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THIS WEEK IN NEW YORK

COVERING NEW YORK & CITY GOVERNMENT

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"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



Pencils Are Not Down Yet

Governor Kathy Hochul has been test driving her *Your Family is My Fight* budget campaign this week, announcing to New Yorkers that the leaders had reached a "general agreement" on "key priorities" and outlining the "highlights of the Fiscal Year 2026 Budget."

However, as the days passed, no budget bills were released and the 10th budget extender was passed to keep the State operating through Wednesday, May 7th.

According to an interview on *Capital Tonight* on Thursday, New York state Senate Majority Leader Andrea Stewart-Cousins indicated that the leaders are close to wrapping up budget negotiations (95%) and outstanding issues are still being pinned down including education foundation aid and capital investments. In addition, according to reports, negotiations on pension revisions for state and city workers and a pilot program on housing vouchers remain fluid.

The budget, per the last line of Governor Hochul's April 28th press release, "grants the Governor the powers necessary to make future adjustments if actions by the federal government require."

Senate Republicans, including Senator Pam Helming, railed against this provision in Thursday's budget extension debate. She likened it to the executive powers granted to former Governor Andrew Cuomo during COVID.

Senate Majority Leader Stewart-Cousins clarified that the provision gives the Governor the authority to cut the budget without a legislative vote if the state loses up to \$2 billion in tax revenue. Any loss of \$2 billion and above would trigger the need for legislative review.

The Senate is scheduled to return to session on Monday (3 pm.) and the Assembly remains at the call of the Speaker.

Before leaving the Capitol on Thursday, legislators expressed hope that they would be passing budget bills next week. Assembly Ways & Means chair Gary Pretlow indicated that the budget legislation may need Messages of Necessity from the Governor, bypassing the 3-day bill requirement, to facilitate voting.



Assembly Passes "Medical Aid in Dying Act"

The New York State Assembly passed the Medical Aid in Dying Act (A136), 81-67, marking the first legislative approval of the initiative in sponsor AM Amy Paulin's 10-year campaign. Under the legislation, *Medical aid in dying* is defined as "the medical practice of a physician prescribing medication to a qualified individual that the individual may choose to self-administer to bring about death."

"This is about giving individuals autonomy, dignity and choice at the end of their lives," Assembly Speaker Heastie said. "This legislation will give people the ability to choose to go peacefully in their sleep, and ensure there are critical safeguards in place..."

The Medical Aid in Dying Act would provide a mentally competent, terminally ill adult who has been given a prognosis of six months or less to live the ability to request medication from their treating physician for medical aid in dying. The legislation requires both an oral request and a witnessed written request for the medication, as well as requiring two physicians determine that the patient has the capacity to make an informed decision on this request. Additionally, the legislation would provide legal protections for the patients and their physicians.

"For a decade, we have fought for this compassionate, commonsense legislation," said Assemblymember Amy Paulin, Chair of the Assembly Health Committee. "Today, we honor the brave advocates we have lost and fulfill a promise to countless New Yorkers who deserve autonomy, dignity, and peace at life's end. It's time. I'm deeply grateful to Speaker Carl Heastie for his leadership and unwavering commitment to bringing this bill to the floor—it would not have been possible without his support."

The bill now goes to the Senate for consideration, where Majority leader Andrea Stewart-Cousins has indicated in published reports that she will bring the bill to the floor of her house for a vote once she's convinced the votes are there to pass it.

"Right now, we're not there," she said in recent interview on Capital Tonight.

Opponents of the legislation emphasize the unintended consequences to the legislation, particularly for historically marginalized groups.

"The Bishops of New York State are grateful to the entire Republican minority in the Assembly, as well as about 20 Democrats who took a principled vote against state-sanctioned suicide," Dennis Proust, Executive Director of the NYS Catholic Conference said. "The closeness of the vote indicates that many legislators are looking closely at the inevitable unintended consequences, including the possibility of coercion and pressure for people to end their lives. In a particular way, Assembly Democrats of color who spoke out against the bill during the vote understood the threat in their communities, which historically are medically underserved... The points highlighted in the Assembly debate clearly show that state-sanctioned suicide is a disaster-in-waiting for New York."

Similarly advocates for the disabled question the legislation. The New York Association on Independent Living warned that people with disabilities may face pressure to choose death over missing services.

"We have already seen in other places that people with disabilities are offered assisted suicide in place of home care, caregiver respite, or home accessibility modifications," Advocacy Director Alex Thompson, said in published reports.

Medical aid in dying is permitted in 10 states, including California, Colorado, Hawaii, Maine, Montana, New Jersey, New Mexico, Oregon, Vermont and Washington, as well as Washington, D.C.

In The News-New York City



Christmas in May: Mayor Adams Releases "Best Ever" \$115.1 Billion Budget Proposal

New York City Mayor Eric Adams released his "best ever" \$115.1 billion budget proposal Thursday, highlighted by over \$1 billion in new spending on child care, education, and housing, and an additional \$1 billion to close the migrant crisis funding gap.

The Mayor's budget outlines over 70 investments emphasizing safety, affordability and quality of life, and funds the City's largest capital plan in 10 years.

"This budget is a testament to our commitment to making New York City safer, more affordable, and the best place to raise a family," Mayor Adams explained. "From prioritizing access to child care and launching 'After-School for All' to investing in permanent funding for libraries, CUNY, and our world-class institutions that make New York City what it is, to tackling quality-of-life issues and making our streets safer, the \$1.4 billion we're investing to protect and lift up critical programs will make lives better for families across all five boroughs. We are doing all of this while maintaining record-high reserves to help us face anything that comes our way. And, with the city's largest 10-year capital plan at \$173 billion, we are delivering on infrastructure improvements and transformative generational projects that were talked about for decades but never achieved. This is the budget my mom needed, that my family needed, and, with it, we're saying to working families: your city has your back."

Budget officials, including State Comptroller Thomas DiNapoli, however, emphasized the need to have "realistic spending projections" given the current federal funding policies.

"New York City needs to face the current fiscal reality: uncertainty in the economy, federal funding policy shifts and a possible increase in costs," State Comptroller DiNapoli warned. "Realistic revenue and spending projections and increasing contingencies or reserves are essential. That way, the city will be prepared if stronger than projected results, particularly for revenues, do not materialize, and will have a larger cushion to absorb potential volatility."

Comptroller DiNapoli also noted that, in addition to rising recession risk, the city has not changed its assumptions for the receipt of federal funding to reflect the potential impact of recent federal actions. The FY 2026 budget also does not reflect higher-than-anticipated health insurance costs and recurring budget risks, such as overtime, cash supports and rental assistance.

The Citizen's Budget Commission was more direct, "Putting your head in the sand doesn't protect your neck," according to published reports.

Meanwhile, City Council leaders took credit for the Mayor's budget, asserting that the Council's three-year advocacy finally took hold.

"The Mayor's Executive Budget, for the first time, includes funding for many of the priorities in the Council's Preliminary Budget Response, which is a credit to our years of consistent budget advocacy with New Yorkers and stakeholders in pushing back on his budget cuts," Speaker Adrienne Adams and Finance Chair Justin Brannon said in a prepared statement. "This is how the budget process should work, but it's disappointing that it took three years for this administration to become tired of being entirely on the wrong side of doing right by New Yorkers."

According to the Mayor, the FY 2026 Executive Budget remains balanced at \$115.1 billion, with gaps of \$4.6 billion in FY27, \$5.8 billion in FY28, and \$5.7 billion in FY29.

Under the plan, tax revenue is expected to increase by nearly 8 percent in FY 2025, driven by growth in income and business taxes. This growth is forecast to decline to 1 percent in FY 2026. According to the Mayor, these estimates resulted in a \$1.7 billion increase over the FY 2026 Preliminary Budget in FY 2025 and \$1 billion in FY 2026, and puts the city forecast on-par with fiscal monitors and the New York City Council.

The City's fiscal year ends June 30th.



Bills Passed by the City Council

Introduction 23-A, sponsored by Majority Whip Selvena Brooks-Powers, would require the City Comptroller to publish an annual report that indicates the total share of City procurement contracts that were awarded to minority- and women-owned business enterprises (MWBE's) for the most recent fiscal year.

Introduction 762-B, sponsored by Council Member Rafael Salamanca, Jr., would maintain limits on the fees that third-party delivery services can charge restaurants, while allowing apps to provide optional enhanced services for an additional fee of 20 percent.

Introduction 1125-A, **sponsored by Council Member Lincoln Restler**, would require the Department of Education to report annually the number of licensed and non-licensed school librarians at each school, the number of school libraries, and other data related to student access to library staff and facilities, including compliance with state staffing requirements.

Introduction 1185-A, **sponsored by Council Member Shekar Krishnan**, would require the Department of Parks and Recreation (DPR) to develop a strategic plan to mitigate the occurrences of wildfires in New York City's parks by March 1, 2026.

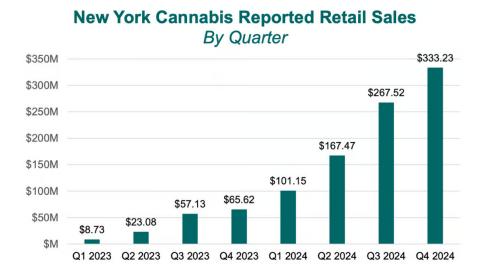
Introduction 193-A, sponsored by Council Member Jennifer Gutiérrez, would require all taxis and forhire vehicles to prominently display a sign on all rear passenger doors warning passengers to look for cyclists before opening the door.

Briefs

Total New York Marijuana Sales Near \$1.5 Billion, As Number Of Stores Nearly Tripled Last Year

Following a slow start to the rollout of New York's Adult Use Cannabis program, the state saw the number of legal stores nearly triple in 2024, according to a new Office of Cannabis Management (OCM) report. Sales for the year totaled \$869 million.

By the end of the year, says OCM's 2024 Market Report, 260 retail locations were operational statewide, stocking more than 500 brands of product. Since the launch of the retail



market, licensed stores had sold more than \$1 billion in legal marijuana by the close of 2024. Including 2025 sales to date, New York's legal cannabis market is now close to reaching \$1.5 billion worth of purchases.

"This market report reflects the dynamism of New York's cannabis industry—an industry that is shifting rapidly as the market matures and encounters both opportunities and challenges," Felicia A.B. Reid, the office's acting executive director, said. "But, as ever, OCM is deeply committed to ensuring that the industry is reflective of New Yorkers and creating meaningful and forward-looking opportunities for communities historically affected by cannabis prohibition."

Local Sales Tax Collections Total \$5.8 Billion, Up 3.2% in First Quarter

Local government sales tax collections totaled \$5.8 billion in the first quarter (January-March) of 2025, an increase of 3.2% (\$180 million) compared to the same quarter last year. Each of the 10 regions in the state, including New York City, had a year-over-year increase in collections, according to a report released this week by State Comptroller Thomas DiNapoli.

New York City's sales tax collections totaled over \$2.6 billion in the first quarter, an increase of 4% (\$101 million), year over year, while aggregate first quarter collections for counties and cities outside the city grew by 2.5%.

Regional growth ranged from 0.3% (Mid-Hudson) to 7% (Southern Tier), with over 80% (47 of 57) of counties outside of New York City experiencing a year-over-year increase in first quarter collections.

Chenango County saw the highest quarterly growth at 11.8%, followed by Delaware County at 10.4%. Several other counties experienced near double-digit growth, including Yates (9.9%), Broome (9.8%), Lewis (9.4%), Orleans (9.2%) and Franklin (9.1%).

Among the 10 counties that had decreases in collections, Putnam saw the steepest decline at -6.8%, followed by Allegany (-4.5%), Ulster (-3.9%) and Warren (-1.6%).

Rent Guidelines Calls for Maximum Increases of 4.75% for One-Year Leases and 7.75% for Two-Year Leases

The New York City Rent Guidelines Board conducted a preliminary vote on Wednesday, a 5-4 tally to propose rent increases of 1.75% to 4.75% for one-year leases and 4.75% to 7.75% for two-year leases, affecting leases beginning October 1, 2025. The final decision will be made in late June.

In a statement after the vote, Mayor Eric Adams said the proposed 7.75% increase is "far too unreasonable."

"Tonight, the board made a challenging decision to approve a preliminary range for rent-stabilized lease adjustments aiming to strike a balance between protecting the quality of rent stabilized homes as costs continue to rise without overburdening tenants with infeasible rent increases. In the coming weeks before a final vote, we will take a close look at the preliminary ranges voted on by the Rent Guidelines Board, but I must be clear that an increase as much as 7.75 percent is far too unreasonable of a burden for tenants, especially as our entire city is feeling the squeeze of a 1.4 percent housing vacancy rate and a decades-long affordability crisis. New Yorkers simply cannot bear these costs."

The board will hold four public hearings before a final vote, starting on May 22nd. Final vote details will be posted at a later date.

NYC Paid Record High Of \$2B In Legal Claims In 2024

New York City paid nearly \$2 billion last year to settle legal claims, setting a record high for the payouts, according to new data released by New York City Comptroller Brad Lander this week.

The claims for 2024 include over \$1 billion in tort claims for alleged personal injury and property damage by city agencies or employees, as well as \$900 million in what are known as law claims (contract, salary and special education disputes) according to newly launched <u>Claims Dashboard</u>, a real-time tracker that replaces the office's annual claims report.

Of the 15 largest individual tort claims against the city in FY 2024, 13 were for civil rights claims with the Department of Correction (DOC) and NYPD. The largest payout was a \$171.52 million DOC claim settlement regarding the City's failure to promptly release people detained pretrial after people posted bail.

The NYPD (\$309.56 million), DOC (\$252.87 million), DOE (\$128.07 million), Department of Transportation (\$115.27 million), and Health + Hospitals (\$45.77 million) were the five agencies with the highest tort claim settlement and judgment costs in FY 2024.

Coming Up

New York State

Monday, May 5th

Senate Codes Committee Meeting, 124 Capitol, 11 a.m.

Senate Insurance Committee Meeting, 123 Capitol, 11:30 a.m.

Senate Internet and Technology Committee Meeting, 816 Legislative Office Building, 12 p.m.

New York State Senate Session, Senate Chamber, Albany, 3 p.m.

New York State Assembly Session, Assembly Chamber, Albany

Tuesday, May 6th

Senate Consumer Protection Committee Meeting, 804 Legislative Office Building, 9:30 a.m.

Senate Education Committee Meeting, 510 Legislative Office Building, 10 a.m.

Senate Social Services Committee Meeting, 410 Legislative Office Building, 10 a.m.

Senate Civil Service and Pensions Committee Meeting, 123 Capitol, 10 a.m.

Senate Corporations, Authorities and Commissions Committee Meeting, 912 Legislative Office Building, 10:30 a.m.

Senate Crime Victims, Crime, and Correction Committee Meeting, 123 Capitol, 10:30 a.m.

Senate Higher Education Committee Meeting, 124 Capitol, 10:30 a.m.

Senate Banks Committee Meeting, 710 Legislative Office Building, 10:30 a.m.

Senate Labor Committee Meeting, 308 Legislative Office Building, 10:45 a.m.

Senate Elections Committee Meeting, 816 Legislative Office Building, 11:30 a.m.

Senate Cities 1 Committee Meeting, 411 Legislative Office Building, 12 p.m.

New York State Senate Session, Senate Chamber, Albany, 3 p.m.

New York State Assembly Session, Assembly Chamber, Albany, 9 a.m.

Wednesday, May 7th

Senate Mental Health Committee Meeting, 813 Legislative Office Building, 10 a.m.

Senate Judiciary Committee Meeting, 124 Capitol, 10:30 a.m.

Senate Cities 2 Committee Meeting, 945 Legislative Office Building, 12:30 p.m.

New York State Senate Session, Senate Chamber, Albany, 3 p.m.

New York State Assembly Session, Assembly Chamber, Albany

Thursday, May 8th

New York State Senate Session, Senate Chamber, Albany, 11 a.m.

New York State Assembly Session, Assembly Chamber, Albany

New York City

Tuesday, May 6th

Committee on Consumer and Worker Protection, Council Chambers – City Hall, 10 a.m.

Wednesday, April 7th

Committee on Environmental Protection, Resiliency and Waterfronts, Council Chambers – City Hall, 1 p.m.

Friday, May 9th

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

Committee on Civil and Human Rights, Council Chambers – City Hall, 1 p.m.

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