



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



NYS Helps Public Employees Tap Into Federal Public Service Student Loan Forgiveness Program

Governor Kathy Hochul this week signed legislation to expand and simplify public employee access to the federal Public Service Loan Forgiveness (PSLF) program. The law establishes uniformity around what qualifies as full-time employment for the purposes of accessing PSLF and allows public service employers to certify employment on behalf of workers.

"This legislation acknowledges the significant contributions of our public servants, first responders, educators and more, by helping unlock federal loan forgiveness for countless members of New York's workforce," Governor Hochul said.

PSLF is a federal program that incentivizes public service work by cancelling a portion of borrowers' federal student loans. The program requires borrowers to be full-time employees of an eligible public service employer and make 120 qualifying payments towards their student loan, after which the remainder of their federal student loan debt is forgiven. Any student loan debt that is forgiven under this program will not be subject to tax under New York State tax law.

The new law (Chapter 562) addresses barriers to accessing PSLF by:

- Clarifying the legal definitions of key terms such as, "certifying employment," "employee," "full-time," "public service employer," "public service loan forgiveness form," and "Public service loan forgiveness program;"
- Setting a standard hourly threshold for full-time employment at thirty (30) hours per week for the purposes of accessing PSLF and clarifying standardized prep time to be included in such calculation for faculty and teachers; and
- Allowing public service employers to certify employment on behalf of individuals or groups of employees directly with the U.S. Department of Education.

In addition, on October 6, 2021, the Department of Education announced time-limited changes to the PSLF program to make it easier for eligible borrowers to have their federal loans forgiven ("PSLF Waiver"). The PSLF Waiver, which expires October 31, 2022, allows borrowers to count payments made on all federal loan programs or repayment plans toward forgiveness, including loan types and payment plans that were not previously eligible. Under the waiver, FFEL, Perkins, or non-Direct loan must be consolidated prior to October 31, 2022 for previous payments to be counted. Public employees previously denied acceptance into the PSLF program may be re-evaluated during the waiver period.

New York has also launched a statewide effort to inform New Yorkers of the PSLF Waiver and encourage eligible workers to apply for loan forgiveness before the end of the PSLF Waiver period. The Department of Financial Services (DFS) has secured commitments from organizations representing more than 8,500 public and not-for-profit employers to distribute information to their workforces in the coming weeks and assist them in applying to the PSLF program before the Waiver expires. DFS will also be offering PSLF workshops across the state in the coming weeks.



Comptroller DiNapoli: State is Slow in Disbursing Some Federal Relief Funds for Housing

New York has been slow when it comes to using some federal relief funds earmarked to alleviate the state's affordable housing crisis, according to [an audit released today](#) by New York State Comptroller Thomas DiNapoli.

The audit found that, under the management of Homes and Community Renewal (HCR) and its local program administrators, the distribution of funds has been delayed, putting some of the funding at risk due to deadlines for use of COVID-19 funds.

According to the Comptroller, HCR received hundreds of millions of dollars from the federal government over the past several years, including:

- \$244 million from Housing and Urban Development (HUD) through the Community Development Block Grant (CBDG) program.
- \$127 million in additional CBDG funds through the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act) with a HUD-HCR funding agreement through 2026.
- \$120 million in HOME Investment Partnership Program funds from HUD.
- \$93 million in additional HOME COVID-19 relief aid through the HOME American Rescue Plan Program (HOME-ARP) with a HUD-HCR funding agreement through 2030.

Comptroller DiNapoli explained that HCR acts as the pass through for the money by awarding it, in the form of grants, to local program administrators, which HCR oversees to make sure they use the money in ways that meet federal requirements. Federally funded programs often set time frames for spending funds awarded, especially in temporary streams like the CARES Act and American Rescue Act of 2021. For example, HUD's and HCR's funding agreement for CDBG CARES Act funding runs through September 23, 2026, and HCR must expend at least 80% of the funds by September 23, 2023.

The audit found HCR had only committed about \$98 million of the \$127 million in CDBG funds it received through the CARES Act and has reimbursed less than \$5 million. To meet HUD's deadline, HCR, working with local program administrators, has to spend \$96 million by September 2023. The remaining \$122 million must be spent by September 2026 to prevent further potential loss of funding.

In addition, the audit determined that some local administrators did not apply to HCR for COVID-19 relief funds because of the agency's restrictions. Two of the five local administrators that auditors spoke with said they could not meet HCR's 12-month timeframe for completing projects because of supply chain and contractor availability issues. HCR does offer extensions but the audit found not all local administrators were aware of that option.

Among its recommendations, Comptroller DiNapoli's audit called on HCR to:

- Work with local program administrators to make sure funds on a deadline tied to COVID relief are obligated and spent in a timely manner, by improving communication regarding performance completion requirements and by identifying and reducing delays in releasing funds for completed work.
- Improve internal controls over the administration of the CDBG, including better monitoring of subrecipients and contractors used by local program administrators and strengthening controls over confidential information.

In the News – New York City



Mayor Adams Announces New NYCHA Leadership Structure

New York City Mayor Eric Adams this week announced a new leadership structure at the New York City Housing Authority (NYCHA), splitting the roles of NYCHA chair and chief executive officer. Greg Russ stepped down as chief executive of the Authority but will remain NYCHA chair. Beginning September 19, 2022, current NYCHA Executive Vice President of Legal Affairs and General Counsel Lisa Bova-Hiatt will serve as interim CEO.

Mayor Adams, the U.S. Department of Housing and Urban Development (HUD), and the Office of the U.S. Attorney for the Southern District of New York (SDNY) have begun a national search for a new permanent CEO.

According to the Mayor, the separation of these roles establishes a more effective leadership structure — aligning NYCHA with the operating structure of public housing authorities nationwide and the leadership structure laid out in NYCHA’s Transformation Plan. The restructuring is consistent with the amendment to NYCHA’s bylaws adopted on June 15, 2022.

Bova-Hiatt has served as NYCHA’s general counsel since February 2020. She was previously the general counsel of the City University Construction Fund and executive university counsel for The City University of New York. Bova-Hiatt also served as Executive Director of the New York Governor’s Office of Storm Recovery and held various roles at the New York City Department of Law, including deputy chief of the tax and bankruptcy litigation division.

“Adams Commission” to Refocus Department of Buildings

New York City Mayor Eric Adams and New York City Department of Buildings (DOB) Commissioner Eric Ulrich this week announced steps to refocus the DOB on providing improved customer service. In addition, the leaders kicked off the “Adams Commission” — a 90-day commission convening stakeholders from labor, industry, the nonprofit sector, and city government to develop a “blueprint” for structural improvements at DOB.

In addition, the Mayor launched two new customer service units: the Small Business Support Team (SBST) and the Major Projects Development Unit (MPDU). These new units will accelerate project timelines.

“Now is the time to change what it’s like to do business with the Department of Buildings and make this agency run more efficiently,” said Mayor Adams. “New Yorkers deserve an agency that prioritizes customer service and safety at the same time, all in service of moving our city forward. Our administration has been cutting red tape since day one, and we will keep going until we have a city that truly works for New Yorkers.”

In the next 90 days, [64 industry groups, trade organizations, ownership associations, advocacy groups, and government agencies](#) will meet and formulate recommendations to improve the DOB, with a report due to Mayor Adams and the City Council. Recommendations will focus on eliminating unnecessarily complicated practices, onerous regulatory hurdles, and inefficient workflows. The report will be public once complete.

With the report as a blueprint, the agency will begin implementing recommendations as appropriate in early 2023 through a combination of policy changes, operational modifications, and regulatory reforms. The Administration will work with the City Council to make changes requiring legislation.

Bills Approved by the City Council

Introduction 56-A, sponsored by Council Member Chi Ossé, requires DOHMH to create a Nightlife Opioid Antagonist Program to help prevent opioid overdoses in nightlife establishments.

Introduction 458-A, sponsored by Speaker Adams, requires the Department of Health and Mental Hygiene (DOHMH) to create resources in all designated citywide languages for a potential patient of an abortion provider.

Introduction 518-A, sponsored by Council Member Shaun Abreu, requires the Mayor's Office for Criminal Justice (MOCJ) and the New York City Police Department (NYPD) to conduct a study on reducing the flow of illegal firearms into the city and submit an annual report to the Speaker and Mayor.

Introduction 602-A, sponsored by Speaker Adrienne Adams, defines the geographical boundaries of the Times Square area – now classified by State law as a “sensitive area” where licensed individuals are restricted from carrying concealed weapons. The boundaries, as defined by the bill, largely follow the area identified as Times Square by the official NYC Tourism website. It covers the area bounded by W. 40th Street to W. 53rd Street and Sixth Avenue to Eighth Avenue; and parts of Ninth Avenue and the Port Authority Bus Terminal are included.

Briefs

Local Sales Tax Collections in August Increase by Nearly 13% Over Last Year

Local sales tax collections in New York state increased by 12.6% statewide in August compared to the same month in 2021, according to [an analysis released](#) by State Comptroller Thomas DiNapoli. Statewide local collections totaled \$1.7 billion, up nearly \$192 million from the same time last year.

New York City's collections totaled almost \$751 million, an increase of 20.6% – or \$128 million – over August of 2021. Most counties saw at least some year-over-year growth in August collections, with Sullivan County experiencing the largest increase at 15.7%, followed by Orange (12.9%) and Rockland (12.3%). Conversely, Schuyler County saw the steepest decline (-24.8%).

New York City Agencies Prepare for Funding Cuts

New York City agencies have been directed to ready for two rounds of budget cuts, as City Budget Director Jacques Jiha called for a 3% spending reduction this fiscal year and an additional 4.75% reduction in 2024, according to a memo sent to agency heads this week.

The Budget Director said no agencies will be exempt due to “the magnitude of the threat to our financial stability.”

“As we move towards the November Financial Plan and beyond, we face challenges that threaten our ability to keep the current year budget balanced and maintain manageable outyear gaps. We must act quickly and responsibly, otherwise funding for programs and services — many that serve the most vulnerable New Yorkers — will be at risk,” Jiha wrote.

Plans to meet the initial 3% cuts are due to Office of Management and Budget by September 30th and the 3% “cannot be reached through layoffs or new fines and fees.”

The Budget Director referenced a number of threats to the City’s finances including, the falling stock market, upcoming labor negotiations with the City’s unionized workforce, rising inflation, and an expected recession.

New York City Taxi Fares Would Increase 23% Under a New Proposal by the Taxi and Limousine Commission

The New York City Taxi and Limousine Commission has released a [proposal](#) to increase fares and surcharges for taxicabs and street hail liveries, create a new LaGuardia Airport surcharge, and increase the Kennedy Airport flat fares. The proposal is estimated to increase average passenger fares by 22.9%, increase driver revenue by 33.3%, and increase medallion revenue by 29.5%.

The last modification to the taximeter rate of fare and the Kennedy Airport flat fare came into effect on September 4, 2012.

The TLC will hold a public hearing on the proposed rule on October 6th, at 10 a.m. The public hearing will be held online via Zoom and will be livestreamed on TLC’s website at www.nyc.gov/tlc. Requests to participate in the public hearing should be directed to tlcrules@tlc.nyc.gov or by calling the TLC at 212-676-1135. Requests must be made by October 5, 2022.

NYC Council to Consider Bill to Ban Solitary Confinement in City Jails

Council Speaker Adrienne Adams this week announced her support for City legislation to ban solitary confinement in City jails and indicated that the bill will be considered by the Council.

Introduction 549, sponsored by Public Advocate Jumaane Williams, would ban the use of solitary confinement in City jails and provide individuals in custody of the Department of Correction due process protections prior to being placed in restrictive housing or continued use of restraints.

“...The research is clear: solitary confinement is a counterproductive and harmful practice that causes immense damage to the health of those subjected to it. It disproportionately leads to suicide and worsens the mental health of those subject to it. This can exacerbate the safety challenges within the jail system and outside of it when individuals are released...New York City is better than solitary confinement, and the Council intends to pass a law to restrict this practice,” Speaker Adams said in a statement released on Monday.

Meanwhile, also this week, New York City Mayor Eric Adams reaffirmed his support for Corrections Commissioner Louis Molin, the current DOC policies, and the City corrections officers.

“People who assault or commit a crime while in jail should be removed from population in a humane way. And that's what this commissioner has done,” Mayor Adams said, speaking at the National Press Club. “They should be removed so they are not harmful to themselves and harmful to others. And the bill that they're proposing...Clearly they do not respect the men and women who are carrying on one of the most difficult law enforcement jobs. Listen, people are not going to jail because they are a nun. They're going to jail because they robbed a nun. So we need to be honest about who's inside jails. And I commend my men and women who are correction officers and doing this most difficult job.”

The measure was originally scheduled to be considered by the Committee on Corrections on Friday, September 23rd. However, that meeting is being rescheduled.

Coming Up

New York State

No Scheduled Hearings

New York City

Monday, September 19th

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

Committee on Fire and Emergency Management, Committee Room – City Hall, 11 a.m.
Oversight – Evaluating Diversity and Inclusion in the FDNY.

Committee on Technology & Subcommittee on Zoning and Franchises, 250 Broadway - Committee Room, 14th Floor, 1 p.m.
Oversight – Broadband and Equal Access to the Internet in New York City.

Committees on Health & Hospitals & Land Use, Council Chambers – City Hall, 1 p.m.
Oversight – The Current State of Access to Hospitals and Healthcare.

Tuesday, September 20th

Committees on Contracts & Public Housing, Council Chambers – City Hall, 10 a.m.
Oversight – Examining NYCHA’s Contracting and Hiring Processes.

Subcommittee on Landmarks, Public Sitings and Dispositions, 250 Broadway - Committee Room, 16th Floor, 10 a.m.

Committee on Mental Health, Disabilities and Addiction, Committee Room – City Hall, 10:30 a.m.
Oversight – Pilot Buyback Program to Address Improperly Discarded Syringes and Increase Harm Reduction in NYC.

Committee on Sanitation and Solid Waste Management, Committee Room – City Hall, 1 p.m.
Oversight – The State of NYC Recycling.

Wednesday, September 21st

Committee on Environmental Protection, Committee Room – City Hall, 1 p.m.
Oversight – Renewable Energy and New York City’s Climate Adaptation.

Committee on Education, Council Chambers – City Hall, 1 p.m.
Oversight – Meeting the Needs of All Students with Disabilities.

Thursday, September 22nd

Joint - Committee on Transportation and Infrastructure & Economic Development, Council Chambers – City Hall, 10 a.m.
Oversight – The New York City Ferry System.

Committee on Higher Education, Committee Room – City Hall, 10 a.m.
Oversight – Online Degree Programs: Past, Present, and Future.

Subcommittee on Zoning and Franchises, 250 Broadway - Committee Room, 16th Floor, 11 a.m.

Committees on Civil Service and Labor & Civil and Human Rights, Committee Room, 1 p.m.
Oversight – Pay Equity in the Municipal Workforce.

Committee on Women and Gender Equity & Subcommittee on COVID Recovery and Resiliency, 250 Broadway - Committee Room, 16th Floor, 1 p.m.
Oversight – The Gendered Impact of Long-COVID.

Friday, September 23rd

Committee on Oversight and Investigations & Public Housing, Committee Room – City Hall, 1 p.m.
Oversight – Water Testing at Jacob Riis Houses.

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