



This Week in New York

Covering New York State and City Government

A Publication of Pitta Bishop & Del Giorno LLC

January 26, 2024 Edition



"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



Justice Department Secures Settlement Agreement with State of New York Executive Chamber to Resolve Sexual Harassment and Retaliation Claims Under Title VII

The Justice Department announced today that it has signed an [agreement](#) with the State of New York Executive Chamber (Executive Chamber) to resolve the department's claims that the Executive Chamber under former Governor Andrew Cuomo engaged in a pattern or practice of sexual harassment and retaliation in violation of Title VII of the Civil Rights Act of 1964.

The agreement memorializes the reforms already carried out by current Governor Kathy Hochul as well as additional reforms aimed at preventing sexual harassment and retaliation in the Executive Chamber.

The department's investigation, conducted jointly by the Civil Rights Division and the U.S. Attorney's Office for the Eastern District of New York, found that the Executive Chamber under former Governor Andrew M. Cuomo (1) subjected female employees to a sexually hostile work environment; (2) tolerated that environment and failed to correct the problem on an agency-wide basis and (3) retaliated against employees who spoke out about the harassment.

Former Governor Cuomo and many complicit senior staff left the Executive Chamber in 2021. Since the department's investigation began in August 2021, the Executive Chamber has implemented changes to its policies and practices intended to prevent and address the alleged misconduct. The agreement announced today memorializes these efforts and calls for additional reforms, including:

- Expanding the Executive Chamber's Human Resources Department;
- Creating new policies and procedures for the external reporting, investigation and resolution of complaints involving high-level Executive Chamber employees, including the Governor;
- Developing and implementing robust training and anti-retaliation programs and
- Creating mechanisms to assess the reforms' effectiveness on a systemic basis.

Title VII is a federal law that prohibits employment discrimination based on race, color, religion, sex and national origin. Title VII also forbids employers from retaliating against current and former employees for complaining about workplace discrimination or otherwise asserting their Title VII rights.



2024-2025 New York Legislative Fiscal Committees’ Executive Budget Hearings



<u>Date</u>	<u>Day</u>	<u>Time</u>	<u>Hearing</u>	<u>Request to Testify:</u>
January 30	Tuesday	9:30 a.m.	Economic Development/Arts	<u>Senate</u>
		2:00 p.m.	Workforce Development/Labor	<u>Senate</u>
January 31	Wednesday	9:30 a.m.	Human Services	<u>Assembly</u>
February 1	Thursday	9:30 a.m.	Elementary & Secondary Education	<u>Assembly</u>
February 6	Tuesday	9:30 a.m.	Local/General Government	<u>Assembly</u>
February 7	Wednesday	9:30 a.m.	Environmental Conservation	<u>Senate</u>
February 8	Thursday	9:30 a.m.	Higher Education	<u>Assembly</u>
February 13	Tuesday	9:30 a.m.	Mental Hygiene	<u>Senate</u>
February 14	Wednesday	9:30 a.m.	Taxes	<u>Assembly</u>
		12:00 p.m.	Housing	<u>Assembly</u>

In the News-New York City



Mayor Adams Lays Out Future-Focused Vision for Working-Class New Yorkers in 3rd State of the City Address

Mayor Adams this week shared his vision for New York City in 2024: making the country’s safest big city even safer, building a forward-looking economy that works for working-class New Yorkers, and making the City more livable for all.

“...New York City is becoming a place where everyone has the opportunity to make it, and the future-focused vision we laid out today will build on all that we have delivered for New Yorkers by investing in public safety, public spaces, and the working people who make New York City the greatest city in the world,” Mayor Adams explained.

The State of the City address included initiatives to establish a Department of Sustainable Delivery, support 400,000 Green Economy Jobs, build new housing on public land, expand New York City Reads, and protect New York City From Climate Change.

Public Safety

Nontraditional Transportation Modes: In response to the rise of e-bikes, mopeds, cargo bikes, and other nontraditional transportation modes in New York City streets and sidewalks, the Adams Administration is in discussions with the New York City Council to create the New York City Department of Sustainable Delivery. The department will prioritize safety while harnessing the potential of these new forms of transportation. This “first-in-the-nation” regulatory entity will establish clear goals and guidelines for the future of delivery in New York City and consolidate work that is now spread out over multiple agencies. In addition, New York City Department of Transportation Commissioner Ydanis Rodriguez and the city’s Vision Zero Task Force will continue to recognize that traffic safety is public safety and keep New York City’s streets and sidewalks safe.

NYPD Discipline: NYPD will overhaul their internal discipline process to cut the time it takes to resolve internal cases in half by eliminating redundancies, setting strict timelines, and allowing cases to proceed contemporaneously with criminal proceedings. According to the Mayor, currently, some NYPD internal discipline cases take more than a year to resolve.

Illegal Smoke Shops: Mayor Adams continues to advocate for legislation in Albany to give New York City the authority to shut down illegal smoke shops and stop their proliferation across the city.

Economic Development & Resiliency

Green Economy Action Plan: In the coming weeks, Mayor Adams, New York City Economic Development Corporation (NYCEDC) President and CEO Andrew Kimball will unveil the administration’s “Green Economy Action Plan” to detail how the City will harness the economic potential of reducing emissions and building a more sustainable city to help support 400,000 green economy jobs alone in New York City by 2040.

Climate Innovation Hub: NYCEDC will invest \$100 million to create the “Climate Innovation Hub” at the Brooklyn Army Terminal. This new hub will serve as a home for clean tech innovation and manufacturing, encourage climate innovation startups, and operate as a new convergence in the city’s broader “Harbor of the Future” initiative, which includes emerging innovation centers at the [Hunts Point Produce Market](#), [Governors Island](#), the Brooklyn Navy Yard, the [Science Park and Research Campus \(SPARC\) in Kips Bay](#), and the [North Shore of Staten Island](#). The Harbor of the Future will create approximately 53,000 temporary and permanent jobs and \$95 billion in economic impact.

“Women Forward NYC:” The Adams Administration will invest approximately \$40 million to make New York City a better place for women to live, work, and thrive. The plan will include funding to build pipelines toward higher wages in in-demand career pathways, improve financial literacy and access to financial resources, and reduce barriers to work and education.

Battery Coastal Resiliency: This year, Mayor Adams will break ground on the Battery Coastal Resiliency initiative, a \$200 million component of the Lower Manhattan Coastal Resiliency project. Battery Coastal Resiliency will rebuild and elevate the wharf promenade in The Battery, protecting against projected sea level rise. The project will focus on sustainability and use strategies to reduce the

carbon footprint, including reusing existing materials in final construction and using low-embodied carbon materials.

Federal Resiliency Grants: Mayor Adams announced that the City will invest \$450 million in federal resiliency grants on projects that include financial counseling and flood insurance assistance for small homeowners and renters, restoring public housing developments, subsidizing resiliency measures in one-to four-unit and multifamily housing, expanding the City’s green infrastructure network, protecting critical infrastructure from flooding, and strengthening communities through emergency preparedness training.

Housing

“24 in 24:” Under this plan, New York City will advance 24 affordable housing projects on public sites in 2024 that will ultimately create or preserve over 12,000 units of housing through partnerships across HPD, NYCEDC, and the New York City Housing Authority (NYCHA), among other agencies.

Tenant Protection: The Adams Administration will create a Tenant Protection Cabinet, bringing together more than a dozen agencies and mayoral offices focused on supporting tenants. The Tenant Protection Cabinet will allow city agencies to seek coordination and efficiency across departments, leverage resources, and shape current and future services to better protect tenants and keep New Yorkers in their homes.

Homeowner Protection: To support New Yorkers at risk of being displaced from their homes in all five boroughs, the administration will also expand the [Homeowner Help Desk](#), which will reach an estimated 160,000 New Yorkers through outreach and events, one-on-one assistance, and stabilization.

NYCHA: For the first time in 15 years, the Administration will reopen the NYCHA Section 8 voucher waitlist later this year, aiming to issue 1,000 vouchers per month.

Speaker Adrienne Adams acknowledged the importance of inclusiveness in the Mayor’s proposed programs and looks forward to working ‘collaboratively’ with the Administration.

“New Yorkers deserve an economy and a city government that works for everyone. While we have made progress in recovering from the pandemic, there remains significant work to confront the longstanding inequities that continue in our communities with an unequal recovery,” Speaker Adams explained. “Mayor Adams’ proposals to reopen access to NYCHA Section 8 vouchers, build more housing, advance opportunities for women, and solutions to make our streets safer are important, and the Council looks forward to working collaboratively on these critical issues.”



New York City Plumbers Union Joins Lawsuit Against NYC Gas Ban

Plumbers Union Local 1 (“Local 1”) has joined a lawsuit against the City of New York seeking injunctive relief against enforcement of the City’s ordinance that bans combustion appliances that are subject to regulation under the federal Energy Policy and Conservation Act (“EPCA”).

“Plumbers Local 1 feels it is imperative to join this lawsuit against a NYC gas ban,” Paul O’Connor, Business Manager, explained. “Simply put, Local Law 154 (LL 154) is a ban, not a plan. A true plan would allow for a transition that would include the use of biofuels like green hydrogen, solar, and carbon capture systems, to name a few. Instead, LL 154 eliminates all other possible solutions to this real problem.”

The City gas ban applies to new buildings under seven stories high as of January 1, 2024 and those over seven stories in 2027. There are exceptions for new buildings used for certain activities, including manufacturing, hospitals, commercial kitchens, and laundromats.

The lawsuit asserts the City of New York’s effective ban on gas or oil equipment in new buildings is preempted by EPCA and therefore unenforceable. “EPCA preempts state and local laws relating to the use of energy, such as gas or heating oil, by covered appliances and equipment...EPCA reflects Congress’s decision that the nation’s energy policy cannot be dictated by state and local governments; such a patchwork approach would be the antithesis of a national energy policy” the suit said.

Local 1 joins trade associations whose members rely on the availability of gas and oil appliances and systems for their livelihoods, including the Association of Contracting Plumbers of the City of New York, Inc; Plumbing-Heating-Cooling Contractors – National Association; New York State Energy Coalition, Inc., the Plumbing Foundation City of New York; Licensed Plumbing Association of New York City, Inc, and the Building Industry Association of New York City.

O’Connor asserted that the impending gas ban is causing current and imminent harm to Local 1 and its members. The loss of work on gas infrastructure as a result of the ban will cost some of its members their jobs, result in lower hours worked by members, or lead to hiring freezes.

Plumbers Local Union No. 1, United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada represents the employees of New York City licensed plumbing contractors. It has approximately 6,000 members who work in all five boroughs of New York City in the industrial, commercial, institutional, and residential sectors of the construction industry. Its members provide sophisticated piping systems and their work spans from underground installations to final connections of fixtures and equipment.

Local 1’s mission is to educate and train highly skilled journeymen and apprentices, to support the working conditions and environment of its members, and to protect the health of New York City residents through providing quality plumbing services.

In late 2022, Local 1 filed a [lawsuit](#) against the City Buildings Department (DOB) asserting DOB has been allowing unlicensed and unqualified workers to perform gas piping work at dozens of construction sites across the city. The lawsuit filed in Manhattan Supreme Court sparked a joint hearing of the Housing and Building Committee and the Committee on Oversight and Investigations to discuss allegations that the city is turning a “blind eye” to safety regulations.

Councilwoman Gale Brewer, head of the Council’s Committee on Investigations, said the hearing was the start of their inquiry into the issue and told the plumbers testifying, “Even though we got some answers that are not appropriate from DOB, we can use your testimony and that of others to ask questions that didn’t get answered.”

The union’s lawsuit against the DOB is pending in Manhattan Supreme Court.



NYC Comptroller Files Lawsuit Against Leading Residential Developer Seeking Over \$40 Million in Wage Violations

The New York City Comptroller’s Bureau of Labor Law filed a lawsuit against BLDG 44 Developers LLC (BLDG 44), a leading residential developer, for violating the minimum average hourly wage that should have been paid to its construction workers pursuant to New York State’s 421-a. The lawsuit, filed at the New York City Office of Administrative Trials and Hearings, alleges that the development company owes \$40 million in back wages and penalties.

“As part of receiving an as-of-right tax benefit, developers must pay the minimum average hourly wage to their construction workers—or face penalties. My team uncovered significant underpayments in our investigation of BLDG 44. If you want to build under 421-a, then adhering to its labor rules is non-negotiable. Our office will continue to ensure developers prioritize fair labor practices,” said Claudia Henriquez, Director of Workers’ Rights at the Comptroller’s Bureau of Labor Law.

An investigation by the Bureau of Labor Law found that BLDG 44, which is receiving the 35-year 421-a tax exemption, fell significantly short with a minimum average hourly wage of only \$31.88, totaling \$32,285,200.48 in underpayment. The Bureau’s lawsuit alleges that BLDG 44 failed to meet the minimum average hourly wage requirement for the period of construction that took place between June 5, 2015 and August 15, 2019.

Because the pay gap exceeded 15% of the required wage, the Bureau of Labor Law imposed a 25% penalty as required by law, amounting to an additional \$8,071,300.12, designated for the NYC Department of Housing Preservation and Development (HPD) specifically for affordable housing initiatives. The total underpayment sought, including the penalty, totals \$40,356,500.60.

Under 421-a, in exchange for complying with the wage requirement and certain rental affordability requirements, the developer can receive a 35-year tax exemption equal to 100% of the increases in assessed valuation for developments. The law requires developers who apply for the tax exemption to appoint an independent monitor and submit a project-wide certified payroll report within one year of project completion to the Comptroller's Bureau of Labor Law for review and approval.

The New York City Office of Administrative Trials and Hearings will preside over the matter.

Briefs

Governor Hochul Announces Action Against Real Estate Brokerage Firm for Charging Excessive Broker Fees to Prospective New York Tenants

Governor Secures \$260,000 Settlement Against New York City-Based City Wide Apartments, Inc – Including Penalties and Restitution

Governor Kathy Hochul this week announced a settlement with New York City-based real estate brokerage firm City Wide Apartments, Inc. after a state investigation found that the firm charged excessive broker fees – in one instance collecting over \$20,000 in additional fees – to tenants looking for housing.

“With our state staring down a housing crisis, excessive broker fees are not just unfair – they’re a threat to hard-working families looking to call New York home,” Governor Hochul said.

The New York State Department of State’s Licensing Services Division launched an investigation into alleged wrongdoings by City Wide, beginning in August 2022 following a report by the *New York Post*. The investigation revealed the brokerage violated the Real Property Law, by collecting one or more real estate commissions containing excessive fees which did not reasonably relate to legitimate services actually performed on behalf of tenants.

According to the Governor, City Wide and its agents fully cooperated with DOS’ investigation and have committed to changing their business practices and how commissions are structured moving forward.

Under the terms of the settlement, City Wide has agreed to pay \$260,000 in penalties and restitution, including a \$50,000 fine and \$210,000 in restitution to dozens of tenants. The agreement builds on Governor Hochul’s consumer protection and affordability agenda, announced as part of the Governor’s State of the State, to protect New York consumers and help keep hard-earned money in New Yorkers’ pockets.

DFS Superintendent Harris Proposes Artificial Intelligence Guidance to Combat Discrimination

Circular Letter Applies to All Insurers Authorized to Write Insurance in New York State

Superintendent of Financial Services Adrienne A. Harris this week issued for public comment a [proposed circular letter](#) addressing the use of artificial intelligence by licensed insurers.

“The circular letter outlines DFS’s expectations for how insurers develop and manage the integration of external consumer data and information sources (“ECDIS”), artificial intelligence systems (“AIS”), and other predictive models to mitigate potential harm to consumers. Insurers are expected to:

- analyze ECDIS and AIS for unfair and unlawful discrimination;
- demonstrate the actuarial validity of ECDIS and AIS;
- maintain a corporate governance framework that provides appropriate oversight of the insurer’s use of ECDIS and AIS; and
- maintain appropriate transparency, risk management, and internal controls.

DFS recognizes that AIS and ECDIS can simplify underwriting and pricing and potentially make them more accurate. However, the self-learning behavior of AIS may also increase the risks of unfair or unlawful discrimination in violation of the Insurance Law, which may disproportionately impact vulnerable communities or otherwise undermine the New York insurance market.

DFS is soliciting comments from the industry and the public on today’s proposed circular letter until March 17, 2024.

Following 90% Spike in Reported Hate Crimes, Governor Hochul Proposes Major Expansion in Hate Crimes Statute

Governor Kathy Hochul this week highlighted her State of the State proposal to expand the list of charges eligible to be prosecuted as hate crimes. She also announced grant funding to strengthen safety and security measures at nonprofit, community-based organizations at risk of hate crimes or attacks because of their ideology, beliefs, or mission.

"The rising tide of hate is abhorrent and unacceptable – and I'm committed to doing everything in my power to keep New Yorkers safe," Governor Hochul said.

Governor Hochul's 2024 State of the State agenda includes proposed legislation to expand the list of offenses eligible for prosecution as hate crimes. Under current law, there are 66 offenses that can be charged as hate crimes; legislative language included in the Executive Budget would increase that number to 97, including: making graffiti, arson, gang assault, first-degree rape, criminal possession of a weapon, and sex trafficking.

Governor Hochul also announced additional funding for the Securing Communities Against Hate initiative, for a combined \$60 million over FY24 and FY25. The Governor is adding \$10 million to last year's budget allocation of \$25 million in response to recent events. This funding will allow eligible organizations to request up to \$200,000 each for physical security and cybersecurity projects at their facilities. Nonprofit organizations that have previously received security grants may also apply for new projects, including impact protection equipment that is now eligible for funding.

Mayor Adams to Relieve Over \$2 Billion in Medical Debt

New York City Mayor Eric Adams and New York City Department of Health and Mental Hygiene Commissioner Dr. Ashwin Vasan this week announced a medical debt relief program that will invest \$18 million over three years to relieve over \$2 billion in medical debt. The City's program would wipe out debt for up to 500,000 New Yorkers on a one-time basis.

The City will partner with RIP Medical Debt, a national, New York City-based nonprofit specializing in buying and ultimately wiping out medical debt to acquire debt portfolios and retiree debt from health care providers and hospitals across New York City. Affected New Yorkers will then be notified that their medical debt has been relieved. There is no application process for this program. The one-time debt relief program, the largest municipal initiative of its kind in the country, will launch in early 2024 and run for three years.

“Women Forward NYC” Features Investments to Help All Women-- Including Transgender and Gender Expansive New Yorkers--Thrive

New York City Mayor Eric Adams this week unveiled, *Women Forward NYC: An Action Plan for Gender Equity*, a \$43 million investment aimed at making New York City a national leader on gender equity with the goal of becoming the most women-forward city in the United States. The initiative was included as part of the Mayor's State of the City address.

Supported through City funding, private and public partnerships, academic institutions, and federal grants, the plan addresses gender disparities by connecting women to professional development and higher-paying jobs; removing barriers to sexual, reproductive, and chronic health care; reducing gender-based violence against women; and providing holistic housing services, including for formerly incarcerated women and domestic and gender-based violence survivors.

The City has re-launched [women.nyc](https://www.nyc.gov/women) to learn more about the action plan and access city services. Programming includes:

- **Economic Mobility:** Provide funding to the Girl Scouts of Greater New York Troop 6000, made up of young girls in New York City Department of Homeless Services' (DHS) shelters, to provide age-appropriate financial literacy training and \$10.00 to each young girl to start bank accounts; expanding career opportunity programs for New York City Housing Authority (NYCHA) residents to start their own food or child care business;

and expanding of NYC Service's mentoring initiatives to include career and college prep for young women

- **Health:** Launch new mental health support run by the New York City Department of Health and Mental Hygiene (DOHMH) for pre/post-natal women in neighborhoods with high rates of maternal and infant mortality; and providing additional funding towards the [Abortion Access Hub hotline and medication abortion services](#) at New York City Sexual Health Clinics operated by DOHMH.
- **Public Safety & Housing Stability:** Support domestic violence survivors, including by expanding the Mayor's Office to End Domestic and Gender Based Violence's (ENDGBV) Home+ program, which provides personal security devices and resources to keep survivors safe in their homes; restart the Girl Talk mentorship program between female New York City Police Department (NYPD) officers and teenage girls; and provide funding to support services and housing assistance targeted directly to formerly incarcerated women.

Coming Up

New York State

Monday, January 29th

NYS Assembly, State Capitol, 2 p.m.

NYS Senate, State Capitol, 3 p.m.

Tuesday, January 30th

NYS Assembly, State Capitol, TBD

NYS Senate, State Capitol, TBD

Wednesday, January 31st

NYS Assembly, State Capitol, TBD

NYS Senate, State Capitol, TBD

New York City

Monday, January 29th

Committee on Women and Gender Equity, Council Chambers - City Hall, 11 a.m.

Establishing a program to assist with changing door locks on the dwellings of survivors of domestic and gender-based violence.

Tuesday, January 30th

Council Stated Meeting, Council Chambers – City Hall, 11 a.m.

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

Wednesday, January 31st

Committee on Health, Council Chambers - City Hall, 10 a.m.

Requiring the Department of Health and Mental Hygiene to develop a healthy NYC population health agenda.

Committee on Consumer and Worker Protection, Council Chambers - City Hall, 1 p.m. [Agenda.](#)

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