

1 BEFORE THE NEW YORK STATE SENATE FINANCE
AND ASSEMBLY WAYS AND MEANS COMMITTEES

2 -----

3 JOINT LEGISLATIVE HEARING
4 In the Matter of the
5 2021-2022 EXECUTIVE BUDGET
6 ON LOCAL GOVERNMENT OFFICIALS/
7 GENERAL GOVERNMENT
8 -----

9
10 Virtual Hearing
11 Conducted via Zoom

12
13 February 11, 2021
14 9:32 a.m.

15
16 PRESIDING:

17 Senator Liz Krueger
18 Chair, Senate Finance Committee
19
20 Assemblywoman Helene E. Weinstein
21 Chair, Assembly Ways & Means Committee

22
23 PRESENT:

24 Senator Thomas F. O'Mara
Senate Finance Committee (RM)

Assemblyman Edward P. Ra
Assembly Ways & Means Committee (RM)

Assemblyman Edward C. Braunstein
Chair, Assembly Committee on Cities

Senator Robert Jackson
Chair, Senate Committee on Cities

Assemblyman Fred W. Thiele, Jr.
Chair, Assembly Committee on
Local Governments

Senator James Gaughran
Chair, Senate Committee on Local Government

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4 PRESENT: (Continued)

5 Senator John C. Liu
Chair, New York City Education Committee
6

7 Senator Jeremy A. Cooney
Chair, Senate Committee on Cities 2
8

8 Assemblyman Harry B. Bronson
9

9 Assemblyman Colin Schmitt
10

10 Senator Pete Harckham
11

11 Assemblywoman Sarah Clark
12

12 Assemblyman Charles D. Fall
13

13 Senator Andrew Gounardes
14

14 Assemblyman Jonathan G. Jacobson
15

15 Assemblyman Robert C. Carroll
16

16 Assemblyman William Conrad
17

17 Senator Diane J. Savino
18

18 Assemblywoman Carrie Woerner
19

19 Senator Shelley Mayer
20

20 Assemblyman Steven Otis
21

21 Senator George Borrello
22

22 Senator Rachel May
23

23 Assemblywoman Rebecca A. Seawright
24

24 Senator John E. Brooks

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4 PRESENT: (Continued)

5 Assemblyman Erik M. Dilan

6 Assemblywoman Gina L. Sillitti

7 Assemblyman Kenneth Zebrowski

8 Senator Brad Hoylman

9 Assemblywoman Dr. Anna R. Kelles

10 Assemblyman Jonathan Rivera

11 Assemblyman Michael Reilly

12 Assemblyman Jeff Gallahan

13 Senator Edward A. Rath III

14 Assemblyman Mark Walczyk

15 Assemblyman Michael Tannousis

16 Assemblyman Matthew Simpson

17 Senator James Tedisco

18 Assemblyman Michael Cusick

19 Assemblywoman Jennifer Lunsford

20 Assemblyman Jeffrion L. Aubry

21 Assemblywoman Jessica González-Rojas

22 Senator Samra G. Brouk

23 Assemblyman Zohran K. Mamdani

24 Assemblyman Demond Meeks

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1 CHAIRWOMAN WEINSTEIN: Good morning.

2 I'm Helene Weinstein, chair of the
3 New York State Assembly's Ways and Means
4 Committee and cochair of today's hearing.

5 Today we begin the 10th in a series of
6 hearings conducted by the joint fiscal
7 committees of the Legislature regarding the
8 Governor's proposed budget for fiscal year
9 2021-2022. The hearings are conducted
10 pursuant to the New York State Constitution
11 and the Legislative Law. So today our
12 committees will hear testimony concerning the
13 Governor's budget proposal for local and
14 general governments.

15 So I'll now introduce the members that
16 are here with us from the Assembly, and then
17 my cochair, Senator Krueger, will introduce
18 members of her conference. And then our
19 ranking members will introduce their
20 colleagues.

21 So we have with us Assemblyman Thiele,
22 chair of our Local Government Committee;
23 Assemblyman Braunstein, chair of our Cities
24 Committee, Assemblyman Bronson,

1 Assemblymembers Clark, Conrad, Dilan,
2 Sillitti, Zebrowski, Kelles, Jon Rivera. And
3 I am sure we will have some more members
4 joining us as the meeting continues.

5 Senator Krueger, do you want to
6 introduce your Senate colleagues now?

7 CHAIRWOMAN KRUEGER: Sure. Thank you
8 very much, Assemblywoman.

9 We are joined by our chair for Cities,
10 Senator Robert Jackson; Senator Shelley
11 Mayer; Senator Andrew Gounardes; Senator Pete
12 Harckham; Senator John Brooks; Senator Brad
13 Hoylman; Senator Diane Savino. And I'm going
14 to hand it over to my ranker for Finance, Tom
15 O'Mara, to introduce his members.

16 SENATOR O'MARA: Thank you. And good
17 morning, Chairwomen.

18 We have with us our ranking Republican
19 member on local government, Senator Ed Rath.
20 We have Senators George Borrello and James
21 Tedisco with us as well at this point.

22 Thank you.

23 CHAIRWOMAN WEINSTEIN: Thank you,
24 Senator.

1 And now Assemblyman Ra, our ranker on
2 Ways and Means, can you introduce your
3 colleagues.

4 ASSEMBLYMAN RA: Yes, thank you,
5 Chair.

6 Good morning, everybody. We are
7 joined right now in the hearing by
8 Assemblyman Mike Reilly, who is our ranker on
9 Cities; Assemblyman Colin Schmitt, our ranker
10 on Local Government; and Members Gallahan,
11 Walczyk, and Tannousis.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 So we also -- I see we were joined by
14 Assemblyman Carroll.

15 So let me just -- some ground rules.
16 Governmental witnesses, of which there are
17 many today, we have several -- we have many
18 mayors -- governmental witnesses get
19 10 minutes to make a presentation. Then the
20 chairs of the respective committees have 10
21 minutes to ask questions, and the 10 minutes
22 is for the question and for the answer.
23 Ranking members will get five minutes --
24 again, question and answer. And other

1 members of the committee -- relevant
2 committees who are here with us today will
3 get three minutes to both ask the question
4 and receive an answer.

5 When we move on to the nongovernmental
6 witnesses, which are a little limited today,
7 they each get three minutes to make a
8 presentation and then members can get three
9 minutes to ask the panel a question.

10 And I just encourage people to keep an
11 eye on the time clock because that will help
12 move the hearing along.

13 And I would just ask members --
14 members and Senators -- to use the hand-raise
15 function on -- in Zoom if you wish to be on
16 the list to ask a question. We also -- the
17 chat is activated if you need to send a
18 message. And from time to time Senator
19 Krueger and I will post the order of
20 Assemblymembers speaking and Senators
21 speaking so you can have an idea where you
22 are.

23 And as I was talking, we were joined
24 by Assemblyman Cusick and Assemblywoman

1 Seawright.

2 CHAIRWOMAN KRUEGER: And also by our
3 Local Gov Committee Chair James Gaughran.

4 CHAIRWOMAN WEINSTEIN: Great.

5 And now I will call our first witness,
6 not a stranger to any of us here, New York
7 City Mayor Bill de Blasio.

8 MAYOR DE BLASIO: Thank you so much,
9 Chair Weinstein, and thank you,
10 Chair Krueger, Ranking Members O'Mara and Ra,
11 and all the legislative leadership --
12 obviously, thanks to Majority Leader
13 Stewart-Cousins and Speaker Heastie and all
14 the members attending.

15 I'm joined here today by our
16 City Budget Director Jacques Jiha and our
17 Director of State Legislative Affairs
18 Simonia Brown, who will join me in answering
19 your questions.

20 Today I have a very straightforward
21 message, a very straightforward request. I'm
22 asking for your help in helping New York City
23 come back, helping New York City recover. We
24 need a recovery for all of us, and that's

1 what today's testimony will focus on.

2 The pandemic has had a massive impact
3 on our budget. Here's the latest: We've
4 suffered a \$10.5 billion drop in tax revenue
5 over fiscal years 2020 through '22 --
6 \$10.5 billion. In order to address this
7 pandemic, to save lives, to protect people,
8 to get kids back to school, we've had to
9 spend \$6.1 billion in COVID-related expenses
10 that obviously were never part of our
11 original budget plan, and as much as almost
12 \$700 million of that will not be covered by
13 federal reimbursement. And obviously to date
14 the federal government has not passed a
15 larger stimulus. Even though we're hopeful,
16 we do not know if how, when that happens.

17 How have we made it through this
18 crisis so far? With sound fiscal management,
19 savings of a total of \$2.2 billion over
20 fiscal years '21 and '22. We had a
21 \$1.3 billion Program to Eliminate the Gap,
22 PEG program, affecting all city agencies
23 within that savings plan. And we've
24 instituted strong hiring and attrition

1 management, reducing the overall number of
2 city workforce members. And of course
3 implemented furloughs for senior managers,
4 including all of us at City Hall.

5 Here's what I'd like to raise related
6 to the State Executive Budget proposal. I am
7 very concerned about some very substantial
8 and painful cuts in the State Executive
9 Budget. The State Executive Budget proposes
10 cuts and cost shifts to New York City of
11 310 million in fiscal year '21 and
12 309 million in fiscal year '22. On top of
13 that, the Executive Budget proposes cuts to
14 public health in the middle of this pandemic
15 and supplants \$800 million in targeted
16 federal education funding that was meant for
17 the students of New York City.

18 Additionally, the Executive Budget
19 proposal assumes a \$6 billion federal
20 stimulus impact on the State of New York --
21 which we all hope and pray for that funding,
22 but if it does not come through, that means
23 that the Executive Budget would be altered
24 and there would be very substantial cuts to

1 municipalities all over New York State,
2 obviously with New York City experiencing the
3 biggest cuts.

4 So regardless of what happens with
5 Washington, we have to have an approach that
6 protects everyday New Yorkers and the
7 services they need.

8 Let me go into some of the specific
9 areas related to the Executive Budget. First
10 of all, New York City students, families,
11 educators have gone through an extremely
12 difficult year in every sense. The federal
13 government actually recognized that and put
14 funding into the last relief bill. But what
15 we've seen, unfortunately, is a habit of the
16 state, supplanting that funding. Last year
17 the state supplanted over 700 million in
18 education aid meant for New York City. And
19 now again in this budget proposal, the
20 Executive Budget, \$800 million meant for the
21 kids of New York City is supplanted openly.

22 And we need these funds. We've gone
23 through extraordinary challenges to protect
24 our kids, to protect our educators and staff,

1 to bring the schools back, and then even more
2 so next year when we have to have an
3 extremely effective school year to address
4 the trauma that kids have been through, the
5 academic loss. To close that COVID
6 achievement gap, we will need all the help we
7 can get.

8 If we get this money back, this money
9 owed to us, one of the things we're going to
10 focus on is making further progress on
11 Fair Student Funding to make sure that
12 schools that are not yet getting the share
13 they deserve will be brought up. That will
14 be an act to enhance equity and fairness and
15 help the schools come back strong.

16 We also intend, with additional
17 resources, to give all 1600 schools the
18 academic intervention and remedial services
19 they need to close that achievement gap.
20 Those needs are intense. A lot of kids have
21 lost a lot of ground. We need help to close
22 that gap and move forward.

23 We also want to restore some things
24 that were so essential: Arts learning, arts

1 programs that mean so much to our kids that
2 have been lost in recent times because of
3 budget crunches. Advanced placement courses
4 in all our high schools. Algebra. The
5 things that actually helped our kids advance,
6 we need these resources to bring them back
7 strong.

8 On top of the money which is being
9 openly supplanted, the proposed budget shifts
10 mandated charter schools costs to New York
11 City -- 179 million in fiscal year '21,
12 100 million in fiscal year '22. Those costs
13 would have to be borne by the city in middle
14 of our own fiscal crisis.

15 Also, we ask your help on another
16 crucial front, getting our kids around.
17 We're bringing school back. More and more
18 middle school coming back soon. We ask
19 reimbursement for \$92 million in school bus
20 costs that we need because we have focused on
21 keeping a school bus service going, keeping
22 it safe, and supporting our hardworking
23 school bus drivers. So we ask your help on
24 that front as well.

1 When it comes to healthcare, we
2 invested in our public health system years
3 ago. We kept Health + Hospitals alive. We
4 did not know a pandemic was coming. Thank
5 God we made those investments; they allowed
6 us to survive this pandemic. Our public
7 health system led the way. But now we see
8 dangerous cuts in the Executive Budget:
9 Proposed cuts totaling 139 million to the
10 Health + Hospitals in fiscal year '21,
11 334 million in cuts to Health + Hospitals
12 fiscal year '22 in this State Executive
13 Budget.

14 What would it mean? It would mean
15 potentially the closing of 19 Health +
16 Hospitals clinics. And those clinics,
17 combined, treat 140,000 New Yorkers,
18 particularly low-income New Yorkers,
19 immigrant New Yorkers, New Yorkers in
20 communities of color hit hardest by COVID.
21 It would mean we would lose up to a thousand
22 doctors and nurses. It would mean longer
23 wait times for patients.

24 These are the impacts, the human

1 impacts of the State Executive Budget cuts to
2 Health + Hospitals. We can't let that
3 happen.

4 In addition, our public health
5 infrastructure would suffer further. The
6 Executive Budget proposes a cut of 51 million
7 in fiscal year '22 to other health services,
8 which would slash programs like the Nurse
9 Family Partnership that supports new mothers.
10 And that work is even more crucial in this
11 time of pandemic.

12 On top of that, the budget proposes
13 cuts of 28 million in fiscal year '21,
14 43 million in fiscal year '22, in state
15 support for initiatives that help
16 New Yorkers, including New Yorkers who suffer
17 from substance misuse, those survivors of
18 domestic violence who need services so
19 intensely, resources for youth in foster
20 care, protection for our seniors. All of
21 these people who need help and are vulnerable
22 would lose that help if this State Executive
23 Budget were passed as-is now.

24 What's the alternative? Well,

1 everyone on this panel knows better than I
2 the many, many things that could be done.
3 But I want to emphasize one essential
4 solution, which is to build a recovery from
5 the grassroots up, to focus on working
6 people, and to demand of the wealthy they pay
7 their fair share in taxes.

8 The facts are staggering. In this
9 year alone, 120 New York State billionaires
10 have increased their income by 77 billion --
11 just in 2020, in the year of the pandemic.

12 We need taxes on the wealthy so we can
13 protect working people, everyday people, and
14 provide the services they need. We don't
15 have a recovery if we don't have essential
16 services. So I strongly urge that that is
17 the way to go forward.

18 Now, in the Executive Budget, some
19 other very important items -- I'll go very
20 quickly. There are proposals in the
21 Executive Budget that would undermine the
22 rights of communities to determine their own
23 destiny when it comes to land use. There are
24 proposals in the Executive Budget that would

1 take away local authority and silence
2 community input. This would be a boon to the
3 real estate industry. The rich would get
4 richer if those provisions go through, but
5 communities would suffer. The public good,
6 public benefits would suffer.

7 We strongly oppose doing away with the
8 city zoning -- doing away with the particular
9 proposal that would take away city zoning
10 rights, land use rights when it comes to
11 conversion of commercial property and hotels
12 to housing. We have to make sure that
13 community voices determine what happens in
14 communities.

15 We're concerned about the
16 Javits Center proposal that would allow the
17 Javits Center Operating Corporation to
18 override city building codes and city code
19 enforcement work. We need to make sure that
20 the MTA does not have the right here in
21 New York City or any other place in the
22 region to override local authority, to
23 determine how we fix our streets, how we
24 build up our cities. If we have to wait on

1 the MTA, which has a long history of delays,
2 we won't be able to make ADA street
3 improvements, we won't be able to provide
4 flood protection efforts -- many, many areas
5 of concern.

6 We need to make sure that we move
7 forward with an understanding of the need for
8 localities to have the power to protect our
9 own people's interest.

10 I'll finish up a few additional areas.
11 Local Law 97, we're very opposed to the
12 proposal in the Executive Budget to weaken
13 this law. This is a landmark legislation
14 that would reduce carbon emissions, help us
15 attack global warming. We cannot take a step
16 backwards on climate change.

17 Police reform, an area that we've been
18 focusing on for seven years. Major, major
19 changes and improvements. In my State of the
20 City we talked about the disciplinary matrix
21 which has now been put in place which
22 tightly, strictly governs police discipline
23 and empowers the Civilian Complaint Review
24 Board. We have a new approach to hiring

1 precinct commanders that will involve input
2 from the communities they serve. We are
3 doubling investments in the staffing of our
4 Cure Violence movement and crisis management
5 system and a host of other reforms are coming
6 in a package we're working on now with the
7 City Council. That will be over the next two
8 months.

9 I want to caution that the State
10 Executive Budget, by suggesting that it is
11 right to withhold funding from localities and
12 add monitors and outside efforts that will
13 slow down reform points us in the wrong
14 direction. Reform is happening vigorously
15 here in New York City, and a lot more is to
16 come.

17 In the Executive Budget there are
18 areas we also agree with strongly. One of
19 the areas I'm very pleased to see is action
20 on the security deposit issue for rent
21 payments. That's something I talked about in
22 the State of the City a year ago, in fact.
23 Very happy to see action on that.

24 We strongly believe there's need for

1 legislation to provide a payment plan option
2 for tenants who are struggling, who need to
3 stay in their homes but need some way to pay
4 going forward for their homes.

5 We also fundamentally believe that the
6 Housing Stability Support initiative should
7 be passed this year to provide rental
8 assistance to those at risk of eviction.

9 On another area where there's a lot of
10 agreement, the legalization of adult
11 recreational cannabis, I just want to
12 emphasize that I strongly believe that the
13 best way to do that is to involve localities,
14 give localities the ability to make decisions
15 about density, siting and public safety, and
16 to ensure that there are measures in places
17 for the economic empowerment of communities
18 that have suffered the most under the
19 previous laws related to marijuana.

20 Some things that we need going forward
21 to truly have a recovery for all of us.
22 Community hiring -- we need legislation, and
23 I ask you -- this could be a difference-maker
24 profoundly for tens of thousands of everyday

1 New Yorkers, particularly in lower-income
2 communities that have not gotten their fair
3 share. Community hiring legislation that
4 will allow us to mandate the hiring of local
5 community residents when there's new
6 development in their communities.

7 Also we look forward to providing
8 relief to small business with the New York
9 City Small Business Recovery Tax Credit that
10 will provide \$50 million in rent relief to
11 17,000 small businesses. We want to go a lot
12 farther if we get stimulus funding. We need
13 your support to do that. It's going to help
14 small businesses survive and keep their
15 employees and hire more.

16 On minority and women-owned business,
17 thank you for all you have done. We are so
18 appreciative. In recent years you have
19 allowed us to make major progress. We need
20 to make more progress, especially at this
21 moment in history, in the name of equity.

22 We request the Legislature increase
23 New York City agencies' discretionary
24 purchase threshold to \$1 million, which is

1 the same authority the MTA has. It will
2 create so many more opportunities for MWBEs.

3 We ask you to help MWBE subcontractors
4 win bids by authorizing the city or the
5 primary contractor to purchase insurance on
6 their behalf.

7 And we also ask that you help us by
8 allowing non-MWBE firms to take steps to
9 advance diverse workforces to receive extra
10 points on their bids.

11 For homeowners, we want to put in
12 place a tax rebate for homeowners,
13 lower-and-moderate-income homeowners with
14 one-to-three-family homes that they live in.
15 Right now, under state law, they will see an
16 increase in their taxes because of assessed
17 value. We want to make sure they're
18 protected with a rebate. We need your help
19 to do that.

20 And finally, on an issue that we all
21 care about, which is the state of our
22 democracy, especially in this day when so
23 much is happening in Washington, we have
24 something we can do better here in New York

1 City, which is our City Board of Elections
2 continues to need tremendous reform. I want
3 to thank Senator Krueger and Assemblymember
4 Rozic, who have led the way on legislation to
5 professionalize the staff of the Board of
6 Elections, provide more oversight over
7 operations, and require more transparency and
8 accountability to the public. We need this.
9 We've seen so many problems, including with
10 the early voting last October-November. We
11 can't continue to have these problems that
12 disenfranchise people.

13 Please, this is the year for reforming
14 the City Board of Elections. With your help,
15 we can do it and make democracy work so much
16 better in New York City and really
17 enfranchise and empower the people of
18 New York City.

19 And with that, thank you for the
20 opportunity to be with you. Thank you for
21 the opportunity to work together on a
22 recovery for all of us. And I welcome the
23 opportunity to answer your questions.

24 CHAIRWOMAN WEINSTEIN: Thank you. We

1 have quite a few members who have some
2 questions.

3 And we're going to go first -- first
4 let me just introduce some of the members who
5 have joined us since we began. Assemblyman
6 Simpson, Assemblyman Aubry, Assemblywoman
7 Lunsford, Assemblywoman González-Rojas, and
8 Assemblyman Jacobson.

9 And we're going to go to our chair of
10 Cities, Ed Braunstein, for 10 minutes.

11 CHAIRWOMAN KRUEGER: Although as we do
12 that, I just want to --

13 CHAIRWOMAN WEINSTEIN: Go ahead.

14 CHAIRWOMAN KRUEGER: I'm so sorry.

15 Thank you.

16 We've been joined by our chair of
17 Cities 2, Senator Cooney. We decided that
18 New York City needed its own community, so
19 that is Senator Robert Jackson, and
20 Senator Cooney is the other Cities chair.

21 And I don't want to take up Ed's time,
22 so I'll introduce other Senators later.

23 Thank you.

24 CHAIRWOMAN WEINSTEIN: So we go to

1 Ed Braunstein.

2 ASSEMBLYMAN BRAUNSTEIN: Thank you,
3 Chair Weinstein.

4 And good morning, Mr. Mayor. This is
5 the last time you'll be joining us for this
6 hearing, but I just want to thank you for, as
7 far as I can recall, every year coming and
8 sitting before us -- even when you had to
9 drive up the Thruway, you would come and sit
10 before us for hours. So I appreciate it, and
11 I want to thank you for doing that.

12 MAYOR DE BLASIO: Thank you.

13 ASSEMBLYMAN BRAUNSTEIN: Just a couple
14 of questions on your testimony or your
15 opinions on the Executive Budget.

16 I want to talk a little bit more about
17 the Governor's proposal to repurpose
18 underutilized commercial space. I agree with
19 you that it's preferable to do this at the
20 local level where there's more community
21 input. However, I do agree with the general
22 idea that the Governor has that we should be
23 moving to repurpose vacant commercial space,
24 especially trying to turn it into affordable

1 housing, considering that after the pandemic
2 we expect to have extra vacant commercial
3 space.

4 Do you have a plan moving forward to
5 try and achieve this goal working with the
6 City Council?

7 MAYOR DE BLASIO: Thank you very much,
8 Assemblymember. Yes. I think it is an idea
9 that has merit. I think if we're going to
10 have more housing and more affordable housing
11 in a way that actually involves community
12 input and guarantees the rights of
13 communities and is verifiable, like deals
14 that actually have the backing of the law,
15 that's a great way forward, and we can do
16 that through the ULURP process. And I would
17 aggressively support that.

18 What I'm worried about is the state
19 overriding ULURP, cutting out communities,
20 making sweetheart deals with the real estate
21 industry -- because if you look at the
22 proposal, it leaves several ways out for the
23 real estate industry to not create affordable
24 housing. The amount of affordable housing

1 proposed is lower than what we've been doing
2 in our plans locally.

3 Also there's a way to essentially buy
4 out that provision, not create affordable
5 housing, just create market luxury housing,
6 and give money to the state.

7 That's a dangerous precedent. I think
8 what that's going to mean is a lot of -- of
9 course a lot of real estate developers will
10 choose that option. First they'll say, well,
11 wait, we want to do a hundred percent luxury,
12 we'll give you some money to get out of any
13 affordable housing requirement. Then where
14 do we end up as a city? We end up as a city
15 where working people are pushed out.

16 So the ULURP process works. And I
17 think saying let's aggressively now look at
18 where we can convert some buildings to
19 housing, but with really strong legal
20 guarantees that the affordable housing
21 committed to must be built.

22 ASSEMBLYMAN BRAUNSTEIN: Okay, thank
23 you.

24 Moving on, the Governor -- the

1 Governor's Executive Order 203, the New York
2 State Police Reform and Reinvention
3 Collaborative, requires all local governments
4 and police departments to develop plans to
5 modernize their policing strategies and
6 strengthen relationships with communities.
7 Plans must be submitted for approval to the
8 Division of Budget by April 1st.

9 Are you on -- my concern with the
10 executive order is that some of the language
11 to me is kind of vague. And I'm just
12 wondering if you've received any guidance
13 from the Division of Budget about what's
14 required to meet certification so funding
15 will be released from the state, and if
16 you're on target to meet that certification.

17 MAYOR DE BLASIO: Yeah,
18 Assemblymember, absolutely on target. We've
19 been having an extensive public engagement
20 process over recent months. We've been
21 working very closely with the City Council.
22 We're absolutely on target to pass the
23 appropriate Council resolution by the end of
24 March. We think we understand exactly what's

1 needed in terms of robust engagement and then
2 putting together a plan to advance reforms.

3 Look, we're not waiting on the state
4 legislation, we're moving anyway. As I
5 mentioned, the discipline matrix, which
6 really revolutionizes police discipline. We
7 have a host of proposals I've put forward
8 that we're enacting right now to strengthen
9 the Civilian Complaint Review Board.

10 We're bringing communities into the
11 choice of precinct commanders. That's never
12 been done in the history of NYPD. That's
13 starting right away with the next group of
14 precinct commanders that will be chosen.

15 These things are moving. In the
16 reform package of the Council you're going to
17 see a lot more. So we're going to meet this
18 deadline and we're going to make these
19 changes and then keep going, because police
20 reform and changing the police culture is
21 something that needs to be ongoing.

22 But I'll tell you, after seven years
23 I've seen so much can happen. What I don't
24 want to see is something that slows us down,

1 such as has been proposed -- bringing in
2 outside monitors, I've worked with outside
3 monitors. Inevitably, that slows down the
4 pace of reform.

5 We're moving reform, the Council is
6 moving reform, and we are on schedule.

7 ASSEMBLYMAN BRAUNSTEIN: Have you had
8 a conversation with anybody from the state
9 about what they're expecting before they're
10 going to certify?

11 MAYOR DE BLASIO: Our team has
12 certainly spoken to the state over the course
13 of recent months.

14 But again, my sense from the
15 legislation -- I've obviously read it -- is
16 if the local executive and legislature agree
17 on a vision, that is the essential
18 requirement to put forward a vision for
19 additional reform.

20 And, you know, what the legislation
21 says is certain areas like improving the
22 relationship between police and community,
23 you know, modern approaches and strategies
24 for effective policing -- it's all there in

1 broad stroke. But absolutely the reforms
2 we've made, such as the discipline matrix,
3 and the upcoming reforms clearly cover the
4 host of items that are in the state
5 legislation.

6 ASSEMBLYMAN BRAUNSTEIN: Okay. Okay,
7 thank you.

8 Just two more quick questions. The
9 Gifted and Talented Program, you were
10 planning on administering the test this year
11 but the Panel for Education Policy didn't
12 approve the contract. Are you still moving
13 forward with the Gifted and Talented test?

14 MAYOR DE BLASIO: Yes. We have a
15 different approach, and we'll announce it
16 next week. We do want to make sure that
17 families that were counting on the
18 opportunity for the next school year will
19 have that opportunity. We'll announce --

20 ASSEMBLYMAN BRAUNSTEIN: Is it the
21 Pearson -- it's going to be the same thing,
22 the Pearson test?

23 MAYOR DE BLASIO: It will be a
24 different approach, and we'll announce the

1 details next week. And that will move
2 forward.

3 But as I've also said, between now and
4 September we're going to announce an entirely
5 new approach for the future. Because I think
6 we can reach many more kids -- remember,
7 Gifted and Talented right now only reaches a
8 few thousand kids a year. I think we can
9 reach many thousands -- tens of thousands,
10 even -- of kids each year who really do have
11 the ability to have accelerated learning in
12 some subject matters, maybe in many subject
13 matters. We can do a lot more, especially
14 now that we know how to use digital education
15 differently.

16 ASSEMBLYMAN BRAUNSTEIN: I mean, I
17 agree there's a debate to be had about
18 whether it's appropriate to be testing
19 4-year-olds and the criteria they use to
20 determine Gifted and Talented.

21 I just -- I guess my question is, you
22 know, traditionally it's been the Pearson
23 test, people are familiar with it. Now
24 there's going to be a whole new approach for

1 evaluation on April 1st?

2 MAYOR DE BLASIO: Well, I didn't say
3 April 1st. I want to -- I appreciate you
4 saying that, because I want to make clear
5 we're going to adjust the timelines, but
6 certainly everything will be done in time for
7 the next school year starting in September.

8 We'll announce next week an approach
9 for the folks who are planning on applying,
10 the families planning on applying for next
11 academic year, and then we're going to have
12 an entirely different approach going forward.
13 Again, I think it will be a lot more
14 inclusive.

15 And Assemblymember, I just want to say
16 thank you -- I didn't get a chance to say at
17 the beginning I really appreciated what you
18 said at the beginning. But I want to say
19 thank you, because it's actually been an
20 honor to spend time, you know, with the
21 Legislature and go through these kind of
22 dialogues. I think they're really good for
23 the people of New York City and the people of
24 New York State.

1 And I just want to thank everyone for
2 the chance to have spent this time with you
3 over the last eight years.

4 ASSEMBLYMAN BRAUNSTEIN: Thank you.
5 Thank you.

6 And now one final question is with the
7 siting of vaccine sites in New York City,
8 permanent vaccine sites, Northeast Queens has
9 been conspicuously left out of having a
10 permanent vaccine site. As a matter of fact,
11 it's -- people would have to travel several
12 miles to find the nearest permanent vaccine
13 site.

14 We've been calling, writing letters,
15 asking the administration for weeks to
16 provide us a permanent vaccine site. We have
17 some of the highest concentration of senior
18 citizens in the city, who have a difficult
19 time traveling long distances.

20 What is the criteria for putting a
21 permanent vaccine site, and why has Northeast
22 Queens been left out?

23 MAYOR DE BLASIO: Yeah,
24 Assemblymember, let me say very directly to

1 you there will be a site in Northeast Queens,
2 and ultimately I hope multiple sites, I
3 guarantee that to you. And I'll be able to
4 give you the exact timing on that very, very
5 soon in the course of the next few days.

6 Look, what we've tried to do is create
7 a very neighborhood-based system. It's still
8 not fully built out, that's a true statement,
9 and we've been stymied by lack of supply.
10 Right now we are giving several hundred
11 thousand fewer doses per week than we could
12 if we had the supply. We could be doing half
13 a million doses a week now if we had the
14 supply.

15 But I don't want to leave any area
16 without the coverage it deserves. And as you
17 say, particularly in an area like Northeast
18 Queens with so many seniors. So we will have
19 a site shortly.

20 The challenge then will be, like all
21 the sites, getting enough supply. But I'm
22 hopeful that situation gets better in the
23 next few weeks. What we need is for the
24 state to give us a lot more flexibility, and

1 we need the federal government and the state
2 government to get us more direct supply. We
3 often don't know what supply we're going to
4 have from week to week; we've got to simplify
5 that process. New York City deserves a clear
6 allotment directly so that we can actually
7 make the right decisions to get the vaccine
8 down to the community level.

9 ASSEMBLYMAN BRAUNSTEIN: Thank you
10 very much. I appreciate it.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 We go to the Senate now.

13 CHAIRWOMAN KRUEGER: Thank you very
14 much.

15 Senator Robert Jackson, chair of the
16 New York City Committee.

17 SENATOR JACKSON: Mr. Mayor, Bill de
18 Blasio, my colleague in the City Council,
19 thank you --

20 MAYOR DE BLASIO: My longstanding
21 colleague. How are you?

22 SENATOR JACKSON: I'm doing well,
23 Bill. Regards to you and your family.

24 MAYOR DE BLASIO: Thank you, brother.

1 SENATOR JACKSON: And thank you for
2 being the mayor of our city, even though
3 there's opinions one way and the other. And
4 you know one thing, that's life. What can I
5 say.

6 MAYOR DE BLASIO: You just summarized
7 it.

8 (Laughter.)

9 SENATOR JACKSON: But I don't want to
10 get into details about a lot of things, but I
11 want to talk about the budget. Because I
12 want to make sure that New York City gets its
13 fair share from the federal government and
14 the state government.

15 And you, you know, in your 10 minutes
16 or 11 minutes in which you spoke, you were
17 going so fast trying to get everything in.
18 And I can understand that, especially when I
19 have three minutes to ask questions and I'm
20 just trying to get short responses to that.
21 So clearly I appreciate the opportunity, as
22 the chair of the Cities Committee, Cities 1,
23 which is only New York City -- even though I
24 am concerned about the entire state. But we

1 all know the impact -- New York City has a
2 devastating impact on the rest of the State
3 of New York. And New York is the financial
4 capital of the world, and it's so nice they
5 named it twice, New York, New York.

6 So I just want to ask you a question
7 about the overall budget. Now, in '21-'22
8 and then '22-'23, where are you -- meaning
9 the City of New York -- at that time and what
10 are you going to need in order to survive?
11 And let me explain to you what I mean by
12 surviving.

13 I mean I want to make sure that no
14 one -- and not only me, I assume that all my
15 colleagues want this also -- that no renter
16 is evicted from their apartment, no homeowner
17 is evicted from their home, that there's
18 enough food for all families to survive this
19 pandemic, and that we have healthcare for
20 mental health and physical health and then
21 make sure that our schools are operating.
22 Those are the four things, in that order for
23 me, in order for us as a state and then us as
24 New York City to survive.

1 So can you tell me from a budget point
2 of view, how much are you going to need? You
3 ran about flexibility, then you ran and gave
4 information about supplanting. But as Diane
5 Savino said in the chat, do we have his
6 testimony yet? We didn't have your testimony
7 so we can just turn and flip and, you know --
8 and I can't recall that like we're supposed
9 to.

10 But talk about -- let's talk about the
11 budget and how much you're going to need and
12 the supplanting part, because I'm concerned
13 about supplanting.

14 MAYOR DE BLASIO: I'll give you fast
15 answers. And we did send the testimony over,
16 so I'm sorry if it didn't reach anyone.
17 We'll make sure right now everyone gets it
18 again.

19 Senator, very simply, the budget gap
20 we're closing for the next fiscal year, \$5.25
21 billion, that right now is going to be a huge
22 challenge as it is. My greatest fear -- to
23 the essence of your question -- is that the
24 State Executive Budget is predicated on the

1 notion that the federal government will get
2 the state at least \$6 billion before April
3 1st. If that happens, there's still a lot of
4 cuts to New York City and other cities and
5 localities. There's still a lot of
6 supplantation.

7 But the greatest fear I have is what
8 if that stimulus doesn't happen by April 1st
9 or it's not as big as \$6 billion for New York
10 State. That means those cuts get deeper.
11 The highest level of cut we fear is as much
12 as 3 or 4 billion dollars in state cuts if
13 there is not a stimulus at all.

14 So that \$5.25 billion budget gap right
15 now could get a lot worse. And that's why
16 we're very concerned to make sure that these
17 state cuts are looked at openly and the full
18 human magnitude is clear. For the years
19 ahead are very substantial gaps too. Not as
20 big as 5.25 billion, but still substantial
21 gaps in the next few fiscal years.

22 And one other point, you talked I
23 think very accurately -- shelter, food,
24 public schools being open. I just want to

1 note yesterday we announced it's been
2 200 million free meals that we have provided
3 to the people of New York City in this
4 crisis. I've said we're not going to let any
5 New Yorker go hungry.

6 But Senator, you understand the
7 grassroots: 200 million free meals have been
8 needed so far, and we're not out of this
9 pandemic yet.

10 SENATOR JACKSON: So let me talk
11 about -- have you communicated with the other
12 mayors? Because Buffalo, Rochester,
13 Syracuse, Albany, Yonkers, they're going to
14 come in and they're going to say the same
15 thing that you're saying, basically, but at a
16 different level. Where -- are you working
17 with them from a holistic point of view, in
18 unity, in order to address the possibility
19 that we don't get all of this money from the
20 feds and the impact that's going to have on,
21 you know, the rest of the cities and towns
22 and municipalities?

23 MAYOR DE BLASIO: Absolutely, Senator.
24 We've been working closely, the mayors of

1 this state, the county executives. It's been
2 bipartisan. We've banded together many times
3 to fight back cuts to Medicaid, for example,
4 and certainly to fight cuts to aid to
5 municipalities, localities.

6 Look, the COVID crisis has required
7 localities -- counties, cities, towns -- to
8 do more than we've ever had to do. And we
9 have to pay for it up front. And sometimes
10 we get support, and sometimes we don't. But
11 we have to keep our people safe. So yes,
12 there's a lot of unity.

13 And particularly on some of the issues
14 I raised here, potential cuts to localities
15 and usurping of local power and rights and
16 land use, these are the kinds of things where
17 you see bipartisan consensus -- county execs,
18 mayors, towns, everyone agreeing we've got to
19 have the local ability to serve our people.
20 And if the state usurps that ability, it
21 actually hinders our efforts to protect
22 people in need.

23 SENATOR JACKSON: I want to talk about
24 schools for right now and just deal with the

1 issue of the supplanting you mentioned. And
2 we heard in our discussions in the Senate
3 about supplanting of charter schools from the
4 state to the city of \$179 million.

5 I mean, where -- where are we going
6 with that? And what have you communicated to
7 the state about that overall?

8 MAYOR DE BLASIO: Well, I have --
9 we've been communicating, and I'm especially
10 having the opportunity to communicate right
11 now.

12 I think that is not an acceptable
13 action because it's forcing additional costs
14 on the people of New York City. And we don't
15 get to make our own rules related to charter
16 schools. If we did, the situation would be
17 very different.

18 I think there needs to be a
19 reexamination of the whole approach to
20 charter schools, given that traditional
21 public schools have proven their strength and
22 have proven to be getting better. We just
23 announced the highest graduation rate we've
24 ever had in the history of New York City.

1 We've seen heroic efforts by our educators
2 during this crisis, creating digital learning
3 out of nowhere, and now bringing back our
4 schools. Middle school coming back February
5 25th. The traditional public schools are
6 working better than ever.

7 But instead of having the right to
8 determine what makes sense in terms of
9 charters, what we get from the Executive
10 is -- from the State Executive is continued
11 pushing those costs on the city even though
12 we can't afford it in the middle of a fiscal
13 crisis.

14 So I think the rules of the game are
15 not working when it comes to charter schools,
16 and I ask your help in protecting us from
17 this constant cost shifting.

18 SENATOR JACKSON: You know, when I
19 talk to people I communicate the most
20 important thing for my constituents are their
21 safety and security. And the gun violence
22 and so many people attacking one another,
23 this pushing strangers, pushing them on the
24 subway, that makes our city appear -- and

1 is -- unsafe.

2 Can you address that? What are we
3 doing to make sure that safety and security
4 of all of the people of our city is the
5 number-one priority?

6 MAYOR DE BLASIO: It always is.
7 Senator, I agree with you. And look, I am
8 absolutely certain -- like I'm looking you in
9 the eye, I am absolutely certain that we will
10 turn the tide in 2021.

11 In 2020 we went through a total social
12 dislocation. There was no work, there was no
13 school. Church services, worship services of
14 all kinds shut down. Everything came
15 unglued. And this was true all over America.
16 We saw it in cities all over America.
17 Unfortunately, a great increase in violence
18 occurred. We've now been turning that in a
19 variety of ways.

20 The most important thing we can do is
21 re-bond police and community. This is what
22 neighborhood policing is all about. We've
23 proved for six years, without a global
24 pandemic -- we had a six-year control model,

1 and we proved you could get safer every year
2 by changing the police culture and bringing
3 police and community closer together.

4 We want to deepen neighborhood
5 policing. And I actually think the many
6 reforms we're acting on right now will gain
7 more trust for communities in police and more
8 ability to work with police.

9 The other thing is we're seeing an
10 intense increase in the number of gun
11 arrests. That's a very good thing, we're
12 getting guns off the streets more and more.
13 In 2021, in an atmosphere of recovery, as
14 more and more people get vaccinated, I am
15 convinced you'll see a much safer situation.

16 And the other thing we're going to do
17 is what COMPSTAT taught us long ago. We have
18 a particular problem, we've had a problem in
19 the subways these last weeks that's very
20 troubling. We're shifting police resources
21 into the subways to address that problem.

22 But you talk about the big picture; we
23 know the way to safety is to get community
24 involved. And we need people to come forward

1 and believe that they can work with their
2 police. We've got to double down on
3 neighborhood policing.

4 SENATOR JACKSON: I have five seconds.
5 Can you share, down the road, the Small
6 Business Recovery Act and community hiring?
7 I'm very interested in that.

8 And also about the rental assistance
9 in New York City; New York City has the
10 largest number of rent-stabilized or
11 rent-regulated units in the entire State of
12 New York.

13 Thank you, Mr. Mayor, for your
14 service.

15 MAYOR DE BLASIO: Thank you.

16 Rental assistance, we're happy that
17 there's federal relief coming. We need a lot
18 more. But we're going to make that available
19 in communities all over the city, and it's
20 going to have a real positive impact on --

21 Small Business Recovery Act, we're
22 starting at \$50 million. We'd like to go a
23 lot farther if we get federal stimulus funds.
24 And this is going to directly reducing the

1 taxes of small businesses so they can use
2 that money to retain employees, hire more.
3 We need your support; we need state enabling
4 legislation.

5 But I want to give money directly back
6 to these small businesses so they can
7 maintain their workforce and stay alive.

8 And then on community hiring, this is
9 crucial. You and I have a lot of good
10 history fighting for developers to do more
11 for communities, more community benefits.
12 But we always had -- and you remember our
13 Council days. Our hands were tied, we could
14 not require community hiring. And so, you
15 know, development happened in the community,
16 people would be clamoring, We want jobs, we
17 couldn't require it.

18 Now this law would allow us to say to
19 developers if you are going to develop in
20 this community, you must hire community
21 residents and empower the community
22 economically. With your authorization, that
23 becomes the way we do things going forward in
24 New York City. This could be a

1 groundbreaking moment.

2 CHAIRWOMAN KRUEGER: Thank you both.

3 SENATOR JACKSON: Thank you for your
4 service. Regards to your wife.

5 CHAIRWOMAN KRUEGER: Thank you. Sorry
6 I had to -- the clock had stopped a while
7 ago.

8 Assembly.

9 CHAIRWOMAN WEINSTEIN: We've been
10 joined by Assemblymember Fall and
11 Assemblymember Mandani. And we go to
12 Assemblyman Thiele, our Local Governments
13 chair, five minutes.

14 ASSEMBLYMAN THIELE: Thank you.

15 And good morning, Mr. Mayor. And
16 thank you for your testimony, greatly
17 appreciated.

18 I chair the Local Governments
19 Committee, which is towns, villages and
20 counties. And my colleague Ed Braunstein
21 handles cities, so I left most of this to
22 him. But you mentioned one issue that I
23 think is common to all local governments in
24 all parts of the state, and that was when you

1 spoke with him about vaccine distribution.

2 And as you mentioned, as we all know,
3 there's -- you know, there are issues with
4 regard to, you know, the shortage of vaccine,
5 and that certainly seems to be a national
6 issue, but also issues I think with
7 distribution of the vaccine that we have.

8 And one of the things that you
9 mentioned -- and by the way, I -- you know,
10 Ed Braunstein was talking about
11 Northeast Queens, talking about residents
12 having to go a few miles to get to a vaccine.
13 I've got residents that are 60 miles away
14 from the nearest permanent site. And when
15 you're 85 years old, that's a hike.

16 But, you know, my question doesn't
17 really go to that, but it goes to -- you
18 mentioned that you thought that there was the
19 need -- that you needed more flexibility.
20 And I know from talking to my mayors and town
21 supervisors and county executives, they feel
22 that frustration too. It's constituents
23 certainly that feel frustrated, but my local
24 governments feel frustrated. They don't

1 really understand how all of this is being
2 rolled out, what the criteria are and, you
3 know, who's making decisions as to how
4 appointments are going to be made and things
5 of that nature.

6 You talked about flexibility. What
7 kind of flexibility would you like to see
8 come from the state where you think we might
9 smooth this rollout. You know, as we
10 hopefully get more and more product -- and
11 it's been increasing from the federal
12 government -- what could help to smooth the
13 way to make this go a little bit better than
14 it's gone so far?

15 MAYOR DE BLASIO: Thank you,
16 Assemblymember. And I appreciate you
17 reminding everyone of just how tough it is
18 for folks all over the state. I mean,
19 60 miles is an absolutely unacceptable
20 reality. And even a few miles, as
21 Assemblymember Braunstein said, is difficult
22 for folks.

23 The flexibility we need. First of
24 all, we need the right to use second doses as

1 we deem fit. Right now we've had a very
2 troubling reality of second doses put in
3 reserve for weeks ahead, but we can't give
4 people first doses. I've talked to so many
5 seniors, Assemblymember, they are desperate
6 for a first dose. They know that the first
7 dose gives them 50 percent when right now
8 they have no protection.

9 It's wrong to be withholding second
10 doses we could put into play right now. We
11 do know more supply is coming proportionally,
12 with each month ahead, and we do know that
13 health experts have said it's appropriate to
14 have some flexibility on when the second dose
15 is given.

16 Also, we don't have reliable numbers
17 on the supply. And I know for county
18 executives, mayors, town supervisors all over
19 the state, we're all in the same boat. Our
20 local health officials know what they're
21 doing but don't have clear direction from the
22 state on what we're going to get at any given
23 point. And there's lots of specific rules
24 the state adds on and changes all the time.

1 It's just gumming up the works.

2 And what would be so much simpler is
3 for the state to trust local officials, local
4 health authorities whose lives are devoted to
5 protecting people. Give us a supply and then
6 let us do what we know how to do.

7 The incessant desire to micromanage
8 every step, we saw what that led to. For a
9 long time that meant that vaccine was not
10 getting where it was needed, where people
11 were not being given the opportunity who
12 needed to be vaccinated. It led to a lot of
13 artificial delays. There were even reports
14 in some places upstate of vaccine going to
15 waste because the state rules were so
16 stringent that vaccine had to be thrown away
17 rather than given to people who need it.

18 We've got to simplify and trust local
19 leaders and local health officials to do what
20 we know how to do.

21 ASSEMBLYMAN THIELE: Yeah, I agree
22 with that. We've had certainly the situation
23 in Suffolk County where, you know, the county
24 sites that the county is running, a couple of

1 sites, they can only do essential workers.
2 That's all they can do. And, you know, other
3 sites can do senior citizens.

4 But it just seems to me that you're on
5 the right track when you're talking about
6 flexibility and letting the health
7 professionals who have been doing this and
8 know how to do this, to give them some more
9 authority to be able to -- you know, they're
10 closest to the community, they know how to do
11 this. And I think when you said the word
12 "flexibility," my ears perked up because
13 that's what we're seeing, you know, out on
14 Eastern Long Island also.

15 So thank you for your comments. Much
16 appreciated.

17 MAYOR DE BLASIO: Thank you very much.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 We go back to the Senate now.

20 CHAIRWOMAN KRUEGER: Thank you very
21 much.

22 And we're going to our
23 Local Government chair, Jim Gaughran, for
24 five minutes.

1 SENATOR GAUGHRAN: Thank you,
2 Madam Chair.

3 And Mr. Mayor, it's very good to see
4 you.

5 So, you know, your remarks I think are
6 going to be repeated all day long by our
7 county executives, village mayors, town
8 supervisors, mayors of other cities -- all
9 going to be the same thing: They need more
10 money from the state, we've got to get the
11 money, give it to us. And, you know, we all
12 recognize that, and I think we also recognize
13 that we're one state, we're interdependent.
14 And particularly myself representing Nassau
15 and parts of Nassau and Suffolk County, our
16 region is interdependent. So we all have to,
17 you know, see where we can work together.

18 So one of the questions I have for you
19 in terms of you are looking to, you know, the
20 suggestion that we raise taxes on the
21 wealthy. Could you further define that? I
22 mean, who do you define as wealthy, and what
23 tax rates should we raise if it was up to
24 you?

1 MAYOR DE BLASIO: Thank you, Senator.

2 A couple of just straightforward points.

3 I think billionaires in particular is
4 where I'd put a lot of the emphasis. But I
5 think the most essential --

6 SENATOR GAUGHRAN: How do you define a
7 billionaire? Somebody who has a billion
8 dollars, or somebody that makes a billion
9 dollars, or you're looking at a certain like
10 annual -- what would be the annual figure you
11 would look at that you think somebody should
12 make?

13 MAYOR DE BLASIO: Right. And Senator,
14 I want to be straightforward. When I can
15 give you a very specific answer, I will. I
16 don't have my own independent tax suggestion
17 for the state. I want to just tell you
18 directionally. But I'd be happy to give you
19 further detail.

20 I think after the tax cuts that
21 occurred for the wealthy in the Trump
22 administration, the first point is to -- and
23 that can only be done on the federal level,
24 obviously, to roll back those tax cuts. But

1 I don't see that happening in the short term.

2 I think what has to happen therefore is the
3 state needs to take aggressive actions to
4 realize that the tax cuts that happened were
5 actually taking us in the wrong direction.
6 The tax cuts for the wealthy were taking us
7 in the wrong direction, they were reducing
8 the progressive taxation.

9 SENATOR GAUGHRAN: I totally agree
10 with that.

11 MAYOR DE BLASIO: So what I think is
12 for millionaires and billionaires there
13 should be higher taxes, particularly for
14 billionaires. There are many proposals out
15 there. But what I am most concerned about is
16 in the middle of a pandemic, where the need
17 on the ground is so intense for working
18 people, if we are not getting particularly
19 the help from Washington, if we're not
20 getting the reversal of those tax cuts, New
21 York State should lead the way with more
22 progressive taxation.

23 SENATOR GAUGHRAN: Would you look to
24 us to giving you the authority to increase on

1 the very wealthy for just the New York City
2 income tax?

3 MAYOR DE BLASIO: I think that's a
4 fine alternative. I think -- one of the
5 things when I first ran for mayor, I
6 suggested a specific tax so we could start
7 the pre-K for all program. At the time -- a
8 different Albany at the time, obviously --
9 could not get agreement from Albany on that,
10 although we did get the funding. I'm always
11 grateful for that.

12 But one of the points that we made
13 back then was give New York City the right to
14 make some of those taxation decisions on our
15 own --

16 SENATOR GAUGHRAN: Okay, thank you.
17 I've only got five minutes, I'm sorry to
18 interrupt.

19 But there is a proposal for a
20 Wall Street tax, a tax on all transactions.
21 And there are various folks in the financial
22 community and others who are suggesting that
23 if we enact that, we will see a loss of
24 businesses and jobs and many folks from the

1 financial community. Do you agree with that?

2 MAYOR DE BLASIO: You know, Senator, I
3 would say this. I think it should be done
4 federally. I agree that there is a problem
5 -- if one state acts and other states don't,
6 it creates an imbalance and could have a
7 counterproductive outcome in terms of what we
8 want. We all want jobs here, we all want
9 business to do well here, we all want revenue
10 here.

11 SENATOR GAUGHRAN: Okay --

12 MAYOR DE BLASIO: I think if we create
13 that kind of imbalance, that's a problem.

14 SENATOR GAUGHRAN: That's a
15 federal -- all right. Sorry to interrupt,
16 but I'm less than a minute. I just want to
17 get to one area.

18 I totally agree with your discussion
19 that property taxes has specifically hurt a
20 lot of people, not only in the city but very
21 much around the state and in the suburbs that
22 I represent, particularly seniors, folks
23 that, you know, may have reverse mortgages.
24 People who have lived in their homes for

1 50 years may be losing that home.

2 So one of the questions I have for
3 you, if we're not able to provide all the
4 funding that you need -- and many of our
5 communities outside the city are going to
6 have to raise property taxes if we don't --
7 will you look towards raising property taxes
8 if property taxes have to be raised
9 throughout the rest of the state?

10 MAYOR DE BLASIO: I appreciate the
11 question.

12 Now, I have to be very straightforward
13 with you. I have no plan to raise property
14 tax rates in New York City. I think the
15 reality here, and I've said it throughout my
16 administration, is with the income tax and
17 the other realities here in the city it does
18 not make sense to raise the property tax
19 rate. Obviously assessments have been going
20 up, so people have had the practical reality
21 of higher tax payments. We should not raise
22 the rate.

23 For those particular
24 one-to-three-family homes that are going to

1 see -- to me, an artificial increase in their
2 assessment, we need to give them that rebate,
3 because those are often lower-income,
4 middle-income homeowners who really don't
5 deserve that hit. And that's where we're
6 asking your help.

7 SENATOR GAUGHRAN: Thank you,
8 Mr. Mayor. And also I want to thank you so
9 much for your leadership in battling
10 Washington under the former administration,
11 and now I believe we're going to get help
12 from the new administration. So thank you.

13 MAYOR DE BLASIO: Thank you very much.
14 I appreciate that, Senator.

15 CHAIRWOMAN WEINSTEIN: We go to
16 Assemblyman Reilly, the ranker on Cities,
17 five minutes.

18 ASSEMBLYMAN REILLY: Thank you, Madam
19 Chair.

20 Good morning, Mr. Mayor.

21 MAYOR DE BLASIO: Good morning,
22 Assemblymember. How you doing?

23 ASSEMBLYMAN REILLY: I'm doing okay.

24 I have a couple of questions and I've

1 only got five minutes, so I want to try and
2 get to them as fast as I can.

3 The first thing I wanted to ask you
4 about, you spoke about vacant commercial
5 space. And I know we were talking about
6 converting that into low-income housing
7 potentially. But I want to raise the issue
8 of we have a vacant commercial spot here on
9 Staten Island that would make for a great hub
10 for a vaccine center in Prince's Bay. I
11 reached out to your administration, and I'm
12 hoping that that is something that we can
13 move forward on, because we don't have a
14 vaccine site here on the South Shore of
15 Staten Island. And I know that you're
16 opening one on the North Shore. Also Clay
17 Pit Pond Park may be a good park to -- a
18 potential site, the visitor center, because
19 it has a large parking area.

20 The next thing I wanted to touch on is
21 high schools. When are we going to
22 potentially open up high schools? You know,
23 being a parent of a high school student and a
24 middle school student, I am looking forward

1 for getting them back for their in-person
2 learning and due to their mental health and
3 all that stuff for all our students.

4 And to top it off, youth sports. When
5 can we get that restarted? Since the
6 Governor gave the go ahead and I know it's up
7 to the municipalities.

8 If you could just touch on those
9 first, please.

10 MAYOR DE BLASIO: Absolutely. First
11 of all, Assemblymember, thank you for the
12 point about South Shore Staten Island.
13 Staten Island has borne a very tough, tough
14 situation with COVID. We want to create more
15 vaccination centers. We'll get one in the
16 South Shore, we'll figure out with you the
17 right location.

18 Again, the challenge is where is the
19 supply to go with it. Because right now
20 we're hundreds of thousands of doses less per
21 week in supply than what we need.

22 But absolutely, we want to make sure
23 there's a center on the South Shore. We'll
24 work with you to set that up.

1 You and I have talked about public
2 schools, and I know how passionate you are
3 about it. I am very, very happy that we're
4 bringing back middle school on the 25th.
5 We're now working on the plan for high
6 school. I am absolutely convinced we can get
7 high school back this school year, but we
8 have a few more things we have to work
9 through on how to do that.

10 It is the most sensitive area, I want
11 to be clear, because the kids are older,
12 because of the nature of high school with all
13 the subject matter and more movement within
14 the school. We're going to have to come up
15 with a different approach to make that work.

16 But what we do know is the schools
17 have been extraordinarily safe. Every day I
18 look at the positivity levels for the
19 schools; it is so much less than the rest of
20 the city. And it's a credit to the
21 educators, staff and the health officials.
22 Everyone's really made our schools the gold
23 standards for health and safety.

24 So high schools, I am convinced we can

1 get them back this school year, but we've got
2 some more work to do. I'll have more to say
3 on that in the next few weeks.

4 Youth sports, I want to bring them
5 back but I want to also emphasize, of course,
6 health and safety first. A big difference
7 between outdoors and indoors. We've got some
8 things to work out. I'm having a meeting
9 with the Department of Education this week to
10 try and see if we can get to a plan that
11 we'll be announcing hopefully in the next
12 week or two on that.

13 ASSEMBLYMAN REILLY: Okay. The next
14 thing I wanted to touch on is the potential
15 of legalized adult-use cannabis. And I know
16 that, you know, it looks like we're moving
17 towards approval at the state level, but I
18 think we have to do it responsibly. And some
19 of the things that I've raised is -- you
20 touched on it in your testimony -- is giving
21 local municipalities some oversight in
22 siting.

23 I think one thing that we have to make
24 sure of is that we don't site those within a

1 quarter-mile of a school. That's some of the
2 things that I've recommended in a letter that
3 I sent to the leadership at the state level
4 and to the Governor's office.

5 Also, black-market sale. We have to
6 make sure that the driver of crime actually
7 can be weed dealing in the streets. As a
8 sergeant in the 67th Precinct in
9 East Flatbush, when I was a rookie sergeant
10 one of the first homicides I dealt with was
11 involving the turf war over selling
12 marijuana. That 16-year-old unfortunately
13 died as I was holding his hand, and I watched
14 him bleed out.

15 And oftentimes people don't realize
16 that marijuana actually -- the street sale
17 comes with violence, and we don't realize
18 that. So we have to make sure that we have
19 the resources for that, and I'm hoping that
20 we can partner in assuring that that happens.

21 And of course the last thing I wanted
22 to mention when it comes to cannabis is
23 driving while under the influence. And I
24 know the NYPD, under Sergeant Schneider and

1 P.O. Kessler, over at the Highway Unit, they
2 have a great offshoot of the DRE program, the
3 Drug Recognition Expert, and they're training
4 police officers on patrol.

5 So I'm hoping that we can expand that
6 and work together on that, sir. Thank you.

7 MAYOR DE BLASIO: Thank you. And
8 really quickly, I'll say I appreciate very
9 much the points you're raising and the very
10 painful story you told. And I can only
11 imagine what that felt like watching a young
12 man die.

13 Yeah, there's real serious issues
14 here. That's why the legalization has to be
15 done the right way. I'm very worried,
16 honestly, about leaving a big open door to
17 the corporatization of marijuana, because we
18 saw the tobacco industry go out of its way to
19 hook young people on tobacco, we saw the
20 pharmaceutical industry, what they did with
21 opioids.

22 I'm urging that you and your
23 colleagues create a legalization scheme that
24 focuses on keeping this new industry smaller,

1 more local, more grassroots, not something
2 that becomes part of an industry that tries
3 to hook people for the wrong reasons.

4 I'm also very, very concerned that if
5 we don't have the right local ability to
6 control the siting, that you're going to see
7 some real mistakes made.

8 The state law gives us guidance, we
9 appreciate that, but only localities can
10 figure out what's safe and what's appropriate
11 locally. So we have to have that ability.
12 And since there will be a lot of enforcement
13 and a lot of issues in trying to make it
14 work, we want to make sure that some of the
15 revenue also supports local enforcement
16 efforts. It's going to be a lot more complex
17 than, you know, us talking about it here. On
18 the ground, it's going to be a big challenge.
19 And if localities are not empowered and
20 supported, this very good idea will have a
21 lot of trouble in its implementation.

22 So I appreciate your point about let's
23 be very careful about how we site these
24 locations.

1 ASSEMBLYMAN REILLY: Thank you,
2 Mr. Mayor. Thank you, Madam Chair.

3 CHAIRWOMAN WEINSTEIN: Thank you.
4 We go to the Senate.

5 CHAIRWOMAN KRUEGER: Thank you very
6 much.

7 Our next questioner is Andrew
8 Gounardes, from Brooklyn.

9 SENATOR GOUNARDES: Thank you very
10 much, Senator Krueger.

11 Good morning, Mayor. How are you?

12 MAYOR DE BLASIO: Good morning, how
13 are you?

14 SENATOR GOUNARDES: Doing well. Doing
15 well. Thanks so much for making the time for
16 us.

17 I have a couple of quick questions. I
18 want to pick up the conversation on property
19 taxes. I appreciate the comments you've made
20 already and the observations you've made. I
21 want to ask specifically about the Property
22 Tax Reform Commission that released its
23 preliminary recommendations more than a year
24 ago now. There was supposed to be a series

1 of public hearings. Obviously we can't do
2 those in person, but as we are doing today,
3 we have moved everything virtually.

4 So I would like to know if there's any
5 plans to start scheduling those borough-wide
6 hearings on a virtual basis at any point
7 during this year so we can continue this
8 much-needed conversation about property tax
9 reform.

10 MAYOR DE BLASIO: Yes. And Senator,
11 you and I often think alike, and I am holding
12 up the very report you're referring to.

13 This was extraordinary work. And
14 literally it's been decades since reforms
15 this important have been proposed. I want to
16 thank the members of this commission, they
17 did amazing work. It didn't get a lot of
18 attention because right after, of course, we
19 ended up in the pandemic.

20 But this is actually the way to get a
21 more just, equitable property tax system, to
22 stop these ridiculous variations by
23 neighborhoods that have hurt middle-class and
24 working-class people so deeply.

1 So yes, the answer to your question,
2 yes, the commission is now going to continue
3 its work. It's time to take the next step,
4 have those public hearings, produce a final
5 report this year so we can get to the work of
6 reforming our property tax system. So yes,
7 that will be starting right away.

8 SENATOR GOUNARDES: Great. And do we
9 have dates already kind of coming down the
10 pike? Or when can we expect to get dates for
11 those next rounds of hearings?

12 MAYOR DE BLASIO: We will get you
13 those dates in the coming days. Because
14 we've talked about internally we've got to
15 restart this engine. We're absolutely
16 committed to a final report too.

17 SENATOR GOUNARDES: Great, thank you.
18 I want to make sure I get all the questions
19 in under the time. Thank you for that.

20 The next question I want to ask you,
21 in the fall or late summer and fall there was
22 a lot of conversation about laying off 22,000
23 city workers due to the city's budget crunch.
24 I'd like to know where we are with that. Are

1 those layoffs still on the table? What is
2 the outlook in terms of their future?

3 And coupled with that, are you still
4 in support of an early retirement incentive
5 to avoid layoffs in that regard?

6 MAYOR DE BLASIO: Yes, you and I
7 talked about this at length some months ago,
8 and I appreciate you raising it again here.

9 We put forward a preliminary budget.
10 In the preliminary budget we still need to
11 find a billion dollars in labor savings next
12 fiscal year, starting July 1st for us. We've
13 had very good experiences with labor working
14 together to find savings. I'm confident we
15 can keep doing that good work.

16 Under the scenario we're dealing with
17 now where we don't know what's going to
18 happen with stimulus, we certainly are very
19 open to finding common ground on early
20 retirement. Any early retirement legislation
21 has to be built the right way because we've
22 got to be careful, a lot of our workforce we
23 need, especially in the middle of a pandemic.
24 We don't want to create sort of the

1 unintended consequence of losing a lot of
2 workforce when we most need them.

3 So it has to be balanced, it has to be
4 flexible. But I think it can be a very
5 valuable part of the equation. We've had
6 good talks with labor and colleagues in
7 Albany.

8 But here's the big question, stimulus
9 or no stimulus. If there is a stimulus, I
10 think we can move forward very effectively.
11 If there's no stimulus or a very insufficient
12 stimulus, my fear then, Senator, is state
13 government is hurting fiscally, big cuts down
14 to localities, then all options come back on
15 the table.

16 So right now, under the current
17 reality we have, I'm very hopeful we're not
18 talking about layoffs in the next fiscal
19 year. And obviously layoffs would be the
20 absolute last resort. I don't want to see
21 them. But there's still a nightmare scenario
22 we're not out of the woods on, which is if we
23 don't get a stimulus or we don't get enough
24 stimulus and the state passes down huge cuts

1 to localities, then I have to put all options
2 on the table again to have a balanced budget.
3 I'm required by law to have a balanced
4 budget. But let's pray we're not dealing
5 with that.

6 SENATOR GOUNARDES: Great. My time's
7 expired. Thank you, Mayor.

8 MAYOR DE BLASIO: Thank you, Senator.

9 CHAIRWOMAN KRUEGER: Thank you.
10 Assembly.

11 CHAIRWOMAN WEINSTEIN: We go to
12 Assemblyman Schmitt for three minutes, the
13 ranker on Local Governments.

14 ASSEMBLYMAN SCHMITT: Thank you,
15 Chairwoman. Thank you, Mr. Mayor.

16 This morning I received an email from
17 a constituent; I'm going to quote from that.
18 She stated: "My husband commutes to the city
19 every day from Orange County, New York. He
20 has been doing this commute for 38 years. He
21 has never seen it this bad even in the 1980s.
22 This year he has feared for his life for the
23 first time."

24 Sadly, I represent thousands of Hudson

1 Valley residents who commute to New York
2 City. Many have shared the same feelings to
3 me. A City Journal article from just last
4 month stated that "New York City faces a
5 threat to its economic revival: Violent
6 crime, which rose sharply and significantly
7 last year." It says murders increased,
8 shootings doubled, more victims of shootings
9 in the city than any year since 2002.

10 For my constituents who commute to
11 your city, I want to know why is this
12 happening and how do you plan to fix it?

13 MAYOR DE BLASIO: We had -- it's a
14 very important question. I thank you.

15 I don't take any of this lightly, but
16 I am absolutely convinced we'll be able to
17 turn this around. Why? Because I meet
18 constantly with the leadership of the NYPD.
19 I also meet constantly with and talk
20 constantly to elected officials and community
21 leaders who all share the same goal, to turn
22 this situation around.

23 The NYPD has proven it can overcome
24 even the toughest situations. Look back to

1 the 1980s and '90s, look at COMPSTAT and all
2 the changes, the creation of precision
3 policing. That's all still here. We have a
4 strong police force, but the X factor now is
5 continuing to deepen the working relationship
6 between police and community. We know we can
7 do that.

8 We had a perfect storm last year.
9 We're not going to have a perfect storm this
10 year. We're going to have a very different
11 situation as more and more people get
12 vaccinated and our economy comes back.

13 ASSEMBLYMAN SCHMITT: Now, you
14 mentioned the NYPD. And I know it's been
15 reported, it's been on social media, and many
16 NYPD officers live in my community -- the
17 morale is low. I know that's been mentioned
18 many times. As you mentioned, NYPD officers
19 are professionals who are experts, the best
20 in the world. They tell me -- I refer to the
21 experts -- that they know how to keep the
22 city safe, and they feel they are being
23 restricted through politics or by city
24 leadership from being able to do their jobs.

1 How can we kind of make sure that that
2 morale is boosted and they can feel they are
3 able to do their job and keep people safe?

4 MAYOR DE BLASIO: I think the most
5 important way to boost morale -- I truly
6 believe this, because I've seen in
7 neighborhood policing -- this was an
8 initiative started under Commissioner Bratton
9 and deepened under Commissioner O'Neill, now
10 Commissioner Shea. So many of the key
11 leaders in the police department now were
12 architects of neighborhood policing.

13 The most gratifying thing I think for
14 so many officers is the appreciation of the
15 people they serve. By focusing officers more
16 and more in specific neighborhoods, building
17 relationships, I've heard it from I can't
18 tell you how many officers -- it's been
19 extraordinarily consistent -- that when they
20 feel connected to a community and they get
21 the thanks and they get the human
22 relationships, that is the most gratifying.
23 They know their work is lifesaving, they know
24 their work is crucial. But when they know

1 that the community feels and appreciates what
2 they do, it's the most gratifying.

3 And that's what we've built over these
4 years, and we're going to build it deeply
5 again. We had a huge dislocation because of
6 a global pandemic. But I'll tell you
7 something, the people of New York City want
8 effective policing in their neighborhoods,
9 they want a relationship with officers, they
10 want mutual respect. And I am convinced we
11 can deepen that again.

12 The fact is you see it, the numbers
13 prove it, that gun arrests are going up, our
14 officers are out there doing their job
15 effectively. We want to keep supporting that
16 work.

17 ASSEMBLYMAN SCHMITT: Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 We go to the Senate now, thank you.

20 CHAIRWOMAN KRUEGER: Thank you very
21 much.

22 Our next Senator is Senator Pete
23 Harckham.

24 SENATOR HARCKHAM: Thank you,

1 Madam Chair.

2 Good morning, Mr. Mayor. Pleasure to
3 see you.

4 MAYOR DE BLASIO: Good morning, how
5 you doing?

6 SENATOR HARCKHAM: Good, thank you.

7 You and I have spoken about this issue
8 offline. I know we're dealing with a
9 pandemic, we're dealing with budget crises
10 both in the city and with the state, but
11 we've got to be able to multitask as we go
12 along. And as you know, I represent Northern
13 Westchester, parts of Putnam, Dutchess, which
14 is the entire Eastern Hudson watershed. And
15 our communities are tasked with protecting
16 the drinking water for over a million New
17 Yorkers and Westchester residents.

18 And our municipalities have been
19 working diligently -- perhaps slowly, but
20 diligently -- with DEP to get this done. The
21 challenge is since the memorandum of
22 agreement was signed 20 years ago, as you can
23 imagine, the costs have skyrocketed
24 exponentially. And now our municipalities

1 are tasked with a state mandate to keep
2 phosphorus out of your water supply as well.

3 So the catch-22 is that the money --
4 there's still some unspent money and they
5 cannot plan, our municipalities cannot plan
6 these regional sewer projects without knowing
7 what the next round of funding will be, and
8 DEP has told them "We're not giving more
9 money until this money is spent." So it's
10 kind of a catch-22.

11 So we're not even asking for the money
12 at this point, but the municipalities really
13 need the certainty to know how much money is
14 in the next round of water quality
15 improvement funding so that they can continue
16 to plan and build the projects that will
17 protect the fragile drinking water supplies.

18 So you may not have that number right
19 now, but you and I have discussed this in the
20 past. Can you comment on this now, and can
21 you commit to work with me and Assemblyman
22 Burdick on this issue as we go forward?

23 MAYOR DE BLASIO: Absolutely. Thank
24 you, Senator. I do appreciate the question

1 and our conversation previously; it's a
2 really good point.

3 And look, municipalities all over the
4 state have been hurting in this pandemic, and
5 I hear you loud and clear, we've got to give
6 them clarity about where we're going on these
7 investments. When we first talked, it was in
8 a particularly dire moment in terms of our
9 fiscal picture. We still have a long way to
10 go, but at least now we can do a little more
11 planning. And I really do take to heart your
12 point. They've got to have some sense of
13 where things are going to be able to make
14 their plans.

15 So I commit to you that we'll come up
16 with a plan to do that while I'm in office,
17 and we'll work closely together on that.

18 SENATOR HARCKHAM: All right. Thank
19 you very much, Mr. Mayor.

20 MAYOR DE BLASIO: Thank you.

21 CHAIRWOMAN KRUEGER: Thank you. Back
22 to the Assembly.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 We go to Assemblyman Ra, five minutes.

1 ASSEMBLYMAN RA: Thank you, Chair.

2 Good morning, Mr. Mayor. Thank you
3 for being here.

4 MAYOR DE BLASIO: Good morning.

5 ASSEMBLYMAN RA: I enjoyed seeing you
6 in a Met hat yesterday. Exciting times for
7 Met fans, so hopefully they can do great work
8 getting those vaccines out at Citi Field and,
9 you know, with the announcement yesterday we
10 can get there and enjoy some baseball once
11 the spring rolls around as well.

12 MAYOR DE BLASIO: Coming back, I'll
13 tell you the Met hat fit a lot better than
14 the Yankee hat.

15 (Laughter.)

16 ASSEMBLYMAN RA: I like to hear that.

17 So I was wondering if you can
18 elaborate; you had spoken earlier regarding
19 the city's costs with regard to COVID, and
20 you mentioned, you know, the school side of
21 it. But do you have specific numbers in
22 terms of what the city has had to expend for
23 reopening? I mean obviously you have the
24 lower levels that have been reopened and, you

1 know, middle school soon and then potentially
2 high school going forward.

3 So if you have any breakdown of the
4 costs specific to reopening schools.

5 MAYOR DE BLASIO: Yeah, I'll start and
6 our budget director, Jacques Jiha, is here
7 and he'll add quickly.

8 Already -- and we're only, you know,
9 about halfway through the school year,
10 amazingly -- it's been several hundred
11 million to get schools back and keep them
12 safe. We really set a gold standard for
13 health and safety, but it's a very costly
14 endeavor to do it right. It's been worth it:
15 Hundreds of thousands of kids have benefited,
16 their families have benefited. Now more are
17 going to benefit as middle school comes back,
18 and then ultimately high school.

19 But it is a very costly enterprise.
20 Budget Director, you want to add anything on
21 the specifics so far?

22 NYC BUDGET DIRECTOR JIHA: Yes. So
23 far we're looking at \$767 million in terms of
24 costs for school reopening -- about

1 \$350 million in terms of PPE and things of
2 that nature, and 327 in terms of capital for
3 remote learning and about \$93 million for
4 Learning Bridges.

5 MAYOR DE BLASIO: Right, and that
6 obviously includes some elements that are for
7 so far in the current fiscal year and some
8 that will take us into the next school year
9 as well. So I want to just clarify that
10 figure involves current school year and next
11 school year costs.

12 ASSEMBLYMAN RA: Okay. Thank you for
13 that.

14 My other question is in regard to --
15 on the housing side of things. We had asked,
16 when we had our Housing hearing, the
17 commissioner of Homes and Community Renewal
18 about an estimation of the vacancy rate in
19 New York City. Obviously, as I'm sure you're
20 aware, the rent control law is tied to a
21 vacancy rate.

22 Do you have any internal estimate what
23 that figure looks like now? I know there was
24 a August 2020, you know, estimate of about 11

1 percent.

2 MAYOR DE BLASIO: A very important
3 question. I don't have the latest number. I
4 want to be very, very scrupulous and accurate
5 with you. We can certainly get back to you
6 today with the latest data on that, unless my
7 colleagues have it handy. I want to make
8 sure we get this exactly right.

9 So Assemblymember, if you'll indulge
10 me, we'll come back to you today on that.

11 ASSEMBLYMAN RA: Okay. I appreciate
12 that. Obviously I think it's an important
13 number for several reasons, but one of which,
14 you know, we're talking about this proposal
15 with the vacant commercial space in this
16 budget, so I think it's certainly relevant to
17 know what the vacancy rate is currently
18 looking like in the city.

19 Lastly, with the time I have left, I
20 know you talked --

21 MAYOR DE BLASIO: -- director, do you
22 have the exact number?

23 STATE LEG. AFFAIRS DIR. BROWN: I
24 don't have the exact number.

1 I just want to be clear that, you
2 know, obviously there has been a lot of talk
3 about the vacancy rate, but we rely on the
4 Housing Vacancy Survey, and that is due to
5 come out next year.

6 ASSEMBLYMAN RA: Okay.

7 MAYOR DE BLASIO: Go ahead, I'm sorry.

8 ASSEMBLYMAN RA: I was just -- I was
9 going to say, you know, you talked about
10 funding and funding being supplanted. And
11 obviously last year we had, you know, that
12 new push onto the city with -- for the
13 Distressed Hospital Fund. And, you know,
14 given that we're in a situation here, you
15 know, a big chunk obviously went towards New
16 York City and then the rest was divvied up in
17 the rest of the state.

18 So I'm just wondering if you can
19 elaborate on the impact that has had on your
20 city budget.

21 MAYOR DE BLASIO: I will ask my
22 colleagues if they have specific figures
23 again.

24 What I can safely say is, you know, we

1 continue to see ever-growing demands. That
2 we're very, very appreciative for support
3 we've received, but the challenge throughout
4 this pandemic has been, because there hasn't
5 been a bigger stimulus yet, demand keeps
6 growing. Until we get to a high level of
7 vaccination -- my goal is 5 million people
8 vaccinated by June. Until we get to that
9 point, demand keeps growing and outstripping
10 the support that we've received.

11 But does anyone want to speak to
12 specific numbers?

13 NYC BUDGET DIRECTOR JIHA: This is
14 basically a mandate of about \$400 million on
15 the city. And the first installment came out
16 in February, February 4th, for about \$200
17 million. So yes, some significant impact on
18 our cash flow.

19 ASSEMBLYMAN RA: Thank you, Mr. Mayor.

20 MAYOR DE BLASIO: Thank you very much.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 We go to the Senate now.

23 CHAIRWOMAN KRUEGER: Thank you very
24 much.

1 And we go to Senator Diane Savino
2 next.

3 SENATOR SAVINO: Thank you, Senator
4 Krueger.

5 Mr. Mayor, good to see you.

6 MAYOR DE BLASIO: Hey, Senator, how're
7 you?

8 SENATOR SAVINO: Fine. I am not going
9 to --

10 MAYOR DE BLASIO: I like your backdrop
11 a lot.

12 SENATOR SAVINO: I know, that's where
13 I would like to be, on the Amalfi Coast.

14 MAYOR DE BLASIO: I think you're
15 making us all feel warmer right now.

16 (Laughter.)

17 SENATOR SAVINO: So I'm not going to
18 reiterate the questions about the workforce
19 and the municipal unions. I'm happy I got
20 the response earlier.

21 I want to speak more locally. So as
22 you know, last year at the start of the
23 pandemic was right before the opening day for
24 Coney Island's Amusement Arena. We usually

1 open it on Palm Sunday. It was unfortunately
2 not able to open, and we still don't have an
3 answer. Yesterday the Governor announced
4 that entertainment arenas could begin to
5 reopen, and sports arenas; we still don't
6 have an answer about Coney Island.

7 It is critically important that we get
8 an answer for the amusement park, because
9 they cannot go through another season without
10 having the ability to open. What can you
11 tell me about the future of the Amusement
12 Arena in Coney Island? Which is not just
13 about the rides, it's an entire economic
14 engine for that area. Thousands of young
15 people derive employment -- it's a
16 requirement of the rezoning that we did in
17 2008. And so if we don't get to reopen,
18 there's another season lost and a lot of
19 young people will not get that employment
20 that they so desperately need to help with
21 their families.

22 What can I tell the people of Coney
23 Island?

24 MAYOR DE BLASIO: Thank you.

1 First of all, I'm confident that we're
2 going to make a lot of progress in the next
3 few months, I really am.

4 The goal to vaccinate 5 million people
5 by June is totally realizable. We have
6 supply -- if you've got 5 million people
7 vaccinated in New York City, a lot of things
8 can reopen, especially at the moment that
9 matters most for the amusement parks, which
10 would be June-July-August.

11 Senator, I really appreciate the
12 question because it's not just -- I agree
13 with you on the employment, and that matters
14 to the community so much. And Coney Island
15 has struggled in a lot of ways; we want to
16 support Coney Island. But more, I think the
17 amusement park is something for all of New
18 York City. It's part of our identity, it's
19 part of our culture. It has to come back.

20 So we'll work with the state on the
21 specifications. We'll always be led by the
22 health and science first. But I know we can
23 get to the point where we bring it back so
24 long as we have the vaccine supply. We'll

1 get back to you, though, on specific
2 timelines.

3 SENATOR SAVINO: And I would like to
4 work with you on that.

5 They've submitted a very comprehensive
6 plan on how they can operate and do it in a
7 safe way. And I think that we should push
8 this state to allow that. If we're going to
9 allow people to go to watch a baseball game
10 or a basketball game, I think we can allow,
11 you know, people to come to Coney Island and
12 ride the Cyclone. They can certainly do that
13 in a safe way.

14 And I would love to be able to get it
15 open by their usual opening day, which is
16 Palm Sunday. They only operate on the
17 weekends until June anyway. So I think that
18 would be a major boost for the people of
19 Coney Island, and I look forward to working
20 with you.

21 Ooh, 17 seconds left. I yield my time
22 back. Good to see you, Mr. Mayor.

23 MAYOR DE BLASIO: Let me do a quick
24 follow-on, Senator. Yes, we really do want

1 to get it reopened. Outdoors is always
2 better than indoors, so that's something
3 helpful. I can't tell you yet whether Palm
4 Sunday is within reach, but we will work with
5 you immediately on what it would take.

6 But I am confident about the summer, I
7 really am.

8 SENATOR SAVINO: We'll pray.

9 (Laughter.)

10 MAYOR DE BLASIO: Yeah, that's good.

11 CHAIRWOMAN KRUEGER: All right,
12 they'll pray after they use up their time.

13 Thank you, Assembly.

14 CHAIRWOMAN WEINSTEIN: We go to
15 Assemblyman Carroll, three minutes.

16 ASSEMBLYMAN CARROLL: Good morning,
17 Mr. Mayor. And with Ash Wednesday next week,
18 I guess we have a lot to do during Lent.

19 I want to thank you for two things in
20 particular. One, standing up for Local Law
21 97 and pushing back against skirting it and
22 not making our big buildings become more
23 energy-efficient and clean. So thank you.

24 I also want to thank you for

1 supporting business interruption legislation
2 that would proactively allow for businesses
3 to collect some insurance monies that should
4 be owed to them due to the COVID-19 pandemic.

5 But now I want to ask you some
6 questions about our schools, and specifically
7 about students with disabilities and learning
8 differences. There was a report in Chalkbeat
9 this morning that said a quarter of those
10 students are not receiving their mandated
11 services. And I think they're not receiving
12 these services because of course they're not
13 in school learning, where it is absolutely
14 necessary for them to receive the services
15 that they're legally entitled to.

16 So I would love to see a plan to get
17 elementary school, middle school, high school
18 students with IEPs back in the classroom as
19 soon as possible five days a week so that
20 they can receive those legally entitled,
21 mandated services. And dovetailing into
22 that, hopefully we will have five-day-a-week
23 in-person learning come September. But
24 clearly there will be massive ground to be

1 made up for the year and a half of disjointed
2 learning.

3 And so this time last year we had
4 spoken about universal screening for dyslexia
5 and literacy interventions. Can I count on
6 you in September to finally implement a
7 universal dyslexia screener and
8 interventions, curriculum interventions for
9 younger students to make sure that all of our
10 young students are fluent and fluid readers?

11 Because this year and a half has
12 caused real issues with reading and literacy
13 attainment. And if you do not become a good
14 reader, a proficient reader by the time
15 you're in fourth grade, it is likely you will
16 never catch up. This is essential.

17 So can we get our IEP learners back
18 into school before June? And can we make
19 sure that we double down on literacy and
20 literacy interventions and screening come
21 September?

22 MAYOR DE BLASIO: Really powerful
23 questions. Thank you. Assemblymember. And
24 you're my Assemblymember, so I take

1 particular appreciation in the issues you're
2 focusing on.

3 First, the goal of bringing kids
4 back -- first of all, September, absolutely.
5 I believe, so long as we get vaccination
6 supply, by June we'll be done with 5 million
7 people, by September we'll 100 percent be
8 ready to bring back school five days a week
9 for every child ready to be in a school
10 classroom.

11 For the screening point, I think it's
12 an essential point. Since we last spoke
13 about this, we have announced we'll be doing
14 universal academic screening, low-stakes
15 testing -- not high-stakes testing,
16 low-stakes testing, but to really find out
17 where each kid is because of the learning
18 loss with COVID and figure out individualized
19 ways to support them. We're going to be
20 doing mental health screening for all
21 children to help determine what they need
22 after the trauma they've been through.

23 It is the perfect moment to address
24 dyslexia as well. I will come back to you

1 with a specific plan, but I want to see if we
2 can include in the screening process
3 something that helps us get at determining if
4 there's dyslexia challenging a child and how
5 we can help that child. I think this is the
6 right moment to get it done.

7 But I want to say, on the recent
8 reporting, I don't think it gives the full
9 picture. In fact, it's 95 percent of special
10 ed kids who have gotten some form of
11 services. Unquestionably COVID has made it
12 very hard for some kids to get all the
13 services they normally would, but 95 percent
14 have been getting services. We've hired
15 upwards of a thousand additional therapists
16 to support that effort.

17 We opened up District 75 schools --
18 look, most of the major big cities in America
19 didn't open their schools. We opened
20 District 75 schools to make sure that kids
21 with special needs could get that support.
22 Some parents do not yet want their kids in a
23 school setting; I understand that. But we
24 are adamant about getting support to special

1 ed kids in person, to the maximum extent
2 possible, and that will grow in the course of
3 this current school year and then again five
4 days a week in September.

5 ASSEMBLYMAN CARROLL: Thank you.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 We go to the Senate now.

8 CHAIRWOMAN KRUEGER: Thank you.

9 Senator Brad Hoylman.

10 SENATOR HOYLMAN: Good morning,
11 Mr. Mayor. It's been a good eight years
12 seeing you at these hearings.

13 MAYOR DE BLASIO: That's very kind of
14 you. And to you as well, thank you, Senator.

15 SENATOR HOYLMAN: And I really
16 appreciate the work you're doing and the
17 pressure you're under as a big-city mayor to
18 get our residents vaccinated.

19 But I wanted to revisit what you
20 suggested earlier in your testimony today
21 that you wish the state would give you more
22 flexibility -- for example, to administer
23 second dosages of the vaccine first under the
24 assumption that federal supply is on the way.

1 And I ask this because the FDA and the
2 CDC, including the President's Special
3 Advisor Anthony Fauci and the FDA Director of
4 Vaccines Peter Marks, have strongly opposed
5 this idea. They say that any delays of a
6 second dose could lead to even greater
7 vulnerability of our seniors, particularly to
8 the South African variant. And there's also
9 some evidence that partial immunization could
10 lead to even new variants developing.

11 So I wanted to know who the scientists
12 are that you're consulting on this plan. And
13 second, do you have any guarantees if you did
14 pursue this plan that there would be more
15 vaccine coming from the federal government?
16 And if you didn't, wouldn't that be an unwise
17 course of action?

18 MAYOR DE BLASIO: All fair -- very
19 fair questions, and much appreciated,
20 Senator.

21 I've spoken to the health leadership
22 in the federal administration repeatedly,
23 including Dr. Fauci. My health leadership
24 here -- Dr. Varma, Dr. Katz, Dr. Chokshi --

1 there's been ongoing conversation. I am
2 absolutely confident the vaccine supply will
3 grow -- absolutely, not a question in my
4 mind. And this is what I work on every
5 single day and have now for a year almost.

6 Because Johnson & Johnson is coming,
7 it will provide very effective protection, it
8 will be here in a matter of weeks. It's a
9 single dose, it does not require the same
10 refrigeration. That changes the game right
11 there.

12 In the meantime, we have been holding
13 back hundreds of thousands of second doses.
14 Talk to -- and I know you're very close to
15 your constituents. Talk to senior citizens
16 in your district about what it feels like to
17 not be able to get an appointment, not be
18 able to get a first dose. And then talk to
19 the people who have had a first dose but
20 haven't yet had the second dose. Anyone
21 who's had a first dose knows they have
22 substantial protection. And it is so much
23 smarter, in my view, to get that first dose
24 to people who are really in danger, give them

1 some protection, know that more supply is
2 coming.

3 And we do know, and this has been
4 clear from the federal government, that if
5 your second dose, for example, is four weeks
6 from now and instead of four weeks from now
7 you get it five weeks from now or six weeks
8 from now, it's still going to be effective.

9 But the notion that we're telling so
10 many people you can't even have anything --
11 and it's sitting in a refrigerator -- just
12 does not make sense.

13 So I've consulted with the health
14 leadership of this city that's seen us
15 through this crisis, and we agree we need
16 that flexibility because we do have real hard
17 assurances from the Biden administration that
18 the supply is going to increase. Basically
19 week by week, you're going to see a steadily
20 increasing supply of vaccine.

21 SENATOR HOYLMAN: Well, I would just
22 close by -- thank you. I would just close by
23 making certain that you have the data to back
24 up this claim. Because I think the public is

1 reeling from confusing public health
2 messages.

3 Thank you very much, Mr. Mayor.

4 MAYOR DE BLASIO: Thank you.

5 CHAIRWOMAN KRUEGER: Assembly.

6 CHAIRWOMAN WEINSTEIN: We go to
7 Assemblyman Tannousis.

8 ASSEMBLYMAN TANNOUSIS: Thank you very
9 much.

10 Good morning, Mr. Mayor.

11 MAYOR DE BLASIO: Hey, how are you?

12 ASSEMBLYMAN TANNOUSIS: How are you?

13 My question is a continuation of
14 Senator Gounardes's question in regards to
15 the Property Tax Commission.

16 As you're aware, obviously, the report
17 was released. There are inequities in the
18 way that taxes are charged by the city within
19 New York City. Locations like Great Kills,
20 where I live on Staten Island and Bay Ridge,
21 Brooklyn, pay disproportionately more than
22 other areas such as Midtown Manhattan and
23 certain condos -- luxury condos, et cetera.

24 So people -- obviously public hearings

1 have not been conducted, given the COVID
2 pandemic, so there's a fear amongst
3 constituents that property taxes will be
4 going up, as what happened after the
5 September 11, 2001, attacks.

6 So my question to you is, what steps
7 can be taken to basically ensure that
8 property taxes are not increased on my
9 constituents? And the reason I bring this up
10 is because there was a recent report that
11 came out of New Jersey that showed that there
12 was actually an increase in revenue on
13 property in New Jersey because so many New
14 Yorkers have fled New York City for another
15 state that happens to be right next door.

16 So my question to you is, are there
17 any assurances that property taxes -- there
18 will be reform to property taxes to begin
19 with as set forth by the commission, and that
20 property taxes will not be increased for the
21 immediate future?

22 In addition to that -- oh, I'm sorry,
23 Mr. Mayor. Just in addition to that, I also
24 want to bring obviously to your attention

1 there was a bipartisan effort in the City
2 Council where Councilmembers from both
3 parties called for a reform where people
4 would pay taxes based on market value and not
5 how it is currently assessed.

6 Where do you stand on that proposal?

7 MAYOR DE BLASIO: Okay. Real quick,
8 thank you for all the questions. And I share
9 the concerns you have and your constituents
10 have, you know, and I can relate -- I am a
11 homeowner in Brooklyn myself. We have a
12 broken system; it has to be reformed.

13 This report, it didn't get the
14 attention it deserved, again, because it came
15 out not long before the pandemic. But this
16 actually goes at the essence of having the
17 property tax system be more connected to true
18 value and more equitable across
19 neighborhoods. So we are going to restart
20 those hearings, come up with a final proposal
21 this year that I think can really rectify
22 these issues.

23 But I want to say very clearly just
24 two things. You raised the point about

1 New Jersey. I want to affirm to everyone I
2 think you're going to see a lot of people
3 coming back to New York City who left
4 temporarily; I think you're going to see a
5 lot of new people coming to New York City,
6 sensing opportunity.

7 I really want to just dispel the myth
8 that some people are putting out there about
9 New York City. There's a reason people have
10 come here for generations and are going to
11 come here again, and the vast majority of us
12 are staying no matter what.

13 But on your question of property tax
14 rates, no way, nohow am I raising property
15 tax rates no matter what happens. And we've
16 accounted for all sorts of bad scenarios.
17 There is no scenario where I'm raising
18 property tax rates. I've talked about a lot
19 of other tough things we might have to do,
20 but the thing I won't do is raise property
21 tax rates.

22 ASSEMBLYMAN TANNOUSIS: Thank you very
23 much.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 We go on to the Senate now.

2 CHAIRWOMAN KRUEGER: Thank you.

3 Out next questioner is Senator Rath.

4 SENATOR RATH: Thank you, Madam Chair.

5 And good morning, Mayor, and greetings
6 from Amherst, the other side of the state.

7 MAYOR DE BLASIO: Good to see you.

8 And hey, congratulations on a very impressive
9 season for the Buffalo Bills.

10 SENATOR RATH: Well, you know what, it
11 was an exciting year for our Bills and thank
12 you to Tampa Bay for showing us how to beat
13 Kansas City. So we'll keep that in mind for
14 next year.

15 MAYOR DE BLASIO: You have the key
16 now.

17 (Laughter.)

18 SENATOR RATH: That's right. That's
19 right.

20 A couple of questions, but first and
21 foremost I want to thank you for your
22 testimony and your perspective today. It's
23 very important for us to hear what's
24 happening in New York City, and it also

1 applies to all across New York State.

2 First and foremost, I came from the
3 Erie County Legislature, and firsthand we
4 felt the impact of unfunded mandates on our
5 county budget. And if you can imagine,
6 88 percent of our budget was unfunded
7 mandates.

8 And you touched earlier on the impact
9 of charter schools as an unfunded mandate for
10 New York. I'm wondering if there are other
11 unfunded mandates you've identified this
12 year, any specific charges or mandates that
13 you're aware of that will be coming down for
14 New York again. Because these unfunded
15 mandates suffocate our cities, our counties
16 and our municipalities.

17 MAYOR DE BLASIO: Well, amen. I
18 couldn't agree with you more. And I'm going
19 to turn to our colleague Simonia Brown to
20 speak about it -- because she's been dealing
21 with this now for years -- and give you some
22 of the greatest hits of unfunded mandates
23 we're dealing with, including new challenges
24 like the charter school one.

1 But I just want to affirm very
2 centrally, quickly, your point. This is
3 something that unites counties, cities and
4 towns around the State of New York, it
5 doesn't matter what region of the state.
6 Upstate, downstate, city, suburb, Republican,
7 Democrat, we're all dealing with this problem
8 in common, and it has to stop because we
9 can't keep going like this.

10 We talked about Medicaid a year or so
11 ago when you were going to see huge cost
12 shifts to localities that were going to
13 bankrupt localities or cause them to stop
14 giving healthcare to people. Now we're
15 talking about, in the case of this charter
16 school reality, we don't get to control the
17 policy and yet we're forced to spend
18 ultimately what could be hundreds of millions
19 of dollars when we are in the middle of a
20 deep fiscal crisis.

21 It's just got to stop. How about we
22 come to grips with the fact that government
23 is provided at the local level and we can't
24 bankrupt governments that are here to serve

1 people?

2 So I really appreciate your
3 perspective --

4 SENATOR RATH: Thank you, Mayor.

5 MAYOR DE BLASIO: -- you and I are on
6 the same page.

7 In terms of specifics, Simonia, would
8 you like to --

9 SENATOR RATH: I appreciate that. If
10 I could actually get in one other question,
11 because I just wanted to make the very
12 important point that unfunded mandates are
13 incredible and the impact is amazing.

14 And right now with the vaccine
15 rollout, we have seen such frustration from
16 the local government level with regards to
17 lack of control and lack of inclusion. And I
18 saw the article in the Daily News today about
19 you agreeing with us with regards to the
20 rollback of the Governor's emergency powers,
21 and I think it's high time that every level
22 of government in New York State be involved
23 in the vaccine policymaking.

24 So could you share with us your

1 perspective on the rollback of the Governor's
2 emergency powers?

3 MAYOR DE BLASIO: My perspective is
4 that we are now coming out of this crisis
5 more every day. The vaccine is here -- you
6 know, a year ago we didn't know when there'd
7 be, if there'd be a vaccine. The vaccine is
8 here, we have two, there's a third coming,
9 there's more coming on top of that.

10 We have a federal government approach
11 that's strong now. We're in a position to
12 move forward. Localities know what's best
13 for them, counties, cities, towns know what's
14 best for them and their people. Let our
15 local leaders, elected leaders and public
16 health officials make decisions that work for
17 them. The power has to go back to
18 localities.

19 We've seen delay upon delay, red tape,
20 confusion emanating from too many strict and
21 incoherent rules coming from above, when we
22 could have just been getting things done.

23 So we're in a different reality now.
24 Let's move forward. Also, we have to ask

1 just the question of democracy. At what
2 point does the will of the people come in?
3 Well, I think the will of the people is
4 expressed at the local level. They're
5 demanding we serve them. We need the ability
6 to be accountable to our own people and the
7 ability to make our own decisions again.

8 SENATOR RATH: Thank you, Mayor, I 100
9 percent agree.

10 CHAIRWOMAN WEINSTEIN: We go to
11 Assemblywoman Seawright for three minutes.

12 ASSEMBLYWOMAN SEAWRIGHT: Thank you,
13 Chair Weinstein and Chair Krueger. I just
14 want to point out that all morning on this
15 Zoom, it has been men -- great men,
16 intelligent men on this screen. But with
17 Women's History Month coming up next month,
18 it's great to have two women as chair of the
19 respective finance committees.

20 And good morning to you, Mr. Mayor,
21 and my regards to our First Lady Chirlane.

22 I have three quick questions; I want
23 to just ask them all at once. The
24 constituents of the Upper East Side,

1 Yorkville and Roosevelt Island have very
2 limited options when it comes to vaccine
3 distribution. We've heard rumors that on
4 Roosevelt Island there might be one coming to
5 the local drugstore. Of course we have Coler
6 Hospital and Cornell Tech on Roosevelt
7 Island.

8 I've been working with sites in my
9 district in Yorkville, Asphalt Green and
10 MaryMount Manhattan College have both offered
11 to be a vaccination site. Who can we
12 specifically work with in your administration
13 to nail some of these sites down? Number
14 one.

15 MAYOR DE BLASIO: Yes, we'll have
16 Dr. Chokshi and Dr. Easterling, the First
17 Deputy Commissioner of the Department of
18 Health, follow up with you directly.

19 ASSEMBLYWOMAN SEAWRIGHT: Terrific.

20 The East Side Esplanade, \$76 million
21 was allocated to the East River Esplanade, on
22 top of the great news that an additional \$284
23 million was allocated. When can we start
24 seeing work begin on the esplanade?

1 MAYOR DE BLASIO: I appreciate that
2 question. And I have walked the esplanade
3 many a day over the recent years. And we've
4 got -- you know, this is something I hope we
5 can really make huge, huge progress on
6 because so many -- you know, so many of your
7 constituents would benefit.

8 The latest timeline, I don't know if
9 my colleagues have that exactly. If we
10 don't, we will get it to you later today.

11 Does anyone have that handy?

12 We're double-checking right now. If
13 you'd ask the other question, we'll see if we
14 can get you the answer in the next minute.
15 Otherwise, we'll get it to you today.

16 ASSEMBLYWOMAN SEAWRIGHT: Great, thank
17 you. And last question, when can school swim
18 instruction resume in New York City? The New
19 York State Department of Health has delegated
20 the decision to the local municipalities.
21 New York City has strayed from other counties
22 in the state and has remained closed for swim
23 instruction and swimming at capacity.

24 Is there a timetable as to when the

1 pools can reopen in New York City? It's been
2 deemed to be one of the safest places to be
3 during this pandemic, is in the swimming
4 pool. With summer coming up we'd love to see
5 swim instruction resume.

6 MAYOR DE BLASIO: Assemblymember, let
7 me separate outdoor and indoor here for this
8 moment.

9 Outdoor, obviously we did end up
10 opening city pools this last summer. We're
11 going to be doing that this summer,
12 obviously. That's going to be fantastic.

13 Indoor, a little more complicated. I
14 need to check with health leadership. Again,
15 they do have serious concerns about indoor
16 pools and everything that goes with them,
17 where people congregate, locker rooms, the
18 whole nine yards. So I can't give you a date
19 certain now.

20 Obviously when we get to a high level
21 of vaccination that's a whole different
22 reality, and I hope that's as early as June,
23 if we have supply. But let me get you a more
24 exact answer on that too. It's not right

1 away. But I am a firm believer -- my kids
2 had swim instruction very early on in their
3 life. It's a great thing. But we've got to
4 make sure it's healthy and safe.

5 ASSEMBLYWOMAN SEAWRIGHT: Terrific.
6 Thank you, Mr. Mayor.

7 CHAIRWOMAN WEINSTEIN: We go back to
8 the Senate now, thanks.

9 CHAIRWOMAN KRUEGER: Thank you.

10 And I'm actually going to take my turn
11 now, Mr. Mayor. Good morning.

12 So I'm glad that my Assemblywoman went
13 right before me and could ask a couple of the
14 local questions. I would like to reiterate
15 her point. We cannot find any place for
16 seniors to be vaccinated -- or, as of Monday,
17 people with comorbidities. I mean, we have
18 checked every site. And when you look at the
19 demographics of Rebecca Seawright's district
20 and my overall larger district, we have
21 disproportionately large numbers of both of
22 those populations.

23 So I know it's a city and state issue,
24 but I really -- I am also going to follow up

1 with your Department of Health, because you
2 have to have somewhere these older people and
3 now sicker people can get to. So thank you
4 for directing us there.

5 Also, I'm sorry, one of the
6 Assemblymembers already referenced, I
7 believe, your position on the Governor
8 attempting to gut Local Law 97 in Part R of
9 the proposed TED bill. My understanding when
10 the city passed that bill was that it made it
11 the strongest local law for climate and jobs
12 in the country.

13 So I just want to double-check. You
14 do not want us to gut your local law that was
15 such a successful model, is that correct?

16 MAYOR DE BLASIO: Amen. Two quick
17 responses. One, absolutely. It's the
18 strongest local law in the world of any major
19 city. And emissions from buildings are about
20 the biggest problem in this city. We don't
21 -- you think cars; no, it's big buildings.
22 We cannot see that law weakened when we're
23 fighting global warming.

24 The second point, thank you for your

1 point about seniors. I've fought for the
2 freedom to vaccinate seniors; we have to
3 fight to get that freedom from the state.
4 We've got to get to seniors much more
5 effectively at the grassroots. If we have
6 supply, we're going to be opening many more
7 centers and having much deeper outreach.

8 It's super frustrating for seniors
9 right now. When you're trying to get an
10 appointment, there's no supply. But when we
11 have the supply, we'll be able to reach them
12 at a rate of half a million New Yorkers per
13 week.

14 CHAIRWOMAN KRUEGER: Great. Thank
15 you. Yes, this has been many elected
16 officials' frustrations in New York City.

17 And I share your frustration that with
18 a state system and a city system and lack of
19 coordination and lack of control at the local
20 level -- there are so many places we could do
21 these vaccinations if we had, of course, the
22 vaccines. And we all want it done as quickly
23 as possible.

24 Continuing on the theme that it's a

1 bit dangerous when the state attempts to
2 supersede local laws within hidden language
3 sections of our budget, there's also another
4 section of the Governor's budget that would
5 override local zoning when it comes to
6 decisions between commercial and residential.
7 And I can't remember the citation exactly
8 now, but I know this can't be news to you.
9 I'm getting many letters from organizations
10 on community boards saying, Wait a second
11 here, what is the state trying to do?

12 Now, I know one of the examples the
13 Governor gives is perhaps there's a chance to
14 move hotels into supportive housing. I've
15 urged you to buy hotels and turn them into
16 supportive housing, so I'm not really
17 officially opposed to that sentence, but it's
18 got to be done in the right way.

19 So just explain to me why it would be
20 such a problem for the state to come in and
21 supersede the entire local process here.

22 MAYOR DE BLASIO: Thank you so much,
23 Senator. And thank you for standing up on
24 these issues. The city appreciates that

1 deeply.

2 Right now we create supportive housing
3 on a regular basis. Right now we create
4 affordable housing on a regular basis. We do
5 it in a way that guarantees the outcomes,
6 that has teeth, where we know that everyone
7 involved has to meet their commitments to
8 communities.

9 There's robust public input. Plans
10 change because of the voices of the people
11 and local elected officials. The ULURP
12 process, some may find it a little
13 cumbersome -- but I'll tell you, it works.
14 It actually guarantees the public voice and
15 public benefits. Instead, what the state is
16 proposing is to take the public voice out of
17 the process entirely, to give the state the
18 power unilaterally to make decisions, to
19 claim that there will be affordable housing
20 but leave a huge gaping loophole where
21 developers could buy their way out of having
22 to provide any affordable housing, therefore
23 having the right to do all luxury housing.
24 This is a sweetheart deal for the real estate

1 industry.

2 And I have no guarantee that this
3 approach would ever produce affordable
4 housing or housing that would help folks who
5 are formerly homeless, because it takes away
6 local power and it takes away checks and
7 balances and it takes away guarantees.

8 So, you know, the famous New York City
9 phrase: If it ain't broke, don't fix it. We
10 have a way right now to say, okay, we've got
11 hotels or commercial buildings that could
12 become residential, we can do that through
13 rezonings right now -- but with full input
14 from the public, a lot of transparency, a lot
15 of checks and balances. That's the right way
16 to do it.

17 CHAIRWOMAN KRUEGER: Thank you.

18 And I guess in the third section of
19 his language bills, he is proposing -- I'm
20 sorry, the Governor in his Executive Budget
21 is proposing allowing online short-term-stay
22 companies to do some kind of tax collection
23 without knowing who you're getting the tax
24 from.

1 And given the recent lawsuits and
2 negotiated settlement between the City of New
3 York and the Airbnb on violating your local
4 laws, what do you think the ramifications
5 would be if suddenly we have, again, an
6 outside deal -- I think superseding not just
7 your local law but also the lawsuit
8 negotiation?

9 MAYOR DE BLASIO: I'm very concerned,
10 I really am. And you and I have talked about
11 this before. And I've heard so many voices
12 of people around this city who are
13 desperately concerned that when they see
14 these short-term-rentals, what comes with it
15 is safety and security problems in their
16 buildings, what comes with it is a lack of
17 accountability. There's tremendous concern.
18 And I think in this environment with the
19 pandemic, those concerns now have health and
20 safety concerns added to them.

21 Taking away accountability and
22 enforcement power is a mistake. And what I'm
23 concerned about is if we can't track who is
24 doing these transactions, who is going and

1 using these short-term rentals, who's doing
2 the rentals themselves -- if we have less
3 transparency instead of more transparency,
4 you're going to see more violation of law,
5 more health and safety problems, more
6 loopholes.

7 Right now -- you know, I think we
8 finally have been making progress, and I
9 really thank you for your leadership, because
10 you really are one of the leaders in bringing
11 this issue to the fore. We got a hell of a
12 lot more enforcement done. We've created
13 actual accountability. There's more to do.
14 This is the last time we should be watering
15 that down.

16 CHAIRWOMAN KRUEGER: Thank you.

17 You know I agree with you there. I
18 was on your doorstep from I think your first
19 days in office telling you: Watch out for
20 this. So thank you very much.

21 MAYOR DE BLASIO: You have been a
22 pillar of consistency.

23 (Laughter.)

24 CHAIRWOMAN KRUEGER: Exactly.

1 I know your full testimony goes
2 through a whole series of things the
3 government's doing. But having sat through
4 the Human Services Hearing the other day and
5 listening to people talk about both the
6 reductions in percentages of money that we
7 constantly eat away at the local governments
8 in human services and the reductions in the
9 Aid to Localities -- can you tell me what you
10 see as the impact on the City of New York
11 during these times as we are -- I don't want
12 to use the word "nibbling," because we're
13 beyond nibbling. We have been seemingly
14 required to make significant cuts in key
15 programs for you and the other localities.
16 What does that mean on the streets?

17 MAYOR DE BLASIO: It means two things
18 are happening.

19 And it's particularly pernicious,
20 Senator, because it is affecting the most
21 vulnerable people. I talked earlier about
22 who are going to be the victims of these
23 cuts. Survivors of domestic violence will be
24 hurt because of these cuts. Senior citizens.

1 Foster care kids. Why do the cuts afflict
2 communities like this? Because they're often
3 the voiceless, they're often the folks who
4 have the least political power. It's the
5 most -- and I think this is what's
6 pernicious. It is, in the eyes of some, the
7 quote, unquote, easiest place to cut. But it
8 is one of the most immoral places to cut.

9 So what it means for so many
10 localities around the state is if the
11 resources aren't there and the money isn't
12 there from the state, they simply can't
13 provide the service. They don't have a place
14 to turn to find new money.

15 New York City, we've tried -- when we
16 get these cuts or cost shifts, we've tried to
17 compensate by moving resources into these
18 areas to keep providing those social
19 services. But there's only so many times we
20 can do that. It is, you know, again, just a
21 constant -- we've seen it for years now, just
22 endless cost shifting in the area of social
23 services down to the local level. And I'm
24 really worried about the day we hit the wall

1 and it can be a long-term problem, because
2 our budgets for the next years ahead have
3 tough gaps and we have no guarantee about
4 what's going to happen with the stimulus yet
5 or for how many years we'll get federal
6 support.

7 So if the state continues this pattern
8 of cutting into social services,
9 unquestionably those services will start
10 being cut back. I don't want to have to tell
11 a survivor of domestic violence or a
12 low-income senior citizen or someone who's
13 trying to get basic healthcare from Health +
14 Hospitals that there's nothing for them
15 because the state kept shifting these costs
16 down to the local level. We've got to avert
17 that.

18 CHAIRWOMAN KRUEGER: Thank you. And I
19 went a little over time, so thank you very
20 much.

21 Assemblywoman.

22 CHAIRWOMAN WEINSTEIN: Yes, we go to
23 Assemblyman Mamdani for three minutes.

24 ASSEMBLYMAN MAMDANI: Thank you, Chair

1 Helene. I promise my name will get easier
2 with time.

3 Hello, Mr. Mayor. It's nice to meet
4 you. Thank you very much for coming.

5 I have a number of questions. I'm
6 going to try and jump through them all, as I
7 have only three minutes.

8 So my first question is -- I want to
9 start it by beginning -- by highlighting the
10 stories of Jaslin Kaur and Felicia Singh.
11 These are two trailblazing South Asian
12 daughters of taxi drivers who are running for
13 City Council at this very moment. And
14 Felicia's father is one of more than 950
15 medallion owners who have had to file for
16 bankruptcy.

17 Last Friday on The Brian Lehrer Show
18 you said, I quote, "I want to do whatever I
19 can to help these drivers."

20 The New York Taxi Worker Debt Relief
21 Plan has been vetted by Comptroller Stringer,
22 State Attorney General Tish James, and would
23 only cost the city \$75 million over 20 years.
24 It is critical to put this plan into action.

1 This is what will help these drivers. And it
2 will not only save the livelihoods of our
3 fellow New Yorkers, but frankly it will save
4 lives. And I say that given the horrific
5 spate of suicides we have seen from TLC and
6 rideshare drivers over the past few years.

7 Will you commit to this plan?

8 MAYOR DE BLASIO: I really do
9 appreciate the question. I can tell how
10 heartfelt it is. I do want to help taxi
11 drivers. This is why we put a minimum wage
12 in place and so many other actions we've
13 taken.

14 I'm going to look at this plan, but
15 the first thing I need to know is what is
16 going to be our overall situation in the
17 city -- is there a stimulus coming or not,
18 what is Albany going to do to either help or
19 take away billions of dollars, potentially,
20 from our budget? I need that answer before I
21 can give you a 100 percent final answer.

22 Do I think that this is a promising
23 plan? Yes. Do I think that there are ways
24 that we can provide help? Yes. But I have

1 to emphasize the reason we are having, of
2 course, this hearing today, the level of
3 insecurity we're facing right now in our
4 budget is extraordinary, and it's hard for me
5 to, you know, want to make promises without
6 knowing just how bad the overall hit is going
7 to be to us.

8 ASSEMBLYMAN MAMDANI: What I would ask
9 is that you join us in supporting the Invest
10 in Our New York plan, which will bring \$50
11 billion in minimum revenues on an annual
12 basis.

13 And I will just jump to my next
14 question, as I have 53 seconds left. I want
15 to join with you and many of my colleagues in
16 opposing the Governor's attempt to gut Local
17 Law 97. On this issue of climate I want to
18 ask a question that is very particularly
19 specific and important to my district, but
20 frankly to the future of New York State as a
21 whole.

22 So this past December your chief state
23 policy advisor, Daniel Zarilli, stated that
24 "Our climate crisis demands an end to new

1 fossil fuel infrastructure." You said the
2 same month that climate change is an
3 existential threat to our city and we must
4 transition quickly to clean energy.

5 Right here in Astoria, where we
6 generate a significant amount of energy
7 that's generated in New York City, we have
8 NRG proposing a new fossil fuel fracked-gas
9 plant. Now, the New York Independent Systems
10 Operator released a report earlier this month
11 stating that NRG's project is in fact not
12 needed to provide reliability to our
13 electricity grid, given that Con Ed is making
14 transmission upgrades that make their plant
15 unnecessary.

16 Will you join my constituents in
17 formally opposing the creation of this wholly
18 unnecessary and horrific idea of a plant?

19 MAYOR DE BLASIO: I really appreciate
20 that question. And as you may know, in my
21 State of the City just a few weeks ago I said
22 we will end fossil fuel connections in New
23 York City by 2030, if not earlier. So we
24 have to strand fossil fuels in the ground to

1 fight global warming. Although I don't know
2 all the details of that site, I agree with
3 you that anything based on fracked gas should
4 not be a part of our future.

5 I also think there has been habit in
6 the energy sector of continuing to ask for
7 fossil fuel capacity even though it's clear
8 it is a bad investment and a dangerous one.

9 So I agree with you that anything
10 that's based on fracked gas should not be
11 approved.

12 ASSEMBLYMAN MAMDANI: Thank you very
13 much.

14 MAYOR DE BLASIO: Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 We go to the Senate.

17 CHAIRWOMAN KRUEGER: Thank you. And
18 we go to the Finance ranker for five minutes,
19 Tom O'Mara.

20 SENATOR O'MARA: Thank you,
21 Chairwoman. And thank you, Mayor, for being
22 with us today.

23 Just to follow up on that last point
24 there, are you proposing that New York City

1 shut down natural gas supply by 2030?

2 MAYOR DE BLASIO: I'm saying no new
3 natural gas or other fossil fuel connections.
4 By 2030, everything that's newly created
5 should be based on renewable energy.

6 SENATOR O'MARA: And those existing
7 supply lines bringing fracked gas in will
8 continue.

9 MAYOR DE BLASIO: I want to see them,
10 honestly -- a very fair question. I
11 appreciate it. I want to see everything
12 phased out involving fossil fuel. But what
13 I'm trying to say is that part of making that
14 phase out is to say at a certain point
15 nothing new can happen that requires fossil
16 fuel. That's going to force us to speed up
17 renewable energy.

18 And by the way, a lot of the private
19 sector, to their credit, are increasingly
20 shifting their energy development away from
21 fossil fuels to renewable energy.

22 SENATOR O'MARA: And that's a course
23 that we're certainly taking and certainly
24 supporting. But I think we need to be

1 realistic on getting ourselves completely off
2 of fossil fuels, particularly when it
3 pertains to heating of residences and
4 buildings.

5 Now I want to go back to your comments
6 on the financial industry and increasing
7 taxes on the financial industry that you say
8 you support at the federal level but not at
9 the local or state level.

10 Is that because you have concerns of
11 the financial industry leaving from New York
12 State, pulling out -- as we've seen a little
13 bit of in recent years -- if we increase
14 taxes on that industry here in New York?

15 MAYOR DE BLASIO: Yes. Look, I am a
16 firm believer that we need to tax the wealthy
17 at a higher level. And there are many good
18 proposals, including some of the specific
19 proposals in the Invest in Our New York plan
20 that I agree with.

21 The issues around taxing the finance
22 industry, I agree that if you don't do it on
23 a national basis you do create the potential
24 for pitting state against state or locality

1 against locality for where those businesses
2 will be and where those transactions will be.

3 There should be federal action on
4 stock transfer tax, on carried interest
5 loophole. That's a way to both rightfully
6 and appropriately increase the revenue so we
7 can serve working people but not create an
8 undue burden on any locality or state.

9 SENATOR O'MARA: Now, when you talk
10 about taxing the billionaires, are you
11 talking about taxing their wealth or taxing
12 their annual income?

13 MAYOR DE BLASIO: I think there is a
14 very strong argument for both. Again, I'm
15 not here today to present my own personal
16 preferred vision of how to tax the wealthy.
17 I do believe there are many good proposals in
18 Albany.

19 But what's essential is because we do
20 not know what's going to happen on the
21 federal level, but we do know more and more
22 people in New York State believe that taxing
23 the wealthy is the right thing to do so that
24 we don't have to cut essential services, we

1 don't have to cut education, healthcare,
2 et cetera, I think both options --

3 SENATOR O'MARA: Well, maybe that's --
4 that would be additional revenue --

5 MAYOR DE BLASIO: -- both options have
6 merit.

7 SENATOR O'MARA: I'm running short on
8 time. But if you're concerned about New York
9 increasing taxes on the financial industry
10 and then pulling out of New York City and New
11 York State -- you know, there's an old adage
12 that when Wall Street catches a cold, New
13 York State gets the flu because of the
14 drastic hit in revenues.

15 So if you're concerned about raising
16 taxes on the financial industry and them
17 leaving the city and the state, what happens
18 when the billionaires leave the city and the
19 state? How many thousands or tens of
20 thousands or hundreds of thousands of us
21 regular middle-class Joes does it take to
22 make up for the loss of that wealth and the
23 taxes that are currently generated from that
24 wealth?

1 MAYOR DE BLASIO: It's a really
2 important question. And it's the thing we
3 should be talking about more openly.

4 Here's what I'd say to you. We've
5 analyzed this, our Office of Management and
6 Budget analyzed this closely. I think what
7 happens -- first of all, let's acknowledge
8 wealthy folks got a huge tax break a couple
9 of years ago at the federal level, huge.
10 What we know is that this city has produced
11 many millionaires and billionaires
12 constantly, regularly. Even as some leave,
13 new ones come in. That will happen again.
14 And many are grown here at home. That's not
15 changing.

16 The value of New York City and
17 New York State, the value proposition -- why
18 people come here, why people stay here --
19 isn't changing. So some may go someplace
20 else, but I'm absolutely convinced what
21 you're going to see is New York
22 businesspeople continuing to build up their
23 businesses, becoming millionaires and
24 billionaires and staying because this is the

1 place they want to be. I don't think
2 anything changes that fundamental reality.

3 SENATOR O'MARA: I think the reality
4 of COVID now is that so many people have
5 found out that they can actually do their
6 business remotely and they don't need to pay
7 the high rents of Manhattan. They don't need
8 to live in the congestion of Manhattan to
9 make their millions of dollars, they can do
10 it remotely. And I think you're seeing that
11 with just the fact that you're planning on
12 what to do with the upcoming vacancy in the
13 commercial real estate market in New York
14 City.

15 People and businesses are finding it
16 more efficient, more effective to do business
17 remotely, like we're doing right here today,
18 and they can do it more cheaply and get taxed
19 less doing it outside of New York City and
20 outside of New York State.

21 But I thank you for your time here
22 today. I'm way over my time, but I do want
23 to echo your comments to Senator Rath on you
24 stating that it's time to end the Governor's

1 emergency powers. We've been pushing for
2 that for some time, and I think it's very
3 important that we do that and get local
4 control back to those -- local government is
5 the most effective for our citizens, I
6 believe.

7 CHAIRWOMAN KRUEGER: Thank you,
8 Mr. Ranker.

9 CHAIRWOMAN WEINSTEIN: Thank you --

10 MAYOR DE BLASIO: Chair, may I -- just
11 a quick response to that last point about the
12 wealthy and where they live, just -- please,
13 very quickly?

14 CHAIRWOMAN KRUEGER: Sure.

15 MAYOR DE BLASIO: Thank you.

16 Look, I've literally had this
17 conversation with a number of business
18 leaders and folks who happen to be very
19 wealthy, and I just want to contest that last
20 point. Yeah, of course people have learned
21 they can do some things remotely. But that
22 is a different matter than whether they want
23 to live someplace else or live here. A lot
24 of people want what's here in New York City,

1 which is going to come back to life.

2 Also, a lot of people have
3 acknowledged remote does not achieve some of
4 the outcomes that people being together do.
5 This is still the place where the most talent
6 from the most different industries comes
7 together more than anyplace else in this
8 country, arguably anyplace else in the world.
9 That's not going to change. We should not
10 act like some folks working from home changes
11 the most basic realities of what's most
12 creative and most productive.

13 SENATOR O'MARA: No, but we can tax
14 them out of here and they can do that
15 elsewhere.

16 CHAIRWOMAN KRUEGER: Thank you both of
17 you. Assembly.

18 CHAIRWOMAN WEINSTEIN: We go to
19 Assemblywoman Kelles.

20 ASSEMBLYWOMAN KELLES: Good morning,
21 Mayor de Blasio. So good to finally meet
22 you.

23 MAYOR DE BLASIO: How are you?

24 ASSEMBLYWOMAN KELLES: I'm wonderful.

1 I'm wonderful. And I wanted to thank you so
2 much for your comments about Invest in Our
3 New York. Incredibly astute input that you
4 are giving. I think that having a federal
5 bailout be our solution that is a one-time
6 bailout is not realistic for our long-term
7 issues that we're facing.

8 I also think in the Invest in Our
9 New York Act that is a very comprehensive
10 overhaul of the tax system that puts taxes on
11 personal income, personal wealth, and the
12 business sector collectively is the solution
13 and the direction that we want to go.

14 We do have a system right now where we
15 are increasing our taxes, as you've noted, on
16 regressive taxes like property taxes and
17 school taxes because of the tax cuts that
18 we've seen on the wealthy. And that's the
19 great exodus that we are seeing if we are
20 looking at the actual data, is the working
21 class, not the wealthy. So thank you so much
22 for supporting those.

23 And I wanted to acknowledge too the
24 financial taxes that you were just talking

1 about. There's great data, economic data
2 showing that the percentage of tax -- of the
3 stock transfer tax that exists, but also the
4 other two taxes that would be in the
5 financial transfer tax, bonds and dividends,
6 which would create a balance, is so small
7 that it would not create people leaving or
8 businesses leaving. So I think that's really
9 important. Thank you so much.

10 My one question, though, actually is
11 shifting to something you said earlier with
12 respect to small businesses. I absolutely
13 agree that they need support. Ninety-nine
14 percent of the businesses in New York State
15 are small businesses of 100 employees or
16 less. I'm concerned about the solution of a
17 tax credit versus rent relief right now.
18 There is so much back rent that they are
19 facing and current rent that is building up
20 that I'm not sure that a tax credit is a
21 solution that would really keep them going.

22 And my greatest concern is if we lose
23 a lot of these businesses, they're gone
24 forever. We already have tremendous strain

1 on our social services. A lot of the
2 business loss would put a huge increased
3 strain on our social services, which we can't
4 afford right now.

5 So I'm curious if you could just talk
6 a little bit about potential support for rent
7 relief rather than a tax credit as a solution
8 for small businesses. Thank you so much.

9 MAYOR DE BLASIO: No, I appreciate
10 that very, very much. I think we -- the one
11 honest answer is that all of the above is
12 necessary, given what small businesses have
13 been through.

14 Our proposal -- we certainly support
15 state efforts as well to provide small
16 business relief. And there's been, you know,
17 the imperfect PPP approach at the federal
18 level, but that still has helped some. The
19 notion here is this is one form of relief of
20 what has to be a package of relief. I agree
21 with your point fundamentally. You know, you
22 can't just say if you give some property tax
23 relief that solves the problem. The problem
24 is too deep.

1 So this is something we can do locally
2 to contribute to the solution. But I
3 absolutely support actions at the state or
4 federal level to make up for what small
5 businesses have already had to grapple with.
6 And some of them got fair deals from
7 landlords or rent reductions they could live
8 with; others have not and are really
9 teetering on the brink. Some we've lost.

10 So I think, honestly, we need an "all
11 of the above" approach if we're going to
12 truly save small business on a larger level.

13 ASSEMBLYWOMAN KELLES: Thank you so
14 much. And congratulations on the eight years
15 that you've been doing this. So impressive.
16 Thank you so much.

17 MAYOR DE BLASIO: That's so kind of
18 you. Thank you. It is my pleasure to see
19 you directly and thank you for the good work
20 you're doing.

21 ASSEMBLYWOMAN KELLES: Thank you.

22 CHAIRWOMAN WEINSTEIN: We go to the
23 Senate now. Thank you, Mayor.

24 CHAIRWOMAN KRUEGER: Actually, if no

1 one has raised their hand, I think we are
2 done with the Senate.

3 THE MODERATOR: Actually, Senator
4 Cooney has his hand up.

5 CHAIRWOMAN KRUEGER: Who has their
6 hand up, sorry?

7 THE MODERATOR: Senator Cooney.

8 CHAIRWOMAN KRUEGER: Oh, I'm so sorry,
9 Senator Cooney. For some reason you
10 disappeared on my screen, excuse me.

11 Our chair of our Upstate Cities, or
12 every city but New York City.

13 SENATOR COONEY: Thank you,
14 Madam Chair. Disappeared from your screen
15 but not from your heart, right?

16 CHAIRWOMAN KRUEGER: Correct.

17 (Laughter.)

18 SENATOR COONEY: Well, good morning,
19 Mayor. It's good to see you. And you're
20 wondering, what's the Upstate Cities chair
21 asking a question of you for. But as my
22 colleague Senator Liu mentioned earlier, we
23 are one state and all connected, and I know
24 you appreciate that. So thank you, Mayor.

1 I want to ask my question and frame it
2 around the topic of the arts. And I'm so
3 glad that you noted that in your opening
4 statement so many hours ago now at this
5 point.

6 I know that New York City has been
7 devastated by this pandemic -- specifically,
8 of course, the closing and darkening of
9 Broadway. I know Senator Hoylman talks often
10 about reopening Broadway. But of course the
11 arts have been impacted and the devastation
12 of the pandemic has impacted the arts across
13 upstate New York as well, including my
14 hometown of Rochester with the Memorial Art
15 Gallery and the George Eastman Museum and
16 several artists of color.

17 And so my question to you, Mayor, is
18 on the federal level we've seen the Our Save
19 Our Stages Act, which has been an attempt to
20 revitalize this important cultural asset, but
21 my question is, to you: What can we do in
22 New York, across the state, to support our
23 artists who are in great need right now and
24 then also continue to have that industry

1 thrive so that it can make us better citizens
2 and of course enjoy the greatness of our
3 state even more? Thank you.

4 MAYOR DE BLASIO: Thank you. I really
5 appreciate the question. And I want to give
6 you a special extra credit; I don't know if
7 that's where you are living right now or
8 that's just a Zoom backdrop, but it looks
9 really great.

10 SENATOR COONEY: No, this is our home
11 in upstate New York. We've got some space.

12 MAYOR DE BLASIO: It looks great. It
13 looks great. It's not the Amalfi Coast that
14 Senator Savino had, but it's damn good. It's
15 damn good.

16 So, look, this is our identity. I
17 mean, I won't even go more than just the
18 economics, the jobs. This is our identity.
19 This is one of the things that New York City
20 and New York State, in the eyes of the entire
21 nation and world, this is something we do
22 like no place else. So we cannot let it slip
23 through our hands, we've got to support it.

24 We know it's really good the federal

1 government is stepping up on performing arts.
2 And Senator Schumer has really led the way on
3 that, and that's deeply appreciated. But
4 we've all got to do it at every level. What
5 we're trying to do here, which I would
6 emphasize the support for would be
7 tremendously helpful, is get performances
8 back as quickly as possible, heavy emphasis
9 on outdoor in the short term. Cut -- you
10 know, what we're doing is not requiring
11 cultural institutions to have to pay fees,
12 we're just giving them space, making it
13 simple for them to do performances, get
14 audiences back.

15 We're going to have to do a lot to
16 make sure there's health and safety as we
17 bring people back to inside locations, but
18 with support to provide that -- and rapid
19 testing I think could be a key part of that
20 as well. I think it's very promising what we
21 could do with that.

22 So I think that, but I also want to
23 emphasize arts in education. So many folks
24 in our cultural community, Lord knows the

1 famous reality, they cannot always support
2 themselves on arts jobs alone. Restoring
3 fully -- this is part of why we want to make
4 sure that education funding is not
5 supplanted. Restoring arts education and
6 deepening it, giving schools Fair Student
7 Funding money that have not had their fair
8 share so they can do more arts education. It
9 often employs artists and folks -- musicians,
10 people from the cultural community and allows
11 them to stay in places like New York City or
12 Rochester where they can do the other work
13 they do that enriches all of us.

14 So this is a transformative moment, I
15 really feel this. We're in a crisis, but
16 we're also in a transformative moment. As
17 happened in the 1930s with our own Franklin
18 Delano Roosevelt, where the federal support
19 for the arts flourished, this is a moment
20 where we can do it as well. Arts in general,
21 culture in general, but specifically within
22 our schools as well.

23 SENATOR COONEY: I appreciate that,
24 Mayor. And I agree with you on the rapid

1 testing. I think that's a huge opportunity
2 for us. I mean, obviously I'm in Bills
3 country here and we have that opportunity on
4 our sports side.

5 But I do think -- and there's a number
6 of academic and medical researchers here at
7 the University of Rochester who have done
8 great work around the effectiveness of rapid
9 testing, and of course the economics of it
10 too. So if we could open our theaters back
11 up safely, if our patrons could feel safe
12 going back to performances inside -- I hope
13 we can get to the outside, a little snowy up
14 here in Rochester today -- but that's our
15 goal. And I think that will make our
16 citizenry much happier, whether you're in New
17 York City or New York State.

18 So thank you for your comment on that,
19 Mayor.

20 MAYOR DE BLASIO: Thank you, Senator.
21 I guarantee spring is coming.

22 (Laughter.)

23 CHAIRWOMAN KRUEGER: All right, thank
24 you. Assembly?

1 CHAIRWOMAN WEINSTEIN: We go to
2 Assemblyman Dilan first.

3 ASSEMBLYMAN DILAN: Yeah, and I just
4 want to say to my colleagues, all the sports
5 references that you're bringing up, you don't
6 know how the mayor is digging at me. I think
7 the mayor would look particularly great in a
8 Yankee hat, and we have one more year to make
9 that happen. So what do you say, Mr. Mayor?

10 But my real questions are --

11 MAYOR DE BLASIO: That's a
12 controversial beginning, that's what I say.

13 (Laughter.)

14 ASSEMBLYMAN DILAN: Yes. Yes. Along
15 with our long-standing controversial history
16 around the subject.

17 I just want to focus in on the
18 healthcare cost shifts or swaps that you
19 mentioned at the beginning. I know a lot of
20 folks are focused on education, and I agree
21 with those folks. But did I hear you
22 correctly, did you say that the cost actions
23 would force the city to close 19 HHC
24 hospitals, is that accurate?

1 MAYOR DE BLASIO: Let me do these
2 numbers again, because they're really
3 shocking.

4 ASSEMBLYMAN DILAN: Yeah, I would like
5 you to restate them.

6 MAYOR DE BLASIO: The numbers for
7 Health + Hospitals, if you take what's in the
8 State Executive Budget and that were applied
9 as it is now, the cuts to City Health +
10 Hospitals, \$139 million in fiscal year '21,
11 \$334 million in fiscal '22 -- almost 500
12 million, half a billion dollars combined.

13 What would that mean? That could mean
14 closing 19 clinics -- of the 70 Health +
15 Hospitals clinics, 19 clinics, which,
16 combined, treat 140,000 patients a year. It
17 could also mean losing up to 1,000 doctors
18 and nurses who are employees of Health +
19 Hospitals who would no longer -- Health +
20 Hospitals could no longer afford to have them
21 on their staff.

22 I mean, we fought so hard -- and
23 you've been a part of it with us -- to build
24 up Health + Hospitals again. It used to go

1 through such a tough time. It's actually
2 become a much stronger part of what we do in
3 the city. And Health + Hospitals were heroic
4 during the pandemic -- all the men and women
5 of Health + Hospitals stood firm during the
6 pandemic.

7 But the state budget would actually
8 start to roll back the progress we've made.

9 ASSEMBLYMAN DILAN: Okay. So then I
10 just want to let the chairs know that that's
11 something I think we need to strongly push
12 back on as a committee.

13 I know that Health + Hospitals
14 Corporation had a deficit well before COVID,
15 about a billion dollars. Is that accurate,
16 before the pandemic?

17 MAYOR DE BLASIO: Health + Hospitals
18 has done amazing work actually reducing their
19 deficit steadily and becoming more and more
20 self-sufficient. This is again a story you
21 don't see on the front pages, but over the
22 last few years they've gone from having
23 tremendous financial difficulties where the
24 city had to constantly intervene and add

1 funding, to the point where we do not need to
2 do that anymore.

3 But this would be the first time
4 they'd be now pushed back into deficit.

5 ASSEMBLYMAN DILAN: I want to stop
6 you, I've got a few seconds left. I strongly
7 support the rebate for the
8 one-to-three-family homeowner. That's
9 something that you've seen me work at in our
10 time together in the Council. Is there
11 language in the budget to do it? And if not,
12 what do you need us to do?

13 MAYOR DE BLASIO: Yes, we would need
14 legislation from Albany, and we're working
15 with you and your colleagues on the exact
16 wording. But we really think those rebates
17 are crucial, and we're asking for your
18 support to get them done.

19 ASSEMBLYMAN DILAN: Thank you.

20 MAYOR DE BLASIO: See you at the ball
21 game.

22 CHAIRWOMAN WEINSTEIN: Senate, do you
23 have any more questions? Because we have a
24 number of members.

1 CHAIRWOMAN KRUEGER: No, we do not.

2 CHAIRWOMAN WEINSTEIN: Okay. So then
3 we're going to go to Assemblywoman
4 González-Rojas.

5 ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank
6 you, Chairwoman.

7 Mr. Mayor, thank you for joining us.
8 And thank you for your support of taxing the
9 wealthy to help invest in our city and state
10 for the working class.

11 I have three questions, so I'll run
12 through them quickly for all your feedback at
13 the end.

14 So as a Queens Assemblymember I am
15 thrilled that the Citi Field site finally
16 opened yesterday. However, as you know, the
17 racial disparities in vaccination have been
18 well-documented, with black, Latino and Asian
19 residents -- who have been hardest hit by
20 COVID, especially in my district -- are not
21 getting vaccinated.

22 What specific steps are being taken to
23 ensure that eligible people of color,
24 specifically immigrants and those who are not

1 English dominant, are garnering access to the
2 appointments for vaccination? So that's one.

3 Two, I know you spoke about this, but
4 it bears repeating. I thank you so much for
5 being on record opposing the section in the
6 Executive Budget that would gut Local Law 97,
7 the city's vital new law to slash pollution
8 from large buildings. It is the best climate
9 and jobs law in the country. If you have an
10 opportunity, if you can please expand a
11 little more on why it's so important so that
12 everyone understands why we have to defeat
13 this proposal.

14 And then lastly, I know you're on
15 record opposing the reopening of 24-hour MTA
16 service in the city subways. However, I
17 respectfully disagree, and I co-led a letter
18 to the Governor with Assemblymembers Mamdani
19 and Septimo -- it's also signed by
20 28 additional members of the Assembly and the
21 Senate -- the suspension not only cuts the
22 lifeline of all New Yorkers experiencing
23 homelessness during the health crisis, but it
24 also harms our essential workers and is a

1 costly and ineffective way to manage the
2 pandemic.

3 What will it take to get us back to
4 24-hour subway service?

5 Thank you for your time.

6 MAYOR DE BLASIO: Thank you. And
7 thank you, these are such powerful questions.
8 And congratulations to you. I haven't had a
9 chance to formally congratulate you, so I'm
10 happy to.

11 ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank
12 you.

13 MAYOR DE BLASIO: I want to reassure
14 you on the MTA, actually my position is that
15 we should return to 24/7 service, I just
16 don't think it's time yet. But I don't think
17 that day is far off.

18 So the point is I do think we've got
19 to get a point of sharper recovery -- I have
20 suggested June, for example, overall for the
21 city -- is with enough supply of vaccine we
22 can get 5 million people vaccinated by June.
23 That to me is an effective critical mass
24 where you're going to see so much more of the

1 life of the city come back.

2 So using that as an example, when we
3 get to a point where we say, hey, we're
4 really moving our recovery and people are
5 coming back to the subways and things are
6 moving, that's a better time to talk about
7 going to 24/7 service. Because what I fear
8 is if there's not comfort yet with the
9 healthcare dynamics, the lack of the
10 intensive cleaning and all would be missed by
11 people.

12 And I really think -- to be back fully
13 as a city, of course the subways have got to
14 be the essence. We've got to build that
15 confidence a little more organically. So I
16 just don't think it's time yet, but I can see
17 even in a matter of a few months that we
18 could be there.

19 On the topic of Local Law 97, thank
20 you for what you said. It is literally the
21 strongest law on earth in any major city to
22 address the emissions that come from large
23 buildings, which are so important. If we're
24 going to stop climate change, we cannot do

1 that if big buildings are huge emitters of
2 greenhouse gases. Which is what they've
3 been. And there's been no serious effort to
4 constrain that until now.

5 New York City passed groundbreaking
6 legislation. It's been lauded all over the
7 world as part of what will change the global
8 trajectory. And it should be adopted by
9 cities all over the world.

10 The notion that at this moment when
11 climate change is bearing down on us -- by
12 2030 we could be in an extremely dangerous
13 situation -- this is not the time to water
14 down climate change legislation, it's the
15 time to double down and intensify and make
16 stronger our efforts to fight climate change.
17 That's why I think saying we're going to have
18 no new fossil fuel connections by 2030 is
19 crucial, changing our whole approach to
20 renewable energy.

21 So no, anything that waters down Local
22 Law 97 is really dangerous to the future of,
23 you know, our whole city, state, world.

24 The point about Citi Field and

1 disparity, I agree with you. Look, we came
2 out and showed the disparity statistics -- by
3 the way, our City Department of Health was
4 the first in the nation to show the disparity
5 in the disease itself. Then we came out
6 recently and showed the disparity in the
7 vaccine.

8 The only way to combat that is to put
9 the centers disproportionately in the
10 communities hardest hit. That's why
11 60 percent of our vaccination centers are in
12 the places that bore the brunt of COVID.

13 To do every step of the process in
14 multiple languages -- there's 10 languages
15 for the application process, many dozens of
16 languages available for translation on
17 sites -- to do deep grassroots outreach.

18 So one of the things we're doing --
19 and I would love to partner with you on
20 this -- is we want community leaders to join
21 us in dispelling some of the concerns, honest
22 concerns that people have. There's a huge
23 trust issue and hesitancy issue, particularly
24 in communities of color.

1 That's only going to be addressed with
2 a lot of supply so we can get people reliable
3 appointments, so people in their lives get
4 the vaccine and feel good about it. But also
5 we have to have trusted community messengers
6 leading local grassroots efforts at local
7 grassroots locations people trust -- and
8 places like Citi Field, which honestly, for
9 surrounding communities that were some of the
10 hardest hit by COVID, is a place they feel
11 good about.

12 ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank
13 you, Mr. Mayor. Appreciate it.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 So we go to Assemblyman Walczyk, and
16 after that Assemblyman Fall.

17 ASSEMBLYMAN WALCZYK: Mayor, you said
18 in your testimony that we need to tax the
19 wealthy. And I can't help -- look, I'm from
20 all the way up on the Canadian border. I
21 live in the front yard of America. But I
22 can't help but worry about New York City and
23 the direction that we're headed.

24 If you look at the history of urban

1 sprawl leading to Rust Belt doughnut-hole
2 cities, New York City survived that because
3 of, I mean, topography, really. You couldn't
4 have a commuter situation, so Manhattan
5 continued to grow up instead of out like
6 L.A., so you don't deal with the same sprawl
7 or the same city-center decay that many
8 Rust Belt cities have seen.

9 And I think New York City has taken
10 advantage of that in the long term. I think
11 it's also created a false sense of security.

12 So the Governor's solution here in his
13 budget is to fill your vacant commercial
14 space that was tax-producing with low-income
15 earners. And that's a concern of mine for
16 your city. Your solution is to tax the rich.

17 So my biggest concern here, and my
18 question, is who's going to be left to tax
19 and who will be the adult in the room that
20 says it's time to face the music and -- after
21 we've lost 34 billion in income for New York
22 City already, what do we look like in
23 10 years?

24 MAYOR DE BLASIO: It's a powerful

1 question. I'll tell you -- first of all,
2 thank you, because you know your history and
3 it's important that we refer to the history.
4 And what got us out of the crises of the past
5 consistently is when we invested in people
6 and invested in bringing back the things that
7 made us great. And we can't invest if we're
8 not producing the revenue to do that.

9 So, look, I think what's happening
10 with our economy -- really, we saw this for
11 years -- was that the finance industry was
12 less and less the center of our economy. The
13 tech industry, which now accounts for an
14 ecosystem of about 350,000 jobs and growing,
15 many major new investments -- you saw what
16 Google's doing with the Farley Building in
17 Midtown Manhattan. The tech industry is
18 making new, substantial investments in New
19 York City.

20 The life sciences industry is poised
21 for a huge takeoff, especially because of the
22 tragedy of the pandemic. There's going to be
23 more research and more efforts at addressing
24 healthcare issues than ever before. New York

1 City is going to be one of the places where
2 that money flows, private and public dollars.
3 This is an industry where I think there could
4 be 100,000 jobs or more in the next decade.
5 We will have an ever-more-diversifying
6 economy.

7 One of the things that Mayor Bloomberg
8 and I agreed on, profoundly, was the need to
9 diversify the New York City economy. And I
10 appreciate what he has done in his terms with
11 things like Roosevelt Island, Cornell
12 Technion. What I've been trying to focus on
13 is the life sciences industry, which again I
14 think is going to be a difference-maker.

15 So my argument to you is build a
16 diverse economy based on what we have. What
17 do we have? Universities, creative talent,
18 researchers, hospitals, entrepreneurs.
19 That's not changing. And in fact people from
20 all over the region, the country, the world
21 want to come here and believe this is one of
22 the most vibrant places to build a business.
23 So I don't think there's anything that
24 changes about that.

1 I do think after the wealthy got a
2 huge tax break a few years ago, saying no,
3 it's time -- and the wealthy have done very
4 well. The stock market has been incredibly
5 strong during this pandemic,
6 counterintuitively. Saying it's time for the
7 wealthy to pay more of a fair share so we can
8 do the public investments to build up these
9 industries and make this a place that people
10 want to be, I actually think that's the way
11 forward.

12 ASSEMBLYMAN WALCZYK: Okay, thank you,
13 Chairwoman.

14 My time has expired, Mayor.

15 MAYOR DE BLASIO: Yup.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 We go to Assemblyman Fall, three
18 minutes. There he is. Charles, go ahead.

19 ASSEMBLYMAN FALL: Hey, good
20 afternoon, Mr. Mayor. How are you doing?

21 MAYOR DE BLASIO: Good afternoon. How
22 are you today?

23 ASSEMBLYMAN FALL: I'm doing well,
24 thank you so much.

1 I just want to start out by just
2 thanking you for your last two terms. You
3 know, the amount of roads you repaved on
4 Staten Island has had a tremendous impact.
5 What you've done for the commercial leasing
6 program and how that's helping our
7 businesses -- and of course we're, you know,
8 hoping for federal aid that will hopefully be
9 available soon.

10 The delivery of the Cromwell Center
11 just a couple of weeks ago. We had a
12 community meeting and folks were very
13 thrilled to see that moving.

14 I'm happy that the administration has
15 been very transparent on the timeline on when
16 the Fast Ferries program will be delayed.
17 Unfortunately I can't get an answer for state
18 projects, so I'm happy that the city is being
19 transparent on that front.

20 And I also want to thank you for
21 renaming Reverend Maggie Howard Park,
22 previously named Stapleton Park.

23 I do want to just get one quick
24 clarification. Did you say in about a week

1 or two you should have an idea about when
2 youth sports will be starting, or after a
3 conversation is held with the Health
4 Department? Or did I miss something?

5 MAYOR DE BLASIO: Let me answer that,
6 but first, credit where credit is due. The
7 commercial leasing program, you've been the
8 champion and you actually helped recognize
9 that some things got missed during the
10 pandemic and needed to be restored. So I
11 have to be honorable and say it's because of
12 you that that program got protected, and we
13 intend to protect it going forward. And
14 that's going to help a lot of small
15 businesses.

16 On the youth sports. Yeah, look --
17 again, I'm having a meeting at the Department
18 of Education tomorrow, in fact, to try and
19 figure out that timeline. We are going to
20 put health and safety first. Again,
21 different reality indoors from outdoors, a
22 different reality today than the one I think
23 we'll have towards the end of the school year
24 when we get into June.

1 But we've got to figure out the
2 timeline and the ground rules. So we're
3 going to be having those discussions,
4 hopefully have a formal announcement next
5 week or the week after, at latest, to tell
6 people where we're going with all this.

7 ASSEMBLYMAN FALL: Thank you for that.
8 Because yeah, we've been getting a lot of
9 calls on that and I know how important it is
10 to keep, of course, our kids safe and to do
11 this in a safe manner.

12 I do -- of course, you know, as more
13 supplies become available, of course, you
14 know, the more vaccination sites in a
15 district the better. You do know, of course,
16 on Staten Island we don't have a public
17 hospital, so any additional staffing that we
18 can get for our hospitals is always
19 appreciated.

20 And just the last two points I wanted
21 to make. Is there any update on the
22 Tompkinsville Esplanade and indoor pool that
23 you or your staff may have?

24 MAYOR DE BLASIO: Definitely -- we're

1 obviously moving forward with the indoor
2 pool. We need to get you that update, so on
3 that we'll get you specifics. But that's
4 something I'm very committed to moving on.

5 The public hospital point, a very
6 important point. Obviously, look, we
7 established the Vanderbilt Clinic. That was
8 something new we did through Health +
9 Hospitals for Staten Island. That's been
10 really crucial during the pandemic and
11 obviously been a site where we've been doing
12 vaccination on a large level.

13 We have been providing support,
14 particularly to RUMC, direct staffing support
15 at different points during the pandemic, as
16 well as, of course, other types of support
17 with supplies they needed.

18 So we are very committed to making
19 sure the people of Staten Island get the
20 healthcare they need, whether it's through a
21 Health + Hospitals facility like Vanderbilt
22 or through direct support to an institution
23 like RUMC.

24 ASSEMBLYMAN FALL: Gotcha. Thank you

1 so much, Mr. Mayor.

2 CHAIRWOMAN WEINSTEIN: Thank you.

3 Back to the Senate.

4 CHAIRWOMAN KRUEGER: Yes, we have a
5 late visitor -- you might have met him
6 before, Mr. Mayor -- Senator John Liu from
7 Queens.

8 SENATOR LIU: How you doing,
9 Mr. Mayor? Thank you, Madam Chair --

10 MAYOR DE BLASIO: I know that guy. I
11 know him. How you doing? Another old
12 Council colleague. Not old person, just
13 longstanding Council colleague.

14 SENATOR LIU: Bill, after 20 years,
15 let's face it, we're old. We've got a new
16 generation of legislators and officials who
17 are really taking the ball and running with
18 it, and we've just got to keep up. So that's
19 where things are now.

20 MAYOR DE BLASIO: You're a truth
21 teller, John.

22 SENATOR LIU: And all of your hair is
23 white. Right?

24 MAYOR DE BLASIO: Oh, you're killing

1 me.

2 SENATOR LIU: Mine is still black, but
3 I don't have much of it left.

4 MAYOR DE BLASIO: You're killing me.

5 SENATOR LIU: Anyway, I want to echo
6 what many colleagues have said already and
7 what you have said in your testimony and what
8 Chancellor Carranza and, more specifically,
9 Chief Financial Officer Lindsey Oates have
10 pounded into our heads: We cannot have
11 federal funding for our schools supplanted.
12 It must be supplemented, not supplanted.

13 Now, in your testimony -- and I
14 apologize, I was not able to be part of the
15 last -- the first hour of this hearing,
16 although I was in for the last hour. You did
17 not address the borrowing authority that you
18 had asked for a year ago. A year ago you
19 came to the committee and asked for
20 \$9 billion of borrowing authority, and in the
21 ensuing months it got whittled down to
22 \$5 billion. Now is none of it necessary?
23 And I hope that's true.

24 MAYOR DE BLASIO: Well, I do too,

1 Senator. And you and I have talked about
2 this in detail. When I first came before, we
3 were dealing with the absolute great unknown.
4 We did not know how many years this pandemic
5 would go, we did not know if there would be a
6 vaccine, we did not know who would be
7 president or what the Congress would look
8 like.

9 But we were staring down the barrel of
10 ever-growing revenue loss. That's why we
11 came forward and said we wanted a multiyear
12 option to borrow if needed.

13 At this moment it's not our focus.
14 Right now we're very hopeful that there's
15 going to be a serious federal stimulus. But
16 I'm not so clear about when or how or how
17 much, and that's my fear right now with the
18 April 1st deadline that you're all dealing
19 with. You know, will we see a situation
20 where we get relief, or will it be delayed or
21 insufficient? Will cuts come down to the
22 city from the state? So --

23 SENATOR LIU: But at this point you're
24 no longer asking for that borrowing

1 authority.

2 MAYOR DE BLASIO: At this moment I'm
3 not focusing on borrowing authority. But I
4 would say to you just one thing -- and I said
5 it previously to a question, What about the
6 nightmare scenario where there's not a good
7 stimulus and the state's making cuts to
8 localities on a high level? We're going to
9 be putting all options on the table if that
10 were to happen. I hope it doesn't.

11 But today I am not asking you
12 specifically for borrowing authority. I'm
13 hoping we can find much better solutions. No
14 one wants to borrow if you don't have to
15 borrow.

16 SENATOR LIU: Especially borrowing
17 long term to cover short-term costs. Thank
18 you so much. I'm glad to hear that -- I'm
19 glad not to hear any requests for long-term
20 borrowing for short-term costs.

21 Thank you, Madam Chair.

22 CHAIRWOMAN KRUEGER: Thank you.

23 CHAIRWOMAN WEINSTEIN: We go to
24 Assemblyman Aubry, three minutes.

1 Jeff, I saw you just raised your hand.

2 Are you there?

3 ASSEMBLYMAN AUBRY: Yes, Madam Chair,
4 I am. Thank you so very much.

5 Hello, Mr. Mayor. Good to see you
6 even if it is through this medium.

7 MAYOR DE BLASIO: Assemblymember,
8 please tell me you're not driving that car.

9 ASSEMBLYMAN AUBRY: No, the car is
10 sitting in the parking lot of a Dunkin'
11 Donuts and I am watching you perform. It's a
12 great effort.

13 Just a quick -- one issue that is of
14 concern, I don't know if you've talked about
15 it, is when do we bring back Broadway. It
16 seems to me all the concern about people
17 leaving, it is the cultural institutions and
18 theater district and the restaurants that add
19 value to businesses and people who have money
20 to be in New York City. I don't think
21 there's any city that I know of that even
22 rivals what New York offers.

23 And so to forestall some of my
24 colleagues' worries about the city is

1 diminishing and falling apart, it would seem
2 to me that that's critical to ensuring that
3 we remain the first-class city that we are.
4 So what are your thoughts about that?

5 MAYOR DE BLASIO: I'm very optimistic,
6 Assemblymember.

7 And I want to say, very quickly, deep
8 appreciation to you. We've called upon you
9 many times to help protect the interests of
10 New York City and particularly folks working,
11 folks and immigrants and people who are
12 struggling in New York City. You've been an
13 absolutely stalwart and indispensable as
14 someone in Albany really helping make sure
15 the people of New York City are protected.
16 So I just want to just personally offer you
17 my thanks, after eight years. This is going
18 to be my last testimony, so I wanted to just
19 take a moment to appreciate you.

20 ASSEMBLYMAN AUBRY: Thank you, sir. I
21 really do appreciate that.

22 MAYOR DE BLASIO: The answer to your
23 question, look, the last time I heard -- I've
24 talked to some of the leaders of the Broadway

1 community. Certainly there's been a lot of
2 energy around the notion of September. I'd
3 love to see that improved upon. And I think
4 with rapid testing and, you know, high-level
5 vaccination we well might be able to do
6 better than that.

7 My goal, Assemblymember, is that by
8 June we have 5 million people vaccinated, our
9 recovery really moving by June, and then
10 you're going to see a summer of a lot more
11 activity of all kinds and a lot more economic
12 activity, a lot more jobs coming back.

13 So Broadway, I agree with you, looms
14 large in our hearts and our identity.
15 Certainly I'm feeling very good about
16 September. If -- I'll be talking to Broadway
17 leaders to see if it can be even sooner than
18 that. But if it is September -- let's use
19 that as the goal -- I think that really helps
20 us spur on our recovery and show that 2021 is
21 our turnaround year.

22 ASSEMBLYMAN AUBRY: Good. And please
23 keep in mind the off-Broadway productions.
24 Some of those who are sort of the feeding

1 ground for the larger industry should also be
2 considered. I know it might be harder,
3 they're smaller venues, but are critical, in
4 my opinion, to keeping us vibrant so that
5 both New Yorkers and visitors have these
6 unique opportunities to share. So I want to
7 thank you for that.

8 I also want to thank you -- as
9 Citi Field is in my district, I am pleased
10 that they are opening up. And because of my
11 age and my medical concerns, I was able to
12 get my first dose at a pop-up center at
13 First Baptist Church, which quite frankly is
14 right across the street from the
15 Dunkin' Donuts I'm sitting at. So thank you
16 again for that. It is helpful. I hope my
17 community and communities of color understand
18 the importance of that.

19 Take care. Thank you so much. And I
20 bet I'm out of time, because Helene is
21 looking nervous.

22 MAYOR DE BLASIO: Thank you.

23 CHAIRWOMAN WEINSTEIN: No, no, no.

24 Actually, the good news is right now I

1 think I am the last one to ask a couple of
2 questions, Mr. Mayor.

3 So the Executive proposes to have
4 localities that receive direct payments of
5 emergency rental assistance to allow the
6 Office of Temporary and Disability Assistance
7 to administer the funds centrally. So I'd
8 like to know how would this impact the plan
9 New York City has to administer I believe the
10 \$250 million that you are -- the city is
11 receiving directly from the federal -- the
12 December federal bill.

13 And how can the state work with locals
14 to ensure the federal-fund payments are not
15 duplicated, which as you know is not allowed
16 under the federal law, and to make sure that
17 the funds are released as quickly as possible
18 to those who need relief? And importantly,
19 how can we ensure that tenants are protected
20 and that bad landlords are not rewarded?

21 I know it's a lot, but, you know, if
22 you could comment on the city's plan and how
23 it will integrate with the state plan.

24 MAYOR DE BLASIO: Yeah. And I know

1 and I say with appreciation you've been an
2 advocate for tenants for, you know, a long
3 time, doing great work. And I know this is
4 something that is close to your heart.

5 I'm going to turn to Director Simonia
6 Brown, but just say, you know, we are pleased
7 that there will be a way to directly reach
8 tenants. We've got to implement it in a way
9 that folks hear about, know about, can
10 navigate. It's going to be open to all --
11 importantly, regardless of documentation
12 status, available to all. And we're working
13 now on how to implement.

14 But Simonia, to some of the specific
15 questions from the chair.

16 STATE LEG. AFFAIRS DIR. BROWN: Thank
17 you, Chair.

18 So first on the issue of what's in the
19 Governor's budget. I mean, we are working
20 closely with OTDA on the implementation.
21 Yes, the plan has to be approved, but we are
22 in conversations with OTDA on that.

23 And the goal would be to prioritize
24 our three groups and target outreach to, you

1 know, those who are already in housing court
2 facing rent arrears from the period of June
3 through December, those who -- the COVID
4 individuals in the COVID-impacted
5 neighborhoods, and tenants living in small
6 buildings. Those would be the priority areas
7 that we would be focusing on.

8 CHAIRWOMAN WEINSTEIN: And do you
9 envision the city having the same criteria as
10 the state, or do you envision possible
11 different criteria for eligibility?

12 STATE LEG. AFFAIRS DIR. BROWN: And I
13 think that those are the conversations that
14 are happening now with our commissioner,
15 Steve Banks, and definitely we are having our
16 own internal conversations with deputy mayors
17 and the team too. So I think those
18 conversations continue to happen between the
19 state and us. But again, those conversations
20 have been happening for some time and are
21 going smoothly.

22 CHAIRWOMAN WEINSTEIN: So it would be
23 good to continue to have this conversation to
24 keep the Senate and the Assembly in the loop

1 as we look over the Executive's plan and
2 whether we want to make changes to that plan.
3 So that would be helpful.

4 And then, Mr. Mayor, there's been some
5 discussion with colleagues about COVID-19
6 vaccines for older adults. And this came up
7 also at our Human Services Hearing.

8 How is the city planning to provide
9 vaccines to homebound individuals who are
10 eligible? And I say this representing a
11 district that has many elderly people but
12 also has portions of two of the
13 highest-percentage zip codes, according to
14 the city data. In fact, the 11235 zip code
15 is the number one, and the 29 zip code I
16 think is number seven, both over 14 percent
17 positivity.

18 So do you have a plan? Are you trying
19 to come up with a plan? And these are people
20 who want the vaccine but can't travel, and
21 they have people coming into their homes, so
22 they're very fearful and they need to have
23 people to come in to help take care of them.

24 MAYOR DE BLASIO: This is one of the

1 toughest challenges in, you know, a crisis
2 that has had so many tough dynamics, so many
3 tough, painful moments. We've got to get to
4 homebound seniors, that's the bottom line.

5 There are so many homebound seniors in
6 so many communities who are suffering or
7 living in fear, their families are living in
8 fear. I talked yesterday about one
9 particular group of New Yorkers who we have
10 to reach and we will reach with a dedicated
11 effort, and that's Holocaust survivors,
12 thousands of New Yorkers who lived through a
13 human hell and survived and give us faith by
14 their survival, but now they're threatened by
15 this disease. A number of them are
16 homebound. We're going to reach homebound
17 seniors --

18 CHAIRWOMAN WEINSTEIN: And live in my
19 district also.

20 MAYOR DE BLASIO: And live in your
21 district, absolutely.

22 We are going to reach homebound
23 seniors. The plan has been largely
24 developed, but there's a few last issues that

1 have to be resolved. In a matter of days
2 we'll be able to put the specifics on the
3 table.

4 But I want to caution one point. This
5 one is harder than all the other realities,
6 because it takes very individual efforts.
7 It's very labor-intensive. But we will have
8 a way to reach homebound seniors in the weeks
9 ahead, and we're going to lay that out in the
10 next few days.

11 CHAIRWOMAN WEINSTEIN: Great. Look
12 forward to hearing that.

13 And I'm not seeing -- oh, we have -- I
14 was about to dismiss you, but I see that
15 while we were talking Assemblyman Kevin Byrne
16 has raised his hand. So if we can go to
17 Assemblyman Byrne for three minutes, and then
18 we will let you go.

19 ASSEMBLYMAN BYRNE: Thank you, Chair.

20 Thank you, Mr. Mayor. Sorry for the
21 last-minute addition here.

22 I think this may have been mentioned
23 earlier, the disaster powers of the Governor
24 and the executive branch. I just want to

1 pose this a little bit differently, about
2 your opinions as an executive, about the need
3 to be nimble but also having these types of
4 powers for prolonged periods of time if it's
5 necessary.

6 But specifically, since this is a
7 budget hearing, I'm not looking for
8 necessarily a political statement, but more
9 of how this affects the budget. Because
10 those powers expire, to my understanding, in
11 April. There's another thing that's due
12 April 1st called the state budget. And
13 Albany has a tradition of putting a lot of
14 different controversial things in the budget.
15 As of right now, I don't see a proposal but I
16 wouldn't put it past anybody for all of a
17 sudden that being put in the budget and we
18 vote on it at 1 o'clock in the morning.

19 And I'd like to hear from you as to
20 what your thoughts are not only on the
21 Governor's disaster powers, but also any
22 discussion or debate about that should be
23 independent from our state's budget.

24 MAYOR DE BLASIO: I couldn't agree

1 with that more. And I appreciate that very
2 much.

3 Assemblymember, I would say -- you
4 said, you know, you want a budget answer and
5 not a political answer, and I agree. But I
6 do want to say something in the spirit of
7 what we all wish for, which is
8 bipartisanship.

9 There's a bipartisan reality, I've
10 talked to county executives around the state,
11 mayors around the state. You know, I know
12 whether you're a town supervisor or a mayor
13 or a county exec, whatever party you're in,
14 wherever you are in the state, you know that
15 government is best where it's closest to the
16 people in terms of delivering actual services
17 and making the adjustments to reality.

18 And one of the things we've found with
19 COVID is the reality changes all the time.
20 The facts, what we know about the science,
21 what kind of supply of vaccine, which vaccine
22 we're using, it's an ever-changing reality.
23 And what we need is simplicity, not multiple
24 layers of government, constantly changing

1 rules. We need simplicity. Give us supply,
2 and we with broad ground rules will get it to
3 our people. We'll get the vaccine to the
4 people who need it best.

5 That example earlier one of your
6 colleagues raised about a center being only
7 for essential workers when there's lots of
8 seniors nearby that want to get vaccinated
9 and that's the closest to them. That makes
10 no sense. Any local leader would tell you,
11 Democrat or Republican, if I've got a center,
12 I'm going to open it up to everyone eligible
13 because I want to make it simplest for people
14 and I want to reach particularly those who
15 are most vulnerable.

16 So we need that flexibility. We need
17 to restore local governance. We need to
18 restore the norms of our democratic process
19 in this state. And it should be done in the
20 cold light of day. It should be a matter of
21 public discussion and determined by the
22 Legislature with a real public debate.
23 Because it's time. We all say we want a
24 recovery. Well, recovery means going back to

1 normal. It means restoring the things that
2 we've had, not living in a state of emergency
3 for the rest of our lives.

4 And so I think if you believe in
5 recovery, you should also believe that local
6 governments can manage their own affairs and
7 protect their own people.

8 ASSEMBLYMAN BYRNE: Thank you,
9 Mr. Mayor. I appreciate those comments.

10 MAYOR DE BLASIO: Thank you.

11 CHAIRWOMAN WEINSTEIN: Thank you. So
12 quick before someone else raises their hand,
13 I want to --

14 MAYOR DE BLASIO: I like the way you
15 lead.

16 (Laughter.)

17 CHAIRWOMAN KRUEGER: Make a run for
18 it.

19 CHAIRWOMAN WEINSTEIN: Our hearings
20 have been running 10, 11 hours a day, so
21 we're not looking to break any records today.

22 Thank you for being here. We look
23 forward to some of the -- implementation of
24 some of the issues you discussed. And, you

1 know, thank you for your service to the city.

2 It's been a pleasure working with you.

3 CHAIRWOMAN KRUEGER: Thank you, Mayor.

4 MAYOR DE BLASIO: It has really been a
5 pleasure. And I will say I will actually --
6 you know, these are long sessions, but I'm
7 going to miss working with all of you. It
8 has really been a pleasure. And thank you.
9 We've all done important work for the people
10 together, and I appreciate just the sincere
11 approach to public service that both of you
12 chairs take. And it's been a great benefit
13 to the people of New York City and New York
14 State.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 CHAIRWOMAN KRUEGER: Thank you.

17 CHAIRWOMAN WEINSTEIN: So now -- and
18 you don't have to drive back from Albany in
19 the snow, so that's the advantage of this
20 year.

21 MAYOR DE BLASIO: There are some
22 blessings of technology.

23 (Laughter.)

24 CHAIRWOMAN WEINSTEIN: And Mayor Brown

1 doesn't have to drive in from Buffalo, or
2 take the train in.

3 So next we have, from the City of
4 Buffalo, the Honorable Mayor Byron W. Brown
5 to present for 10 minutes to the committee,
6 and then we'll hear from our chairs for
7 questions.

8 Thank you, Mayor Brown. Go ahead.

9 BUFFALO MAYOR BROWN: Thank you. Good
10 afternoon. I want to thank the New York
11 State Legislature for this opportunity to
12 testify before the Joint Legislative Budget
13 Committee on the impact of the proposed
14 2021-2022 Executive Budget on the City of
15 Buffalo.

16 As always, Senate Finance Committee
17 Chair Liz Krueger, Assembly Ways and Means
18 Chair Helene Weinstein, Senate Local
19 Government Chair James Gaughran, Ranking
20 Member Senator Ed Rath, and Assembly Local
21 Governments Committee Chair Fred Thiele, I'm
22 very pleased to come before you today as
23 mayor of the City of Buffalo on behalf of our
24 more than 260,000 residents.

1 I would also like to express my
2 gratitude to our delegation leaders,
3 Assembly Majority Leader Crystal
4 Peoples-Stokes and Senator Tim Kennedy, and
5 the other members of the Western New York
6 delegation who are effective and relentless
7 advocates for the City of Good Neighbors.

8 Over the course of my tenure as mayor,
9 we have encountered many challenges, but none
10 more immediate and impactful than those that
11 have emerged as a result of the COVID-19
12 global pandemic. The City of Buffalo's
13 fiscal outlook was positive and growing at
14 the beginning of last year before the
15 pandemic, with an estimated \$5 million
16 surplus projected for the end of the fiscal
17 year. Private and public investment and
18 development were occurring across the city at
19 an unprecedented level, and unemployment
20 rates remained low.

21 The budgetary actions I took last
22 year -- as a result of the sudden drop in
23 revenues due to the pandemic and the pause
24 orders that were put in place designed to

1 slow its spread -- reduced costs, sustained
2 economic growth, and put strong fiscal
3 controls in place while also keeping our
4 workforce and services completely intact.

5 As the \$1.9 trillion American Rescue
6 Plan moves through Congress, Governor Andrew
7 Cuomo's proposed state budget contains
8 provisions that will restore most of
9 Buffalo's deferred AIM payment from last year
10 while also funding a significant portion of
11 the AIM payment Buffalo would have received
12 in the 2021-2022 fiscal year. The
13 restoration of most of last year's
14 diversified AIM payment is a first critical
15 step in helping Buffalo's economy recover,
16 but a full restoration will help Buffalo's
17 residents recover more quickly.

18 Addressing issues of inequity will
19 also require access to resources and a
20 collaborative agreement with leaders across
21 every level of government. I believe that
22 Governor Cuomo's Executive Budget proposal is
23 a positive step in the right direction for
24 implementing that approach, but the City of

1 Buffalo will still require additional
2 assistance. Enhancing mobility and creating
3 more transportation options for Buffalo's
4 residents is a key component of my
5 administration's efforts to speed our
6 economic recovery and promote greater racial
7 equity. The City of Buffalo has identified
8 over \$206 million in shovel-ready projects in
9 every neighborhood that, if funded, could
10 transform the lives of low-income residents
11 across the City of Buffalo.

12 I'm requesting an increase in the
13 arterial maintenance reimbursement rate paid
14 by the state. The rising costs related to
15 this work, which include paying our public
16 employees a living wage and the increased
17 costs for equipment and materials, require an
18 increase in the state contribution for this
19 critical infrastructure funding.

20 I'm also asking for the restoration of
21 \$65 million that had been dedicated to
22 Extreme Winter Recovery funding in prior
23 years.

24 Another important tool in the

1 promotion of equitable development is our
2 ability to enter into community benefit
3 agreements. The proposed budget eliminates a
4 city's ability to enter into such agreements
5 with companies seeking to develop cannabis
6 marketplaces within their borders. This
7 undermines the time-tested tool that helps to
8 ensure an equitable distribution of the
9 economic benefits which accompany
10 development.

11 I am asking the Legislature to remove
12 this prohibition on community benefit
13 agreements from the budget.

14 In addition to expanding the
15 availability of cannabis, the proposed budget
16 also expands the availability of mobile
17 sports betting. I request that a local
18 revenue sharing agreement be included in the
19 final budget.

20 Additionally, I believe it's
21 imperative that the Seneca Nation fulfill
22 their obligations to the state and host
23 cities based on the Tribal Compact, and that
24 this matter needs to be resolved before

1 contemplating any permissions related to
2 mobile sports betting.

3 Finally, I'm asking the Legislature to
4 consider including a legislative change to
5 the budget. According to State Local Finance
6 Law, borrowing to close revenue shortfalls
7 must be repaid within 18 months, which in
8 this instance will occur at the time when
9 Buffalo's economic outlook and finances are
10 just beginning to normalize. I request that
11 this provision of law is amended to allow
12 municipalities that utilize this borrowing
13 tool to have 10 years to pay off that debt
14 instead of 18 months.

15 Again, I would like to thank the
16 chairs and members of the Joint Legislative
17 Budget Committee for this opportunity to
18 present my thoughts on the proposed 2021-2022
19 Executive Budget. I look forward to working
20 with all of you in the future to find
21 solutions to the challenges we are facing,
22 and I would be happy to answer any questions
23 you might have at this time.

24 CHAIRWOMAN WEINSTEIN: Thank you,

1 Mayor Brown.

2 And we are going to go to the Senate
3 chair of the Upstate Cities Committee,
4 Senator Cooney, for 10 minutes.

5 SENATOR COONEY: Thank you very much,
6 Madam Chair.

7 And good to see you, Mayor Brown. I
8 wish I could see you in person, but this is
9 the best we can do at this time.

10 BUFFALO MAYOR BROWN: Good to see you,
11 Senator Cooney.

12 SENATOR COONEY: A pleasure. A
13 pleasure.

14 So I want to first start off with a
15 thank you by thanking your staff for working
16 with our team as we begin to focus on a new
17 Senate committee, Senate Committee Cities 2,
18 which focuses on upstate cities, specifically
19 including the Big 5. And you know from your
20 own time in the Senate that this is the first
21 time the Democratic Majority has represented
22 the Big 5, making sure that we have new
23 representation in our Senate Majority that
24 can speak to some of the issues that cities

1 like Buffalo and cities like mine, Rochester,
2 have faced for a long time.

3 And then in that regard, I want to
4 have a conversation about AIM aid, everyone's
5 favorite topic. And I'm sure you have a lot
6 of thoughts on that topic. You know, this
7 has been a contentious issue -- the formula
8 itself, how the formula has been applied,
9 what has made up the formula -- for many,
10 many years.

11 Clearly it's a very challenging
12 financial year for the state to kind of
13 reevaluate that process, but I am curious on
14 your thoughts, Mayor, on if the formula was
15 to be able to be revised in some way, what
16 are the factors that should be considered in
17 determining how AIM aid is allocated to
18 cities?

19 I know that we've come a long way from
20 what cities were even 10 years ago to know
21 what the needs of cities are today. The
22 pandemic just showed us a little bit about
23 it. And you mentioned in your comments just
24 a moment ago some of the other challenges --

1 new markets; new industries that cities are
2 facing, like Buffalo; cities that are on
3 international borders, like Buffalo, that are
4 having unique opportunities for economic
5 growth.

6 So could you comment briefly on AIM
7 aid and what that formula change might look
8 like if you could have your magic wish?

9 BUFFALO MAYOR BROWN: Well, certainly
10 state aid is critical to cities. And before
11 the AIM formula was put in place, there was
12 another formula for how cities received state
13 aid. The question has been is the AIM
14 formula better for cities, do cities get
15 their fair share of state aid, or do they get
16 less state aid before the formula that
17 presently was put in place.

18 I know for many years under the
19 present formula there was no increase in
20 aid -- in fact, in some years aid decreased.
21 And now with the challenges of the pandemic,
22 the state has had to reduce AIM payments to
23 municipalities across the state.

24 So I think one of the key and critical

1 things is to restore the full AIM to cities.
2 That is going to be critical to our recovery
3 even before we look and analyze what the
4 formula should be.

5 I think in any looking at the formula,
6 as I heard Mayor de Blasio say, the ability
7 of local governments and city governments to
8 have the resources to be nimble and flexible
9 in delivering services to local communities
10 is critically important. And I think that
11 that should be taken into consideration in
12 any consideration of how the AIM formula
13 might be amended.

14 So as opposed to the state directing
15 funds based on what it views as what
16 municipalities should be spending on, I think
17 it's critically important to give
18 municipalities greater flexibility in making
19 sure those spending decisions at the local
20 level.

21 SENATOR COONEY: I appreciate that,
22 Mayor Brown. As the former chief of staff to
23 the City of Rochester, the nimbleness that
24 you spoke is right on. And of course during

1 the pandemic being nimble is more important
2 than ever.

3 I want to touch upon the pandemic and
4 specifically the negative impacts that the
5 pandemic has brought upon our marginalized
6 communities and populations. And I know from
7 my friend and colleague Senator Ryan that he
8 has been a very passionate advocate for
9 refugees in the City of Buffalo. In
10 Rochester we also have a growing and large
11 resettled refugee population. And I'm
12 wondering, from your perspective as mayor,
13 what could the state be doing more to make
14 sure that we are providing critical resources
15 and services to those populations in our
16 cities?

17 BUFFALO MAYOR BROWN: Well, we know in
18 our cities there are a lot of marginalized
19 communities, there are low-income
20 communities. The urban centers have a large
21 number of immigrants and refugees, low-income
22 residents, Black and brown residents that
23 have been dealing with inequity for a very
24 long period of time.

1 So I think funding that gives us the
2 ability to support new Americans is
3 critically important. Having the resources
4 to address racial inequity is critically
5 important. That's certainly something that I
6 know communities all across our state and all
7 across our nation are grappling with. These
8 things cannot be addressed without the proper
9 resources to address them.

10 I know that all municipalities have
11 been fiscally hurt because of the pandemic.
12 In the City of Buffalo, we placed in our
13 budget \$65 million in anticipated disaster
14 relief coming from the federal government,
15 and it is finally looking, now with
16 President Biden and Vice President Harris,
17 that appropriate relief will be provided to
18 local governments and to state governments to
19 be able to fiscally recover from the
20 pandemic.

21 SENATOR COONEY: Thank you, Mayor.

22 I just want to put a plug in for the
23 work that we're doing on our new Cities 2
24 Committee. I've been partnering with both

1 Senator Ryan but also Senator Kennedy, as the
2 chair of our Transportation Committee, on
3 talking about high-speed rail. And I know
4 that that's something that's going to be very
5 interesting as we look to have a conversation
6 about economic development in upstate to
7 better connect what you're doing right on the
8 border of Canada, and of course looking into
9 the market of Toronto to our friends
10 downstate, and then all of the cities along
11 the way that could benefit from workforce
12 attraction and new markets.

13 And so I thank you for the leadership
14 that you've already provided and look forward
15 to our continued partnership together, Mayor.
16 Thank you.

17 BUFFALO MAYOR BROWN: Thank you very
18 much, Senator Cooney.

19 CHAIRWOMAN KRUEGER: Thank you.
20 Assembly?

21 CHAIRWOMAN WEINSTEIN: Yes, we go to
22 our ranker on -- we go to Assemblyman Reilly,
23 our ranker on Cities, for five minutes.

24 Mike, you there?

1 ASSEMBLYMAN REILLY: Yup.

2 CHAIRWOMAN WEINSTEIN: There you are.

3 ASSEMBLYMAN REILLY: Thank you,

4 Madam Chair.

5 Good afternoon, Mr. Mayor. Thank you
6 for joining --

7 BUFFALO MAYOR BROWN: Good afternoon,
8 Assemblyman Reilly.

9 ASSEMBLYMAN REILLY: Thank you so
10 much. I appreciate your testimony.

11 There are a couple of things that I
12 wanted to ask you, and you touched on it, you
13 mentioned about adult-use cannabis. I
14 actually wanted to see if you can give me
15 some insight into -- under the Compassionate
16 Care Act that was enacted before I was a
17 member of this body in 2016, there was tax
18 revenue that was raised by the sale of
19 medical marijuana and a cost-sharing,
20 fund-sharing with municipalities that were
21 part of that program.

22 Can you tell me how much Buffalo
23 received in regards to that tax revenue?

24 BUFFALO MAYOR BROWN: Thank you very

1 much, Assemblymember Reilly.

2 With me is my commissioner of
3 administration and finance, Donna Estrich.

4 I believe through that proposal there
5 was no revenue-sharing that Buffalo received
6 from medical marijuana or medical cannabis.

7 ASSEMBLYMAN REILLY: There was nothing
8 that went to specific programs like substance
9 abuse or law enforcement?

10 BUFFALO MAYOR BROWN: No, I don't
11 believe there was any revenue-sharing in that
12 way that came to the City of Buffalo.

13 I know that with cannabis in general,
14 there is a facility that has been proposed
15 for the City of Buffalo. The principals in
16 that facility are willing to enter into a
17 community benefits agreement to address some
18 of the issues that you mentioned in the City
19 of Buffalo. And we certainly would like to
20 have the ability for local governments where
21 cannabis facilities are going to be located,
22 to have the ability to negotiate community
23 benefit agreements.

24 ASSEMBLYMAN REILLY: Is there

1 currently a medical marijuana facility,
2 dispensary in Buffalo?

3 BUFFALO MAYOR BROWN: There is not a
4 medical marijuana dispensary physically
5 located in the City of Buffalo at this time.

6 ASSEMBLYMAN REILLY: Okay. Great,
7 thank you. The reason why I was asking,
8 because I was looking to get more insight
9 into potential of -- for the tax revenue that
10 was raised through the medical marijuana, so
11 looking at different aspects across the
12 state.

13 So with the Governor's proposal for
14 adult-use cannabis, the date that cities will
15 have, and local governments, to opt out would
16 be December 31, 2021. Do you think that
17 gives you enough time to prepare for any
18 local statutes or policies that you want to
19 incorporate if it does move forward and
20 reasonable adult-use marijuana is passed?

21 BUFFALO MAYOR BROWN: I think we would
22 have enough time to prepare. Obviously, we
23 would move very quickly. Any ability for
24 revenue sharing from adult-use cannabis would

1 be helpful to a host municipality, and
2 certainly the City of Buffalo would look
3 forward to sharing in revenue from adult-use
4 cannabis.

5 At the same time, we would also like
6 to be able to participate in the negotiating
7 of community benefit agreements to address
8 issues of equity and diversity and inclusion
9 in our city, as I know that other communities
10 across the state would like to do as well.

11 ASSEMBLYMAN REILLY: Thank you,
12 Mr. Mayor. One final question.

13 Yesterday during the Public Protection
14 Budget Hearing I mentioned the drug
15 recognition experts and the challenges that
16 will be there of driving under the influence,
17 potentially, under marijuana.

18 How many DREs does the Police
19 Department, the Buffalo Police Department
20 have on staff currently?

21 BUFFALO MAYOR BROWN: DRE?

22 ASSEMBLYMAN REILLY: They're drug
23 recognition experts that are trained by the
24 state and federal government.

1 BUFFALO MAYOR BROWN: Right off the
2 top of my head, I don't know how many drug
3 recognition experts the Buffalo Police
4 Department has. We have a department that is
5 roughly 780 members. But the exact number of
6 drug recognition experts, I don't know the
7 answer to that, Assemblymember.

8 ASSEMBLYMAN REILLY: Thank you very
9 much, Mr. Mayor. I'm out of time.

10 Thank you, Madam Chair.

11 CHAIRWOMAN WEINSTEIN: We go to the
12 Senate now.

13 CHAIRWOMAN KRUEGER: Thank you.

14 And I see our ranker for Local
15 Government, Senator Rath.

16 SENATOR RATH: Thank you, Madam Chair.

17 It's good to see you, Mayor.

18 BUFFALO MAYOR BROWN: Good to see you
19 too, Senator Rath.

20 SENATOR RATH: Thank you very much.

21 And I appreciate your testimony, and I
22 agree with a great deal of what you said
23 in -- and I have a copy of your speech right
24 here, just so you know. I've taken some

1 notes and paid close attention.

2 I want a touch on something that you
3 and I had worked together on very closely
4 when we were involved in the ECIDA, the Erie
5 County Industrial Development Agency. And
6 your leadership in helping to bring about the
7 renaissance and the revitalization of the
8 City of Buffalo was fantastic. And we saw it
9 firsthand -- so much so pre-COVID.

10 And now as we are emerging from COVID
11 and every government -- state, city, county,
12 local -- has to kind of reimagine and sort of
13 reengineer, I'm just curious to know what
14 your thoughts are on incentivizing business
15 development, incentivizing business
16 investment, what we're doing in the City of
17 Buffalo, which has shown a lot of leadership
18 on this issue, to create and retain jobs in
19 the city and across our region.

20 I also know there's \$100 million in
21 Downtown Revitalization Program money which
22 is set aside in the Governor's budget this
23 year. So if you could share with us what's
24 happening for economic development as we

1 start to emerge from COVID.

2 BUFFALO MAYOR BROWN: Well, I think
3 it's very important to incentivize economic
4 development, it's very important to
5 incentivize investment. I think what we have
6 been able to do with the Governor's Buffalo
7 Billion, certainly, with all of you, the
8 members of the Senate and the Assembly, our
9 local delegation, we have been able to
10 provide incentives for a lot of important
11 economic development projects in the City of
12 Buffalo.

13 And with the East Side funds and funds
14 that specifically focus on equity and
15 inclusion and diversity, we are now seeing
16 the effects of the incentive programs for
17 economic development reaching all sections of
18 our city. So not just downtown, where we've
19 experienced significant economic development
20 growth, or the Buffalo Niagara Campus, where
21 we've seen several billion dollars of
22 investment over a 20-year period of time, but
23 we're seeing it on the East Side of Buffalo,
24 the West Side of Buffalo, the North Side and

1 the South Side of Buffalo.

2 What we've tried to do, with federal
3 CARES Act money that has come to the City of
4 Buffalo and other federal dollars, is provide
5 support for small businesses in the City of
6 Buffalo that have been hurting as a result of
7 the COVID-19 global health pandemic. We also
8 have stood up a program called Stand Up
9 Buffalo to assist renters in paying their
10 rent and homeowners in paying their mortgages
11 and small businesses in paying bills that
12 they have fallen behind on.

13 So I think it's important for us to
14 first stabilize our small businesses --
15 because as you know, Senator Rath, you know
16 in Buffalo, in Erie County, in Western
17 New York, small businesses are really
18 hurting. So we've put programs in place to
19 help them in the City of Buffalo proper, but
20 then beyond that, once our businesses are
21 stabilized, then we have to provide
22 incentives for additional business
23 development.

24 SENATOR RATH: Thank you, Mayor.

1 And just a brief comment. I couldn't
2 agree with you more with regards to the
3 responsibility we have to work with our small
4 businesses, who struggle like never before.
5 And again, I thank you for your leadership
6 and I look forward to working with you as we
7 move forward this year.

8 Thank you, Madam Chair.

9 CHAIRWOMAN KRUEGER: Thank you.
10 Assembly.

11 CHAIRWOMAN WEINSTEIN: So we have
12 Assemblyman Conrad for three minutes.

13 ASSEMBLYMAN CONRAD: Thank you. Thank
14 you, Chairs. And hi, Mayor Brown, how are
15 you? Good to see you.

16 BUFFALO MAYOR BROWN: Good,
17 Assemblyman Conrad.

18 ASSEMBLYMAN CONRAD: You're not doing
19 a good job of keeping Buffalo secret. You
20 know, that's our catch phrase back home, you
21 know, so -- but thank you for your work.

22 I want to touch on two things. Number
23 one, there's been a large discussion about
24 broadband, the affordability and of course

1 the ability for residents to actually get
2 proper broadband signals. There's a lot of
3 discussion about updating that, mapping it
4 and bringing in municipal broadband,
5 especially in Erie County and in the
6 surrounding areas; I know it's a statewide
7 issue. I'd like your thoughts on that.

8 And my second question, because I only
9 have a couple of minutes here, is you in your
10 testimony mention mobile sports betting and
11 talking about a carve-out sharing agreement.
12 There is discussion about -- and I have to
13 say Assemblywoman Monica Wallace brought it
14 up -- about sharing to increase the State of
15 Play for kids and doing shares with the parks
16 and recreation departments around the state.
17 And I just want your thoughts on that as
18 well.

19 Sorry for the two question at once.

20 BUFFALO MAYOR BROWN: No, no, that's
21 fine. Let me thank you for your questions,
22 Assemblyman Conrad. And I know that
23 Senator Rath is off; I want to thank him for
24 his questions as well.

1 Broadband is very important to
2 municipal growth and development, certainly
3 in cities but in the suburbs and in the rural
4 areas of our state as well. I mentioned in
5 my testimony over \$206 million in
6 infrastructure funding that we're calling the
7 People's Infrastructure Agenda. As part of
8 that we have investments for broadband, to
9 expand broadband in the City of Buffalo.

10 Unfortunately, in the city we again
11 saw, through the pandemic, inequities that
12 exist in our community where many students in
13 the Buffalo public schools did not have
14 internet access, did not have access to
15 broadband. We were able, on a private basis,
16 to work with members of the Buffalo Bills
17 football team to actually pay for internet
18 access for thousands of households in the
19 City of Buffalo that could not afford it.

20 But there's got to be specific federal
21 and state funding for broadband expansion. I
22 don't think local governments, city
23 governments, can do it by themselves.

24 I also -- the State of Play, it's

1 critically important for children to have
2 access not only to the internet but access to
3 safe options for play. In the City of
4 Buffalo we've invested a lot in parks and
5 community centers at the local level.
6 Assistance that we have been able to get from
7 the federal government and the state
8 government have enabled us to do that.

9 But certainly funding for supports for
10 our children, particularly at this difficult
11 time when many children, you know, are
12 experiencing emotional issues, depression
13 issues from the pandemic, strategic resources
14 to address the needs of our children is
15 critically important.

16 ASSEMBLYMAN CONRAD: I couldn't agree
17 more. Thank you, Mayor.

18 BUFFALO MAYOR BROWN: Thank you,
19 Assemblyman Conrad.

20 CHAIRWOMAN WEINSTEIN: We're going to
21 go to Assemblyman Rivera, three minutes.

22 ASSEMBLYMAN RIVERA: How are you
23 doing, Mayor?

24 BUFFALO MAYOR BROWN: I'm doing well,

1 Assemblyman Rivera.

2 ASSEMBLYMAN RIVERA: Good. I'll be
3 quick on this because so many of my
4 colleagues have already touched on a few
5 things, including refugee resettlement and
6 broadband.

7 There's two things I did want to touch
8 on, just more questions I'm eager to have
9 your feedback on. One is housing. As you
10 can imagine, everything that's gone on with
11 the pandemic has exacerbated issues that we
12 knew were sort of underlying the entire time
13 but has really brought them out. I'm sure
14 you're hearing it a lot from folks -- you
15 sort of mentioned it earlier when Senator
16 Rath was talking -- but I know I'm getting a
17 lot of calls from homeowners that are
18 struggling, you know, to just sort of take
19 care of their homes.

20 And Buffalo I've thought of has a
21 unique housing stock, one because of its age
22 and two because of sort of the character and
23 the history behind it. And I'm just curious
24 to see if you've been hearing the same thing

1 from small homeowners, if you've been
2 hearing, you know, sort of the struggles as
3 well.

4 And then I also have a second
5 question, and that's about infrastructure.
6 So as you know, in my previous life I was in
7 local government as well, in the Department
8 of Public Works. And, you know, one of the
9 things that I'm a true believer on is that,
10 you know, when we invest money into
11 infrastructure -- and you mentioned
12 broadband, but for a second we can talk about
13 road work and sort of renovation of existing
14 buildings and just sort of digging our
15 heels -- or rolling up our sleeves, I should
16 say, into, you know, investing money into our
17 infrastructure.

18 I'm a believer that every dollar that
19 we invest into that just is going to pay so
20 much more in dividends, not just in
21 construction work but in a lot of other ways.

22 So I just wanted to see if there was
23 any specific infrastructure projects you had
24 in mind, or we'll say shovel-readyish. And

1 if so, I guess, let's work together on them.

2 BUFFALO MAYOR BROWN: Thank you very
3 much, Assemblyman Rivera.

4 I have heard from homeowners who are
5 having trouble paying their mortgages because
6 of COVID, renters who are having trouble
7 paying their rent because of COVID, and small
8 landlords who have tenants who have not been
9 able to pay their rent because of COVID.

10 The city, as you know, just received
11 \$11 million from the federal government. We
12 are initiating a program called Stand Up
13 Buffalo where we will be helping renters pay
14 their rent, homeowners pay mortgages, and
15 small businesses that have been affected by
16 COVID-19. We expect to be able to assist
17 2,000 people in the City of Buffalo, but
18 certainly that's not enough. We believe that
19 the need is going to be much greater than
20 that.

21 Our infrastructure plan includes
22 streets, sidewalks, our lighting system, our
23 broadband, as well as our sewer and water
24 system infrastructure. Again, we have a plan

1 that's well over \$206 million for that.

2 ASSEMBLYMAN RIVERA: Thank you very
3 much, Mayor.

4 BUFFALO MAYOR BROWN: Thank you,
5 Assemblyman Rivera.

6 CHAIRWOMAN WEINSTEIN: Okay, so now we
7 -- I think we have one last member,
8 Assemblyman Dilan, for three minutes.

9 ASSEMBLYMAN DILAN: I'll try to be
10 faster than that.

11 Mr. Mayor, how are you? Just want to
12 say that you have my support on the CBA
13 language on cannabis management in the
14 budget. So I just wanted to let you know
15 that.

16 But I'm intrigued by your request for
17 the local revenue share on sports betting.
18 Just want to see if you can expand on that
19 and maybe share with me your vision of how
20 you would like to see that if it were to come
21 to pass.

22 BUFFALO MAYOR BROWN: Thank you very
23 much, Assemblyman Dilan.

24 So in the areas where mobile sports

1 betting would occur, issues with people who
2 develop gambling addiction, the
3 infrastructure needs around those facilities,
4 the public safety needs, police and fire, are
5 all borne by the municipal government, by the
6 government where those facilities will be
7 located. So we think a formula to reasonably
8 share some of the revenue of mobile sports
9 betting with the host municipality is very
10 important.

11 We also believe that the issue with
12 the Seneca Nation should be resolved. If
13 they are going to participate in mobile
14 sports betting, we think that the money
15 that's owed to the state and to the host
16 municipalities as part of that tribal compact
17 should be addressed before they are granted
18 permission to participate in mobile sports
19 betting.

20 But there are certain significant
21 local costs that are borne around those
22 facilities that operate in the municipality,
23 so I think anything that the State
24 Legislature can do, working with the

1 executive branch for revenue sharing for host
2 municipalities, would be extremely helpful.

3 ASSEMBLYMAN DILAN: Thank you.

4 Thank you, Madam Chair.

5 CHAIRWOMAN WEINSTEIN: Thank you,
6 Mayor Brown. There are no further questions,
7 so thank you for being with us today.

8 BUFFALO MAYOR BROWN: Thank you all
9 very much.

10 CHAIRWOMAN KRUEGER: Thank you very
11 much, Mayor Brown.

12 CHAIRWOMAN WEINSTEIN: We're going to
13 go on to the mayor of the City of Rochester,
14 the Honorable Lovely A. Warren, for
15 10 minutes.

16 ROCHESTER MAYOR WARREN: Thank you,
17 Chairperson Weinstein, Chairperson Krueger,
18 members of the Ways and Means and Finance
19 Committees, other members of the Senate and
20 Assembly. Thank you for the opportunity to
21 testify today regarding the Executive Budget
22 on behalf of the residents of the City of
23 Rochester.

24 Prior to the pandemic, our city was on

1 the rise. Our economy was growing, with new
2 jobs, low unemployment, our streets were
3 safer with crime at historic lows, and our
4 families were stronger due to the
5 availability of more affordable housing,
6 pre-K education, and job training. However,
7 the pandemic has created a myriad of revenue
8 challenges and forced Rochester to take
9 significant steps towards doing more with
10 less, including freezing discretionary
11 spending, furloughing over 11 percent of our
12 workforce, denying cost-of-living increases
13 for our employees, deferring capital
14 spending, and passing a current-year budget
15 4.7 percent lower than last year's.

16 Beyond making difficult decisions to
17 protect our taxpayers, the City of Rochester
18 has been innovative in leveraging our CARES
19 Act funding to work on behalf of our
20 community and government partners to support
21 our residents and businesses in need:
22 Distributing millions of meals to children
23 and families in need, dedicating
24 \$10.2 million for direct rent assistance to

1 benefit tenants and responsible landlords,
2 delivering \$2.4 million in business emergency
3 retention grants to nearly a thousand local
4 businesses, supporting our students with
5 laptops, internet access and learning labs as
6 they learn remotely, and mailing masks to
7 every household.

8 The above accomplishments are just a
9 sampling of the many efforts our city has
10 undertaken to address the needs of our
11 residents and protect our taxpayers over the
12 past year.

13 But despite this good work and our
14 fiscal restraint, we have started our budget
15 process for next year facing a substantial
16 deficit. While making significant progress,
17 we are still wrestling with a \$31.4 million
18 all-funds gap for Rochester's '21-'22 budget.
19 Simply put, we need more support from our
20 state.

21 The actions of the state over the past
22 year when it comes to reducing needed revenue
23 to Rochester and other cities is not
24 sustainable. We certainly need you to invest

1 more so that we can adequately address the
2 historic inequities that this pandemic has
3 exposed and ensure that we fully recover
4 together.

5 I recently unveiled the Equity and
6 Recovery Agenda for Rochester. It provides a
7 bold series of proposals to finally address
8 longstanding systemic issues. The agenda
9 includes a housing trust fund and emergency
10 fund to assist families in crisis, needed
11 police reforms as well as efforts to create
12 jobs, protect our environment, bring greater
13 safety and vibrancy to our neighborhoods,
14 bolster our educational system, and
15 strengthen support for local artists.

16 Achieving these ambitious goals will
17 require the state to be a full partner in our
18 efforts. The most immediate and effective
19 way to create this partnership towards
20 achieving equity is the long-overdue
21 legalization and taxation of marijuana.
22 Cities should justifiably receive this
23 revenue to invest in and lift up communities
24 and residents who are most impacted and

1 oppressed by marijuana's criminalization.

2 Therefore, I urge you to reconsider
3 the proposed tax structure for marijuana
4 legalization. Revenues generated by the
5 state's THC-based tax and retail surcharge
6 should not be directed only to the state's
7 General Fund. Rather, resources from
8 legalization must explicitly and directly
9 flow to local governments, most especially
10 cities, to fund their equity efforts. This
11 should be a prerequisite for the support.

12 To that end, I support the legislative
13 efforts of Majority Leader Crystal
14 Peoples-Stokes to create dedicated revenue
15 streams to help us lift up our residents in
16 our most challenged communities.

17 Another essential element of our work
18 towards equity must be to completely reinvent
19 policing, as stressed by Governor Cuomo in
20 his Executive Order 203. I recently unveiled
21 our community's draft response to achieve
22 this goal, and there are three critical
23 elements where Rochester needs your
24 legislative support. We need you to allow

1 our police personnel -- allow us to fire our
2 police personnel for cause, enable cities to
3 develop completely new colleague collective
4 bargaining agreements with our police unions,
5 and provide funding for alternative responses
6 to law enforcement, like Rochester's Person
7 in Crisis Team.

8 I ask you today to truly partner with
9 us to achieve equity and assure Rochester's
10 recovery. While marijuana legalization and
11 police reform are critical elements of this
12 partnership, we must remember that all of our
13 cities, including Rochester, require a state
14 budget that provides the resources we need to
15 deliver essential services.

16 When it comes to Aid and Incentives
17 for Municipalities, or AIM funding, we are
18 grateful that most of this vital revenue that
19 was withheld in June is scheduled to be
20 released by the end of March. I am, however,
21 asking the state to restore the remaining
22 5 percent cut from the 2020 budget and
23 eliminate the 2.5 percent cut from the
24 Executive Budget, because this will provide

1 Rochester with a much-needed \$6.6 million.

2 Beyond restoring the current level of
3 AIM funding, I must reiterate again that
4 Rochester continues to be short-changed on a
5 per-resident basis when compared to Buffalo
6 and Syracuse. Rochester only receives
7 84 percent of the AIM aid per resident that
8 the state invests in Syracuse, and 67 percent
9 of the AIM aid that the state invests in
10 Buffalo.

11 If we are going to adequately address
12 inequality and lift up our families out of
13 poverty, we need New York State to fully
14 restore Rochester's current AIM funding and
15 end the longstanding inequity between
16 Rochester -- that Rochester receives per
17 resident.

18 Further tipping the scales against
19 Rochester -- beyond the AIM inequity -- is
20 the fact that Rochester continues to pay much
21 more to our school district per the
22 maintenance of effort requirement that is
23 outlined by the state. Another way that we
24 can assure that we fully recover from the

1 pandemic is by investing and putting people
2 to work in well-paying construction jobs.

3 For this reason, I request a full
4 restoration of Rochester's infrastructure
5 funding. While the Executive Budget does
6 fund the CHIPS, PAVE-NY and BRIDGE-NY
7 programs, it does not fund the Extreme Winter
8 Recovery program. Restoration of this
9 program would provide \$500,000 in critical
10 support and maintenance for our roads and
11 bridges.

12 Beyond roads and bridges, we need to
13 invest in the facilities that enrich the
14 lives of our children and families.
15 Libraries have become even more critical
16 during the pandemic, providing educational
17 resources and meaningful entertainment. The
18 proposed Executive Budget would decrease
19 library construction aid by \$20 million, or
20 roughly 60 percent. Rochester's library
21 facilities rely on state support to properly
22 maintain these vital resources. Therefore I
23 ask you to restore full funding of library
24 construction aid.

1 Despite the pandemic, in partnership
2 with Governor Cuomo we continue to move
3 forward with our Roc the Riverway program.
4 This important project has put many
5 Rochesterians to work and has shown our city
6 the potential of reconnecting with the Mighty
7 Genesee. This past year we completed the
8 Erie Harbor Promenade and the long-awaited
9 Roc City State Park, as well as began
10 construction on the West River Wall and
11 Charles Carroll Park reconstruction projects,
12 to bring our community back to its historic
13 riverfront. We understand the fiscal
14 challenges facing all of us. However, we
15 look forward to the day we can all continue
16 Roc'g the Riverway.

17 In addition to the major requests I
18 have mentioned, the opportunity exists to
19 modernize state law to help create fairness
20 and easily generate revenue to help cities
21 recover. Therefore, I'm asking again that
22 you address the gross receipts tax and energy
23 service companies and mobile phone service
24 providers. These companies can no longer be

1 allowed to ignore the law or be required to
2 pay the GRT just in New York City and not
3 across the State of New York. This is a way
4 the state can help upstate cities without
5 reaching into your coffers to do so.

6 I also support the proposal to require
7 that all vacation rentals be subject to the
8 same state and local sales tax as traditional
9 hotels, motels and bed-and-breakfast
10 establishments. It is only right that an
11 equitable playing field exists for all such
12 businesses.

13 Another important step the budget can
14 take toward equity is enacting the Governor's
15 proposal that would require all broadband
16 service providers in New York State to offer
17 income-eligible customers in New York State
18 plans for no more than \$15 a month. The
19 pandemic has only served to highlight how
20 critical it is for everyone to have reliable
21 access to the internet.

22 Lastly, I appreciate all of your prior
23 and continued support for the City of
24 Rochester. I know that the spirit of

1 partnership will allow us to recover faster
2 and it will be better for all of our
3 residents.

4 I thank you for your time and
5 attention as we prepare to answer any of your
6 questions.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 So I think we're going to go first to
9 our ranker on the Cities Committee,
10 Assemblyman Reilly.

11 ASSEMBLYMAN REILLY: Thank you,
12 Madam Chair.

13 Thank you, Mayor, for being here.
14 Great seeing you this morning.

15 I actually wanted to touch on one of
16 the proposals that you mentioned in your
17 presentation. You were talking about the
18 adult-use marijuana and the potential of
19 legalizing it. Do you think the City of
20 Rochester will be prepared for the
21 December 31, 2021 deadline to opt in -- or
22 opt out, I should say, that the Governor has
23 put on that date for populations of 100,000.
24 Do you think you'll be prepared by that date

1 if you wanted to opt in or opt out?

2 ROCHESTER MAYOR WARREN: Yes, we
3 believe that we will be prepared. We are
4 working as a municipality right now, waiting
5 for the support to know whether we're going
6 to proceed with this, and to make sure that
7 everything is outlined for our residents as
8 well as for our businesses and our teams here
9 at City Hall to comply with whatever the
10 state outlines.

11 ASSEMBLYMAN REILLY: Does Rochester
12 currently have a medical marijuana
13 dispensary?

14 ROCHESTER MAYOR WARREN: Yes, we do.
15 We have one at Eastman Business Park.

16 ASSEMBLYMAN REILLY: Do you know if
17 under the Compassionate Care Act from 2016
18 with the sales tax generated from the medical
19 marijuana sales, has there been any funds
20 going to Rochester for substance abuse
21 therapy, law enforcement, or anything like
22 that?

23 ROCHESTER MAYOR WARREN: There are no
24 dollars coming directly to the City of

1 Rochester. I can't say if they are going to
2 other providers or not-for-profit agencies in
3 our community, but the city does not receive
4 any funds. As far as I know.

5 ASSEMBLYMAN REILLY: Okay. With the
6 potential of legalization, I know that some
7 of the concerns that we've been raising is
8 the potential for driving under the
9 influence. And of course it's very difficult
10 to identify a driver under the influence of
11 marijuana, unlike alcohol.

12 Across the state there are drug
13 recognition experts in police departments.
14 Do you know how many drug recognition experts
15 the Rochester P.D. has, by any chance?

16 ROCHESTER MAYOR WARREN: I do not know
17 how many drug recognition experts we have,
18 but we have a force of about 728 sworn
19 officers.

20 ASSEMBLYMAN REILLY: Okay. So there's
21 potentially the opportunity for a course for
22 police agencies to gain more experience to
23 recognize those that are driving possibly
24 under the influence of marijuana, and

1 hopefully that will be available, if the need
2 be, from the Division of Criminal Justice
3 Services. So I'm hoping that that will be an
4 option to look into.

5 One of the other things I wanted to
6 mention is some of the proposals that I wrote
7 a letter to the Governor and to the
8 leadership was about those under 21 driving
9 under the influence of marijuana. And, you
10 know, like it is now with driving under the
11 influence of alcohol, those that are under 21
12 years of age, there would be an
13 administrative hearing and they would lose
14 their license.

15 Do you think that's something that you
16 could support if legalized marijuana actually
17 moves forward? Because I think that will be
18 an issue on our roads.

19 ROCHESTER MAYOR WARREN: I think that
20 we would have to do everything like we do
21 with drunk driving to make sure that people
22 are adhering and driving safely. What the
23 penalties for driving under the influence
24 will be is up to, of course -- and how that

1 is regulated -- is up to how you as state
2 legislators write the law, and we'll be in
3 compliance with that.

4 I think that strong support for rehab
5 as well as education on the use of marijuana,
6 like there is with the use of alcohol and
7 driving while drunk, is something that is
8 definitely going to have to be supported as
9 well. But we're committed to working with
10 you to make sure that our residents get the
11 support that they need if they have a
12 substance abuse problem, but also to make
13 sure that -- we want to make sure that
14 whatever we do, it's equitable and it's fair
15 and it's just across the board.

16 ASSEMBLYMAN REILLY: Thank you, Madam
17 Mayor.

18 CHAIRWOMAN WEINSTEIN: Thank you.
19 We go to the Senate now.

20 CHAIRWOMAN KRUEGER: Thank you.
21 We go to our chair of All Cities But
22 New York, but it's also his hometown, Senator
23 Jeremy Cooney.

24 SENATOR COONEY: Thank you,

1 Madam Chair.

2 And good afternoon, Mayor Warren. I'm
3 glad you can join us here today, and I'm
4 delighted to see you, although it's --
5 looking out my window, the snow is letting up
6 a little bit --

7 ROCHESTER MAYOR WARREN: Yes, it is.

8 SENATOR COONEY: -- so maybe I could
9 walk down the street and see you at
10 City Hall.

11 I've got a couple of questions and I
12 wanted to frame them in light of what Senator
13 Krueger just mentioned. We have this new
14 commitment to upstate cities, or cities
15 outside of New York, long-time- overlooked
16 issues that I know you are familiar with,
17 whether it's AIM aid or whether some of the
18 transportation items that you mentioned in
19 your earlier testimony.

20 I do have a few questions for you
21 here, and I want to start on a difficult
22 subject because I know that you are feeling
23 this pain as I am too. I'm very frustrated,
24 I'm angry, I'm fed up with what we're seeing

1 with policing in our city. And I know that
2 Rochester wants to be in the headlines for a
3 lot of good things that we're doing, but
4 unfortunately we find ourselves in the
5 headlines time after time after time for
6 issues of police and community relations and
7 the tension therein.

8 So you mentioned in your testimony the
9 draft community plan as part of the
10 reimagining process. And thank you and your
11 team for going through that process. one of
12 the things that came out of that in terms of
13 the recommendations was changes to our civil
14 service laws in relation to how you can
15 discipline an officer or hire and fire an
16 officer. Can you elaborate quickly on that?

17 ROCHESTER MAYOR WARREN: So currently
18 we cannot fire an officer for cause
19 immediately. We can suspend and we have to
20 suspend a lot of times with pay because of
21 the way the civil service system and our
22 unions' system or contract is outlined.

23 And so we would be asking for an
24 exemption specific to the challenges that we

1 experienced in Rochester and have been
2 experiencing, to allow us to fire for cause
3 immediately. And we need to be able to do
4 that to make sure that the right people are
5 patrolling and serving our citizens.

6 Additionally, we are looking to
7 require that newly hired officers live within
8 the City of Rochester. Currently 94 percent
9 of our officers live outside of our city. We
10 want to make sure that they have a
11 commitment -- as the citizens of Rochester,
12 the residents are paying their salaries, they
13 should want to live in the City of Rochester.

14 Additionally, the way that we are
15 required to hire, based off of a civil
16 service test, that test does not determine
17 whether this person would be best qualified.
18 There are bands that you have to go through,
19 you have to -- you know, how high you score
20 on a test. And we all know that standardized
21 tests disproportionately affect communities
22 of color. And so we have been under a
23 consent decree since the late 1970s, where
24 25 percent of our city was people of color.

1 Now over 50 percent of our city is people of
2 color, but that consent decree is still based
3 on that 1979 number. We would want to change
4 that.

5 So -- and there are things within the
6 collective bargaining agreement that no
7 longer serve the citizens of Rochester that
8 we would want to be able to start from
9 scratch and renegotiate, and we will be
10 asking for an exemption specific to
11 Rochester. You all have seen the challenges.
12 I am frustrated as mayor to have witnessed a
13 child -- and as a mother -- a child suffering
14 the way that she suffered. We lost -- had
15 the tragic death of Daniel Prude as well here
16 in our community, and something has to
17 change.

18 And we are committed to making that
19 change, and we have put forth to our
20 community that's looking at this draft plan
21 the effort to -- that we believe needs to
22 take place outside of just training and
23 policies and procedures, but we really need
24 the ability to hire the right people to be

1 able to service our residents in our
2 community.

3 SENATOR COONEY: I appreciate that,
4 Mayor Warren. And please know that that
5 commitment is shared by those of us in Albany
6 who are following this news with great
7 interest. And we will be sponsoring
8 legislation to address some of those concerns
9 that you've raised.

10 Continuing on the police-community
11 relations, in our district just last week we
12 saw a quadruple shooting on Lyell Avenue.
13 And I don't need to tell you that this is a
14 continued troubled area of our community.
15 Last night we had a budget hearing with
16 Students Demand Action and Moms Demand Action
17 talking about gun violence solutions. What
18 can we do with the Lyell Avenue corridor?
19 What can we do to provide additional
20 resources on the state level so that you at
21 City Hall can help revitalize that important
22 neighborhood in our city?

23 ROCHESTER MAYOR WARREN: I think that
24 investment in people is our biggest

1 challenge. We know -- you know, pre-pandemic
2 we had hit, you know, 30-year lows as it
3 pertains to crime.

4 During the pandemic, last year we saw
5 double-digit increases not only in our murder
6 rate but also in our shootings. And we see
7 that, you know, people are suffering. The
8 pandemic has shown that people that make
9 \$60,000 or less are less likely to be able to
10 recover, and they need the help and they need
11 the support.

12 So resources in different job
13 education supports, help for
14 entrepreneurship, also help for people to be
15 able to recover equitably. So when I say
16 that, it's like emergency funds. So we have
17 many individuals that, you know, their tire
18 goes out on their car or they miss one
19 payment of rent, something happens with their
20 RG&E payment and their entire life gets
21 turned upside down.

22 And so one of the things that I have
23 proposed in our Equity Recovery Agenda is to
24 have an emergency fund where we could help

1 learned over the last few days with regard to
2 the Rochester City School District and the
3 lack of hot, nutritious meals -- as it snows
4 outside right now -- being made available to
5 our children. I know that you don't have
6 control over that decision, but what you do
7 have control over is being part of the
8 modernization of these buildings so that when
9 our kids go back to school, they have the
10 equal, 21st-century learning environments
11 that they so deserve.

12 I do have a bill in the Senate right
13 now, 1761, which would accelerate the
14 Phase III School Modernization Program. I
15 believe that this could create a lot of jobs
16 but also, more importantly, create those safe
17 learning environments that our children
18 deserve. I'm hopeful I can have your support
19 in that legislation, and I welcome any
20 comments you may have as it relates to the
21 potential to create job growth in your city.

22 ROCHESTER MAYOR WARREN: Senator
23 Cooney, I am excited that Phase III
24 legislation has moved along. When I worked

1 for Assemblyman David Gantt, I wrote the
2 Phase I bill and definitely supported
3 Phase II.

4 I'm looking forward to Phase III
5 coming because as you have indicated, our
6 children deserve our very best. Modernizing
7 our schools and making sure that we have a
8 facility that is 21st-century that gives them
9 access to not only internet but also a
10 quality environment is -- should be our
11 number-one priority.

12 And so I have written a letter of
13 support, along with the superintendent, and I
14 know that this issue that you addressed
15 earlier about food is something that is on
16 her radar screen. You know, I spoke to her
17 yesterday and this issue came up, and I know
18 that she is definitely committed. The
19 number-one priority for her was getting
20 children back into school. And I'm thankful
21 that we were able to open up the doors to
22 school this past week. Now that they're
23 there, I know that the focus will be on
24 providing adequate nutrition for them.

1 But we're here to help and to make
2 sure that our family gets the support and our
3 children get the support and the resources
4 that they need so that they can live to their
5 fullest potential.

6 SENATOR COONEY: Thank you, Mayor
7 Warren. I look forward to our partnership.

8 ROCHESTER MAYOR WARREN: Thank you.

9 CHAIRWOMAN WEINSTEIN: We go to
10 Assemblywoman Clark, three minutes.

11 ASSEMBLYWOMAN CLARK: Hello, Mayor.

12 ROCHESTER MAYOR WARREN: Hi.

13 ASSEMBLYWOMAN CLARK: I thought I was
14 further down the line, so -- anyway, hi.

15 I think Senator Cooney covered a lot
16 of some of our questions that we have, and we
17 are grateful for all that you are doing to
18 talk about the need to have investment into
19 our city and our people and our children and
20 our families.

21 I wanted to shift a little to
22 vaccines. I wanted to hear your thoughts
23 about how you think it's going in the city,
24 what we can be doing to make sure our most

1 vulnerable who are homebound -- I always
2 think of the city as, you know, when it comes
3 to the census or other things, it's sometimes
4 hard to reach our families and our
5 communities, our elderly.

6 So I just wanted to hear your thoughts
7 about how you thought the vaccine rollout was
8 going, particularly as it pertains to city
9 residents and our seniors and others who are
10 hard to reach. And if there's anything we
11 can be doing on the state side to really help
12 make that a little easier and facilitate
13 that.

14 ROCHESTER MAYOR WARREN: Well, we need
15 more vaccines. We have a lot of seniors that
16 have reached out to our office that want to
17 get the vaccine that do not have access
18 because we don't have enough.

19 And I think that under the leadership
20 of Dr. Mendoza and the county executive that
21 they've had a team -- and my commissioner of
22 the Department of Recreation and Human
23 Services, Dr. Daniele Lyman-Torres, and our
24 chief equity officer, Dr. Cephas Archie, have

1 been working with them diligently to make
2 sure that we get the resources but also get
3 access to the vaccines in our community.

4 But there is a big challenge there
5 with not having enough. I do believe that
6 there are ways that we can do more to make
7 sure that our most vulnerable -- meaning that
8 people living in our challenged neighborhoods
9 -- have access to the vaccines, and that is
10 to intentionally set aside a certain
11 percentage of vaccines that come to this area
12 for marginalized communities. And that has
13 not happened yet. I know that that's
14 happening in some cities across the country,
15 and I'm hopeful that as we get access to more
16 vaccines that that will be the case.

17 We also need to make sure that we are
18 going to where our residents are located,
19 meaning high-rises and other -- you know,
20 senior living facilities, to make sure that
21 they have access. Because as we saw with the
22 pandemic and the access to internet services,
23 many of our seniors do not have access to go
24 online and fill out the application. If they

1 don't have a family member or someone that's
2 doing that for them, their best way is to try
3 to go through their church, but churches are
4 only given a limited number.

5 And so I think that a better way to do
6 that is to directly have a certain percentage
7 of vaccines that come to our particular area
8 completely slated for those marginalized
9 communities and those people that are most
10 vulnerable. But the first thing, of course,
11 is what the Governor has been talking about,
12 and I know that all of you know, is to be
13 able to have -- to actually have the vaccines
14 to be able to vaccinate our people.

15 ASSEMBLYWOMAN CLARK: Thank you.

16 CHAIRWOMAN WEINSTEIN: We go to the
17 Senate now.

18 CHAIRWOMAN KRUEGER: Let me unmute
19 myself, always a good plan. Who imagined,
20 two Democratic Senators from Rochester? I
21 guess we did.

22 Senator Samra Brouk.

23 SENATOR BROUK: Thank you, Chairwoman.

24 And good afternoon, Mayor Warren.

1 It's so good to see you with your full city
2 delegation here, mostly Rochester residents.

3 So I will jump in. Thank you for
4 everything you have outlined already. I want
5 to just make a quick note, I think Senator
6 Cooney did a great job of going through a lot
7 of the police reforms, ideas that you as the
8 mayor and as the city have put forward. And
9 just to reiterate our support from the state
10 level with things like Daniel's Law, which
11 will in many ways encompass some of the
12 things that you brought up in your proposal.
13 And the same with the banning of chemical
14 irritants, especially on minors -- I think
15 we're all still a little rocked from watching
16 that footage of the 9-year-old girl -- as
17 well as the residency for future RPD
18 officers, which we hope we can continue to
19 move forward with your support.

20 But I want to pivot quickly to go back
21 to AIM aid, because this is why we're here,
22 is to get more funding for our city. So
23 these are true questions for you, and I don't
24 know if you have it off the top of your head.

1 Do you know if there was ever parity between
2 Rochester's funding per capita when compared
3 to the sister cities of Buffalo and Syracuse?

4 ROCHESTER MAYOR WARREN: I don't know
5 if there was ever real parity, but it was
6 closer. So we're not talking about millions
7 of dollars being a difference -- so, you
8 know, \$30 million, \$15 million, \$16 million
9 being a difference.

10 There is -- there hasn't been a
11 formula that is based off of, you know,
12 poverty or based off of a community's need.
13 And I think that it is time to look at that
14 and to reevaluate AIM so that communities
15 that have a higher need, have a higher
16 concentration of poverty, have the support
17 and get the support that they need.

18 For Rochester in particular, there was
19 a time where we were in a different place
20 financially. And because of that, I think
21 that the state looked at what a city's needs
22 were at that point at that point in time, and
23 our AIM aid was based upon that. And our
24 challenge is that over the decades since the

1 early 2000s, you know, and a decline in many
2 of our major industries and tax base,
3 Rochester's financial situation changed and
4 at the same time those other cities'
5 financial situation has changed as well.

6 And so we're asking for parity and for
7 a formula that equalizes or makes it fair
8 across the board for cities that are in our
9 situation.

10 SENATOR BROUK: Thank you.

11 So two things have happened. It's an
12 inequitable formula to begin with, and
13 actually our gap has grown --

14 ROCHESTER MAYOR WARREN: Yes.

15 SENATOR BROUK: -- over the past
16 decade or so.

17 ROCHESTER MAYOR WARREN: Yes.

18 SENATOR BROUK: Okay, thank you.

19 I'm not going to rush you through
20 another question, but suffice to say that
21 with this strong delegation, we're hoping
22 that we can try to rectify at least parts of
23 that to make sure we don't have to create
24 more cuts.

1 ROCHESTER MAYOR WARREN: Well, I can
2 tell you, Senator, we are definitely excited
3 about having both you and Senator Cooney
4 representing Rochester in the Senate, and
5 we're looking forward to your leadership and
6 we're hopeful that that bears great fruit for
7 the City of Rochester, and we know that it
8 will.

9 So thank you for your service.

10 SENATOR BROUK: Thank you as well.

11 CHAIRWOMAN KRUEGER: Thank you.
12 Assembly?

13 CHAIRWOMAN WEINSTEIN: We go now to
14 Assemblyman Meeks.

15 ASSEMBLYMAN MEEKS: Thank you,
16 Madam Chair.

17 Madam Mayor, great to see you today.

18 ROCHESTER MAYOR WARREN: Good to see
19 you.

20 ASSEMBLYMAN MEEKS: All right.
21 Enjoying this good Rochester weather, huh?

22 (Laughter.)

23 ASSEMBLYMAN MEEKS: It could be worse.
24 So I just wanted to touch on a couple

1 of things. One is the effects of underfunded
2 and unfunded mandates that are coming by way
3 of the state. If you could sort of speak to
4 the effects of those on this community.

5 ROCHESTER MAYOR WARREN: So one of the
6 things that we had talked about in our
7 address earlier is this maintenance of
8 effort. So currently we receive, in AIM
9 funding, \$88 million from the State of
10 New York. However, we're required to pay
11 \$119.1 million to our school district. And
12 so that's a -- that's a mandate from the
13 state that requires us to pay that amount of
14 money to our school district, where with
15 other cities like Buffalo and Syracuse, the
16 amount of money that they receive in their
17 AIM aid covers the amount of money that they
18 actually pay to their school districts.

19 So a way to bring in parity is to
20 provide Rochester with the AIM aid equal to
21 that which we provide to our school district.

22 We also have a 2 percent tax cap that
23 we are, you know, mandated to comply with and
24 have complied with so that we won't face

1 other penalties. And so there are different
2 challenges and mandates that the state has
3 upon us that we are happy to comply with, but
4 we also need the support and we need fairness
5 and equity across the board in order for us
6 to be able to do that.

7 We will continue to provide the
8 resources, but as you know, Assemblyman, you
9 know, we are struggling as a city because of
10 our -- our city is funded in three ways.
11 It's funded through our sales tax, it's
12 funded through property tax, it's funded
13 through what we receive from the state. And
14 as we ask for additional or just even to
15 receive the full AIM aid complement or more,
16 that's going to be helpful.

17 But last year 5 percent was held back,
18 you know -- and we're hopeful to get
19 100 percent of those dollars, but this year a
20 2.5 percent cut is going to put us even
21 further behind as it pertains to closing that
22 \$31.4 million budget gap.

23 So we're definitely going to need the
24 support and the mandates and other things

1 that we are required to on behalf of our city
2 without getting the resources from the state
3 is hurting us in the long run to be able to
4 provide essential services to our residents.

5 ASSEMBLYMAN MEEKS: Well, thank you,
6 Mayor. And then I also look forward to
7 meeting with you in the near future to
8 discuss Invest in Our New York. One of the
9 bills which I proposed is A4604, and look
10 forward to talking to you later on that.

11 Thank you.

12 ROCHESTER MAYOR WARREN: Absolutely.
13 Looking forward to it. Congratulations.

14 ASSEMBLYMAN MEEKS: Thanks.

15 CHAIRWOMAN WEINSTEIN: So we go to the
16 Senate now.

17 CHAIRWOMAN KRUEGER: Thank you.

18 Next up is our ranker for
19 Local Government, Senator Rath.

20 SENATOR RATH: Thank you very much,
21 Madam Chair.

22 And thank you very much, Mayor Warren,
23 for your comments and your testimony today.

24 I am actually the proud third member

1 of the City of Rochester State Senate
2 delegation, and happy to be here and happy to
3 partner with Senators Cooney and Brouk on
4 issues of critical importance to the City of
5 Rochester.

6 And I want to share with you some very
7 important perspective that I have with regard
8 to small businesses. As we know, small
9 businesses have struggled like they never
10 have before during COVID-19 -- doesn't matter
11 if it's a restaurant, a small manufacturer, a
12 bowling alley, a theater, whatever it may be.

13 And so I'm proud to actually sponsor
14 my Save Our Small Businesses grant program.
15 It's Senate Bill 4691, which was actually
16 introduced this week to provide a hand up to
17 our small businesses across New York State,
18 because everyone has to reimagine and
19 reengineer as we emerge from COVID-19.

20 And the areas that I represent in the
21 city of Rochester, the Mount Hope and the
22 19th Ward areas, are areas that have a very
23 strong set of numerous advocacy groups. And
24 I know you know those advocacy groups within

1 those areas very well, and they're already
2 making it known to me the challenges that
3 they're facing as small businesses as they
4 struggle. And I give each and every one of
5 those folks all the credit in the world,
6 because it's every week we are connecting
7 with them and hearing their concerns.

8 So I just want to ask you a question
9 about what your plans are and your thoughts
10 are and your strategy is for small business
11 recovery in some of these economically
12 challenged areas of the City of Rochester.

13 ROCHESTER MAYOR WARREN: Thank you,
14 Senator. And congratulations, and thank you
15 for representing our city.

16 When it comes down to small
17 businesses, we have really focused on
18 providing them the much-needed support that
19 they need to, you know, not only buy
20 equipment but also to pay their rent, to pay
21 whatever bills they may have during this
22 pandemic that they're struggling with.

23 We utilize our CARES Act funding in a
24 way to provide grants to them, and we've been

1 able to turn those grants around within 72
2 hours to get the dollars out the door
3 directly to those small businesses. But we
4 know that they need additional support.

5 Last week we were excited to partner
6 with some of our foundations and, you know,
7 one of our community organizations to provide
8 much-needed greenhouses so our restaurants
9 could actually house people outside in the
10 middle of winter, so they would be able to
11 serve more people because they have reduced
12 capacity because of the pandemic.

13 As it pertains to our landlords, we
14 have also supported millions of dollars, in
15 partnership with the County of Monroe, in
16 utilizing our CARES Act funding to be able to
17 give our tenants the much-needed resources
18 that they need, which will in turn help our
19 landlords be able to cover the costs that
20 they need.

21 So across the board we're trying to
22 utilize every resource that we have in order
23 to help our businesses recover and stay in
24 business. But of course we always need more

1 resources to be able to provide to them. But
2 I can assure you that if you give us the
3 money, we'll get it out the door to them.
4 We've helped over a thousand businesses in
5 the City of Rochester thus far, and we'll
6 continue to do our part as long as we have
7 the resources to make sure that they survive
8 and are able to recover from the pandemic.

9 SENATOR RATH: Well, thank you for
10 your leadership, Mayor. And I do lend my
11 voice to Senator Brouk for that AIM funding's
12 equitable distribution as well.

13 ROCHESTER MAYOR WARREN: Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 Thank you, Mayor Warren. It's nice to
16 see you again this year. You get to stay in
17 Rochester, don't have to travel to Albany.

18 ROCHESTER MAYOR WARREN: Yes.

19 CHAIRWOMAN WEINSTEIN: So thank you
20 for your testimony here today. And we're
21 going to move on to --

22 CHAIRWOMAN KRUEGER: Oh, no, we have
23 one more, I'm sorry. We have the returning
24 Robert Jackson.

1 CHAIRWOMAN WEINSTEIN: Okay. You've
2 got to stay a few minutes more.

3 CHAIRWOMAN KRUEGER: Thank you.

4 SENATOR JACKSON: Thank you.

5 Good afternoon, Mayor. Welcome to
6 Zoom.

7 But I'm very concerned about the
8 education funding in Rochester, and I want an
9 update on that. Because last year, as you
10 know, we the Legislature put in about \$35
11 million to make sure that we made payroll,
12 and I'm concerned about the impact. And I
13 don't know if you've spoken about that. I
14 came in and I didn't hear all your testimony,
15 I just came from a doctor's appointment.

16 Can you speak on that and the impact
17 that would have, if in fact you have to do
18 that, on the city's budget?

19 ROCHESTER MAYOR WARREN: Thank you.

20 Senator, we have been working with our
21 city school district on -- as you know, our
22 city school district has some significant
23 financial challenges, and our finance teams
24 have been working and meeting weekly to

1 overlook their budget, to go over -- you
2 know, the city is the backstop for our city
3 school district, and we needed to make sure
4 that we maintained a partnership to
5 understand exactly where their dollars are
6 going.

7 They still have significant
8 challenges. Of course, as you all know,
9 urban education is struggling right now, and
10 I know that our superintendent -- we have a
11 new superintendent that has been on the job
12 for almost a year now, and she has hit the
13 ground running and is trying to make sure
14 that our children and our families get the
15 support that they need in the classroom.

16 The one thing that she's committed to
17 doing, as well as I am, is in making sure
18 that we have community schools, community
19 neighborhood schools, that can provide the
20 resources and the support to our families
21 within the neighborhoods that they live. And
22 that is an expensive program. But in order
23 to help our families the most, we know that
24 community schools, especially at the

1 elementary school level, is most helpful to
2 be able to have a hub for our children.

3 And so we will continue to work with
4 our superintendent. They of course need
5 additional resources --

6 SENATOR JACKSON: Mayor, I don't mean
7 to cut you short, but I only have a certain
8 limited time.

9 ROCHESTER MAYOR WARREN: Okay.

10 SENATOR JACKSON: I want to know from
11 you, how much money is Rochester going to
12 need in order to maintain exactly where you
13 are? Because if you talk about community
14 schools, then that's great, but you've got to
15 have money. And if you're going to be -- if
16 you need -- how much are you going to need
17 this year?

18 And I'm being quite frank. You're
19 going to need 30 million, 50 million,
20 60 million in order to maintain and not have
21 thousands of layoffs and closing schools?
22 And that's really what I want to know from
23 you.

24 ROCHESTER MAYOR WARREN: From our

1 city's perspective, we need \$31.4 million to
2 close our budget gap.

3 SENATOR JACKSON: In education, is
4 that correct? Or the city?

5 ROCHESTER MAYOR WARREN: No, that's
6 just for the city.

7 I believe that the city school
8 district's deficit, and what she is trying to
9 close, is I believe a \$90 million budget gap.

10 SENATOR JACKSON: A \$90 million budget
11 gap. Okay, so --

12 ROCHESTER MAYOR WARREN: Yes.

13 SENATOR JACKSON: And that's good, I
14 need it straight up so we know what we're
15 dealing with.

16 And so my other concern is overall
17 I've listened to Mayor de Blasio and I heard
18 some of Byron Brown, and I'm hearing you. If
19 we don't get the federal money and if the
20 state doesn't come together and raise
21 revenue, all of the cities and all of the
22 municipalities, whether small or big, are in
23 deep trouble. You would agree with that
24 assessment or not?

1 ROCHESTER MAYOR WARREN: Yes, I would
2 agree.

3 SENATOR JACKSON: Okay. So my
4 question to you as the mayor, are you
5 supporting taxing some of our wealthiest
6 residents of the State of New York in order
7 for everyone else to survive?

8 ROCHESTER MAYOR WARREN: I believe
9 that that is something that the state should
10 consider. But I also know that the federal
11 government should also -- and I know that
12 Senator Schumer is looking at giving direct
13 aid to cities. We need support. We can't
14 survive without -- providing essential
15 services without the state and the federal
16 government support. I'll leave it up to you
17 to decide how exactly you will raise that
18 money to be able to help us, be able to save
19 our families and to provide the essential
20 services that we need.

21 SENATOR JACKSON: Okay, I appreciate
22 that. But quite frankly, I was looking for a
23 more direct -- especially since the cities
24 are in deep need, so I was hoping that you

1 would say "Yes, I'm in favor of the
2 Legislature raising revenue from the
3 wealthiest New Yorkers so that all of us
4 could survive."

5 And that's what I'm looking for, more
6 of a direct -- because if we don't raise
7 revenue, the City of Rochester is going to
8 suffer, New York, Buffalo, Yonkers and all
9 the other municipalities.

10 ROCHESTER MAYOR WARREN: So let me say
11 this. I'm in favor of doing that. I'm also
12 in favor of recreational marijuana passing
13 and providing direct revenues directly to
14 cities.

15 So I think that -- I'm also in favor
16 of the GRT tax being applied across the State
17 of New York and not just in New York City.

18 So there are many ways to raise
19 revenue and many ways to help cities and, you
20 know, those are just three different ways. I
21 think that, you know, the last one with the
22 GRT, as I mentioned in my testimony, is one
23 that wouldn't cost the state any money, it
24 would just provide an equitable system for

1 the rest of the cities outside of the City of
2 New York.

3 SENATOR JACKSON: Thank you, Mayor.

4 CHAIRWOMAN KRUEGER: Thank you, your
5 time is up. Thank you. Robert Jackson, if
6 we were in court, you would be charged with
7 leading the witness.

8 (Laughter.)

9 ROCHESTER MAYOR WARREN: Thank you.

10 CHAIRWOMAN KRUEGER: Assemblywoman.

11 CHAIRWOMAN WEINSTEIN: Okay. So now,
12 Mayor Warren, I'm going to say thank you and
13 look forward to continuing to speak with you
14 as session continues.

15 We're going to go now to the City of
16 Yonkers, Honorable Mayor Mike Spano.

17 Welcome.

18 CHAIRWOMAN KRUEGER: Take your mute
19 off.

20 CHAIRWOMAN WEINSTEIN: You're muted,
21 Mike.

22 YONKERS MAYOR SPANO: I think I'm --
23 you got it?

24 CHAIRWOMAN KRUEGER: Yup.

1 YONKERS MAYOR SPANO: Great.

2 Chairwoman Krueger, it's good to see
3 you, Chairwoman Weinstein, members of the
4 Senate and Assembly and our Yonkers
5 delegation, which obviously includes the
6 Senate Majority Leader, Andrea
7 Stewart-Cousins, Senator Shelley Mayer, my
8 Assemblyman, Nader Sayegh, and of course the
9 dean of our delegation, Assemblyman Gary
10 Pretlow. And I want to say thank you for
11 welcoming me.

12 Similar to years past, I submit to you
13 the financial needs of New York's
14 fourth-largest city. However, this year is
15 really like no other since I've been mayor.
16 Over the past 11 months, we shared the heavy
17 burden of the global pandemic, and allow me
18 to share with you the impact on Yonkers.

19 Let's start with our schools. Over
20 the years you've heard me speak of the
21 staggering deficiencies that Yonkers public
22 schools face due to necessary cuts in
23 services. Last month you heard from our
24 superintendent of schools, who outlined a

1 \$50.8 million budget shortfall the schools
2 will face this year. He outlined how,
3 despite the pandemic and lack of equitable
4 funding, our schools continue to forge ahead.

5 And I believe the inequity is due to
6 what many of us considered to be the result
7 of the longstanding inequities in the
8 formula, and also what has been described as
9 two educational systems in the State of
10 New York, one for the haves, one for the
11 have-nots -- in simpler terms, the rich
12 districts versus the poor districts.

13 For years I've commented to you about
14 the systematic inequity in those formulas and
15 that the state formula uses a combined wealth
16 ratio that is not reflective of the students
17 that we educate. Seventy-three percent of
18 our children live at or below the rate of
19 poverty. This has only become more evident
20 with the historic adaptations that have been
21 made as a result of this pandemic. And the
22 district has been forced to do even more, to
23 dig even deeper to provide for devices and
24 supply wifi to our students.

1 This year the federal government made
2 available \$4 billion in aid to New York
3 schools. And according to the local district
4 funding adjustment reduction proposed by our
5 Governor, New York's aid to Yonkers schools
6 will decrease by \$29 million. That's
7 20 million more of a reduction than any other
8 of the Big 4 cities.

9 Allow me to point out another
10 inequity. Yonkers is the only Big 5 city to
11 have a gap, a significant gap. And let alone
12 this one-size-fits-all, we almost solely
13 remain the only city that continually
14 increases its local aid to education each and
15 every year. And since I've been mayor, our
16 maintenance of effort has increased
17 69 percent cumulatively. The taxpayers have
18 exhausted their ability to foot the bill.
19 How can we provide more aid when we are
20 barely keeping our heads above water?

21 A viable option to provide alternate
22 means of funding for our schools is closer
23 than we think. Yonkers is home to one of the
24 most prominent gaming and entertainment

1 destinations in the country, MGM Resorts'
2 Empire City Casino. With an annual payroll
3 of over \$45 million and nearly 1200
4 employees -- this was before COVID hit --
5 Empire City is critical to the economic
6 growth of not just Yonkers but New York.
7 Each year New Yorkers statewide directly
8 benefit from the more than \$300 million that
9 Empire City generates annually in state aid
10 to education.

11 Competition, as we all know, is
12 intensifying as neighboring states pursue new
13 casinos and gaming opportunities that
14 threaten New York's existing casino revenues
15 and jobs. New Jersey, which is just a short
16 ride from Yonkers, can identify that
17 44 percent of all of its mobile bets are made
18 within 2 miles of the state border, with as
19 much as 25 percent of its betting is coming
20 from New Yorkers right across the border, in
21 places like Yonkers.

22 And while I'm glad to learn this
23 year's Executive Budget includes a proposal
24 for sports betting, the current legislative

1 proposal does not allow Empire City to offer
2 mobile sports betting or directly benefit
3 from it in any form, and we need to change
4 that.

5 Lastly, as you know, the pandemic hit
6 Empire City very, very hard. Even with the
7 reduced number of video lottery terminals
8 because of social distancing requirements,
9 Empire City still averaged \$19 million per
10 month in educational revenue over the last
11 three months. The proposed 5 percent
12 reduction in VLT aid will decrease the annual
13 amount sent to the school district compared
14 to what the casino sends up for education in
15 just one pandemic month alone.

16 Rebuilding our schools -- and you've
17 heard me talk about this over and over again.
18 I'd like to revisit the environment our
19 students learn in. For years I've mentioned
20 the schools are about 4500 seats over
21 capacity, and nine of our schools are over
22 100 years old.

23 The global pandemic has also
24 heightened our capacity needs even more.

1 Yonkers Public Schools can't even consider
2 opening up its doors for five-days-a-week
3 instruction without the appropriate space
4 needed to adhere to CDC rules and regulations
5 for social distancing. Looking towards the
6 next school year, the infrastructure crisis
7 in Yonkers will only get worse.

8 In the meantime, we try to take
9 matters into our own hands. We recently
10 purchased and closed on the property at the
11 former St. Denis School site so we can build
12 a new pre-K-to-8 community school. And we do
13 appreciate the help that you made available
14 to us by allowing the MCA to be doubled for
15 this effort.

16 Making temporary repairs to keep our
17 schools operating is not a choice. The
18 school district has 41 capital projects on
19 the books at an expected cost of
20 \$127 million. There's also 15 additional
21 projects at a cost of \$69 million. We just
22 simply cannot afford to rebuild schools on
23 our own. So in the absence of any change in
24 the Building Aid formula, I'm asking again

1 that the State Legislature make available a
2 capital block grant of \$100 million to the
3 City of Yonkers to help offset local
4 taxpayers' share of this project.

5 Now I'd like to discuss the costs of
6 running Westchester County's largest city.
7 2020 was a long and difficult year for local
8 municipalities -- lockdowns and Yellow Zone
9 restrictions have led to an increase in
10 unemployment and a decrease in economically
11 sensitive revenues. In Yonkers the revenue
12 loss for special taxes and other departmental
13 revenues is projected to be \$42.7 million.
14 And during the pandemic we have seen millions
15 lost to the reduction in home purchase
16 closings, small business closings, decreased
17 travel and temporary reductions in
18 construction.

19 Add to this the Governor's Executive
20 Budget proposes a decrease in AIM funding of
21 2.5 percent. And since 2012, Yonkers
22 taxpayers have sent New York State an
23 additional 243 million via personal income
24 tax and sales tax above what the state has

1 provided to us in AIM and education funding
2 over the same period. AIM has remained flat
3 and may even decrease. And if you
4 calculate the state's 2 percent growth, the
5 2 percent growth that the state is allowed to
6 grow, we really should have received a
7 cumulative number of \$31 million more.

8 The state continually freezes our aid,
9 and that only begs the question, some people
10 have said -- not me, though -- that maybe we
11 should freeze our payments to the state. The
12 proposed decrease in AIM not only leaves
13 Yonkers with fewer resources, but it also
14 affects the fiscal progress that we've made
15 to date. And as a result of the state
16 withholding \$21.5 million in aid, we have had
17 to deplete our reserves, forcing a downgrade
18 in our bonding. And that has already cost
19 the taxpayers more money.

20 Also, AIM aid also prevents Yonkers
21 from funding additional funding to the
22 schools. And that is a significant issue for
23 us.

24 But just so you know, if I can just --

1 I'm going to try to wrap it up very, very
2 quickly -- we estimate our 2022 budget
3 shortfall to be \$25.3 million on the
4 municipal side, assuming no payments in AID
5 owed for fiscal year 2020, no increase to our
6 maintenance of effort, and while using
7 short-term budgeting tactics like bonding for
8 tax certioraris and not budgeting
9 contingencies for unsettled contracts. Our
10 contracts are now two years overdue. Yet our
11 budget continues to grow each year for our
12 workforce, which amounts to about 74 percent
13 of our budget.

14 We look forward to the federal
15 government -- we hope that they'll recognize
16 the needs of local governments just as they
17 did when they supplied Westchester County
18 with \$168 million this year, but they simply
19 forgot about anyone below Westchester County.
20 We did not receive one dollar of that aid.
21 So that's something that we expect and hope
22 that our federal delegation will take into
23 account.

24 But in the face of decreased AIM

1 funding, rising costs, and of course this
2 devastating global pandemic, we are really
3 without options. And that's why I humbly ask
4 for the help of our great Governor and all of
5 you in the State Legislature to get us
6 through these tough times.

7 With that, I'd like to open it up for
8 questions.

9 CHAIRWOMAN WEINSTEIN: Thank you,
10 we're going to go to --

11 YONKERS MAYOR SPANO: Madam Chair, you
12 open it up for questions.

13 CHAIRWOMAN WEINSTEIN: That's okay,
14 Michael.

15 So we're going to go to Assemblyman Ra
16 for five minutes, the ranker on Ways and
17 Means.

18 ASSEMBLYMAN RA: Hey, Mayor, good to
19 see you.

20 YONKERS MAYOR SPANO: Nice to see you,
21 Assemblyman.

22 ASSEMBLYMAN RA: Hope you and your
23 family are well.

24 Just going back to the AIM, what's the

1 cut to the City of Yonkers for that?

2 YONKERS MAYOR SPANO: It's a
3 2.5 percent cut. (To staffer) That would be
4 about how much? About 2.7 million.

5 ASSEMBLYMAN RA: Okay. And what was
6 the amount that was withheld from you last
7 year?

8 YONKERS MAYOR SPANO: 21 million.

9 ASSEMBLYMAN RA: Okay.

10 YONKERS MAYOR SPANO: If I could just
11 throw in a little shot for the -- I like
12 Mayor Lovely Warren's idea of matching what
13 we get in AIM aid to what our maintenance of
14 effort is, considering that Yonkers'
15 maintenance of effort is \$260 million. So if
16 you guys want to do that, we'd be very much
17 supportive.

18 (Laughter.)

19 ASSEMBLYMAN RA: I would imagine all
20 the mayors would be.

21 One of the things that, you know,
22 obviously came up with regard to -- a couple
23 of years ago when the budget started to kind
24 of change the idea of AIM and, you know, some

1 of the counties had the costs pushed onto
2 them, you know, for our towns and villages,
3 and there was this idea out there that the
4 new internet sales tax was going to really be
5 paying that because it was additional money.
6 And I know it doesn't get broken out
7 separately, but I don't know if you have any
8 estimates that you guys have been able to do
9 internally as to, you know, what increase you
10 may have gotten in your sales tax revenues
11 from something like that.

12 (Discussion off the record.)

13 YONKERS MAYOR SPANO: I'd have to get
14 you, Assemblyman, the details of that. But I
15 will tell you that it has been a major help
16 for us.

17 ASSEMBLYMAN RA: Because, I mean, I
18 know it doesn't get specifically broken out,
19 so it's not too easy to get. But I just --
20 if you just, you know, at some point have
21 some type of estimate.

22 YONKERS MAYOR SPANO: And it's helped
23 us out significantly.

24 ASSEMBLYMAN RA: And then the other

1 thing I wanted to bring up, which obviously I
2 think all municipalities are concerned with,
3 things like CHIPS -- which we know
4 infrastructure is a big thing. It's
5 something people are talking about as one of
6 the things to help us in our recovery.

7 So with CHIPS proposed to be flat
8 again and, you know, with the Extreme Winter
9 Recovery not there -- but that's a concern.
10 But I'm wondering like over the past -- you
11 know, since the last budget was passed, you
12 know, the withholdings and some of that money
13 not moving, how has that impacted your
14 programs for paving your local roads?

15 YONKERS MAYOR SPANO: Luckily enough
16 for me and the administration here, the City
17 Council had pushed for a pretty robust paving
18 contract of their own. I mean they actually
19 had to triple what they normally put in for
20 paving. So that actually -- not knowing what
21 the forecast was going to be, that actually
22 helped us.

23 And so while we're going to have a
24 tough winter and, you know, there will be a

1 lot of -- already people have started to
2 complain about potholes -- I really believe
3 that we will not be significantly impacted by
4 that because of the actions of the council
5 last year.

6 ASSEMBLYMAN RA: Okay, great. Well,
7 thank you. Always good to see you. Be well.

8 YONKERS MAYOR SPANO: Same here,
9 Assemblyman.

10 CHAIRWOMAN KRUEGER: Thank you.

11 CHAIRWOMAN WEINSTEIN: We go to the
12 Senate now.

13 CHAIRWOMAN KRUEGER: Thank you very
14 much.

15 Hi, Mayor.

16 So your Westchester and Yonkers
17 representatives are at a different budget
18 hearing that they're doing at the exact same
19 time, so they have texted me to ask you a
20 couple of questions since you share two
21 Senators in Yonkers, Andrea Stewart-Cousins
22 and Shelley Mayer. So they, one, want me to
23 greet you in their absence and, two, to ask
24 you just a few questions, if that's okay with

1 you.

2 YONKERS MAYOR SPANO: Absolutely,
3 Senator. Thank you.

4 CHAIRWOMAN KRUEGER: Thank you.

5 So one question -- I think you
6 answered it, but I didn't quite hear the
7 number -- how much did you lose in AIM
8 funding?

9 YONKERS MAYOR SPANO: Madam Chair,
10 about \$2.7 million.

11 CHAIRWOMAN KRUEGER: And what do you
12 use that for? Or what have you now not been
13 able to do because you lost that money?

14 YONKERS MAYOR SPANO: Well, remember,
15 we are operating with a loss of our surplus
16 of over 40 million. And that has -- because
17 we depend on that, that is money that is
18 going to devastate us if it's not replaced
19 come next year's budget.

20 And so we have -- we've been frugal,
21 we've cut our budgets, we haven't laid
22 anybody off. We have held up hirings, we've
23 done all the things that you should
24 responsibly do. But have we gone the next

1 step to -- let's say we need to institute
2 what may have been in the Governor's cuts or
3 \$20 million, which we don't expect is going
4 to happen now -- or institute the cuts that
5 would have to come in terms of the loss of
6 revenue, those numbers are just so sky-high
7 and what we would have to do to bring
8 ourselves in line would kind of be
9 devastating to both education and the city's
10 workforce.

11 So we haven't gone that way, in hopes
12 that Washington will come through for us.
13 And we expect it will. But if they don't, we
14 have our work cut out for us, Senator.

15 CHAIRWOMAN KRUEGER: So absent federal
16 money coming in, you can imagine having to
17 reduce your workforce or lay people off in
18 the coming year?

19 YONKERS MAYOR SPANO: Absolutely.
20 We'd have to do it pretty significant, across
21 the board. And as you know, being a
22 dependent school district, there is a pretty
23 big number that will come from our kids in
24 the schools as well.

1 CHAIRWOMAN KRUEGER: Thank you.

2 Next question, can you speak to the
3 impact of moving into full gaming at Empire
4 City Casino at Yonkers Raceway? Would it
5 have a financial impact on your school
6 system? And is there a commitment to
7 contribute additional funds to assist you,
8 the Yonkers Public Schools, if the state goes
9 forward with a full casino at Yonkers?

10 YONKERS MAYOR SPANO: You know what?
11 We just love this conversation, because we
12 think that Yonkers Raceway would really do
13 well.

14 As a matter of fact, we go back --
15 from my time serving with you all at the
16 State Capitol, it was pretty much agreed by
17 all that Yonkers Raceway and Long Island,
18 they would actually do -- they would be major
19 success stories. And that was the reason why
20 New York said, Well, let's hold off on those
21 two communities and let's build the upstate
22 casinos first. And I understood that.

23 But I think we are now at a point,
24 especially considering the fiscal times we're

1 in, that we need to move forward with a city
2 like Yonkers. Because New Jersey, as you
3 know, they just have to decide they want to
4 put a casino in the swamps. And if they do,
5 that's going to have a devastating effect on
6 a place like Yonkers.

7 So what would it mean? Well, we have
8 now 1200 employees. What they have told us
9 is they will go to 6,000 employees, that they
10 would build a hotel, they would build a
11 convention center, they would have this --
12 they would start off with a community
13 investment of \$10 million additional for
14 education. But all that really would be
15 pretty much decided by you all in the
16 Legislature as to how that math and all is
17 divided.

18 But we know in terms of jobs, we know
19 in terms of additional revenues that we would
20 have significant money poured into our
21 schools. And we frankly, as we've said
22 before, let it all go to the schools. You
23 know, the host community aid, as you know,
24 around the state doesn't -- it goes to the

1 municipality. In Yonkers, it goes to the
2 schools. We support that. We want to
3 continue that. And that is one of the ways
4 that we could grow our schools and grow out
5 of our problems, versus having to face
6 devastating cuts each and every year.

7 CHAIRWOMAN KRUEGER: And so your
8 understanding -- again, I guess in
9 conversations with them -- is they would grow
10 from 1240 jobs to 6,000 permanent jobs beyond
11 construction?

12 YONKERS MAYOR SPANO: That's what they
13 had told me. This was pre -- before COVID,
14 but this is what they told me, that they
15 would build a -- that the potential was there
16 to build a convention center, to build a
17 hotel, and to expand -- the expansion of
18 gaming was five jobs for every single table.

19 And so if you -- right now the tables
20 are -- they're electronic, so you don't need
21 any jobs there. But the five jobs of real
22 people for every casino -- and of course we
23 all know what we read in the newspaper, which
24 was that they were offering upwards of a

1 billion dollars at least for those two
2 facilities to New York State in terms of
3 revenue.

4 And so that's -- that's -- to me, you
5 know, I see this as really we are at this
6 opportunity and we should take it and I don't
7 think that we should wait to '23. I just
8 think that if we give them -- it will
9 probably take them till '23 to open up
10 anyway. But at least if we give them the
11 okays now, they could start the process of
12 making a billion -- maybe a billion and a
13 half -- dollar investment in Yonkers, which
14 is going to mean jobs for the people in that
15 community.

16 CHAIRWOMAN KRUEGER: Thank you.

17 One more quick question. You were
18 joking before about not sending your money to
19 Albany. I'm not quite sure how you would do
20 that, because I think usually it's -- we
21 collect the tax and give it back to you. But
22 it's an interesting discussion for another
23 day.

24 YONKERS MAYOR SPANO: That's true

1 (laughing).

2 CHAIRWOMAN KRUEGER: But those who do
3 have personal income tax -- and Yonkers is
4 one of the cities besides New York that
5 does -- we actually saw a surprise bump going
6 up at the end of 2020. Have you seen that
7 bump going up also?

8 (Discussion off the record.)

9 YONKERS MAYOR SPANO: Our guys here,
10 they said it was stable, it was flat.

11 CHAIRWOMAN KRUEGER: Okay. Great.
12 Well, then, on behalf of your Westchester
13 Senators, thank you very much. And of course
14 we all welcome you for being here today.

15 Assembly, do you have another?

16 CHAIRWOMAN WEINSTEIN: Yes, we have
17 Assemblyman Mike Reilly, ranker on the Cities
18 Committee, five minutes.

19 ASSEMBLYMAN REILLY: Good afternoon,
20 Mr. Mayor. How are you?

21 YONKERS MAYOR SPANO: Good afternoon,
22 Assemblyman.

23 ASSEMBLYMAN REILLY: Thank you for
24 your testimony. Thank you. I actually have

1 just two questions about the video lottery
2 terminals. I see that there's going to be
3 approximately a \$980,000 cut, according to
4 the Governor's proposal in the budget. Can
5 you give us a little insight into like a
6 program that that might impact that you might
7 lose?

8 YONKERS MAYOR SPANO: Sports. You
9 know, you could -- you know, we have a pretty
10 -- you know, we have cut down most of our
11 sports programs in the city. But if you take
12 the junior varsity sports, that money will
13 probably more than likely eliminate a program
14 like that. Music and arts.

15 You know, all this stuff across the
16 board affects our city. You know, don't
17 forget, we have struggled for such a long
18 time. You know, we have one guidance
19 counselor for every 2500 kids. You know, and
20 so the district has been forced to do more
21 with less. And believe it or not, we have a
22 91 percent graduation rate in the City of
23 Yonkers, but it's been a struggle. And our
24 kids, you know, with the infrastructure in

1 these, they have -- you know, frankly it's --
2 they're not getting the same experience that
3 the kids would get in the surrounding areas,
4 whether it be Scarsdale or Hastings or, you
5 know, Pelham. It's not the same experience.

6 But we're making it work. We do what
7 we need to do. But certainly we have always
8 had our work cut out for us. So every
9 dollar, every dollar means something.

10 ASSEMBLYMAN REILLY: Absolutely.
11 Absolutely. Understand it.

12 So I have a question about the
13 potential legalization of adult marijuana,
14 mostly focusing on drug recognition experts
15 in police departments and how we would
16 address driving while under the influence.

17 Do you know how many drug recognition
18 experts you may have in the Yonkers P.D.?

19 YONKERS MAYOR SPANO: No, I don't.
20 That's a good question. I don't know the
21 answer to that question.

22 (Laughter.)

23 YONKERS MAYOR SPANO: I do know that
24 we have 600 -- about 618 sworn officers in

1 the City of Yonkers. How many that you're --
2 I don't -- I don't know that specific answer.

3 ASSEMBLYMAN REILLY: The only reason I
4 mention that is that it may turn into a
5 potential issue where we're going to need
6 more of them for, you know, ensuring safety
7 in our roads and prosecutions of any driving
8 under the influence.

9 And I understand that you may not know
10 specifically. I only know because my
11 background before I was in office, I used to
12 be a lieutenant in the New York City Police
13 Department. And just to give you context,
14 it's very hard to get that training and it
15 costs municipalities a lot of money. New
16 York City has 35,000 police officers and
17 there's only 16 drug recognition experts. So
18 they -- it is very hard to come by.

19 But I think it's something -- and I
20 mentioned it in the Public Protection Hearing
21 yesterday -- I think we need to try and have
22 an offshoot training program to help local
23 patrol officers. So I'm hoping that maybe
24 that might be something you'll be interested

1 into looking into and helping push for that,
2 because I think that will help our local
3 municipalities.

4 YONKERS MAYOR SPANO: Assemblyman, I'd
5 certainly be interested in that, and I'm
6 willing to take your words here and look at
7 that and see what we can do.

8 But in the meantime -- you know, I
9 know that Mayor Warren said this -- you know,
10 the revenues that are -- that come from
11 marijuana go to the counties. They're not
12 going to, you know, Rochester, Buffalo,
13 Syracuse or Yonkers. We police our own
14 streets. We protect our own streets, we pick
15 up our own trash, we have very little if any
16 involvement from the county aside from, you
17 know, the bus service and a couple of parks.

18 I'm not trying to diminish the county.
19 What I'm trying to say is that the impact of
20 marijuana is a direct impact on our cities,
21 and the revenue should follow the -- back to
22 the cities in order for us to do things like
23 this. You know, if marijuana is passed, I
24 would certainly push my city very, very

1 quickly to pass it, because we're going to --
2 whatever revenues, we want to make sure we're
3 a part of it.

4 But none of the revenues are coming to
5 the cities, and that hampers our ability to
6 deal with the issue that you're describing to
7 me.

8 ASSEMBLYMAN REILLY: Thank you,
9 Mr. Mayor, my time is up.

10 And thank you, Madam Chairs.

11 CHAIRWOMAN KRUEGER: I believe we see
12 Senator Robert Jackson.

13 SENATOR JACKSON: Thank you.

14 Mayor Spano, thank you for your
15 leadership in Yonkers. I just have some
16 questions overall.

17 It seems as though that other mayors
18 of the Big 5 are talking about AIM money that
19 is expected to be reduced in the Executive
20 Budget. And I can't blame you; I guess if I
21 was the mayor of your city, I would be
22 complaining about that also. And as you
23 know, New York City does not get any AIM
24 money, the hundreds of millions of dollars

1 that we formerly had before. But, you know,
2 we're dealing with it. I mean, New York
3 City, its survival is extremely important,
4 depending on the federal government and the
5 state government.

6 And it seems as though that Buffalo,
7 Rochester, Yonkers, Syracuse, all of the
8 cities and towns and villages are in the same
9 boat, meaning that they need help. And so I
10 just wanted to say to you that as someone
11 listening to you and talking about your city
12 and education -- and I know how important
13 education is, believe me I do. But I just
14 want to hear from you, and I've asked the
15 question directly of the mayor from
16 Rochester, okay, if we can get the federal
17 money that comes straight to the cities and
18 bypasses the state, that's great, then you
19 and your city council will be able to deal
20 with that.

21 If we don't get the money that we
22 need, then we're going to depend on the
23 state. So are you supportive of, if
24 necessary, the State Legislature raising

1 revenues and especially those on those that
2 can afford to give to help the other people
3 survive? That's what I want to hear from
4 you.

5 YONKERS MAYOR SPANO: Thank you. I
6 absolutely do support that effort. These are
7 -- as we know, and I know from a struggling
8 city, a city that looks very wealthy on paper
9 but we know is a city that struggles -- that
10 in all the revenues across the board we are
11 -- we have had a difficult time.

12 I also know, Senator, that because we
13 are New York's closest neighbor, we benefit
14 greatly by a strong New York City. And we
15 want New York City to prosper, we want New
16 York City to do well, we want New York City
17 to have a low crime rate. Because when their
18 crime rate goes up, so does ours.

19 And so we want to make sure that the
20 funding is there necessary to provide for
21 especially our struggling families in this
22 very difficult time. And I see really no
23 other option at this point but to be
24 supportive of this effort.

1 SENATOR JACKSON: Mayor, I've got five
2 seconds. How much money are you going to
3 need for education this year to stay where
4 you are?

5 YONKERS MAYOR SPANO: About
6 50 million. Fifty-point-eight million.

7 SENATOR JACKSON: Five, zero, point
8 eight, is that correct, 50.8?

9 YONKERS MAYOR SPANO: That's correct.

10 SENATOR JACKSON: Thank you, sir.

11 YONKERS MAYOR SPANO: Thank you,
12 Senator.

13 CHAIRWOMAN KRUEGER: Thank you.

14 CHAIRWOMAN WEINSTEIN: We go to our
15 Cities chair, Ed Braunstein.

16 ASSEMBLYMAN BRAUNSTEIN: Good
17 afternoon, Mr. Mayor.

18 YONKERS MAYOR SPANO: Good afternoon.

19 ASSEMBLYMAN BRAUNSTEIN: Good to see
20 you. Thank you for joining us.

21 Now that the federal stimulus package
22 is starting to take shape -- and you point
23 out in your testimony that for the 2022
24 budget you face about a \$25 million deficit,

1 and you're currently facing a \$50 million
2 deficit to keep up funding for education.

3 Do you have an idea of what the
4 federal package would look like as it's
5 starting to come together for your city?

6 YONKERS MAYOR SPANO: No, we don't
7 have any idea as to what that will look like
8 at this point.

9 Now, we hope -- we're hoping for the
10 best.

11 ASSEMBLYMAN BRAUNSTEIN: Sure. Sure.
12 I think we'll all keep an eye on that as we
13 try to consider your needs moving forward
14 with our budget.

15 And just -- before I go, just a point.
16 I mean, I agree with you that we should not
17 be cutting the VLT funding, we should not be
18 cutting AIM funding. You know, these amounts
19 of money, while they look small in the grand
20 scheme of our large state budget, they make a
21 big difference to your city. Like you said,
22 you're talking about arts programs and sports
23 programs, things that are critical to your
24 community.

1 So I just want to say I appreciate my
2 colleague Mr. Reilly bringing that up, and
3 we'll be looking to see if there's anything
4 we can do to try and restore that.

5 Thank you.

6 YONKERS MAYOR SPANO: Thank you very
7 much. Appreciate that, thank you.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 We go back to the Senate, I believe?

10 CHAIRWOMAN KRUEGER: No, I think we
11 are done in the Senate.

12 CHAIRWOMAN WEINSTEIN: I see --

13 THE MODERATOR: Senator Cooney?

14 CHAIRWOMAN WEINSTEIN: -- put his hand
15 up.

16 (Laughter; overtalk.)

17 SENATOR COONEY: Two for two, Chair --

18 CHAIRWOMAN KRUEGER: Oh, I'm sorry.
19 Senator Cooney, thank you.

20 SENATOR COONEY: Two for two, Madam
21 Chairwoman.

22 YONKERS MAYOR SPANO: Madam Chair,
23 Madam Chair, can I just -- Madam Chair --

24 CHAIRWOMAN KRUEGER: Yes.

1 YONKERS MAYOR SPANO: -- end with one
2 quick thing. I didn't say it, but I think
3 it's important. You know, with COVID and
4 with our children being out of school as long
5 as they've been, you know, we're hopeful that
6 there will be some additional dollars, it
7 wouldn't be a lot, but to allow us to put our
8 kids K through 12 in a summer program almost
9 to remediate to get them back into the swing
10 of school.

11 It would be -- (to staffer) What would
12 the impact be? It would be \$3 million for a
13 city like Yonkers. So you could probably do
14 the math for anybody else. I know
15 Dr. Quezada has brought it up. And I just
16 want to throw that out there, because I
17 think -- you know, it's -- our kids, you
18 know, we can't replace going to school every
19 single day with being at home, but this might
20 help out a little bit.

21 CHAIRWOMAN KRUEGER: Now,
22 Senator Cooney, in my defense, when you look
23 at the square and the background, your hand,
24 your fake hand blends right into the wall

1 there for me. So now twice not seeing your
2 hand, I apologize again.

3 And our new chair of Cities Outside of
4 New York City, Senator Jeremy Cooney.

5 SENATOR COONEY: Thank you, Chair.

6 And good to see you, Mayor. Mayor, we
7 had a chance to work together when I served
8 as chief of staff at City of Rochester on gun
9 violence many years ago now, hard to believe.
10 But good to see you again, and thank you for
11 your testimony.

12 I'll echo agreement with my colleague
13 Senator Jackson on the importance of
14 education and making sure that we find
15 dollars to invest, especially in our upstate
16 school districts, which we know continually
17 go underfunded.

18 But my question is related to
19 workforce. My interest is how we can
20 diversify our urban municipal employees so
21 that we are reflecting the communities that
22 we serve. One of the topics that the new
23 Cities 2 Committee that Chairwoman Krueger
24 mentioned will focus on how we can do that

1 across the Big 5 cities, which of course
2 includes Yonkers.

3 And so I know that Yonkers has a --
4 and I might be misspeaking here, but some
5 sort of preference for hiring city employees,
6 municipal workers to live in the city. And
7 part of that --

8 YONKERS MAYOR SPANO: That's correct.

9 SENATOR COONEY: -- allows you to keep
10 some of the resources that your taxpayers are
11 paying in the community that they're serving.

12 I'm wondering if you could comment
13 briefly on that.

14 YONKERS MAYOR SPANO: Oh, sure.
15 That's a great question, because it's
16 something that I as a mayor have been dealing
17 with for a while because I want my city to be
18 reflective of the community that our officers
19 are sworn to serve and protect. That's not
20 something that we're seeing.

21 And since I've been in office we've
22 been able to double the number of
23 African-Americans that are police officers --
24 but still not an acceptable number. We've

1 also been able to significantly increase
2 Latinos and women.

3 But we -- again, we need to -- you
4 know, when we hire officers we want them to
5 live in the city. And we hope that they stay
6 in the city. But very often we know people
7 pick up and leave the city. We would love
8 and welcome any ideas or any legislation that
9 the state might have to, you know, enforce
10 keeping our officers living in the city. We
11 think that's smart.

12 But at the same time, if I want to
13 hire more officers of color, I need a little
14 bit of help with the Civil Service Law.
15 Because as you know, the higher you go up on
16 the list -- and I'm just going to call it as
17 I see it -- the higher you go on the list,
18 the whiter the list is.

19 And so if we want more diversity, then
20 I think as administrators we need to have the
21 power to go to a different zone for the
22 purposes of diversity to get more officers in
23 our department, so that our kids are seeing
24 police officers who look like them, who

1 understand their daily lives, and at the same
2 time we want our kids to aspire to be them.

3 SENATOR COONEY: I appreciate that,
4 Mayor, and I fully agree with you. And I
5 know there's complex labor negotiations in
6 that process.

7 Does that preference also for Yonkers
8 apply to firefighters and City Hall
9 employees?

10 YONKERS MAYOR SPANO: It applies to
11 firefighters, that's correct.

12 It applies to City Hall employees with
13 the exception of getting the council to give
14 us an exception. You know, when you're a
15 city of 200,000 people, especially when it
16 comes to picking commissioners, the deputy
17 commissioners, it's really too small of a
18 pool. So we try to expand it out so that we
19 can have more diversity.

20 But, you know, I have to tell you, we
21 have to do more in terms of -- there is no
22 more glaring instance, when you think about
23 it, that shows why our schools aren't taking
24 care of our children of color, is to show why

1 are they not performing at these levels --
2 for firefighters, for police officers, for
3 teachers, for principals. I mean, the
4 candidates aren't there. Why are they not
5 there? Because we have to go back to our
6 educational system and we have to bring our
7 children up in line with all children.

8 SENATOR COONEY: I appreciate your
9 enthusiasm and your passion around this
10 issue, Mayor, and I look forward to working
11 with you and the other Big 5 mayors over the
12 course of this session.

13 Thank you, Mayor.

14 YONKERS MAYOR SPANO: Thank you,
15 Senator.

16 CHAIRWOMAN WEINSTEIN: Thank you,
17 Mayor. We do not have any other members of
18 either house for questions. So nice seeing
19 you again. And we're going to move on now
20 to --

21 YONKERS MAYOR SPANO: Thank you,
22 Chairwomen. Thank you, Madam Chair.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 We're going to move on to the City of

1 Syracuse, Honorable Ben Walsh, mayor.

2 SYRACUSE MAYOR WALSH: Good afternoon,
3 everyone.

4 Thank you, Chair Weinstein,
5 Chair Krueger, and members of the legislative
6 fiscal committees, for inviting me to these
7 joint hearings to discuss the state budget.
8 The City of Syracuse is grateful for the
9 support it receives from the State of
10 New York and for this opportunity to report
11 to the Legislature on the progress we're
12 making, the challenges we face, and our needs
13 going forward.

14 In particular, I want to acknowledge
15 the members of our local delegation --
16 Senator Rachel May, newly elected Senator
17 John Mannion, Assemblyman Bill Magnarelli,
18 Assemblywoman Pam Hunter, and Assemblyman Al
19 Stirpe. You are steady friends to Syracuse
20 and strong representatives of our
21 constituents. Thank you.

22 In my 2021 State of the City address
23 that I gave three weeks ago, I told the
24 Syracuse Common Council the people of

1 Syracuse -- and our city -- are standing
2 strong in the face of the pandemic. I'm
3 proud of the way in which our community came
4 together in the face of COVID-19. With
5 leadership and assistance from New York
6 State, our city and county governments
7 collaborated at every stage to protect the
8 health and well-being of our residents.
9 Through a long and frightening period that
10 continues to this day, the people of our city
11 have made significant sacrifices, all too
12 many while facing unbearable hardship and
13 loss.

14 Our public-sector employees, from fire
15 and police to sanitation workers to teachers,
16 performed heroically on a daily basis over
17 the past year. All of these actions were to
18 combat the direct impact of the virus on
19 human health. And while we have suffered
20 great tragedy, I'm confident better times are
21 not far off.

22 Relevant to the work of these joint
23 hearings, the fiscal impact of the pandemic
24 will have a long reach on government, the

1 economy and lives of New Yorkers, especially
2 our most vulnerable. As you address the
3 difficult choices of your own state budget in
4 the weeks ahead, please know this. The City
5 of Syracuse needs the strong support of state
6 government now more than anytime in recent
7 history. Absent flexible direct federal aid
8 to cities confirmed in the next 60 days, my
9 city will face daunting fiscal choices more
10 painful than those we acted upon last year.

11 Make no mistake, those sacrifices were
12 large and have had a harshly negative impact
13 on the city and its residents. With revenue
14 losses mounting and Washington deadlocked,
15 Syracuse enacted a COVID-19 contingency
16 budget last September. Instead of waiting
17 for outside help, we cut more than \$18
18 million in city spending, about 7 percent of
19 our total budget. That's on top of about \$23
20 million in reductions we had already achieved
21 through prior savings and budget planning.

22 Many of those actions were hard to
23 swallow. Nearly a year into the pandemic,
24 however, I believe we are now beginning to

1 experience some of the more devastating
2 impacts of those changes on people's lives.
3 Thus far we have avoided permanent layoffs of
4 city workers, but we furloughed employees
5 across virtually every sector of city
6 government and have left many vacant
7 positions unfilled. These cuts hurt hundreds
8 of families and have had a cascading impact
9 on our local economy and other jobs in the
10 city.

11 With staff cutbacks and facility
12 closures, we stopped nearly all of our youth
13 recreation programs and were forced to
14 dramatically scale back our summer youth
15 employment programs. We closed half our city
16 pools last summer, only keeping the others
17 open through community donations to an online
18 campaign. When combined with reductions in
19 in-person learning in schools, many of our
20 teenagers are in crisis.

21 Late last month a 14-year-old boy was
22 charged with the murder of an elderly
23 neighbor, a crime believed to have occurred
24 on a Thursday afternoon. I am deeply worried

1 about the mental health and safety of our
2 young people due to the tumult caused by the
3 pandemic. Our children will suffer
4 unnecessary pain if staff and program cuts in
5 youth recreation remain.

6 Under the eviction moratorium, our
7 code enforcement inspectors are witnessing
8 daily standoffs between tenants and
9 landlords. These encounters are a glimpse of
10 the housing crisis about to unfold that will
11 devastate families and strain local
12 government when tenant protections are
13 lifted.

14 The cuts we made to city spending and
15 operations were severe, but were unavoidable
16 to protect the fiscal sustainability of city
17 government. It has been both frustrating and
18 frankly insulting to see the federal
19 government repeatedly bypass the needs of
20 state and local governments. Politics has
21 overshadowed the needs of real people in
22 Syracuse and communities across the nation.

23 As federal relief programs to cities
24 repeatedly stalled, Syracuse experienced

1 staggering reductions in revenue. Over the
2 two city fiscal years impacted by the
3 pandemic, both last year and the current
4 budget year that ends this coming June 30th,
5 we have projected lost revenue of
6 \$44.1 million. This includes the recently
7 reported sales tax receipts from State
8 Comptroller DiNapoli, which were more
9 favorable than anticipated at the start of
10 the pandemic. From January to December, the
11 comptroller calculated a 2.6 percent decline
12 in sales tax revenue in my county, Onondaga.

13 Counteracting that encouraging news,
14 however, is the reality that reductions in
15 local revenue to city government were more
16 severe. An example, parking fees and
17 violations are down 50 percent, shrinking
18 from \$7 million annually to \$3.5 million
19 annually. These numbers are greater than our
20 worst-case projections, due to the impact of
21 remote work, online shopping, and reduced
22 dining in our city.

23 The Governor's Executive Budget
24 includes provisions to restore most of the

1 holdbacks in state AIM funding, which we
2 welcome when those payments arrive. I'm very
3 appreciative of this development. The State
4 Budget Office, however, does propose a
5 2.5 percent cut in AIM aid to the City of
6 Syracuse. AIM payments to the City of
7 Syracuse have not changed in a decade, as you
8 all know. Any reduction of AIM has a direct
9 and damaging impact. Syracuse urges that AIM
10 funding be fully restored for the state's
11 current fiscal year 2021 budget and in the
12 state's upcoming 2022 budget.

13 In addition to AIM payments, the city
14 needs clarity and resolution on payments
15 related to prior state commitments. For
16 example, under the April 2020 Budget Office
17 directive on discretionary local aid grants,
18 more than \$9 million in state funding to
19 Syracuse is currently under review of the
20 Dormitory Authority of the State of New York.
21 The indefinite status of this directive is
22 putting a stop to job-creating, shovel-ready
23 infrastructure projects that are ready to
24 move forward.

1 Even with the proactive steps Syracuse
2 has taken to reduce expenses, the tidal wave
3 of revenue losses is pushing our fund balance
4 to a precarious position. Pre-pandemic, our
5 reserves stood at \$51 million, a responsible
6 20 percent of our annual budget. By the end
7 of the fiscal year 2021 budget year on
8 June 30th, we project our reserves will be
9 down to 30.5 million, a level at which we can
10 no longer rely on future draws. That means
11 our cushion is exhausted.

12 Continued revenue shortfalls -- which
13 are certain to occur -- can only be addressed
14 through cuts in city spending. We've already
15 seen the short- and long-term implications of
16 such decisions.

17 The 2022 Executive Budget outlines two
18 options, one that advances an aggressive
19 post-COVID reconstruction and one that
20 presents a more painful future if federal
21 coronavirus relief is not received at
22 adequate levels. I wholeheartedly join the
23 call for flexible, direct federal aid to
24 state and local governments. As President

1 Biden has clearly stated, this assistance is
2 needed now. With the fund balance already at
3 bare bones and a new budget year approaching,
4 Syracuse is reaching the end of the line.

5 I also recognize that the work of New
6 York State, the administration and the
7 Legislature, must progress in either scenario
8 or in a situation somewhere in between.

9 With that in mind, my administration
10 shared our 2021 legislative and funding
11 priorities with our local delegation at the
12 end of January. The full document has been
13 included with my testimony today.

14 Before closing, I want to highlight
15 several priorities for which we are seeking
16 state partnership.

17 First, in the vitally important area
18 of public health, the City of Syracuse
19 continues to seek state funding to extend the
20 drinking water intake pipe in Skaneateles
21 Lake, which is the unfiltered source of water
22 to the city. If more serious water quality
23 violations occur, the city has the potential
24 to lose its New York State Health Department

1 filtration waiver, which would require the
2 construction of one or multiple water
3 treatment plants to ensure the continued
4 supply of public drinking water to
5 approximately 200,000 local residents.

6 We are seeking \$13 million to build a
7 solution that will help prevent the need to
8 construct one or more water filtration
9 facilities, which would cost taxpayers
10 hundreds of millions of dollars.

11 Second, my administration is entering
12 the second year of a comprehensive program to
13 improve housing conditions and quality of
14 life across the City of Syracuse. Our
15 Resurgent Neighborhoods Initiative includes a
16 plan to build 200 one- and two-family units
17 of affordable housing in the city. With
18 local and state support, we have identified
19 funds to construct the first 30 of those
20 houses, half of which will be underway this
21 year.

22 We are also in need of substantially
23 more funding to help address the city's
24 vacant housing stock. We have identified

1 about 80 parcels, most of which are owned by
2 our land bank, which require substantial
3 blight remediation and/or removal in order to
4 make those sites ready for redevelopment.
5 Removing or remediating blighted structures
6 is a key step in our effort to stabilize
7 these high-priority city blocks and improve
8 the quality of life for residents in these
9 neighborhoods.

10 Taken together, we are seeking
11 \$1.5 million for blight remediation and new
12 construction for 25 additional units.

13 I'm pleased to report that progress
14 continues on the Syracuse Surge, our strategy
15 for inclusive growth in the new economy.
16 Even during the pandemic, with the help of
17 the New York State Power Authority, we
18 completed conversion of the city street light
19 network to LED technology and installed the
20 technology for our Smart City network. We
21 expect to begin work this year on a
22 state-of-the-art regional Science,
23 Technology, Engineering, Arts and Math
24 school, or STEAM school, at the currently

1 vacant historic Central High School in
2 downtown Syracuse.

3 The state's strong support of the
4 Syracuse Surge is being met with
5 private-sector investment and growth. JMA
6 Wireless is well underway with construction
7 of a high-tech manufacturing plant on our
8 city's South Side. And TCGplayer, a local
9 technology company, is growing rapidly,
10 adding more than 100 jobs at their downtown
11 location early this year. TCG projects more
12 hiring of accessible tech-related jobs.

13 In the interests of time, I'll just
14 highlight -- and again, you have it in your
15 packet -- two more priority requests. Our
16 proposed New York Center for Smart Cities,
17 which would be a statewide facility where
18 public and private-sector partners would work
19 on state-of-the-art smart city technologies,
20 and also a bus rapid transit system here in
21 the City of Syracuse.

22 Thank you for the opportunity to
23 address all of you. I look forward to
24 answering your questions.

1 CHAIRWOMAN KRUEGER: Thank you very
2 much.

3 And the first questioner will be the
4 chair of Cities Other Than New York,
5 Jeremy Cooney.

6 SENATOR COONEY: Thank you,
7 Madam Chair. It's a mouthful, right?

8 CHAIRWOMAN KRUEGER: I think it will
9 look good on a card: "Chair, Cities Other
10 Than New York."

11 SENATOR COONEY: We've got a lot to
12 talk about, and it's great to see you,
13 Mayor Walsh. And I want to thank you and
14 your policy team for already collaborating
15 with our Cities 2 Committee staff as we look
16 to find solutions and innovative ways that we
17 can support our cities across upstate
18 New York, including the Big 5, which Syracuse
19 is proudly part of.

20 You talked a lot about a lot of issues
21 that we've heard before -- they're not new
22 issues -- like AIM aid and other things. But
23 here's another new issue that we haven't
24 really talked about, but I know that you've

1 been doing good work on it in Syracuse, which
2 is population loss and how do we attract and
3 retain talent in upstate New York.

4 You are fortunate to have Syracuse
5 University and Upstate Medical in your
6 backyard, and I'm fortunate to have the
7 University of Rochester and RIT in my
8 backyard, but yet we both seem to lose
9 students, graduate students after they leave.
10 We know we have to have a good-paying job for
11 a lot of these folks to go work in.

12 But can you talk to some of the
13 strategies that your administration has done
14 as a next-generation leader, like myself, on
15 how we attract and retain a qualified and
16 vibrant workforce in Syracuse, but upstate
17 New York as a whole?

18 SYRACUSE MAYOR WALSH: Thanks,
19 Senator. And I'm glad I'm still considered a
20 next-generation leader, because this job has
21 a way of aging you.

22 But it's great to see you, and it's a
23 great question and one that we're working
24 very hard on.

1 You know, that's really -- I mentioned
2 briefly our Syracuse Surge strategy. The way
3 we define that is it's our strategy for
4 inclusive growth in the new economy. What
5 that means is where we're seeing
6 opportunities in the new economy -- sectors
7 like the Internet of Things, AI, unmanned
8 aerial systems -- we have a very good
9 entrepreneurial ecosystem, primarily through
10 our Syracuse Technology Garden and our
11 partnerships with our local educational and
12 medical institutions.

13 What we've really tried to focus on,
14 in addition to continuing to build those
15 partnerships, continuing to invest in our
16 Center City and in our neighborhoods to
17 create vibrant, dynamic spaces that are
18 attractive to young people -- increasingly
19 we've been looking even further down the
20 pipeline, to our youth.

21 When you look at what's working best
22 in the Syracuse City School District right
23 now, it's our career and technical education
24 programs. Those are creating direct

1 pipelines for young people to enter into the
2 workforce immediately after high school -- if
3 that's what they want. Or if they want to go
4 to college, they're coming out with Regents
5 diplomas as well. So we are looking at ways
6 in which we can expand and build upon those
7 programs.

8 I mentioned our proposed regional --
9 our countywide STEAM school. So one of those
10 critical components to jobs in the new
11 economy is that "A" in STEAM, arts. And
12 that's a piece that we're missing in our
13 portfolio in our school district. So we are
14 very much looking forward to opening --
15 getting underway and opening up our STEAM
16 school, which will be countywide. And in
17 doing so -- you know, it's a city school
18 district, but we'll be beginning to break
19 down some of those barriers between urban and
20 suburban school districts.

21 We're also investing in our Public
22 Service Leadership Academy at Fowler High
23 School. I announced this year that we're
24 expanding our Fire Pathways Program as well

1 as creating a new Syracuse Police Cadet
2 Program. I've heard in some of the previous
3 conversations discussions around police
4 reform. You and I have spoken about the
5 importance of residency for our police
6 officers.

7 And while we certainly are anxious to
8 partner with the Legislature on a residency
9 requirement for our police department, what
10 better way to ensure that we have residents
11 in the force than by bringing them up through
12 our school district? So we're excited about
13 that as well.

14 So that's just a few examples of our
15 strategy.

16 SENATOR COONEY: I appreciate that,
17 Mayor. And I'm always impressed on what the
18 Tech Garden's doing. It's a model for the
19 rest of upstate New York. It actually has
20 been a model for years.

21 But I appreciated your comments about
22 how you're using public education to be a
23 pipeline of talent for the future of Syracuse
24 and other careers. And I look forward to

1 working with my colleague Senator May, who
2 sits on the Cities 2 Committee, to think
3 about this for Syracuse and Onondaga County,
4 and look forward to working with you in the
5 year ahead.

6 So I'll yield the rest of my time, and
7 thank you, Mayor, for joining us.

8 SYRACUSE MAYOR WALSH: Thanks,
9 Senator.

10 CHAIRWOMAN KRUEGER: Thank you.

11 Our next speaker is Assembly Ranker
12 Reilly.

13 ASSEMBLYMAN REILLY: Thank you,
14 Madam Chair.

15 Good afternoon, Mr. Mayor. Thank you
16 for your testimony. I have to say that I was
17 sitting here listening and I was intrigued.
18 I was a former member of Community Education
19 Council 31 -- and the former president --
20 which is the school board for Staten Island
21 under mayoral control. And one of the things
22 that we had a hashtag for was "Full STEAM
23 ahead." So that STEAM program really makes
24 me excited.

1 And especially being a former
2 lieutenant in the New York City Police
3 Department, hearing about the program that
4 you're going to have for the youth which
5 is -- kind of sounds like the Law Enforcement
6 Explorers program. So that sounds really
7 exciting.

8 And I love hearing about the work
9 going on throughout the state, so I really
10 wanted to compliment you on that. And
11 listening really -- really truly is
12 inspiring.

13 So the one question I wanted to ask
14 you -- of course it's going to be off-topic
15 from education right now -- is the
16 legalization of marijuana. And I wanted to
17 talk about the impact that it may have on our
18 roads. I've asked all the mayors that came
19 before us today about this.

20 And I was wondering how many drug
21 recognition experts your police department
22 may have in Syracuse, if you know that
23 answer. I know that you may not. And also
24 that I know that it's very expensive

1 training, and if you would support an
2 offshoot of that program so that we could get
3 more patrol officers trained in that area,
4 because I think it's going to be an issue.

5 SYRACUSE MAYOR WALSH: Thanks,
6 Assemblyman. The only reason I know the
7 answer to that question is because I heard
8 you ask it earlier. And a shout-out to
9 Chief Buckner at SPD; he shared with me that
10 we have two drug recognition experts. And
11 that's out of just under 400 sworn officers.
12 We have another class coming up in October
13 where I expect we will send maybe one or two
14 officers.

15 But it is important, and that's -- to
16 your question about recreational marijuana
17 legalization, I do want to -- I'd be remiss
18 if I didn't note the importance of, if that
19 proceeds, being able to benefit from local
20 revenue generation. Because as has been
21 pointed out by my fellow mayors, cities
22 have -- and people within cities -- have
23 borne the brunt of challenges around
24 marijuana and drug laws, and therefore we

1 should be -- and we will have to deal with
2 any negative impact that comes from
3 legalization. And therefore we need to have
4 the resources necessary to be prepared for
5 them.

6 So the -- in terms of the -- well, I
7 just wanted to also note that Chief Buckner
8 is, in particular, concerned about what
9 happens on our roads and how we can make sure
10 that in legalizing recreational marijuana we
11 are not in any way encouraging or enabling
12 driving under the influence. So it is a
13 significant concern of ours, one that we're
14 anxious is addressed in whatever way is
15 appropriate through any action of the
16 Legislature.

17 ASSEMBLYMAN REILLY: Thank you,
18 Mr. Mayor. I really appreciate it. And
19 thank you for your time. Have a great day.

20 Madam Chair, I yield my time. Thank
21 you so much.

22 CHAIRWOMAN KRUEGER: Thank you very
23 much.

24 Next is -- oh, a Senator you might

1 know -- Rachel May, from Syracuse.

2 SENATOR MAY: Yes.

3 SYRACUSE MAYOR WALSH: Hey, Senator.

4 SENATOR MAY: Hi, Mayor Walsh. Great
5 to see you.

6 SYRACUSE MAYOR WALSH: Nice to see
7 you.

8 SENATOR MAY: And thanks for your
9 testimony. I wanted to follow up on a few of
10 the things that you brought up.

11 One was about Syracuse Build that's in
12 the budget. And as part of the I-81 project,
13 I'm very supportive of your efforts to build
14 the workforce, a local workforce for that
15 project.

16 But I want you to tell me what you
17 need from the Legislature and potentially in
18 the budget for actually freeing up the land
19 that would be freed up by tearing down the
20 viaduct so that the city can use it to the
21 best it can.

22 SYRACUSE MAYOR WALSH: Thank you,
23 Senator. And thanks for being such a great
24 partner on 81. I know we're both passionate

1 advocates of the community grid option, which
2 is the state's preferred alternative in the
3 Draft Environmental Impact Statement.

4 And you've been a great supporter of
5 the Syracuse Build program -- which again, as
6 you pointed out, is intended to create the
7 pipeline of workers, of local workers, to
8 ensure that we can maximize the benefit of
9 this once-in-a-generation \$2 billion
10 investment.

11 We need to do everything in our power
12 to ensure that city residents are working on
13 this project. And again, I look forward to
14 working with you on that topic.

15 In terms of the land being freed up,
16 you know, at last check I think there was
17 some estimates of around 25 acres or so that
18 would be freed up through the removal of the
19 elevated viaduct and the implementation of
20 the community grid.

21 The most important thing from the
22 Legislature's perspective, from the state's
23 perspective, is that we want local control of
24 that land. We very much respect and

1 appreciate all of you, but we want to make
2 sure that decisions on local land use are
3 made by local officials.

4 Once we secure that, I think that, you
5 know, I'm certainly anxious to work with you
6 and our other partners to determine the best
7 way in which we can ensure maximum community
8 benefit of that land, whether it be through a
9 land trust or working with the land bank or
10 whatever the case may be. You know, as you
11 and I both -- I know we agree on, you know,
12 we need to prioritize the people that are
13 currently living within the shadow of that
14 viaduct and make sure that they not only are
15 protected and --

16 SENATOR MAY: Let me interrupt you and
17 try to get one other question in, on bus
18 rapid transit, which I also really support.
19 You're asking for \$9 million, which is a
20 significant investment. Have you done an
21 estimate of what the benefits, like the
22 economic benefits to the city would be of
23 doing bus rapid transit?

24 SYRACUSE MAYOR WALSH: Well, I'll try

1 to get you more specific details, but I think
2 the most concise way to put it is that
3 transportation is a significant barrier to
4 employment in the city. Many people in our
5 city don't have access to personal vehicles,
6 and BRT would be a way to get people to jobs.

7 So that's among the many reasons why
8 we support it. But I'll try to get you some
9 more specifics to work with.

10 SENATOR MAY: Okay, great. Thank you.

11 SYRACUSE MAYOR WALSH: Thank you,
12 Senator.

13 CHAIRWOMAN KRUEGER: Thank you.

14 Seeing no other Assembly, we keep
15 going with the Senate and our ranker on
16 Local Governments, Senator Rath.

17 SENATOR RATH: Thank you, Madam Chair.

18 And it's a pleasure to meet you,
19 Mayor Walsh. And I have to tell you that I'm
20 a distinct stakeholder in Syracuse, in that
21 my eldest daughter is a sophomore up on
22 The Hill, and I graduated from Syracuse
23 longer ago than I would care to admit. It's
24 a special university. And thank you for your

1 leadership in a wonderful, wonderful
2 community.

3 SYRACUSE MAYOR WALSH: Thank you for
4 that.

5 SENATOR RATH: One of the things we've
6 noticed as parents of a Syracuse student is
7 the tremendous leadership that
8 Chancellor Syverud has shown during the
9 outbreak of COVID-19 as well as the
10 protection and management of the crisis for
11 his students. And we were so encouraged to
12 see the leadership and to also see other
13 universities follow the lead of Syracuse when
14 it came to awareness, testing, quarantine and
15 now defense against future outbreaks.

16 But my question has to do with
17 COVID-19 and the strategy that you've been
18 utilizing in the City of Syracuse to also
19 protect the residents and, also along those
20 lines, how the communication lines have been
21 between state government and the City of
22 Syracuse and how you're doing with your
23 vaccine distribution centers and the rollout
24 of the vaccine distribution centers in

1 Syracuse.

2 SYRACUSE MAYOR WALSH: Thank you for
3 those questions. And I agree, the chancellor
4 has been a great partner with us.

5 And speaking of impact on the
6 community, I know a lot of neighbors around
7 the university were very concerned about the
8 potential impact of students coming into
9 town, which we -- you know, we consider the
10 students are part of the community as well,
11 but they've done a very good job managing
12 that.

13 In terms of overall management of
14 COVID, we have a great partner in our
15 county executive and in the county health
16 department, as well as the state. I
17 participate in the now biweekly regional
18 control room calls.

19 One of the most critical components
20 that sometimes we're better than others at is
21 just data sharing. The more data we have to
22 inform our decisions, the better. And so
23 anything that you all can do to continue to
24 encourage the State Health Department to

1 openly and transparently share data, that's
2 very helpful to us.

3 But again, by and large, they've been
4 very good partners. We're all dealing with
5 the supply constraints. In the City of
6 Syracuse we're particularly focused on
7 ensuring that our most vulnerable populations
8 are vaccinated. We've been very successful
9 with pop-up vaccination programs going out
10 into the community, so we're anxious to do
11 more of that.

12 SENATOR RATH: Sounds great.

13 And one other point. I heard you make
14 the comment that you've been having to tap
15 into your fund balance to make ends meet.
16 And it is a rainy day amount of money. It's
17 disappointing that the City of Syracuse and
18 many other communities have had to follow
19 that course to make ends meet. But I will
20 add my voice to my colleagues' to say that
21 this AIM funding needs to be fully restored
22 and our major cities and all municipalities
23 need to be back to square one with these
24 numbers.

1 SYRACUSE MAYOR WALSH: Thank you,
2 Senator.

3 SENATOR RATH: You're welcome. Go,
4 'Cuse.

5 CHAIRWOMAN KRUEGER: Thank you. And
6 thank you very much for being with us today,
7 Mr. Mayor. Appreciate your time and effort.

8 I do have just one question for you.
9 It actually predates your becoming the mayor,
10 and so I don't remember which year it was.
11 But your city or perhaps a section of your
12 county that included your city was awarded
13 \$600 million in what I used to call the
14 Hunger Games competitions of regions by the
15 Governor.

16 How much of that 600 million were you
17 actually able to spend successfully in your
18 area?

19 SYRACUSE MAYOR WALSH: Boy, it's
20 amazing how a year can make you forget a lot
21 of those details that were once so important
22 to all of us.

23 But I think we -- I think it was half
24 a billion that we received through the

1 Upstate Revitalization Initiative, and we
2 were able to spend down a fairly significant
3 portion. I couldn't tell you how much we
4 have remaining.

5 But I will use it as an opportunity to
6 say that, you know, one of the challenges, as
7 I alluded to, with the \$9 million that we
8 have held up at DASNY right now is we have
9 money that's been earmarked, allocated,
10 granted to the city for projects that are
11 literally shovel-ready. I have a Dig Once
12 project on a significant road,
13 Butternut Street, in the City of Syracuse
14 that we're ready to go on but we can't get
15 the funds released from the state.

16 So -- and, you know, for
17 understandable reasons. But as we're talking
18 about looking forward and freeing up new
19 funds, I think it's equally important that we
20 make sure that the funds that have been
21 committed are freed up. But I'll get you a
22 more specific answer on the URI.

23 CHAIRWOMAN KRUEGER: I'd appreciate
24 that, thank you.

1 SYRACUSE MAYOR WALSH: You got it.

2 CHAIRWOMAN KRUEGER: And I did
3 overlook our Cities Chair Robert Jackson and
4 took my slot first, so I apologize, Robert.
5 Your turn.

6 Are you there, Robert? Yes, okay.

7 SENATOR JACKSON: I'm here. How you
8 doing, Mayor?

9 SYRACUSE MAYOR WALSH: Senator.

10 SENATOR JACKSON: Good to see you, and
11 thank you for your presentation. I chair the
12 Cities Committee 1, which is New York City,
13 but I'm concerned about all of our cities and
14 localities, quite frankly, for we're in this
15 together.

16 And from hearing from all of those
17 that have testified so far, we're in deep
18 trouble and we depend on the federal
19 government. So one of the questions that I
20 have is -- I would assume, I make the
21 assumption that you're communicating with
22 your Congressmembers and our U.S. Senators
23 from New York State, and obviously Chuck
24 Schumer being the Majority Leader, and let

1 them know what the situation is in your city.
2 And if everyone is doing that, then they
3 clearly can hear and see the need of New York
4 State.

5 Are you doing that, may I ask,
6 Mayor Walsh?

7 SYRACUSE MAYOR WALSH: Absolutely,
8 Senator. We are lucky to have two Senators
9 in Senator Schumer, Majority Leader Schumer,
10 and Senator Gillibrand, that have been just
11 rock-solid partners for us. Senator
12 Gillibrand was just in town here earlier this
13 week. And they certainly understand the
14 great need that we have in the city and have
15 been staunch advocates for us.

16 We're also working very closely with
17 our local Congressman, John Katko, who
18 absolutely understands our situation as well.

19 And we're continuing to push and to
20 advocate for additional COVID relief because,
21 like virtually every other city in New York
22 State, we did not get direct funding through
23 the CARES Act, and that's in large part why
24 we find ourselves in the situation we're in

1 right now.

2 SENATOR JACKSON: Yeah, and I make the
3 assumption also that you and other mayors and
4 town leaders and local governments are
5 communicating with our Governor, Governor
6 Cuomo, just like you're coming here and
7 communicating directly to not only your
8 legislators, but all of the legislators in
9 the State of New York that are members of
10 this committee and the various committees.

11 Any feedback from the Governor or
12 someone else regarding your needs and the
13 needs of Syracuse?

14 SYRACUSE MAYOR WALSH: Like all of us,
15 you know, the messages that we've gotten from
16 the Governor and his team have been, you
17 know, how desperately we are all in need of
18 direct and flexible federal aid to the state
19 and local municipalities.

20 So I know they understand and
21 appreciate that as well as the dire situation
22 that we're in. Again, that's why I welcomed
23 the release of the 20 percent withholding,
24 but we're anxious to get that in the bank.

1 SENATOR JACKSON: Well, I say to you
2 that my colleague Rachel May and your other
3 colleagues from your area, they clearly, in
4 my opinion, do a good job of representing the
5 constituency up there.

6 I was up in Syracuse, and
7 unfortunately Syracuse has one of -- not one
8 of the best educational systems as far as
9 funding and outcomes, and obviously funding
10 is a great part of that. And so I've just
11 asked other mayors about the federal
12 government has to give us the monies that we
13 need, and obviously they're going to come
14 directly to the cities.

15 But are you in favor of, like myself
16 and others, in favor of necessarily, to
17 survive, taxing the wealthiest New Yorkers so
18 that the rest of us in cities and towns and
19 municipalities will be able to survive this
20 pandemic so that we can get back to work
21 holistically and together in order to survive
22 the pandemic?

23 SYRACUSE MAYOR WALSH: Senator, as I
24 said, we're anxious for the federal

1 government to provide relief. But in lieu of
2 that, or even with that, you know, we know
3 that a one-time shot is not going to be
4 sustainable for us.

5 So it's always been important but
6 never been more important than now that every
7 New Yorker, especially our wealthiest
8 New Yorkers, are paying their fair share. So
9 I'm wholeheartedly in support of that and
10 look forward to partnering with you on that.

11 SENATOR JACKSON: Well, thank you for
12 your leadership. And your presentation,
13 within the 10 minutes you had, I thought it
14 was very comprehensive.

15 SYRACUSE MAYOR WALSH: I had to read
16 fast. Thank you, Senator.

17 (Laughter.)

18 CHAIRWOMAN KRUEGER: Thank you very
19 much.

20 Assemblywoman?

21 CHAIRWOMAN WEINSTEIN: I believe we do
22 not have any other members, so I want to
23 thank Mayor Walsh for being with us today.

24 And we are going to now move a little

1 closer, and we'll be hearing from the City of
2 Albany, the Honorable Kathy Sheehan, mayor.

3 Hello, Mayor. You have 10 minutes,
4 thank you.

5 ALBANY MAYOR SHEEHAN: Great.

6 Thank you so much, Chairpersons
7 Krueger and Weinstein, for the opportunity to
8 discuss issues that pertain to the City of
9 Albany.

10 I want to thank the Finance Committee
11 and the Assembly Ways and Means Committee as
12 well as our Capital delegation, Senate
13 Vice President Pro Tem Neil Breslin as well
14 as Assemblymembers Pat Fahy and John
15 McDonald. They work so closely with us on
16 various issues and initiatives, but in
17 particular our financial challenges,
18 especially during these unprecedented times.
19 And I always appreciate the invitation of
20 this body to come and talk about that.

21 Over the last several years I've
22 repeatedly joined you and made the case about
23 Albany being treated like no other city. And
24 as you would see in Slide 2, we typically

1 receive less than one-quarter of the AIM, per
2 capita, of Buffalo and Rochester, less than
3 half of Utica.

4 You know, this is a story that I tell
5 every year. And I was not surprised to see
6 that in this budget our \$12 million in
7 Capital City Funding is again not included,
8 so we start with a \$12 million cut, unlike
9 any other city.

10 But just when I thought that this
11 inequity couldn't get any worse, Slide 3
12 shows that in addition to zero dollars in
13 Capital City Funding, the proposed '21-'22
14 budget cuts the City of Albany's AIM by
15 20 percent. Most other cities are seeing an
16 AIM cut of only 2.5 percent, but ours is
17 being cut by 20 percent, which just compounds
18 the fundamental injustice. Not only are we
19 forced to demand our fair share every year,
20 now we're forced to demand a restoration of
21 AIM that is eight times larger than the cuts
22 that are faced by nearly every other large
23 upstate city.

24 And as Slide 4 highlights, when you

1 combine the zeroing out of our Capital City
2 Funding -- so we're starting with a
3 \$12 million cut -- as well as the 20 percent
4 reduction in AIM, the City of Albany is being
5 told in 2021 that we need to deal with a
6 59 percent reduction in state aid.

7 This is something that truly no other
8 upstate city faces. I wish that I could talk
9 about broader issues -- I say that every
10 year -- about what's happening in the City of
11 Albany and how we can better partner with the
12 state. But I am here again saying that the
13 Capital City continues to be treated like no
14 other city.

15 And quite candidly, it feels very
16 disrespectful for our residents and our
17 businesses and our employees. And I think
18 that when you think about the fact that this
19 is home to some of the poorest census tracts
20 in the region, and being told that we have to
21 continue to bear an unfair burden of the
22 state's refusal to provide AIM at even half
23 the levels that it provides to other
24 similarly situated cities, it makes it a

1 challenge.

2 The -- between our Capital City aid
3 and our AIM, we're still at, you know, half
4 of where other cities are, on par with Utica.

5 So as you can see from Slide 5, the
6 city has real challenges. We are home to
7 approximately a thousand vacant buildings.
8 We have a median income that is lower than
9 that the broader region. We have a poverty
10 rate of almost 24 percent. It has steadily
11 declined over the last several years, but it
12 is still too high. Our homeownership rate is
13 20 points lower than the rest of Albany
14 County, and it's lower than even places like
15 Buffalo, Syracuse and Rochester.

16 So while I'm keenly aware that every
17 city in New York is impacted by poverty, I
18 continue to ask the question: If you break
19 down our AIM on a per-capita basis based on
20 the number of people living in poverty, it
21 demonstrates that this inequity continues.

22 You know, why is a poor person in
23 Buffalo worth nearly five times more than
24 somebody living in poverty in Albany? Why

1 does this inequity continue year after year
2 after year?

3 And I know that many people talk about
4 the payment that we receive from New York
5 State under 19-A for the Empire State Plaza.
6 This payment equates to 0.29 percent of the
7 value of the property that the state owns in
8 Albany. And it is not state aid. This is a
9 legal obligation paid to begin to attempt to
10 make up for what was a very devastating
11 decision that impacted the City of Albany.
12 It eliminated an entire neighborhood, took
13 dozens of taxable properties off the tax
14 rolls.

15 And even with 19-A, as you'll see in
16 Slide 7, the City of Albany received less
17 state aid as a percentage of its general fund
18 than every other large upstate city with the
19 exceptions of Troy and Schenectady.

20 When I first appeared before this
21 joint committee in 2014, I highlighted the
22 inequity imposed on the City of Albany when
23 it comes to unrestricted aid to cities.
24 Since that time I have worked in good faith

1 with this body -- and I have had the support
2 of this body, for which I am very grateful --
3 as well as the Governor's office to keep a
4 promise that I made in 2014, that if the
5 state permanently rectifies the blatant
6 unfairness that exists in AIM, we will
7 tighten our belt, become more efficient, and
8 manage to the 2 percent tax cap and the
9 inevitable increases and costs of running a
10 city.

11 And as you can see from Slide 8, our
12 budget has increased cumulatively by
13 3 percent since 2015. That equates to an
14 increase of approximately 0.5 percent
15 annually. And this has happened without an
16 increase to Capital City Funding.

17 If we had followed New York State and
18 capped our growth at 2 percent annually since
19 2015, our budget would be \$20 million larger
20 than it is today. But we have managed to --
21 all of the cost increases that we've been
22 dealt, we've managed to ensure that we are
23 making good decisions and I have never
24 increased the ask that I have made. This

1 \$12.5 million is truly a structural gap.

2 As seen on Slide 9, our fiscal
3 prudence has been so impactful that we were
4 able to be removed from Comptroller
5 DiNapoli's list of fiscally stressed cities.
6 When I came into office and Comptroller
7 DiNapoli started to measure the fiscal stress
8 of cities, we were the most fiscally stressed
9 city in the state.

10 I kept my promise, and yet here we are
11 again. This is important to note, because my
12 administration has cut to the bone and any
13 additional cuts would put both our residents'
14 health and safety, and the viability of our
15 businesses that are already struggling to
16 keep their doors open, at risk.

17 We used nearly half of our fund
18 balance and all of our debt reserve to fill
19 the 2020 deficit caused by COVID. And
20 without 100 percent AIM and 100 percent
21 Capital City Funding, we will be forced to
22 use the remainder of our fund balance in
23 2021. I inherited a fund balance of almost
24 zero. I worked hard to build it back up. It

1 still represents -- actually, now it's even
2 less, but as of last year it was less than
3 10 percent of our operating budget. And
4 again, we are treated in a way that cities
5 that receive far more AIM have far larger
6 fund balances, and yet our AIM is proposed to
7 be cut by 20 percent.

8 This injustice continues to exist.
9 We're seeking to ensure that the Capital City
10 can provide services that are essential for
11 the tens of thousands of workers who normally
12 traveled to Albany to work every day, in
13 pre-COVID world. We want to be back to that
14 pre-COVID world and welcome people back
15 downtown as well. And many travel to the
16 Capitol, the Empire State Plaza, and the
17 Harriman Campus.

18 Providing this level of service while
19 being denied our fair share of state aid is
20 unjust. Our residents, our police officers,
21 our firefighters, our hardworking employees
22 deserve better. And we need to ensure that
23 this aid is put back into the budget.

24 Sixty-four percent of our properties are

1 tax-exempt, and the state owns the
2 overwhelming majority of those properties.

3 When you look at our property tax
4 levies compared to cities Buffalo, Rochester
5 and Utica, you see the impact that this has
6 had on the City of Albany. Because our AIM
7 dollars are so low, our property tax levies
8 are actually higher -- not per capita, but in
9 real dollars -- than cities that are much
10 larger than the City of Albany.

11 I'm not suggesting that these cities
12 don't deserve the AIM that they get, but this
13 inequity must be fixed. We worked hard
14 throughout this pandemic to continue to
15 provide additional city services, to continue
16 to do all that we could to make sure that our
17 city was safe, to make sure that the needs of
18 our children were met, to make sure that we
19 were addressing the horrible racial
20 inequities that were highlighted after
21 George Floyd was murdered back in May. And
22 yet we struggle.

23 And this struggle will continue. We
24 are hopeful that under the new administration

1 in Washington, we will receive direct state
2 and local aid. And we know that the State of
3 New York has been treated like no other
4 state. And when our Governor speaks about
5 that injustice, when our Governor speaks
6 about the state needing its fair share, you
7 know, I could write a chapter in that book,
8 as you all know.

9 And I wholeheartedly agree with the
10 Governor that we should be fighting for
11 New York's fair share, and I am here to fight
12 for Albany's fair share.

13 Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 Thank you, Mayor.

16 I don't have a question, but I wanted
17 to say, as you know, both Assemblywoman Fahy
18 and Assemblyman McDonald were strong
19 advocates for Albany, and that was how we
20 were able to get the -- you were able to get
21 the \$12 million in the prior years' budgets.

22 So Assemblywoman Fahy couldn't be
23 here, but she's been watching you from
24 afar -- not even so far away, but she's been

1 watching you. So she just sent me a text and
2 she just wanted me to reassure you that she
3 and Assemblyman John McDonald will do
4 everything they can to restore the
5 \$12 million, as they have successfully done
6 in the last few years, as well as to help
7 restore AIM. So I just wanted to pass that
8 message along on behalf of both
9 Assemblymembers.

10 I don't have anything more, so I'm
11 going to send it to the Senate, and then
12 we'll come back to our Assembly colleague.

13 CHAIRWOMAN KRUEGER: Okay, thank you.
14 Our chair of Cities, Robert Jackson.

15 SENATOR JACKSON: Well, thank you,
16 Mayor Sheehan. Thank you as someone that I'm
17 up in Albany whenever we have session, and
18 the days before.

19 You talked about Empire State Plaza.
20 I was running in that two nights in a row,
21 getting 3.5 miles in jogging, and let me tell
22 you, it was good -- rather than being outside
23 running in 15 degree weather and snow on the
24 ground, so ...

1 But quite frankly, I was really
2 disappointed, not in what you had to say, but
3 that your cut is 20 percent of AIM compared
4 to others that are less than that. And so it
5 begs the question, is there a formula so that
6 everyone can look at the formula and know
7 you're getting basically -- being judged the
8 same way? That's a question that I have for
9 you. Do you know if there's a formula, and
10 is that formula fair?

11 ALBANY MAYOR SHEEHAN: Well, I think
12 that there is a formula and that formula was
13 adjusted over the years as cities suffered
14 from fiscal distress. And that that resulted
15 in AIM being significantly higher, for
16 example, for places like Buffalo and
17 Syracuse.

18 And I don't begrudge them their AIM.
19 You know, we all provide essential services
20 and we have challenges with our tax bases
21 because of the concentration of poverty in
22 cities because of the fact of the inequities
23 that have built up over the decades.

24 But the City of Albany is no different

1 than those other cities. We became fiscally
2 distressed maybe a little bit later than they
3 did, but we certainly, as our suburbs have
4 built out and as the tax base has moved out
5 of the city, we are in that same position.
6 And it is incredibly challenging for us to be
7 able to continue to provide essential city
8 services, be the host of the great State of
9 New York and be the capital of the great
10 State of New York and remain fiscally
11 solvent.

12 SENATOR JACKSON: And I would assume
13 that you've updated your statistics on your
14 area with the Governor's office, and you
15 should ask for reconsideration of that, in my
16 opinion. I would hope so, and I would hope
17 that your legislators, both locally with your
18 city council or whatever you call it, and
19 your Assemblymembers and Senators, are asking
20 for reconsideration of that.

21 Because you mentioned the other
22 things, the 5 percent reduction in state aid,
23 the homeownership rate is lower than areas in
24 the immediate area, and that you have 1,000

1 vacant buildings. I mean, that tells a story
2 right there.

3 But my question I ask of everyone
4 else. Based on the feds, the state is going
5 to have to raise revenue. And are you in
6 favor of taxing the wealthiest New Yorkers so
7 that everyone in the State of New York will
8 survive this pandemic? That's the question
9 that I ask of everyone that is coming in
10 front of us.

11 ALBANY MAYOR SHEEHAN: Well, I do
12 believe that we need to ensure that
13 New Yorkers are paying their fair share.

14 And I also believe that we need to be
15 fighting for a more equitable treatment at
16 the federal level. And I think that a state
17 like New York that has to balance its budget,
18 and municipalities like ours that have to
19 balance our budgets, have been penalized.
20 And we had a federal administration under the
21 prior administration that tried to paint us
22 as big spenders and irresponsible with our
23 money. And we're not.

24 And so we have to ensure that we don't

1 continue to be a donor state when we have
2 needs here in our own state as well. So I
3 believe that we have to be fighting on both
4 levels for equity in taxation.

5 SENATOR JACKSON: Thank you, Mayor.

6 CHAIRWOMAN KRUEGER: Thank you.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 We have Assemblyman Michael Reilly,
9 the ranker on our Cities Committee, for a
10 question.

11 ASSEMBLYMAN REILLY: Thank you, Madam
12 Chair.

13 Good afternoon, Mayor. Thank you for
14 your testimony. I appreciate hearing it.

15 I actually -- I've asked just about
16 every mayor that testified today, and I
17 wanted to pose the same question to you.
18 It's regarding the potential legalization of
19 adult-use marijuana and my concerns about
20 driving under the influence. I was wondering
21 if you might know about the drug recognition
22 experts program with the Albany Police
23 Department, if they have any drug recognition
24 experts.

1 And I know since the Capitol and the
2 State Police are nearby, that they're
3 available too with drug recognition experts.
4 But I was wondering specifically about the
5 Albany Police Department and if you would
6 support the availability of local police
7 departments to get training that may be an
8 offshoot of the drug recognition expert
9 program, because that's very expensive for
10 local patrol officers.

11 ALBANY MAYOR SHEEHAN: Yes, I think it
12 is going to be very important that we're
13 prepared to ensure that we're keeping people
14 safe and that we also are assured that, you
15 know, as marijuana -- adult use of marijuana
16 is legalized, that we fully understand the
17 impacts that that is going to have on law
18 enforcement in general.

19 And, you know, I have been working
20 very closely with our police department. You
21 know, we thought that this was going to pass
22 three years ago and started preparing then to
23 identify the issues and the training that
24 would be necessary within our police

1 department if adult-use marijuana is
2 legalized.

3 You know, we like other cities suffer
4 from the disparate impacts that that has had,
5 particularly on our communities of color.
6 And so, you know, we have been advocating on
7 their behalf as this gets rolled out. And I
8 believe that we will be prepared, but it will
9 be at a cost. And we have to understand
10 where that funding is going to come from.

11 ASSEMBLYMAN REILLY: Great.

12 And I was hoping that maybe you could
13 consider advocating for that training for
14 local police officers on patrol, maybe like a
15 four-hour class that's given by NYPD Highway
16 Unit, Sergeant Schneider and P.O. Kessler.
17 They put together an offshoot program that
18 would actually -- just to give drug awareness
19 training to local police officers on patrol.

20 So thank you very much very much for
21 your testimony. I appreciate it.

22 I yield my time back. Thank you,
23 Madam Chair and Madam Mayor.

24 ALBANY MAYOR SHEEHAN: Thank you.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 I don't see any other -- Senate, do
3 you have anybody?

4 CHAIRWOMAN KRUEGER: No, we don't.
5 But we appreciate the mayor's coming in to
6 testify for us.

7 And I badly joke, I think every year,
8 you know, somebody in Albany must have really
9 pissed off somebody in the Budget Division,
10 because you go through this year after year,
11 and we all have to fight hard to make sure
12 you're made whole. And there's really no
13 excuse for this situation.

14 ALBANY MAYOR SHEEHAN: Thank you. And
15 thank you for your support. I appreciate it.

16 CHAIRWOMAN WEINSTEIN: Thank you,
17 Mayor. So we look forward to seeing you once
18 we actually can be in-person in places in
19 Albany. But until then, we'll see you on
20 Zoom, and appreciate your being here with us
21 today.

22 So next we're going to move on to the
23 New York State Conference of Mayors, Richard
24 David, president, and mayor of Binghamton.

1 BINGHAMTON MAYOR DAVID: Well, good
2 afternoon, everyone. Thank you very much for
3 the opportunity. My name is Rich David. I'm
4 the mayor of the City of Binghamton.
5 Binghamton is a city with a population of
6 approximately 50,000 in Broome County, in the
7 Southern Tier of New York.

8 Thank you very much, Senator Krueger
9 and Assemblywoman Weinstein, for this
10 opportunity. I'm joined by Peter Baynes, who
11 is the executive director of the New York
12 Conference of Mayors. And I would also just
13 like to give a brief mention to our local
14 Senator, Fred Akshar, Assemblymembers Donna
15 Lupardo and newly elected Assemblymember Joe
16 Angelino. And of course it's nice to see
17 Senator O'Mara, also representative one
18 county over in the Southern Tier.

19 Listening to many of the other mayors
20 speak today, there's clearly a common theme
21 here. And I don't -- while I agree with
22 them, I don't want to just keep repeating
23 what all of these other mayors have
24 indicated. But there is a primary concern

1 across the State of New York about state aid
2 in general. And first and foremost, I think
3 it's important to note that there has been no
4 increase in state Aid to Localities in more
5 than a decade.

6 So from the NYCOM perspective, this is
7 an issue that we have been advocating for an
8 annual increase each year, and that money has
9 remained flat. Now we enter the pandemic,
10 and we're taking steps backwards. In the
11 2020 budget, as you already know, the state
12 had indicated a proposal of a 20 percent
13 reduction, which has been reduced to
14 5 percent. That's still a lot of money for
15 many of us. Five percent, for the City of
16 Binghamton, is \$462,000. For Buffalo, it's
17 \$8.3 million, for Yonkers it's \$5.5 million,
18 for Rochester it's \$4.7 million, for Syracuse
19 it's 3.8 million. And the overall
20 withholding is \$33 million for villages and
21 cities. That's a significant amount of
22 money.

23 And now we move forward to the budget
24 proposal right now, where the withholding

1 ranges anywhere from 2.5 percent to
2 20 percent, with many municipalities just
3 getting the flat 20 percent cut. And I know
4 as many of you know, the overwhelming
5 majority of many of our municipal budgets is
6 aimed at public safety, and that's to fund
7 police officers, firefighters, emergency
8 responders, the individuals who collect
9 garbage and recycling on our streets,
10 individuals who are helping to keep our
11 communities safe.

12 So these are things that are also
13 very, very concerning to us, in that in our
14 conversations with the Governor's staff and
15 the Budget Director, they've indicated an
16 openness to when and if the state receives
17 its federal stimulus funds, that that money
18 would be given back to the municipalities.
19 And so that's one of the primary things that
20 we want to convey, is that while we
21 appreciate the withholdings have been
22 reduced, we really need that money.

23 We operate in real time on a
24 day-to-day basis, and we have been confronted

1 with having to make the difficult decisions
2 of draining our reserves, raising taxes,
3 keeping positions vacant, laying people off,
4 furloughs, going to our unions asking to give
5 money back with regard to their contracts, or
6 a combination of all of these things. And
7 we're doing this in real time; we don't
8 really have the luxury or the cash flow to be
9 able to wait on the state and federal
10 government to come through.

11 And so it's something that we really
12 just want to keep on your radar screen and in
13 your consciousness. We are your partners.
14 The strength of New York is determined by the
15 overall success and viability of our local
16 economies -- all of our cities, all of our
17 counties, towns and villages. And we want to
18 be a partner in that process.

19 We support the state's efforts to try
20 to secure as much state and local funding
21 through the federal government, and we are
22 your partners in that process. And it is
23 absolutely critical from a municipal
24 standpoint that as many municipalities who

1 are eligible to receive that funding directly
2 receive that funding directly. We don't want
3 it to go fully to the state.

4 And we want to maintain the
5 maintenance of effort so that if we are made
6 whole or do get some funding from the federal
7 government, that our state aid, which is
8 currently being withheld, a portion of it, is
9 not further withheld in the future. So
10 that's something that's very important as
11 well.

12 You know, another topic that's really
13 important is our infrastructure and
14 transportation. You have our written
15 testimony, and I really wanted to take this
16 opportunity to divert from it a little bit,
17 because at times we feel there's a disconnect
18 between where the money is allocated and
19 where you think the money is going.

20 And neighborhood streets are one of
21 the most important pieces of infrastructure
22 that we hear about from our residents
23 constantly. And while we do receive CHIPS
24 money, the bulk of the cost of the

1 infrastructure is in the water and sewer
2 lines underneath the streets. It's in making
3 the intersections handicap- accessible and
4 addressing sidewalks and curbs; it's not
5 necessarily the asphalt on the top level of
6 the street.

7 And as the federal government has
8 clamped down significantly on making sure
9 that all ADA requirements are maintained, for
10 many municipalities the bulk of the CHIPS
11 money goes to that. I'll give you an example
12 for the City of Binghamton. We receive just
13 over \$1.1 million in CHIPS funding annually.
14 It costs about \$800,000 in funding just to
15 deal with the ADA requirements, let alone the
16 water and sewer and costly other upgrades.

17 So we'd like to see an additional sort
18 of formula like CHIPS that goes directly to
19 the water and sewer lines and issues
20 underneath. And the state has allocated
21 billions towards water and wastewater, but
22 that money is only available in certain types
23 of ways. For example, only after the water
24 and sewer line breaks are you able to get

1 some of that money for repairs.

2 Not every municipality has a sewage
3 facility or a water facility. The state
4 doesn't offer money for parking facilities.
5 So there are so many parking garages, there's
6 so many other sorts of infrastructure issues
7 that we have that we'd like to see some more
8 specific focus on.

9 The annual highway infrastructure
10 needs really outpace the resources that are
11 currently available. And since 2017 and
12 2018, the state has appropriated, you know,
13 \$3.5 billion to address the water emergencies
14 and pay for infrastructure projects, but it's
15 being phased in over multiple years. So
16 that's something that we'd really like you to
17 take a look at as well, to make sure that,
18 you know, the smallest villages and the
19 smaller cities, that not everybody has
20 transit or ports or airports, but that we can
21 address our infrastructure needs as well.

22 And as I indicated, I was joined by
23 Peter Baynes, and I'll yield the rest of my
24 time to Peter to talk about some other NYCOM

1 issues.

2 Peter?

3 MR. BAYNES: Thank you, Mayor.

4 Just two additional points I'd like to
5 make in our remaining time. One has to do
6 with this growing practice by the state of
7 intercepting local revenues to pay for state
8 obligations. And I know you've heard about
9 this today.

10 In this budget that the Governor has
11 proposed, all future village and town AIM
12 funding would come out of local county sales
13 tax revenue, which of course local county
14 sales tax revenue works its way down to those
15 same towns and villages. So in essence you
16 have a system where local governments are
17 paying for their own state aid, which I don't
18 think anybody would view as a healthy
19 intergovernmental-type policy.

20 It's also going on, you know, at
21 the -- in terms of with the distressed
22 providers account, for the hospitals and
23 nursing homes that are having financial
24 problems. The Legislature and the Governor

1 provided last year that \$250 million in each
2 of two successive years will be intercepted
3 out of local sales tax revenues to pay for
4 that state obligation.

5 So just wanted to make clear, on top
6 of what Mayor David said, that that's
7 something we strongly object to. We think
8 the state has the resources in their
9 \$192 billion budget to fund those
10 obligations.

11 And the second thing I'll mention is
12 on the adult-use cannabis question. We as an
13 organization do not have a position on
14 legalization, but we do have concerns that if
15 it is legalized, that it maintains
16 appropriate local control and that it also
17 provides local impact revenue to the
18 municipalities that will be impacted.

19 The Governor's proposal that would
20 only allow counties and the largest cities to
21 opt out we don't think is the best way to go.
22 We think local governments should make the
23 decision of what types of facilities are
24 coming into their communities. So we think

1 that opt-out provision needs to be adjusted.

2 And while the Governor's way of
3 getting revenue to local governments is a
4 little bit easier because it's already in
5 practice -- local sales tax -- it won't work
6 for the towns and villages that are in
7 counties that don't share a sales tax. So we
8 think that still has to be fixed, the revenue
9 piece of the cannabis proposal, and we look
10 forward to work with the Legislature on both
11 those points.

12 So with that, I'll leave it for
13 questions for Mayor David and myself.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 We're going to go to Fred Thiele, the
16 chair of Local Governments, five minutes.

17 ASSEMBLYMAN THIELE: Good afternoon,
18 gentlemen, and thank you for your testimony.

19 I'd like to start out with what you've
20 spent a lot of time in your testimony on, and
21 what I hear from all my towns and villages
22 that I have, I don't have cities, but -- and
23 that is AIM. And I think you made the point
24 very well that, you know, there's -- there

1 are increasing demands on local governments
2 and the state is not meeting its needs with
3 regard to the partnership.

4 And, you know, there really is two
5 parts to this, and one this is a state
6 obligation and this should be paid for, AIM
7 funding should be solely paid for by the
8 state.

9 And second of all, at a time when the
10 demands are as great as they are on you
11 because of the pandemic, you know, the same
12 standard that the Governor wants to hold the
13 federal government to as far as helping the
14 state, I think local governments have the
15 right to hold the state to that same
16 standard. And, you know, a 20 percent cut in
17 AIM funding this year -- or any year -- is
18 simply not something that I think is good
19 policy, and it certainly isn't the kind of
20 partnership that I think the state should
21 have with its local governments.

22 So, you know, certainly I think, you
23 know, many of us in the Legislature want to
24 see funding fully restored, and that means

1 for the full fiscal year, that additional
2 5 percent -- you know, we would like to see
3 AIM funding completely restored and it become
4 again a state responsibility instead of, you
5 know, intercepting that money from the county
6 sales tax.

7 So I think we are on the same page --
8 at least I'm on the same page with you on
9 that, and I thank you for your testimony on
10 that.

11 And I think also with regard to
12 highways, and you talked about water
13 infrastructure. And, you know, I think there
14 really is the need for a dedicated fund for
15 water infrastructure. It's great to do
16 capital funding, you know, when it's
17 available, but that kind of dedicated fund.
18 And I think, you know, we should look at a
19 way to do that.

20 But let me ask a question, though, and
21 that is, you know, last year we did a bill
22 that provided some flexibility to local
23 governments with regard to being able to use
24 reserve funds, you know, interfund transfers,

1 things of that nature. Have you identified
2 anything that you might want to bring to the
3 Legislature's attention this year as far as
4 ways that we could, you know, in addition to
5 a proper level of funding, provide you with
6 greater flexibility to use the resources you
7 already have?

8 BINGHAMTON MAYOR DAVID: Sure. Well,
9 thank you very much.

10 I can tell you that in our community
11 we do have a water treatment plant and a
12 joint sewage treatment facility, both that
13 need -- have either underwent or need very,
14 very costly upgrades. And the amount of --
15 you know, like the federal government
16 contributes, you know, next to nothing. The
17 state in its -- in a positive note, has
18 contributed grant funds, but it's really been
19 a drop in the budget.

20 I don't think that -- we go back to
21 that disconnect about the amount of monies
22 that are available, where they can go and how
23 to access them. Some of the needs are just
24 ruled out because of the tight restrictions

1 in eligibility requirements. And I think
2 that's why you continue to see such a large
3 amount of money that's not spent as much as
4 you think it's going to be -- could be spent,
5 but yet the demand continues to be there.

6 ASSEMBLYMAN THIELE: I've got a
7 question -- it's not so much a budget-related
8 question, but what I hear from my towns and
9 villages that have police departments, you
10 know, trying to comply with the Governor's
11 executive order with the Police Reform
12 Collaboration, but they're becoming concerned
13 about, you know, between all of the
14 responsibilities they've had during the
15 pandemic and the difficulties of getting
16 public input and public involvement, you
17 know, during the pandemic about being able to
18 meet the April 1st deadline.

19 And I was curious as to whether your
20 members have expressed any concerns about
21 that.

22 BINGHAMTON MAYOR DAVID: In Binghamton
23 we'll be able to make the April 1st deadline.
24 Peter, do you want to reference maybe the

1 group's --

2 MR. BAYNES: Yeah, we're working
3 closely with our members, they're making
4 every effort to meet the April 1st deadline.
5 We actually -- as we speak right now, we're
6 in the midst of doing two Police Reform
7 Collaborative seminars as part of our annual
8 legislative conference.

9 So they're working hard. You know,
10 the unknown is -- or the thing that may make
11 it difficult at the very end to adopt a plan
12 is that as a governing body, that the mayor
13 has to get the approval to adopt the plan,
14 you know, either a village board or a city
15 council.

16 So, you know, I know that our mayors
17 are trying to be as preemptive in that
18 respect to try to communicate with their
19 governing bodies so that there aren't any
20 hiccups late in the game. But, you know, I
21 would say our people are taking it very
22 seriously. We've surveyed them on how well
23 they're doing. And, you know, as I recall,
24 it was about two-thirds of them either have

1 adopted their plan or are in the final phases
2 of adopting their plan. So, you know, I
3 think they're doing their part.

4 ASSEMBLYMAN THIELE: All right. Thank
5 you, it's very helpful. Thank you very much,
6 gentlemen.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 We go to the Senate.

9 CHAIRWOMAN KRUEGER: Thank you very
10 much.

11 I think our first hand up was our
12 Cities chair, Robert Jackson.

13 SENATOR JACKSON: Okay, thank you,
14 Chair Krueger.

15 Mayor David and Peter Baynes, the
16 executive director, I mean, I'm hearing the
17 same story but at different levels, everyone
18 that comes in, from New York, what do we
19 have, 8.6 million people, to the city,
20 Mayor David, of Binghamton, about 45,000 to
21 50,000.

22 And so my question to you is, okay,
23 are you communicating with our U.S.
24 representatives in D.C., are you

1 communicating either directly as a mayor or
2 through the State Conference of Mayors to our
3 Governor? And that's what my question is.
4 Because all of you are coming in here to a
5 public joint budget hearing -- which is
6 clearly appropriate, clearly appropriate.
7 But we have to make sure that you're also
8 communicating directly with our
9 representatives in Washington and our
10 Governor. And so that's what my question is.

11 And then if the answer is yes, you
12 are, then that's a good thing, because then
13 collectively we have to then take that all
14 into consideration as legislators and I have
15 to ask you the same question, have you been
16 chiming in, are you in support of taxing the
17 wealthiest New Yorkers so that all of the
18 other people in Binghamton and all of the
19 cities and all of the counties and
20 municipalities and towns and villages survive
21 this pandemic.

22 And so that's basically my basic
23 questions to both of you.

24 BINGHAMTON MAYOR DAVID: Yes, thank

1 you, Senator.

2 The answer to your first question is
3 yes, we are in contact with the Governor,
4 with the Budget Director, with
5 Senators Schumer and Gillibrand, with the
6 local congressional delegation. And, you
7 know, Peter and I encourage all of our
8 members to reach out to their Congress
9 representatives, to their State Senator and
10 Assemblymember as well, so that we can speak
11 in one voice.

12 And I think at NYCOM we feel that the
13 individual mayor is one of the most powerful
14 voices and advocates for their respective
15 area, so we like to harness all of these
16 voices across the State of New York for state
17 issues. And then we are also tapped in --
18 and Peter's very well tapped into the U.S.
19 Conference of Mayors when we talk about some
20 of those federal issues.

21 And with regards to your second
22 question, I think I can answer that as an
23 individual mayor but certainly not as the
24 president of NYCOM, because the members I

1 think probably have a diversity of opinion on
2 the taxation question.

3 But as an individual mayor I would say
4 that I have a growing concern about the
5 population decline in the State of New York
6 and the fact that we are among the
7 highest-taxed either regions per capita or
8 states in the nation, and I would be
9 reluctant to support additional taxes even
10 during the midst of a pandemic. But that's
11 my position as an additional mayor, not as
12 the president of NYCOM.

13 SENATOR JACKSON: And I'm glad to hear
14 your honesty, Mayor, rather than trying to
15 just, you know, give a more diplomatic answer
16 and don't respond.

17 Because now I throw a direct question
18 to you. If in fact -- and people have said
19 we expect to get \$6 billion or more from the
20 federal government -- if that doesn't come
21 through, what options do we have,
22 Mayor David?

23 BINGHAMTON MAYOR DAVID: Right, I --
24 it looks like at this point the state is in a

1 very strong position to receive all or most
2 of what's being requested. The state has
3 already received billions of dollars from the
4 first round of coronavirus funding, even the
5 state is still requesting the same amount,
6 the 15 billion.

7 I do think the increasing taxes issue
8 is kind of a death spiral. And we've seen it
9 at the state, we've seen it at the county
10 level, the local level. It just will
11 continue to push businesses out of the state,
12 and then you're forced to raise taxes on a
13 shrinking tax base. And --

14 SENATOR JACKSON: And that's why I
15 asked -- that's why I asked you, then what
16 are the options? Then based on what you've
17 said -- and I respect your opinion. And this
18 is the dialogue that we need to have, that if
19 that's the case, then I guess as the mayor
20 all you're going to have to do is reduce
21 services and lay off people.

22 BINGHAMTON MAYOR DAVID: Well, in
23 order to have a balanced budget you either
24 have to increase your revenues or you have to

1 reduce your expenses or come up with creative
2 cost-saving strategies. And that's what
3 mayors are confronted with on a daily basis.

4 And I simply, you know, respectfully
5 would submit that at a time where our economy
6 is as fragile as it is at the national level
7 and at the state level, that while I -- I
8 certainly want everybody to pay their fair
9 share. I certainly agree with that concept.
10 I think that's in a separate category of
11 let's just, you know, continue to raise
12 taxes. But people should pay their fair
13 share.

14 SENATOR JACKSON: Mayor -- and I'm not
15 arguing with you, it's just I like this
16 dialogue with you, and I'm watching the clock
17 also.

18 Because some of the billionaires would
19 say, We are paying our fair share based on
20 what we have to pay legally in taxes and what
21 have you. And then others will argue, but,
22 you know, the fair share is to increase your
23 taxes so that everyone will be able to
24 survive as a family. And I call it like a

1 family.

2 But so -- but I'm glad that you gave
3 me your clear explanation as far as your
4 opinion on raising taxes for the wealthiest
5 New Yorkers. I'm not talking about the
6 average New Yorker, I'm not talking about
7 people that are earning 50, 75, 100, 200,
8 300. But when you're earning a half a
9 million dollars, or 400,000 and we ask you to
10 pay \$680 more in taxes to help the other
11 family members of the State of New York
12 survive, then that's the humane approach that
13 I'm taking.

14 So I want to turn to Peter, if you
15 don't mind.

16 BINGHAMTON MAYOR DAVID: Sure.

17 SENATOR JACKSON: Peter, you're the
18 executive director of the State Conference of
19 Mayors. Has the conference taken a position
20 on raising revenue from the wealthiest
21 New Yorkers? And if not, why not?

22 MR. BAYNES: We -- we have not. As
23 Mayor David pointed out, you know, he's one
24 of many mayors that comprise our association

1 and they have a variety of opinions on state
2 revenue raisers, this year and in any other
3 year.

4 We like to talk about what our
5 priorities are and how we think we need to be
6 a bigger priority of the state budget. I
7 mean, when you -- we heard a lot about AIM
8 today. I don't know if anybody's identified
9 the fact that AIM funding represents
10 three-tenths of 1 percent of the state
11 budget. We feel that in a
12 \$192 billion budget that's a statement of the
13 state's priorities, that there's room there
14 to find restoration and ultimately growth in
15 AIM funding.

16 So, you know, that's the perspective
17 we take. But we've never taken positions on
18 statewide revenue raisers.

19 SENATOR JACKSON: Just because it's
20 never come up, it's never been brought up?

21 MR. BAYNES: No, because we -- it's
22 not something we can have unanimity on.
23 Whereas, you know, the issues that we talked
24 about today, we have a consensus among our

1 membership on them, so we can speak with a
2 statewide voice.

3 SENATOR JACKSON: So if I was a mayor,
4 let's say, of Rochester and I raised that as
5 an issue, you have to have, what, a majority
6 of the people, members of your conference, to
7 vote for it? Or you have to have, you know,
8 a supermajority to vote for it? Or it has to
9 be -- everyone has to say yes to that?

10 MR. BAYNES: Well, we have a process
11 we go through every year, we have a series of
12 policy committees comprised of mayors and
13 city and village managers that put proposals
14 together, and then we put them before our
15 membership in November or December and we
16 actually do vote on things to establish our
17 priorities.

18 So it doesn't have to be unanimous,
19 but there are things that come out of that
20 process that are clear priorities, and other
21 things where there's just -- there's a mix of
22 views that we can't embrace wholly.

23 SENATOR JACKSON: And let me ask, is
24 the mayor of New York a member of the State

1 Conference of Mayors, and the other Big 5
2 mayors, Buffalo, Rochester, Syracuse?

3 MR. BAYNES: Yes. Yes, they are.

4 SENATOR JACKSON: Okay. And the
5 reason why I ask that -- I just wanted to
6 know, because I'm hearing the testimony of
7 everyone. And if in fact the feds don't give
8 us what we need, then we're going to have to
9 raise revenue. If we don't raise revenue,
10 there's going to be tens of thousands of
11 layoffs. And so I just want to be -- I'm
12 glad that I had this dialogue with the two of
13 you, because it's important that we hear from
14 everyone, and their opinions, in order so
15 when we get down the road dealing with the
16 Assembly and Senate as far as dealing with
17 the budget, we just know where people's
18 opinions are.

19 So I want to thank both you,
20 Mayor David, and you, Executive Director
21 Baynes, for coming in and staying the course
22 and listening to what everyone has to say.

23 Thank you, Madam Chairs.

24 MR. BAYNES: Thank you.

1 CHAIRWOMAN KRUEGER: Thank you very
2 much.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 We're going to go to
5 Assemblyman Reilly, ranker on our
6 Cities Committee, five minutes.

7 ASSEMBLYMAN REILLY: Thank you,
8 Madam Chair.

9 Thank you, Mayor David and
10 Executive Director Baynes.

11 I have -- the question I want to ask
12 is about -- you touched on it -- the
13 legalization of cannabis. One of the things
14 that I've asked all the mayors that came
15 before us today was specifically about drug
16 recognition experts and how many you may have
17 in your police department for your city.

18 I was wondering if you may have that
19 information, Mayor David, if you know how
20 many drug recognition experts you may have.

21 BINGHAMTON MAYOR DAVID: I don't know
22 the exact amount. I know that we -- I don't
23 think we have them, but as far as how many, I
24 don't know the exact amount.

1 ASSEMBLYMAN REILLY: And I know
2 they're very scarce because of how much it
3 costs each agency to send for their -- for
4 the training. It's an extensive training
5 where they travel the country, not only just
6 the state. So I understand that this
7 information may not be readily accessible.

8 The reason why I ask about that,
9 though, is it -- like I said, this is the
10 focus that I've been asking about the
11 potential of driving under the influence.
12 And I would like to see an offshoot of that
13 training to officers on patrol, because I
14 think that's going to be a real concern,
15 especially in our cities, driving under the
16 influence.

17 And I'm hoping that the State
18 Conference of Mayors will support that
19 effort, because I think it's really a public
20 safety issue. And, listen, I want to be -- I
21 want to be proactive here and anticipate that
22 the state is going to approve it. But I just
23 hope we do it in a responsible way.

24 So maybe you could touch on that for a

1 moment.

2 MR. BAYNES: I mean, Assemblyman, I
3 think that's part of the reason we made the
4 point that there needs to be a local revenue
5 component coming out of any legalization of
6 adult-use cannabis, because there are new
7 training aspects that are going to have to be
8 developed and implemented for police in terms
9 of dealing with crimes that happen related to
10 the legalization of cannabis.

11 So I think your point supports, you
12 know, why we think it's critical that funding
13 gets to all local governments, especially
14 those with police departments.

15 ASSEMBLYMAN REILLY: Okay. Thank you
16 very much.

17 And, Madam Chair, I yield back the
18 rest of my time. Thank you, gentlemen.

19 MR. BAYNES: Thank you.

20 CHAIRWOMAN KRUEGER: Thank you.

21 I believe our next is James Gaughran,
22 the chair of Local Government.

23 SENATOR GAUGHRAN: Thank you,
24 Madam Chair. And Mayor David and Peter, it's

1 good to see you both.

2 You know, just to reiterate what
3 you've heard before, you know, we are
4 committed to restoring the AIM funding. We
5 understand how important it is and -- and we
6 are -- in the last 48 to 72 hours, you know,
7 a lot of us have heard some very good
8 information coming out of Washington from the
9 Biden administration, from Senator Schumer's
10 office. So let's -- you know, let's hope for
11 the best there.

12 I have a question, and I guess you,
13 Mayor David, but also, Peter, for you,
14 especially with some of the villages. In my
15 district there seems to be a lot of issues
16 now with ending property tax defaults,
17 foreclosures, particularly senior citizens
18 who have reverse mortgages. Are you seeing
19 any significance there?

20 MR. BAYNES: Well, I'll speak first.

21 You know, we have received a lot of
22 inquiries from our local governments in terms
23 of the pressure that's being created at the
24 local level on people being able to pay their

1 property taxes. You know, there have been
2 options given to local governments to defer
3 the payment of the property taxes.

4 And I think maybe the bigger
5 concern -- and this will take a little bit of
6 time to phase in -- but the reduction in
7 property assessments over time, you know, due
8 to values that diminished, depending on where
9 you are in the state.

10 So yeah, I mean, the property tax is
11 historically a pretty steady revenue stream,
12 but there is a lot of concern around the
13 state that because of COVID and all the
14 ancillary impacts, that taxes aren't going to
15 be paid on time, there will be more
16 foreclosures, and we'll get back into that
17 cycle of foreclosures and abandoned
18 properties and all the inherent problems that
19 go with that.

20 BINGHAMTON MAYOR DAVID: Senator, I
21 would just add that that's something we're
22 extremely concerned about locally. The
23 Southern Tier is an economically depressed
24 area. Many individuals fall under the

1 middle-class or poverty line.

2 So the numbers show that collections
3 are down significantly, not just in property
4 taxes, but also in water and sewer sorts of
5 bills as well. And there is a lot of
6 confusion, I think, even amongst those under
7 the poverty line that -- I've heard
8 repeatedly that they feel that the Governor
9 says we don't have to pay our rent because
10 they feel a moratorium is similar to, you
11 know, canceling rent.

12 And I get an equal amount of calls
13 from landlords that say, how do you expect me
14 to pay my property taxes or my water and
15 sewer bills when people aren't paying their
16 rent, but they are getting unemployment, they
17 are getting stimulus checks.

18 It is a daily range war between
19 tenants and landlords. And a lot of the
20 landlords, frankly, feel that this moratorium
21 has gone on for so long that when it's
22 lifted, the tenants are simply going to leave
23 and it's not going to be worth the process to
24 try to take them to small claims court or

1 court and get a judgment because it's easy
2 for a lot of them to get out of it.

3 So that's a whole other issue that
4 we're concerned about that hasn't even reared
5 its head yet.

6 SENATOR GAUGHRAN: Similarly, you
7 know, tax certiorari issues. Because I'm
8 seeing on Long Island big box stores closing
9 down, retail stores closing down,
10 mom-and-pops on Main Streets shut down. And
11 then, you know, these commercial folks are
12 putting in for reductions, and then it's
13 being shifted to, you know, residential or
14 it's just going to result in cuts in
15 services.

16 Has that become an issue around the
17 state?

18 BINGHAMTON MAYOR DAVID: I will just
19 say locally in our region it's something that
20 we are gradually seeing more requests for.

21 So that's something that obviously
22 wasn't prevalent in March of 2020, but it's
23 something now -- we're on the calendar year,
24 so now that we're into the new year, we are

1 gradually seeing more and more requests for
2 that, yes.

3 MR. BAYNES: I would say that it's
4 going on statewide as well. We're getting
5 more and more inquiries from our members to
6 see if there are ways that they can protect
7 the residential portion of the tax base from
8 those shifts from the commercial side and how
9 to deal with that. You know, whether it's
10 the homestead/non-homestead exemption or
11 something along those lines.

12 So it is a brewing, growing problem
13 that I think will play itself out over the
14 next year, year and a half.

15 SENATOR GAUGHRAN: Lightning round.

16 Early retirement at the request of a
17 municipality -- yes or no, does it hurt or
18 help with the budget crisis?

19 BINGHAMTON MAYOR DAVID: It depends if
20 you fill that position or not. So if
21 somebody retires and you eliminate the
22 position or don't fill it, then yes, it does.

23 But if it's a position that's critical
24 that you need to refill, then it really

1 doesn't.

2 SENATOR GAUGHRAN: I guess I'm out of
3 time. But thank you both, and especially for
4 your service.

5 BINGHAMTON MAYOR DAVID: Thank you,
6 Senator.

7 CHAIRWOMAN KRUEGER: Thank you.

8 We will move on -- we still have no
9 Assembly, right? So we're going to move on
10 to another Senator, our ranker for
11 Local Governments, Senator Rath.

12 We need you to unmute.

13 SENATOR RATH: Sorry. I have to
14 restart, I was on a roll there.

15 (Laughter.)

16 CHAIRWOMAN KRUEGER: There you go.

17 SENATOR RATH: Thank you very much,
18 Madam Chair.

19 And Mayor David and Peter Baynes, I
20 appreciate your comments. It's good to talk
21 with you again.

22 And I want to highlight something,
23 Mayor, that you talked about which I think is
24 critically important, and that is the

1 transportation challenges and the funding
2 challenges that we have for our
3 transportation -- our roads, our bridges and
4 our infrastructure.

5 And for me, coming from a county
6 perspective, I know all too well, as all of
7 us do, the challenges when it comes to our
8 roads and our bridges. But you talked about
9 what is unseen and the infrastructure that is
10 underneath the roads. And very often it goes
11 overlooked and it goes underprioritized and
12 underfunded.

13 And it was mentioned earlier, and I
14 think it's an interesting idea to look into
15 the idea of potentially a dedicated source of
16 revenue for unseen, per se, infrastructure.
17 And these challenges, as everything ages,
18 grow worse and worse and worse. And I have
19 many historic villages as well as old cities
20 within my district where this infrastructure
21 challenge is a huge problem.

22 I guess if you could expand on that a
23 little bit, talk a little bit more about
24 that, and then I have a little bit more of a

1 specific infrastructure question with regards
2 to our transportation regions.

3 BINGHAMTON MAYOR DAVID: I'd love to,
4 thank you.

5 Mayors are basically forced into the
6 position of ignoring what's underground and
7 simply milling and paving, meaning, you know,
8 shaving off the first two inches of blacktop
9 and paving on top of it, because they don't
10 have the money to do the water and sewer
11 underneath. You either have to borrow the
12 money or, you know, do one street a year for
13 your CHIPS money.

14 So that's why oftentimes on these
15 newly paved streets you see boxes or patches
16 where people -- you are forced to wait until
17 a water main breaks or a sewer breaks in the
18 middle of the winter in order to fix it.

19 And what we want to do is we want to
20 do it right the first time, so that when
21 you're doing a street, address the water and
22 sewer issues at the same time so you don't
23 have to go back and redo it.

24 And a lot of times there's -- people

1 are -- as you said, just a general
2 unawareness of the overwhelming and massive
3 costs that the water and sewer lines entail.

4 SENATOR RATH: You're right.

5 And there's 11 DOT regions across
6 New York State, and a lot of times we see
7 certain regions that get a significantly
8 higher allocation of money relative to other
9 areas. And it's not an upstate/downstate
10 issue, it's an across-the-state issue, from
11 Montauk to Plattsburgh to Niagara Falls.
12 Everyone needs to be prioritized with their
13 infrastructure.

14 So one thing we should consider is
15 having some type of baseline funding for our
16 transportation regions so that there's a
17 minimum amount of money and a proven
18 commitment to all of the regions across
19 New York State, and I'm sure you're hearing
20 it from many of the members of the Conference
21 of Mayors.

22 MR. BAYNES: Yes, Senator. We think
23 while there is funding in the budget for
24 transportation needs, for local

1 transportation needs, we've stood side by
2 side with many of you, year in and year out,
3 to try to get an increase in CHIPS funding to
4 try to get the restoration of the Extreme
5 Winter Recovery money.

6 So anything that can be done to
7 provide a more sufficient investment in local
8 infrastructure -- transportation
9 infrastructure, in this instance -- is
10 something we support fully.

11 SENATOR RATH: Thank you. It creates
12 jobs and keeps our communities safe.

13 Thank you very much for your comments.

14 MR. BAYNES: Thank you.

15 CHAIRWOMAN KRUEGER: Thank you.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 So we're going to go back to the
18 Assembly for the chair of our
19 Cities Committee, Ed Braunstein.

20 ASSEMBLYMAN BRAUNSTEIN: Thank you,
21 Chair Weinstein. Thank you, Mayor and
22 Mr. Baynes.

23 The Governor -- this morning we had
24 the mayor of New York on and we discussed a

1 proposal from the Governor that would change
2 local zoning rules to repurpose a vacant
3 office space for affordable housing. And I
4 think because the pandemic has changed the
5 way many people do business, there's a
6 possibility that we will see office space
7 less utilized.

8 Are you seeing that among the cities
9 where your members represent? And is there
10 concerns about loss of property tax revenue
11 within city centers because people have found
12 ways to work remotely?

13 BINGHAMTON MAYOR DAVID: If I could
14 just very briefly jump in. In Binghamton,
15 yes, we've seen that for a diverse variety of
16 housing -- not just affordable housing, we've
17 seen it for student housing, market rate
18 housing, and even high-end luxury lofts, a
19 conversion of vacant upper floors.

20 And the balance that we want to make
21 sure is that it doesn't totally get
22 cannibalized by housing, that you totally
23 have the right balance. Because in
24 Binghamton, like many cities in the Northeast

1 and in the state, there's a shortage of safe,
2 quality, affordable housing and some of these
3 other housing options as well.

4 So we are seeing that in Binghamton.

5 Peter?

6 MR. BAYNES: Yeah, I would just add
7 that, you know, it is happening around the
8 state, what Mayor David just described, in
9 that, you know, local zoning is kind of the
10 ultimate in local governance and is something
11 that the state should never dictate to a
12 community.

13 Should the state help facilitate and
14 authorize --

15 ASSEMBLYMAN BRAUNSTEIN: But my
16 question was less about whether or not it was
17 appropriate for the state to do the zoning,
18 just more of the City of New York is
19 anticipating that this is going to be an
20 issue. Is this something that is going on in
21 Binghamton and other cities in the state?

22 And with your members, is there kind
23 of a collective idea of a direction that we
24 can move -- maybe other than affordable

1 housing -- where we can use this vacant
2 office space and use it for a purpose that
3 would alternate economic drivers?

4 MR. BAYNES: You know, I think
5 individual mayors have expressed different
6 ideas about how to deal with this common
7 problem. We certainly would see what we can
8 find out from our members and see if there's
9 kind of a consensus of the types of things
10 that they think would be the best way to deal
11 with this problem.

12 ASSEMBLYMAN BRAUNSTEIN: Okay, I was
13 just curious if there were ideas already
14 developing. And, you know, we can follow up,
15 moving forward, just to see -- you know, if
16 there's some city that came up with a
17 brilliant idea, you'd want to share it with
18 everybody else to see how they could tackle
19 that problem.

20 Okay, thank you very much.

21 MR. BAYNES: Thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 So we're going to go back to the
24 Senate now.

1 CHAIRWOMAN KRUEGER: Thank you very
2 much. Next we have our ranker on Finance,
3 Tom O'Mara, for five.

4 SENATOR O'MARA: Hello. Thank you,
5 Chairwoman, for the opportunity to ask some
6 questions here.

7 Welcome, Mayor David, it's great to
8 see you, and Peter as well. I want to thank
9 you for your comments, particularly on the
10 concerns of continuing to raise the tax
11 burden in New York State.

12 The Governor, in the 10 years,
13 12 years now that he's been in office, has
14 been bound and determined to squeeze local
15 governments out of existence. And the fact
16 that, as you mentioned, AIM funding has
17 continually been reduced and it makes up only
18 three-tenths of a percent of the budget, is
19 frankly appalling, certainly with the demands
20 that cities have.

21 And I thank you for being here,
22 Mayor David, you know, representing a city
23 other than the Big 5 that certainly make up
24 the majorities of the cities across New York

1 State, and their small size and their
2 dwindling size with people leaving New York
3 State, that we need to do and look at other
4 ways to raise revenues than just simply
5 raising taxes and telling rich people they
6 need to pay more, despite the fact they're
7 paying far more of a higher percentage than
8 the rest of us.

9 But, you know, on infrastructure and
10 CHIPS -- and Peter, I appreciate the support
11 of NYCOM over the years with our efforts to
12 increase CHIPS, to get the Winter Recovery
13 money. And, you know, while that's been
14 flat, the CHIPS, and we've been trying to
15 increase that, the Winter Recovery funds in
16 the last few years, even though it's
17 threatened in every budget, is something
18 that's vitally important.

19 Can you just comment briefly on how
20 important it is for us to restore that Winter
21 Recovery money going forward?

22 MR. BAYNES: Well, from a statewide
23 perspective, it's huge. I mean, what we'd
24 like to see is not only that money be

1 restored, because it's so desperately needed,
2 but to build it into the base of the CHIPS
3 program so that it recurs every year and we
4 don't have to go through this fight of the
5 Governor takes it out, the Legislature has to
6 put it back in.

7 We think that would be a great way to
8 provide for a permanent increase in CHIPS, to
9 get it into the base of the program.

10 SENATOR O'MARA: It's certainly
11 something we've been advocating for for
12 years, but unsuccessful to move, although we
13 did get the BRIDGE and PAVE programs added
14 on, and the PAVE program does -- or the
15 BRIDGE program, I think -- one of them
16 follows the CHIPS program, I forget which
17 one.

18 But there's also a proposal out there
19 that I cosponsor that's sponsored by Senator
20 Tedisco that he calls the SWAP legislation,
21 the Safe Water Action Plan, that would set up
22 a program very similar to CHIPS. And CHIPS,
23 I think, is one of the fairest programs we
24 have in New York State because it actually

1 distributes money based on actual highway
2 miles within the municipality. And SWAP
3 would follow that with resources for safe
4 water infrastructure, water and sewer
5 projects, based on basically miles of
6 existing infrastructure that you have.

7 I would assume that that's the type of
8 program that NYCOM would be supportive of?

9 MR. BAYNES: Yes, we have been
10 supportive of that concept. And actually
11 it's very similar to what -- what you
12 describe is very similar to what's in our
13 legislative program.

14 You know, I've been around long enough
15 that I remember when there used to be sewer
16 O&M aid that went to local governments. You
17 know, I think what you're talking about
18 probably needs to be more predictable money
19 for capital, which is really what CHIPS is as
20 well.

21 So I think that would allow for what
22 Mayor David talked about earlier, to try to
23 coordinate your roadwork and what's going on
24 underneath the roads.

1 SENATOR O'MARA: Absolutely. I
2 certainly agree with that. The state has, in
3 recent years -- we've spent billions of
4 dollars on clean water infrastructure that
5 has gone to specific projects throughout the
6 state to help municipalities keep up with
7 that.

8 But I think something more consistent,
9 more dependable, more reliable would allow
10 better planning by municipalities to keep up
11 with the critical maintenance that needs to
12 be done on these aging and very expensive
13 systems to maintain.

14 But I appreciate your testimony here
15 today. I'm out of time, so have a nice day.

16 MR. BAYNES: Thank you.

17 CHAIRWOMAN KRUEGER: Thank you.

18 Okay, I don't see any other Assembly,
19 so let's continue with the Senate.

20 Senator Jeremy Cooney, from Rochester.

21 SENATOR COONEY: Thank you,
22 Madam Chair.

23 And it's good to see my friends from
24 NYCOM back together. I know we just had this

1 conversation, but always good to see you,
2 Mayor, and it's good to see you too, Peter.

3 So there's been a lot talked about
4 with upstate cities. And as you know, I
5 chair a new committee in the Senate Majority
6 on Cities 2, which focuses on cities outside
7 of the great City of New York, of which we
8 have many.

9 And one of the things I think that we
10 haven't touched upon is housing blight. And
11 I'm curious to know your thoughts, Mayor;
12 maybe Binghamton struggles with this, maybe
13 it doesn't. But as we have population
14 migration, as we have cities that are
15 shrinking in size -- I know my own town of
16 Rochester, we had a housing stock of 300,000
17 in Kodak's heyday. Now we have a population
18 of 206,000, but the housing stock still
19 exists, right, so many of these houses become
20 blights in the community.

21 I'm wondering if you can talk about
22 how that's impacted Binghamton and then from
23 a statewide perspective, talk about what
24 resources we could provide in the State

1 Legislature to address this blight and
2 provide local assistance. Thank you.

3 BINGHAMTON MAYOR DAVID: Thanks very
4 much. I welcome the opportunity. I love
5 talking about blight and affordable housing.

6 And I'd like to also give credit when
7 credit's due. The state has some really good
8 housing programs through OTDA and HCR. And
9 what we've done in Binghamton is we've
10 partnered with a variety of nonprofit
11 organizations that specialize in affordable
12 housing, so we use some of our federal
13 Community Development Block Grant money, you
14 know, HOME money, to target projects.

15 And so what we do is we look for
16 properties or blight clusters where the city
17 takes the properties through the foreclosure
18 process, we will demolish them to consolidate
19 them into a larger parcel. And we're
20 literally just a couple of weeks from opening
21 up a homeless housing project that we worked
22 on with a local agency, the Family Enrichment
23 Network, for about 20 units for homeless
24 families, victims of domestic violence,

1 veterans. We've worked with another housing
2 group, Opportunities for Broome, taking
3 apartment buildings and other homes that have
4 been foreclosed on. And the state has
5 provided funding for all of these sorts of
6 projects.

7 So whether it's homeless housing,
8 affordable housing, low-income housing, the
9 state has really been a great partner when
10 we've been able to come up with viable plans
11 where we take large parcels of land that are
12 either vacant or that used to house
13 properties.

14 There's just one recently, a 4-acre
15 process, this is something we're proud of,
16 and the state jumped in four times -- they
17 helped us with the Restore NY grant to
18 demolish the plaza, the DEC helped remediate
19 the parcel, the environmental issues
20 underneath. We received HCR funding for the
21 tax credits. And then EFC provided some
22 money for a solar panel on the roof.

23 We were able to do workforce housing
24 and actually put a grocery store in there

1 through another SAM grant from one of our --
2 a local Senator, to deal with the food
3 insecurity issues in a desert.

4 So by working with the state programs
5 in addressing areas where there's blight,
6 what mayors do is we connect the dots and we
7 put the pieces together. But the state
8 incentives are what push these projects over
9 the edge, and there's just a laundry list of
10 specific projects, not only in Binghamton but
11 across the state. Mayors are really aware of
12 these housing tax credits and these
13 incentives that the state offers.

14 And if you know what you're doing to
15 broker these projects together, you can have
16 a massive impact on blighted areas, poor
17 areas, by eradicating the blight and also
18 providing safe, quality, affordable housing.
19 Because there's an abundance of properties
20 and housing, but not safe, quality,
21 affordable housing. And I'm a little more
22 passionate about that, so I wanted to
23 elaborate --

24 SENATOR COONEY: I can hear it. I can

1 hear your passion, and I share your passion.

2 And, you know, Mayor, you said the
3 magic word: Mayors connect the dots. And I
4 truly know that cities are laboratories for
5 public policy, right, because you have to be
6 nimble and scrappy and you have to figure out
7 the different pieces, whether coming from the
8 federal side or the state side.

9 And my time is nearly up, but I wanted
10 to just put a pin in this so that I can come
11 back and talk with you, Mayor, and Peter and
12 Barbara and the rest of the NYCOM team so we
13 can maybe develop some public policy within
14 the Cities 2 Committee for the Senate. So
15 thank you for your passion, thank you for
16 what you're already doing, and let's do more
17 for upstate cities.

18 Thank you very much.

19 MR. BAYNES: Thank you, Senator.

20 BINGHAMTON MAYOR DAVID: Thank you,
21 Senator.

22 CHAIRWOMAN KRUEGER: Thank you.

23 Okay, I'm just going to close down
24 quickly. Thank you very much for your

1 testimony, Mayor and Peter.

2 Peter, you gave a stat before. What's
3 the total amount of the state budget that
4 actually goes into Aid to Localities that you
5 were talking about?

6 MR. BAYNES: The AIM funding program
7 itself is approximately \$630 million, which
8 is about 3/10ths of 1 percent of the state
9 budget.

10 CHAIRWOMAN KRUEGER: And you said it
11 had been basically flat for 10 years?

12 MR. BAYNES: Yes, it has been flat for
13 11 years.

14 CHAIRWOMAN KRUEGER: Okay. So when
15 did New York City lose its total amount?
16 That was before that?

17 MR. BAYNES: Yes, it was before. I
18 can't remember the year, but it was before
19 that.

20 CHAIRWOMAN KRUEGER: Okay. Have you
21 studied what other states have been doing?

22 I mean, it seems like every time we
23 talk about this -- and I've been here a lot
24 of years now, so I guess I've been hearing

1 about this for a lot of years. It doesn't
2 seem like other states try to, I don't know,
3 strangle and drown their local governments
4 the same way we seem to enjoy that here in
5 New York.

6 So have you compared what's happening
7 with other states and how they share revenue
8 with their localities?

9 MR. BAYNES: Yeah. I mean, I meet
10 periodically with my peers in the Northeast
11 states, and usually part of the program is
12 where I get to complain about how we're
13 treated as local governments in New York.
14 And they just shake their heads like, Really,
15 that's what they do to you there?

16 So, I mean, I can't cite to you right
17 now what specifically is done in those
18 states, but I think there is more of a
19 partnership between the state and the
20 municipal governments in most states. And
21 that's something we really think would help
22 localities and the state as a whole if we got
23 back to that kind of a real partnership.

24 CHAIRWOMAN KRUEGER: I agree with you.

1 And I think I'll be following up with a
2 couple of the people coming on a little later
3 with a similar set of questions.

4 So I want to thank you all for your
5 hard work on behalf of your specific city,
6 Mayor, and everybody, to Peter's association.

7 Helene, do you have any closing?

8 CHAIRWOMAN WEINSTEIN: No, we don't
9 have anybody else. I just want to join in
10 thanking you for being here today and for the
11 work you do in helping to educate us on the
12 needs of the cities around the state.

13 So with that, I say thank you again
14 for being here, and we're going to call on
15 the New York City Council Speaker, the
16 Honorable Corey Johnson, to join us.

17 NYC COUNCIL SPEAKER JOHNSON: Can you
18 hear me?

19 CHAIRWOMAN KRUEGER: Yes.

20 CHAIRWOMAN WEINSTEIN: Yes.

21 NYC COUNCIL SPEAKER JOHNSON:
22 Okay, great. Good afternoon. Thank you,
23 Chair Weinstein, Chair Krueger, and members
24 of the Senate Finance and Assembly Ways and

1 Means committees. I'm Corey Johnson, speaker
2 of the New York City Council, and I'm pleased
3 to be before these esteemed bodies --
4 virtually this year -- to discuss the
5 Executive Budget for the state fiscal year
6 2021 and 2022 and its potential impact on New
7 York City.

8 I'll attempt to keep my remarks brief
9 today, and I hope you'll take the opportunity
10 to review the additional materials that I
11 submitted with my testimony as a fuller
12 explanation of the City Council's positions
13 on the education, social services, and health
14 proposals contained in the state budget.

15 The COVID-19 pandemic has devastated
16 the fiscal position of both New York State
17 and New York City, as you know. I want to
18 thank Senators Schumer and Gillibrand and the
19 entire New York delegation for their federal
20 help that has come so far, and I hope and
21 expect another robust stimulus will pass
22 soon.

23 However, until the stimulus is
24 delivered, I urge you all to pass a budget

1 that shields critical public services from
2 budget cuts and that avoids subjecting
3 New York City to more than its share of
4 fiscal pain. The city's \$92.3 billion
5 preliminary budget for fiscal year 2022
6 closes a \$5.3 billion budget gap with
7 difficult cuts, but we are very much counting
8 on the \$16.3 billion from New York State.

9 The state's \$103 billion Executive
10 Budget for fiscal 2022 closes a \$15 billion,
11 two-year budget gap by presuming that the
12 state will receive a federal relief package
13 of at least \$6 billion and by imposing cuts,
14 including lowering direct aid to New York
15 City by \$619 million, \$310 million in fiscal
16 year 2021 and \$309 million in fiscal year
17 2022.

18 A \$619 million loss for the city is
19 more than the city can bear, given our fiscal
20 position and the needs of New York City
21 residents. When finalizing the state's
22 budget, I ask that you consider the Brookings
23 Institution's finding that "The COVID-19
24 recession is the most unequal in modern U.S.

1 history."

2 The costs of the pandemic both in
3 terms of lives lost and health, and in terms
4 of job loss and economic insecurity, are
5 borne disproportionately by poorer segments
6 of our society. It is important that in
7 balancing our budgets we do not worsen
8 inequality by underfunding the services which
9 our communities depend on.

10 In the past, New York City's resilient
11 property tax collections have buffered us
12 from economic shocks and have even enabled us
13 to shoulder more of the statewide burden in
14 difficult times. This year is different.
15 Widespread vacancies and falling rents due to
16 COVID-19 have led us to a 15.8 percent
17 decrease in the market value of our
18 commercial properties. Our fiscal year 2022
19 property tax assessment roll, which measures
20 values as of January 2021, will decline for
21 the first time since the 1990s. When and if
22 the real estate market returns to its
23 pre-pandemic levels is an open question.

24 Moreover, while all of New York State

1 is feeling the impact of the COVID-19
2 recession, New York City is especially hard
3 hit. Of the more than 1.9 million jobs lost
4 in New York State last March and April,
5 944,000 were in New York City. And while
6 almost half of the lost jobs have been
7 recovered statewide, only 39.4 percent of
8 city jobs have returned.

9 Turning to specific budget proposals,
10 I must first discuss education funding. The
11 proposed state budget continues to underfund
12 the city's public school system. While this
13 has been a years-long problem, it is
14 particularly acute this year given the
15 extraordinary costs incurred because of
16 COVID-19, the struggle to provide in-person
17 and remote learning, and the long-term social
18 and emotional costs faced by students and
19 teachers.

20 But this year our city schools are
21 less able than ever to bear resource
22 reductions. It is true that the Executive
23 Budget proposes a \$1.9 billion increase in
24 aid to city schools. Unfortunately, the

1 policy behind this increase threatens to
2 permanently decrease state support for city
3 schools in the long term.

4 The increase is mostly accomplished by
5 distributing \$2.2 billion of the \$3.9 billion
6 in federal COVID-19 relief funding for
7 New York City. However, this funding
8 supplants state funding and is masking cuts
9 in the fundamental way the state funds city
10 schools. Specifically, the state budget
11 proposes to consolidate 11 expense-based aids
12 into a general services aid block grant that
13 would cost the city \$591.5 million in fiscal
14 year 2022.

15 Second, the state budget leaves the
16 Foundation Aid formula flat over the last
17 year, costing the city \$837.4 million in
18 fiscal 2022. Additionally, the state would
19 eliminate funding for school districts' prior
20 aid claims, prior year aid claims, costing
21 New York City \$28 million, according to the
22 Mayor's Office of management and Budget.

23 Further, the local district clawback
24 that cut state support from schools statewide

1 by \$1.4 billion, and for the city by
2 \$144.1 million, must not become a permanent
3 gimmick to reduce the state obligation to
4 fund schools.

5 We oppose the proposal to require the
6 city to fully fund charter school rental
7 assistance. The only reason the city must
8 foot this bill at all is because of a state
9 requirement that is imposed only on New York
10 City. Previously the state reimbursed us for
11 a portion of these costs, but this budget
12 proposes to eliminate all reimbursements,
13 turning this into a fully unfunded mandate.

14 As written, this elimination would
15 impact expenditures as far back as fiscal
16 2019 and would transfer costs of \$150 million
17 in fiscal 2021 and approximately \$100 million
18 in fiscal 2022 and beyond, from the city to
19 the state. This would move education dollars
20 away from public schools to cover private
21 leases entered into independently by charter
22 schools with no oversight from the city.

23 Moreover, while the proposal to lower
24 charter school tuition rates initially saved

1 the Department of Education \$60 million, the
2 state proposes to claw back \$29 million of
3 those savings.

4 Lastly, the state budget reopens
5 19 previously closed charter schools. This
6 is a loophole around the state's own
7 260 charter school cap within New York City
8 and would bring the number of charters in the
9 city to 279. This would cost the city
10 \$160 million annually once charters fully
11 realize enrollment.

12 Regarding social services, we strongly
13 oppose the proposed 5 percent local
14 assistance cuts to human services. If
15 implemented, the city would lose
16 \$40.2 million in state aids for critical
17 services, including foster care and adoption
18 as well as child welfare and domestic
19 violence services.

20 These cuts to programs that
21 New Yorkers need would come on top of
22 \$140 million in temporary assistance for
23 needy families cost shifts last year and
24 \$182 million in children's service cost

1 shifts the year before.

2 The Council recognized the
3 extraordinary need for food assistance among
4 New Yorkers during the pandemic and partnered
5 with the city administration to provide \$25
6 million in emergency food programs in fiscal
7 2021. The state similarly stepped up with
8 \$35 million in support to Nourish NY
9 emergency pandemic food programs, of which
10 \$15.4 million went to providers in New York
11 City.

12 Because the need to combat
13 pandemic-related hunger has not let up, we've
14 asked the administration, the city
15 administration, to join us in expanding our
16 commitment. And similarly, I implore you to
17 make at least another \$35 million commitment
18 to Nourish New York to help food programs.

19 The Executive Budget singles out
20 New York City again by slashing the
21 General Public Health Works program. The
22 Executive Budget would cut the state's share
23 down to 10 percent from 20 percent, on top of
24 the fiscal year 2020 reduction from

1 36 percent to 20 percent and will cost the
2 city \$20 million next year.

3 This program supports core public
4 health services, including family health,
5 communicable disease control, chronic disease
6 prevention, community health assessment,
7 emergency preparedness and environmental
8 health. I urge you to reject this proposal.

9 The Executive Budget also reduces
10 local assistance payments for non-Medicaid
11 payments under the Office for People With
12 Developmental Disabilities, costing the city
13 \$2.5 million in fiscal 2021 and \$10 million
14 in fiscal 2022.

15 I know I am out of time. I have a
16 longer testimony. Maybe I can get to it in
17 some of the questions that are asked by the
18 panel. I'll just lastly say I support the
19 package Invest in Our New York, which could
20 bring in a minimum of \$50 billion per year.

21 And with that, I turn it back to you,
22 Chairs Weinstein and Krueger.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 We're going to go to

1 Assemblyman Braunstein, the chair of our
2 Cities Committee. Ed?

3 ASSEMBLYMAN BRAUNSTEIN: Thank you.
4 Thank you, Chair Weinstein.

5 And thank you, Mr. Speaker, for that
6 presentation. It's clear that there's a lot
7 of work to do with the Executive Budget when
8 it comes to funding for New York City, and
9 you laid out in great detail a lot of the
10 issues that we'd like to see resolved. And,
11 you know, you have our commitment that we're
12 going to work on it and make sure that the
13 budget is fair for the City of New York,
14 which is struggling like every other locality
15 in this country.

16 The mayor was on earlier, and I asked
17 him this question: The Governor has
18 proposed -- you might have heard me talking
19 about this during the last panel too. The
20 Governor has proposed overriding local zoning
21 rules to allow the conversion of vacant
22 office space to affordable housing.

23 Do you have an opinion on that, or do
24 you and your members have an opinion on that

1 proposal?

2 NYC COUNCIL SPEAKER JOHNSON: Thank
3 you, Assemblyman Braunstein, for your
4 continued advocacy for New York City. We
5 really appreciate the partnership, and you've
6 always been a great partner.

7 I need to learn more about the
8 proposal. I do think -- and I think,
9 Assemblymember, you referenced this in your
10 question to some of the panelists in the
11 previous panel. I do think there is going to
12 be a change in how commercial office space is
13 used in New York City. There may be a
14 transition to more people working remotely,
15 more people working from home, and there
16 could be a potential glut of office space in
17 New York City.

18 We've done some significant rezonings
19 over the last decade in New York City, one in
20 Chair Krueger's district in Midtown East,
21 which would allow for different types of
22 office space to be used to convert older
23 office space to newer office space. In my
24 district you have Hudson Yards; in

1 Lower Manhattan you have the World Trade
2 Center and the buildings around it; and you
3 have office space in Downtown Brooklyn.

4 I think we need to monitor what is
5 happening with commercial vacancy and what we
6 think the return rate will be for some of
7 these companies. And I think it could
8 actually be -- there could be differential
9 between some of the larger companies and some
10 of the smaller companies.

11 There was a story today or yesterday
12 about Amazon taking additional space; there
13 was a story I believe earlier today about
14 some big companies taking some space in the
15 World Trade Center. So I don't think this is
16 going to be a black-and-white thing.

17 If there is the opportunity, with a
18 glut of office space, to convert some of that
19 to housing, especially affordable housing,
20 that is AMI-targeted, depending on the area
21 that it is in, to get people out of the
22 shelter system and into permanently
23 affordable apartments, I think that's a
24 worthwhile goal. I haven't seen the

1 proposal, so I can't speak on it, but I
2 think, you know, we have to be nuanced about
3 how we look at this and handle it.

4 ASSEMBLYMAN BRAUNSTEIN: Okay. So,
5 you know, it's safe to say you would prefer
6 to do this at the City Council level, where
7 you could have community input, rather than
8 the state just overriding zoning rules for a
9 whole swath of the city?

10 NYC COUNCIL SPEAKER JOHNSON: I
11 always, of course, prefer -- I am an
12 institutionalist for the body, so I always of
13 course prefer things to go through the land
14 use process. That was my position on the
15 Amazon HQ2 deal, that it was not going
16 through local zoning, so that is always my
17 preference. But again, I haven't had an
18 opportunity to look over this proposal and to
19 learn more about it.

20 If there is a way to potentially
21 expedite affordable housing in a serious way
22 that doesn't infringe upon our ability to
23 have a meaningful say, I'm open to looking at
24 that. But again, I haven't had a chance to

1 review the proposal.

2 ASSEMBLYMAN BRAUNSTEIN: Sure. Sure.

3 Which -- speaking of zoning, that brings me
4 to my next question about the -- your
5 planning initiative. What is it, the -- your
6 new zoning proposal? I had the name for
7 it --

8 NYC COUNCIL SPEAKER JOHNSON:
9 Comprehensive planning. Yes, we had a --

10 ASSEMBLYMAN BRAUNSTEIN: No, it has a
11 different name. What was it called?
12 (Pause.) I can't believe it's escaping me
13 right now.

14 NYC COUNCIL SPEAKER JOHNSON: I put
15 forward a proposal to look at how to do
16 planning in New York City in a comprehensive
17 way that would do it more on a 10-year plan
18 and change the way we look at community
19 input.

20 ASSEMBLYMAN BRAUNSTEIN: Planning
21 Together Initiative, it was called.

22 NYC COUNCIL SPEAKER JOHNSON: Yes,
23 exactly. Which is comprehensive planning,
24 yes.

1 ASSEMBLYMAN BRAUNSTEIN: Okay.

2 That proposal has created some concern
3 in my area of Queens, where we're
4 single-family homes. And the concern is that
5 where historically zoning decisions were left
6 to the local community boards and the local
7 member, this proposal would --

8 NYC COUNCIL SPEAKER JOHNSON: It
9 doesn't change that.

10 ASSEMBLYMAN BRAUNSTEIN: It doesn't
11 change that.

12 NYC COUNCIL SPEAKER JOHNSON: No, the
13 -- we by law cannot change the ULURP process
14 because it is charter-mandated. So it would
15 still go through the existing ULURP clock
16 that exists right now, which is once an
17 application is certified, it goes to the
18 local community board, then it goes to the
19 borough president. Both of those roles are
20 advisory. Then it goes to the City Planning
21 Commission, then the councilmember.

22 This proposal does not change that.
23 It creates additional time for community
24 input in an ongoing way for local community

1 boards and local councilmembers to do
2 comprehensive planning outside of a one-off
3 land use by land use application, and talk
4 about their community district and what they
5 need over a five- or 10-year plan. More
6 schools, more healthcare services, that's
7 what this does. It doesn't change the ULURP
8 process and clock.

9 ASSEMBLYMAN BRAUNSTEIN: Thank you.

10 Do you have a time frame on when
11 you're going to move this legislation and
12 seek public input?

13 NYC COUNCIL SPEAKER JOHNSON: No, we
14 haven't done that.

15 The bill was introduced in December,
16 and we have not scheduled it for a hearing.
17 It will be sometime this year, but I don't --
18 I don't have a sense of when that would be.

19 We're not rushing it. We want to make
20 sure that communities that have concerns,
21 everyone can come, testify, understand the
22 proposal, give feedback and have a real say
23 in what this would potentially look like.

24 I think it would actually be a good

1 thing for communities to understand what
2 their communities need. Instead of being
3 reactive from zoning proposal to zoning
4 proposal, for them to actually take a
5 proactive stance in saying what they think
6 their local community districts need over a
7 five- or 10-year period by looking at
8 demographic trends as it relates to
9 population increases, the number of school
10 seats, and other things that we know
11 communities need.

12 ASSEMBLYMAN BRAUNSTEIN: Great. Well,
13 thank you very much. I appreciate your
14 testimony, and we'll keep a dialogue as
15 things move forward to the budget April 1st.
16 Thanks again.

17 NYC COUNCIL SPEAKER JOHNSON: Thanks,
18 Ed, as always.

19 CHAIRWOMAN KRUEGER: Thank you --

20 CHAIRWOMAN WEINSTEIN: We go to the
21 Senate, yes.

22 CHAIRWOMAN KRUEGER: And we go to
23 chair of the Senate New York City Committee.

24 SENATOR JACKSON: Hey, Corey, how you

1 doing?

2 NYC COUNCIL SPEAKER JOHNSON: Hi, RJ.

3 Good to see you.

4 SENATOR JACKSON: Good to see you
5 always. And thank you for your leadership,
6 and thank you for coming in and giving
7 testimony regarding the Governor's Executive
8 Budget proposal.

9 And I'm just so happy that you and
10 other people are coming in and really
11 expressing the devastating impact that the
12 budget that he put forward will have on the
13 people of New York City and New York State
14 overall. I consider us a family, and so it's
15 not where we're only concerned about New York
16 City, where -- even though I chair the
17 Cities Committee, but I also talk about the
18 other Big 5 and other cities that are not
19 part of the Big 5 and the towns and villages
20 and small municipalities that are suffering
21 also, but not at the same level and scale as
22 we are.

23 And I'm glad that you mentioned in
24 your testimony about the supplanting of funds

1 regarding the charter school issue. That's a
2 humongous issue, knowing that you're talking
3 about hundreds of millions of dollars. And
4 you're right. I mean, whether or not they
5 have a space on 125th Street or they have it
6 at the new place that was built on the Upper
7 West Side, we have to pay for that, and
8 that's absolutely ridiculous, in my opinion.
9 So I want to thank you for your leadership on
10 that.

11 And I asked the question of everyone
12 that came up about, you know, whether or not
13 they would support increasing taxes on the
14 wealthiest New Yorkers.

15 NYC COUNCIL SPEAKER JOHNSON: Yes.

16 SENATOR JACKSON: And Corey, you said
17 that in your statement. I didn't have to ask
18 you. But you support it, you have supported
19 the Invest in New York Act -- about
20 \$50 billion, there's six bills.

21 And obviously I know that some of my
22 colleagues, especially some on the other side
23 that may not agree with that. But I've asked
24 the question if in fact we don't get the

1 money from the federal government that we
2 rightfully deserve, and then if the state is
3 not willing to do it, there will be tens of
4 thousands of layoffs, people will be losing
5 their homes, people will be evicted from
6 their apartments. And I cannot stand by
7 without trying to fight the system in order
8 to make sure that the families survive this
9 pandemic.

10 And I know that you're on that same
11 page, is that correct?

12 NYC COUNCIL SPEAKER JOHNSON: That's
13 right.

14 And Senator Jackson, I agree with you
15 a hundred percent. And I think it's really
16 important for us to always bring up to the
17 top of this conversation the fact that since
18 the pandemic hit, New York City -- and we
19 were the epicenter of COVID-19 in the world,
20 the epicenter in the world last March and
21 April, saw the most devastation --
22 billionaires have gotten richer and richer
23 and richer. Their net worth has increased by
24 tens of billions of dollars in the last

1 11 months.

2 While when you go around New York
3 City, every single day -- I have the busiest
4 soup kitchen and food pantry on the East
5 Coast of the United States in my district.
6 It's just outside your Senate district, in
7 West Chelsea, Holy Apostles Soup Kitchen on
8 9th Avenue. Senator Krueger knows it well.
9 It is the busiest soup kitchen on the
10 East Coast of the United States. The line
11 every day now is stretching five, six, seven
12 blocks long. People get there six or seven
13 hours before it is opening up, lining up when
14 it's still dark outside to get food for their
15 families and for themselves. This is
16 happening all over the city.

17 And I think it is not much to ask
18 billionaires or ultra-millionaires, the top
19 1 percent, who have made so much money this
20 past year and are not hurting, to be taxed a
21 little bit more to --

22 SENATOR JACKSON: A little bit more.

23 NYC COUNCIL SPEAKER JOHNSON: Yeah, to
24 make sure we are not cutting food for

1 children, we are not cutting funding for
2 communicable disease prevention, we are not
3 cutting rental assistance for families, we're
4 not cutting aid to homeless New Yorkers,
5 we're not cutting money for public schools.
6 That is the least we can do.

7 Income inequality I think has been
8 exacerbated over the last 11 months in
9 New York and across the United States of
10 America, and these bills seek to raise
11 revenue in the face of what New York City and
12 what New York State is facing. I think it's
13 the right thing, I think it's the just thing,
14 and I think it would help the most number of
15 New Yorkers who are vulnerable and struggling
16 right now.

17 SENATOR JACKSON: Well, let me just
18 say I appreciate your advocacy on behalf of
19 the people of New York City and also of
20 New York State. Because when you're
21 advocating for New York City, in my opinion
22 you're advocating for the same issues and
23 concerns that we've heard from the Council of
24 Mayors and the mayor of Binghamton that only

1 has 50,000 constituents, but they're saying
2 the same thing.

3 And so I appreciate that you,
4 representing the entire City Council,
5 51 members representing over 8 million
6 people, that you're on the same page. And
7 that's what -- I wanted to hear that, and I'm
8 glad that I'm hearing from you. And next is
9 Scott Stringer coming up; I would assume
10 that's going to be the same thing. It's
11 important.

12 But let me ask you this question.
13 Have you communicated directly with our
14 congressional delegation and our -- you know,
15 Chuck Schumer and Gillibrand and what have
16 you? I mean, because you can come up here
17 and talk to us, but we have to talk to
18 Washington also. So are you doing that?

19 NYC COUNCIL SPEAKER JOHNSON: Yes,
20 absolutely. I've been in constant
21 conversation with members of the New York
22 delegation, especially Majority Leader
23 Schumer's really top-notch staff.

24 It's my understanding -- and none of

1 this is, you know, set in stone at this
2 point. But if the formula in this
3 \$1.9 trillion American Rescue package, if the
4 formula is the same formula that was passed
5 as part of the Heroes Act by the house last
6 May, in May of 2020 -- if that formula is the
7 same, New York City and New York State, other
8 cities and towns and villages and counties
9 across New York State will do quite well in
10 this \$1.9 trillion plan: \$360 billion is set
11 aside for state and local aid, and I believe
12 that -- I think the previous panel talked
13 about this, that if the formula is the same
14 as it was last year, we will have I think
15 enough money to buffer the immediate crisis,
16 though the outyears will still be
17 difficult -- 2022, 2023, 2024 -- until we see
18 a full recovery.

19 But this money would bridge us in a
20 way where we wouldn't have to have these
21 devastating cuts that are on the table.

22 And Senator Jackson, if you would just
23 allow me, there was one part that I think you
24 would care about, just very quickly in my

1 testimony I wasn't able to get to, because I
2 know it affects your district. Under the
3 Executive Budget, the State Executive Budget,
4 New York City Health + Hospitals, which are
5 our public hospitals, would lose \$473 million
6 over two years as a result of several of the
7 proposals, including a 1 percent across the
8 board cut to Medicaid providers and the
9 elimination of the state's share of the
10 Public Indigent Care Pool and a reduction to
11 the Medical Capital Rate Add-On.

12 These are the hospitals that are
13 serving the poorest New Yorkers, the
14 New Yorkers without health insurance, the
15 people that are really struggling,
16 undocumented New Yorkers. And so that is
17 another part of this state budget that we
18 can't see stand.

19 And hopefully with the federal money
20 that will come in, it will make it so we
21 don't need to see those reductions to our
22 safety-net hospitals.

23 SENATOR JACKSON: Well, thank you for
24 saying that. Because I've said at other

1 joint hearings that we have a constitutional
2 obligation, with the New York State
3 Constitution, to take care of the poor. We
4 have an obligation to make sure that we
5 educate our children at a minimum standard,
6 which we're not doing.

7 So we just have to continue to elect
8 individuals that are going to make the best
9 decisions that impact the entire family of
10 New York State. It doesn't matter where they
11 live at, upstate or Long Island or Yonkers or
12 New York City. I just think it's imperative.

13 So I want to thank you. And I wanted
14 to congratulate you, because I watched the
15 program last Sunday and you're back in
16 college. And so I wanted to thank you for
17 doing what you do.

18 NYC COUNCIL SPEAKER JOHNSON: I'm a
19 freshman at almost 39 years old. I never
20 went to college -- well, I went and I dropped
21 out after a month when I was 19. And so now
22 I am back going at night to Columbia
23 University School of General Studies. And
24 it's hard, it's a lot of work, I'm a little

1 rusty, but I'm trying to get my college
2 education at almost 40 years old.

3 And everyone, if they have the
4 opportunity, should go back. And we
5 especially want to make sure that our CUNY
6 and SUNY students get the help that they
7 need, because that is one of the crown jewels
8 of New York State, is CUNY and SUNY and the
9 important work they do educating young people
10 all across New York City and New York State.
11 So please protect higher education in this
12 budget; it is so important for the future of
13 New York City and for keeping young people in
14 New York State and making sure they don't
15 leave. We need a good higher education
16 system all across our state.

17 CHAIRWOMAN KRUEGER: Thank you. And
18 gee, do we have another Assemblymember?
19 Because I see another Senator.

20 CHAIRWOMAN WEINSTEIN: No, we do not.
21 So I see Senator Liu there.

22 CHAIRWOMAN KRUEGER: All right, so how
23 timely, because Senator John Liu is the chair
24 of our New York City Education Committee, but

1 he also teaches at Columbia University.

2 NYC COUNCIL SPEAKER JOHNSON: John Liu
3 is the best.

4 CHAIRWOMAN KRUEGER: Well, John Liu,
5 you have five minutes to ask questions.

6 SENATOR LIU: Well, I appreciate --
7 thank you, Madam Chair. I appreciate the
8 Speaker's outburst right there.

9 (Laughter.)

10 SENATOR LIU: I don't know if he's
11 going to feel the same after I ask him my
12 questions (laughing). But great to see you,
13 Corey.

14 NYC COUNCIL SPEAKER JOHNSON: Uh-oh,
15 I'm having technical problems, I'm sorry.

16 (Laughter.)

17 SENATOR LIU: You look great. And I
18 want to join RJ in congratulating you for
19 going back to school and getting your degree.
20 And actually thank you, because I already
21 have seen a large number of people you've
22 inspired. And we always need more of that,
23 especially when it comes to education and
24 furthering one's skills and foundation. So

1 congratulations and thank you for that.

2 I've got two questions for you,
3 Mr. Speaker.

4 NYC COUNCIL SPEAKER JOHNSON: You're
5 buttering me up before you throw the high
6 inside fast ball. Go ahead.

7 SENATOR LIU: Well, I mean, you know,
8 I know a lot of people have testified to the
9 Invest in Our New York plan, which I agree
10 with and I support.

11 But my question to you would be given
12 that New York City is also in a precarious
13 situation -- and even if it wasn't, even if
14 the federal government does come through,
15 there are still things that New York City
16 government can do better in terms of housing,
17 even in terms of school funding. The
18 Fair Student Funding formula, which is
19 administered at the City DOE level, that
20 could use more money from the state, but it
21 could also use more money from the city.

22 NYC COUNCIL SPEAKER JOHNSON: Yes.

23 SENATOR LIU: And fixing the roads as
24 well as making transit more accessible for

1 everybody in the city. Yes, it's primarily
2 an MTA responsibility, but in the past the
3 city has also supported those efforts.

4 So what kinds of revenues would the
5 City Council be able to raise from New York
6 City residents?

7 NYC COUNCIL SPEAKER JOHNSON: Well, I
8 mean, sadly, we don't have, as you know,
9 because you were -- and I'm not just saying
10 this because you're my friend -- you were a
11 great former member of the Council. And one
12 of the things that's most frustrating for us
13 as a municipal legislature is you guys have a
14 lot of the power up in Albany.

15 So we don't have the ability to have
16 an impact on local taxes, with the exception
17 of property taxes -- which are actually far
18 too high, especially in your district -- but
19 we still need authorization from the state
20 even if we were going to change property
21 taxes. So on so many of the things like
22 income taxes or other significant taxes that
23 could raise us money, we don't have the local
24 control in the Council.

1 I do want to say, Senator Liu, that
2 one of the things I'm most proud of, and it
3 didn't get a lot of attention, but I can tell
4 you that the chair of our education
5 committee, someone who I know is a friend of
6 yours as well, Mark Trayger, we were able to
7 fend off a \$150 million cut that the mayor
8 wanted in Fair Student Funding for our
9 schools last year. It was one of the things
10 that the council prioritized. The mayor put
11 in his Executive Budget a \$150 million cut to
12 Fair Student Funding, and as part of our
13 negotiations we restored all \$150 million in
14 Fair Student Funding as one of the council's
15 priorities.

16 So if we do not get revenue raisers or
17 we do not get the stimulus money in state and
18 local aid, we're going to be back at square
19 one, which is where we were last year, having
20 to entertain some of these devastating cuts
21 to education in New York City.

22 SENATOR LIU: Mr. Speaker, feel free
23 to send us a home-rule message. I will carry
24 the ball in the Legislature if the council

1 wants certain revenue raisers that New York
2 City could be enabled to do.

3 NYC COUNCIL SPEAKER JOHNSON: I'm
4 happy to look at that with you, seriously.

5 CHAIRWOMAN KRUEGER: Thank you.

6 SENATOR LIU: My second question --

7 CHAIRWOMAN KRUEGER: You know what --
8 you know what, John, I apologize, you're not
9 a chair of today's committees, so I should
10 have only given you three minutes.

11 SENATOR LIU: Oh, oh, Madam Chair,
12 I've got to get my second question in, which
13 is --

14 NYC COUNCIL SPEAKER JOHNSON: Thanks,
15 Liz.

16 SENATOR LIU: -- what are you having
17 for New Year's dinner?

18 CHAIRWOMAN KRUEGER: You can talk
19 offline about New Year's dinner --

20 SENATOR LIU: Thank you, Mr. Speaker.
21 Happy New Year, Kung Hei Fat Choy, tonight.
22 Tonight.

23 Thank you, Madam Chair.

24 NYC COUNCIL SPEAKER JOHNSON: We're

1 getting rid of the Year of the Rat and we're
2 into the Year of the Ox.

3 SENATOR LIU: Yes.

4 (Overtalk.)

5 SENATOR LIU: -- as some would say.

6 NYC COUNCIL SPEAKER JOHNSON: John Liu
7 is like an ox, strong and determined.

8 (Laughter.)

9 CHAIRWOMAN KRUEGER: Helene, I
10 apologize.

11 (Overtalk.)

12 CHAIRWOMAN WEINSTEIN: Yes, we do
13 actually have Assemblyman Reilly, the ranker
14 on Cities, for five minutes.

15 CHAIRWOMAN KRUEGER: But he's not
16 allowed to ask you about marijuana.

17 (Laughter.)

18 ASSEMBLYMAN REILLY: I'm not going to
19 ask about marijuana this time. That was more
20 of a whole municipality -- I already asked
21 Mayor de Blasio this morning on that.

22 So, Mr. Speaker, thank you for your
23 testimony and for joining us today. I'm
24 actually going to ask you -- I'm going to

1 piggyback onto Senator Liu talking about
2 property taxes. And in January of 2020 the
3 New York City Advisory Commission on Real
4 Property Tax Reform released the preliminary
5 recommendations.

6 What are you going to do to ensure
7 that the reforms are -- as recommended by the
8 commission are enacted to ensure that
9 New York City's real property tax system is
10 equitable and fair?

11 NYC COUNCIL SPEAKER JOHNSON:
12 Assemblymember, thank you so much for asking
13 me that question.

14 I won't give you the whole long
15 dramatic history around that commission, but
16 I'll tell you that the Council were the ones
17 that really pressured the administration to
18 empanel that commission, and we spent an
19 enormous, enormous amount of time with the
20 cochairs of that commission and the members
21 from all five boroughs.

22 We had dozens of public hearings
23 across the City of New York, and what we
24 heard over and over again is of a broken

1 property tax system in New York City that is
2 not transparent, that is not fair in many
3 ways. You could have the same property in my
4 district, compared to a property of the same
5 size and potential value in another borough,
6 and the property taxes do not line up and
7 they don't make any sense. And so what we
8 really need is transformational change.

9 That report -- and I'm not remembering
10 all the exact recommendations that were in
11 it, because as you know, Assemblymember, so
12 much has happened in the last 13 months that
13 has really changed the landscape and the face
14 of New York City and New York State. But
15 many of the proposals that were put forward I
16 think are commonsense, smart proposals that I
17 would love for us to work with the Assembly
18 and Senate on.

19 I think one of the big issues, though,
20 is it's hard to change the property tax
21 system in New York City in a time of sort of
22 financial danger. Because the most reliant
23 revenue stream for the City of New York has
24 been our property tax rolls. It's the thing

1 that has sort of buffered us over the last
2 year and is going to buffer us in the years
3 ahead. That doesn't mean it doesn't need to
4 be fairer, more transparent, and make sense.

5 But in the face of all of these cuts
6 that I outlined in the state budget proposal
7 and in the face of uncertainty with the jobs
8 numbers and the office space that
9 Assemblymember Braunstein asked about, it is
10 really hard for us to make changes to a
11 complicated, byzantine property tax system
12 that has sort of been papered over with
13 Band-Aids year after year after year, with
14 all of the uncertainty on the horizon.

15 So if we get that money from the
16 \$1.9 trillion plan, and if you all can help
17 us stave off some of these really devastating
18 cuts that are put forward, then I think we
19 should be having a conversation about how to
20 enact many of the reforms that were put
21 forward by that commission in January of
22 2020.

23 ASSEMBLYMAN REILLY: I appreciate
24 that, Mr. Speaker.

1 And one last thing I wanted to
2 mention -- and I guess you can tie it into
3 cannabis legalization. I said I wasn't going
4 to go there, but I apologize, this has to do
5 with the bill that's coming up in the
6 Transportation Committee to remove serious
7 injuries or death accidents from the NYPD to
8 the Department of Transportation.

9 I think I would like to just touch on
10 it and say that I don't necessarily think
11 that that would be a good move. I think
12 actually, according to the VTL, police
13 officers are required, once they know about
14 the accident, to investigate.

15 So I'm hoping that we can have a
16 broader discussion on that, and I just wanted
17 to raise that and just highlight it for you.

18 NYC COUNCIL SPEAKER JOHNSON: Sure.
19 I'm happy to continue a conversation on it.

20 I think that the Collision
21 Investigation Squad, as part of the NYPD, in
22 many ways if you talk to victims of crashes
23 or people that -- not just pedestrians or
24 cyclists, but people that may be in another

1 vehicle that are involved in a serious crash,
2 you know, it's very rare that, you know,
3 people are feeling like justice is being
4 done. And I think we do have to figure out a
5 better way to investigate these serious
6 accidents.

7 In my final 14 seconds I'll say that I
8 support legalizing cannabis in New York
9 State. I'm sober, so I don't smoke pot, but
10 I think other people should be able to do it
11 and we should tax it and get revenue from it
12 and put that money back into communities,
13 especially communities of color that have
14 been overly policed and criminalized for too
15 many years and decades.

16 Assemblyman Reilly, thank you for the
17 question. It's good to see you. And I never
18 forget about Staten Island; it's not the
19 forgotten borough to me.

20 ASSEMBLYMAN REILLY: Thank you,
21 Mr. Speaker. And I'm sober as well. Thank
22 you.

23 NYC COUNCIL SPEAKER JOHNSON: Oh,
24 wonderful. Congratulations. I'm coming up

1 on 12 years in July.

2 ASSEMBLYMAN REILLY: June 24th, two
3 years.

4 NYC COUNCIL SPEAKER JOHNSON: Amazing.
5 Congratulations.

6 CHAIRWOMAN KRUEGER: Good for you
7 both.

8 CHAIRWOMAN WEINSTEIN: Yup. Yup.
9 Thank you both.

10 ASSEMBLYMAN REILLY: Thank you,
11 Madam Chair.

12 CHAIRWOMAN WEINSTEIN: Thank you,
13 Corey, for being here and presenting so
14 vigorously the position of yourself and your
15 colleagues. And sorry, I guess we won't see
16 you at next year's budget hearings, but
17 you're welcome to come --

18 NYC COUNCIL SPEAKER JOHNSON: Free at
19 last! Free at last!

20 (Laughter.)

21 CHAIRWOMAN WEINSTEIN: You're welcome
22 to come sit with Liz and I.

23 CHAIRWOMAN KRUEGER: We should make
24 him stay. We keep coming back. We should

1 make --

2 CHAIRWOMAN WEINSTEIN: We're going to
3 just make them all come back.

4 (Laughter.)

5 CHAIRWOMAN KRUEGER: Thank you, Corey.

6 CHAIRWOMAN WEINSTEIN: So I think that
7 is no more questions for you, and we're going
8 to move on to Scott Stringer, the New York
9 City Comptroller.

10 NYC COUNCIL SPEAKER JOHNSON: Thank
11 you, Madam Chair. I just want to say I'm
12 really glad to see that you're healthy. I
13 know you had to deal with COVID at the
14 beginning of last year, and so it's great to
15 see you doing well.

16 CHAIRWOMAN WEINSTEIN: Thank you,
17 Corey.

18 NYC COUNCIL SPEAKER JOHNSON: Thank
19 you to all the members of the Senate and
20 Assembly. Thank you for doing a great job
21 during these hard times. Thank you for
22 having me today, Liz and Helene.

23 CHAIRWOMAN KRUEGER: Thank you.

24 CHAIRWOMAN WEINSTEIN: Thank you. Bye

1 now.

2 So I think we are letting --

3 CHAIRWOMAN KRUEGER: Scott Stringer,
4 are we letting him in?

5 THE MODERATOR: He is in. We are
6 having trouble getting him to start his
7 video.

8 Oh, I think we've got him. There we
9 are.

10 CHAIRWOMAN WEINSTEIN: There we are.

11 So, Scott, you have -- 10 minutes is
12 on the clock. We have your testimony
13 circulated. And start whenever you're ready.

14 NYC COMPTROLLER STRINGER: All right,
15 let me just -- bear with me, everybody. Let
16 me see. I just may need a -- (pause). All
17 right, everybody.

18 Can you hear me and everything? I'm
19 having a little internet issue.

20 CHAIRWOMAN KRUEGER: Yes, we can hear
21 you.

22 NYC COMPTROLLER STRINGER: Okay.
23 Well, good afternoon, Chairwoman Krueger and
24 Chairwoman Weinstein and members of the

1 committees and the Legislature. I want to
2 once again thank you for inviting me today
3 for -- thank you for inviting me today to
4 discuss the Executive Budget for fiscal year
5 2021 to 2022.

6 As many of you remember, I testified
7 on last year's Executive Budget exactly a
8 year and a day ago, and since then it's no
9 exaggeration to say that our world turned
10 upside down. Last year I started by noting
11 that both New York City and New York State
12 had enjoyed nine straight years of job
13 growth. Both the city and the state had
14 record low unemployment rates. Only a couple
15 of months later those record low unemployment
16 rates had become record highs.

17 New York City lost 900,000 jobs,
18 wiping out nearly all the gains of those nine
19 years of growth. The job losses during the
20 pandemic recession have fallen most heavily
21 on lower-income New Yorkers and communities
22 of color. Unemployment rates in communities
23 of color skyrocketed, with roughly one in
24 four Black, Hispanic and Asian workers out of

1 work in the spring and summer.

2 Restaurants and hotels, retail and
3 personal services, arts and entertainment saw
4 the steepest losses. On average, workers in
5 these sectors earned less than \$50,000 a
6 year. And overwhelmingly, those who have
7 gotten sick and died during the pandemic have
8 been from lower-income communities of color,
9 the front-line workers who kept our city
10 running during the darkest days of the
11 pandemic.

12 Long-term divestment in these
13 communities had led to gaping disparities
14 that have left these New Yorkers underserved
15 and overexposed on multiple fronts. So I
16 believe our job right now is to support the
17 well-being and livelihoods of the New Yorkers
18 who were hit hardest by this pandemic. That,
19 above all else, should be the metric for our
20 budgetary decisions and actions this year.

21 In concrete terms, that means helping
22 families who are struggling with basic needs
23 like paying the rent. We must extend the
24 moratorium on residential evictions until

1 such time as our economy recovers and people
2 are back to work. We must cancel rent for
3 the hundreds of thousands of New Yorkers who
4 have fallen behind through no fault of their
5 own.

6 According to the latest analysis, I
7 believe we need at least \$2.2 billion to make
8 our families and their landlords whole for
9 the rent and remove the looming threat of
10 eviction.

11 We should start with the small
12 mom-and-pop landlords who are struggling
13 themselves to keep their heads above water.
14 We can certainly use federal aid for this
15 purpose, but where individuals may be
16 ineligible for federal relief because of
17 income or immigration status, for example,
18 the state needs to step in with its own
19 funds.

20 The bill introduced by Senator Salazar
21 and Assemblymember Niou, the Housing Relief
22 and Recovery for All Act, would accomplish
23 these goals.

24 Another huge issue that families have

1 struggled with during the pandemic is
2 childcare, but it has been an issue since
3 long before this pandemic. And since long
4 before the pandemic, I have been advocating
5 for more funding for childcare.

6 The plan that my office developed,
7 NYC Under 3, would enable 80,000 infants and
8 toddlers to access affordable childcare and
9 allow 20,000 parents, mostly mothers, to
10 enter or reenter the workforce. And it would
11 make the investments needed to build out
12 capacity in childcare deserts and boost wages
13 for childcare workers.

14 Senators Jessica Ramos and Brad
15 Hoylman, along with Assemblymembers Latrice
16 Walker and Yuh-Line Niou, have introduced the
17 NYC Under 3 Act based on my proposal, and I
18 urge you to support it this year.

19 We also need to support our immigrant
20 communities, and I urge you to extended
21 unemployment benefits and other income relief
22 to people who are currently ineligible due to
23 immigration status.

24 Also, we must help our small

1 businesses survive and recover. Wall Street
2 is doing great. In the last nine months,
3 they've had profits of \$38 billion, more than
4 any time since the bailout of banks in the
5 Great Recession. In the meantime, there are
6 30 percent fewer small businesses operating
7 in New York City today than prior to the
8 pandemic. Small business revenues are down
9 by half. That's hundreds of thousands of
10 jobs lost and hundreds of millions of dollars
11 in lost earnings -- and, for many, the work
12 of a lifetime wiped out.

13 That is why it is so important that we
14 help our restaurants and small businesses
15 with tax credits to help them retire their
16 workers. We must ban evictions and
17 foreclosures on small businesses. Nor should
18 small business and property owners suffer
19 negative credit reporting due to financial
20 hardships over which they had absolutely no
21 control. They should not be penalized.

22 We also must help our nonprofit sector
23 by restoring 100 percent of withheld state
24 funding immediately. These organizations

1 were lifelines to New Yorkers in need during
2 the pandemic. No private company would
3 continue to do business with the state if
4 they weren't paid in full when they sent in
5 the bill. Nonprofits are driven by their
6 mission to help people. Let's not take
7 advantage of that fact. We cannot afford to
8 lose them.

9 And finally, I just want to say it
10 means rebuilding our economy, but we cannot
11 just reopen the same economy we closed. We
12 must build a fairer, more just economy with
13 benefits that are more widely shared and that
14 helps right the historic wrongs of the past.

15 So I support legalizing marijuana for
16 recreational use. We've talked about that at
17 previous budget hearings. We can do more to
18 build up communities that have been
19 devastated by decades of the criminalization
20 of poverty and discriminatory enforcement of
21 drug laws. I urge you to pass the bill
22 sponsored by Senator Krueger and
23 Assemblymember Peoples-Stokes, the Marijuana
24 Regulation and Taxation Act, to provide

1 meaningful investments to begin to right
2 those past wrongs.

3 Last week I released a blueprint for
4 strengthening public safety in New York City,
5 one that reenvisioned public safety through a
6 public health lens, prioritizing harm
7 reduction and seeking to reduce unnecessary
8 actions with law enforcement.

9 The Legislature can help realize this
10 new vision by adopting parole reforms, ending
11 criminal legal system debt, restricting
12 semi-legal searches and seizures by the
13 police -- also, by codifying licensing
14 standards for police officers and a process
15 for debarring them where appropriate.

16 Although much more will be needed to
17 be done at the local level, these changes are
18 key elements of any real change in the
19 relationship between police and community.

20 As our economy changes post-pandemic,
21 we must help our workforce obtain the skills
22 they need in order to thrive. CUNY will play
23 a central role in helping develop the
24 workforce of the future, and that's why I

1 support the New Deal for CUNY. It's simple:
2 Make CUNY tuition-free. Invest in our
3 educators and staff so that students get the
4 time and attention they need. Pay adjunct
5 professors like the professionals they are.
6 In the New York we will build for the future,
7 that will matter.

8 And I want to say that housing,
9 housing, housing -- making it truly
10 affordable will be the key for our city.

11 I hope you work with me and
12 Assemblymember Linda Rosenthal to repeal the
13 421-a developer giveaway and help implement
14 my proposal for truly universal affordable
15 housing, housing that's affordable to the
16 lowest-income New Yorkers and to the
17 homeless, in every neighborhood of our city.

18 And I hope you will join me in pushing
19 for a renewed commitment to our public
20 housing. NYCHA's value to our city is
21 immeasurable, but its investment needs are
22 measurable, and they are big. But we can't
23 let the size of the need deter us from
24 starting to tackle this problem. The city,

1 state and federal government together can
2 make NYCHA into a source of civic pride and a
3 national model.

4 We must also ensure we take on the
5 climate crisis with everything we've got so
6 we don't end up moving from one crisis to
7 another. I believe the Mother Nature Bond
8 Act will enhance the resiliency of our
9 region, and I hope the Legislature will
10 support this by putting it on the ballot.
11 That's going to matter for all of us.

12 And Senator Krueger, we divested from
13 fossil fuel on a city level, \$4 billion, and
14 I want to shout out to you for making that a
15 marker that I think will mean a lot to this
16 country.

17 Also, we cannot afford to go backwards
18 on reducing emissions from New York City's
19 biggest source of emissions, and that's our
20 buildings. I oppose any proposal that would
21 thwart Local Law 97's mission to reduce
22 pollution and generate green jobs, including
23 enacting loopholes that would allow big
24 buildings to buy their way out of the law's

1 requirements. We need Local Law 97 to be
2 implemented as it was written.

3 And as we look to the future and
4 return to normalcy, we must address both the
5 immediate and the long-term needs of the MTA.
6 The New York City region cannot recover
7 without a fully functioning transit system,
8 and that means more frequent off-peak subway,
9 bus and commuter rail service for essential
10 workers and non-work trips. That means lower
11 in-city fares and more frequent all-day
12 service on the LIRR and Metro-North to
13 cultivate five-borough ridership. And that
14 means transit-oriented development near
15 lightly used subway and commuter rail
16 stations to spur ridership and improve
17 transit access.

18 Let me just quickly turn to the impact
19 of the Executive Budget on New York City.
20 Sound budgeting and fiscal management means
21 looking not just at this year and next but at
22 longer-term sustainability. We are all
23 hopeful that long-overdue federal aid for the
24 state and local governments will be

1 forthcoming soon, but it is important to
2 remember that this help will be temporary and
3 it should be used as such.

4 Yet the Executive Budget would use
5 temporary federal COVID relief to offset
6 permanent cuts in state aid to our schools.
7 The proposed cuts would cost New York schools
8 close to \$800 million in state funding each
9 year in the future. Senator Jackson,
10 800 million. This year has been incredibly
11 hard on our students and school staff, and I
12 urge you strongly to avoid another permanent,
13 devastating funding cut to our schools.

14 The Executive Budget also proposes to
15 continue the drip by drip shifting of other
16 costs from the state to the city, including
17 further cutting the public health
18 reimbursement rate and eliminating the state
19 share of the federal Public Indigent Care
20 Pool that supports our public hospitals.

21 The cumulative effect of prior state
22 cost shifts and cuts will already cost us
23 \$1.3 billion this coming year. These new
24 proposals would add another \$220 million to

1 that burden. We simply cannot keep pushing
2 the problems down onto our local governments.
3 To stop this cycle, the state must have the
4 resources it needs to meet the needs of its
5 residents. It's time to break the cycle.
6 It's time for us to invest in our New York.

7 This session you have a number of
8 revenue proposals before you. In this time
9 of crisis, New York's wealthiest must step
10 up. New York's billionaires saw their wealth
11 explode by \$88 billion since the beginning of
12 the pandemic. Wall Street has made
13 \$38 billion in profits in the last nine
14 months. Meanwhile, nearly half a million
15 city residents are without jobs, over a
16 million and a half face hunger every day, and
17 hundreds of thousands live in fear of
18 eviction or foreclosure.

19 This is not just about --

20 CHAIRWOMAN WEINSTEIN: Comptroller --

21 NYC COMPTROLLER STRINGER: Yes.

22 CHAIRWOMAN WEINSTEIN: You've gone a
23 couple of minutes over the time. I think
24 some of what -- there are some questions.

1 I'm sure you'll be able to expand upon some
2 of the positions.

3 NYC COMPTROLLER STRINGER: Can I just
4 quickly say I support the Invest in Our
5 New York package and --

6 CHAIRWOMAN KRUEGER: That may save us
7 some time later.

8 CHAIRWOMAN WEINSTEIN: Okay, Senator,
9 we won't have to hear from Senator Jackson.

10 (Laughter.)

11 CHAIRWOMAN WEINSTEIN: So we're going
12 to go to Assemblyman Ra for five minutes.

13 CHAIRWOMAN KRUEGER: Thank you, Scott.

14 NYC COMPTROLLER STRINGER: I had so
15 much to say. And I knew Jackson was coming
16 my way.

17 CHAIRWOMAN KRUEGER: I knew he was
18 too. But you know what, you've written it
19 all out and we are all readers, so we can
20 read the full testimony. So thank you.

21 NYC COMPTROLLER STRINGER: All right.
22 Yeah, sorry.

23 CHAIRWOMAN KRUEGER: No, it's fine.

24 NYC COMPTROLLER STRINGER: No, it's

1 okay, thank you.

2 CHAIRWOMAN WEINSTEIN: Assemblyman Ra.

3 ASSEMBLYMAN RA: Thank you, Chair.

4 Thank you, Comptroller.

5 I just had -- you actually, I guess,
6 began to answer my question at the end there,
7 because I know in your written remarks you
8 had talked about some taxes, but you just
9 referenced the entire package, so that
10 answers that a little bit.

11 We did have a conversation this
12 morning with Mayor de Blasio regarding the
13 proposal to reinstate the stock transfer tax,
14 and he expressed some concerns that doing so
15 on a state level, you know, could cause
16 problems, as opposed to, you know, doing tax
17 increases on the federal level.

18 But my question particular to that is
19 do you have any estimation within, you know,
20 your office as far as what that industry, the
21 securities industry, accounts for in terms of
22 New York City tax revenues?

23 NYC COMPTROLLER STRINGER: No, I don't
24 have it at the tip of my tongue, but it

1 obviously generates strong revenue.

2 ASSEMBLYMAN RA: Okay. Because I
3 think that is one of the -- I've heard
4 estimations that it is a sizable portion both
5 of the state and New York City tax revenue.
6 So that, I think, is an obvious concern if --
7 you know, if potentially putting in that type
8 of tax were to cause firms to relocate or
9 transactions to happen elsewhere.

10 The other thing I want to know, what
11 if any -- or, you know, either having done or
12 is planned -- in terms of trying to estimate
13 what the impact has been on New York City's
14 revenues from out-of-state residents that are
15 no longer commuting into New York City for
16 work that are working virtually during this
17 time.

18 NYC COMPTROLLER STRINGER: You know,
19 we'll see when taxes are filed, you know, and
20 we'll see -- my sense is that it will not be
21 a serious hit. And I can certainly keep in
22 touch with you during our revenue estimates.

23 ASSEMBLYMAN RA: Okay. Yeah, that
24 would be great.

1 And obviously, you know, the --
2 there's this Supreme Court case coming up so
3 that has the potential to either mitigate a
4 loss if there is one or, you know, depending
5 on how that all comes out.

6 That's all I had for you. Thank you
7 for being here today. And be well.

8 NYC COMPTROLLER STRINGER: Thank you.

9 CHAIRWOMAN WEINSTEIN: To the Senate.

10 CHAIRWOMAN KRUEGER: Thank you.

11 Now, you know we love you,
12 Robert Jackson, and that's why we tease you.
13 But I think you can do this in five minutes,
14 since you already have the answer you want.

15 Senator Robert Jackson.

16 SENATOR JACKSON: Less than five
17 minutes.

18 Scott Stringer, New York City
19 Comptroller, let me thank you for coming in.
20 And I've just circled things that you said
21 that you -- the full package of Invest in
22 New York Act for \$50 billion, that you
23 support that. You talked about repealing
24 421-a, Linda Rosenthal, and you talked about

1 NYCHA -- not repealing Linda Rosenthal, but,
2 you know --

3 (Laughter.)

4 NYC COMPTROLLER STRINGER: Let the
5 record reflect that I do not share that view
6 at all.

7 (Laughter.)

8 SENATOR JACKSON: You hit it on
9 climate, \$800 million proposed cuts to the
10 schools, and a lot of other stuff -- free
11 CUNY.

12 And Scott, as you know, all of this
13 takes a lot of money. And so my question to
14 you, I've asked of everyone, and I've got to
15 complete this within five minutes, is that
16 are you communicating with our federal
17 legislators, both Majority Leader Chuck
18 Schumer and Senator Gillibrand and Nancy
19 Pelosi and others about the needs of New York
20 City, since this was the epicenter of the
21 COVID-19 for a long, long time.

22 NYC COMPTROLLER STRINGER: The answer
23 is yes. And just the other day my office had
24 been working and sitting down with Senator

1 Schumer, and we're going to continue to stay
2 in touch, because this really is an "all
3 hands on deck" moment.

4 Obviously we need to partner with the
5 federal government. We're very fortunate now
6 that Senator Schumer is in a position, as is
7 Senator Gillibrand, to make a big difference
8 for our city. And I'm really looking forward
9 to the work of Governor Cuomo, the work of
10 the Legislature, and the federal response to
11 New York.

12 This is very much akin to the city's
13 fiscal crisis when we united the various
14 interests, certainly to go to Washington and
15 get the money and the resources we need. I
16 have said time and time again that the city
17 sends \$22 billion more to the federal
18 government than we get back. You know, we
19 never really demand our fair share because we
20 know that this city always wants to invest in
21 the country.

22 But I do believe -- and we could
23 support this -- that as goes New York City's
24 economy will go the national comeback. We

1 saw this after 9/11 when New York was under
2 attack and what happened to the international
3 and national markets.

4 And so this is not a time to ignore
5 the needs of New York City, because by
6 bringing New York back to life we will
7 reenergize the entire national economy and
8 this will be something that will impact us
9 worldwide.

10 SENATOR JACKSON: So -- and are you
11 communicating your opinions from a City
12 Comptroller's point of view to our Governor,
13 Andrew Cuomo? I assume the answer is yes on
14 that also?

15 NYC COMPTROLLER STRINGER: Yes. And
16 we continue to have a strong dialogue with
17 the Governor and the Governor's office on
18 COVID issues, on budget issues, and we're
19 going to continue to do that.

20 Look, as you know, what I've tried to
21 do as Comptroller, whether it's coming to the
22 Senate Conference to talk about the budget --
23 and I do want to say to Andrea
24 Stewart-Cousins, you know, she has made a

1 real effort to seek out our opinion. The
2 Senate Majority staff has been tremendous in
3 keeping in touch with us. So it's not just
4 that I'm reaching out; the truth is that your
5 conference has been reaching out to me.

6 And, you know, in the State Assembly
7 Conference we're working with so many of the
8 members to have this dialogue.

9 So I do think we're in a very -- we
10 are really working collectively, and it's a
11 real I think tribute to all the legislators.

12 SENATOR JACKSON: And I have one last
13 question.

14 We get money from the federal
15 government, it's not everything we need and
16 we have to raise revenue in New York State.
17 And if the Governor is not willing to be a
18 partner, and others are not willing -- and
19 let's assume there's devastation and we don't
20 pass a budget that includes enough money --
21 what will be the impact on New York City and
22 New York State if that happens?

23 NYC COMPTROLLER STRINGER: We have
24 to -- we have to do two things. In the short

1 term, obviously, we have to have a balanced
2 budget in New York. And we're going to get
3 there, Senator Jackson.

4 And, you know, I rejected the mayor's
5 belief that in order to balance the budget we
6 had to lay off city workers and cut youth
7 programs. And I'm proud that our office
8 played an important role in pointing out how
9 we can get to a balanced budget, but also
10 about how we could ensure that as we move
11 forward we wouldn't have to make that false
12 choice.

13 I will tell you I'm very hopeful, near
14 term, about the future. But long term, I
15 think you've raised some very important
16 issues. It's not just bringing back the
17 economy, it's bringing back the economy
18 differently. It's how we're going to invest
19 in childcare, it's how we're going to invest
20 in CUNY and making sure that we have programs
21 to retrain our workforce post-COVID, how
22 we're going to invest in young people,
23 whether it's the ASAP program or free CUNY,
24 so that we can enroll people to keep our --

1 you know, upskill our workforce through
2 various programs.

3 And look, if you want to structurally
4 change the economy, we have to put everything
5 on the table. And more importantly, we've
6 got to have this discussion. And you know, I
7 wish we had had this discussion in good
8 times. Right? Because so much of what we
9 didn't do in the city is think about where we
10 were going to be five and ten years from now
11 and what that structural change could mean.

12 But look, we are here today. Short
13 term, we have to worry about the budget.
14 Long term, we definitely have to think about
15 the kind of city and the kind of economy we
16 want.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 So we're going to go to our Cities
19 chair, Ed Braunstein.

20 ASSEMBLYMAN BRAUNSTEIN: How are you,
21 Mr. Comptroller? It was good to see you out
22 in Little Neck a couple of days ago.

23 I have a couple of questions
24 concerning the city's property tax revenue.

1 Speaker Johnson was on earlier, and he
2 mentioned that because of so many people
3 working from home, there's a lot of
4 commercial properties that are vacant and
5 we're seeing significant reductions in
6 commercial property tax revenue now.

7 And I'm wondering if your office --
8 I'm going to ask a series of questions; you
9 can answer them all together. I'm wondering
10 if your office has forecast what the property
11 tax picture looks like in the outyears
12 considering the way so many people are
13 changing their work habits and their travel
14 habits.

15 And on top of that, I want to know if
16 you would recommend if the city gets a
17 certain amount of federal funding, if they
18 should -- if it would be wise to park some of
19 that money away and save it for outyears.
20 And do you have an idea of how much money the
21 city is expecting in this package and how you
22 think they should break it up?

23 NYC COMPTROLLER STRINGER: Well,
24 the -- as you know, the real property tax is

1 the single largest revenue source for the
2 New York City budget and it generates, I
3 think, nearly half of all the city tax
4 revenues. And it actually funds 30 percent
5 of total city spending.

6 We have seen a drop in that tax. The
7 mayor's office is projecting a \$2.5 billion
8 decline, so that is certainly something we're
9 watching. And, you know, we'll keep our eye
10 on it. Even with that decline, we have seen
11 other revenue up. So it hasn't again put us
12 in a crisis, you know, right now. But it's
13 something we definitely have to watch, and so
14 I will.

15 And I can get you more projections for
16 your review.

17 ASSEMBLYMAN BRAUNSTEIN: And do you
18 have an idea of, you know, how much federal
19 money the city can be expecting from this
20 \$1.9 trillion stimulus package? And would
21 you recommend breaking up the spending over
22 some outyears, like parking the money -- some
23 of the money away, if it was possible, rather
24 than spending it all up-front?

1 Because I imagine this is not going to
2 be a -- it's going to be a long time before
3 we see our way through this.

4 NYC COMPTROLLER STRINGER: You know, I
5 would go testify at City Council every year,
6 and said in good times that we had to save
7 more.

8 You know, seven years ago we were
9 saving 18 percent of spend, and over seven
10 years we went from 18 percent down to -- you
11 know, down to -- let's see, I'm
12 calculating -- you know, about 8 percent of
13 spend. And the lesson is in good times is
14 when you have to put away money for a rainy
15 day. I would like us to get back to that.

16 But in the short term, we've got to do
17 a lot of things at the same time. And that
18 is something that, you know, we have to think
19 about. I do believe that under the current
20 analysis we can expect about \$4 billion from
21 the package, and that's good. But it doesn't
22 necessarily, you know, allows us to put away
23 a rainy day fund right now. We have to
24 remember we are in a real crisis, so we have

1 to meet some needs.

2 But I would like us to get back to,
3 you know, discipline and saving, because
4 we -- you know, we want to get there.

5 ASSEMBLYMAN BRAUNSTEIN: Okay, thank
6 you.

7 CHAIRWOMAN WEINSTEIN: We now go to
8 the ranker on Cities, Assemblyman Reilly.

9 ASSEMBLYMAN REILLY: Thank you,
10 Madam Chair.

11 Thank you, Mr. Comptroller, for
12 joining us and giving us your testimony
13 today.

14 I actually wanted -- I'm glad you
15 brought it up, the Strengthening Public
16 Safety in New York City, the report that you
17 have dated February 2021. I wanted to ask
18 you a few questions about that, because I
19 actually dove into it --

20 NYC COMPTROLLER STRINGER: I'm sorry,
21 which report are you referring to?

22 ASSEMBLYMAN REILLY: The report that
23 you mentioned in your statement, the
24 Strengthening Public Safety in New York

1 City --

2 NYC COMPTROLLER STRINGER: Oh, yes,
3 yes, yes.

4 ASSEMBLYMAN REILLY: -- February 2021.

5 So there are some things in there that
6 I actually, as a retired member of the NYPD,
7 I actually can support and look at and -- and
8 the transparency, streamlining discipline,
9 looking into that.

10 And the -- the interesting part, I
11 found, was the NYPD Management Academy. I'm
12 curious to know if that will impact civil
13 service tests. Only because, you know, I
14 think as things go on, as more of these new
15 officers who are more diverse, who come from
16 more diverse backgrounds, they're going to go
17 up the chain of command when they take the
18 civil service exams.

19 But in particular, one part I wanted
20 to talk about was where you touched on
21 strengthening detective work and the
22 increased clearance rates. Now, I know when
23 we think about baseball, right, we think
24 about somebody that hits, you know, .300,

1 gets 300 hits out of a thousand at-bats, he's
2 a hero, he gets a batting average of .300,
3 right?

4 Well, unfortunately, police work
5 oftentimes isn't like "NYPD Blue" or
6 "Blue Bloods" or "CSI," so this investigative
7 work takes time and effort and it's not as
8 cut-and-dried. So I was wondering, diving
9 into that, you talk about the different
10 detective agencies working together,
11 different bureaus, the detective squads and
12 the borough homicide squads.

13 I've got to tell you, that's been
14 going on for years. So I'm wondering who may
15 have helped put together this report, if you
16 can give me a little background on that.

17 NYC COMPTROLLER STRINGER: Well, we
18 consult with people with very serious
19 enforcement experience and police experience.
20 We conferred with criminal justice advocates.
21 And we tried to look at this holistically
22 from, you know, the expertise within my
23 office.

24 So we came up with what I think is a

1 very balanced approach to policing, or what I
2 really want to say is public safety. I do
3 think we need to focus NYPD officers on
4 serious crimes. I think we should shift
5 officers away from responding to issues
6 related to mental health issues or
7 quality-of-life concerns.

8 I think there's a way that we can --
9 there's a way that we can re-imagine public
10 safety in this city. And we looked at places
11 as far away as Eugene, Oregon, where we
12 looked at the CAHOOTS program, for example --
13 24,000 calls for mental health issues to 911
14 out in Oregon, and only 150 police officers
15 responded --

16 ASSEMBLYMAN REILLY: Mr. Comptroller,
17 I don't mean to interrupt, but I have one
18 more -- I'm going to run out of time, so I
19 want to get a full answer on this next
20 question, I apologize. And I did mean --

21 (Inaudible overtalk.)

22 NYC COMPTROLLER STRINGER: I'm a
23 former chair of the Cities Committee; I know
24 how important it is.

1 ASSEMBLYMAN REILLY: Okay. Definitely.

2 So one of the recommendations you have
3 is to conduct a full and regular audit of the
4 NYPD's data technology and surveillance
5 programs and policies. In your current role
6 as the New York City comptroller, isn't that
7 part of the duties that you've had over the
8 last eight years? And how many audits have
9 you done of the NYPD in those areas during
10 that eight years?

11 NYC COMPTROLLER STRINGER: You know,
12 we've looked at -- you know, we've done
13 audits, analyses, and constant looking at how
14 we can make services better in all the
15 agencies, including the NYPD.

16 My office doesn't do an automatic
17 audit of agencies every year. That would be
18 impossible. So we try to do at least an
19 audit every couple of years, but we have
20 spent attention doing the -- you know, with
21 the NYPD. And we'll continue to do that.
22 That's part of the expertise that we've
23 developed.

24 And look, we've worked with the NYPD

1 on a number of issues related to public
2 safety and how we can improve, you know, the
3 way we look at public health and public
4 safety. And so we'll continue to do that.
5 You know, the comptroller's office -- you
6 know, we don't do -- we don't do thousands of
7 audits, that would be impossible.

8 ASSEMBLYMAN REILLY: The other part I
9 wanted to mention is about the Strategic
10 Response Group, which are the old task force
11 units. They're used for mobilizations, as
12 you mentioned in the report. So it's not
13 only for crowd control, they also respond for
14 shooting incidents, they respond for missing
15 persons, special categories.

16 So I think if we're really going to
17 look to revamp, we've got to take that into
18 account that those resources -- and the other
19 part is that you want to reduce auto patrol
20 in the police fleet. After 9/11, I don't
21 necessarily think that that's an appropriate
22 thing to do because we need quick response to
23 emergencies.

24 Thank you, Mr. Comptroller. I see I'm

1 out of my time, and I apologize for going
2 over.

3 Thank you, Madam Chair.

4 NYC COMPTROLLER STRINGER: Thank you
5 very much.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 We go to the Senate now.

8 CHAIRWOMAN KRUEGER: Thank you.

9 I think we have Senator John Liu in
10 line next. Are you there, John?

11 SENATOR LIU: Yes, I am, just waiting
12 for them to start my video.

13 CHAIRWOMAN KRUEGER: Perfect.

14 SENATOR LIU: Thank you, Madam Chair.

15 How you doing, 44?

16 NYC COMPTROLLER STRINGER:

17 Forty-three, how are you?

18 SENATOR LIU: I'm all right. You look
19 good. I see you changed the background,
20 which is -- it's just me, I think it's a
21 welcome change.

22 Anyway, thanks for joining us today --

23 NYC COMPTROLLER STRINGER: I liked the
24 bookshelf that was about to tilt.

1 SENATOR LIU: That's right.

2 CHAIRWOMAN KRUEGER: For the audience
3 who has no idea what's happening now,
4 John Liu was the comptroller of the City of
5 New York prior to Scott Stringer being the
6 comptroller, and this is their bro language.

7 Okay, please go on.

8 SENATOR LIU: Thank you for resetting
9 my clock, Madam Chair. I really appreciate
10 it.

11 So I know Assemblymember Ra had asked
12 you about this already; we asked the mayor
13 about this. I appreciate your strong support
14 of the Invest in Our New York plan, which you
15 articulated in your testimony. And even
16 though the chair cut you off because of the
17 time limitation, I did read it in your
18 written testimony, so thank you for that. I
19 too support that.

20 But there are -- I do have -- I do
21 have some reservations about one component of
22 that, which is the stock transfer tax that
23 Assemblymember Ra asked you about. I
24 don't -- I don't have a problem with taxing

1 stock transfers or sale and purchase of stock
2 in New York, but I just question the
3 effectiveness of that given the global
4 environment we're operating in that we may
5 not actually wind up collecting a lot of it
6 if it's easy for people to divert their
7 transactions to other exchanges.

8 Do you firmly support the stock
9 transfer tax? And do you think it will reap
10 the -- I think some of the advocates have
11 said that it will reap \$16 billion a year of
12 revenue, badly needed revenue.

13 NYC COMPTROLLER STRINGER: It's a very
14 good question.

15 You know, the Supreme Court in 2018 --
16 it was the Wayfair decision -- has set a
17 precedent here. So it allowed South Dakota
18 to tax sales of a company that didn't have a
19 physical presence in South Dakota.

20 And that logic applied to the stock
21 transfer tax. It means that it matters less
22 where the stock exchange is physically
23 located to be taxable, but the exchange --
24 but the exchange would have very efficient

1 cost structures. In other words, losing the
2 efficiency would probably cost more than a
3 small stock transfer tax.

4 So I think there is -- you know, I
5 think there's a way to get this done since
6 the 2018 Wayfair decision. And I think we
7 should explore it because it takes care of
8 some of the concerns. It is a tax that would
9 go a long way to dealing with the legitimate
10 issues raised by Senator Jackson and many of
11 the --

12 SENATOR LIU: In fact we applied the
13 Wayfair decision in our 2019 legislation and
14 the tax package in that, where we started
15 raising revenue from taxing online
16 transactions in the State of New York enacted
17 or transacted by companies outside New York.

18 NYC COMPTROLLER STRINGER: Right.

19 SENATOR LIU: But the question is not
20 so much whether we are allowed to tax stock
21 transfers, it's a question of whether people
22 could divert -- you know, especially large
23 institutional investors by millions of shares
24 at a time, or the New York City comptroller's

1 office, for example.

2 Would it be easy to divert to, you
3 know, a London exchange or a Singapore
4 exchange?

5 NYC COMPTROLLER STRINGER: Look, I
6 think every time we talk about a tax or a
7 revenue raiser, as you know, 43, there is
8 always that knee-jerk reaction. And I think
9 in this comprehensive tax package we should
10 look at every aspect of revenue.

11 What is the value proposition that
12 people want, whether it's the business
13 community or in neighborhoods around the
14 city? The value proposition to keep people
15 in the city and keep business here ultimately
16 is a city that invests in good schools and
17 open space, that creates an economy that
18 makes this place a cultural mecca. People
19 want to stay here because of our wonderful
20 diversity that you can't get anywhere in the
21 world.

22 And New York City is the financial
23 capital. I don't see that changing.
24 Obviously, technology and ways we're going to

1 do business -- people have talked about
2 people working from home, what the financial
3 and taxable ramifications of that will be.
4 That remains to be seen. But I don't think
5 that we should be dismissing this out of hand
6 because of the old rules and the old paradigm
7 about this city.

8 Look, we need to make sure that people
9 come here, and I believe that our goal should
10 be bringing back every New Yorker.

11 SENATOR LIU: Mr. Comptroller, I'm out
12 of time. I just want you to know that my mom
13 loves your two little boys, but she thinks
14 you and Elyse need to get a daughter.

15 CHAIRWOMAN WEINSTEIN: And with that,
16 we go to Assemblywoman Seawright.

17 (Laughter.)

18 NYC COMPTROLLER STRINGER:
19 Forty-three, I can't comment --

20 SENATOR LIU: A daughter. Daughters
21 rule the world.

22 (Laughter.)

23 NYC COMPTROLLER STRINGER: I will
24 convey your good wishes to the family.

1 Cut him off, please. Please cut him
2 off.

3 (Laughter; overtalk.)

4 CHAIRWOMAN WEINSTEIN: We have
5 Rebecca Seawright for you.

6 ASSEMBLYWOMAN SEAWRIGHT: Thank you,
7 Chair Weinstein and Chair Krueger.

8 And Comptroller Stringer, it's great
9 to hear your testimony this afternoon. Your
10 office puts out a wonderful MWBE report.

11 And I just have two quick questions.
12 During this national pandemic, what can we do
13 to strengthen the MWBE program? And let me
14 just go ahead and get my second question in,
15 in case I run out of time.

16 The former CEO of the Bronx Parent
17 Housing Network is being investigated
18 following accusations of sexual misconduct,
19 abuse of power and intimidation. The
20 allegations were revealed following a
21 New York Times investigation. The
22 investigation found that for years Rivera
23 engaged in financial and sexual abuse as the
24 head of the largest provider of shelters in

1 the city.

2 In my district in Yorkville, up on
3 East 85th Street, there is the Loving Arms
4 Soup Kitchen. With reports of this kind of
5 abuse, what can we do to ensure that
6 resources, including soup kitchens, drop-in
7 centers and shelters, are operating
8 efficiently and performing the service
9 they're intended to provide?

10 NYC COMPTROLLER STRINGER: A very
11 important question.

12 Look, in my role as auditor-in-chief
13 of the city, we have audited many of these
14 agencies over the years. The mayor rightly
15 said that he wants to review every one of
16 these agencies comprehensively. We -- you
17 know, I don't want to comment today about any
18 kind of investigation or audit we would do,
19 but we're certainly going to look at the
20 mayor's response. You know, sometimes you
21 want to be out there immediately; other times
22 you want to make sure you're not
23 interfering -- you know, you're not
24 interfering.

1 But I am watching this outrageous
2 behavior and situation very carefully. And
3 as you know, Assemblywoman, I am not afraid
4 to step in and investigate and audit. I'm
5 trying to see what we can do holistically.
6 But the New York Times allegations are deeply
7 disturbing and outrageous.

8 Let me just say -- just also segueing
9 into your first question, you know, this past
10 summer my office released a survey where we
11 found 85 percent of city MWBEs reported that
12 they can't survive the next six months given
13 the current cash on hand, and 30 percent said
14 they can't survive the next 30 days or less.

15 And so we have to make sure that we
16 underscore the structural inequities facings
17 the MWBEs, and we have to again work on
18 issues of procurement reform, cutting red
19 tape for MWBEs, double down on commitments on
20 contracting with them whenever possible. You
21 know, I have appointed the city's first chief
22 diversity officer. I think we need a chief
23 diversity officer in every city agency,
24 because we have to up the spend with MWBEs.

1 And why that matters is the more we
2 have a procurement process that puts them on
3 equal footing, the more we create wealth in
4 many of our communities of color and many of
5 our neighborhoods. And this has been a goal
6 of mine, this has been critical to our
7 economy. And it now matters that we have to
8 watch our spend and our red tape with MWBEs,
9 because the pandemic has made it very
10 difficult.

11 So in other words, if a big company
12 doesn't get a timely payment, they float the
13 loan. But if you're an MWBE barely --
14 struggling, that's enough to put you under,
15 and we have to be mindful of that.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 ASSEMBLYWOMAN SEAWRIGHT: Thank you
18 for your great leadership.

19 NYC COMPTROLLER STRINGER: Thank you,
20 Assemblymember. Thank you.

21 CHAIRWOMAN WEINSTEIN: So we go to
22 Assemblyman Tannousis, three minutes.

23 ASSEMBLYMAN TANNOUSIS: Hi,
24 Mr. Comptroller. How are you? Nice to see

1 you.

2 NYC COMPTROLLER STRINGER: Good. Nice
3 to meet you.

4 ASSEMBLYMAN TANNOUSIS: I just had a
5 question, a very brief question regarding
6 your public safety report that you released.

7 I know that in the report you called
8 for the disbandment of SRG, which is the
9 Strategic Response Group. My question is if
10 we see incidents like we saw in New York City
11 over the summer -- or even worse, if we see
12 incidents like we saw in Washington, D.C. a
13 few weeks ago -- how can the NYPD be expected
14 to adequately protect our community if the
15 Strategic Response Group is indeed disbanded?

16 NYC COMPTROLLER STRINGER: I don't
17 think that this response group has been able
18 to keep the public safe. I don't think it's
19 necessary. I think it's rife with
20 challenges, to put it politely.

21 And in our report we outline, you
22 know, a reason why it should not be -- it
23 should not be where it is today. And the --
24 you know, the so-called Disorder Control

1 Unit -- the SRG's Disorder Control Unit is
2 what I said we should be disbanding. And I
3 think that would be a good reform, because we
4 saw it was completely unacceptable behavior
5 from the police during the peaceful protests.
6 And we should not have a paramilitary force
7 taking on unarmed protestors, taking on
8 journalists. The batons used, the
9 out-of-control response by the police
10 department was something I had never seen in
11 all the protests through multiple
12 administrations I went to. And I've been
13 protesting in the city since I was literally
14 12 years old and never was in a situation
15 where I saw this out-of-control behavior.

16 ASSEMBLYMAN TANNOUSIS: Thank you for
17 your time.

18 NYC COMPTROLLER STRINGER: Thank you.

19 CHAIRWOMAN WEINSTEIN: That is it. We
20 do not have any other Senators or
21 Assemblymembers to talk with you.

22 CHAIRWOMAN KRUEGER: We appreciate
23 your being with us.

24 CHAIRWOMAN WEINSTEIN: I was about to

1 say that.

2 CHAIRWOMAN KRUEGER: Oh, okay, fine.

3 (Laughter.)

4 CHAIRWOMAN WEINSTEIN: And you didn't
5 have to travel to Albany, so that's always a
6 good thing. And we don't have to sit in our
7 seats this year because we're in session by
8 Zoom.

9 NYC COMPTROLLER STRINGER: Let me just
10 say for the record about empty-seat voting,
11 Chair Weinstein, I concur with that. Just
12 want to let you know you should not be in
13 your seats, so just thought I'd set the
14 record straight. That's how many people call
15 me up and talk about it.

16 But thank you, Chair Weinstein, thank
17 you, Chair Krueger, and thank you,
18 colleagues, for giving me this opportunity.

19 CHAIRWOMAN KRUEGER: Thank you very
20 much.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 Our next witness is the New York State
23 Association of Counties, Stephen Acquario,
24 executive director.

1 And I see he is there already. So you
2 can begin. You have 10 minutes.

3 MR. ACQUARIO: Thank you,
4 Chair Weinstein, and thank you,
5 Chair Krueger, and members of the Local
6 Government Committee that are with us here
7 today. Thank you for this opportunity.

8 Thank you for all you've been doing
9 during this awful pandemic that we've been
10 facing collectively together as our Governor
11 continues to lead us through this very
12 difficult time.

13 Given the time constraints, I'll
14 provide some brief remarks along with the
15 written testimony which we submitted to the
16 committees. You can find more detail on
17 these and other issues of importance to the
18 New York counties and to the City of
19 New York.

20 As we all know, 2020 was a year unlike
21 any in recent memory. Challenges posed by
22 the global coronavirus pandemic pushed all
23 levels of government to respond to new
24 challenges and overcome unprecedented

1 obstacles. Nowhere was this more true than
2 for county governments.

3 As the regional governments charged
4 with public health, delivering health and
5 human service functions, counties were the
6 primary point of response during the
7 pandemic, launching emergency response
8 centers, leading testing and tracing
9 operations, managing and enforcing
10 quarantines, substance abuse programs, mental
11 health programs and eventually leading the
12 efforts to reopen the New York economy -- and
13 delivering lifesaving vaccines.

14 These efforts were undertaken as we
15 faced devastating local sales tax revenues
16 during 2020. State budget cuts loomed.
17 Increased costs and growing demands for
18 social services programs. Now, as we begin
19 the new year of recovery from the pandemic,
20 local governments in our state are at a
21 turning point. We have the experience, we
22 have the expertise and the trust within our
23 communities to play a vital role in ending
24 this pandemic, supporting the economic

1 recovery and getting life back to normal.

2 But we need the continued partnership with
3 our state government to work with us to
4 provide the resources and the flexibility
5 necessary to carry out this vital mission.

6 Today counties have two main requests
7 for you, the New York State Legislature,
8 during these difficult times.

9 Number one, because the federal
10 government has provided a significant amount
11 of healthcare funding through stimulus
12 programs, we ask respectfully that you delay
13 the county sales tax diversion that's being
14 used to pay for what is called the Distressed
15 Hospital Fund. This Distressed Hospital Fund
16 has not been created yet, and the funding was
17 intercepted by the state last month.

18 Two, we respectfully ask you to
19 restore the 5 percent across-the-board cuts
20 that are presented in the Governor's
21 executive '22 budget. The state fiscal year
22 '21 enacted budget amended Tax Law Section
23 1261 to direct the Office of the State
24 Comptroller to withhold or divert

1 \$250 million in local sales taxes --
2 \$50 million from the counties and
3 \$200 million from the City of New York -- and
4 place them into a new agency trust fund, a
5 distressed provider assistance account,
6 annually, temporarily for two years.

7 Counties are requesting that you pause
8 this initiative for at least this year and
9 that you seriously consider eliminating it
10 altogether. Significant federal funding has
11 already been provided and tens of billions of
12 dollars is expected to be coming in the
13 future outyears as well for the hospital
14 system.

15 Earlier this month the state withheld
16 the \$250 million in local sales taxes, but
17 has provided to this date no definition of
18 what a distressed facility is, nor have they
19 provided a list of facilities in the city or
20 around the state that would receive these
21 local taxes, nor a timeline for these
22 payments.

23 Between the distressed hospitals and
24 the AIM-related diversions that you heard

1 about earlier from the five city mayors and
2 the Conference of Mayors, nearly \$500 million
3 in local sales tax is now being diverted by
4 the state to fill state budget holes or to
5 pay for state programs where the state has
6 eliminated or reduced their own fiscal
7 support, such as the AIM program, as was
8 reported by the New York Conference of
9 Mayors.

10 Counties recognize the financial
11 hardship currently being experienced by our
12 hospital providers, but the revenue losses
13 have been largely offset, as we know, by
14 federal funds as part of the COVID-19
15 stimulus packages that were enacted in 2020.
16 New York facilities and providers have
17 already received about \$11.5 billion. Again,
18 New York health facilities and providers have
19 received \$11.5 billion in pandemic aid --
20 rightfully so -- to help cover higher costs
21 and lost revenues. And they'll be receiving
22 billions more thanks to United States Senator
23 Chuck Schumer, Senator Gillibrand, and the
24 New York delegation.

1 The most recent payments will make up
2 for at least 87 percent of lost revenue for
3 all hospitals and providers through the
4 second quarter, according to Senators Schumer
5 and Gillibrand. More aid is expected to be
6 in President Biden's upcoming COVID response
7 and recovery package.

8 Counties, on the other hand, have
9 received zero federal funds. They are
10 struggling with mounting unbudgeted
11 COVID-related costs at the same time losing
12 revenue due to the reduced economic activity
13 that has come with fighting the coronavirus.
14 The 57 counties outside the City of New York
15 lost more than \$720 million in sales and
16 hotel occupancy taxes and gaming revenues.

17 To make matters worse, the state is
18 now proposing to level a 5 percent cut to
19 counties as it scrambles to close its own
20 multi-billion-dollar budget gap. These cuts
21 translate to a loss of 160 million across the
22 board and spare no program, social service
23 programs, health and human service programs,
24 and state reimbursements for programs

1 counties already deliver and pay for.

2 We ask that the final '22 budget
3 restore the 5 percent cut to the counties,
4 provided that the state receives a minimum of
5 \$6 billion in federal COVID-related funding.

6 While I've focused so far on areas of
7 concern to the counties in the budget, I'd
8 also like to note that the budget does
9 include several provisions that the counties
10 support, including granting permanent sales
11 tax authority, in parity with the City of
12 New York, subject to local home-rule actions
13 in the community.

14 Two, the county ability to apply sales
15 tax to cannabis transactions should you
16 authorize adult-use cannabis.

17 Three, expand investment options for
18 local governments, which need every tool in
19 the toolbox to generate non-tax revenue.
20 These options, again, are already available
21 to the City of New York and have been for
22 several years. Please extend them to other
23 local governments in the state.

24 Four, judgment interest rate reform.

1 With prime interest rates consistently low
2 for the past 10 years, the 9 percent judgment
3 interest rate has done nothing but unfairly
4 punish local governments and taxpayers, and
5 it borders on usury.

6 Five, piggyback extension. Most
7 counties have saved funds or gotten better
8 deals by using bids let by other local
9 governments across the state or even across
10 the nation. We encourage you to extend this
11 best-value law for two more years.

12 Lastly, I also want to make a note on
13 the proposal in the Governor's budget, which
14 we asked for, to extend sales tax collection
15 on vacation rental marketplace providers.
16 This bill would require vacation rental
17 marketplace providers to collect sales tax on
18 the vacation rentals that they facilitate.
19 The budget estimates it would generate
20 approximately \$9 million in '22 and
21 \$17 million in 2023. In the aggregate,
22 counties would see similar increases as the
23 state.

24 We do respectfully request a

1 modification to this language that the sales
2 tax is collected for the 57 counties outside
3 of the City of New York, to avoid any
4 potential negative impact to the New York
5 City economy.

6 I also want to thank and commend the
7 Governor for including several other programs
8 in the health and human services, in
9 particular in the Medicaid program, and for
10 continuing the Medicaid cap, which has saved
11 local governments, the counties and the local
12 taxpayers billions in that program. We are
13 eternally grateful to the Governor and to the
14 State Legislature for continuing the Medicaid
15 cap.

16 Thank you for your attention. I'll be
17 available to any questions that you might
18 have.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 We're going to go to Assemblyman
21 Thiele, chair of our Local Governments
22 Committee.

23 ASSEMBLYMAN THIELE: Good afternoon,
24 Stephen. Thank you for your testimony.

1 On that intercept of sales tax for
2 distressed hospitals, has any of that money
3 been intercepted yet, or what is the status
4 of that? Has any of it been intercepted?

5 MR. ACQUARIO: It has, Mr. Chairman,
6 and it's nice to see you. And thanks for all
7 you do in the State Assembly and the Local
8 Government Committee. You're a true partner
9 and a friend and are always available to us.
10 We're grateful for that.

11 Yes, about mid-January that intercept
12 occurred.

13 ASSEMBLYMAN THIELE: Okay.

14 MR. ACQUARIO: February 4th, excuse
15 me, the intercept occurred; \$250 million has
16 now been intercepted from the City of
17 New York and the 57 counties.

18 ASSEMBLYMAN THIELE: So the folks who
19 are your -- 50 million has been intercepted,
20 so --

21 MR. ACQUARIO: I believe it's about
22 9 million or so, give or take, in Suffolk,
23 and a similar amount in Nassau.

24 ASSEMBLYMAN THIELE: So you would like

1 to see that reversed and suspended going
2 forward, correct?

3 MR. ACQUARIO: I think it's -- I think
4 it's worthy, Mr. Chairman, to look at. The
5 hospital system -- when that was passed, it
6 was done at a time of extreme duress, last
7 March, last April of 2020. We were under
8 extreme duress, the hospitals were
9 underwater. The federal government has
10 significantly stepped up their efforts, and
11 we think it's worthy of your consideration.

12 ASSEMBLYMAN THIELE: Yeah, and again,
13 I -- you know, to me, I'm just not a fan of
14 the concept of the sales tax intercept. You
15 know, and with AIM it puts towns and villages
16 at odds with counties. Here it puts the
17 counties at odds with hospitals. You know,
18 to me it's a state responsibility.

19 Talk about sales tax a little bit
20 more. You know, the Comptroller's report
21 came out about sales tax revenues for 2020.
22 What do you see going forward as far as
23 trends on sales tax? Are things rebounding?
24 What are you seeing going forward?

1 Because, you know, certainly the sales
2 tax is such a -- the revenue, really, for
3 most counties.

4 MR. ACQUARIO: Well, I think that what
5 happened to the counties and to the State of
6 New York, for that matter, is we were largely
7 trending, going into 2022 -- calendar year,
8 for the counties -- plus 4 percent. We will
9 finish that year breaking even, if that.

10 So we lost the growth that we had
11 anticipated in our budgets. I think that the
12 economy will slowly catch up. Hotel/motel
13 occupancy tax is gone; that is going to
14 slowly catch up. But it's largely going to
15 take likely the rest of the calendar year
16 2021 to catch up fully and try to resume to
17 some sort of normal economy.

18 During the harsh year of 2020, the
19 large big box stores kept the sales tax in
20 some manner. Things changed in restaurants.
21 So we lost different categories of
22 spending -- certain automobile transactions,
23 certain industries. Apparel changed.
24 People's consumer habits changed. So it

1 realigned itself, and the online sales --
2 thanks to you all for passing the internet
3 sales tax when you did. Thank goodness we
4 did that, that you did that, because it did
5 afford the state to continue to collect those
6 revenues.

7 ASSEMBLYMAN THIELE: Do you have any
8 sense of what the impact of -- you know, any
9 numbers as to what the impact of the internet
10 sales tax authorization was? They've been
11 hard to come by. Do you have any estimates
12 on that?

13 MR. ACQUARIO: I think it was pegged
14 at \$350 million.

15 ASSEMBLYMAN THIELE: Okay, thank you.
16 You mentioned community colleges, and
17 I think we really need to take care of our
18 community colleges. I think as we come out
19 of the pandemic and we go to economic
20 recovery, our community colleges have the
21 potential to be a vital force in retraining
22 and getting the economy going again.

23 Could you be a little bit more
24 specific as to what you'd like to see the

1 Legislature do? You mentioned having, you
2 know, the floor there, the 98 percent. But
3 as far as what we should do with, you know,
4 aid full-time equivalent? Do you have a
5 sense of what you'd like to see?

6 MR. ACQUARIO: Ryan, do you want to
7 take the question?

8 MR. GREGOIRE: Sure.

9 Assemblyman, nice to you. Ryan
10 Gregoire here with the association.

11 ASSEMBLYMAN THIELE: Good to see you,
12 Ryan, how are you?

13 MR. GREGOIRE: Doing well, thanks.

14 I think we really want to preserve
15 that funding floor for community colleges at
16 98 percent. That's -- that's critical. That
17 floor has been removed in the Governor's
18 Executive Budget proposal. We would ask that
19 the Legislature restore that. And I believe
20 that that amounts to about an \$11 million
21 cut.

22 ASSEMBLYMAN THIELE: So in this year,
23 given the current trends, that floor is more
24 important than anything with regard to the

1 FTE.

2 MR. GREGOIRE: Absolutely.

3 ASSEMBLYMAN THIELE: Okay. I'm going
4 to switch topics here again a little bit.

5 And, you know, with the pandemic and
6 all the changes we had to make to Election
7 Law, early voting was incredibly important
8 and incredibly popular this year. And, you
9 know, there's the prospect of more election
10 reforms.

11 What do you see for the counties and
12 the county boards of elections? What should
13 we be looking at going forward to make sure
14 that our county boards of elections have the
15 resources they need, not just to, you know,
16 update and for these reforms, but to meet the
17 needs in the future? It's obviously a
18 changing playing field on how elections are
19 conducted. What do the counties need, what
20 do the boards of elections need?

21 MR. ACQUARIO: Well, I'll respond to
22 that and then I'll ask Ryan Gregoire again,
23 the NYSAC legislative director, to give his
24 perspective on this.

1 I think that you did a good thing.
2 The State Legislature properly prepared an
3 option for our citizens to vote. It worked.
4 We had some problems, but it worked. We did
5 not get that second round of administrative
6 funds that we had hoped to get in the
7 Governor's budget.

8 I think that's what we would ask of
9 you, is to do another small appropriation, I
10 don't know if it's five or 10 million --
11 \$6 million? Ten million dollars, Ryan
12 Gregoire is telling me.

13 ASSEMBLYMAN THIELE: It keeps going
14 up.

15 (Laughter.)

16 MR. ACQUARIO: It keeps going up,
17 right. Will I hear 20? But we'll say
18 \$10 million.

19 I think -- and then phase that out. I
20 think that if you continue to do -- you did
21 it in Year 1. I think it's worthy of
22 investing in Year 2, but then step that down
23 over time. And then the maintenance costs,
24 the storage costs of these machines, and

1 transportation costs, operational costs of
2 running these early voting operations.

3 You did a cleanup bill earlier in the
4 year on where certain polling locations had
5 to be for early voting, and we thank you for
6 passing that bill. And I think you did a
7 wonderful job and allowed folks an
8 opportunity to participate in the democracy.
9 So you're to be commended and congratulated,
10 and thanks for raising this issue.

11 We will survey the boards of elections
12 and see if we can come up with some ideas and
13 report both to you and Senator Gaughran in
14 the Senate, and the Election Committees of
15 the Legislature as well, as to our findings.

16 ASSEMBLYMAN THIELE: Thanks.

17 I've got one last question, and it has
18 to -- it's been brought up a couple of
19 different times during the testimonies today.
20 But vaccine distribution, which of course the
21 counties play a role in, the county health
22 departments are playing a role in.

23 There's a lot of frustration out
24 there. Mayor de Blasio said really the city

1 and the counties need more flexibility with
2 regard to vaccine distribution.

3 What are you hearing from your
4 counties, and what can the state be doing to
5 improve this rollout?

6 MR. ACQUARIO: Yeah, this is -- this
7 is the -- the whole thing, right. I think
8 that the Governor has done a great job of
9 centralizing this process. This is a very
10 complicated system here. But the present
11 state system, called CDMS -- the "am I
12 eligible" system -- was never designed for a
13 mass pandemic, ever. So the system crashed
14 multiple times. They're doing the best they
15 can with the technology that they had.

16 But we have to do a better job of --
17 especially on the 15th of February, when we
18 begin to open up to 10 million New Yorkers
19 who become eligible on the 15th of February.
20 And so we need to do a better job to allow
21 people to access appointments, whether it's
22 on a phone -- our older populations don't
23 know how to use computers and things of that
24 nature, so we have to make it easier.

1 I do want to say this. As vaccine
2 eligibility expands, there's a lot of
3 confusion among residents regarding where to
4 go to get an appointment, particularly the
5 65-and-older population and those living with
6 comorbid conditions. Eligible residents are
7 unsure where to get vaccinations, and the
8 local health departments lack the critical
9 information needed to direct these
10 individuals to vaccine sites within their
11 community.

12 We respectfully ask for a list of
13 county-level approved vaccine providers and
14 the number of weekly vaccine allocations, so
15 that we are aware of capacity, and the
16 distribution within our jurisdiction.

17 Two, we need to have access to
18 county-level data that indicates how many
19 residents have been vaccinated, with a focus
20 on health equity.

21 And then lastly, we implore the state
22 to remove the barriers to allow access and
23 allow the local health departments to
24 vaccinate all eligible populations to ensure

1 that we remain true to New York's focus on
2 health equity for those populations most
3 impacted by COVID-19.

4 We're going to continue to advocate
5 with the Governor to increase the vaccine
6 production, and we need the federal
7 government to provide us more funding for
8 education on the safety and the efficacy of
9 the vaccine, because our minority populations
10 still are not taking it from the data that we
11 have seen. So we have to have a better job
12 of communication as to why this is so
13 important.

14 ASSEMBLYMAN THIELE: Thank you, Steve.
15 Thank you, Ryan. Much appreciated.

16 MR. ACQUARIO: Thank you.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 To the Senate.

19 CHAIRWOMAN KRUEGER: Thank you.

20 We're going to our chair of Local
21 Governments, Senator Jim Gaughran.

22 SENATOR GAUGHRAN: Thank you,
23 Madam Chair.

24 And Steve, thank you so much for what

1 you do and for your testimony today.

2 You touched a little bit on some of
3 the Governor's proposals for shared services
4 and for, you know, piggybacking contracts.
5 And one of the things I've noticed in general
6 with the budget, one of the few areas in the
7 state budget where we haven't as a state
8 expended what has been appropriated, or even
9 come close, is the money that the state
10 allocates for the shared service programs.

11 Is there anything else we should be
12 doing besides what the Governor is proposing?
13 Is there other legislation we could pass? I
14 mean, what can we do to try to encourage, you
15 know, more shared services, you know, within
16 a county with the different municipalities?

17 Nassau and Suffolk, we've got so many
18 different special districts -- you would
19 think there would be a way we could get more
20 savings.

21 MR. ACQUARIO: Yes, there's an
22 appropriation in there. It's sort of -- you
23 know, I call it a dry appropriation. In
24 other words, it's not been used as much as

1 one would have hoped. And I would think the
2 Governor would agree with that.

3 Some flexibility would help,
4 Senator -- and thanks for raising this
5 issue -- would help the counties to work with
6 local governments and municipalities to
7 develop and implement shared service
8 projects. I'd like to work more with
9 volunteer fire departments.

10 I think the fire service industry is
11 really in need of immediate attention to
12 consider countywide fire districts and how we
13 could use some of these shared services funds
14 to study this, to do more enhanced work with
15 EMS operations. I think that we see that on
16 the horizon as being a very serious issue to
17 be looked at.

18 So we request you incorporate some
19 flexibility changes, make the process
20 optional for some counties who can't convene
21 a local government panel in a given year and
22 not make it a mandatory -- let me just you
23 give a couple of quick examples.

24 In Broome County, Broome County

1 created a BOCES pharmacy purchasing
2 coalition. They saved \$3.1 million. In
3 Cattaraugus in Western New York, they saved
4 nearly a million from establishing a joint
5 equipment materials purchasing program. Or
6 Ontario County in Western New York, a quarter
7 of a million dollars from shared health
8 officers and employee assistance programs.
9 In Sullivan County, \$100,000 savings from
10 housing their department of motor vehicles
11 and the sheriff's office together.

12 We think the future is ripe with work
13 around health insurance consortia, designed
14 to reduce costs, participate in
15 pharmaceutical prescription programs, and
16 consolidate emergency communications --
17 again, fire and ambulance services and
18 dispatch operations, among other things.

19 So those types of categories I think
20 are really important as we continue to look
21 at shared services.

22 SENATOR GAUGHRAN: Okay, so maybe
23 Assemblyman Thiele and I can follow up with
24 you and see if we can get some more specifics

1 so that we can really fine-tune some
2 legislation to help make this more of a
3 reality.

4 So my colleague Assemblyman Thiele
5 talked a lot about sales tax. What's going
6 on with property tax? I know in many
7 counties it is not the biggest portion of the
8 budget, but what, you know, we are seeing is
9 a lot of people not paying their property
10 taxes, we're seeing a lot of commercial
11 buildings are now vacant with retail leaving,
12 big box centers, empty shopping centers,
13 empty main streets, concern about a lot of
14 tax certiorari cases going to come in.

15 What are you hearing from the
16 counties, any concern about that?

17 MR. ACQUARIO: Yeah, thank you,
18 Senator, for that question. It's a serious
19 issue. We've seen the commercial market
20 change dramatically in the City of New York.
21 It's happening around Main Street in the rest
22 of the state in this new economy.

23 And where we go, we'll likely see
24 what's called a dark store theory, meaning

1 some of these buildings that were designed
2 for a certain purpose -- if you just think
3 about a pharmacy or a drugstore, that's
4 designed for a certain purpose. And these
5 types of commercial properties will likely
6 want to argue that with their change in
7 business nature, they shouldn't be taxed at
8 the level that they are right now, they
9 should be taxed at a different, much-reduced
10 level because that building might not be used
11 for the purpose that it was in prior years,
12 with this new economy.

13 So it's a very serious issue. The
14 counties have been able to stay within the
15 state property tax cap. We have no issues
16 with the property tax cap. We are loath to
17 raise property taxes, and we've all stayed
18 under the property tax cap that the state has
19 imposed.

20 I'm going to go to Dave Lucas, our
21 director of intergovernmental affairs, to
22 continue to provide some color on the
23 property tax situation.

24 Dave?

1 MR. LUCAS: Yes. I mean, for the most
2 part we haven't seen the huge impact that
3 we're seeing in New York City right now for
4 the counties, but we are concerned about the
5 long-term tail of the pandemic, especially on
6 the service industries, the restaurants and
7 the small retailers on Main Street.

8 As those places are vacant, until the
9 economy is completely back to normal and
10 people are comfortable going out and shopping
11 and doing things -- which we believe could be
12 late 2021 or into 2022 before you see that --
13 some of those properties are going to remain
14 empty and not producing for the property tax
15 rolls. So we do have concerns about that,
16 and we're hoping that some of the proposals
17 in the Governor's budget and federal
18 assistance might help revitalize some of
19 those areas.

20 But we are watching it. We haven't
21 seen the drop-off yet, but we really won't
22 know until further into the year.

23 SENATOR GAUGHRAN: Okay. Well, thank
24 you both.

1 And I see a bunch of my colleagues
2 have now raised their hands, so I'm going to
3 donate time back to the State Legislature.

4 MR. ACQUARIO: Thank you, Senator.

5 SENATOR GAUGHRAN: Thank you.

6 CHAIRWOMAN KRUEGER: Thank you very
7 much. Assembly.

8 CHAIRWOMAN WEINSTEIN: We go to
9 Assemblyman Ra, five minutes.

10 ASSEMBLYMAN RA: Thank you, Chair.

11 So I just wanted to go back to some of
12 the sales tax issues, in particular the
13 diverted sales tax. And you have a great
14 chart in your written materials which I think
15 is helpful, but I just wanted to verify what
16 is included in that. Is that the -- that's
17 the distressed hospitals and the AIM related
18 payments. Does it include the additional
19 AIM-related payments that would be diverted
20 under this budget proposal?

21 MR. LUCAS: Yeah, that -- if it's the
22 chart with the green bars to the far right,
23 that's strictly --

24 ASSEMBLYMAN RA: Yeah, right on page 4

1 in your material.

2 MR. LUCAS: Yes, this is -- these are
3 the diversions on a calendar-year basis. So
4 this includes both the diversions for the
5 Distressed Hospital Fund and also the
6 AIM-related diversions.

7 It does not include the new ones,
8 because they're not law yet. So we have a
9 separate chart in the document for that.

10 Parts of the reason it's -- the
11 state's taking almost two full years of
12 diversions in calendar year 2021, because
13 they delayed the hospital fund diversion
14 until early February, but then they're going
15 to do three quarterly ones as we go forward
16 in the year. So it really piles up in the
17 2021 calendar year for counties.

18 We do have the separate chart, as I
19 said, for the AIM-related for the new
20 proposal. We couldn't put them all on one
21 chart right now. I could do that if you'd
22 like that.

23 ASSEMBLYMAN RA: Well, where -- I
24 didn't see the second one.

1 MR. LUCAS: We could send you a second
2 one that shows the AIM-related diversions in
3 the Governor's proposal.

4 ASSEMBLYMAN RA: Okay, that would be
5 great, because this has been definitely a
6 major concern over the last few years to
7 have -- you know, two years ago it was the
8 shift in AIM, and then distressed hospitals,
9 and now more of it.

10 And it just becomes even more of a
11 problem when you obviously look at the loss,
12 you know, of some sales tax revenue over the
13 last year by closures and things of that
14 nature. And it's, you know, like
15 Chair Thiele said, these are state
16 obligations that are being pushed more and
17 more onto the counties.

18 I want to just shift to one other
19 issue. Obviously we've dealt with or we've
20 had proposals over the last several Executive
21 Budget proposals with regard to recreational
22 marijuana. And I'm just curious if you have
23 any thoughts on the opt-out provision; in
24 particular, whether that time frame is one

1 that is sufficient, you know, for a
2 municipality to really do their full due
3 diligence as to whether or not they would
4 want to opt out, you know, weighing the pros
5 and cons.

6 Assuming this were to become law, they
7 have to, you know, really decide whether they
8 want to have the regulated businesses within
9 their municipality, but they're still
10 obviously going to be dealing with some of
11 the other implications of this coming, even
12 if they don't have legal sales within their
13 county.

14 MR. ACQUARIO: I think it's a very
15 public policy issue that you're debating.

16 We -- we have a split family, if you
17 will, at the county government level: Strong
18 concerns from the public health departments,
19 mental health departments, the substance
20 abuse provider community, the mental health
21 provider community at the county level,
22 sheriff and law enforcement, you know, pretty
23 strongly against this policy issue area.

24 However, we -- the other elected

1 officials, you know, are really largely
2 deferring to the State Legislature. This is
3 a matter of state public policy for you to
4 decide. We're going to execute what it is
5 that the state does with this.

6 The two issues I wanted to just raise
7 with this issue -- and one, for Chair
8 Krueger, is to strongly urge Senator Krueger
9 and the Senate body as well as the
10 Assembly -- I know how much work
11 Senator Krueger has put into this, but to
12 consider just a simple sales tax transaction
13 at point of sale. A rising tide floats all
14 boats, and that is shared with all the local
15 governments across the state. And we feel
16 it's an equitable manner.

17 There is an issue with the host
18 county -- a host municipal fee that you might
19 want to consider as well, for the host. So
20 that was one issue.

21 And to your point, Assemblyman -- and
22 thank you for all that you do as the ranking
23 member of the Assembly Local Government
24 Committee and in Nassau County, protecting

1 Nassau County, is we didn't ask for the
2 county opt-out, nor do we support it. I
3 think it's a municipal opt-out that it should
4 be. It should be done at the municipal
5 level.

6 It seems that for the regional
7 government to make that decision to prohibit
8 the sale, the cultivation, the distribution,
9 the point of dispensary for all of the local
10 governments within that county, causing sort
11 of a patchwork approach with people driving
12 across county lines and stuff like that -- I
13 think it just causes too much confusion, and
14 I think it should be done on a municipal
15 level.

16 So I apologize for the long answer --

17 ASSEMBLYMAN RA: Meaning the local
18 zoning entity?

19 MR. ACQUARIO: Meaning the town, city
20 or village. Not the county.

21 ASSEMBLYMAN RA: All right. Thank you
22 very much.

23 MR. ACQUARIO: Thank you, sir.

24 CHAIRWOMAN WEINSTEIN: Back to the

1 Senate.

2 CHAIRWOMAN KRUEGER: Unmuting.

3 And our next questioner is Senator
4 Tom O'Mara, ranker on Finance, five minutes.
5 Thank you.

6 SENATOR O'MARA: Thank you.

7 Good evening, Steve. Great to see
8 you.

9 MR. ACQUARIO: Good evening.

10 SENATOR O'MARA: Thank you for your
11 advocacy on behalf of our counties here.

12 I just want to say that I fully agree
13 with your concerns over the sales tax
14 intercept. It's a very bad precedent that we
15 have started, and we need to curtail that as
16 quickly as possible. I'd like to see it
17 curtailed in this budget this year. It's
18 totally unfair to the -- basically stealing
19 the counties' collective sales taxes.

20 I also want to thank you for your
21 comments regarding community colleges and the
22 importance of having a floor that they can't
23 go beneath in their funding for this coming
24 year that we had a year ago. I think that's

1 going to be critically important to sustain
2 the framework of our community colleges,
3 because the full-time enrollments are going
4 to be significantly down, I believe. So I
5 thank you for that advocacy there as well.

6 I want to do follow up a little bit on
7 some of the questioning regarding vaccines.
8 From the five counties that I represent in
9 the Southern Tier and Finger Lakes region,
10 I've been hearing a lot of discord,
11 discontent from our counties, the county
12 health departments, in regards to being a
13 real active and full player in the vaccine
14 distribution and administration within the
15 counties.

16 I've been hearing that -- I mean, the
17 counties are getting a very low number of
18 vaccines themselves directly, and that's a
19 matter of supply and their being distributed.
20 And that's going to improve over time, and I
21 get that. And as that comes, I believe that
22 the counties at least that I'm familiar with
23 are prepared and ready to really ramp up
24 vaccine administration.

1 But they're getting information right
2 now, basic information from the state of
3 what's actually coming into their county and
4 what's being distributed -- what's coming
5 into the hospital, what's coming into the
6 various pharmacies, what has come into the
7 nursing homes.

8 And there is no seeming coordinated
9 effort by the counties in this process, in
10 that they're not really being a real active
11 player with the state on this. What's your
12 perception on this from the rest of the
13 counties in the association, and what do you
14 feel about that?

15 MR. ACQUARIO: Well, it's the
16 number-one complaint that we have. It's
17 getting better, Senator. And thank you for
18 raising -- I'm familiar with what happened in
19 your Senate district with the counties and
20 the disappointment with the number of -- the
21 allocation process and how they're considered
22 a partner.

23 Look, the counties were ready to go
24 when the pandemic hit on March 15th last

1 year. We hit the ground running immediately,
2 and then our executive powers were taken away
3 by way of a state executive order, and so we
4 lost the ability to address the pandemic
5 immediately with local powers.

6 At the same time as we come through
7 this stage of the pandemic, we were prepared
8 fully to vaccinate the entire population. We
9 were surprised that we were not the primary
10 vehicle and that, rather, the hospital
11 system -- who's not equipped to provide
12 vaccine administration throughout the county,
13 but is rather in charge of caring for those
14 that are sick within the hospital system.

15 But the Governor has seen this, he's
16 listened to us on certain changes, he's been
17 very agreeable when we bring things to him.
18 But I think that we have to have their full
19 attention about the capacity, the true
20 capacity that in some parts of the state,
21 what they truly can do. Especially as we go
22 towards the comorbid population on Monday
23 night, on February 15th, what we are able to
24 do to truly serve the public at large.

1 We have more capacity in certain parts
2 of the state. Certain rural areas in your
3 district still need the state's role, but I
4 think the health departments in the larger
5 counties can and should be doing more.

6 SENATOR O'MARA: Thank you, Steve.

7 MR. ACQUARIO: Thank you, Senator.

8 CHAIRWOMAN WEINSTEIN: We go to
9 Assemblyman Jacobson, three minutes.

10 ASSEMBLYMAN JACOBSON: All right. You
11 can hear me now?

12 MR. ACQUARIO: Yes.

13 ASSEMBLYMAN JACOBSON: Very good.

14 Thank you, Madam Chair. I know that
15 you and the other chairs and rankers have put
16 in a long day.

17 And gentlemen, thank you for your
18 testimony and your advocacy.

19 I don't have much time, so I will
20 limit my concerns to two issues, the
21 inadequate funding for our county boards of
22 elections, and the unfair way the Governor is
23 funding AIM, Aid and Incentives to
24 Municipalities.

1 We've passed many great voting reforms
2 in the past two years, from nine days of
3 early voting to automatic registration and
4 absentee ballot reform, including the ability
5 for voters to secure their ballots. These
6 reforms have been hugely successful, with
7 more registered voters and more people voting
8 than ever before. And we are continuing to
9 pass reforms to make voting simpler and
10 easier.

11 But as laudable as these reforms have
12 been -- and I strongly supported all of
13 them -- these reforms all mean additional
14 costs for the counties, for the county boards
15 of elections, for more poll staff, for more
16 staff, more space and more equipment,
17 including e-poll books, printers and voting
18 machines.

19 For example, in Orange County staffing
20 was increased at the board by 30 percent, and
21 now the voting machines are out of warranty
22 and they all need to be replaced. They also
23 need an increase of e-poll books and printers
24 by 15 percent, due to the increased number of

1 voters.

2 I've been advocating for additional
3 funding, and I hope you will also advocate
4 for additional funding to the county boards
5 of elections. We must do more than just
6 enact legislation. We must fund the
7 requirements rightfully imposed on our boards
8 of elections.

9 Concerning AIM, I strongly disagree
10 with the Governor's proposal to partially
11 fund AIM through the use of part of each
12 county's sales tax. Not only will this
13 proposal mean less money for the counties to
14 use, the towns, cities and villages -- and in
15 some counties, even school districts -- will
16 lose money.

17 Most if not all counties have a sales
18 tax sharing agreement with their cities,
19 towns and villages, and some also share with
20 their school districts. They will lose
21 money, since the counties will have less to
22 share.

23 I strongly oppose this misguided
24 funding mechanism and hope your organization

1 will join me in this budget battle. Thank
2 you.

3 MR. ACQUARIO: Thank you, Assemblyman.

4 I'll just add, really appreciate all
5 of your collective efforts, but in particular
6 yours, Assemblyman, in bringing this up, that
7 we do need recurring operating aid for the
8 county boards of elections, especially as we
9 add more locations.

10 And I want to also say that the impact
11 by the AIM proposal, it's a mixed bag.
12 Thirty-five counties will realize savings
13 from this proposal by our Governor, ranging
14 from 7,000 in savings to a high of a
15 million-six in savings -- but 22 counties
16 will experience increases in costs ranging
17 from a reduction of \$1100 to loss of
18 \$223,000.

19 It does result in a net savings of 5
20 million for all of the counties across the
21 state, but the way that it hits different
22 counties -- again, as the Conference of
23 Mayors testified earlier, there should be a
24 state obligation to assist its local

1 governments directly with revenue-sharing
2 aid. The City of New York lost that
3 revenue-sharing aid a decade ago.

4 And similarly with the sales tax.
5 It's a very dangerous precedent to begin this
6 process of diverting local sales tax for
7 state obligations.

8 Thank you again very much.

9 ASSEMBLYMAN JACOBSON: Thank you.

10 CHAIRWOMAN WEINSTEIN: We go back to
11 the Senate.

12 CHAIRWOMAN KRUEGER: Excuse me.

13 Senator Rath, our Local Government
14 ranker.

15 SENATOR RATH: Thank you, Madam Chair.

16 And good evening, Steve. It's good to
17 see you. It has been a while since we've
18 talked, but it seems like yesterday when I
19 was at the NYSAC County Officials Training
20 and Education, which was 2008, if you can
21 believe that.

22 But I want to thank you for all your
23 leadership and all your advocacy for what you
24 do on behalf of NYSAC. And it's very

1 critical, your voice and your leadership,
2 advocating for our counties.

3 I want to piggyback a little bit on
4 what's been talked about earlier on with the
5 local aid payments. And this has been really
6 in many ways the order of the day, with the
7 AIM money and the CHIPS money and the
8 20 percent that the Governor withheld.

9 And he indicated that between the
10 release of his Executive Budget and
11 March 31st, 15 percent would be reimbursed
12 back of that 20 percent that's been withheld.

13 And I'm curious if there has been any
14 conversations, any discussions, any clarity
15 as to when that money would be released that
16 the Division of Budget may have shared
17 anything with our municipalities. Because
18 I'm getting calls, and I'm sure many others
19 are as well, as to where is this money that's
20 due to us.

21 MR. ACQUARIO: Thank you, Senator.

22 And let me say that we lived through
23 2020 in terrible fear as local government
24 officials. We are the direct line response

1 to the pandemic. Nobody worked harder in
2 this pandemic than county government
3 officials. I'll say it again: Nobody worked
4 harder to save the people of the State of
5 New York, worked harder than county
6 government elected officials. And public
7 health staff, emergency management staff.

8 But we had to face a public health
9 crisis and threat back in March of 2020 and
10 to this day, but we also had that economic
11 uncertainty of the loss of our economy as we
12 knew it, as the businesses closed up, as the
13 revenue streams changed dramatically and
14 swung wildly. We also had this looming
15 threat of a 20 percent across-the-board --
16 which meant \$600 million being cut to the
17 counties.

18 That's how we governed during 2020, in
19 pure unadulterated fear. We governed through
20 fear that we would lose that. And we had to
21 lay off 200 employees in Erie County alone.
22 It was a dangerous time in many ways.

23 We're very grateful that Governor
24 Cuomo never had to implement that withhold of

1 20 percent and rather is now stating it's a
2 5 percent. He has suggested, and the Budget
3 Director has confirmed, that it would be made
4 up in the fourth quarter. What that means is
5 sometime before the end of March of '21, that
6 that 15 percent would be returned.

7 SENATOR RATH: Okay, thank you. And I
8 couldn't agree with you more in your comments
9 about the role and the importance and the
10 necessity of what our counties do and the
11 services that they provide.

12 And the clock gave me five minutes,
13 but I'm going to be respectful of all of my
14 colleagues' times and only take three. So
15 thank you very much again for your comments,
16 and look forward to keeping in touch with
17 you.

18 MR. ACQUARIO: Thank you, Senator.

19 SENATOR RATH: Thank you.

20 CHAIRWOMAN KRUEGER: And thank you,
21 Senator, for ceding the time back.

22 Assembly?

23 CHAIRWOMAN WEINSTEIN: Great. Thank
24 you.

1 Assemblywoman Woerner, three minutes.

2 ASSEMBLYWOMAN WOERNER: Hi, Steve.

3 Very nice to see you.

4 Thank you, Chairwoman Weinstein and
5 Chairwoman Krueger, for the persistent work
6 that you are doing throughout. Thank you
7 very much.

8 I would lend my voice, of course, to
9 the comments that were made earlier about the
10 community college floor and funding for the
11 county boards of elections. I wanted to
12 follow on what Senator Gaughran asked about.
13 Are we seeing an increase in tax liens,
14 particularly among rental properties?

15 MR. ACQUARIO: Dave?

16 MR. LUCAS: We'll have to check on
17 that and see. It hasn't been brought to our
18 attention on a broad scale.

19 ASSEMBLYWOMAN WOERNER: Okay. So it
20 has not yet become a problem.

21 MR. ACQUARIO: We don't -- we don't
22 know.

23 ASSEMBLYWOMAN WOERNER: We don't know.

24 MR. LUCAS: No.

1 ASSEMBLYWOMAN WOERNER: I'd appreciate
2 that information if you had it.

3 The VLT cuts, can you speak to what
4 the impact of those VLT cuts will be?

5 MR. ACQUARIO: Yes, I can, and thank
6 you.

7 And again, this was a commitment when
8 this was an enactment of the Legislature. We
9 have constitutional issues at play here. We
10 rely on what you do as a contract. When the
11 state passes a law and it's done for a
12 particular reason, abiding by the state's
13 constitutional provisions regarding gaming --
14 I mean, this -- it really matters.

15 When these deals were made, what it
16 means to the host municipality -- in the
17 City of Yonkers it's \$19 million in 2020,
18 \$18 million in 2021. The City of Batavia,
19 \$440,000. The Town of Batavia, \$160,000. In
20 Genesee County, \$200,000. In Erie County,
21 the Town of Hamburg, \$866,000. Erie County
22 itself, nearly \$300,000. In the Finger Lakes
23 region, the Town of Farmington, a
24 million-seven. In Ontario County alone,

1 \$591,000. In Monticello, the village,
2 \$291,000. The Town of Thompson, \$635,000.
3 Sullivan County, where the casino is located,
4 \$309,000.

5 In the City of Saratoga Springs, no
6 surprise to you, Assemblywoman, the City of
7 Saratoga Springs, \$2.3 million. That means
8 an awful lot to that city. And to the County
9 of Saratoga, \$775,000.

10 In the Village of Vernon, near
11 Vernon Downs, \$137,000; the Town of Vernon,
12 \$232,000. In the County of Oneida, \$257,000.

13 It's a very important impact to us.
14 It's a total impact of about \$9.3 million,
15 split amongst 15 municipalities and six
16 counties.

17 ASSEMBLYWOMAN WOERNER: Thank you.
18 It's a lot of money.

19 I have only seconds left, so I'm going
20 to give them back. Thank you.

21 MR. ACQUARIO: Thank you.

22 CHAIRWOMAN KRUEGER: Thank you.

23 CHAIRWOMAN WEINSTEIN: We go back to
24 the Senate.

1 CHAIRWOMAN KRUEGER: Thank you. We
2 have our chair of All Cities But New York,
3 Jeremy Cooney.

4 SENATOR COONEY: Thank you. Thank you
5 very much, Madam Chair.

6 And Steve, it's nice to meet you.
7 I've heard so much about you over the years.
8 Greetings from Monroe County and our
9 wonderful County Executive Adam Bello.

10 So we have a new committee, as the
11 chair mentioned, Cities 2, which is focused
12 on cities outside of the City of New York.
13 And I'm very grateful to have the opportunity
14 to work with you and NYSAC to talk about some
15 of the issues that communities have faced and
16 I think have gotten forgotten. And some of
17 my colleagues have already mentioned those
18 today, and you mentioned them in your
19 testimony as well.

20 Because I'm a local government guy. I
21 worked at City Hall in Rochester as chief of
22 staff for a number of years and so worked
23 closely with then-County Executive Cheryl
24 Dinolfo, who I know is close to you, and

1 tried to understand some of the challenges
2 that communities are facing.

3 One thing in preparation for our time
4 together today, I read a report on a priority
5 for NYSAC that talked about kind of this
6 blue-ribbon panel or commission that would
7 redesign kind of state and local service
8 delivery. And I was wondering if you could
9 go a little bit into more depth on that.

10 And what is the ideal service delivery
11 model that we're striving for? Is there a
12 model outside of New York that we could be
13 learning from?

14 So I welcome your comments.

15 MR. ACQUARIO: Well, thank you. And
16 thank you and congratulations on the new
17 committee.

18 Look, I represent -- work with county
19 governments all the time. We have
20 jurisdiction with town governments, with
21 boards of supervisors -- for instance, right
22 below you, with Ontario County. That's a
23 board of supervisors form of government. We
24 respect the towns and the counties

1 relationship.

2 But so too, Assemblyman, do we respect
3 the city role. And I'll tell you, I admire
4 Lovely Warren, the mayor of Rochester. I
5 admire her commitment to the city, to the
6 people of that city, what she has done for
7 the people of that city and leading through
8 the crises that have confronted that city,
9 and I truly feel bad for her and I wish her
10 well as she continues to do such an excellent
11 job leading.

12 And the county executive in his new
13 start there is off to a fabulous start
14 serving the people of Monroe County, and
15 especially using the U.S. CARES money that he
16 received to work through the pandemic.

17 I think that when we look at how
18 things have always been done, New York is an
19 outlier in the nation in what we ask our
20 counties to do. No county -- no state in
21 America requires the counties of the local
22 taxpayers to fund \$7.5 billion in local taxes
23 for a federal Medicaid program. It's off the
24 chart. New York's local governments pay more

1 than the 3,000 counties of the United States
2 combined.

3 So that's disproportionate. We also
4 have issues with preschool special education,
5 and I know the county executive of Monroe has
6 talked an awful lot about the rates that are
7 given for providers in Monroe County and how
8 he wants to see if we can increase the rates
9 for the providers of preschool special
10 education and that no child should ever be on
11 a waiting list to get special education,
12 physical therapy, occupational therapy
13 services. That's shameful that we're in this
14 position where we're driving providers out.

15 But we have to look at the system of
16 how we're operating these programs in
17 preschool special education, early
18 intervention, the other programs of social
19 and human services that the counties run, and
20 look and see if we can do a better job. Is
21 there programs that the State of New York
22 should assume more responsibility? Is there
23 programs that the counties should assume more
24 responsibilities?

1 We thought that this blue-ribbon task
2 force of Republican and Democrat, of urban
3 and suburban, should convene and talk these
4 issues through. This pandemic taught us a
5 lot of things, and one thing it taught us is
6 what we know to be true might not be true
7 tomorrow.

8 I'll end it by saying healthy and
9 strong cities mean healthy and strong
10 counties. We need our cities to be
11 economically vibrant and healthy.

12 SENATOR COONEY: I appreciate that
13 collaboration between cities and counties. I
14 couldn't agree more.

15 I will editorialize just for
16 40 seconds left to say that you said the
17 pandemic has taught us so much. One of the
18 things to me that it has taught is that if we
19 let our counties -- if we got out of the way
20 as state government and let our counties do
21 what they're supposed to do and build on the
22 relationships that they already have and the
23 credibility that they already have in their
24 communities to administer -- whether it's

1 vaccines or whether it's information, we
2 would be in a better place than we are right
3 now so.

4 And so I strongly will look forward to
5 our continuing relationship as we work
6 between upstate cities and counties to build
7 a stronger economy for all. So thank you
8 very much.

9 MR. ACQUARIO: Thank you. I'll just
10 give a 20-second response to that comment.

11 We would all be amazed if we could
12 unharness and unleash the power of the county
13 governments to reorganize and reinvigorate
14 this economy and reestablish our communities.
15 We need to be unleashed and unharnessed to
16 truly innovate and create this new world that
17 we're going to be creating together as a
18 state and local governments.

19 I am very impressed with their
20 ability, very impressed with the county
21 executive of Erie in Western New York, who
22 received the special U.S. CARES Act funds,
23 and Monroe County, of what they did with
24 those funds and how to stabilize businesses

1 and the unemployed community and job training
2 and skills and public health programs and how
3 to better serve meals to those in need.

4 I was alarmed to realize and
5 understand how many families relied on their
6 school system for meals, for their breakfast
7 and lunch meals, and how the counties stood
8 that up. And I was alarmed at the lack of
9 responsibility that the counties had with
10 long-term care facilities and that they had
11 no jurisdiction over these facilities as we
12 went through this pandemic.

13 So there's a lot of things these
14 county governments can do to improve our
15 communities, and I look forward to helping to
16 achieve that --

17 CHAIRWOMAN KRUEGER: Thank you, Steve.
18 We have to cut you off to let the next person
19 ask you questions.

20 Assembly.

21 CHAIRWOMAN WEINSTEIN: We do have two
22 Assemblymembers.

23 First we go to Assemblywoman Kelles.

24 ASSEMBLYWOMAN KELLES: Hi. It's so

1 wonderful to see you again, Stephen and Dave
2 and Ryan, in this new context, very exciting.
3 Of course from my experience with you all now
4 I have a ton of questions. I could talk to
5 you for probably an hour, but I'm going to
6 jump right in.

7 I really appreciate the early
8 intervention comments that you've made, also
9 the support for community colleges, and
10 absolutely the collaboration between counties
11 and cities. And of course if the counties
12 were allowed to unharness their full power, I
13 100 percent agree with you it would be
14 amazing what they could do. So I'm in full
15 agreement.

16 I wanted to talk to you briefly about
17 the 911 next generation, specifically about
18 the diversion of cellular surcharges. I know
19 at least in my experience there's a lot of
20 conversion, of course, that's necessary. I'm
21 particularly concerned about the physical
22 infrastructure needs. A lot of them have not
23 been able to get up to speed because of the
24 need now for texting response, cellular

1 response.

2 Can you talk a little bit about the
3 costs that you're hearing that are needed
4 across the state with respect to the county
5 getting up to speed?

6 MR. ACQUARIO: Well, thank you. And
7 congratulations on serving the people of
8 Tompkins County and other counties that are
9 in your Assembly district.

10 Yes, this is an issue -- going back to
11 what Chair Gaughran was talking about in the
12 State Senate as the chair of Local
13 Government, he mentioned that Shared Services
14 fund. You know, if we're not using that
15 fund, I think that we should divert that fund
16 of shared services and move it over to the
17 exact program that you're talking about here,
18 to 911 emergency communication systems.

19 Again, the pandemic taught us a lot of
20 things. 911 dispatch is a disparate program
21 from Tompkins to Cortland to Broome to
22 Chenango to Nassau to Suffolk. It's a
23 different system. It's not a
24 one-size-fits-all approach. But technology

1 has changed so much and we have so many smart
2 devices that are not applying a surcharge to
3 it, and some that are. We have landlines
4 with antiquated 30-year-old tax-based or
5 fee-based systems for landlines at 30 percent
6 or 30 cents or a dollar. It's disparate for
7 each county.

8 Broome County has a higher rate, and
9 Cortland might have a higher rate, but
10 it's -- we should streamline this and do one
11 fee for everything and fix the amount of
12 devices that we can. We probably can lower
13 the fee, but apply it over a broader base and
14 better serve this technology system. It's
15 antiquated in many areas.

16 The state needs to hopefully move the
17 911 grants, the interoperable grants out. We
18 have been asking the state, there's been a
19 delay on that --

20 ASSEMBLYWOMAN KELLES: I'm going to
21 sneak in one other question for you, Steve,
22 because I'm hearing you and I totally agree.
23 But I also wanted to hear your response to
24 specifically allowing counties to combine

1 their jails and what the response is from
2 NYSAC. And also RTA costs, if you could talk
3 a little bit more about the costs and how the
4 state can support.

5 MR. ACQUARIO: Okay, I'll have Ryan do
6 the Raise the Age costs.

7 What was the first question? Jails.
8 We have a couple of counties -- and I applaud
9 the Governor for taking this on. Our census
10 in our jails is down, and that's a good
11 thing. To incarcerate someone is an absolute
12 horrible thing unless it's absolutely
13 necessary. And sometimes it is necessary
14 that an individual be incarcerated. But to
15 incarcerate individuals who shouldn't be
16 there was something that we're evolving from
17 and learning from the past.

18 The Governor advanced a proposal for
19 regional jails. It's a great question. We
20 don't have a comprehensive breakdown of how
21 many counties need to construct new
22 facilities right now, but we have heard from
23 several counties that they are interested in
24 pursuing joint ventures with their contiguous

1 county partners. I think it's worthy of
2 approving a pilot program, voluntary program,
3 to allow counties to work with one another in
4 a legal way, respectful of the constitution's
5 requirements to have to house a jail in every
6 county.

7 Ryan, quickly on the answer to Raise
8 the Age costs. Quickly.

9 MR. GREGOIRE: On Raise the Age,
10 Assemblywoman, we're pleased that the
11 Governor reappropriated the leftover funding
12 in that pool for counties.

13 We're going to continue to work to
14 reform that process, the criminal justice
15 process for our youth, and we're happy that
16 that funding was included in the Executive
17 Budget proposal.

18 ASSEMBLYWOMAN KELLES: Thank you to
19 you both.

20 CHAIRWOMAN WEINSTEIN: Thank you.

21 MR. ACQUARIO: I think the Governor
22 has done an outstanding job with implementing
23 Raise the Age for 16-, 17-, 18-year-olds.
24 He's done a great job.

1 CHAIRWOMAN WEINSTEIN: We go to our
2 last questioner, Assemblyman Rivera.

3 Jon? There he is.

4 ASSEMBLYMAN JONATHAN RIVERA: Good
5 evening.

6 MR. ACQUARIO: Good evening.

7 ASSEMBLYMAN JONATHAN RIVERA: Thank
8 you, Steve. So not too many tough questions
9 for you. I just want to applaud you for all
10 the work that you do at NYSAC.

11 You know, I come from county
12 government like Anna, like Senator Rath and
13 like a lot of other folks. And, you know,
14 back here in Erie County, being part of the
15 Poloncarz administration was a first-degree
16 education in government and it's really
17 prepared me for this venture that I'm in now.

18 So I say all that to say, you know,
19 I'm totally aware of the strife that counties
20 have, the sort of complexities with counties
21 and the obligations counties have, and how
22 many people interact with county government.

23 So all that being said, I know a lot
24 of conversations tend to be around dealing

1 with the immediate, dealing with everything
2 going on with COVID. But looking, you know,
3 three, four, five years down the road, what
4 are some of the things that we could be
5 thinking about in assisting counties with
6 sort of moving communities forward? Part of
7 me thinks about broadband, part of me thinks
8 about infrastructure.

9 And I know it's a bit of everything,
10 but, you know, what are your thoughts on sort
11 of, long term, things that we could be doing
12 to assist counties in what we do every day?

13 MR. ACQUARIO: Well, one of the things
14 that we think we should look at is a covered
15 lives assessment, an insurance assessment on
16 covered lives on third-party commercial
17 insurance that matches the Medicaid rate of
18 reimbursement for 75 percent.

19 I think special education, preschool
20 special education and early intervention is
21 an area that needs intense reform, and I
22 would encourage you to look at that.

23 I think as we continue to see stimulus
24 funding and follow it where the federal

1 government is going to put these funds and
2 these buckets in the healthcare industry,
3 long-term-care facilities and the
4 infrastructure that surrounds long-term-care
5 facilities -- I know you passed a bunch of
6 pieces of legislation this past week, but
7 that's an area that we need to continue to
8 look at.

9 What is the county role of an
10 ombudsman? How are we interacting with the
11 long-term-care facilities across our
12 communities? And the community college
13 system and the role of job training and job
14 skills. I think that's what's on the horizon
15 here. We have to follow where the federal
16 dollars will come and try to match those with
17 state and local resources.

18 And that's where I think we're going
19 to be heading over the next three years.

20 ASSEMBLYMAN JONATHAN RIVERA: Thank
21 you. And thank you for all the work you do.

22 MR. ACQUARIO: Thank you.

23 CHAIRWOMAN WEINSTEIN: Thank you,
24 Steve, and thank you for being here. And we

1 have no more questions. I'm sure there will
2 be some follow-ups. Always nice to see you.

3 So next we're going to the Association
4 of Towns of the State of New York,
5 Gerry Geist, executive director.

6 They'll bring him in here in a moment.

7 MR. GEIST: Good evening. You can --
8 okay?

9 CHAIRWOMAN WEINSTEIN: Oh, there he
10 is. Yes, go ahead. You're on.

11 MR. GEIST: Yes. Good evening,
12 Senator Krueger and Assemblywoman Weinstein
13 and the other members of the Assembly and the
14 Senate here today.

15 My name is Gerry Geist, and I'm the
16 executive director of the Association of
17 Towns. And once again I want to thank the
18 chairwomen and the committees in the State
19 Legislature for their consideration and their
20 always listening to the views of towns on the
21 Executive Budget.

22 As you know, towns play a significant
23 and essential role for meeting the needs of
24 its diverse citizenry of almost 9 million

1 New Yorkers. We represent small communities
2 and very large communities. Regardless of
3 population, all towns must continue to
4 provide essential services each and every
5 day, whether it be police, highway, code
6 enforcement, library services, or helping
7 with youth and seniors.

8 We can't be prouder of the herculean
9 efforts demonstrated by our town officials
10 during the last year. We fully understand
11 and appreciate the unprecedented challenges
12 facing our great Empire State. Towns cannot
13 meet the challenges of providing services
14 every day without the assistance of the
15 state. Our mantra this year simply is we are
16 all in this together. And we believe that
17 that can be only best served if the state
18 partners with towns in making sure that the
19 delivery of essential services to all New
20 Yorkers is carried out to all localities of
21 the State of New York.

22 Our association has been a strong
23 advocate asking for federal COVID relief not
24 only to go to the state, but that some

1 portion of it go directly to localities,
2 because we need the money. And as you know,
3 we've also been a strong supporter of the
4 SALT relief, to have that back in the tax
5 code so that New Yorkers can still have the
6 dream of owning a home and deducting the
7 expenses in order to make that dream
8 possible.

9 And tonight we want to focus our
10 testimony -- and keep it as short as
11 possible, obviously -- to AIM-related
12 payments, CHIPS and cannabis. And you can
13 look at our written testimony for more
14 details on it.

15 Obviously everyone you've heard from
16 today has been a clarion cry against the
17 Governor's proposal to shift AIM funding and
18 to reduce AIM-related payments by 20 percent.

19 We can't start a discussion of
20 AIM-related funding unless we know the
21 history of it. It was only a couple of years
22 ago that the Governor shifted the majority of
23 towns to an AIM-related program that was no
24 longer funded by state revenue. It was now

1 to be funded by a sales tax stream through
2 the county, using internet sales tax and
3 regular sales tax. So AIM-related funding
4 does not come from state resources.

5 So we know the Governor and the
6 executive chamber know this, because last
7 year when they imposed a 20 percent cut on
8 those who were still in the AIM program, they
9 couldn't touch the AIM-related funding
10 because it wasn't state resources. So now
11 they're seeking to take that 20 percent away
12 in this year's budget.

13 They ought to have a rationale why,
14 number one, that they can take it away from
15 non-state resources and, number two, what is
16 the rationale for them asking for that
17 reduction? And quite candidly, they should
18 restore the monies -- not the 15 percent,
19 they should restore all the monies they took
20 last year. Cutting AIM-related payments will
21 not save taxpayers any money.

22 Now, what's interesting about this
23 program, what is the AIM funding really used
24 for? It's used for providing essential

1 services every day to towns and their
2 residents. We've lost so many dollars in
3 revenue last year -- no parks, no courts, no
4 libraries open. All these resources dried up
5 and we had to dip into reserves in order to
6 meet the needs of the public.

7 We need this money so we can continue
8 being on the front lines delivering police,
9 code enforcement, library services, rec
10 programs. This would -- if we don't have
11 this, it will reduce programs, it will cut
12 jobs and it will hurt people in their homes.

13 So we're asking you to restore it and
14 to restore all the AIM-related funds that
15 were cut last year.

16 Similarly with CHIPS. We agree with
17 the Governor's comments that investing in
18 infrastructure is a great way to help the
19 New York economy. But fully funding CHIPS
20 must occur, and it has remained flat since
21 2013. And by creating this Extreme Winter
22 Recovery Program every year, it should be put
23 together in the main CHIPS program and we
24 should increase the base each year to invest

1 in our infrastructure.

2 It is simply not helpful to towns to
3 have CHIPS flat every year and then wait for
4 the State Legislature to put back the Extreme
5 Winter Recovery Program. We need your help
6 now. And we need it for our local roads so
7 kids can get to school safely, people can get
8 to work, and that people can rely on a safe
9 road system to carry out their everyday.

10 With regards to cannabis, we don't
11 have a position whether the state should do
12 it or not, but this local opt-out should be
13 at the local level, not with the counties.
14 You don't want to have a situation where a
15 county doesn't want to do it, as Mr. Acquario
16 just said, and a town in that county wants to
17 do it. It shouldn't be a county opt-out, it
18 should be a local opt-out.

19 And here's the other thing. Since
20 we're going to have to zone it, enforce it
21 and monitor these programs that have passed,
22 we should have a portion of the revenue.
23 It's only fair. If you're giving us the
24 burden, we should be a partner, we should be

1 in this together to provide those essential
2 services.

3 And so we're asking for a dedicated
4 portion of that sales tax to be provided to
5 the towns.

6 Other issues, renewable energy real
7 property tax exemption. We like the proposal
8 that keeps the local opt-out, but we feel --
9 and we like that we can still negotiate PILOT
10 agreements. But we think imposing a
11 statutorily mandated method of assessment on
12 energy projects undermines the theory of home
13 rule.

14 On the moratorium on termination of
15 utility services, we understand people are in
16 a difficult financial position, but the law
17 currently in place which prevents termination
18 of services for residential customers is
19 sufficient, and we should think about that.

20 Interest rates on judgments. We all
21 agree that the 9 percent doesn't make any
22 sense and it has to be changed to a current
23 market rate. We feel that is really helpful.

24 And in sports gaming, here's another

1 issue. Once again, if these -- if the gaming
2 industry or the mobile betting is going to
3 come, towns should have a role and should
4 have an opportunity to get some of those
5 fundings.

6 So what we're asking for is a seat at
7 the table. We're asking for your support
8 once again to restore the Extreme Winter
9 Recovery Program, to restore AIM, to restore
10 the cutbacks, and to make sure that we're a
11 partner and that we are a participant so that
12 we can all work together for a better New
13 York State.

14 Thank you very much.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 We go to the chair of our Local
17 Governments Committee, Fred Thiele.

18 ASSEMBLYMAN THIELE: Hi, Gerry. Good
19 to see you this evening. And thank you for
20 your testimony. Much appreciated.

21 MR. GEIST: Good to see you.

22 ASSEMBLYMAN THIELE: Thank you for
23 your patience as we approach the 7 o'clock
24 hour.

1 You know, AIM has been a major portion
2 of the discussion today by -- certainly
3 whether it's been villages or towns, cities.
4 You know, we've all talked about AIM. And
5 again, just for the record, you know, there
6 shouldn't be any cuts and we should be going
7 back to this being a state responsibility and
8 not shifting the cost to the county.

9 You know, similarly with CHIPS and the
10 Extreme Weather Recovery, you know, it's
11 become an annual dance for us to put back the
12 Extreme Weather Recovery.

13 There was testimony earlier I think
14 from NYCOM that talked about with regard to
15 water quality infrastructure -- you know,
16 water mains, water systems -- that there
17 should be a similar program to AIM to help
18 local governments with that infrastructure.

19 Is that something that the towns would
20 also support?

21 MR. GEIST: Well, obviously we're very
22 supportive and have been supportive in the
23 past for a dedicated fund for those purposes.
24 And we would greatly encourage that to occur.

1 But going back to AIM, I totally agree
2 with you, Fred, that we need to have the
3 state partner back into this equation and use
4 state resources, to have that partnership so
5 that we can do the essential services every
6 day. It's a contract that we've had with the
7 state for years.

8 And this move to put sales tax -- and
9 by the way, we've been trying to get those
10 sales tax figures from the Department of
11 Finance, and those figures are lacking. And
12 we really should find out how much sales tax
13 has been generated by that new component of
14 the internet sales tax. Because I don't know
15 about you, but for many of us staying at
16 home, we get to see the Amazon and the FedEx
17 trucks drive by every day. And so we have a
18 belief that that sales tax number generated
19 by the internet sales tax has gone higher
20 than the projections. But we should demand
21 those numbers.

22 ASSEMBLYMAN THIELE: I'm convinced
23 that Amazon had to build a facility in
24 Westhampton Beach just because of what --

1 just to serve my house, actually, since the
2 pandemic.

3 (Laughter.)

4 ASSEMBLYMAN THIELE: Do you have a
5 position on early retirement? I know a lot
6 of us have gotten letters from public
7 employees who have a great deal of interest
8 in an early retirement incentive.

9 Does the Association of Towns have a
10 position? And do you see that as a way of
11 providing some financial flexibility for
12 towns and local governments?

13 MR. GEIST: We haven't taken an
14 official position, but I will tell you that
15 it really should be thought out. Because I
16 believe in the past it's only been to certain
17 employees, it didn't cover police or the fire
18 personnel. And we should figure out what the
19 costs would be, are we going to hire people
20 back.

21 Because if we're just going to have
22 retirement without understanding whether
23 we're going to hire people at a lesser wage,
24 then it might defeat the purpose. So I think

1 we need to do some studies. But we don't
2 have an official position yet.

3 ASSEMBLYMAN THIELE: Okay. Gerry,
4 thank you very much. Much appreciated
5 tonight.

6 MR. GEIST: Thanks for all your help
7 last summer as well.

8 ASSEMBLYMAN THIELE: Thank you, Gerry.

9 CHAIRWOMAN WEINSTEIN: Okay, we go to
10 the Senate. Thank you.

11 CHAIRWOMAN KRUEGER: You didn't hear
12 me since I was on mute. Sorry.

13 James Gaughran, Local Government
14 chair.

15 SENATOR GAUGHRAN: Thank you,
16 Madam Chair.

17 And Gerry, good to see you.

18 I think we've discussed AIM back and
19 forth. And, you know, Assemblyman Thiele and
20 I generally agree that we've got to fix this,
21 and I think many of my colleagues do. And
22 I'm hopeful, with money coming from the
23 federal government, that, you know, we will
24 try to figure this out so that we can

1 recognize that our towns and all the
2 municipalities need to get something, you
3 know, more from the state.

4 I just had a quick question, though,
5 on that utility cutoff comment that you made.
6 You know, we of course have the moratorium on
7 it because we don't want cutting off people's
8 electricity, water, you know, during this
9 pandemic. But don't towns that operate their
10 own utilities, don't they have the ability to
11 take a bill and eventually just attach it to
12 the property so that -- as a lien so that
13 when the property is sold at some point the
14 municipality or the district would be made
15 whole?

16 MR. GEIST: Senator, thanks again also
17 for your past support last summer when we
18 needed to reach out to you. So much
19 appreciated.

20 SENATOR GAUGHRAN: Absolutely.

21 MR. GEIST: And as to your question, I
22 don't know the answer specifically to the
23 point that you raised, but we are concerned
24 about towns in that role and how that they --

1 what would happen if this law is passed and
2 what options are available.

3 We will get back to you on that,
4 Senator.

5 SENATOR GAUGHRAN: Okay.

6 I want to throw out another idea to
7 you, because I've been talking to some
8 highway superintendents, some people that are
9 involved in water districts, water
10 authorities. In terms of CHIPS funding, we
11 still seem to have an awful lot of public
12 works where a highway crew will come in and
13 they'll repave the road, and then the next
14 year they'll fix -- bring in the water main
15 and they're cutting up that same road and
16 then they're spending money to replace it.

17 Do you think it might be valuable if
18 we had legislation to create a program to
19 perhaps give an incentive for additional
20 CHIPS funding to municipalities that may want
21 to coordinate when they are putting in their
22 water mains and then redoing roads at the
23 same time?

24 Because not only would that save the

1 municipalities a lot of money, but it would
2 generate more economic development for
3 contractors as well.

4 MR. GEIST: That sounds like a great
5 shared service initiative, doesn't it,
6 Senator? You know, we're totally supportive
7 of that.

8 But I would go one step further. The
9 uncertainty of CHIPS funding every year and
10 the fact that it's been flat for so long, I
11 think we could combine your idea with a
12 dedicated five-year plan to address roads in
13 the State of New York with increased bumps.
14 And then it would allow local governments to
15 plan accordingly to do just the idea that
16 you're talking about.

17 SENATOR GAUGHRAN: No, I agree,
18 because all our highway departments, public
19 works departments, you know, they have these
20 calendars when they're going to repave roads,
21 and some of them are 30, 40 years out. So at
22 least if they knew what they were going to
23 get from the state, even if it is something
24 that they're not happy with, at least they

1 could do better planning for the people that
2 they represent.

3 You know, one of the issues that, you
4 know, I see a lot on Long Island -- I don't
5 know if it's occurring as much upstate -- but
6 that is we're starting to see vacant
7 storefronts, vacant office buildings, vacant
8 big box stores that aren't going to be
9 replaced. And then suggestions that there
10 needs to be conversions to mixed development.

11 There was a lot of discussion today
12 about the Governor's proposal, you know, for
13 the city, kind of usurping local government
14 rights. And I think, you know, were we to do
15 that across the state -- and generally I'm
16 opposed to that, I support my city
17 colleagues' request that we maintain local
18 government zoning control. But at the same
19 time we have to do something about this.

20 And I'm wondering how the counties --
21 or the towns, rather, might think in terms of
22 perhaps we redevelop some of our -- or
23 recommit some of our economic development
24 money as incentives to communities that want

1 to rezone properties and do probably what's
2 going to be mixed-use development, including
3 providing housing for especially young people
4 and, you know, affordable housing.

5 MR. GEIST: Senator, before I answer I
6 want to address one of the issues you raised
7 earlier about real property in communities
8 such as towns, and about whether we're seeing
9 any issues with vacant properties on
10 Main Street and other commercial properties.

11 We are very fearful that there's going
12 to be an onslaught of, you know, tax
13 certiorari claims this year, and for both
14 residential and commercial properties. And
15 that's going to be a real cost to communities
16 to address the -- how to defend those things
17 and negotiate those things.

18 But at the end of the day, if the
19 commercial properties get their assessments
20 reduced, their assessed reduction gets passed
21 over to the residential homeowner. And I
22 really think that the state ought to really
23 take a serious look about that potential
24 problem, because that doesn't affect a tax

1 cap but it affects how the pie is allocated.

2 And I think that's going to be a real problem
3 in your area of the state, Senator --

4 SENATOR GAUGHRAN: It already is.
5 Many school districts are already getting
6 hurt.

7 MR. GEIST: And we need some type of a
8 commission or study of how we can help the
9 local cities, villages, towns and counties
10 address that situation.

11 As to your first point, we believe in
12 home rule, local option. We believe that if
13 you give the local community the tools to do
14 things such as you said, they will make the
15 appropriate decision for their community. We
16 just want to make sure that it's a local
17 decision and a local option that they have
18 that in their toolkit.

19 SENATOR GAUGHRAN: Thank you so much,
20 Gerry.

21 MR. GEIST: Thank you, Senator.

22 SENATOR GAUGHRAN: Thank you, Madam
23 Chair.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Assembly.

2 CHAIRWOMAN WEINSTEIN: We go to our
3 ranker on Ways and Means, Ed Ra, five
4 minutes.

5 ASSEMBLYMAN RA: Thank you, Chair.

6 Good evening. I just wanted to get
7 back into the cannabis issue and just your
8 perspective on -- you know, I fully agree
9 that if this is adopted, that opt-out really
10 is appropriate at the level of, you know,
11 local zoning authorities, whether it's towns,
12 villages.

13 But I was wondering if -- have you and
14 your members looked at the text of the
15 language with regard to -- you know, it
16 allows for some local zoning regulation in
17 terms of hours of operation and locations and
18 whether you think that that language is
19 adequate to regulate or if it's going to make
20 it difficult. Because, you know, it does put
21 in there, obviously, the idea that somebody
22 could adopt a restriction to -- without
23 directly making it impossible to have such a
24 business, that maybe could. And we know

1 that's something that, you know, is always a
2 concern when you get into zoning law.

3 But have you looked at that language
4 and you think that that is adequate to allow
5 zoning, you know, municipalities, towns, to
6 just determine where and when these
7 businesses are operated?

8 MR. GEIST: That's a great question.

9 The way we would answer that, we
10 looked at the statute entirely -- you know,
11 the proposed language of the law, but we have
12 problems with all segments of that law -- the
13 opt-out, the fact of the revenue stream.

14 And we view any provisions in that
15 proposal that affect zoning as an impingement
16 upon home rule. We really stand for the
17 idea -- and it's been proven that local
18 boards that have authority over these types
19 of establishments have the best tools and the
20 best way to meet the needs of the applicant
21 and the community, and we believe that that
22 should not be interrupted.

23 ASSEMBLYMAN RA: Okay. And I would
24 say likewise, and I would think your answer

1 would probably be similar, there's a
2 provision regarding the agricultural side of
3 it and that -- you know, making it an
4 allowable use and whether that language, you
5 know, provides for a proper ability for a
6 municipality to exercise their home rule.

7 MR. GEIST: Yes.

8 ASSEMBLYMAN RA: So you would say that
9 that current language is not sufficient to
10 allow a town to properly exercise their local
11 authority.

12 MR. GEIST: That's correct.

13 ASSEMBLYMAN RA: Thank you very much.

14 MR. GEIST: Thank you, Assemblyman.

15 CHAIRWOMAN WEINSTEIN: Back to the
16 Senate.

17 CHAIRWOMAN KRUEGER: Thank you.

18 Senator Jeremy Cooney, the Other
19 Cities Committee.

20 SENATOR COONEY: The later we go in
21 the day, the shorter the title gets.

22 (Laughter.)

23 SENATOR COONEY: I like it. I like
24 it.

1 Well, Gerry, I wanted to introduce
2 myself. I'm Jeremy Cooney. I'm part of a
3 new Senate Cities 2 Committee, which is
4 focused on cities outside of the City of
5 New York. And of course that includes
6 collaborations with counties and towns, so
7 we're looking forward to working closely with
8 you.

9 I had a question about CHIPS dollars,
10 but that was already asked by one of my
11 colleagues. But I didn't want to miss the
12 opportunity to bring greetings from your
13 executive committee member Supervisor Bill
14 Moehle, who is a dear friend of mine; I'm
15 proud to represent the great Town of Brighton
16 in the 56th District. And I was just texting
17 him and I said, "Do you have any tough
18 questions for Gerry?" He said, "Nothing that
19 he couldn't answer better."

20 So I bring greetings and I look
21 forward to lots of partnership in thinking
22 about economic development strategies of how
23 we can better connect cities, towns and
24 counties throughout upstate New York.

1 So thanks, Gerry.

2 MR. GEIST: Well, and congratulations
3 on your election and your new position. And
4 Senator, I'll be looking forward to working
5 with you.

6 And as you know, working with
7 Bill Moehle in Brighton, you'll know how much
8 of a collaborator he is who wants to work
9 with the county and the city, because he gets
10 it. He understands that you can't go it
11 alone, that you have to be collaborative,
12 work together, because problems don't just
13 end on a border, they cross over, and we all
14 need to work together for our common good.

15 And I would be remiss, Senator, if I
16 didn't thank you for your working with
17 Congresswoman Slaughter all those years. She
18 was a great, great leader in the country and
19 the State of New York, and I always respected
20 working with her.

21 SENATOR COONEY: I appreciate you
22 saying that. I miss her dearly, and we are
23 carrying her spirit of fierce activism for
24 families.

1 So thank you again, Gerry. Be well.

2 MR. GEIST: Thank you.

3 CHAIRWOMAN KRUEGER: Thank you.

4 Assembly.

5 CHAIRWOMAN WEINSTEIN: We go to

6 Assemblyman Steve Otis, three minutes.

7 ASSEMBLYMAN OTIS: Hey, Gerry, how are

8 you doing? Nice to see you.

9 MR. GEIST: Good to see you, Steve.

10 ASSEMBLYMAN OTIS: A quick question

11 for you.

12 One of the big issues all over the
13 state right now is access to broadband, and a
14 lot of that is towns where the telecom
15 companies are not really providing the
16 broadband as robustly as people need it.

17 Thoughts from you and from your
18 members about things we can do to encourage
19 municipal broadband or regional broadband
20 done by local governments to try and fill
21 some of this gap.

22 MR. GEIST: Well, thank you, Steve,
23 for a great question.

24 You know, broadband and internet

1 access for many New Yorkers is not even a
2 reality. And we need to recognize as a state
3 that we need to address this problem. When I
4 travel to the North Country, there are hours
5 I'm driving and there's no service. And
6 especially during a pandemic when children
7 can't go to school, people can't go to work,
8 broadband internet -- we need to, as a state,
9 come together with a policy to work with the
10 telecommunications industry to work together
11 to solve this problem.

12 And I think we need to get everybody
13 at the table, all the interested parties, to
14 work together to make it happen. I find
15 it -- it's -- here we are in 2021, and the
16 numbers of people who don't have services --
17 it's really very disappointing for a
18 New Yorker.

19 ASSEMBLYMAN OTIS: Thank you, Gerry,
20 and thank you for all your great work with
21 the Association of Towns and your prior work
22 in local government.

23 MR. GEIST: Well, thank you. Thank
24 you for all your work.

1 between the counties and our towns, shared
2 equipment, joint maintenance facilities and
3 all the rest.

4 I think there's so much collaboration
5 that's already happening, particularly within
6 our towns and within our towns and our
7 counties. And I think that sets a tremendous
8 model for what we're trying to do to build
9 out the shared services initiatives across
10 New York State.

11 So if you could touch, more so, on
12 what towns are doing with regards to all
13 these collaborations. I wrote down what you
14 said here: Give the local communities the
15 tools, and they will get the job done. Amen
16 to that. I couldn't agree with you more.

17 So that's my question about what's
18 happening within our towns with regards to
19 shared service initiatives; it's been going
20 on for quite some time.

21 MR. GEIST: Thank you very much,
22 Senator.

23 And just as Senator Cooney talked
24 about the Town of Brighton, the Town of

1 Amherst, we're blessed to have Denny Powers,
2 who's on our Executive Committee, and
3 Brian Kulpa, the supervisor, on our
4 Resolutions Committee. So Erie County is
5 very important, as all the counties are to
6 the fabric of the Association of Towns.

7 Great question about shared services.
8 We want to tell you that towns have been
9 doing shared service programs not for
10 years -- for generations. And we continue to
11 be innovative in trying to come up with new
12 strategies on how to do it.

13 It gets harder because we've been
14 doing it for so long. But the biggest thing
15 that could help us to give us the tools to do
16 more things is to change state law to remove
17 the barriers to prevent towns from sharing
18 services.

19 The best example I can give you is
20 when I was a town councilman in
21 Westchester County, in the Town of North
22 Castle. We wanted to do a shared wash-bay
23 facility for washing down not only highway
24 trucks but school buses, so that the

1 integrity of the body of the equipment could
2 be much longer, save taxpayers dollars.

3 Well, under state law it required a
4 majority vote of the town board, but it
5 required a referendum of the plebiscite of
6 the school board. Well, in my case the town
7 board adopted it, but the voters -- the
8 plebiscite turned down the school option.

9 So if we could change some of these
10 barriers in state laws, we're going to
11 actually implement cost savings to the
12 taxpayers. And so there's a lot of these
13 barriers -- we had mentioned this, and we can
14 provide it again -- of laws for -- things
15 that we really want to do but were prevented
16 by state law in making those changes.

17 SENATOR RATH: Gerry, if you could
18 share that with us, I think that would be
19 very educational for us. Because we do need
20 to remove those barriers because there's
21 major cost savings to be accomplished.

22 MR. GEIST: Yeah, we will definitely
23 do that. But that I think is the biggest
24 thing that we can do.

1 SENATOR RATH: Fantastic. Thank you.

2 CHAIRWOMAN KRUEGER: I think the
3 Senate might be done.

4 CHAIRWOMAN WEINSTEIN: We have
5 Assemblywoman Woerner.

6 ASSEMBLYWOMAN WOERNER: Thank you very
7 much.

8 Thank you, Gerry, for your great
9 testimony. And I appreciate your comments
10 about the towns and sharing in the sales tax
11 revenue from legalized cannabis if that is
12 pursued. I also appreciate your comments
13 about having the towns be an opt-out, to have
14 the opt-out be at that level.

15 I'm just wondering, you know, sort of
16 philosophically what your thoughts are if a
17 town decides to opt out of hosting or
18 allowing cannabis production or distribution
19 facilities in its borders, should it also
20 then opt out of the tax revenue stream that's
21 generated by that production and sale in the
22 county?

23 MR. GEIST: That's a great question,
24 Assemblywoman. I haven't really thought

1 about that. But that is something that I'm
2 going to have to think about and get back to
3 you.

4 But you raise a very good point. And
5 I think it's worthy of us talking with my
6 staff and getting back to you on that.
7 That's a great point, and I didn't think
8 about that.

9 Oh, I did have one other thing,
10 Assemblywoman, if you wouldn't mind, about
11 shared services. I know Senator --

12 ASSEMBLYWOMAN WOERNER: I do have one
13 other question for you, if you don't mind,
14 and then you can answer that quickly and go
15 back.

16 You mentioned in your written
17 testimony about the need for enhanced CHIPS
18 funding, of course extreme weather, but then
19 more. And I'm wondering if you have a sense
20 of what the "more" needs to be, based on kind
21 of deferred maintenance.

22 MR. GEIST: You know, we haven't -- as
23 I said before, we haven't had any increase in
24 CHIPS since 2013, and Extreme Winter Recovery

1 has -- you know, hasn't even been in this
2 budget.

3 "More" is we need a dedicated plan
4 with dedicated funding streams with dedicated
5 increases. And I think the Legislature could
6 be really well positioned to provide
7 assistance in coming up with those numbers.
8 But we can't just, say, remain flat and
9 expect our roads to be in the same condition.

10 When I was a town councilman, we were
11 told that the roads have to be upgraded every
12 10 years. And I was recently told now it's
13 like 18 or 19 because we don't have enough
14 funds to do the work to keep the roads
15 maintained.

16 ASSEMBLYWOMAN WOERNER: I agree with
17 you. We need to -- we need to provide
18 predictability here, and it needs to reflect
19 the increase in expenses and costs on an
20 annual basis. So I'm with you on that.

21 You've got 15 seconds to go back to
22 shared services.

23 MR. GEIST: Yeah, the other comment
24 about shared services, I just thought about

1 it -- we think that to help local governments
2 with bonding requirements for projects, that
3 there should be a state clearinghouse for
4 shared service so that all communities can
5 get effective power of the state borrowing
6 power and pay the -- have the same interest
7 rate for their bond indebtedness, as opposed
8 to one community whose fiscal strength may
9 not be as good as another community.

10 This would be a great shared service
11 to allow full communities to benefit from the
12 state having one interest rate for all
13 communities.

14 CHAIRWOMAN WEINSTEIN: Thank you.
15 Right on the -- so thank you for being here.
16 I do not believe we have any further members
17 that have questions for you.

18 So we're going to move on to the City
19 of Saratoga Springs, Meg Kelly, mayor.

20 SARATOGA SPRINGS MAYOR KELLY: Thank
21 you. Good evening. I had "good afternoon,"
22 but now it's good evening. So I appreciate
23 you all hanging in there with us. I am Meg
24 Kelly. I'm the mayor of the City of Saratoga

1 Springs. I have served since January of
2 2018.

3 Similar to last year, I am here to
4 speak about an issue critical to the health,
5 safety and welfare of the City of Saratoga
6 Springs. More specifically, to the VLT
7 funding and the AIM funding that is very
8 necessary for our small city in upstate
9 New York.

10 Last year, due to your efforts, VLT
11 impact aid to the city was restored in the
12 2020-2021 New York State budget. This
13 restoration, which represented approximately
14 4.27 percent of the city's 2020 projected
15 revenues, allowed the city to maintain
16 essential services and to protect our
17 employees, citizens and taxpayers from the
18 impacts of COVID-19.

19 It was a positive outcome as we worked
20 to manage through the early days of the
21 pandemic and the many fiscal uncertainties
22 the pandemic created.

23 Despite many of the challenges on the
24 local level, we worked diligently to lead the

1 community through these unprecedented times.
2 For example, working together, the city was
3 able to advance a customized multimedia "Mask
4 Up, Saratoga Springs!" campaign; a transition
5 to remote working, virtual meeting, and
6 installation of digital measures that kept
7 the business of government flowing smoothly
8 and securely; an upgrade to the city's
9 information systems' security in the face of
10 increasing cybersecurity incidents; continued
11 work on the long-awaited Geyser Road Trail
12 and other trail connectors; a successful
13 outdoor seating project for restaurants which
14 resulted in a number of extensions through
15 the end of the year and probably will help
16 many restaurants survive; continued
17 renovation work at City Hall -- we opened
18 City Hall, but we're closed to the public, so
19 unfortunately nobody can see that -- the
20 Trask Stairway in Congress Park, and in
21 Canfield Casino; and a comprehensive review
22 and update to the city's policing policies
23 and procedures.

24 The pandemic has been an extraordinary

1 event for the city. We are a year-round
2 destination accustomed to numerous activities
3 and special events with substantial visitor
4 and local citizen participation.

5 We missed 2 million visitors last year
6 with NYRA and our Performing Arts Center
7 being closed. For the most part, all of
8 these activities were paused in 2020, causing
9 significant revenue loss. The disruption of
10 the pandemic continues in 2021 with no
11 precise end in sight. There is still good
12 news, that the vaccine has been approved and
13 efforts are being made to roll it out. But
14 as I've heard all day long, it's not going as
15 smoothly as we all anticipated.

16 Until that time, however, we have an
17 obligation to deliver city services at
18 adequate levels. Eliminating the VLT aid and
19 significantly reducing AIM aid would strike a
20 significant blow to the city's already
21 fragile finances and would force us to
22 consider service cuts and additional
23 increases in property taxes.

24 Commissioner Madigan, who is also on

1 this call, will expand on these points.

2 So that with that, I will ask if there
3 are any questions of anyone, or I would say
4 thank you for your time and I would turn it
5 over to Commissioner Madigan.

6 CHAIRWOMAN WEINSTEIN: You can let
7 Commissioner Madigan speak for a few moments.

8 SARATOGA SPRINGS CFO MADIGAN: Thank
9 you.

10 Good evening, Chair Krueger,
11 Chair Weinstein, Chair Gaughran, Chair Thiele
12 and other distinguished members of the
13 Legislature. I am Michele Madigan, I'm the
14 city's commissioner of finance, and I've been
15 in this role as an elected official since
16 2012.

17 As you've heard from Mayor Meg Kelly,
18 the COVID-19 pandemic has taken a human and
19 economic toll on the city. Lives have been
20 lost, businesses have closed, and the city's
21 finances have not escaped this damage.

22 When I presented the 2020 budget to
23 the city council and the public on
24 October 6th, I called for a 15 percent

1 reduction to the public safety workforce and
2 a 10 percent across-the-board salary
3 reduction for all city staff as well as other
4 related cutbacks across all departments. I
5 even recommended defunding our recreation
6 department or making them at least operate as
7 a revenue-neutral program. That was probably
8 a mistake. People got quite upset about
9 that.

10 And this was all with a budget that
11 included VLT funding. We do rely on VLT
12 funding. We host a casino at one time known
13 as a racino. We have an agreement for these
14 funds.

15 VLT is one of our major revenues, just
16 behind sales tax and property tax. And when
17 fully funded, it represents \$2.3 million, as
18 you heard earlier today -- or, at times,
19 4.7 percent of our budget. It is larger than
20 AIM funding, which we certainly hope will be
21 restored, mortgage tax, and occupancy tax for
22 the City of Saratoga Springs.

23 I have been the locally elected
24 finance commissioner, as I said, 10 years

1 now, and this revenue remains volatile year
2 after year, which makes it difficult to rely
3 on, and yet we need to rely on it. I would
4 be remiss if I did not budget for VLT on
5 behalf of the city, the city employees, and
6 the essential services that we must provide.

7 A revenue that represents almost
8 5 percent is not easy to simply replace, and
9 it is especially difficult to replace this
10 much-needed funding during the COVID-19
11 pandemic when other revenues such as sales
12 tax have greatly suffered. Based on
13 comptroller DiNapoli's recent sales tax
14 report, Saratoga Springs sales tax collection
15 for 2020 was down 17.1 percent compared to
16 2019. This is one of the largest sales tax
17 collection declines in all of New York State.

18 For 2021 we adopted a balanced budget,
19 which we believe will be key to the city's
20 financial recovery from the COVID-19
21 pandemic. And the budget does include, as I
22 said, VLT. But it also required me to move
23 our retirement payment from December of this
24 year -- forgoing a discount for paying early,

1 which is good for taxpayers -- and moving
2 that payment into February of 2022. To make
3 this work, I budgeted \$5 million in federal
4 fiscal stimulus.

5 And finally, our adopted budget
6 unfortunately did include a 6 percent tax
7 increase to city property owners and
8 residents. This is the first time that I've
9 really had to raise taxes in the city, and I
10 also had to ask the council to pass a local
11 law to override the tax cap.

12 But with strategic planning and
13 budgeting, we have been able to maintain
14 service levels, but to say that it has been
15 difficult is an understatement. This aid,
16 VLT aid, is more critical than ever now, this
17 year.

18 If there is a desire to remove this
19 vital aid going forward, it would be best, I
20 think, if we could have a plan that might
21 help cities and towns such as ours plan for
22 weaning us off of this much-needed aid. And
23 that does not mean that we don't need it.
24 But to go all the way to zero in a fiscal

1 year is really tough. It's tough on the City
2 of Saratoga Springs.

3 I would like to thank you all for your
4 support last year of VLT. We anticipate 2021
5 to be an extremely difficult year as well.
6 And similar to last year, we are again
7 pleading for the Legislature's support in
8 restoring this critical aid in the fiscal
9 year 2022 New York State enacted budget.

10 Thank you very much.

11 CHAIRWOMAN KRUEGER: Thank you.

12 Assembly, I believe.

13 CHAIRWOMAN WEINSTEIN: We go to
14 Assemblywoman Woerner.

15 Carrie, are you there?

16 ASSEMBLYWOMAN WOERNER: I'm here, yup.

17 CHAIRWOMAN WEINSTEIN: Okay, three
18 minutes.

19 ASSEMBLYWOMAN WOERNER: Thank you both
20 for being here and for speaking about the
21 impact that the loss of VLT aid would have
22 for Saratoga Springs. And I think that's
23 a -- it's an example of what it would do to
24 the other 16 municipalities that are

1 similarly situated in this budget.

2 I just wanted to clarify. So you have
3 already budgeted for federal aid in this
4 coming budget, even though we don't know what
5 that federal aid might be. And even with
6 that, you have a 15 percent cut in public
7 safety and a cut in salaries, is that
8 correct?

9 SARATOGA SPRINGS CFO MADIGAN: No.
10 Because I decided to budget the \$5 million in
11 federal fiscal aid -- you know, that's where
12 I started at the beginning of the budget
13 process, was a reduction to public safety at
14 15 percent.

15 What we've done now, though, is we've
16 asked everyone to take a 2 percent salary
17 reduction and forgo steps and longevity
18 increases until at least the end of this
19 year. So it was that budgeting of that
20 \$5 million, but we still have kicked raises
21 and, as I said, steps and longevity into
22 2022.

23 ASSEMBLYWOMAN WOERNER: Okay. Thank
24 you very much.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 I don't see any Senate. I see our
3 Cities ranker, Assemblyman Reilly.

4 (Pause.)

5 ASSEMBLYMAN REILLY: Thank you,
6 Madam Chair. Sorry, I was on mute still, I
7 apologize.

8 So one of the -- I guess I've asked
9 this of all the cities and their
10 representatives, specifically about the drug
11 recognition experts with the potential of
12 legalized cannabis.

13 One of the concerns we have, of
14 course, is driving while under the influence.
15 I wanted to know if the local police
16 department has a drug recognition expert and,
17 if not, would you support an offshoot program
18 helping to get our local police departments
19 trained with this potential public safety
20 issue?

21 SARATOGA SPRINGS MAYOR KELLY: I do
22 not know the answer to that, but I do think
23 that we would support adding somebody to that
24 role.

1 You know, I just don't know. I don't
2 have the public safety department
3 commissioner with us here tonight.

4 ASSEMBLYMAN REILLY: Do you know how
5 big the police department is?

6 SARATOGA SPRINGS MAYOR KELLY: I
7 believe it's a maximum of 72.

8 ASSEMBLYMAN REILLY: Okay.

9 SARATOGA SPRINGS MAYOR KELLY: I don't
10 think we've been there, but I think we're
11 close, you know.

12 ASSEMBLYMAN REILLY: Okay. I mean, I
13 know that the local state troopers probably
14 have a DRE, a drug recognition expert,
15 available. But I think this is more about a
16 smaller offshoot program that would be
17 cost-effective and train local officers on
18 patrol.

19 So I'm hoping that if that's a
20 possibility we can gain your support.

21 SARATOGA SPRINGS MAYOR KELLY: I would
22 support something like that as mayor.

23 But again, we are a different form of
24 government here, we are the commission form,

1 so I'd have to get the council to get on
2 board.

3 ASSEMBLYMAN REILLY: I definitely
4 understand. Thank you for your time.

5 SARATOGA SPRINGS MAYOR KELLY: Thank
6 you.

7 ASSEMBLYMAN REILLY: And I appreciate
8 it, Madam Chair. I yield the rest of my
9 time. Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 I do not believe we have any Senators
12 and no other Assemblymembers. So thank you,
13 Mayor and Commissioner, for being here with
14 us.

15 And we're going to move on now,
16 leaving elected officials and moving on to
17 our final three witnesses, a panel: The
18 Brennan Center for Justice at the NYU School
19 of Law, Joanna Zdanys, counsel; Common Cause
20 New York, Susan Lerner, executive director;
21 and Jericho Road Community Health Center,
22 Quinita McKinney, DOJ-accredited
23 representative.

24 CHAIRWOMAN KRUEGER: Good evening.

1 MS. ZDANYS: Good evening. Thank you,
2 Chairs Weinstein and Krueger and the members
3 of the Legislature.

4 My name is Joanna Zdanys, and I'm
5 counsel at the Brennan Center for Justice. I
6 appreciate the opportunity to testify in
7 support of funding for the State Board of
8 Elections in this year's budget.

9 A strong democracy requires committing
10 ample resources to our elections
11 infrastructure, and we're grateful to the
12 members of the Legislature for showing
13 leadership on important election reforms.

14 I'm here today to stress the
15 importance of ensuring funding for the board
16 to begin the crucial work of implementing the
17 state's new small-donor public campaign
18 financing program. The Brennan Center is
19 pleased to see funding for the program in the
20 Executive Budget and urges the Legislature to
21 cement this commitment to ensure that
22 New Yorkers receive the quality public
23 campaign financing program they deserve.

24 We saw in the last election, from all

1 parts of the country, a common refrain that
2 people feel left out of the political
3 process. As we also saw last year, though,
4 Americans are motivated to participate and
5 make their voices heard in the decisions that
6 affect their lives. We need only look at the
7 record turnout that we saw across the
8 country.

9 New York is leading the way on
10 much-needed reform. And as the state faces
11 its toughest challenges yet, it's ever more
12 critical to commit resources to reforms that
13 strengthen public trust and amplify the
14 voices of New Yorkers in the political
15 process.

16 The small-donor public financing
17 program that you approved last year promises
18 to do just that. Analyses of the program and
19 our national work on public financing show
20 that the program that you approved, if well
21 implemented, will be the strongest response
22 in the nation to Citizens United and will
23 fundamentally transform fundraising in
24 New York, giving those who can donate only

1 very little a much greater say.

2 The program launches in November 2022,
3 and implementation is already many months
4 behind. But there's still time to catch up.
5 Funding this year will go towards necessary
6 and modest start-up expenses, which include
7 hiring staff, consulting with vendors,
8 working out the detailed rules of the
9 program, and creating educational materials
10 and other resources for campaigns and the
11 public to ensure that the program is easy to
12 understand and use.

13 A small investment this year will go a
14 long way toward providing a strong foundation
15 for the program and generating efficiencies
16 down the road. The reform has the potential
17 to strengthen public trust in Albany and
18 engage countless more New Yorkers in civic
19 life, showing the people of this state but
20 also Americans across the country what's
21 possible.

22 We stand ready to help implement this
23 important reform. Thank you for your
24 important leadership on strengthening our

1 democracy. And I would be glad to answer any
2 questions you have.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 We go to Susan Lerner.

5 MS. LERNER: Thank you very much for
6 allowing me to testify. And thank you very
7 much for your fortitude as we head towards
8 the end of the hearing.

9 Most of what I had to say really is in
10 my written testimony. I do -- I was
11 attempting to listen to the NYSAC testimony
12 and was having some internet issues, so I'd
13 like to point out that we agree with NYSAC
14 that there should be support for county
15 boards of elections for this year, but we
16 disagree with the idea that it should be
17 short term. We think that the state should
18 be making an ongoing investment in supporting
19 boards of elections and an expanded,
20 improved, modernized election administration
21 at the county level.

22 You're all to be commended with the
23 tremendous number of election reforms that
24 have been adopted in the last two years and

1 even in this legislative session. But really
2 helping to bring our elections into the 21st
3 century puts a lot of pressure on the
4 counties, many of which are underresourced,
5 as we learned so startlingly in the lawsuit
6 regarding Congressional District 22's
7 absentee ballots.

8 So I hope that you will consider the
9 need to support our democracy at its most
10 basic and local level, which is at the county
11 boards of elections.

12 And I cede back the rest of my time,
13 and I'm happy to answer questions.

14 CHAIRWOMAN WEINSTEIN: And now on to
15 the final panelist, Quinita.

16 MS. MCKINNEY: Good evening. My name
17 is Quinita McKinney. I work for Jericho Road
18 Community Health Center. And I'd like to
19 thank the Senate and Assembly for convening
20 this hearing today and for choosing us to
21 testify.

22 Today I'm here to urge an increase in
23 the legal services funding of the Liberty
24 Defense Project and the Office for

1 New Americans from its present total of
2 \$16.4 million to \$25 million, as doing so
3 will ensure New Yorkers are provided with
4 critical access to competent legal
5 assistance.

6 Immigration law, as you may already
7 know, is civil, and therefore access to
8 representation is not guaranteed. This leads
9 thousands of New Yorkers in removal
10 proceedings who lack the resources to hire
11 private counsel with the daunting task of
12 having to represent themselves in immigration
13 court against a government-trained attorney.

14 In 2018 the New York Immigration
15 Family Unity Project in New York City
16 conducted an extensive study on the impact
17 that having representation in removal
18 proceedings has on winning and getting the
19 ability to legally remain in the
20 United States. The increase in that chance
21 with an attorney was 1100 percent. So that
22 person has an 1100 percent chance of
23 preserving their life here in the U.S. while
24 maintaining the stability of their family

1 unit.

2 Immigration legal service providers
3 like ourselves not only represent clients
4 before Immigration, but also provide crucial
5 outreach to immigrant communities. We
6 conduct "Know Our Rights" presentations and
7 community education workshops on vital
8 resources so immigrants can not only protect
9 themselves and their families but also access
10 available free services in their communities.

11 Immigration cases, whether it's a
12 deportation proceeding or an affirmative
13 application for an immigration benefit, can
14 take years to be adjudicated, and it's
15 imperative to fund legal service providers so
16 the cases we've already taken on we can
17 continue to assist with, but also to be able
18 to accept new cases with an increase in
19 funding.

20 That's why today we're urging the
21 Assembly and the Senate to increase Liberty
22 Defense Project funding from its current
23 \$10 million to \$15.3 million and the Office
24 for New Americans funding from its present

1 6.5 million to 9.1 million.

2 And I also would be happy to answer
3 any questions. I yield back my time, I'm
4 sorry.

5 CHAIRWOMAN KRUEGER: Any hands up?
6 No. Assembly?

7 CHAIRWOMAN WEINSTEIN: No, we do not
8 have anybody. So we have all three of your
9 written testimony in addition to your
10 presentations today, and thank you for being
11 here with us.

12 CHAIRWOMAN KRUEGER: Thank you very
13 much.

14 CHAIRWOMAN WEINSTEIN: So this will
15 conclude -- this now concludes our -- we'll
16 be concluding our hearing on Local
17 Governments.

18 Before we officially concluded, I
19 wanted to just take a moment on behalf of
20 myself and Senator Krueger to thank our
21 Assembly and Senate staff, both our committee
22 staff and all of our central technical staff
23 who, when we thought we were going to have
24 virtual hearings, we -- the Senator and I

1 really freaked out: How is this going to
2 happen? But our staff has really made this a
3 seamless transition, and it's run very
4 smoothly.

5 There's a lot going on behind the
6 scenes, and the Senator and I just have to
7 sit here for hours upon hours, along with the
8 chairs, but there's a lot of people making
9 this work, and I just really wanted to take a
10 moment to thank them.

11 Senator Krueger, did you want to say
12 something before I close?

13 CHAIRWOMAN KRUEGER: No, I think that
14 was a perfect way to close. We still have a
15 couple more hearings, but we've got another
16 week before we are dealing with them, so I
17 was saving the thanks for that.

18 But you're absolutely right, Helene,
19 we couldn't do it without an enormous number
20 of people -- in technical support, in our
21 counsel's offices, in our finance offices.
22 And that's for all members of the
23 Legislature.

24 So, you know, I'm really proud that

1 we've all figured this out and are making
2 sure that we are keeping our government going
3 even though we have new challenges every day.

4 And I'm also not unhappy we don't have
5 a hearing tomorrow.

6 (Laughter.)

7 CHAIRWOMAN WEINSTEIN: So with that, I
8 want to, for anybody listening and for my
9 colleagues, we are going to have a break
10 during the President's Day -- Days -- Week
11 while we work on other budget issues, but the
12 next hearing will be on Tuesday,
13 February 23rd, at 9:30, Economic Development,
14 followed later in the day with Taxes.

15 So this will conclude our hearing
16 today on Local Governments. And again, thank
17 you also to all of the members who
18 participated today. And I'm glad we
19 activated the chat so you could all say thank
20 you to the Senator and I.

21 (Laughter.)

22 CHAIRWOMAN WEINSTEIN: Have a good
23 weekend.

24 CHAIRWOMAN KRUEGER: Thank you,

1 everyone.

2 SENATOR LIU: Thank you, Madam Chair.

3 Pizza next time.

4 (Comments off the record.)

5 (Whereupon, at 7:35 p.m., the budget
6 hearing concluded.)

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