



"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



NY Legislature Passes FY2026 Budget

Governor Hochul Mulling Appropriation Bills; Article VII Bills Signed

Aided by 11 emergency funding extenders, the State Legislature returned New York's 10-bill FY2026 budget package to Governor Kathy Hochul for signature last night, 38 days beyond the statutory deadline. The \$254.3 billion spending plan is the largest in the State's history.

As of publication time, the Governor has approved the five Article VII language bills (page 3) and the five appropriation bills remain under consideration. The appropriation bills are subject to possible line-item vetoes. The Governor has 10 days to act.

In the weeks prior to passage, the Executive chamber staff and the legislature negotiated the nuts and bolts of the budget deal while Governor Hochul toured the state, highlighting her priorities from the budget agreement. These included a "bell to bell" restriction of smartphones or other internet-enabled personal devices in K-12 schools across the state; changes to New York's discovery laws, inflation refund checks for 8 million New Yorkers, public safety initiatives to make New York's subways; and mental health provisions to allow communities to develop and implement behavioral health crisis response systems.

The Enacted SFY 2025-26 Budget invests \$37.6 billion in funding to the General Support for Public Schools, a \$1.7 billion increase from the 2024-25 school year and includes \$26.4 billion in funding for Foundation Aid, a \$1.4 billion increase over SY 2024-25. There will also be changes to the Foundation Aid formula.

The Metropolitan Transportation Authority's proposed \$68.4 billion 2025-2029 Capital Plan will be fully funded under changes to the downstate payroll mobility tax (PMT) included in the budget. The PMT for New York City companies with yearly payrolls of \$10 million or more will increase 0.6% to 0.895%. Large payroll businesses in Long Island, Westchester, and other suburban counties served by the MTA will see rate increases from 0.34% to 0.635%. The budget eliminates the tax for employers with yearly payrolls less than \$1.25 million.

In announcing the passage of the budget, Assembly Speaker Carl Heastie explained the affordability focus that the leaders took in approaching the budget.

“This budget invests in our people and in our state,” Assembly Speaker Carl Heastie said. “...We are fighting to support our small businesses, put money back into the pockets of hardworking families and invest in programs that will allow our children to reach their full potential.”

Affordability highlights of the the plan for New Yorkers include:

- \$2.2 billion investments in childcare, including \$400 million to ensure that localities have the resources to keep childcare subsidy enrollment open
- Increasing the maximum Empire Child Tax Credit to \$1,000 for children under four years old for 2025 to 2027, and \$500 for children age four to 16 for 2026 and 2027.
- A 0.2 percent tax cut on individuals making under \$323,000 beginning in 2026.
- Inflation refund checks to help put money back into the pockets of New Yorkers. Single earners with income up to \$75,000 will receive \$200, and those making between \$75,000 and \$150,000 will receive \$150. Those filing jointly with income up to \$150,000 will receive \$400, and those making between \$150,000 and \$300,000 will receive \$300.
- A four-year pilot program for state-funded vouchers for homeless families or families at imminent risk of losing their housing. The FY2026 budget provides \$50 million for the first year.

The majority of the budget bills were debated and passed over two days, May 7th and May 8th.

The most contentious debate was in the Assembly on Wednesday night in relation to the Governor’s proposal to take over Nassau University Medical Center. Nassau County Assemblyman Charles Lavine aggressively defended the provision, engaging with each opponent of the proposal.

In the Senate, language to allow the Governor to make mid-year cuts in the FY2026 plan if the general fund has an imbalance of \$2 billion raised eyebrows, as did language to set up a \$10 million legal defense fund for state officials to draw upon if they are investigated by the Trump administration.

With the budget negotiations dragging into the second week of May, the Legislature will be left with a little over four weeks to close the outstanding issues of the 2026 legislative session. The 2026 legislative calendar identified June 12th as the last day of the legislation session.

Recognizing the amount of work outstanding, Assembly Speaker Carl Heastie has proposed extending session three days to June 17th.



FY26 Budget Relieves NY's Unemployment Insurance Debt

Increases to Maximum Unemployment Benefits

As part of the FY 2026 budget, New York will pay off its \$6.2 billion unemployment insurance debt, providing relief to the State's businesses and increasing unemployment benefits.

According to Speaker Carl Heastie, during the COVID-19 pandemic, more than a million people lost their jobs. Paying unemployment insurance (UI) to these New Yorkers caused the unemployment trust fund to go into more than \$10 billion of debt to the federal government. This debt has been, and normally would be, paid by the employers.

The \$8 billion secured in the SFY 2025-26 budget will be used to pay back the debt owed to the federal government, lowering the rates and eliminating the interest payments that New York businesses currently pay into the UI system.

Elimination of the debt will allow New York to increase the maximum benefit which is currently set at 2019 levels, \$504 per week. Maximum weekly benefits will increase to \$869 this year, with more increases in future years.

"By eliminating the Unemployment Trust Fund debt, we can provide much-needed relief to businesses of all sizes and raise unemployment benefits to keep pace with the cost of living so that all New Yorkers can make ends meet and continue to provide for their families while searching for their next jobs," said Assemblymember Harry Bronson explained. "Our small businesses and hardworking families are the backbone of New York's economy, and this budget win affirms the Assembly's commitment to making things easier and more affordable, ensuring both can thrive in communities throughout the state."



Chapters of the Laws of 2025

Chapter 55 Budget--Implements the state public protection and general government budget for the 2025-2026 state fiscal year.

Chapter 56 Budget--Implements the state education, labor, housing and family assistance budget for the 2025-2026 state fiscal year.

Chapter 57 Budget--Implements the state health & mental hygiene budget for the 2025-2026 state fiscal year.

Chapter 58 Budget--Enacts into law major components of legislation necessary to implement the state transportation, economic development and environmental conservation budget for the 2025-2026 fiscal year.

Chapter 59 Budget--Enacts into law major components of legislation which are necessary to implement the state fiscal plan for the 2025-2026 state fiscal year.

In The News-New York City



NYC Office of the Mayor

NYC Launches "SilentShield," Investing \$1.6 Million to Connect 500 Bodegas to NYPD

New York City Mayor Eric Adams this week announced \$1.6 million in funding to equip an estimated 500 bodegas across the five boroughs with "SilentShields" buttons that bodega staff can press to immediately call the New York City Police Department (NYPD) in cases of emergency.

Distributed through an emergency grant to the United Bodega Association (UBA), these buttons will be installed in bodegas with the highest levels of crime to improve staff and customer safety. SilentShields will be directly connected to cameras in the bodega and to the NYPD, allowing officers to see crimes unfold in real time.

"Bodegas are part of the heart and soul of New York City. They are on every corner; they are there for us at all hours. As we continue rolling out our 'Best Budget Ever,' I'm proud to announce \$1.6 million in funding to equip an estimated 500 bodegas across the five boroughs with 'SilentShields' that will immediately connect bodega staff with the NYPD in cases of emergency," said Mayor Adams.

UBA will solicit competitive bids for SilentShield technology and aims to begin installation in the coming months.



Adams Administration Establishes Permanent DSNY Funding for Clean Public Spaces

New York City Mayor Eric Adams this week committed permanent funding for the New York City Department of Sanitation (DSNY) cleanliness programs, baselining the highest level of permanent funding for litter basket pick-ups, lot, and cleaning initiatives in City history. Previously, cleanliness programs have been set year-to-year.

This week's announcement on baselined funding includes \$29.7 million in FY 2026, growing to \$31 million in FY 2028, to continue the current level of litter basket pick-ups citywide annually. According to the Mayor, this is the highest baselined level of funding for litter basket service in history as basket service has often been negotiated year-to-year at the last minute, with funding reductions leading directly to more overflowing baskets and more rats.

The DSNY Lot Cleaning Unit, responsible for maintenance of city-owned or maintained vacant lots, is now baselined at \$820,000 for FY 2026, growing to \$1.6 million in FY 2029, preventing these areas from becoming eyesores and attracting pests.

Also, the Targeted Neighborhood Task Force is baselined at \$3.6 million, growing to \$6.3 million annually in FY 2029. This funding will support almost 60 employees who provide regularly scheduled cleaning of often neglected pedestrian spaces where DSNY did not have jurisdiction, like underpasses, greenways, and step streets. Through this program, over 1,500 locations across the city are receiving regular, scheduled cleaning for the first time.

Finally, Mayor Adams is also baselining \$1.4 million to support 18 DSNY positions dedicated to cleaning park perimeters – part of his *"Get Stuff Clean" initiative* – that will now continue permanently. Finally, this initiative also includes \$1.1 million in permanent funding for DSNY's [Precision Cleaning Initiative](#), which provides targeted cleaning to high-need areas and assists with Mayor Adams' interagency homeless encampment taskforce.

Briefs

NYS Appellate Division Upholds Even-Numbered Year Elections

A mid-level court this week [upheld](#) a state law to move local elections in New York to even-numbered years to align them with state and federal contests.

The five-judge appellate panel of the Fourt Judicial Department dismissed the claims that the new law violated the state constitution and "home rule" guarantees provided to municipalities.

"We reject plaintiffs' arguments that Article IX, Section 1 of the New York Constitution grants local governments the constitutional right to set the terms of office for their officers," the judges wrote in a decision issued Wednesday.

"It is ADJUDGED and DECLARED that chapter 741 of the Laws of 2023 does not violate the New York Constitution or the United States Constitution," according to the decision. In addition, the judges said there is no reason to delay implementation of the law until 2027.

Chapter 741 of the Laws of 2023 applies to every county outside of New York City and would phase-in even-year elections.

FY26 State Budget Aims to Improve the Discovery Process

With bipartisan support from District Attorneys, Governor Kathy Hochul and the Legislative Leaders placed reforms in the Enacted FY2026 to streamline New York's Discovery Laws to prevent cases from being thrown out over technical errors and eliminate dismissals. The Leaders also allocated \$135 million in the State Budget for both prosecutors and defenders across the State to help ensure compliance with discovery.

According to Governor Hohul, under the FY26 State Budget NY's Discover laws will now:

- Require courts to consider the prosecutor's efforts as a whole and whether any missing material prejudiced the defense, preventing cases from being thrown out over insignificant mistakes;

- Narrow the scope of the items that must be disclosed and remove the need to seek certain materials that are irrelevant to the charges against the defendant, allowing prosecutors to better focus on gathering the evidence that really matters;
- Allow prosecutors to move the case forward after they have exercised good faith and due diligence to obtain discoverable material and disclosed everything they have actually obtained, even if there are items they are waiting on;
- Protect against manipulation of the speedy trial clock, requiring defense attorneys to bring challenges early in the case and confer with prosecutors to resolve issues and move cases forward quickly; and
- Streamline protections for sensitive witness information, both to protect witnesses and to facilitate a culture of witnesses feeling empowered to come forward.

NY Budget Includes 2-Year Delay of Income Cap for Lawmakers

The Enacted FY2026 Budget includes a 2-year delay of the implementation of the \$35,000 annual limit on State legislator income to 2027. The limit was included in the 2022 legislation that increased legislative salaries.

The ban was scheduled to go into effect on January 1, 2025, but the law has been subject of litigation. On March 6th, State Supreme Court Justice Alison J. Napolitano ruled that the outside income limit was constitutional. Although Republican leaders have appealed the judge’s ruling, the state solicitor general recently filed a motion asking an appellate court to lift a temporary stay of the law that Napolitano had granted following the decision.

Under the revised budget language, the limit will go into effect on January 1, 2027.

New York to Become Largest State in the Nation With Statewide, Bell-to-Bell Restrictions on Smartphones in Schools

Governor Kathy Hochul’s “bell to bell” cell phone ban included in the FY2026 budget will make New York the largest state in the nation to require statewide restrictions on smartphones in K-12 schools. New York State’s distraction-free schools policy will take effect for the 2025-2026 school year.

The policy creates a statewide standard for distraction-free schools in New York including:

- No unsanctioned use of smartphones and other internet-enabled personal devices on school grounds in K-12 schools for the entire school day (from “bell to bell”), including classroom time and other settings like lunch and study hall periods.
- Allows schools to develop their own plans for storing smartphones during the day.
- Secures \$13.5 million in funding to be made available for schools that need assistance in purchasing storage solutions to help them go distraction-free.

- Requires schools to give parents a way to contact their kids during the day when necessary.
- Requires teachers, parents and students to be consulted in developing the local policy.
- Prevents inequitable discipline.

In addition, the policy clarifies that students would still be authorized to have access to simple cellphones without internet capability, as well as internet-enabled devices officially provided by their school for classroom instruction, such as laptops or tablets used as part of lesson plans.

It also includes several exemptions to smartphone restrictions, including for students who require access to an internet-enabled device to manage a medical condition, where required by a student's Individualized Education Program (IEP), for academic purposes, or for other legitimate purposes, such as translation, family caregiving and emergencies.

Enacted SFY 2025-26 Budget Includes Consumer Protections for New Yorkers

Speaker Carl Heastie and Consumer Protection Committee Chair Nily Rozic yesterday announced that the Enacted State Fiscal Year (SFY) 2025-26 Budget delivers a major victory for consumers with the inclusion of several key protections. These new measures provide greater transparency, security and fairness for New Yorkers navigating modern digital and retail markets.

“This budget delivers meaningful protections for New Yorkers in today’s digital marketplace,” Speaker Heastie said. “These measures reflect our commitment to fairness, accountability and putting consumers first. We will continue working to make sure our laws keep pace with technology and protect people in every corner of our state.”

According to the Speaker, the Assembly fought to include many measures, including:

- Requiring artificial intelligence (AI) companions to alert users that they are not communicating with a human, and to follow a protocol if users express suicidal ideation or self-harm.
- Mandating clear return and refund policies from online retailers and retail stores.
- Requiring subscription services to provide simple, clear cancellation methods—known as the “Click to Cancel” provision.
- Demanding businesses disclose when prices are generated using personal data through algorithmic pricing models.
- \$2.5 million in funding for the Public Utility Law Project to provide representation to low-income consumers in utility related matters.

“These budget wins are a major step forward in protecting consumers in the digital age,” said Assemblymember Rozic. “From preventing dark patterns in subscription traps to demanding honesty from AI tools, New Yorkers will now be better informed, empowered, and protected.”

Mayor Adams, Student Loan Benefits Company Summer Launch Programs to Help Wipe out Estimated \$360 Million in Student Loan Debt for 100,000 City Workers

The Adams Administration this week announced a new effort to help more than 100,000 city employees enroll in the federal government's Public Service Loan Forgiveness (PSLF) program and Income Driven Repayment (IDR) plans to reduce or cancel an estimated \$360 million in student loan debt.

Through a partnership with Summer which helps borrowers navigate student loan repayment options – New York City will provide public servants and eligible family members with free access to student loan experts and online debt assistance tools to help enroll in affordable repayment options and the PSLF program.

City employees at the New York City Administration for Children's Services (ACS), the New York City Department of Social Services (DSS), and the New York City Housing Authority (NYCHA) are now eligible as part of the pilot phase of the program. The service will begin a phased rollout for all New York City government employees this September.

Coming Up

New York State

Monday, May 12th

Senate Housing, Construction and Community Development Meeting,
511 Legislative Office Building, 11 a.m.

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

Senate Judiciary Committee Meeting, 124 Capitol, 12 p.m.

Senate Cities 2 Committee Meeting, 411 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, 2 p.m.

Tuesday, May 13th

Senate Aging Committee Meeting, 904 Legislative Office Building, 9 a.m.

Senate Procurement and Contracts Committee Meeting, 816 Legislative Office Building, 9:30 a.m.

Senate Children and Families Committee Meeting, 804 Legislative Office Building, 9:30 a.m.

Senate Women's Issues Committee Meeting, 801 Legislative Office Building, 9:30 a.m.

Assembly Tourism, Parks, Arts and Sports Development Committee Meeting, 713 Legislative Office Building, 9:30 a.m.

Senate Higher Education Committing Meeting, 124 Capitol, 10 a.m.

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

Assembly Economic Development Committee Meeting, 846 Legislative Office Building, 10 a.m.

Assembly Judiciary Committee Meeting, 832 Legislative Office Building, 10 a.m.

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

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

Senate Environmental Conservation Committee Meeting, 123 Cap, 10:30 a.m.

Senate Ethics and Internal Governance Committee Meeting, 509 Legislative Office Building, 10:30 a.m.

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

Assembly Insurance Committee Meeting, 714 Legislative Office Building, 11 a.m.

Assembly Housing Committee Meeting, 942 Legislative Office Building, 11:30 a.m.

Senate Health Committee Meeting, 124 Capitol, 12 p.m.

Senate Transportation Committee Meeting, 801 Legislative Office Building, 12 p.m.

Assembly Environmental Conservation Committee Meeting, 6223 Legislative Office Building, 12 p.m.

Senate Energy and Telecommunications Committee Meeting, 124 Capitol, 1 p.m.

Assembly Local Governments Committee Meeting, 838 Legislative Office Building, 1 p.m.

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

New York State Assembly Session, Assembly Chamber, Albany,

Assembly Codes Committee, Off the Floor

Wednesday, May 14th

Joint Public Hearing: Safety of Persons in Custody, Transparency, and Accountability within State Correctional Facilities, Hearing Room B, Legislative Office Building, 10 a.m.

Senate Local Government Committee Meeting, 904 Legislative Office Building, 10 a.m.

Senate Agriculture Committee Meeting, 901 Legislative Office Building, 10:30 a.m.

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

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

New York State Assembly Session, Assembly Chamber, Albany

Thursday, May 15th

Senate Alcoholism and Substance Abuse Disorders Committee Meeting, 813 Legislative Office Building, 9:30 a.m.

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

New York State Assembly Session, Assembly Chamber, Albany

New York City

Monday, May 12th

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

Committee on Sanitation and Solid Waste Management, Council Chambers – City Hall, 10 a.m.

Committee on Aging, Council Chambers – City Hall, 12 p.m.

Subcommittee on Zoning and Franchises, Committee Room – City Hall, 3:30 p.m.

Committee on Land Use, Committee Room – City Hall, 3:45 p.m.

Tuesday, May 13th

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

Committee on Transportation and Infrastructure, Council Chambers – City Hall, 10 a.m.

Committee on Parks and Recreation, Council Chambers – City Hall, 12 p.m.

Wednesday, May 14th

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

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

Committee on Public Housing, Council Chambers – City Hall, 12 p.m.

Thursday, May 15th

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

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

Committee on Governmental Operations, State & Federal Legislative, Council Chambers – City Hall, 12 p.m.

Friday, May 16th

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

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

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