



This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

April 26, 2019 Edition



In the News – State



Governor Cuomo Calls for Full Federal Funding of 9/11 Victim Compensation Fund

Governor Andrew Cuomo called upon the federal government to fully fund the September 11th Victim Compensation Fund. Asserting that it was “disgraceful” that the victims of September 11th may not receive funding for treatments of 9/11 related illnesses, the Governor added that “we should be increasing funding” and make the “fund permanent once and for all.”

“The idea that victims still grappling with the health effects of these horrific attacks may not be able to receive the funding and support they need to treat their illnesses is disgraceful,” Governor Cuomo explained. “It is our responsibility as a nation to support those who are still suffering from the 9/11 attacks...”

On February 15, the Victim Compensation Fund (VCF) announced that it would be cutting the victim compensation by 50 to 70% citing that it had insufficient money to continue payments. In response, Congress introduced the Never Forget the Heroes Act (H.R 1327, S.546). The bill was introduced by Representative Carolyn Maloney (D-NY-12) in the House and by Senator Kirsten Gillibrand (D-NY) in the Senate. This bill would also extend the full funding of the VCF until 2090.

The House bill, initially introduced with 92 co-sponsors in addition to Representative Maloney, now has 228 co-sponsors. The required majority to pass a bill in the House is 218. Democrats account for 184 of the co-sponsors, with the Republicans adding 44. All of New York’s Congressional members are co-sponsors. <https://www.congress.gov/bill/116th-congress/house-bill/1327/cosponsors>.

The Senate bill has 32 co-sponsors, in addition to Senator Gillibrand: 26 are Democrats and 6 Republicans. To pass a bill in the Senate, a majority of 51 votes is needed. New York’s senior Senator Chuck Schumer is a co-sponsor. <https://www.congress.gov/bill/116th-congress/senate-bill/546/cosponsors>.

The September 11th Victim Compensation Fund was created in 2001 through the Air Transportation Safety and System Stabilization Act and was amended through the 2010 James Zadroga 9/11 Health and Compensation Act and its 2015 reauthorization. The fund has paid out nearly \$5 billion in benefits and is currently scheduled to stop economic compensation funding by the end of 2020.

Pitta & Baione LLP, a related firm to Pitta Bishop & Del Giorno LLC, consists of 9/11 compensation benefits lawyers who advocate on behalf of 9/11 victims seeking compensation. They can be contacted through <https://www.pittabaione.com/> and <https://www.911benefits.com/>.



Comptroller DiNapoli: NY in a “Better Position” & Made First Rainy Day Fund Deposit Since 2015

The \$175.5 billion State Fiscal Year (SFY) 2019-20 Enacted Budget includes actions to manage spending and generate nearly \$1 billion in additional revenue this year, according to a report released this week by State Comptroller Thomas DiNapoli. At the end of March, the Division of the Budget (DOB) also made the first deposit into the state’s rainy day reserves since 2015.

The Comptroller estimated that the budget revenue actions are estimated to increase All Funds revenues by more than \$5.4 billion by SFY 2022-23. Revenue actions include extension for five years of the top Personal Income Tax rate on upper-income earners, and broader imposition of the sales tax on online sales.

In addition, the state Division of the Budget (DOB) deposited \$250 million into the Rainy Day Reserve Fund at the end of SFY 2018-19, the first such deposit since 2015, and anticipates adding another \$428 million at the end of the current year, budgetary conditions permitting.

Major public policy changes enacted with the budget include the establishment of a congestion tolling program in Manhattan’s Central Business District, no earlier than December 31, 2020, sufficient to fund \$15 billion for the MTA’s 2020-2024 capital program. The Enacted Budget restores \$550 million in Medicaid reductions, relative to planned growth, that had been proposed as part of Executive Budget amendments released in February. At the same time, the budget provides the Director of the Budget new authority to reduce Medicaid spending by just over \$190 million in each of the current and next fiscal years.

Among other elements of the Enacted Budget:

- State aid for public schools for the 2019-20 school year is \$27.9 billion, an increase of \$1 billion, or 3.8 percent, over the previous year.
- The budget provides increases of \$28.6 million for the State University of New York and \$14.5 million for the City University of New York, compared to the Executive Budget. Those changes include additional funding for educational opportunity programs and a 3.5 percent increase in per-student base operating aid for community colleges.



State Attorney General James Announces Facebook Investigation

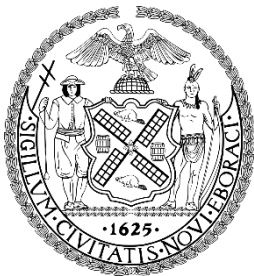
Company Harvested 1.5 Million Users' Contact Databases Without Authorization

Attorney General Letitia James this week announced an investigation into Facebook's unauthorized collection of 1.5 million Facebook users' email contact databases. The Attorney General asserts that while Facebook claims that 1.5 million contact databases were directly harvested by its email password verification process for new users, the total number of people whose information was improperly obtained may be hundreds of millions.

"Facebook has repeatedly demonstrated a lack of respect for consumers' information while at the same time profiting from mining that data," Attorney General James explained. "Facebook's announcement that it harvested 1.5 million users' email address books, potentially gaining access to contact information for hundreds of millions of individual consumers without their knowledge, is the latest demonstration that Facebook does not take seriously its role in protecting our personal information."

According to the Attorney General, email verification is a standard practice for online services such as Facebook. Typically, when a consumer signs up to a new service, they are asked to provide an email address, where they then receive an email with a link to verify that the email account belongs to them. Facebook's procedure requested certain users to hand over their password to their personal email account. Additionally, reports indicate that Facebook proceeded to access those user's contacts and upload all of those contacts to Facebook to be used for targeted advertising.

In the News – City



NYC Budget 2020

Mayor Bill De Blasio unveiled his \$92.5 billion executive budget proposal yesterday, detailing a fiscal plan that grew \$3.3 billion from FY 2019 despite \$916 million in total savings.

"... We're still in an era defined by fiscal caution, which means we're focused on deepening our savings and making strategic investments in core priorities that continue to make New York a fairer city," said Mayor de Blasio.

The spending cuts, fueled by the Administration's first ever \$629 million Program to Eliminate the Gap (PEG) included removing 1600 vacant positions (\$116 million); \$104 million in cuts at the Department of Education, which includes the elimination of extended learning time at Renewal and Rise schools (\$19M); "modest" cuts cultural institutions, including subsidies (\$6 million); and reducing classroom slots for afterschool programs (\$2.5 million).

In addition, the mayor is also cutting the controversial ThriveNYC program by \$9 million this fiscal year, with more cuts expected in the final agreement with the City Council.

The Executive budget funds cuts from the 2019-2020 New York State fiscal plan adopted in April which shifted over \$300 million to the City. These included funding for the Temporary Assistance for Needy Families program (\$125 million); election reform (\$96 million), health services -- including measles prevention (\$59 million), and an education shortfall of \$25 million.

The de Blasio Administration proposed investments to retrofit City buildings to make them more energy efficient (\$60 million); Census counting measures (\$22 million); support for students in shelters (\$12 million) and emergency repairs at NYCHA community centers to refurbish pipes, air conditioning and heating infrastructure (\$6 million).

Mayor de Blasio also detailed the city's 10-year capital budget, increasing spending to \$116.9 billion from \$104.1 billion planned in February. The City's 10-Year Capital Strategy includes:

- Expanding school capacity and enhance facilities (\$16.4 billion).
- Repairing and implementing safety improvements to roads and bridges (\$13.1 billion).
- Building and preserving affordable housing (\$9.7 billion).
- Building smaller, safer, borough-based jails (\$8.7 billion).
- Maintaining clean water (\$6.5 billion).

The Mayor's executive budget proposal will now head to the Council for a second round of hearings. A final agreement must be reached by the end of June.



NYC's Green New Deal

Mayor de Blasio this week announced New York City's Green New Deal, comprised of \$14 billion in investments, legislation and action at the City level to ensure a nearly 30 percent additional reduction in emissions by 2030. The Green New Deal policies were laid out in "OneNYC 2050: Building a Strong and Fair City."

Initiatives include:

- **Committing to carbon neutrality by 2050, and 100% clean electricity.** The City will pursue cuts in greenhouse gas emissions from buildings and source 100% clean electricity.
- **Requiring buildings cut their emissions.** The City will require all large existing buildings of 25,000 square feet or more to make efficiency upgrades or face penalties.
- **Requiring efficiency standards for to glass and steel-walled buildings.** The City will no longer allow all-glass or steel facades in new construction unless they meet performance guidelines.
- **Hydro-powered City government.** The City, working with partners, will pursue 100 percent carbon-free electricity supply for City government operations with the building of a new connection linking New York City to zero-emission Canadian hydropower. Negotiations will begin immediately, with the goal of striking a deal by the end of 2020.
- **Mandatory organics recycling.** The City will make organics collection mandatory citywide, including curbside pickup, drop-off sites, and support for community composting opportunities.
- **Reducing waste and carbon-intensive consumption.** The City will end “unnecessary” purchases of single-use plastic foodware, phase out the purchase of processed meat, reduce the purchase of beef by 50 percent, and commit to a carbon neutral City fleet by 2040.
- **Transportation Initiatives.** The City will support the implementation of congestion pricing to reduce traffic in Manhattan and fund subway renovations and improve bus speeds 25 percent by the end of 2020.
- **Reclaim city streets.** The City will increase bus efficiency; increase off-hour deliveries to help ease congestion; and create People Priority Zones that restrict vehicular access. The Priority Zones will be piloted in Lower Manhattan.
- **Promoting New Yorkers' health.** The City will guarantee health care for every New Yorker, to create comprehensive, universal coverage for uninsured New Yorkers, regardless of ability to pay or immigration status. The City will also focus on ending the opioid epidemic and deploy engagement teams with first responders to support people with mental health and substance misuse needs.
- **Building a fairer city for all.** The City will explore expanding the IDNYC municipal ID card to enable banking access; and will continue protecting tenants from displacement and supporting working New Yorkers by aggressively enforcing fair wage and work regulations.

Bills Passed by the Council

Introduction 1031-A, sponsored by Council Member Rafael Espinal, would require the office of alternative energy to post and maintain links on its website to information regarding the installation of green roofs and other resources and materials regarding green roof systems.

Introduction 1032-A, sponsored by Council Member Rafael Espinal, would require the inclusion of a sustainable roofing zone (i.e. a photovoltaic electricity generating system or a green roof) in new construction and for buildings undergoing certain major renovations.

Introduction 1251-A, sponsored by Council Member Andrew Cohen, would address concerns from building owners that say the grading scale of Local Law 33 of 2018 does not accurately reflect a building's efficiency and may lead to misunderstandings regarding a building's true efficiency. This bill would call for the adjustment of the grading scale, assigning higher grades to efficient buildings, which they will then be required to post.

Introduction 1252-A, sponsored by Council Member Costa Constantinides, would establish a Property Assessed Clean Energy (PACE) program in the City. Authorized by state legislation, PACE is a voluntary financing mechanism that enables energy efficiency and renewable energy projects to receive long-term financing for little or no money down.

Introduction 1253-C, sponsored by Council Member Costa Constantinides, would mandate that buildings do not emit greenhouse gases at levels higher than the limits set in the legislation. The limits are set based on the occupancy group of the building and are calculated to require emissions reductions from the highest emitting 20% of buildings in each occupancy group for the first compliance date beginning in 2024, and the highest emitting 75% of buildings in each occupancy group for the second compliance date beginning in 2030. The bill would also create the Office of Energy and Emissions Performance within the Department of Buildings (DOB) to oversee the implementation of this legislation, and future bills and policy around building emissions.

Introduction 1317-A, sponsored by Council Member Costa Constantinides, would clarify the DOB's obligation to include wind energy generation in its toolbox of renewable energy technologies. Specifically, it would provide a clear process for the design and construction standards and maintenance and removal protocols for large wind turbines.

Introduction 1318-A, sponsored by Council Member Costa Constantinides, would mandate an assessment by the Mayor's Office of Sustainability or such other office as the mayor may designate on the feasibility of replacing in-city gas fired power plants with battery storage systems where appropriate powered by renewable sources. Such an assessment shall include when such replacement could take place, and a review of potential technologies for battery storage of energy.

Introduction 1527, sponsored by Council Members Brad Lander and Margaret Chin, would require that a 5-cent fee be imposed on paper bags distributed by stores, starting on March 1, 2020. The bill would exempt any customer from paying the fee who uses the supplemental nutrition assistance program, special supplemental nutrition program for women, infants and children, or any successor programs, as full or partial payment toward the items purchased in a covered store.

Briefs

First Suicide Prevention Task Force Report

The New York State Suicide Prevention Task Force this week released its first report. Established by the Governor in November 2017, the Task Force's recommendations includes integrating suicide prevention in healthcare, timely sharing of data for surveillance and planning, and infusing cultural competence throughout suicide prevention activities. The Task Force serves to increase awareness of and access to supportive services with a special focus on high-risk groups including veterans, Latina adolescents, and members of the LGBTQ community.

The group was co-chaired by Christopher Tavella, Ph.D, Executive Deputy Commissioner of the New York State Office of Mental Health, and Peter Wyman, Ph.D, Professor of Psychiatry, University of Rochester School of Medicine and Dentistry, and includes representatives from state agencies, local governments, and other not-for-profit groups.

Ørsted, Eversource Pledge \$11M for Port Upgrades if Wind Project Approved

Ørsted and Eversource, partners in a joint project to build an offshore wind project off the coast of Long Island, have pledged to invest \$11 million in port upgrades if their wind farm is approved.

Wind developers Ørsted and Eversource, New England's largest energy provider, are seeking approval to build their Sunrise Wind project 30 miles east of Montauk Point. The two companies pledged to invest \$10 million to create a NY Ports Infrastructure Development Fund and an additional \$1 million for a workforce development fund in upstate New York.

The companies have also pledged \$10 million to a new workforce center in Suffolk County and an unspecified amount to construct an operations and maintenance "hub" in Port Jefferson.

Four developers have submitted bids to New York's solicitation for 800 megawatts of offshore wind. The New York State Energy Research and Development Authority is expected to announce offshore wind awards this month and finalize contracts in June.

SALT Deduction Cap Reduces Impacts of Federal Tax Cuts

The 2018 federal tax cut is more favorable to Republican State residents than Democratic State residents because of the law's limit on federal deductions for state and local taxes, according to new analysis published by the Federal Reserve Bank of Atlanta. Specifically, red state residents saw a 1.6 percent average increase in remaining lifetime spending, compared to 1.3 percent in blue-state households. The highest gain, 2.1 percent, is in red Wyoming and the lowest, 0.9 percent, is in blue California.

According to the analysis, without the SALT cap, California's gain would be 2.2 percent. In both New Jersey and New York, the gain is 1.3 percent, compared to 2.1 percent without the cap.

The study's authors include David Altig, executive vice president and research director at the Atlanta Fed; Alan Auerbach of the University of California at Berkeley; and Laurence Kotlikoff of Boston University.

Mayor de Blasio Appoints John Paul Farmer as Chief Technology Officer

Mayor Bill de Blasio this week appointed John Paul Farmer as the City's new Chief Technology Officer (CTO). His first day as CTO is June 3rd.

Farmer most recently worked at Microsoft as the Director of Technology & Civic Innovation, based in New York City. Prior to joining Microsoft, he served as Senior Advisor for Innovation in the White House Office of Science and Technology Policy under President Barack Obama. Farmer also founded the Innovation Project and has taught at Columbia University as an adjunct professor. Early in his career, he played shortstop in the minor leagues for the Atlanta Braves and Los Angeles Dodgers.

Farmer holds an M.B.A. with honors from the Graduate School of Business at Columbia University and an A.B. with honors from Harvard University. He lives with his wife, Brit McCandless Farmer, in Greenwich Village.

Noah Genel Appointed Commissioner and Chair of the Business Integrity Commission

Mayor Bill de Blasio this week announced the appointment of Noah D. Genel as Commissioner and Chair of the Business Integrity Commission (BIC). A former prosecutor, Genel has spent the last four years at BIC, most recently as Acting Commissioner and General Counsel for the Commission. He will lead the agency's efforts to eliminate organized crime and various forms of corruption in the trade waste industry and New York City's public wholesale markets.

In addition, Genel will also continue advancing BIC's initiatives to improve pedestrian and worker safety in the trade waste industry, including joint traffic enforcement operations with the NYPD, registering trade waste unions with BIC, and working with DSNY and the City Council to enact Commercial Waste Zones later this year.

Before joining the Commission, Genel was an Assistant District Attorney and Senior Investigative Counsel at the New York County District Attorney's Office (DANY), serving under both the Hon. Robert M. Morgenthau and the Hon. Cyrus R. Vance, Jr. Prior to joining DANY, he was in private practice at the firm now known as Morvillo, Abramowitz, Grand, Iason & Anello, PC and at Schultze, Roth & Zabel LLP.

Genel received his J.D. from Fordham University School of Law and his B.A. from Union College. He lives in Brooklyn with his wife and two children.

Coming Up

New York City

The Legislature is in session from Monday, April 29th to Wednesday, May 1st.

Tuesday April 30th

To hear from experts and stakeholders on the issue of divesting the NYS Common Retirement Fund from fossil fuels as outlined in S.2126 / A.1536

Senate Standing Committee on Finance

Van Buren Hearing Room A, Legislative Office Building, 2nd Floor, Albany, 10 a.m.

Thursday May 2nd

Limo and Bus Safety

Senate Standing Committee on Transportation

Van Buren Hearing Room A, Legislative Office Building, 2nd Floor, Albany, 10 a.m.

Rent-Regulated Housing

Assembly Standing Committee on Housing

Assembly Hearing Room, 250 Broadway, Room 1923, 19th Floor, New York, 11 a.m.

New York City

Monday April 29th

Committee on Cultural Affairs, Libraries and International Intergroup Relations, Council Chambers – City Hall, 10 a.m.

Committee on Small Business, Committee Room – 250 Broadway, 14th Floor, 10 a.m.

Committee on Housing and Buildings, Committee Room – City Hall, 10 a.m.

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

Committee on Public Safety, Committee Room – 250 Broadway, 16th Floor, 1 p.m.

Committee on Finance, Council Chamber – City Hall, 1 p.m.

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

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

Committee on Standards and Ethics, Committee Room – 250 Broadway, 14th Floor, 3 p.m.

Tuesday April 30th

Committee on Governmental Operations, Committee Room – 250 Broadway, 16th Floor, 10 a.m.

Committee on Sanitation and Solid Waste Management, Committee Room – 250 Broadway, 10 a.m.

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

Committee on Women and Gender Equity, Committee Room – City Hall, 1 p.m.

Committee on Higher Education, Committee Room – City Hall, 1 p.m.

Wednesday May 1st

Committee on Criminal Justice, Committee Room – City Hall, 10 a.m.

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

Committee on Civil and Human Rights, Council Chambers – City Hall, 10 a.m.

Committee on Justice System, Committee Room – City Hall, 1 p.m.

Thursday May 2nd

Subcommittee on Zoning and Franchises, Council Chambers – City Hall, 9:30 a.m.

Subcommittee on Landmarks, Public Siting and Maritime Uses, Council Chambers – City Hall, 1 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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