two years. The bill would provide that the Department of Sanitation may waive this container requirement where it would cause an undue hardship or public safety hazard.

# Briefs

## Application Period Now Open for \$250 Million COVID-19 Capital Costs Tax Credit Program

Applications are now being accepted from small businesses that have successfully completed the pre-screening process to become certified for the COVID-19 Capital Costs Tax Credit Program. The program supports companies that made investments to comply with emergency orders and regulations or to increase public safety in response to COVID-19.

The new refundable tax relief program targets COVID-19-related expenses for infectious disease mitigation during 2021 and 2022. Eligible COVID-19-related costs include, but are not limited to:

- Supplies to disinfect or protect against COVID-19 transmission.
- Costs associated with expanding or
- defining space to accommodate social distancing.
- HVAC equipment.
- Expenses related to increased outdoor activity and outdoor space expansions.
- Machinery and equipment to facilitate contactless sales

Tax credits will cover 50 percent of eligible costs, up to \$50,000, for a maximum tax credit award of \$25,000, and credits will be awarded on a first come first serve basis until program funds are depleted. Eligible businesses must operate a location in New York State, have 100 or fewer employees, \$2.5 million or less of gross receipts in the 2021 tax year, and at least \$2,000 in eligible costs between January 1, 2021 and December 31, 2022.

Applications will be accepted through March 31, 2023. To claim a tax credit for their 2022 tax return, businesses must apply soon to receive a tax credit certificate from Empire State Development (ESD) on or before December 31, 2022. Tax credits issued on or after January 1, 2023 can be claimed on a business's 2023 tax return. To learn more about eligibility and qualifying expenses, visit [www.esd.ny.gov/covid-19-capital-costs-tax-credit](http://www.esd.ny.gov/covid-19-capital-costs-tax-credit).

## NYS and NYC Launch Actions to Address Transit Crime

New York Governor Kathy Hochul and New York City Mayor Eric Adams this week announced expanded initiatives to address transit crime. NYPD and MTA will increase officer presence on platforms by approximately 1,200 additional overtime officer shifts daily on the subway-- approximately 10,000 additional overtime patrol hours daily. Also, the State will establish two new dedicated units at psychiatric centers to help those experiencing serious mental health illness.

The MTA Police will be deployed into the subway system at four major commuter railroad hubs — Penn Station, Grand Central Station, Atlantic Terminal, and Sutphin-Archer (Jamaica) Station. This action will free 100 NYPD officers for deployments at other priority transit locations on trains and in stations.

Governor Hochul has directed the New York State Office of Mental Health (OMH) to create two new, dedicated 25-bed units, for a total of 50 inpatient beds. The first Transition to Home Units (THU), a treatment program for street and subway patients experiencing homelessness with severe mental illnesses, will open at Manhattan Psychiatric Center (MPC) by November 1st.

The State and City will also employ enhanced training for law enforcement and first responders and conductor announcements of police presence.

## **New York City Council Moves Forward with Proposed District Maps**

New York City Council Speaker Adrienne Adams this week sent a [letter](#) on behalf of the body to New York City Districting Commission Chair Dennis Walcott, notifying the Commission of the Council’s acceptance of the proposed district maps without objection.

In the letter, Speaker Adams noted that “the maps were approved by 13 members of the Commission after extensive deliberation over legal considerations including the Voting Rights Act of 1965, population deviation limitations, and the criteria set forth in the City Charter.”

The proposed maps will now go to the City Clerk for certification.

## **Workers Strike at Starbucks NYC Roastery**

Employees at Manhattan’s Starbucks NYC Roastery walked out on strike this week citing health and safety issues, including a moldy ice machine and bed bugs.

On Tuesday and Wednesday, workers at the Starbucks flagship location, at 61 Ninth Avenue in Manhattan, marched with picket signs in front of the store’s entrance and chanting “What do we want?” “Health and safety!” “When do we want it?” “Now!”, according to published reports.



Workers United, the union representing the workers, indicated that the management has refused to deal with urgent health and safety issues at the location.

In published reports, a spokesperson for Starbucks said that store management was made aware of the bed bug issue on and soon after arranged for pest control services to inspect and treat the location.



## Clearing up Confusion About New 9/11 Victim Compensation Laws

The following [Letter to the Editor](#), written by Vito Pitta and Matthew Baione, was published in the October 17<sup>th</sup> edition of *Crains New York Business*:

Gov. Kathy Hochul recently signed into law two measures that change how the state's Surrogate's Court will handle the probate process for two types of death claims filed by families of 9/11 victims. Many news articles, however, conflated the authority of the New York Surrogate's Courts' oversight over the estates of New York decedents with the authority of the Department of Justice to administer the Victim's Compensation Fund to 9/11 victims and their families.

*Crain's* article, "[As 9/11 victims face compensation delays, new state law offers limited relief](#)," added another layer of conflation—that the new laws were an attempt by the governor to shorten wait times for the World Trade Center Health Program's medical appointments.

"Lawyers and other New Yorkers familiar with the VCF have expressed confusion over the law because the U.S. Department of Justice administers money through the fund, not the state," the article said.

That's true—the state can't require the federal government to do anything, but the lawyers and other New Yorkers who drew conclusions about the law either did not read it or did not understand it.

The laws have absolutely nothing to do with the WTC Health Program or even directly with the 9/11 Victim Compensation Fund. Instead, they modify laws governing Surrogate's Court to help claimants move faster through the probate process and allow the VCF to issue payments faster.

Our law firm, along with our colleagues at the 9/11 victim compensation firm of Pitta & Baione, our affiliated government relations firm, Pitta Bishop & Del Giorno, and legislative sponsors, drafted the laws.

Our involvement in drafting the laws stemmed from our experience handling a claim for Ray Chase, a first responder who died of a rare 9/11-related cancer. While working with his brother-in-law, Robert Bishop, to navigate the VCF legal process, he was surprised to learn that, after the VCF process would be completed, we would then need a compromise proceeding in Surrogate's Court.

Generally, a compromise proceeding is needed for traditional wrongful-death lawsuits and can take up to one year. Since the VCF is an alternative to litigation, he felt there should be a simpler model applied to VCF claims.

So we drafted two bills to save two types of VCF death claims from compromise proceedings: those filed on behalf of victims of 9/11-related illnesses who died from unrelated causes, and wrongful-death claims that included only noneconomic (pain and suffering) losses.

The new legislation will remove barriers and benefit all parties involved—the claimant, the VCF and Surrogate's Court.

Claimants benefit from a shorter, less-complicated Surrogate's Court process, which can also be costly. The VCF benefits from shorter processing times: The VCF will no longer need to cease processing the claim twice—once while the claimant seeks continued court permission to prosecute the claim after an eligibility determination is made, and again when an award is issued while the claimant waits for the compromise proceeding to be completed.

Finally, the Surrogate's Courts, which are still digging themselves out of Covid backlogs, benefit from having to be less involved in these types of VCF claims.

We hope this letter serves to dispel misinformation for the 9/11 community.

# Coming Up

## *New York State*

***Tuesday, November 1<sup>st</sup>***

***Building Code Enforcement Practices***

Assembly Standing Committee on Governmental Operations, Local Governments, and Cities  
Roosevelt Hearing Room C, Legislative Office Building, 2<sup>nd</sup> Floor, Albany, 10 a.m.

## *New York City*

***Tuesday, November 1<sup>st</sup>***

***Committees on Health, Hospitals & Subcommittee on COVID Recovery and Resiliency***, Committee Room – City Hall, 10 a.m.

Oversight – COVID-19 in NYC: Evaluating the Present Challenges.

***Wednesday, November 2<sup>nd</sup>***

***Committees on Governmental Operations and Small Business, & Immigration***, City Hall, 10 a.m.

Oversight – Supporting Immigrant Small Businesses and Promoting Language Access.

***Committee on Fire and Emergency Management***, 250 Broadway, 14<sup>th</sup> Floor, 10 a.m.

Oversight – E-Bikes and Lithium-ion Battery Fire Safety.

***Committees on Mental Health, Disabilities and Addiction & Higher Education***, City Hall, 1 p.m.

Oversight – Accommodations for College Students with Disabilities.

***Thursday, November 3<sup>rd</sup>***

***City Council***, Council Chambers, 1:30 p.m.

***Friday, November 4<sup>th</sup>***

***Committee on Public Safety***, Council Chambers – City Hall, 10 a.m.

Oversight – Supporting Providers Serving the City’s Crisis Management System (CMS).

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