



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-



In the News – New York State



State Cannabis Control Board Approves First Adult Use Retail Licenses

The New York State Cannabis Control Board this week approved the first [Conditional Adult-Use Retail Dispensary \(CAURD\) Licenses](#). These dispensaries will be making the first legal adult-use sales with cannabis products grown by New York farmers.

The Office of Cannabis Management (OCM) received over 900 applications for CAURD licenses. The Board approved 36 provisional licensees, including 28 qualifying individuals and 8 nonprofit CAURD applicants. At least one CAURD license was granted in each available region of the state.

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Due to a federal injunction granted last week by U.S. District Court Judge Gary Sharpe, the OCM withheld decisions for 18 dispensary licenses in Brooklyn, Finger Lakes, Central New York, Western New York, and the Mid-Hudson regions. Yesterday, the State asked the court to narrow the order to the Finger Lakes region only, citing that the lawsuit plaintiff, Variscite, listed the Finger Lakes as its first choice and under the current award process would be only eligible for this region based upon the number of applicants.

Individuals who are awarded CAURD licenses will receive support from the Social Equity Cannabis Investment Fund. Up to 175 licenses will be granted in total: as many as 150 to individual applicants and up to 25 to nonprofit applicants. Going forward, licenses applications will be sent to the Board for its consideration on a rolling basis. To be eligible, applicants were required to either have had a cannabis conviction themselves, or be the family member of someone who has, and have owned a profitable business. Nonprofits were eligible if they had a history of serving current or formerly incarcerated individuals, including creating vocational opportunities for them; have at least one justice involved board member; at least five full time employees; and have operated a social enterprise that had net assets or profit for at least two years.

“Today is a monumental day for New York’s nascent cannabis industry. With the first adult-use retail dispensary licenses in the hands of businesses and eligible nonprofits, we’ve ensured the first sales will be made at dispensaries operated by those impacted by the unjust enforcement of cannabis prohibition,” said Tremaine Wright, Chair of the Cannabis Control Board. “This is just the start, we will continue to work to build an industry that is open to anyone who wants to participate.”

The Cannabis Control Board also approved an additional 16 Adult-use Cannabis Conditional Cultivator Licenses, growing the total number of approved Adult-Use Cannabis Conditional Cultivator Licenses to 277. The approval of 8 Adult-Use Cannabis Conditional Processor Licenses raises the total issued by the Board to 33, and the approval of three laboratory permits brings the total to seven.



New York Restricts Cryptocurrency Mining

Governor Kathy Hochul yesterday signed legislation (Chapter 628 of the Laws of 2022) temporarily restricting cryptocurrency mining in the state over environmental concerns. New York is the first state to enact a restriction on the industry.

The new law sets a two-year moratorium on new and renewed air permits for fossil fuel power plants used for “proof-of-work” cryptocurrency mining. Proof of work mining refers to a blockchain-based algorithm that records and secures transactions in bitcoin and similar forms of digital money. Sponsored by Assemblymember Anna Kelles and Senator Kevin Parker, the legislature passed the measure in June (Senate 35-28 and Assembly 91-56).

The law also requires the Department of Environmental Conservation to assess how cryptomining affects the state’s ability to meet its climate goals. It takes effect immediately and applies to all permits or renewal applications filed after the law’s approval.

According to the sponsors, studies show that the magnitude of the computer processing output required to authenticate a single block uses as much energy as an average American household uses in a month. The annual global energy use for proof of work authentication is equivalent to that of the country of Sweden and exceeds the energy consumption of all the global activity of major tech companies like Amazon, Google, and Facebook combined.

Governor Hochul called the legislation a means to balance New York's position as a financial center and protecting the environment. "I will ensure that New York continues to be the center of financial innovation, while also taking important steps to prioritize the protection of our environment," Governor Hochul said.



Chapters of the Laws of 2022

Chapter 601 -- sponsored by AM McDonald/Senator Kennedy -- Allows patients up to ten visits with an occupational therapist without a referral from a physician or nurse practitioner.

Chapter 603 -- sponsored by AM Bichotte Hermelyn/Senator Parker -- Relates to requiring the metropolitan transportation authority to install surveillance cameras at subway platforms.

Chapter 604 -- sponsored by AM Reyes/Senator Krueger -- Clarifies that workers shall not be punished or subjected to discipline by employers for lawful absences.

Chapter 617 -- sponsored by Senator Gaughran/AM Burke -- Relates to requiring nonpublic schools to follow the same rules and regulations as public schools regarding a pupil who suffers a concussion

Chapter 622 -- sponsored by Senator Parker/AM Solages -- Relates to enacting the "New York collegiate athletic participation compensation act"

Chapter 623 -- sponsored by AM Rosenthal L/Senator Cleare -- Requires food allergy awareness in food service establishments and online food ordering services.

In the News – New York City



Mayor Adams Announces Another Round of Budget Cuts

Mayor Eric Adams ordered city agencies to undergo another round of spending reductions this week, calling for the elimination of vacant positions.

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Jacques Jiha, Director of the Mayor's Office of Management and Budget, issued a letter to City agency heads directing the Commissioners to permanently eliminate half of all vacant positions. In addition, the Commissioners will have to self-fund any new initiatives.

Director Jiha cited that the City must prepare to negotiate new labor contracts with its unionized workforce and the increased costs of housing and providing social services to asylum seekers as financial pressures facing the City.

"Furthermore, the local and national economies are weakening, financial market performance is down, and we face rising health-care costs, high energy prices, and elevated inflation," Director Jiha wrote, according to published reports. "Given these concerns, we are taking additional steps to maintain fiscal stability, keep the city safe and clean and ensure uninterrupted delivery of quality services to New Yorkers."

The City anticipates saving \$350 million annually with the reductions. Approximately 21,000 positions remain unfilled in the City's workforce. The new order is expected reduce a quarter of these vacancies, which does not apply to uniformed positions, teachers, and positions that are funded by non-City resources.

"We need to be prepared for the economic tsunami that is coming toward our city...We will be putting out an economic forecast out in a couple weeks," Mayor Adams said in relations to the directive, according to published reports.

In September Mayor Adams called for a Program to Eliminate the Gap that included a 3% cut in agency city-funded budgets this year and 4.75% next year.



Bills Signed by the Mayor

Intro. 153-A -- sponsored by New York City Councilmember Tiffany Cabán -- Requires ENDGBV, in consultation with the New York City 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.

Intro. 154-A -- sponsored by Councilmember Tiffany Cabán -- Requires ENDGBV to establish an online portal and a written resource guide of available services for survivors of domestic or gender-based violence in New York City.

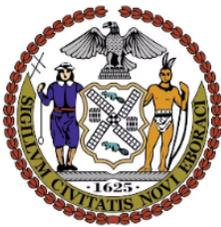
Intro 414-A – sponsored by Councilmember Shaun Abreu -- DOHMH to issue an annual report on the success of rat mitigation measures in rat mitigation zones. Additionally, DOHMH will report on current and planned rat mitigation measures in each zone, including public outreach measures that are conducted.

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Intro 442-A – sponsored by Councilmember Erik Bottcher -- Ensures 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.

Intro 459-A – sponsored by Councilmember Chi Osse -- Requires DOHMH designate rat mitigation zones no later than April 1, 2023. This bill will also provide that DSNY may determine, by rule, the times during which buildings must set out their garbage and recycling for collection.

Intro 460-A – sponsored by Councilmember Sandy Nurse -- Requires buildings that receive two or more rodent-specific housing maintenance code or two or more rodent-specific health code violations to use approved rodent-resistant containers for at least two years.



Bills Approved by the City Council

Introduction 404-A, sponsored by Council Member Linda Lee -- Requires DOHMH, or another agency designated by the mayor, to report on the monies paid to the city pursuant to the New York opioid settlement sharing agreement, or any other agreement with an opioid supply chain participant, or any successor agreements.

Introduction 525-B -- sponsored by Council Member Gale Brewer – Requires that any secondhand dealer purchasing a used catalytic converter, must first obtain from the seller information about the vehicle the catalytic converter was removed from, which demonstrates that the seller either owns the vehicle or was otherwise authorized to remove the catalytic converter in connection with a repair. In addition, the purchaser would be required to determine if the catalytic converter presented is consistent with the identified vehicle.

Introduction 610-A -- sponsored by Council Member Erik Bottcher -- Requires the Department of Education (DOE) to distribute information to students annually regarding suicide prevention, including information about the new national 988 suicide and crisis lifeline number, suicide warning signs and risk factors, and any other related suicide prevention resources DOE deems relevant.

Introduction 609-A -- sponsored by Deputy Speaker Diana Ayala -- Requires the Department of Health and Mental Hygiene (DOHMH) to establish a pilot buyback program for the return of needles, syringes, and sharps used for non-medical consumption at locations in the 5 highest-need council districts. DOHMH would be tasked to determine eligibility for participation in the program and to set the buyback incentive, up to 20 cents per needle, syringe or sharp, with a cap of \$10 per individual per day.

Briefs

State Pension Fund Sees Loss for Second Quarter

New York State Comptroller Thomas DiNapoli this week announced that the estimated value of the New York State Common Retirement Fund (Fund) was \$233.2 billion at the end of the second quarter of the state's fiscal year. For the three-month period ending Sept. 30, 2022, Fund investments returned an estimated -3.85%.

“The recent volatility in the markets and concerns over the state of the economy have hit investors hard,” Comptroller DiNapoli said. “Inflation and supply chain issues are continuing to impact the financial world and we expect a challenging investment environment for the foreseeable future. Still, the Fund is highly diversified and built to weather the ups and downs of the markets. Our pensioners and members can remain confident that their benefits are safe.”

The Fund's value reflects retirement and death benefits of \$3.745 billion paid out during the quarter. Its audited value was \$272.1 billion as of March 31, 2022, the end of the state fiscal year.

As of Sept. 30, the Fund had 42.33% of its assets invested in publicly traded equities. The remaining Fund assets by allocation are invested in cash, bonds, and mortgages (22.62%), private equity (15.29%), real estate and real assets (13.53%) and credit, absolute return strategies, and opportunistic alternatives (6.23%).

The Fund's long-term expected rate of return is 5.9%.

Governor Announces Actions to Prevent Hate Crimes

Governor Kathy Hochul this week announced actions to prevent hate crimes, promote tolerance, and protect New Yorkers. The Governor signed two pieces of legislation to support hate crime prevention and education efforts and encouraged community-based organizations to apply for \$50 million funding to strengthen safety measures and protect against hate crimes.

Sponsored by Senator Toby Ann Stavisky and Assemblymember Rebecca Seawright, Chapter 624, requires individuals convicted of hate crimes to undergo mandatory training in hate crime prevention and education as part of their sentence. The programs, training sessions, or counseling sessions must be authorized by the court or local agencies in cooperation with organizations serving the affected community.

Chapter 626 directs the State Division of Human Rights to establish and implement a statewide campaign for the acceptance, inclusion, tolerance, and understanding of diversity. The legislation was sponsored by Senator Anna Kaplan and Assemblymember Charles Lavine.

In addition, the State is seeking proposals under its \$50 million Communities Against Hate Crimes program which is anticipated to support approximately 1,000 projects across the state. The application deadline has been extended to February 28, 2023.

Governor Hochul Signs Bill to Allow Collegiate Student Athletes to Receive Compensation for Endorsements & Athletic Participation

Governor Hochul this week signed legislation (Chapter 622) allowing New York collegiate student athletes to receive compensation for their name, image, or likeness without the risk of forfeiting their scholarships or eligibility to participate in collegiate athletics.

Specifically, the law, sponsored by Senator Kevin Parker and Assemblymember Michaelle Solages, prohibits a college or collegiate athletic conference - including the National Collegiate Athletic Association (NCAA) - from upholding any rules preventing students from earning compensation a result of the use of the student-athlete's name, image, or likeness, from participating in collegiate athletics competition because of such compensation. It also prohibits a college or collegiate athletic conference from providing compensation to a student for use of name, image, or likeness and allows players to use professional representation provided by attorneys and athlete agents licensed in New York State.

Additionally, the new law requires colleges participating in NCAA Division I athletics to provide student-athletes services in the form of assistance in degree completion, career development, financial and mental health, discrimination and harassment training, and leadership training.

Mayor Adams Unveils Plan for Holiday Season Car-Free Open Streets in Midtown Manhattan

New York City Mayor Eric Adams this week unveiled a plan to “cement” Midtown Manhattan as the premiere international holiday destination by opening 11 city blocks to pedestrians in December — the city’s largest-ever holiday season-specific Open Street.

Through a partnership between the New York City Department of Transportation (DOT), New York City Police Department (NYPD), and the Fifth Avenue Association, the city will — for the first time in half a century — transform Fifth Avenue, from 48th Street to 57th Street, into an Open Street on three Sundays in December, bringing back the pedestrianized area around Rockefeller Center and Radio City Music Hall throughout the holiday season.

Fifth Avenue: On December 4, 11, and 18, from Noon until 6 pm, Fifth Avenue, from 48th Street to 57th Street, will only be open to pedestrians. To accommodate high pedestrian traffic, westbound vehicle right turns will be prohibited from Fifth Avenue onto 47th Street, 49th Street, or 51st Street.

Rockefeller Center: Starting with the lighting of the Rockefeller Center Christmas Tree on Wednesday, November 30, through early to mid-January, the city will pedestrianize the streets surrounding Rockefeller Center and Radio City Music Hall. West 49th Street and West 50th Street, between Fifth Avenue and Sixth Avenue, will only be open to pedestrians during the most congested hours, between 11 am and Midnight every day.

Sixth Avenue: Also beginning with the Rockefeller Center Christmas Tree lighting on November 30 through early to mid-January, moveable barriers will be placed on the east side of Sixth Avenue between 48th Street and 52nd Street, reallocating one lane of traffic for additional pedestrian space.

Biden Administration Grants Ukrainians, Afghans Immediate Work Authorization

Ukrainian and Afghan nationals “paroled” into the United States under humanitarian relief programs may be eligible to immediately work, according to United State Office of Citizenship & Immigration Services (USCIS).

According to the American Immigration Council, the Immigration and Nationality Act (INA) authorizes the Secretary of Homeland Security to exercise discretion to "parole" or temporarily allow certain noncitizens to physically enter or remain in the United States if they are applying for admission but do not have a legal basis for being admitted.

On Nov. 21, 2022, USCIS announced that Ukrainian and Afghan parolees with certain classes of admission are employment authorized incident to their parole. Specifically, USCIS identified the following as eligible:

- Employees whose unexpired Form I-94, Arrival-Departure Record, contains a class of admission of UHP or OAR on the document, may present it as an acceptable List A receipt that temporarily shows identity and work authorization for Form I-9, Employment Eligibility Verification.
- Employees whose unexpired Form I-94, Arrival-Departure Record, contains a class of admission of DT issued between February 24, 2022, and September 30, 2023, and indicates Ukraine as the country of citizenship on the document, may present it as an acceptable List A receipt that temporarily shows identity and work authorization for Form I-9.

The Department of Homeland Security may only grant parole if the agency determines that there are urgent humanitarian or significant public benefit reasons for a person to be in the United States and that person merits a favorable exercise of discretion. Grants of parole are made for limited periods of time, often to accomplish a discrete purpose, and individuals are typically expected to depart the United States when the authorized period expires unless another form of status or relief is conferred.

Th new policy covers these nationals if their parole has not been terminated by U.S. Department of Homeland Services.

Coming Up

New York State

Wednesday, November 30th

Mental Health Needs of Students at Institutions of Higher Education

Joint – Assembly Standing Committee on Higher Education & Mental Health
Roosevelt Hearing Room C, Legislative Office Building, 2nd Floor, Albany, 10 a.m.

New York City

Tuesday, November 29th

Joint - Committee on Economic Development & State and Federal Legislation, City Hall, 10 a.m.

Oversight – New York City Heliport Operations.

Wednesday, November 30th

Committee on Land Use, 250 Broadway - Committee Room, 16th Floor, 10 a.m.

Committee on Hospitals, Committee Room – City Hall, 1 p.m.

Oversight – State of Nursing in NYC – Staffing and Retention.

Thursday, December 1st

Committee on Resiliency and Waterfronts, Committee Room – City Hall, 1 p.m.

Oversight – The Billion Oyster Project and Nature-Based Solutions.

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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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