



This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

March 22, 2019 Edition



In the News – State



2020
BUDGET

What's In, What's Out

As New York's budget deadline nears, Albany's rumor mill really begins to churn. Legislators, lobbyists, and stakeholders alike are trying to pin down what's in and what's out. However, the only thing that is for sure (like death and taxes), is that a “yes” on March 22nd, may not be a “yes” on April 1st.

The upcoming week may bring more definition to the budget picture. The Legislature is scheduled to be in Albany through Friday, March 29th. The new fiscal year starts on Monday, April 1st. The Legislative leaders have committed to passage of an on-time budget. Comptroller Thomas DiNapoli indicated that an on-time budget is possible. However, Governor Andrew Cuomo would not commit.

“I would never commit to doing a budget on time,” Governor Cuomo said.

He did take marijuana legalization off the budget plate, but still contends that the budget deal must have criminal justice reform and make the 2% property tax permanent.

Meanwhile groups are taking advantage of the fluidity to bring home their support or opposition to current budget proposals or to possibly insert new proposals into the mix. This week's initiatives included: expanding casino gambling to NYC area; including a minimum wage for tipped workers; scaling back on the state's film industry tax credit; and expanding sports betting. The upcoming week will undoubtedly have its own share of 11th hour endeavors.

The legislative leaders yesterday released the table targets for the budget conference committees, identifying \$275 million that the rank and file legislators can earmark out of the state's \$176 billion budget. Last year's conference committee targets totaled \$400 million, leaving stakeholders to ponder the implications of the decrease in committee funding. Could it be a sign that the legislature is moving toward the Governor and the State Comptroller in terms of revenue projections? Could it be that this year's revenue proposals are still being decided?

Regardless of which rumor is getting the most traction or whose tea leaves are the most clear, the legislative calendar has the Legislature in Albany April 1st through April 3 and then again April 8 through April 10th. This leaves plenty of time for deals to come together, fall apart, and come together again.

As Governor Cuomo noted, “Things are at the 5-yard line, but it's not a touchdown just yet.” And, as any football fan knows, a lot can happen – both good and bad -- in the red zone.



Legislature Approves Speed Cameras in NYC & Buffalo

NYC expands to 750 school zones; Buffalo to begin 20 zone pilot

The State Senate and Assembly this week approved legislation to expand the use of speed cameras to 750 zones in New York City and create a speed camera demonstration project in the City of Buffalo in 20 school zones. Both bills will be delivered to Governor Cuomo for approval.

Sponsored by Manhattan Assemblymember Deborah Glick and Brooklyn Senator Andrew Gounardes, the legislation would expand the City's current 140 zone program. The cameras will operate Monday through Friday from 6 a.m. to 10 p.m., and the City will be required to install signs giving notice that a speed camera is in use.

Governor Cuomo, who used an Executive Order last year to continue the City's expired program, voiced his support of the expansion.

"I actually went to great lengths last year when the Senate wouldn't approve speed cameras, we came through with a creative vehicle to do it through executive order," the Governor said, in published reports. "So I support the speed cameras, and I'll sign it."

The legislation defines a "school speed zone" as being a radial distance not to exceed 1320 feet from a school building, entrance or exit

Speed cameras were first used in the City under a 2013 law which allowed up cameras in 20 school zones established a five-year demonstration program. New York City Department of Transportation (DOT) was required to submit a report to the State on the effectiveness of the program.

New York City DOT found that the risk of pedestrian death increases from five percent at a speed of 20 miles per hour to 45 percent at a speed of 30 miles per hour, a 900 percent increase. They also found that there was a 60 percent drop in speeding infractions in school zones where speed cameras have been installed. During the period of 2014-2017, 3,517,875 tickets were issued via speed cameras. Speed camera revenue generated \$183,450,718.

"The Assembly and Senate deserve great credit in passing a dramatic expansion of our life-saving speed camera program," Mayor Bill de Blasio said. "We will stop at nothing to aggressively pursue tools like speed cameras that we know slow down drivers and save lives around schools across the city. Vision Zero is working and more speed cameras will only deepen that progress on our streets."

The Legislature this week also passed a bill to establish a demonstration program implementing speed cameras in Buffalo school zones. The legislation was sponsored by Buffalo lawmakers Assemblymembers Crystal Peoples Stokes and Senator Tim Kennedy. Under the bill, the city of Buffalo will be authorized to operate cameras in 20 school zones and use images from the speed cameras to impose liability on the owner of the speeding vehicle, supplementing the police effort.



Bills Delivered to the Governor

A5979A sponsored by M of A Jones/Senator Breslin – Reduces the minimum petition signature requirement for all public offices to be filled in 2019, with the exception of offices in New York City, Nassau and Erie Counties to 3.75 percent of the enrolled voters of the party residing within the political unit in which the office or position is to be voted for.

S1190 sponsored by Senator Bailey/M of A -- Relates to the state commission on prosecutorial conduct.



Bills Passed by Both Houses



A951 sponsored by M of A Peoples-Stoke/Senator Kennedy -- Relates to establishing in the city of Buffalo a demonstration program implementing speed violation monitoring systems in school speed zones by means of photo devices.

A3276 sponsored by M of A Joyner/Senator Rivera -- Establishes the Maternal Mortality Review Board for the purposes of reviewing maternal mortality and morbidity.

A4071 Sponsored by M of A Gottfried/Senator Hoylman -- Expands the Public Health and Health Planning Council (PHHPC) to include additional consumer and labor representatives and legislative appointees.

A6449 Sponsored by M of A Glick/Senator Gounardes -- Relates to photo speed violation monitoring systems program for school speed zones in the city of New York.

S300 Sponsored by Senator Hoylman/M of A O'Donnell -- Makes conforming changes to the Estates, Powers and Trusts Law (EPTL) and the Surrogate's Court Procedure Act (SCPA) to reflect the provisions of Marriage Equality Act.

S3134 Sponsored by Senator Myrie/M of A Seawright -- This bill would allow filings with a local campaign finance board to meet state filing requirements and thereby eliminate duplicative filings when the local filing contains all of the information required by state law.

In the News – City



State Comptroller DiNapoli: NYC Budget Is Balanced but Risks Are Growing

The New York City Mayor’s preliminary executive budget for FY 2020 is balanced, but there are risks, including proposed drops in state assistance, potential federal budget cuts, and slower economic growth, according to a report released this week by New York State Comptroller Thomas DiNapoli.

“Strong job growth, record tourism and rising wages have helped to bolster New York City’s coffers,” Comptroller DiNapoli said. “Still, there are risks on the horizon, and Mayor de Blasio’s efforts to find additional savings in the budget are prudent.”

The Comptroller cited the State Budget as the “most immediate risk” to the City’s finances. The Executive Budget for state fiscal year 2019-2020 includes a number of proposals that could adversely affect the city’s financial plan by as much as \$589 million in FY 2020, according to the city’s estimate.

In addition, the City had a large decline in estimated personal income tax payments in December and January. Comptroller DiNapoli asserted that while decline had been anticipated, collections were still short by \$433 million. The city expects nearly half of the shortfall to be recovered by the end of its fiscal year. However, the Comptroller warned, changes in taxpayer behavior are difficult to predict.

Meanwhile, the budget woes of the Metropolitan Transportation Authority (MTA) weigh heavily on New York City’s finances. The MTA projects a balanced operating budget for 2019, but out-year budget gaps that grow from \$467 million in 2020 to nearly \$1 billion in 2022. The gaps remain even after planned fare and toll increases of 4 percent in 2019 and 2021. Also, the MTA has unfunded capital needs.

The largest risk to the budget remains the potential for an economic setback during the financial plan period which could make closing the out-year budget gaps more difficult. In addition, the President’s budget included cuts in social safety net programs and discretionary spending.

According to the Comptroller, New York City now projects a surplus of \$3.2 billion in FY 2019, which will be used to balance the FY 2020 budget. However, the Comptroller noted, the city projects budget gaps of \$3.5 billion in FY 2021, \$2.9 billion in FY 2022 and \$3.3 billion in FY 2023. The gaps reflect the cost of wage increases for the municipal work force, higher costs for debt service and health insurance, and an anticipated slowdown in job growth and tax collections.

The city’s financial plan for fiscal years 2020 through 2023 includes an annual general reserve of \$1 billion and a capital reserve of \$250 million. The Mayor has asked city agencies to identify an additional \$750 million in recurring savings. These funds could be used to mitigate the impact of adverse developments or to narrow the projected budget gaps.



NYC Looks to the State to Level the Playing Field for Minority- and Women-Owned Businesses

Proposal could increase awards to M/WBEs by approximately \$500 million annually

Mayor Bill de Blasio, business leaders, advocates, and elected officials this week called upon the State to increase the discretionary spending limit for Minority- and Women-Owned Businesses (M/WBEs) to \$1 million for goods, services and construction.

Proponents assert that increasing this limit would ease the contracting burden on M/WBEs by significantly reducing the amount of time and paperwork that is normally required as part of the bidding process and providing more flexibility for agencies to contract directly with M/WBEs.

“Our City only works best when everyone – regardless of race, gender or ethnicity – can participate in our economy,” said Mayor Bill de Blasio. “We want to take our commitment to that idea further and urge the State to give us more tools that expand economic opportunity for minority- and women-owned businesses. With the State’s help, we can continue building an economy that truly works for all New Yorkers.”

In 2017, the State approved legislation to allow the City to award contracts of up to \$150,000 to City-certified M/WBEs for goods and services without requiring a formal competitive bidding process. Before this change, the discretionary spending limit for all vendors, including M/WBEs, was \$20,000 for goods and services and \$35,000 for construction.

Since the increase, City agencies have awarded M/WBEs more than 840 contracts totaling over \$61.3 million. Prior to this, agencies awarded M/WBEs roughly 450 contracts totaling \$28 million. Increasing the City’s discretionary spending limit to \$1 million for goods, services and construction would help the City continue investments in M/WBEs.

In addition to increasing the discretionary spending limit, the City also will increase accountability. For example, the City already conducts thorough background checks to ensure that M/WBEs are majority minority owned. Furthermore, the City would publish public reports tracking contracts awarded under this new discretionary spending limit. Lastly, the City also would solicit quotes from multiple M/WBEs to compare prices and the quality of work for goods, services and construction.



Mayor de Blasio Signs Legislation to Protect Workers in Commercial Waste Industry

Mayor de Blasio this week signed three pieces of legislation to protect workers in the commercial hauling industry:

Int. 1329-A sponsored by Council Member Reynoso – Gives BIC the authority to register unions who represent employees who are directly involved in the collection, removal, transportation or disposal of trade waste. Names of all union officers and agents will be disclosed to the City, which will help ensure the trade waste industry remains free from organized crime and other corruption.

Int. 1368-A sponsored by Council Member Moya -- Requires trade waste companies to provide workers' rights information to employees in the trade waste industry. Under this law, BIC will require all companies post and share information about workers' rights, including the maximum number of hours employees are allowed to work in a 24-hour period, the minimum wage they must be paid, safety training requirements, safety equipment required, and information about how to file a complaint, including the list of agencies a worker can approach to file such complaint. All this information will also be posted on BIC's website.

Int. 1373-A sponsored by Council Member Reynoso -- Requires BIC to refer labor and wage violations to appropriate state or federal authorities. The bill takes effect immediately after it becomes law. This bill codifies BIC's current practice of referring cases of wage theft or other labor violations to appropriate state or federal authorities. In the past, BIC has worked with agencies such as the U.S. Department of Labor, the United States Attorney's Offices, the FBI, and the Office of the Attorney General of the State of New York to investigate these claims and to take appropriate action

Briefs

Legislature Approves Bill to Create Maternal Mortality Review Board

The Senate and Assembly this week approved legislation that would create a Maternal Mortality Review Board charged with assessing the cause of death, factors leading to death, and preventability for each maternal death reviewed. It must also develop strategies for reducing the risk of maternal mortality.

Under the legislation, sponsored by M of A Joyner and Senator Rivera, the board would include health care professionals, experts and mothers in areas considered to be medically underserved that also have high rates of maternal mortality. In addition, an advisory council would be created to make recommendations on policy changes and best practices.

New York's maternal death rate is 30th out of 50 states, and experts say the issue is worsened by racial and ethnic disparities. Black women are four times more likely to die during a pregnancy and childbirth compared to white mothers.

A similar proposal was included in Governor Andrew Cuomo's 2019 women's agenda.

Sports Betting At Upstate NY Casinos Can Begin In May

Upstate New York casinos authorized to offer sports gambling could be accepting wagers by Memorial Day weekend. The state Gaming Commission formally posted its rules for sports betting Wednesday, starting a 60-day public comment period. After 60 days, sports wagering would be allowed at the four privately owned non-Indian-owned casinos. The Commission will then select a date when sports betting will be allowed to legally begin.

In January, gaming officials approved regulations for sports wagering at private casinos in the Finger Lakes region, Schenectady, the Catskills and the Southern Tier. Casinos are required to have a sports wagering lounge to accept bets, with automated ticket systems allowed but only within the lounges. Several Indian-owned casinos also plan to offer sports betting.

Comptroller Stringer Calls for a Chief Diversity Officer in City Hall

New York City Comptroller Scott M. Stringer this week called on the City Charter Revision Commission to install a Chief Diversity Officer (CDO) in City Hall and every City agency through revisions to the City Charter. The CDO would play a role in expanding opportunities for M/WBEs who seek to do business with the City, helping the City attract and retain diverse talent, and bringing attention to disparities that impact women and people of color in local government and the city economy.

The Charter is undergoing its first full-scale review since 1989.

Elected Officials and Labor Rally for Prevailing Wage

Senator Jessica Ramos, Assembly Member Harry Bronson, and hundreds of construction workers from around New York will rally for passage of prevailing wage legislation in this year's budget. The rally is scheduled for Monday, March 25th, on the Million Dollar Staircase, State Capitol. at 10:30 a.m.

Prevailing wage legislation (S1947/A1261) currently under consideration would clearly define public work to ensure that projects receiving public funds pay prevailing wages and benefits.

Both the Senate and Assembly included the provisions in their respective one-house budgets. Governor Cuomo has expressed support for prevailing wage legislation this session.

City Announced \$2.8 Million in Funding for 175 Cultural Organizations from Metropolitan Museum Admissions Agreement

The de Blasio Administration announced that \$2.8 million in additional funding will be allocated to over 175 cultural organizations in underserved communities in all five boroughs. The funding is part of a revenue-sharing agreement allowing the Metropolitan Museum of Art to charge admission to visitors from outside of New York State. Specifics of the increased funding include:

Cultural Development Fund increase: \$1.4 million of the funding was earmarked for Cultural Development Fund recipients. More than 160 groups received increases in their FY19 grants. Groups that received increases either are located in or provide services to high-need neighborhoods identified by the Social Impact of the Arts Project's report "Culture and Social Wellbeing in New York City." Groups receiving increases ranging from \$1K to \$40K include Mind-Builders Creative Arts Center in the Bronx; Weeksville Heritage Center in Brooklyn; Harlem Stage in Manhattan; Louis Armstrong House Museum in Queens; and St. George Theater in Staten Island.

Cultural Institutions Group increase: The remaining \$1.4 million will be distributed to members of the Cultural Institutions Group (CIG) located in underserved communities. The goal is to build on the City's long term relationship with the members of the CIG and provide greater equity among its members. The funding increases range from \$25K to \$175K. The 16 members of the CIG receiving increased funding include the Jamaica Center for Arts & Learning, El Museo del Barrio, Studio Museum in Harlem, Brooklyn Children's Museum, Staten Island Children's Museum, and Bronx Museum of the Arts.

Coming Up

New York State

The Legislature is in session Monday March 25th through Wednesday March 29th

New York City

Monday March 25th

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

Preliminary Budget Hearing

Committee on Civil and Human Rights, Committee Room – City Hall, 11 a.m.

Preliminary Budget Hearing

Committee on Juvenile Justice, Council Chambers – City Hall, 1 p.m.

Preliminary Budget Hearing

Committee on Hospitals, Committee Room – City Hall, 2 p.m.

Charter Revision Commission 2019, Council Chambers – City Hall, 6 p.m.

Tuesday March 26th

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

Preliminary Budget Hearing

Committee on Land Use, Committee Room – 250 Broadway, 16th Floor, 11 a.m.

Preliminary Budget Hearing

Committee on Oversight and Investigations, Council Chambers – City Hall, 12 p.m.

Preliminary Budget Hearing

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

Preliminary Budget Hearing

Committee on Mental Health, Disabilities and Addiction, Committee Room – City Hall, 2 p.m.

Preliminary Budget Hearing

Wednesday March 27th

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

Preliminary Budget Hearing

Subcommittee on Capital Budget, Committee Room – City Hall, 11 a.m.

Preliminary Budget Hearing

Committee on Transportation, Council Chambers – City Hall, 1 p.m.

Thursday March 28th

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

Committee on Rules, Privileges and Elections, Council Chambers – City Hall, 10:30 a.m.

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

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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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120 Broadway, 28th Floor
New York, New York 10271
Telephone (212) 652-3890
Facsimile (212) 652-3891

111 Washington Avenue, St. 401
Albany, New York 12210
Telephone (518) 449-3320
Facsimile (518) 449-5812

25 Hyatt Street, St. 202
Staten Island, New York 10301
Telephone (718) 943-1050
Facsimile (718) 943-1051