

This Week in New York

Covering New York State and City Government A Publication of Pitta Bishop & Del Giorno LLC July 26, 2019 Edition



In the News – Federal



Senate Approves Bill to Extend 9/11 Victim Compensation Fund

The Senate voted 97-2 on Tuesday to reauthorize the 9/11 Victim Compensation Fund, securing funding for first responders and victims impacted by the toxins at Ground Zero through 2092. Senators Rand Paul (R-Ky.) and Mike Lee (R-Utah) were the only senators to oppose the legislation.

The legislation would ensure that the September 11th Victim Compensation Fund is funded for the next seven decades at a cost of \$10.2 billion over the next 10 years. The U.S. House of Representatives passed the bill by a 402-12 vote earlier this month.

President Trump will sign the legislation at a bill signing ceremony next Monday, July 29th at 3:30 p.m.

In the News – State



Attorney General James Secures \$600 Million Payment from Equifax In Largest Data Breach Settlement In History

New York Attorney General Letitia James co-led a coalition of 50 Attorneys General in reaching the largest data breach settlement in history with Equifax Inc., securing \$600 million in restitution and penalty payments.

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The Attorneys General secured a settlement with Equifax that includes a Consumer Restitution Fund of up to \$425 million and a \$175 million payment to the states. The settlement is the result of an investigation into the company's 2017 data breach.

Equifax has agreed to pay the 48 states involved in the lawsuit, the District of Columbia, and the Commonwealth of Puerto Rico a total of \$175 million as a fine, \$9,186,782.83 million of which will be delivered to the State of New York. The settlement requires court approval.

On September 7, 2017, Equifax — one of the big three consumer credit reporting agencies — announced a data breach, ultimately affecting over 147 million consumers, or 56-percent of American adults. New York had 8,542,568 residents whose personal information was illegally accessed. Breached information included Social Security numbers, names, dates of birth, addresses, credit card numbers, and, in some cases, driver's license numbers.

The investigation found that attackers were able to exploit a vulnerability in Equifax's system by targeting the Apache Struts web-application software. While Equifax was informed of a vulnerability in March 2017, the company failed to patch all of its systems and failed to replace the software that monitored the breached network for suspicious activity. As a result, the attackers penetrated Equifax's system, which went unnoticed for 76 days.

Under the terms of the settlement, Equifax will be required to pay restitution to affected consumers. First, the company has agreed to provide a single Consumer Restitution Fund of up to \$425 million — \$300 million will initially be dedicated to compensation, with an additional \$125 million available if initial funds are depleted.

In addition, Equifax has agreed to offer consumers, who had their data exposed, with free credit-monitoring services for up to 10 years. Consumers that take part in the service will have up to \$1 million of identity theft insurance available — at no deductible — to cover identity recovery expenses and legal costs. The first four years of credit-monitoring service will include monitoring of all of the big three credit reporting agencies, while years five through 10 will be made available through Equifax.

Additionally, Equifax has agreed to take several steps to assist consumers who are either facing identity theft issues or who have already had their identities stolen. These steps include making it easier for consumers to freeze and thaw their credit, and dispute inaccurate information in credit reports, as well as maintain sufficient staff to assist consumers who may be victims of identity theft.

A new website has been launched to learn more about the Restitution Fund, enroll in credit-monitoring services, and have their questions answered. Consumers can now visit a new website — www.EquifaxBreachSettlement.com — and input limited information to see if their personal information was compromised in Equifax's 2017 breach.



Chapters of the Laws of 2019

Chapter 107 Sponsored by Senate Gianaris/M of A Rosenthal -- Relates to the prohibition of the declawing of cats; makes such violation punishable by a civil penalty not to exceed \$1,000.

Chapter 108 Sponsored by M of A Paulin/Senator Comrie -- Establishes the "Gateway Development Commission Act" which enables such commission to facilitate a passenger rail project between Penn Station, Newark, New Jersey and Penn Station, New York, New York.

Chapter 109 Sponsored by M of A Braunstein/ Senator Martinez -- Establishes the crime of unlawful dissemination or publication of an intimate image and creates a private right of action for such crime.

Chapter 110 Sponsored by Senator Savino/M of A Vanel -- Creates a temporary state commission to study and investigate how to regulate artificial intelligence, robotics and automation.

Chapter 115 Sponsored by M of A Dinowitz/Senator Comrie -- Relates to requiring a consumer credit reporting agency to offer identity theft prevention and mitigation services in the case of a breach of the security of such agency's system.

Chapter 116 Sponsored by M of A Dilan/Senator Mayer -- Relates to expanding the scope of unlawful discriminatory practices to include public educational institutions.

Chapter 117 Sponsored by Senator Thomas/M of A DenDekker -- Relates to notification of a security breach; includes credit and debit cards; increases civil penalties.



Bills Delivered to the Governor



A7053 Sponsored by M of A Thiele/ Senator LaValle -- Relates to the confinement of companion animals in unattended motor vehicles under conditions that endanger the health or well-being of an animal and what can be done in the event an animal is seen suffering; adds paid or volunteer firefighters and emergency services personnel as persons authorized to remove such companion animals from unattended vehicles because of extreme temperatures; and provides penalties.

S5024A Sponsored by Senator Parker/M of A Kim -- Enacts the New York State Reuniting Families Act.

S5791 Sponsored by Senator Ramos/M of A Crespo -- Provides for penalties for discrimination or retaliation against immigrant employees.

S6410 Sponsored by Senator Kavanagh/M of A Cymbrowitz -- Extends certain statutory authorizations of the New York State Housing Finance Agency ("HFA"), the State of New York Mortgage Agency and the SONYMA Mortgage Insurance Fund through July 2021. It also increases the bonding authority of HFA by \$2.5 billion to a maximum aggregate of \$29.280 billion.

In the News – City



DiNapoli: MTA'S Homeless Outreach Program Didn't Do Much Outreach

Auditors Observed Outreach Workers Repeatedly Ignoring Homeless, Hanging a "Closed" Sign While Still in the Office

The Metropolitan Transportation Authority (MTA), and homeless New Yorkers, have been shortchanged by the nonprofit hired to provide outreach services at Penn Station, Grand Central and elsewhere, according to New York State Comptroller Thomas P. DiNapoli.

"Straphangers and commuters can see firsthand that homelessness is a growing problem in the transit system, but the MTA is not doing enough to oversee its own outreach program,' Comptroller DiNapoli charged. "The nonprofit the MTA hired has turned away homeless men and women seeking assistance. Some outreach workers spent more time in the office than reaching out and filed inaccurate and unreliable outreach reports. The MTA is not getting what it paid for and riders and the homeless are suffering for it.'

Since 2010, the MTA has contracted with the nonprofit Bowery Residents' Committee (BRC) to provide homeless services at Penn Station, Grand Central, and outlying Long Island Rail Road (LIRR) and Metro-North stations. The contract calls for BRC to conduct homeless counts, outreach and placement, and report to the MTA daily, weekly and monthly. BRC's reports are used in the MTA's Homeless Outreach Program (HOP) database.

Comptroller DiNapoli's auditors found that BRC was only doing a fraction of the work it is required to do under its contract. The MTA officials told auditors they expect BRC workers to spend most of their time — 4-5 hours per 8.5 hour shift — performing outreach services. DiNapoli's auditors found workers at Penn Station, Grand Central and other MTA rail stations spent, on average, 2.2 hours per shift doing outreach. They spent the bulk of their time — 4.5 hours on average — in the office.

Auditors made announced and unannounced visits to observe outreach workers at Penn Station, Grand Central and commuter rail stations and found:

Penn Station

- Homeless seeking services ignored. On multiple days, auditors saw numerous instances of
 workers ignoring homeless people knocking on the door of the outreach office in Penn
 Station, where they sometimes hung a "closed" sign on the door even though outreach
 workers were inside.
- Homeless left unassisted. During another visit auditors saw multiple unserved homeless
 posing potential hazards to themselves and LIRR riders. Four were lying on the floor,
 including two stretched across a busy passageway and one sleeping in front of a MetroCard
 machine.

Grand Central

- Minimal time spent on outreach efforts. During five unannounced visits auditors saw workers spend just over one hour per shift (14 percent of their time) doing outreach. One day consisted of a single outreach effort lasting 39 minutes. During announced visits, workers spent about 2 hours per shift on outreach and more time on homeless counts and less time in the office.
- Inadequate outreach impacts rider services. During lunch hours 11 a.m.-2 p.m. there was limited or no outreach efforts and much of the seating in Grand Central's dining concourse intended for customers was taken up by homeless clients.

In response to the audit, the MTA has created a monitoring program, and begun evaluating outreach workers and amending its metrics for performance of homeless outreach.



Vision Zero: "Green Wave" Bicycle Plan to Address Cycling Fatalities

Mayor Bill de Blasio this week released "Green Wave: A Plan for Cycling in New York City" to confront the rise in cycling fatalities in 2019.

The seventeen bicyclist fatalities so far this year represent the highest number through July of any year since the launch of Vision Zero in 2014. This year, 12 (or 71%) of this year's cyclist fatalities have been in Brooklyn, and eight fatalities involved cyclist interactions with trucks.

The new plan includes the following immediate elements:

Improve and Update Design

- DOT will build upon innovative intersection designs with a focus on areas where the majority of fatalities occur.
- Fifty (50) intersections will receive turn calming treatments in 2019 and where possible, protected intersection designs will be added for new projects after streets are resurfaced or reconstructed.
- DOT will pilot so-called "Green Wave," progressive signal-timing that discourages speeding and encourages steady cycling speeds -- and it will identify other corridors for implementation in 2020.
- Install Green Skip Bars at key intersections to increase cyclist visibility.

Expand NYPD Enforcement

- NYPD will ramp up enforcement at the 100 most crash-prone intersections and target enforcement on highest risk activities: speeding, failing to yield, blocking bike lanes, oversized trucks/trucks off route.
- Specialized units and precincts will increase enforcement against oversized and off-route trucks.
- The NYPD also announced that supervisors would respond to collision sites to determine if the right-of-way laws should be applied -- and that it would also discontinue its practice of ticketing cyclists at the site of fatal cyclist crashes.

Target Trucks in Major Safety Initiative

- DOT will work with its partners in the trucking industry to address fatalities involving trucks, which have constituted over 50% of recent cyclist fatalities.
- DOT will convene a Vision Zero Truck Safety Task Force.
- DOT will implement loading zones in residential areas and evaluate curb management in commercial areas, with the expansion of the Off-Hour Deliveries program.
- DOT will also pursue an expedited timeline for installation of side guards for all Business Integrity Commission-licensed and registered private garbage-collection vehicles.

Promote Legislation and Implement Policy

- DOT will implement local legislation that passed the Council this week that allows cyclists to proceed on the pedestrians signal and will work with the Speaker and Council Members to pass additional legislation requiring a three-foot passing distance between car and cyclist and enhanced requirements for trucks sideguards.
- DOT will institute new requirements to protect cyclists around work zones, under legislation recently passed by the Council, and increase maintenance and markings inspection capacity.

Briefs

New York Leads Nation in Nonprofit Jobs & Wages

New York led the nation in nonprofit employment with more than 1.4 million jobs and total wages of just over \$78 billion in 2017, according to a report released this week by State Comptroller Thomas DiNapoli. Nonprofit jobs grew faster than the rest of the private sector in most New York regions in the latter half of this decade.

Health care – the largest nonprofit industry – along with education and social assistance, represented more than 81 percent of all nonprofit jobs in New York state in 2017. Other industries with large employment numbers include professional services, arts and entertainment as well as religious, civic and social advocacy organizations.

Nonprofits are essential in upstate regions such as the Mohawk Valley and the Southern Tier where nearly one in four private sector jobs was at a nonprofit in 2017. In addition, wages paid by nonprofits were higher than other private sector employers in five of the state's ten regions.

Wages at nonprofits have also grown at a faster pace statewide than the rest of the private sector and the public sector in the period covered by this report. The annual average wage was \$55,572 per employee, ranking New York eighth in the nation in 2017. Nonprofit wages varied widely, with educational services having the highest average annual wage at just over \$65,000. Social assistance industries, including home care aides and child care workers, had the lowest, at just over \$30,500.

MTA Approves Reorganization Plan

The Metropolitan Transportation Authority (MTA) Board this week approved the Agency efficiency reorganization plan to consolidate operations at the with the possibility of eliminating 2,700 jobs over the next 18 months.

The Board voted 10-1, with one abstention. The restructuring calls for the consolidation of 40 groups spread across several agencies into six departments to reduce costs and streamline operations.

"These recommendations will allow us to do just that, reduce operating costs and free up our staff to focus on this core mission: Delivering a strong customer experience across all of the MTA," MTA chairman Patrick Foye said during the board's monthly meeting. "There's a vast amount of work remaining; we've only begun the process."

Belmont Park Project Moves Forward

The \$1 Billion Belmont Park arena project can utilized propane or an electric alternative if the the Cuomo administration continues to block the Williams Northeast Supply Enhancement (NESE) pipeline project, according to the Park's final environmental impact statement released this month.

The \$1 billion Belmont facility will include a new arena for the New York Islanders hockey team, a hotel and retail space. Following State's initial rejection of the NESE, National Grid stopped processing applications for new firm service on Long Island and in its New York City service area, which includes parts of Brooklyn and Queens. National Grid officials assert the utility cannot guarantee it will have enough supply to meet peak demand without construction of the pipeline.

The Empire State Development Corporation said the Belmont project will move forward regardless of whether gas service is available, according to published reports.

"There are multiple practical alternatives to natural gas that would result in a nominal increase to the project's overall emissions, and we are confident that the Belmont Redevelopment Project can move forward regardless of the pipeline's status," according to an ESDC statement. "We will continue to work with our development partners to finalize these plans and to ensure the project meets or exceeds sustainability standards."

The project's final environmental impact statement indicates that if natural gas service is not available, the preferred alternative is an injection of propane on-site. An alternate scenario involves the use of air-source heat pumps throughout the entire facility.

New York/New Jersey Governors Sign Legislation Establishing Gateway Development Commission for \$30 billion Hudson River Tunnel Project

Governor Andrew Cuomo and New Jersey Governor Phil Murphy jointly signed legislation establishing the Gateway Development Commission, a bi-state entity to facilitate the construction of two new rail tunnels beneath the Hudson River.

The \$30 billion Gateway Program includes digging two new rail tunnels beneath the river, repairing the two 109-year-old tubes that were damaged during Hurricane Sandy, and replacing the Portal North Bridge, which carries trains above the Hackensack River in New Jersey. The project also includes the construction of a new Penn Station South.

By establishing the Commission, the states can apply for federal, state and local grants to help pay for the project.

Coming Up

New York State

Wednesday, July 31st

NYS Joint Commission on Public Ethics (JCOPE) Filing Deadline for Client Semi Annual Reports.

NYS Joint Commission on Public Ethics (JCOPE) Filing Deadline for Lobbyist Bimonthly Reports.

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