



This Week in New York

Covering New York State and City Government

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“Obstacles don't define us. Rather, it is the unparalleled courage and character of us that defines us as a people. So my confidence in the future is steeped in our glorious past - in the face of adversity, we always persist. We persevere, we prevail.” Governor Kathy Hochul

In the News-New York State



State Comptroller Issues Report on Executive Budget

As the Senate and Assembly put together their respective one-house FY24 budget proposals, State Comptroller Thomas DiNapoli issued his Executive Budget review highlighting the hurdles New York faces in maintaining economic growth and stability.

Despite the state's post-pandemic economic recovery, New York faces prolonged inflation, rising federal interest rates, and the end of federal relief aid that was key in balancing the past two budgets, [according to the report](#) by the State Comptroller.

In addition, the changes in the labor market are also a risk to the state economy. New York's job recovery from the pandemic has lagged the nation's, there are fewer workers in the labor force and the labor force participation rate is among the lowest in the nation.

“There are significant headwinds that will present challenges to ongoing growth. Among them is inflation remaining well above historical levels,” the Comptroller explained. “Continued Federal Reserve Board actions to raise interest rates in response may dampen national and local economic prospects, which, if not carefully managed, risks causing a recession. In addition, federal relief aid that has been instrumental to balancing the budget in the past two years will be depleted by the end of State Fiscal Year (SFY) 2024-25.”

The Executive Budget proposes \$227 billion in All Funds spending in SFY 2023-24, an increase of \$5.4 billion, or 2.5%, from the prior year. The Division of the Budget (DOB) projects outyear gaps of \$5.7 billion in SFY 2024-25, \$9 billion in SFY 2025-26, and \$7.5 billion in SFY 2026-27. The gaps result from reduced estimates of tax collections due to a forecasted economic downturn and increases in recurring spending, principally in school aid and Medicaid, according to the Comptroller.

While the Executive Budget increased All Funds spending, advocates note that it did not include all the agreed-upon funding from last year's enacted budget. Many FY23 legislative additions were not carried over into Governor Kathy Hochul's spending plan.

For example, the Executive Budget did not include last year's appropriation for foreclosure prevention services under the Homeowners Protection Program (HOPP) and a reappropriation for community-based provider family planning services.

According to Comptroller DiNapoli, the Executive Budget's investment in the State's rainy-day fund, will help New York manage economic challenges. The Executive Budget proposal increases the balance of statutory rainy-day reserves to \$6.5 billion at the end of the current fiscal year and includes legislation to further increase the maximum annual deposits to 10% of State Operating Funds (SOF) spending and the maximum fund balance to up to 20% of SOF spending.

"With economic risks and the impending loss of federal financial assistance ahead, now is the time for New York to carefully prepare for the short- and long-term," Comptroller DiNapoli said. "The budget proposals to increase state reserves and strengthen the state's rainy-day reserves should be supported."

In the News-New York City



Mayor Adams Releases City's "Blueprint" to Handle Asylum Seeker Crisis Moving Forward

New City Mayor Eric Adams this week released his "The Road Forward: Blueprint to Address New York City's Response to the Asylum Seeker Crisis," outlining the next phase of the City's response to the "surge" of asylum seekers arriving in the five boroughs.

As the number of asylum seekers arriving in New York City reached 50,000 — with more than 30,000 currently in the City's care — Mayor Adams announced he will create the Office of Asylum Seeker Operations (OASO) to focus on coordinating the City's continued response including resettlement and legal services, as well as workforce education programs.

OASO will manage a new 24/7 arrival center that will replace the Port Authority as a primary destination for asylum seekers when they arrive. The Office will also oversee inter-agency coordination, manage advocacy to state and federal governments, and lead the following City-based initiatives:

Emergency Housing, Long-Term Housing, and Resettlement:

- Explore potential short- and long-term strategies regarding housing, including partnerships with religious institutions.
- Launch a pilot with The Center for Discovery and SUNY Sullivan to offer 100 asylum seekers the opportunity to live at the SUNY Sullivan campus and receive workforce training.
- Engage national non-profits and houses of worship to offer asylum seekers relocation choices, including pre-vetted cities and municipalities.

Workforce Development:

- Create a mentorship program that connects asylum seekers to more established immigrants.
- Develop partnerships with organizations to identify asylum seekers who are now eligible for work permits.
- Provide Occupational Safety and Health Administration training in a variety of in-demand industries, including health care and construction.

Legal Services:

- Develop a centralized entry point system to help asylum seekers navigate the federal immigration process.

Interstate and Interagency Coordination and Engagement:

- Work with cities at the southern border to dispel misinformation about what New York City can and is actually offering to those arriving and ensure those seeking asylum receive accurate information.

Since last April, the City has launched Asylum Seeker Resource Navigation Centers and satellite sites which provide casework, legal, medical, and school enrollment, as well as a range of other services. Specifically, the City has opened 92 emergency shelter sites and currently has open seven Humanitarian Emergency Response and Relief Centers. In addition, through Project Open Arms, the City has enrolled more than 13,000 students in temporary housing.

The City will continue to advocate for the state and federal governments to provide additional financial and operational support.



Speaker Adams Outlines Vision to Prioritize ‘People Over Everything’

New York City Council Speaker Adrienne Adams this week delivered her State of the City address, detailing her vision to invest in the City’s workers, prioritize affordable housing, and improve the health and safety of neighborhoods.

Economic Mobility: The Speaker outlined the following priorities and proposals:

- Advocate for budget investments in key agency front-line positions that serve New Yorkers and expedite agencies’ abilities to effectively hire.

- Support additional resources and pipeline programs for public service occupations with staffing shortages, such as mental health workers, nurses, public defenders, and housing attorneys.
- Increase city and state resources for public defenders and civil legal services attorneys to hire, provide salary increases to implement discovery laws, address court delays, and ensure legal representation in housing, immigration and other civil proceedings.
- Establish “Social Worker Fellows” program to cover tuition for those pursuing social work degrees who provide mental health services in public institutions, such as schools.
- Expand NYCHA Resident-Owned Businesses.

Fair Housing: In her State of the City, Speaker Adams proposed the following housing proposals:

- “Safeguard” public housing by combining all of our existing city, state and federal financing tools within a single newly developed NYCHA building to provide new Section 9 units for existing public housing residents living within a development.
- Advance a Fair Housing Framework Law: Introducing legislation establishing a citywide Fair Housing Framework that creates community district-level targets for housing production, preservation, voucher use, and neighborhood investment.
- Increase Affordable Housing Production through Zoning Changes.
- Strengthen Housing Preservation including advocating to expand funding and improve the effectiveness of existing programs within the City’s Department of Housing Preservation and Development (HPD), including the “Neighborhood Pillars” and “Landlord Ambassador” programs for renters and the “HomeFix” and Homeowner Help Desk programs for small homeowners.

Healthier, Safer Neighborhoods: Speaker Adams’ “People Over Everything” Agenda included:

- Creating year-round public pool access and expanding free swimming programs.
- Expanding half-price rides on buses, subways, and Access-A-Ride to more low-income New Yorkers by expanding eligibility of the Fair Fares program to New Yorkers with incomes up to 200% of the federal poverty level.
- Committing \$5 million towards guaranteed income programs that provide direct anti-poverty assistance payments to low-income mothers with infants and to vulnerable youth.
- Fixing the City’s 3-K and early childhood education program with reforms and solutions.
- Providing \$100,000 to each Council district for proven community safety investments under a new Speaker’s initiative for Community Safety and Victim Services..
- Renewing the City’s Commitment to Close Rikers with Action.

Briefs

Governor Hochul and Attorney General James “Demand” Answers From Major Pharmacy Chains on Medication Abortion Access

Governor Kathy Hochul and Attorney General Letitia James this week sent a [letter](#) to the CEOs of Walgreens (owner of Duane Reade), Rite Aid and CVS calling on these corporations — which represent the majority of pharmacies in the State of New York — to provide answers about their plans to make the abortion medication mifepristone available.

The letter included a request for a response in writing within 10 business days (to osg@exec.ny.gov) to the following questions:

- Will you commit to dispense mifepristone to patients with a doctor's prescription at all FDA-certified pharmacy locations in the State of New York? If not, what is the legal basis for this decision?
- Will you commit to dispense mifepristone via mail with a doctor's prescription to patients in the State of New York? If not, what is the legal basis for this decision?

“Recent national events have spotlighted the critical role that pharmacies play in providing access to essential health care, including reproductive health care. That is why we write to you today to ask that you commit to making medication abortion available in your retail and mail-order pharmacies across New York State,” the Governor and Attorney General wrote. “Unfortunately, building on a national pressure campaign by anti-choice forces, 20 Attorneys General have called on the pharmacies not to distribute this essential medication within their states, based on a restrictive interpretation of the law and misrepresentation of the facts. We urge you not to allow these tactics to intimidate you, and to commit to making this critical medication available as widely as possible, based on a fair and unbiased interpretation of state and federal law.”

Attorney General James Continues Crackdown on Unregistered Cryptocurrency Platforms

New York Attorney General Letitia James this week continued her efforts to crack down on unregistered cryptocurrency platforms by filing a [lawsuit](#) against KuCoin for failing to register as a securities and commodities broker-dealer and falsely representing itself as an exchange.

The Office of the Attorney General (OAG) was able to buy and sell cryptocurrencies on KuCoin in New York even though the company is not registered in the state. Through this enforcement action, Attorney General James seeks to stop KuCoin from operating in New York and to block access to its website until it complies with the law.

KuCoin is a virtual currency trading platform that allows investors to buy and sell cryptocurrency through its website and app. On its platform, KuCoin investors can buy and sell virtual currencies, including ETH, LUNA, and TerraUSD (UST), which are securities and commodities.

The petition argues that ETH, just like LUNA and UST, is a speculative asset that relies on the efforts of third-party developers in order to provide profit to the holders of ETH. Because of that, KuCoin was required to register before selling ETH, LUNA, or UST.

KuCoin also sells unregistered securities in the form of KuCoin Earn, its lending and staking product. New York law requires securities and commodities brokers to register with the state, which KuCoin failed to do.

Via the lawsuit, Attorney General James seeks a court order that stops KuCoin from misrepresenting that it is an exchange, prevents the company from operating in New York, and directs KuCoin to implement geo-blocking based on IP addresses and GPS location to prevent access to KuCoin's mobile app, website, and services from New York.

Mayor Adams Announces \$15 Million Revolving Fund for Nonprofit Homeless Service Providers

The Adams Administration and SeaChange Capital Partners this week announced the launch of a \$15 million shelter development and acquisition fund for nonprofit homeless service providers to build, own, and operate shelters.

The shelter fund will combine \$5 million in city resources with \$10 million in philanthropic, program-related investment capital arranged by SeaChange Capital Partners. The total \$15 million will fund up to 10 new shelters in the initial four-year phase and will continue to fund additional projects as loans are paid back.

Mayor Adams Appoints Nestor Davidson as Rent Guidelines Board Chair

New York City Mayor Eric Adams today appointed Nestor Davidson as the chair of the New York City Rent Guidelines Board (RGB). A professor of housing and land use at Fordham University School of Law, Davidson is an expert in affordable housing and land use law and brings decades of experience in government and academia to the role, according to the Mayor.

The NYC Rent Guidelines Board (RGB) is mandated to establish rent adjustments for the approximately one million dwelling units subject to the Rent Stabilization Law in New York City. Each year, the NYC Rent Guidelines Board (RGB) establishes the lease guidelines for rent stabilized apartments, lofts and hotels. The RGB typically votes on the guidelines each June (Visit Meetings page for exact dates). Those guidelines then apply to leases with effective dates between October 1 of that year and September 30 of the following year.

Bills Signed the Mayor

Intro 148-A – Sponsored by New York City Councilmember Justin Brannan – Amends the definition of the term "victim of domestic violence" under the New York City Human Rights Law to recognize economic abuse as a form of domestic violence and extends existing protections for domestic violence victims to those who have experienced economic abuse.

Intro 470-A – Sponsored by New York City Councilmember James Gennaro – Phases out fuel oil No. 4, improving air quality and public health by reducing emissions of particulate matter, oxides of nitrogen, sulfur dioxide, and carbon dioxide. The city expects this legislation will help prevent more premature deaths, respiratory and cardiac hospitalizations, and asthma emergency room visits, building a safer and healthier city for all New Yorkers.

Coming Up

New York State

Monday, March 13th

Assembly Session, New York State Capitol Building, Assembly Chamber, Albany, 2 p.m.

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

Tuesday, March 14th

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

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

Wednesday, March 15th

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

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

Thursday, March 16th

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

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

New York City

Monday, March 13th

Committee on Welfare, Council Chambers – City Hall, 10 a.m.

Oversight - Preliminary Budget Hearing – General Welfare

Committee on Fire and Emergency Management, Committee Room – City Hall, 10:30 a.m.

Oversight - Preliminary Budget Hearing – General Welfare

Committee on Public Housing, Committee Room – City Hall, 2:30 p.m.
Oversight - Preliminary Budget Hearing – Public Housing

Tuesday, March 14th

Committee on Aging, Council Chambers – City Hall, 10 a.m.
Oversight - Preliminary Budget Hearing – Aging

Committee on Higher Education, Committee Room - City Hall, 10:30 a.m.
Oversight - Preliminary Budget Hearing – Higher Education

Subcommittee on Zoning and Franchises, 250 Broadway - Committee Room – 14th Floor, 1 p.m.

Committee on Land Use, 250 Broadway - Committee Room, 14th Floor, 1:30 p.m.

Wednesday, March 15th

Committee on Education, Council Chambers - City Hall, 9 a.m.
Oversight - Preliminary Budget Hearing – Education

Committee on Rules, Privileges and Elections, 250 Broadway - Committee Room – 14th Floor, 10 a.m.

Committee on Sanitation and Solid Waste Management, Committee Room – City Hall, 10:30 a.m.
Oversight - Preliminary Budget Hearing - Sanitation and Solid Waste Management

Committee on Housing and Buildings, Committee Room – City Hall, 2 p.m.
Oversight - Preliminary Budget Hearing - Housing and Buildings

Thursday, March 16th

Committee on Finance, Committee Room – City Hall, 10 a.m.

Brooklyn Delegation of New York City Council, Council Chambers – City Hall, 10 a.m.

City Council, Council Chambers – City Hall, 1:30 p.m.

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