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

JOINT LEGISLATIVE HEARING
In the Matter of the
2022-2023 EXECUTIVE BUDGET
ON LOCAL GOVERNMENT OFFICIALS/
GENERAL GOVERNMENT

Virtual Hearing
Conducted via Zoom

February 9, 2022
9:34 a.m.

PRESIDING:

Senator Liz Krueger
Chair, Senate Finance Committee

Assemblywoman Helene E. Weinstein
Chair, Assembly Ways & Means Committee

PRESENT:

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 Luis R. Sepúlveda
Chair, Senate Committee on Cities 1

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

Senator James Gaughran
Chair, Senate Committee on Local Government

2022-2023 Executive Budget
Local Government Officials/
General Government
2-9-22

PRESENT: (Continued)

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

Senator John C. Liu

Assemblyman Colin Schmitt

Senator Pete Harckham

Assemblywoman Sarah Clark

Assemblyman Charles D. Fall

Senator Andrew Gounardes

Assemblyman Jonathan G. Jacobson

Assemblyman Robert C. Carroll

Assemblyman William Conrad

Senator Diane J. Savino

Senator Shelley Mayer

Assemblyman Steven Otis

Senator George Borrello

Assemblywoman Latrice Walker

Senator Rachel May

Assemblywoman Rebecca A. Seawright

Senator John E. Brooks

Assemblywoman Taylor Darling

2022-2023 Executive Budget
Local Government Officials/
General Government
2-9-22

PRESENT: (Continued)

Assemblyman Erik M. Dilan

Assemblywoman Gina L. Sillitti

Assemblyman Kenneth Zebrowski

Assemblywoman Nily Rozic

Senator Brad Hoylman

Assemblywoman Anna R. Kelles

Assemblyman Jonathan Rivera

Senator Zellnor Myrie

Assemblyman Michael Reilly

Senator Edward A. Rath III

Assemblyman Mark Walczyk

Assemblyman Michael Tannousis

Senator James Tedisco

Assemblyman Michael Cusick

Assemblywoman Jennifer Lunsford

Assemblyman Jeffrion L. Aubry

Senator Roxanne J. Persaud

Assemblywoman Jessica González-Rojas

Assemblyman Zohran K. Mamdani

Assemblyman Demond Meeks

2022-2023 Executive Budget
Local Government Officials/
General Government
2-9-22

PRESENT: (Continued)

Senator Michelle Hinchey

Assemblyman David I. Weprin

Senator Gustavo Rivera

Assemblyman John T. McDonald III

Senator Kevin Thomas

Assemblyman Christopher S. Friend

Senator Robert Jackson

Assemblyman Al Taylor

Senator Cordell Cleare

Assemblywoman Alicia Hyndman

Senator Leroy Comrie

Assemblyman J. Gary Pretlow

Senator Sue Serino

Assemblyman Kenny Burgos

Senator Jamaal T. Bailey

Assemblywoman Chantel Jackson

Senator Julia Salazar

2022-2023 Executive Budget
Local Government Officials/
General Government
2-9-22

LIST OF SPEAKERS

	STATEMENT	QUESTIONS
Honorable Eric Adams Mayor City of New York	11	20
Honorable Byron W. Brown Mayor City of Buffalo	212	220
Honorable Malik Evans Mayor City of Rochester	259	268
Honorable Mike Spano Mayor City of Yonkers	307	317
Honorable Ben Walsh Mayor City of Syracuse	338	350
Honorable Kathy M. Sheehan Mayor City of Albany	361	369
Honorable Brad Lander Comptroller New York City Comptroller's Office	384	394
Peter Baynes Executive Director New York State Conference of Mayors	438	447
Honorable Adrienne Adams Speaker New York City Council	488	500

2022-2023 Executive Budget
Local Government Officials/
General Government
2-9-22

LIST OF SPEAKERS, Continued

	STATEMENT	QUESTIONS
Stephen J. Acquario Executive Director NYS Association of Counties	532	542
Gerry Geist Executive Director Association of Towns of the State of New York	574	582
Danielle Brecker Co-Lead Organizer Empire State Indivisible -and- Laura Bierman Executive Director League of Women Voters -and- Dustin Czarny Democratic Caucus Chair New York State Election Commissioners Association -and- Joanna Zdanys Senior Counsel, Elections and Government Program Brennan Center for Justice at NYU School of Law	601	614
Adam Zaranko President New York Land Bank Association -and- Camille Mackler Executive Director Immigrant ARC	621	629

CHAIRWOMAN WEINSTEIN: Good morning. I am Helene Weinstein, chair of the New York State Assembly's Ways and Means Committee and co-chair of today's hearing.

We begin the 9th in a series of hearings conducted by the joint fiscal committees of the Legislature regarding the Governor's proposed budget for fiscal year 2022-'23. The hearings are conducted pursuant to the New York State Constitution and the Legislative Law.

And today our joint committees will hear testimony concerning the Governor's budget proposal for local governments.

Let me introduce the members of my conference who are here, and then my co-chair of today's hearing, Senator Liz Krueger, chair of the Finance Committee, will introduce the members of her conference.

So we have with us today the chair of our Cities Committee, Assemblyman Braunstein; the chair of our Local Governments Committee, Assemblyman Thiele; Assemblyman Carroll; Assemblyman Conrad; Assemblywoman Darling;

Assemblyman Fall; Assemblywoman Lunsford; Assemblyman Mamdani; Assemblyman Otis; Assemblywoman Walker.

And I know that there will be other members joining us as the -- I see Assemblyman Jacobson, Assemblywoman Rozic, Assemblyman Rivera. And other members will join us -- Assemblyman Zebrowski -- will join us as the day goes on.

Senator Krueger, why don't you introduce your members, and then we'll come back to Assemblyman Ra.

CHAIRWOMAN KRUEGER: Great. Thank you very much, Helene.

Welcome, everyone. So I'm seeing so far our chair of Local Governments, Senator Jim Gaughran; our chair of Cities for New York City, Luis Sepúlveda; our chair of Other Cities, Jeremy Cooney. Senator Diane Savino, Senator Zellnor Myrie, Senator Roxanne Persaud, Senator Michelle Hinchey, Senator John Liu, Senator John Brooks, Senator Gustavo Rivera, Senator Andrew Gounardes, Senator Kevin Thomas. And did I

jump over Senator Pete Harckham? I'm afraid I did, apologies. Senator Pete Harckham.

And now I'm going to turn it over to my ranker in Finance and partner in this exercise, Tom O'Mara, to introduce his members.

SENATOR O'MARA: Thank you, Senator. Good morning, everybody.

We have been joined by Senator Jim Tedisco, Senator George Borrello, and Senator Ed Rath.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Assemblyman Ra, ranker on Ways and Means, can you please introduce your conference members who are here with us?

ASSEMBLYMAN RA: Thank you, Chair. Good morning.

We are joined by Assemblyman Reilly, the ranker on the Cities Committee; Assemblyman Schmitt, the ranker on Local Governments; and Assemblyman Walczyk.

CHAIRWOMAN WEINSTEIN: And we've also been joined by Assemblywoman Sillitti.

So just a quick reminder for those witnesses coming up and legislators who are listening, the time limits -- governmental witnesses have 10 minutes to present their testimony. The testimony of all witnesses has already been distributed, so please summarize if possible.

Nongovernmental witnesses later in the day will get three minutes each to make their presentation.

The chairs of the relevant committees of the hearing will get 10 minutes and a second round of three minutes, if desired, to ask questions. Ranking members of the committees get five minutes. And all other members get three minutes.

And as I've mentioned, the time limit is for both the questions and the answers. And keep an eye on the clock; it should be in the upper left-hand corner.

With that being said, I'd like to welcome our first witness today, the Honorable Eric Adams, the mayor of New York City and a former colleague of many of ours.

Mr. Mayor, the floor is yours. Welcome.

MAYOR ADAMS: Thank you so much. It is good to see many of you who I have served with. I feel like this is a Virginia Slims moment -- you know, we've come a long way. You know? And I was on the other side of that -- this discussion, and now to be here as the mayor of the City of New York and once again partner with you, it means a lot to me. And I'm really proud to have served with you and now to serve as the mayor.

I want to thank you, Chair Krueger, Chair Weinstein, ranking minority members O'Mara and Ra, and all members attending today's hearing. I would like to also thank Speaker Carl Heastie and Majority Leader Andrea Stewart-Cousins.

I'm Eric Adams, as you stated, and I am honored to appear before you today as the 110th mayor of the great City of New York. I'm joined here by my budget director, Jacques Jiha and Tiffany Raspberry, senior advisor for external affairs.

At this moment, our city is focused on three significant goals: reducing crime, overcoming the challenges caused by the pandemic, and rebuilding our economy. Today I will outline three key steps we can collectively take to overcome these issues and improve our city.

First, an urgent request for more funding for mental health services, particularly for New Yorkers that are a danger to themselves and others.

Second, changes to the Earned Income Tax Credit, to put more cash in the pocket of working New Yorkers. And third, new childcare initiatives that will address childcare deserts and allow parents to get back to work.

These initiatives will have cascading effects throughout the city, advancing the priorities we all care about. Before we can talk about any specific plans, we need to begin with the topic of public safety. Safety and justice are the keys to prosperity. We cannot function as a city

unless New Yorkers are safe and feel safe -- on our streets, our transit system, our workplaces, and our homes.

A few weeks ago, I laid out my administration's Blueprint to End Gun Violence, a multi-disciplinary approach to reducing crime and addressing its underlying causes. As I said then, the sea of gun violence in our city does not have one single point of origin. It flows from many rivers, each contributing to the problem. Reducing crime will require both intervention and prevention.

That is why it is urgent that we request the state's immediate assistance in expanding the number of beds for those in critical need of mental health care, and funding for the medical and support staff they require. Too many of our fellow New Yorkers are cycled through temporary care and released before they are ready, often due to the limited availability of long-term support and housing. We now face a humanitarian crisis in our streets and on our

transit system that threatens our city's safety and recovery, and we cannot afford to let this issue go unaddressed any longer.

And as I have previously mentioned, we also ask for the state to make targeted amendments to New York's bail laws to allow judges to consider a defendant's dangerousness, especially for individuals accused of perpetrating gun violence.

We also support removing overly burdensome disclosures. The extensive requirements of the new discovery bill have led to too many delays and dismissals. We urge the state to distinguish what is truly necessary for discovery, especially in cases where a complainant directly brought law enforcement to the scene.

My administration supports changes to Raise the Age legislation. It is long overdue. Too many New Yorkers in their late teens and early twenties have abused this change, demanding young people under 18 take the fall for guns that are not truly theirs. The law is being used to victimize our youth.

And finally, I also support the Clean Slate Act, which is essential to our holistic approach to public safety. We cannot allow a criminal conviction to define a person's life. It did not define my life. I have a criminal conviction, and I'm now the mayor of this city. We need to do it for others. The more opportunity we provide to those who have had contact with the criminal justice system, the safer we will all be.

The second major step of my plan is to increase the Earned Income Tax Credit. It has been nearly 20 years since the City and State of New York increased the Earned Income Tax Credit benefit that has helped so many low- to moderate-income families. This is why I'm asking the state to authorize the city to boost the amount the city gives back to recipients of the Earned Income Tax Credit, up to 30 percent of the federal benefit depending on income.

In addition, I'm calling on the state to match our efforts by increasing the amount it gives back to recipients with an

additional state investment of up to $250 million. The state has been generous to New Yorkers, but it hasn't adjusted the percentage it gives back in nearly two decades. It's time to change that. The cost of living is up, and a dollar doesn't go as far as it used to. We all know that.

Expanding the EITC will allow New York to get money to hardworking New Yorkers and build a strong foundation to address ongoing economic inequality. With your support for this proposal, we will ensure that much-needed relief will reach those most in need.

And finally, we get to childcare, so important for all of us. Many of the hardships faced by working-class and low-income parents have become more pronounced during the pandemic. Those who cannot find affordable childcare are trapped in a never-ending negative economic cycle. They need help. We recognize and appreciate that the Executive Budget expands childcare eligibility. The Governor's proposal would

increase childcare eligibility from 200 percent of the state income standard to 300 percent in 2024. These increases would make childcare subsidies more accessible for vulnerable families that need help, and we support this proposal.

The budget also includes $75 million in federal funding to provide wage enhancements for childcare workers, which is also welcome. We look forward to working with the Governor and you to go further in providing pathways for families to access affordable childcare. This is so important for us.

Also, the state should fund the cost of the increased foster care subsidy rate on localities. If this is not addressed, the city faces a $117 million shortfall, depriving other city-funded social services of desperately needed resources.

Two additional proposals could help create more childcare space by utilizing tax incentives. The first proposal would authorize the city to offer property owners a

tax abatement for retrofitting space to establish childcare centers. The second proposal would authorize New York City to provide a tax credit to companies that provide free or subsidized childcare for their employees in their place of business.

We must do everything we can to lift up working families across the board, and those working adults. These proposals, along with other initiatives to be included in the enacted budget, will help make sure our children are cared for and our parents are supported.

While we continue to advance our COVID-19 recovery, we must also address our economic recovery. Now more than ever, New York City's economy, and especially our small businesses, need our help. To make this happen, we are going to slash red tape and make it easier to do business in the City. I've already started this work with my Small Business Forward Executive Order, which directs city agencies to reevaluate the penalties issued to small businesses. This

will be a hallmark of my administration.

When I campaigned for mayor, I didn't just promise the people new programs and ideas. I promised an efficient government that prioritizes responsible spending of public dollars. We must get our money's worth. I have already begun to make good on this promise by implementing a Program to Eliminate the Gap, or PEG, which will require city agencies to find savings in their budgets by 3 percent. I've also appointed the city's first Chief Efficiency Officer, who will hold city agencies even more accountable to our taxpayers. These actions will build one of the most cost-effective and fiscally responsible governments this city has ever seen.

As you have heard, we have a lot of work to do for this city, and our sleeves are rolled up to get stuff done. Of course, we need your partnership, which brings me to the Governor's Executive Budget.

I want to thank the Governor for including many of our essential priorities in

this budget. I especially want to thank Governor Hochul for including a four-year extension of mayoral accountability for New York City public schools. This extension will help my administration improve education and prioritize equity. Instead of leaving our students to fail, especially our Black and brown students, we will help them overcome adversity and find their way.

I struggled with undiagnosed dyslexia as a child, and we can't allow that to happen to others. These roadblocks must continue to be removed from our students, and we can make it happen.

And so I see my time has run out. We have other things I hope come up during your question-and-answer period. But again, I thank you for allowing me to come before you, my former colleagues and, most importantly, my friends.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you, Mr. Mayor.

We now will go to members for questions. And we go first to the chair of

the Assembly Cities Committee, Assemblyman Ed Braunstein.

ASSEMBLYMAN BRAUNSTEIN: Thank you, Chair Weinstein. I'm unmuted now?

CHAIRWOMAN WEINSTEIN: Yes, we can hear you.

ASSEMBLYMAN BRAUNSTEIN: Yes.

And thank you, Mr. Mayor, for joining us, and also Mr. Jiha and Ms. Raspberry for joining us today.

I just have a few questions about your testimony. The first question I have, Mr. Mayor, is your administration is requesting that the state increase the bonding authority to the New York City Transitional Finance Authority. How much of an increase are you asking for? And what are your plans to spend that money on?

MAYOR ADAMS: Thank you so much. As I stated, I'm joined with the head of my Office of Budget, and I'm going to let him respond to that.

NYC BUDGET DIRECTOR JIHA: Yeah, what we're asking for again is to increase the top

borrowing capacity by $19 billion, because currently we're looking at debt-incurring power, looking at debt-incurring power to drop to about 4.5 billion by 2026, which is concerning to us.

So as managers, we -- because the city plans to do long-term planning, so therefore -- and we have also a number of projects that span over a number of years. So as a result, we cannot wait until 2026 to secure this additional capacity. So that's what we're asking the state to provide us, to provide us an additional $19 billion of capacity for the TFA.

ASSEMBLYMAN BRAUNSTEIN: So this is just to help for existing projects, it's not for new projects?

NYC BUDGET DIRECTOR JIHA: It's to help for existing projects. You know, this is only increasing capacity, it's not increasing borrowing. It doesn't mean that we're going to borrow that much money.

It's the debt -- this is the capacity that we had. And because of the drop in

property values in New York City -- and, you know, the borrowing capacity of New York City is tied to what the commercial value -- to property, the value of properties in New York City. So because the property values in New York City have dropped, so our debt capacity has dropped. So we're asking the state to basically restore the debt capacity we had before the pandemic.

And this is at no cost to the state.

ASSEMBLYMAN BRAUNSTEIN: You don't anticipate those property values to rebound?

NYC BUDGET DIRECTOR JIHA: Well, we expect them to rebound, but it's going to take some time. Because currently we have a commercial -- the vacancy rate in New York City is about 20 percent, which is big. So you're talking -- you know, if you're looking at it a different way, it's basically the entire downtown Manhattan is basically vacant. That's what, you know, 20 percent vacancy means.

So it's going to take some time. And also we don't know whether or not this is a

structural shift in the economy because of people working from home, hybrid economy, whether or not, you know, companies would basically begin to shrink their footprint in New York City. So again, it's not clear yet, so -- and we cannot wait to -- for properties -- to say, you know, that we're expecting property values to come back so therefore we don't need the additional capacity.

So as managers, we're doing many things at the same time. We're hoping that the commercial real estate values in New York come back. But at the same time, because we have to plan a capital program, we cannot wait, hoping that they will come back. So that's the reason why we're asking the state to give us the authority so we can plan long-term.

ASSEMBLYMAN BRAUNSTEIN: Okay. Another question --

MAYOR ADAMS: And Assemblyman -- and Assemblyman, it falls in line to what your advocacy and fight for -- what you have done

to allow us to be on an equal footing with design-build. We want to make sure we expeditiously get these projects done, and being able to borrow at the right capacity is going to assist in that.

So this is in alignment with what you have allowed us to do and the work of the Assembly has allowed us to do here in the city.

ASSEMBLYMAN BRAUNSTEIN: Okay, thank you.

In 2021 we allowed the city to establish a Rainy Day Fund. It seems that in 2021 fiscal year the city invested 500 million into the Rainy Day Fund, and it's projected again in 2022 that the city will put another 500 million into the Rainy Day Fund.

Do you plan to continue this trend of adding funding to the Rainy Day Fund? And if not, or if you plan on taking money out, what would be the criteria for which you would remove money from the Rainy Day Fund?

MAYOR ADAMS: Our goal -- I'm going to

my budget director to tackle that, but let me tell you this. Our goal is to continue to put money in the Rainy Day Fund. As we saw, COVID was not a rainy day, it was a typhoon. And not being prepared for the future of -- in the outyears we're looking at a multi-billion-dollar budget deficit.

So we're doing the smart things now. That is why we put in the 3 percent PEG, because we're being prepared for the outyears and the challenges that we are going to face.

So it's our goal to ensure that we get an efficient government, look at the waste and the cost savings to make sure we can be prepared for the future. We want to continue to put in place money in the Rainy Day Fund.

Jacques.

NYC BUDGET DIRECTOR JIHA: I think you answered the question directly, Mr. Mayor. That's the goal. Currently we have a billion dollars in the Rainy Day Fund, and our goal is not to take down the Rainy Day Fund for any reason unless there is an extreme emergency.

But our ultimate goal is to keep adding to the Rainy Day Fund.

ASSEMBLYMAN BRAUNSTEIN: Great. At the end of December the mayor's Property Tax Reform Commission, the previous mayor's Property Tax Reform Commission finally came out with their full recommendations. Do you plan to implement any of those recommendations or -- what are your plans for comprehensive property tax reform?

I mean, we all know that homeowners -- particularly in the outer boroughs -- pay higher effective property tax rates than generally wealthier homeowners in Manhattan and parts of Brooklyn. Do you plan on pursuing property tax reform?

MAYOR ADAMS: It is crucial. And, you know, I say all the time I am not the choir, I wrote the song. When former Finance Chair Martha Stark approached those of us who were impacted by an unfair property tax system, I was one of them that wanted to be part of the initial lawsuit, but I was not allowed to be a part of it. And I wanted to do an amicus

court brief because it was an unfair system.

And so our administration is going to be focused on creating a fair system that is not overburdensome and unfair to those in the outer boroughs. It is unacceptable that we allowed this to go on this long.

ASSEMBLYMAN BRAUNSTEIN: Thank you. And my final question is I just want to get a sense of -- the federal government, our partners in Washington, particularly our congressional delegation, was successful in allocating federal aid to state and local governments. And I'd like to know how much federal aid the city has received, how much has been spent, how much is planning to be spent, and what that aid is being spent on.

MAYOR ADAMS: I'm going to let my budget director -- Jacques?

NYC BUDGET DIRECTOR JIHA: Yeah. We received about $5.8 billion from the federal government, and the money was fully appropriated in the last adopted budget.

And basically money was spent on everything dealing with test and trace,

reopening the economy. So we have -- I could give you a list of the entire, you know, scope of works that we -- projects that we invested in.

But mainly the focus was on getting the economy back. So the stimulus money was basically front-loaded, the spending, so that we could get the economy back up and running. And as the economy begins to recover, we will substitute city tax dollars for federal dollars. That was our objective because by law we have to spend the money down by 2025.

ASSEMBLYMAN BRAUNSTEIN: So it's already been spent or it's already been allocated? You don't anticipate receiving more --

NYC BUDGET DIRECTOR JIHA: It's already been allocated.

ASSEMBLYMAN BRAUNSTEIN: And it's been spent on recurring expenses or kind of what we call one-shot spending?

NYC BUDGET DIRECTOR JIHA: It's a combination. It's a combination of recurring and one-shots, yeah.

ASSEMBLYMAN BRAUNSTEIN: Okay. okay, thank you very much. Thank you, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to the Senate now.

CHAIRWOMAN KRUEGER: Thank you very much.

And our first questioner will be chair of the Cities Committee for New York City, Senator Luis Sepúlveda.

SENATOR SEPÚLVEDA: Thank you, Madam Chair.

Thank you, Mayor, for appearing today with us. And I want to say that as the new chair of this committee, I'm going to work every single day to bring much-needed resources to the City of New York, especially the area that I represent, which is one of the poorest areas in the entire State of New York. And I hope that we can continue the partnership.

I do want to say that the response time from yourself and the administration has been excellent so far, and that's a clear sign of your desire, and your agency heads,

to work with us. So I want to congratulate you so far on the rapid response that you've given to me and your administration has given to people in my office with issues that we've had.

Now, one question -- two -- a couple of questions I have for you. The first one is you know that our hospitals are in dire need of resources. We need a distressed hospitals fund more than ever. Can you explain why you oppose directing revenue to the fund? And it is illegal for the state to intercept the city's sales taxes?

MAYOR ADAMS: And that's so important. And first of all, thank you for your kind words. You can expect that. That is how we are going to run this administration. Cities are made up of agencies, and if our agencies are not responding to the needs of our local electeds, then we're never going to deal with inequalities and the ineffectiveness of how we run a city of this magnitude.

With the hospital distress fund, we

pay into that fund, Senator, yet we have not received one dollar to the distressed hospitals here in our city. It is unfair. New York City pays into the fund, the dollars go outside the city. We know that here in New York City, places like the Bronx and Queens, they were the epicenters of COVID-19 -- and our hospitals, we need the resources here. And I think right now it's unfair and I believe that we should require that those dollars come into the areas where you are pulling those tax dollars from. And we're not receiving any dollars from that hospital distress fund, and it's just unfair.

SENATOR SEPÚLVEDA: Okay, thank you.

Now, Mayor Adams, I know that generational wealth, especially in Black and brown communities, is something that you've talked about for some time now. But we have -- you know, you've opposed the existing tax lien sales system, and you indicated it does threaten generational wealth. So what is the city's alternative plan for these tax liens and what if any revenue impacts will

result from the change in the tax sale system?

MAYOR ADAMS: A great question. And we're looking to evaluate that system. I have brought together my team to talk about the unfairness of that system currently. We've had cases that I advocated for while I was the borough president where people lost their properties due to water bills or other taxes. And I think the system is currently unfair.

We're looking to see how do we give people as much support as possible to hold on to their properties. And under those extreme circumstances, we're looking to put in place a nonprofit where the nonprofit would hold on to the property in some way, allow it to go into our affordable housing crisis that we are facing.

But I was not pleased as the borough president with the system, and I want to make sure the system is a fair system. And the goal is to allow taxpayers and homeowners to keep their properties, not to take their

properties away.

SENATOR SEPÚLVEDA: Thank you for that, Mr. Mayor.

You know, as a local government alumni, Governor Hochul is making attempts to repair decades of damage to the New York State revenue-sharing program in her proposed budget. Do you think that New York City should be treated like every other city in New York State and included in the revenue sharing?

MAYOR ADAMS: Well, that's something I want to look at and look into and I could better answer that for you. That's a conversation I've been having with my OMB director. We want to see the real benefits of that, and then we can take it from there.

SENATOR SEPÚLVEDA: That's important for me to continue that discussion with you at some point.

Another question I have for you is the issue of mayoral accountability. Their proposal is to give you four years. If that's the case, Mayor Adams, what are your

priorities to enhance education in New York City? I am in the area with one of the highest dropout rates in the entire state, one of the highest unemployment rates, and I think education goes hand-in-hand to repair that problem.

So what programs do you have or what plan do you have to enhance the level of education that kids, especially in my community, get?

MAYOR ADAMS: You know, when I think about it, Senator, I remember the early battles we had for the Campaign for Fiscal Equity, the fights. We finally were able to get the money here to the cities.

When you look at our budget, over $30 billion we spend on education in New York City. And the reality is 65 percent of Black and brown children never reach proficiency in this city. Across the country, 30 percent of those who are incarcerated are dyslexic. According to one study, 55 percent of those in Rikers Island have learning disabilities.

When you look at the fact that if we

don't educate, we will incarcerate -- and I need the time to turn around a school system that has failed New Yorkers in general, but specifically Black and brown communities. We know what's happening in the Bronx and what's happening in other parts of our city, and I want to zero in on that. What does it look like?

Number one, education is not K through 12. Education is from the time the mother carries that baby, giving her the support, the right nutrition, the right support that she needs, all the way through careers. And we want to turn that around. We want to make sure that we give our children the inside-the-classroom support, look at CTE programs, bringing in our industries to ensure that children are ready to fill some of the jobs as we see our city continue to evolve. Dealing with some of the mental health issues that our young people are experiencing. And then identifying the barriers that's preventing to encourage young people to learn, putting the resources in our

school buildings and making sure that those resources are there.

And some simple things -- washing machines. I can't tell you how much how many children state that they can't make classes because they don't have clean clothing. Or food pantries inside our schools -- there's so much that we can do differently to bring a qualitive environment. And I need four years to turn around the school system in the way we should expect our schools to produce our children for the future.

Our system is unfair. We produce an unfair product every year that our children graduate. We must return the joy of learning in our schools, everything from around healthy food -- and it's good to speak to a further -- further plant-forward Senator. We're going to look at healthy food, a healthy environment, and make it a safe place for our children.

And I need four years, and I really need your help to give me an opportunity to finally turn around a school system that has

failed children.

SENATOR SEPÚLVEDA: I couldn't agree with you more, Mr. Mayor.

Now let's talk a little bit about housing in the City of New York. You know, the administration has a five-year housing plan, and we think the proposed plan would have a significant impact. But does the City of New York have a comparable housing plan?

MAYOR ADAMS: Yes, we do. I brought on an amazing housing team. We're going to be rolling out the entire housing plan that's going to include NYCHA and what we want to do inside NYCHA. We are putting together a plan, a $25 billion comprehensive housing plan that's going to impact affordable housing throughout this entire city.

We just announced the appointees that's part of that team, and we're looking forward in the next few weeks to roll out the comprehensive plan that we're putting together.

And we believe that we have failed to look into areas throughout the city, such as

rezoning some of these areas that historically have been ignored when it comes down to affordable housing crises. The affordable housing crisis, it's crucial that all of us carry the weight of what we want to accomplish inside our housing needs throughout the city.

And so the -- and just to be correct in my $25 billion that I stated, the $25 billion state plan. We want to build on the state plan and make sure that we utilize the dollars that are coming on the state level. That plan, we want to complement here in the city.

And I have my new housing team that was put together. They're going to build on that plan to make sure that we're prepared here in the city to deal with the housing needs and cycle out of the homeless system that we have in the homeless shelters, particularly congregate shelters. Because children who are in homeless shelters are less likely to graduate from high school. And as I've always stated, if you don't

educate, you will incarcerate.

And we're going to build out a solid housing plan and roll that out in the next couple of weeks.

SENATOR SEPÚLVEDA: Well, that's all from me, Mr. Mayor. Thank you so much. And again, I want to reiterate, as chair of Cities, you have a partner that will work diligently for the lives of the residents of the City of New York.

Thank you so much.

MAYOR ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Back to the Assembly.

CHAIRWOMAN WEINSTEIN: While the mayor was speaking, we were joined by Assemblyman Weprin, Assemblywoman Kelles, Assemblywoman Seawright, Assemblyman Cusick.

And we go to the ranker on Cities, Assemblyman Mike Reilly, for five minutes.

CHAIRWOMAN KRUEGER: Although before Mike starts, let me just read off the Senators also.

CHAIRWOMAN WEINSTEIN: Sure.

CHAIRWOMAN KRUEGER: Sorry.

We've been joined by Senator Robert Jackson, Senator Cordell Cleare, Senator Sue Serino, Senator Shelley Mayer. I think I've gotten all the Senators, thank you.

CHAIRWOMAN WEINSTEIN: And I see Senator Comrie --

MAYOR ADAMS: Senator Leroy Comrie.

CHAIRWOMAN KRUEGER: Excuse me, Senator Leroy Comrie. How could I forget you. Excuse me, Leroy. Thank you.

MAYOR ADAMS: That's my old neighborhood, Senator Krueger: South Jamaica, Queens.

SENATOR COMRIE: There you go. Good morning, Mr. Mayor. Good morning, everyone.

CHAIRWOMAN WEINSTEIN: Good morning.

We go now to Assemblyman Reilly, five minutes.

(Zoom interruptions; pause.)

ASSEMBLYMAN REILLY: Madam Chair, are we ready?

CHAIRWOMAN WEINSTEIN: Yes. Yes. Please proceed.

ASSEMBLYMAN REILLY: Thank you. Thank you, Madam Chair.

Thank you, Mr. Mayor, for your testimony and for appearing here today. I appreciate your candor and your opening remarks.

I wanted to talk to you on something that you spoke about with regards to the Raise the Age law. One of the things I've been talking about and I actually introduced legislation about was the 16- and 17-year-olds being able to remain in Youth Part Criminal instead of automatically going to Family Court. And one of the things there is firearms. And it's -- they're only allowed to go to Youth -- to be prosecuted in Youth Part Criminal if they display a firearm, currently.

One of the things that I think should be added to that is the mere possession of a loaded firearm, which would allow district attorneys to petition to keep it in Youth Part Criminal Court. Do you think that's a minor fix that we can use regarding

the gun violence in New York City, especially under the state of emergency that the Governor announced?

MAYOR ADAMS: Thank you for that question. First, I am a strong supporter of Raise the Age. I am a strong supporter of Raise the Age.

We need to tweak that aspect of Raise the Age. And oftentimes people misinterpret how important that tweak is. If you are stating that a child that is considered for Raise the Age carries a gun but does not display that gun, then they're treated in Family Court. That is a problem. Similar to what many of us are aware of that happened during the '70s and even early '80s, drug dealers would have the younger children carry the drugs because they knew they would be handled in Family Court. They are doing that now with guns.

And I'd like to be very clear. I don't know if you can see this, but last year 10 percent of individuals under 18 were arrested by NYPD with a gun. Six years ago,

that was only 1 percent. One percent. That is what's happening. And since 2019, of the 2500 16-year-olds receiving consideration, half were rearrested, and 10 percent for a firearm.

I mean, sometimes when we hear these numbers, they're sort of a vague sound bite. No. These children are being exploited by adults to carry guns. And when you allow them to go to Family Court and they're adjudicated in Family Court, then you are going to constantly have these young people being exploited.

We had a young person who was arrested with a gun. Then while placed on probation in December, in January he was caught with another gun, shot himself and a police officer. If he did not shoot the police officer, he would have been treated in Family Court because that gun was not exposed.

That is a part of the bill that we need to tweak.

ASSEMBLYMAN REILLY: Thank you,

Mr. Mayor.

So switching gears a little, I want to talk about mayoral control of the schools. I know that we're discussing extending it for four years. I'm more in line with three years, because I think that should be -- and it's regardless of who is mayor. I support mayoral control, I just think there's always room to reevaluate and tweak, and we've seen that over the years, especially during my time as a member of the Community Education Council for District 31 in Staten Island.

But one of the things that I've been trying to advocate to change in mayoral control is increased parent engagement. And that involves maybe the PEP members having more parents assigned. And additionally, I would like to remove the ability for the appointing authority to automatically remove a PEP member. I think that if we allow only to remove a PEP member for cause, that will make sure that when they're voting on the proposals by the mayor and the chancellor, regardless of who that is, the merits of that

plan will stand a vote. Not necessarily because there's maybe some arm-twisting because of the person who appointed you.

Could you touch on that?

MAYOR ADAMS: Yeah, I am fully supportive of parent engagement. That was my number-one complaint about mayoral control, is the lack of engagement with parents and having them have input.

That is why I was really proud of bringing on Commissioner -- I'm sorry, Chancellor David Banks. When I attended what David Banks did in the Eagle Academy -- and I used to go to his PTA meetings, and I would see standing room only. He did not build a system that was centered around the -- what the administrators wanted, he built a system that was centered around parents. And I believe that's what we must do with mayoral accountability.

But I want to be clear that I need to be held responsible for improving our schools. And it's challenging to do so without having the four-year period that's

needed. And you don't have to feel as though you need a piece of legislation to say that Eric is not going to listen to your input and your consultation on what's happening in your particular school districts, because that is not the case.

The goal is to hear from parents, to hear from those lawmakers that are receiving input from parents, and build a school system that's responsive to that. And I need four years. I need four years to accomplish this. I saw what happened when I was in Albany, and I saw what happened this year. Every two years you're trying to figure out and plan forward on what to do. We can't go back to the old system, and we need to hold the mayor of the City of New York responsible for educating our children.

Parent feedback is important, we're going to seek that. And I was very clear with my chancellor, and we're going to get that feedback from our parents.

ASSEMBLYMAN REILLY: Thank you, Mr. Mayor. Thank you, Chair.

CHAIRWOMAN WEINSTEIN: Thank you.

We've been joined by Assemblyman McDonald and Assemblywoman González-Rojas.

And back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much. And we will next up be the chair of the Local Governments Committee, Jim Gaughran.

SENATOR GAUGHRAN: Thank you, Madam Chair.

And thank you very much, Mr. Mayor. I do have to say, as a Senator from Long Island, I find both the tone and the initial agenda of your administration very refreshing, and I think many of the issues that you've raised -- and especially here today -- are not only regional issues but statewide issues as well.

So I guess I want to start with criminal justice and your opening remarks referencing that the problem has many rivers that we have to deal with. So one of those rivers -- and you -- when you referenced the bail reform law, I think it's clear you're

talking about targeted amendments. You're not talking about repealing the law, you believe in the underlying changes that were made to make sure that we don't have two different systems of criminal justice based on the particular wealth or lack of wealth of the defendant.

Would that be fair to say?

MAYOR ADAMS: Yes. That's a question you're asking, correct?

SENATOR GAUGHRAN: Yes. You support the underlying criminal justice reforms that we passed but feel that we need to make, as you referred to them, targeted amendments. That we should no longer continue to have, you know, two different systems of justice as it relates to somebody's ability to pay.

MAYOR ADAMS: Well said. Not only do I support it, sir, I advocated for it. As a sergeant, I went to Rockefeller Plaza and protested against the Rockefeller Drug Law. Then I went to Albany as a Senator and I cosponsored the bill to repeal the law.

This is my lifework. And so I'm

pleased with what the Assembly and the Senate did of making this system that was unfair, to make it a fair system. Tweaking it saying we did the justice part, now let's address the public safety part. That's where I think we went wrong, and I think we can tweak it and make it right and get what we're desiring.

Because we're doing our job here in the city. We removed 6,000 illegal guns off the street last year, close to 400 this year while I've been in office. We can't continue to allow these rivers of violence to continue. Let's remove the illegal guns and let's remove the small percentage of people who are carrying out the act. That's what we're missing, and that is what we have to zero in on with precision policing.

SENATOR GAUGHRAN: So along those lines -- and I think it would be fair to say whether it's the State Legislature or it's our Congress -- anytime you pass major reforms of this magnitude, you constantly have to look back and see where changes perhaps need to be made.

So specifically on the issue of bail, what would you think of some revisions that would give judges the discretion to simply remand somebody based on some set of extraordinary circumstances -- concern for the community, perhaps the individual themselves really should be given the opportunity for drug treatment, a diversion program -- if we gave judges a remand provision for certain circumstances, and we'd have to define that, and we ask the judge to -- they'd have to put on the record what those circumstances are very specifically, had it reviewed subsequently in a quick period of time, perhaps by another judge.

But just based on the facts and circumstances of a particular situation, giving that judge some narrow discretion. What would you think of something like that?

MAYOR ADAMS: And this is in pieces, when we talk about some of the great reforms that the lawmakers did in Albany.

So let's just first deal with the bail reform. The general premise of the bail

reform is something that I was proud of to see accomplished, because as I stated, it's my lifework. Two areas I think we need to look at. One, discovery. The discovery area is crucial.

When I spoke to Eric Gonzalez, the DA in Brooklyn, he took down three major gangs, violent gangs that were participating with 14-, 15- and 16-year-olds who had several homicides. He turned over 40,000 pieces of evidence. If he would have missed three or four pieces of evidence, that case would have -- could have been dismissed. All of the investigation, taking violent people off the street -- if he would have missed three or four pieces of paper out of those 40,000 documents, that case could have been dismissed. That is just not right.

And then when we look at judges can't have the power of discretion -- let's remove the cash bail system, because one should not be able to get out of jail just because you can pay bail. Let's take that away. But judges should look at the case that's in

front of them and say, this person has two gun arrests, two shootings, and he's continually saying to the people of the city that I don't care about the safety of you -- that judge should have the right to make the discretion that this person should be held.

And by doing so, we should evaluate with transparency if there's a pattern of judges who are abusing that discretion. Let's retrain them, let's have the chief judge look at their actions and make sure it's done right, because we can't go backwards.

SENATOR GAUGHRAN: Thank you, Mr. Mayor. That was very well said.

Just switching to another topic, if I may. You know, we need to do much more in this state to provide affordable housing, both in the city and out on -- in the suburbs. However, there is a proposal in the Governor's budget that would, in effect, I believe, take away the ability of local officials to have any sort of discretionary review or hearing as it relates to requiring

accessory dwelling units to be built on single-family lots.

And, you know, many of my communities are already doing this. But one of the questions I have -- and, you know, perhaps it can't be answered here, it may need a deeper dive. But one of the concerns I have is that this law in itself may take away the ability of New York City's Uniform Land Use Review procedure to have any powers at all -- take away, you know, the ability of local community boards and members of the City Council to really have any discretion on some of these applications.

So I guess I would ask if you could look at that or if you have an answer now. And also perhaps maybe there are ways that we in the state can incentivize the city and our local governments to provide some of this type of housing as well. What are your thoughts on that?

MAYOR ADAMS: I'm a big local government guy. You know, there's not a one-size-fits all to our local

municipalities. And we are in a housing crisis. I am in full support of how do we continue to expand our housing stock. And I think it's crucial that we give the power to local government to make these determinations, decisions. We saw after the recent hurricane what happened, the flooding that took place, particularly in Queens and Staten Island.

I think we could do it in a smarter way, we can build smarter. And we could make sure that we can address both ends: How do we build for the future and our environmental issues, but also how we deal with the housing crisis that we're facing. And local governments can make those decisions in a smart way.

SENATOR GAUGHRAN: Thank you very much. And one other question.

You know, one of the concerns that we have with this budget that we're grappling with is that our federal government has still failed to give us back our state and local tax deduction, SALT. You know, it's killing

my constituents on Long Island with our high property taxes. I know it has an impact in the city and I hear that, you know, you're looking to help property taxpayers there as well.

What can we do collectively -- those of us who represent areas outside the city, you as mayor and officials in the city -- to really push Congress to get this done? Because it almost seems like it's no longer top on the agenda down in Washington, D.C.

MAYOR ADAMS: And we're talking about SALT, is that what you're talking about, correct?

SENATOR GAUGHRAN: Yes, SALT.

MAYOR ADAMS: You know, people often talk about what the federal government did for us -- which I want to thank our New York congressional delegation for doing so with the stimulus. But if they really want to stimulate the economy of New York State, bring us back SALT.

We need SALT. SALT was a penalty towards New York City and New York State. We

need to have SALT. That would give an immediate boost to our economy. And I push back against those who state that it is a tax break for just the affluent and rich. No, it is not. It is for the blue-collar, middle-income homeowners. SALT had a major impact for me and I'm pretty sure not only on Long Island, but if you go to areas throughout the entire New York City region, SALT had a devastating impact on us.

We need to have a unified voice with those other states that were impacted, and we need to put SALT back on the agenda. It is something that I think is even more important than the stimulus that came around. The real stimulus for us is to have SALT repealed.

SENATOR GAUGHRAN: Yes, I agree. Thank you so much, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: Thank you.

I assume that people have seen that the clock -- we're working with the tech folks to try and figure out why the clock is partially blocked. But hopefully you can continue to see it enough. Certainly you'll

see it when it goes down to zero.

We now go to Assemblyman Ra, the ranker on Ways and Means, for five minutes.

ASSEMBLYMAN RA: Thank you, Chair.

Good morning, Mayor. Good to have you with us.

Just -- I wanted to get into a little bit more of what Senator Gaughran had started with, just more on the criminal justice side. But I do want to thank you for your leadership already, pushing for more judicial discretion. I think it's important and I hope that, you know, we'll be able to continue those discussions and move in that direction, so I thank you for that.

You know, obviously we're dealing with the confluence of a lot of things in the city and this -- crime increases and all of that. So one of the things that obviously has gotten a lot of attention is the new DA in Manhattan. I know that some of -- I hear somebody typing very loudly. I'm sorry.

CHAIRWOMAN WEINSTEIN: Everybody mute, make sure you mute yourself. Thank you.

ASSEMBLYMAN RA: So I'm just wondering -- I mean, in your conversations especially within the police department, A, do you think that this is causing some level of just -- a lack of accountability in the public to think they're going to get away with certain types of crimes? And how does that impact policing, in your view?

MAYOR ADAMS: District Attorney Bragg, he and I had several conversations and, you know, I want to, respectfully, not go into some of the private conversations that we have had over the last few weeks.

I believe that we're going to be partners with the other district attorneys. I met with all five of my district attorneys and I believe we're going to be partners in dealing with issues of crime. I'm happy to see some of the items he listed, particularly around gun crimes, and how his office is going to move forward.

But, you know, you touched on something that I really need for all of us to embrace. Look at what's happening in

San Francisco. The business community is leaving San Francisco. We're seeing the entire highest -- one of the highest-tax areas, due to real estate, is being abandoned. What's happening in Chicago -- when I spoke with her in Washington, D.C., several weeks ago, she talked about the need to deal with the violence.

And we can't allow this to happen in New York. And I know people sometimes don't connect some of the offenses that are happening that they can materialize into serious problems, but it can. We can't have a city where out drugstores and bodegas and restaurants are leaving because people are walking into the stores, taking whatever they want on the shelves and walking out, and then giving it to a criminal enterprise that's selling it on the internet.

That can't happen. We can't have people on our subway system who are not receiving care. And they are creating an environment where people are afraid to ride the subway system because they think they're

going to be shoved to the tracks.

If we stop the basic principles that allowed us to be one of the safest big cities in America, it is going to erode our financial base and people are not going to want to work in our city and do business in our city. And it's all connected. Those are the many rivers that I talk about that feed the sea of violence.

And we don't have to be heavy-handed, but we have to be clear: There's expected behavior to be in a city like New York, and it's something that we're going to make sure we carry out.

And that is what my police commissioner, Police Commissioner Sewell and her team is clear on. Our mental health professionals that are partnering with us to deal with the homeless crisis, particularly those with mental health issues. And we're going to send the right message in my grocery stores, my supermarkets. People are not going to force stores to close and leave the city because they believe they're going to

disrespect the right of those low-wage employees to be employed in these stores. And that is the message that we're going to send in this city.

ASSEMBLYMAN RA: Thank you, Mayor.

And I have to say, as a representative of Nassau County, we are very proud of your new police commissioner, and I commend you on that choice.

Just lastly -- I only have a few seconds -- but, you know, you mentioned how this is all related. And I think anything that we can do on the public safety side and certainly continuing the conversation on the financial side to make sure that New York City is thriving -- it benefits obviously not just New York City, but us on Long Island and the entire state.

MAYOR ADAMS: Well said.

And the images that come from New York are cascaded throughout this entire country. And if people see a total disregard for the basic rights of our fellow New Yorkers, that is the image that's going to cascade

throughout this entire country. And we can't go backwards in heavy-handed policing, but we can't go backwards to 2,000 homicides a year, 98,000 robberies and the equivalent amount of felonious assaults.

We're moving forward as a city, and we can do it together with the proper balance of public safety and justice. That's the prerequisite to prosperity, and I believe that and I'm pretty sure all of us on here believe that.

ASSEMBLYMAN RA: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We've been joined by Assemblymembers Dilan, Meeks, Friend and Taylor.

And the clock is fixed, and we go back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

And we are going to hear from Jamaal Bailey, our chair of Codes.

SENATOR BAILEY: Thank you, Madam Chair.

And Mr. Mayor, good to see you. Thank

you for testifying. And let me first just say thank you for your responsiveness to me, to my team. You and your team are incredibly responsive anytime we reach out, and it's grateful, especially in the wake of the Bronx fire and so many other things. So I just want to thank you for your consistent responsiveness.

MAYOR ADAMS: Thank you.

SENATOR BAILEY: You know, as the chair of the Codes Committee -- and we've had some brief conversations about this, the conversation about the justice reforms, the bail reform, the discovery reform -- I am of the opinion that we need to continue to have these conversations on a fact-based level.

When we refer to some of the judges that you've spoken about in the past, about a third of the judges that have not set bail or remand on the remandable offenses, I think that we have to be very surgical in the conversations that we're having as related to the justice reforms that we're having, as opposed to just looking at a headline and

saying that we should make wholesale changes.

I look forward to a continuous dialogue with you in that respect, because I don't think there is a -- there is one point that we can look at and say, This is the fault of a single justice reform.

As opposed to that long ramble, I would ask you, Mr. Mayor, is there one particular area that you -- that you see as the largest problem in the justice reforms? Is that bail, is that discovery, and if so, why?

MAYOR ADAMS: Yeah. No, thank you for that. And, you know, let -- and I want to be clear. What you said, Senator Bailey, is just so important.

People have hijacked the conversation of -- particularly when it comes down to the Speaker and the Senate leader. These are not former colleagues, these are friends. And you know, when I could come to Albany with a list of a hundred things, and one thing we disagree on -- darn it, that's a home run. It's a home run.

Both Andrea and Carl are friends of mine that -- we want the same thing. And when you look at in the Bronx, where 30 percent of the shootings are taking place, those beautiful children of yours, you want them to be safe. You don't want them to be the 11-month-old baby that was shot in the head in the Bronx.

And we have the same focus. And we don't want to create a criminal justice system that criminalizes Black and brown boys throughout their entire career. And so if we zero in and tweak just the areas that I have fought for all my life -- we have to look at discovery. The DAs are saying, Eric, we're going to have to dismiss some substantial cases. There was a rape case in the Bronx, the person was a potentially serial rapist, that we had to dismiss because of potential discovery issues. And if we don't tweak those areas, we could lose some major investigations of crime.

Second, Raise the Age. We have to look at the possession of a gun. That

19-year-old girl that was shot in the Burger King, was shot by an adult -- but that's still a gun. The young man who shot the police officer weeks while I was on the job, he was in possession of a gun and he just got arrested for possession of a gun.

If we don't look at the fact if you carry a gun, it needs to be treated as the same if you expose it or not. We shouldn't wait for you to take it out and shoot someone because you carry them.

Those are the areas that need to be tweaked. And that's not saying take away the great work that you have done, because it was done. It was commendable. I wish I was there to finally see my lifework materialize. But we've got to focus on those areas that need to be tweaked.

SENATOR BAILEY: Thank you, Mr. Mayor --

CHAIRWOMAN KRUEGER: Mr. Mayor, I hate to be the first one to cut you off today, but the clock is back visually and hit zero.

Thank you. Helene?

SENATOR BAILEY: Madam -- Madam Chair, if I just may respond really, really briefly --

CHAIRWOMAN KRUEGER: No, you can't, I'm sorry, Jamaal.

CHAIRWOMAN WEINSTEIN: It's a long day.

SENATOR BAILEY: Thank you, Mr. Mayor.

MAYOR ADAMS: Thank you, Senator.

CHAIRWOMAN WEINSTEIN: We've been joined by Assemblyman Aubry, Assemblyman Sayegh, Assemblywoman Byrne -- excuse me, Assemblyman Byrne, and Assemblywoman Hyndman.

And we go to Assemblyman Fall, three minutes.

ASSEMBLYMAN FALL: Thank you, Madam Chair.

Thank you, Mayor Adams, for joining us. Before I get to my questions, a few weeks ago everyone was aware of the COVID surge we had across the city, especially on Staten Island. I reached out to you and your office, you provided my office with thousands of COVID test kits, and I just want to thank

you for your help on that matter.

Just switching gears to infrastructure, I just wanted to quickly talk about, you know, what happened during Hurricane Ida. We saw a level of flooding on Staten Island and across the city that was unprecedented. Lost a lot of lives. Many experienced property damage that burned a hole through their pockets, which includes people being displaced from their homes. I personally drive through my district during heavy rains to see catch basins not maintained, which results in the levels of flooding that we saw during Ida.

So what can I tell my constituents about your plan to address future flooding, especially when it comes to upgrading DEP infrastructure?

MAYOR ADAMS: Thank you, Assemblyman. And, you know, I too traveled out to Staten Island the day after the storm, met with Senator Diane Savino, moved around Staten Island to look at some of the damage to be on the ground.

And, you know, many of you have talked about the responsiveness of my administration because, you know, our motto is clear: GSD. Get stuff done. It's just taking too long to get stuff done in government.

First, we need to do this in layers. We need to look at what are the short-term things that we could do. Let's just clean the basins. Let's just make sure that the water and the infrastructure we do have in place is doing its basic job. And we have not done that enough. We need to do it periodically. It's something that I partnered, when I was in the borough president's office, of Adopt-A-Basin for people on the block, having DEP go out and do periodic checks. Let's just make sure the system is doing what it's supposed to do.

Next, let's use some of the infrastructure dollars that we're receiving from the federal government to do -- not only build out our infrastructure and be ready for the future -- we just brought on our environmental team that is going to be

looking at how do we start building out for the future of -- around our environmental issues.

And what that looks like is building on our sewer systems for the future. We need to really look at doing a pause on some of these projects that's taking place now, Assemblyman, and say are they prepared for the future or are we building them for the past. We need to start retrofitting these buildouts for the future, and then borough by borough we're going to come up with a clear plan, because Staten Island is unique to Brooklyn and other areas of how we're going to do specifically for what's happening in the various boroughs in the city.

ASSEMBLYMAN FALL: Thank you for that. I only have 20 seconds, but I just wanted to quickly highlight -- or just a couple of comments.

If you could please make sure that your staff expedite the work that's going on at Stapleton Houses so folks can get their cooking gas back on, that would be great.

Really want to have your support on the Staten Island bus rapid transit at the state level. And also want to invite you to Richmond University Center so you could better understand some of the issues that's going on over there.

And thank you for your leadership during this time.

MAYOR ADAMS: We'll get out there next week, brother. I look forward to do it. And NYCHA is facing a $40 billion capital shortfall, and bureaucracy is in the way. We're going to be rolling out our NYCHA staff, because we should not find out about the tragedies after they get on the front page of the paper. And I believe an ongoing conversation with you is crucial.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you both. Back to the Senate.

CHAIRWOMAN KRUEGER: To Senator Diane Savino.

SENATOR SAVINO: Thank you, Senator Krueger.

Good morning, Mayor Adams. Welcome to

Tin Cup Day in Albany --

MAYOR ADAMS: How you doing today?

SENATOR SAVINO: -- although certainly it's not your first experience here.

So I only get three minutes; I'm going to talk fast. As you know -- first, I want to thank you and your administration for your amazing attentiveness, not just to myself and my staff but my constituents. It's a refreshing change, certainly, and I know the minute I reach out to you or anybody on your team, you immediately get back to us.

I want to, you know, just echo my support for your requested changes to not just Raise the Age, but the change to the criminal justice reforms that you're asking for. You know -- probably better than any mayor who's sat in this chair that's asking us to do things -- how difficult it is to move legislation to change legislation.

Your experience as a member of the Senate -- when you walked in the door 15 years ago, you were one of the leading members who taught us how to implement the

anti-gun-violence programs. The SNUG program was a creation of Eric Adams. You were one of the leading members who led the fight to reform the Rockefeller Drug Laws. So you understand probably better than any mayor of the City of New York how we have to reform legislation with precision.

And so I don't think people understand you're not suggesting that we repeal what the Legislature did, but that we look at legislation, as we are required to from time to time, and tweak it.

So towards that end, Assemblymember Cusick and I are introducing legislation to reform Raise the Age, to address those gun charges that you eloquently pointed out don't belong in Family Court. We're working with the DAs.

I'm also introducing legislation -- after having worked with a CEO of the HHC, Mitchell Katz, and Kathy Wylde -- to address the challenges our chronically mentally ill homeless population, who cycle in and out of our emergency rooms, wind up in our subway

tunnels in chronic mental health crisis. We need to change the definition under mental health law of what is a person who is incapable of taking care of themselves and a danger to themself or others.

So working in that precision capacity, we're going to try and provide you the tools -- also addressing the shortfall in funding, so that you can have the money you need to have mental health beds in the HHC and the City of New York.

I've only got 48 seconds left, so again we stand here as partners with you, I'm very excited. I believe you should have four years of mayoral control, and I support that. And of course as always, we are your friends, your colleagues. I'm very excited to see you as the mayor of the City of New York.

MAYOR ADAMS: You know, thank you so much, Senator. And, you know, I joked on the campaign trail that I felt like Anthony Fauci when they stated, you know, where was he during the COVID.

And when I hear people who are new to

this advocacy, this is my lifework. And, you know, when I was up in Albany with my colleagues, you know, we sat down and my team came to me to ask for that proper balance of justice and public safety. And that's what I'm doing now. We heard and we did an amazing job around the justice aspect of it.

But public safety is crucial. And if someone that is a former colleague, that was a trusted former colleague on these law enforcement issues from the days of 100 Blacks in Law Enforcement, from the days of advocacy for prison reform, visiting the prisons up in Albany -- if a former colleague is saying, hey, you guys did a great job but there's areas we need to tweak, we should not feel as though that this an attack. This is love, to make sure that we don't allow the small number of people who commit crimes to endanger our communities.

So some people would say, Senator Savino, that 95 percent of the people who commit crimes are not impacted or they won't come back and do something again. But

what about that 5 percent? That 5 percent, those are the people who are wreaking havoc in our cities. Five percent comes to thousands. You know, there's a small number of people that are committing crimes in the city, and they're slipping through the cracks. And a simple tweak would help us through this problem.

CHAIRWOMAN WEINSTEIN: Thank you, Mayor. I imagine there will be some more opportunities to expand on this topic based on the number of witnesses that are here.

I wanted to just mention that we've been joined while the hearing began by Assemblywoman Nolan, Assemblyman Otis, Assemblywoman Wallace.

And we're going to go to Assemblyman Schmitt for three minutes.

ASSEMBLYMAN SCHMITT: Thank you, Chairwoman.

Mr. Mayor, I represent the Hudson Valley. A lot of my constituents commute to the city or utilize the city for medical services, et cetera, and the

overarching concern that I hear are the concerns about safety.

We've heard some of your comments already, and we know there's resistance from some in the Legislature to move forward with badly needed changes on the law and order and safety side. What immediate steps are you taking or can you take to reassure my constituents and the millions of folks who visit New York City -- before the Legislature acts -- that safety is going to improve, that they will feel safe no matter what they need to do, whatever their business is in the City of New York?

MAYOR ADAMS: Thank you so much for that.

First, as I stated -- and I really need for us to, you know, lean into the analogy that I use of many rivers. Those rivers feed into the sea of violence.

We need help on the federal level. We have to stop the flow of guns. You can't remove 6,000 guns from the city and still have an endless flow of guns. It appears as

though with every one we remove, five seem to come in.

And that's why I brought the president here in the city, so that he could sit down and see what we're doing around the partnership with city, state and federal agencies. We need a 9/11 type response so that we can bring those agencies together with information sharing and stop the flow.

But then no matter what the other rivers are doing and how we're able to dam those rivers, I have the responsibility and obligation of keeping the people of this city safe that come here to live or to work, and that's what I'm going to do. We're going to institute my anti-gun unit. Not anti-crime; these are not officers that are going out in plainclothes. This is an anti-gun unit with precision policing to zero in on those who are the known trigger-pullers so we can get them off our streets.

We're then having a real partnership -- because I'm pretty sure many of the people that come from your area, they

ride the transportation system -- we're going to partner with our mental health professionals and our law enforcement community to no longer have a policy of allowing people to be on our subway system when they can't take care of themselves and they're dangerous to themselves and others. That's unacceptable, should have never happened, and we're going to make sure they get the care that they need and deserve.

But we're going to also be upstream thinkers. We're going to do precision resources. We're finding that there's a profile to those who are on the pathway to crime: Drops out of school, in homeless shelters, dealing with mental health illnesses. So let's not wait for them to pick up a gun; let's pick up their lives by giving them the support they need, partnering with the crisis management team, give them the resources they need to make this happen.

ASSEMBLYMAN SCHMITT: Thank you.

Real quick, I have a lot of New York City retirees in my district, very concerned

about the changes to their retiree healthcare. They're concerned you haven't been able to meet with them. Can you pledge to meet with them and help fix their concerns?

MAYOR ADAMS: I am surprised that anyone would tell you that it's difficult to meet with me. I drive my team crazy, because if I'm on the street and someone stops me and asks me for my cellphone, I give people my cellphone. I am an accessible elected. I love being around people. I love hearing from people. You can't be a good shepherd if you're not hanging out with the sheep.

So I look forward to meeting with them because I can hear from them. I looked over the plan, I spoke with my union leaderships and my director of OMB. They clearly laid it out. I am a retiree. That plan is my plan. And so I'm concerned about anything that's wrong with my healthcare. You don't become a civil servant to be a millionaire, you become a civil servant to have a stable retirement and live a good life.

But I look forward to meeting with them, and I think that once they are explained the plan, they're going to feel more comfortable. I think we failed in the rollout and the explanation.

ASSEMBLYMAN SCHMITT: Thank you. I'll reach out to your team to set that up.

CHAIRWOMAN WEINSTEIN: Thank you.

We go back to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

We next go to Senator John Liu.

SENATOR LIU: Thank you, Madam Chair.

Welcome, Mr. Mayor. You had really high expectations coming in, and you've been hitting the ground running. And you're going to have to keep running for a while, man. Good to see you.

My first question has to do with the way we run our schools in New York City. You mentioned in your testimony that you want that four-year extension. My question to you is, given your concern and many of our concerns about the lack of parental input in recent years, do you think that that mayoral

accountability should simply be extended without changes?

MAYOR ADAMS: Yes, I do. And I know people are jaded because of, you know, the lack of communication, lack of really having engagement.

I am asking that -- you know, give me the chance to do what I've advocated for. And it's difficult to really plan for the future, that we're unable to know where we are going to be in the next four years. There are areas we want to look at and tweak to make better, and I'm looking to hear from you on some of those areas. But we should never take away the ultimate responsibility that the mayor should be responsible for improving our educational system.

SENATOR LIU: So, Mr. Mayor, you don't want to be the one to offer the changes, you want us to tell you what changes we think are necessary, based on the input that we get from our constituents, and we'll work together from there?

MAYOR ADAMS: Well, I want to hear

from you, I want to hear from your overall -- based on what you hear from the constituents.

But let's be clear, New York City residents -- we may have 8.8 million people; we have 20 million opinions. They're not shy in telling me where they think things are wrong. And so when we listen to what's coming from our lawmakers, based on my communication with parents, we will come up with a good plan. But it should end with the mayor being responsible for the school system.

SENATOR LIU: Sure. But that doesn't necessarily mean that there shouldn't be improvements made to school governance in New York City. Look at what happened in Chicago. They went away from mayoral control and went back to a more -- what they would call a more democratic system of how to run our schools.

My question to you is did you ask Governor Hochul for a three-year extension, as was reported in some newspapers, and she said "You can have four"?

MAYOR ADAMS: No. You know, I don't know -- you know, newspapers sometimes report what their interpretation of a conversation is. And, you know, I've always had a standard -- even when I speak with you, John, you know I've never mentioned our private conversations. So it's my belief that private conversations should not be put out in public.

But I am clear on this. I want the responsibility of turning around a school system that has failed New Yorkers in general, but specifically Black and brown children. It is a stain on our city that 65 percent of Black and brown children don't meet proficiency every year. Unacceptable.

SENATOR LIU: If we need $3 billion for schools, and according -- if the news reports are right, I think you should -- I'm sorry, if we need $4 billion for our schools, you should ask the Governor for $3 billion and maybe we'll get four.

The last comment I will make to you is that in -- you know, you campaigned -- you

left no stone unturned in the city. And you are -- you campaigned in every single community. You're in fact like the first Asian American mayor in New York City.

(Laughter.)

SENATOR LIU: So along those veins, I would like to encourage you, every time you say Black and brown, you can say Black, brown and yellow. It's okay to refer to Asian Americans as such, because we are a community of color just as much as anybody else. Thank you.

MAYOR ADAMS: Yes, yes, you are. And I thank you. My support in the Asian community -- you know, the AAPI has been amazing for me, and they know I'm going to be a mayor for this entire city. I look forward to it.

CHAIRWOMAN WEINSTEIN: And Senator Liu, if you want to see the mayor embracing the Asian community, he was at the Homecrest Senior Center yesterday for the lunar celebration, and he was dressed perfectly. I was virtual, and he was there. And he could

have been a member; it was hard to tell.

(Laughter.)

CHAIRWOMAN WEINSTEIN: So now we go to Assemblyman Carroll, three minutes.

ASSEMBLYMAN CARROLL: Thank you, Chair Weinstein.

And thank you so much, Mr. Mayor. And I want to thank you for sharing your dyslexia story. As somebody who is dyslexic, it was so refreshing to hear somebody talk about their struggles with reading, not because of intellect or effort, but because of the failure to diagnose and identify dyslexia and give those children the evidence-based reading curriculum that they so desperately need.

My life was saved -- let me underline that -- my life was saved because in first grade a teacher identified me as dyslexic, and my parents had the means to get me a neuropsych, and then I was able to go to a school that provided me with an evidence-based reading curriculum that was multisensory, sequential, and rooted in

phonics. I would never have gone to law school, I wouldn't be standing here today if not for that.

Your advocacy during the campaign to talk about screening for dyslexia, to talk about evidence-based reading curricula, is a breath of fresh air that we so desperately need. I commend you so much for what you and Chancellor Banks have done. I'm working with Chancellor Banks right now to circulate a letter among my colleagues for $10.2 million for identification and for curriculum interventions. Think about that -- just $10.2 million in an education budget that's $30 billion.

Can you tell us a little bit more about what you and Chancellor Banks are doing to make sure that we reach all of our children so they can meet their potential? You mentioned that 65 percent of Black and brown children in New York City are not at a proficient reading level, and we know if that's -- at fifth grade, if a child is not reading at grade level, they're rarely ever

going to catch up.

This is a crisis. You've identified the crisis, you've taken your pain and put it to purpose. It's work that I've done here in Albany for the last six years, and I can tell you -- we've only made incremental gains, but I feel the sky is the limit with you. So I want to thank you, Mr. Mayor, for that.

I want to know how we can help you to make sure that we can have universal screening for dyslexia and we can get evidence-based reading curricula in our schools, because right now we don't. And you know what? If you're a denier of evidence-based reading curricula, you're no better than a climate denier, because the evidence is there, the science is there. We desperately need it. How can we help you, Mr. Mayor?

CHAIRWOMAN WEINSTEIN: Forty seconds.

MAYOR ADAMS: Well, first of all, you know, almost -- you sounded emotional. And when I think about it, you're thanking me, but I want to thank you. I was ashamed even

as an adult for being dyslexic. And I heard you talk about it one day, Assemblyman, and I made it my decision to talk about it on the campaign trail. I said, you know, I'm no longer going to live in the shadows of having a learning disability. Because people stigmatize you, not knowing that you just learn differently.

And when I saw your boldness about how you talked about it and you fought for it, we reached out in the borough president's office and we said we wanted to partner with you, and you were receptive to that. And you're going to change the lives of people. It's unimaginable in this country that it is expected that 30 percent of our prison population is dyslexic. The crime is not what they did only on the streets, the crime is the educational system that denies families for so many years.

And we're going to get it done. Right here in New York we have already started on some preliminary actions. Here in the city, we're doing reading screenings for students

in grades K through 12. But our goal, as you stated, is that we want to do universal screening for dyslexia.

And then we have to stop demonizing what we are having parents feel, that their child has a learning disability. They just learn differently.

And our goal is to continue to work on a more substantive dyslexia screening plan that's universal, and DOE arena screening is crucial for the grades of, you know, K-2 -- I'm sorry, not K-12, but K-2. And it's imperative that we continue to expand that out. Because if we could identify it early, we could give the support.

And then we need a school that's specifically for children with dyslexia, and that is part of the goals we want to accomplish.

So I'm excited about the future. I'm excited about your partnership. And so I say to you thank you for taking the weight off of my shoulders throughout life that made me feel I had to hide my dyslexia. And you and

Jo Anne Simon, the Assemblywoman, have made it a different approach and people are now thinking differently and they're acting differently. And we're going to save the lives of children and families.

ASSEMBLYMAN CARROLL: Thank you, Mr. Mayor. You're amazing. Thank you so much. Whatever you need.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you very much. We are up to Senator Pete Harckham.

SENATOR HARCKHAM: Good morning, Mr. Mayor. Great to see you, as always. And thanks for being here, and thanks for your honesty just before.

Two quick questions, unrelated. I represent the East of Hudson Watershed for New York City's drinking water supply -- Westchester, Putnam and Dutchess. And through prior agreement, the local municipalities protect that unfiltered water source through a variety of methods, mostly by constructing sewer districts and

converting old septics to sewer -- a very expensive process. New York fills some of the bill with Water Quality Improvement funds. That is a finite amount. And our municipalities need to plan long-term.

The policy of New York has been to not release more money until the current money is spent. That's fine, understood. But the municipalities need to know how much the next level of funding will be so they can do long-term planning to protect the water supply of New York City.

Last year at this time your predecessor said he would release the amount; he didn't. Are you in a position where -- I mean not today, obviously. But can DEP at least let the municipalities know in the future how much money will be in the next round of funding so they can at least do some long-term planning?

MAYOR ADAMS: First of all, transparency is clear, and transparency allows us the opportunity to plan forward. I want to turn it over to my budget director,

but I can tell you that we want to be as transparent as possible.

Jacques, you want to add on to it?

NYC BUDGET DIRECTOR JIHA: Yeah, I will work with Finance, working with DEP, to see exactly what the story is, and I will come back to you.

SENATOR HARCKHAM: All right, terrific. Thank you very much.

One other question. Just want to correct a mischaracterization from earlier in the public hearing. The Governor's ADU proposal, accessory dwelling unit proposal, does not strip local discretion in land use. Rather, it just requires each municipality to create a law to allow for residents to create ADUs within the existing footprint that they're already zoned.

Part of that proposal is $85 million to bring illegal accessory dwelling units up to code and make them legal. So whether it's illegal basement apartments in New York City or illegal attic apartments or basement apartments in Westchester County, I think

it's vital that we use that money to make those units safe.

Is that something that would be beneficial for the City of New York, Mr. Mayor?

MAYOR ADAMS: Yes. I strongly support the Governor's proposal. And it really plays into our pathway to new housing. And it was a smart way to do so, to legalize these units.

We had a proposal that was pushed, you know, last year around how do we make even our basement apartments safe by using FDNY and DOB, and we want to further lean into that. But I strongly support the Governor's proposal.

SENATOR HARCKHAM: Thank you very much.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Tannousis, three minutes.

ASSEMBLYMAN TANNOUSIS: Thank you very much.

Good morning, Mr. Mayor. Good to see you this morning.

MAYOR ADAMS: Good morning. Good to see you as well.

ASSEMBLYMAN TANNOUSIS: Good to see you. I just have two separate questions for you, and I'm going to try to fit them in in the three minutes.

The first question is in regards to the dangerousness standard for allowing judges to hold defendants with a dangerousness statute in pretrial detention. You have advocated for that, as have I. There have been some critics out there that have been stating that it may lead to some discriminatory outcomes. What do you say to those critics as far as if that will indeed have an effect, discriminatory effect, upon these defendants?

And how are we --

MAYOR ADAMS: (Inaudible overtalk.)

ASSEMBLYMAN TANNOUSIS: -- that possible?

MAYOR ADAMS: When I started this

pursuit of doing criminal justice reform, I was concerned when I saw the number of cases where the bail and other -- even sentencing -- was heavily unfair to Black and brown defendants. And I was extremely concerned about that, and I stated the way we can really keep this in alignment is to make sure that we have transparency. Every judge should do a clear analysis of their sentencings, as well as their bail.

And this can put that concern to rest. We could immediately identify it, and you could do this in realtime. And that is how we address that issue that I was concerned about, and I believe there are mechanisms right now to make sure we don't have the unfair bail.

But again, I'm for removing cash bail altogether. You know? I don't think your ability to pay should determine if your violence is something that you are dangerous to society. And I want to be clear on that. We need to -- dangerousness is an important part of determining should someone go back

out into our communities.

ASSEMBLYMAN TANNOUSIS: Thank you, Mr. Mayor.

The second question I wanted to ask you is in regards to charter schools. Charter schools have children in minority communities across the city. Would you support lifting the charter school cap to help our students in struggling communities?

MAYOR ADAMS: Well, you know, of course, you know, that's going to come out of Albany to make the final determination. And I'm a big believer, with the chancellor -- it's something we talk about all the time. It's about scaling up excellence. And wherever we find the excellence -- if it's in district schools, public schools, charter schools -- we say scale it up. We need to have the best educational opportunities for our children.

But we also should look into the zombie charters. We have a large number of charters that are not being used. Let's get those zombie charters also back online so

that we can get the best system in support of that.

So I'm in support of scaling up excellence -- wherever we find it, scaling up excellence.

ASSEMBLYMAN TANNOUSIS: Thank you, Mr. Mayor.

CHAIRWOMAN KRUEGER: I guess it's back to the Senate.

Our next is Senator Roxanne Persaud.

SENATOR PERSAUD: Well, thank you, thank you.

Good morning, Mr. Mayor. It is great to see you. I just want to thank you for everything that you're doing. Are you hearing me?

MAYOR ADAMS: Yes, I can. Hear you well.

SENATOR PERSAUD: Oh, thank you, because my machine is going in and out. Thank you.

I just want to thank you for everything that you promised that you will do, and you have indeed lived up to GSD. So

I appreciate all of that.

I want to ask you about summer youth employment. We've seen a spike in gun violence, primarily across my district. As you know, I have seven numbered precincts, and up to yesterday, in the 75th, there was another shooting and in the 69th there was another shooting.

What do we intend to do to ensure that more youth are employed under the Summer Youth Program? Can the city commit to increasing the number of employment slots that are funded?

MAYOR ADAMS: Thank you, Senator.

And when you do an analysis -- I had a briefing the other day of an analysis of where the violence is coming from: Canarsie is one of the areas. We have a real gang problem that's taking place with the number of gangs, violent gangs in that area. A traditionally stable community -- homeowners, heavy community from the Caribbean diaspora -- and we need to zero in on that problem that's happening. And it's coming

from a lot of the rap industry and social media. They are feeding a lot of this -- a lot of this crime.

So several things. Number one, we believe that every child that's looking for a summer job should receive a job. We're going to launch an unprecedented Summer Youth engagement program where we can get our young people employed. Because it's more than just keeping them busy over the summer; this helps them compensate for their families. I don't know what my family would have done to pay for school supplies and clothing if we didn't have a Summer Youth job during the summertime. So we're going to do that.

But we're also asking our corporate leaders -- it's time for them to step up. We should do a 100 percent paid internship program for every young person that wants a paid internship, to allow them to be exposed to a corporate environment and put them on the pathway to employment.

So it's imperative that we have our partnership from Albany to continue to expand

the Summer Youth. But I'm a believer, Senator, 100 percent summer youth employment for all of our young people. And we need to accomplish that task during the summer months in particular. We're --

SENATOR PERSAUD: Thank you. Thank you. I'm sorry to cut you off, Mr. Mayor.

In my 24 seconds that I have left, can you tell me -- touch on why NYCHA needs the Public Trust? Can you touch on that quickly?

And also I want to commend the commander of the 61st Precinct for the mentorship program that he's implemented. And I want to see us replicate that across the city, so if your team can look into that.

But can you touch on the Public Trust for NYCHA?

MAYOR ADAMS: So important. You know, NYCHA -- Senator, NYCHA has a $40 billion problem. And, you know, we often talk about, well, you know, when the federal government comes -- listen, those bugles we're hearing, that is not the cavalry, that's taps. NYCHA is dying. And we need to get resources now

into NYCHA.

And I know there's a lot of distrust, and I'm going to continue to go to all of my NYCHA facilities to talk about the distrust that they are feeling.

But this is a way of ensuring that we can fund these capital projects by utilizing the trust to do so. We have to fund these capital projects. There must be an entity to put the money into the public health and public safety issues NYCHA's facing. Its record has gotten worse throughout the years, and you know that because you have been in a lot of the various facilities.

And I believe the ongoing conversation about establishing this trust could qualify NYCHA for more federal subsidies and establish better procurement rules, and I think it's critical for us to institute it. And we want to do a tour throughout all of our NYCHA facilities to explain to them what this trust is about, so we can rebuild trust with NYCHA and make sure that it's done correctly.

SENATOR PERSAUD: Thank you.

CHAIRWOMAN KRUEGER: Helene, back to you.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Weprin, three minutes.

ASSEMBLYMAN WEPRIN: Good morning, Mr. Mayor.

MAYOR ADAMS: Good morning.

ASSEMBLYMAN WEPRIN: It's great to see you and great to see two friends of long standing who you brought with you, Tiffany Raspberry and Jacques Jiha, who I've worked with closely over my 20 years in elective office -- eight years in the City Council and now 12 years in the Assembly.

I chair the Corrections Committee in the Assembly, and we had a hearing of the Assembly Corrections Committee in October specifically on Rikers Island. And I have not had the privilege of meeting Commissioner Molina yet, but I hope to have an opportunity to sit down with him and go over some of the relevant issues.

But out of that hearing I'm

introducing a package of bills, some to help correction officers and correction employees, like ending triple shifts and dealing with sexual assault, increasing those penalties against correction officers. But I also have bills to change the intake process, to get the treatment and the mental health evaluation and substance abuse issues at intake, which could solve some of the problems and might have prevented some of the 15 deaths in the last year at Rikers.

Can you comment on your plan to deal with the situation in Rikers? And I know Commissioner Molina -- it's very much on Commissioner Molina's radar, but I haven't sat down with him or discussed it.

MAYOR ADAMS: Thanks so much. And we've done so much together, Assemblyman. And I'm going to make sure, when we finish this conversation, that I reach out to the commissioner so he can coordinate a time for you to meet with him.

We inherited a mess on NYCHA {sic} -- the lack of having a full understanding with

the employees there. People think of employees as only being correction officers, but also the civilian employees that are there. And we have to create the right environment. And Commissioner Molina is the perfect person in Rikers -- I'm sorry, I said NYCHA; I meant Rikers. Commissioner Molina is the perfect person in Rikers to turn it around. I wanted the right combination to do so.

And so we need to look at several areas. Number one, the place needs to be clean. When I walked through and did my visit at NYCHA {sic}, it's a dark, dreary place and we need to turn that around.

Number two, we need to create an environment of where officers are able to do their job in a safe environment.

Three, we need to separate the small number of violent inmates that prey on other inmates. Eighty percent of those who are in punitive segregation create an attack against another inmate. And then we need to make sure that the inmates that are there are able

to serve their time without violence.

And then we need to make sure that we move towards a very safe way of transitioning to the plan of closing down Rikers in a safe way to do so. And that's what Commissioner Molina is doing so. I'm proud of what he's doing already. We were able to bring back the women and take them from the state facilities; we were able to bring back almost a thousand officers who were out sick. They're now back to work. He has really calmed the waters, and now we're going to make sure the ship moves in the right direction to have a safe place for people to be able to serve their time with dignity, not a lack of respect, by reintroducing programming. And then really use this place as an opportunity that people are not placed back in the same system that caused them to go there in the first place, and give them the support that they need to do so.

CHAIRWOMAN WEINSTEIN: Thank -- thank you --

ASSEMBLYMAN WEPRIN: Well, look

forward to working with you and Commissioner Molina.

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

CHAIRWOMAN KRUEGER: Thank you.

Next is our ranker, Ed Rath.

SENATOR RATH: Thank you very much, Madam Chair.

And first of all, Mayor Adams, we appreciate your time and your testimony today, and for your perspective on bail reform measures as well as public safety prioritization. Believe me, the people do not feel safe in our cities and our communities right now, and change must happen. We hear it loud and clear in my Western New York community, that's for sure.

My first question is, does your team have any projections as to what the costs to New York City may be if the state fails to act on the public safety revisions you mentioned?

MAYOR ADAMS: Thank you for that, Senator. We're doing an analysis now of the

exact impact on the cost of some of the actions that we're seeing.

But I would say this. Tied to public safety is our economy. No one is going to come back to our city with tourism, a multi-billion-dollar industry, if we have 3-year-olds shot in Times Square, the center of our tourism. Businesses are not going to open. We just had a drugstore that closed its business because of the amount of thefts that are taking place inside.

Now remember, that drugstore chain may be a large chain, but go look inside at the employees there. They're low-wage employees that need the jobs. Our economic lifeline is our subway system. If it's an unsafe subway system, then we're not going to have people respond to ride the trains as needed. And so, Assemblyman {sic}, we know there's an economic impact to not having a safe city. It's not disconnected, and I'm clear on that.

And when I speak with the partnership and Kathy Wylde and the countless number of corporate CEOs and executives, the number-one

thing they say to me: Eric, we must be safe for our employees. And I have to produce that safety so our economy is not devastated. Just look towards San Francisco, look towards Chicago, look towards the other cities in this country that are experiencing a lack of safety. New York can't go in that direction.

SENATOR RATH: I couldn't agree with you more. And public safety needs to be our A-number-one priority in our communities right now.

A quick follow-up on that, though. one of our greatest assets in the State of New York is our people, and our people own businesses, they create jobs, and they work in our communities. The outflow that we have seen of residents from New York City and New York State over the past two years has been dramatic, to the tune of almost a thousand people a day. And those are people that are going to lower taxes in less regulatory states.

What can we do to retain and attract people in our great state so we have the

economic future you're talking about?

MAYOR ADAMS: Assemblyman {sic}, first we have to do something that I call and I use often: Upstream. We have to change the way we govern. We have a downstream mindset. As Archbishop Desmond Tutu states: We've spent a lifetime pulling people out of the river. No one goes upstream to prevent them from falling in in the first place.

I'm going to make upstream investments, something as simple as what Assemblyman Carroll stated -- dyslexia screening. Let's not pull them out of the river downstream. Or investing in our foster care system, because we've failed to do the proper investment. When children age out at 21 years old, only 20-something percent graduate from high school, and only 3 percent enroll in college -- more likely to be homeless, with mental health issues. But if we invest just $50 million in something like a fair future, we could turn that around.

So people will come back to the city and feel as though they are part of New York

if we are a safe, clean city where we can raise our children and families. And that's what I must do, and I believe we're going to accomplish that task.

SENATOR RATH: Thank you. Please keep up the fight for public safety.

MAYOR ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Back to the Assembly.

CHAIRWOMAN WEINSTEIN: Yes, we go next to Assemblyman Mamdani, three minutes.

ASSEMBLYMAN MAMDANI: Thank you, Chair.

Thank you, Mr. Mayor.

In your testimony you said, quote, We must use every available option to increase housing affordability and stability in our city. One of the key tools you have at your disposal in that fight is the Rent Guidelines Board and your appointments to that board.

The previous mayor's board froze rents four times. Do you believe that tenants in rent-stabilized units should face rent increases this year?

MAYOR ADAMS: Well, I think we're going to a very difficult point and place in what -- the impacts on our tenants, and the Rent Guidelines Board is going to do the right analysis to determine the outcome. I don't believe we need to do a further burden on our tenants -- almost a million tenants are behind in their rents, and I think it's imperative that we do everything that's possible to assure the stability of that.

But also know something else that's often missed in this conversation. It's called small property owners are tied to their rents. It's their ability to pay their taxes, their utility bills. We need to give help to them as well. We need to make sure that we don't hurt those small property owners, because particularly in New York City, they're Black and brown and immigrants --

ASSEMBLYMAN MAMDANI: I'm so sorry --

MAYOR ADAMS: -- people of color that need the income that comes from their rents.

And so there needs to be some support

for them, and they're often missed in this conversation. And we need to be there for them as well.

ASSEMBLYMAN MAMDANI: Thank you, Mr. Mayor. But just respectfully, if you could answer the question: Do you believe that tenants in rent-stabilized units should face rent increases this year?

MAYOR ADAMS: I believe I did answer that question. I believe the Rent Guidelines Board is going to do their analysis. I will hope that we don't have to give an increase to those tenants because of what the burden has been placed on them. Many of them have been unemployed, laid off, our economy is being hit.

I think there's a balance. Sometimes we only focus on one end of the spectrum. Let's freeze the rent of the tenants but let's give the support to those small property owners as well. And I think that support can come from Albany, to make sure we don't lose those homeowners that are holding on. Because just as the tenants have been

impacted, those homeowners have been impacted as well. And sometimes we forget those homeowners.

And so we can freeze it. Let's do so with that evaluation.

ASSEMBLYMAN MAMDANI: Thank you so much, Mr. Mayor. A different topic.

New York City's own data from your Office of Criminal Justice shows that pretrial rearrest rates remain nearly identical pre- and post-bail reform. In other words, releasing people earlier has statistically had no effect on crime.

Given this data, why are you claiming that the bail laws are driving a crime wave in New York?

MAYOR ADAMS: Well, a couple of things. That data, you need to really look at it. Let me just go to another one of my signs here. 2019-2021, number arrested for homicide out on bail for gun offenses tripled, tripled. We're talking homicides. We lost lives, lost lives.

Second, number arrested for shooting,

out on bail for gun offenses nearly tripled, tripled.

And so what I'm saying, if you look at my history in this conversation -- not as mayor, not as borough president, but my history is for reform of the criminal justice system.

And we often look at the total picture of everyone who commits dangerous crimes. I am saying there's a small percentage of them that's driving up the gun violence, that's driving up some of the felonious assaults with weapons. That's what we need to zero in on.

My tweak zeroes in on them; it doesn't hurt the overwhelming number of people who are arrested in the criminal justice system. It zeroes in on, in a precision, strategic way, on the violent people that live with the numbers that I just reported to you. That is who we have to go after.

CHAIRWOMAN WEINSTEIN: Thank you. And we go --

MAYOR ADAMS: -- discuss these tweaks

together so that we can come to a real resolution as a person who has a been a leading voice for 35 years on criminal justice reform. I'm not new to this. I'm true to this. This is my lifework.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you, Mr. Mayor. We go to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

And Mr. Adams, you are not new to this, so I'm going to remind you to please watch the clock when you're finishing your statements.

MAYOR ADAMS: Yes, ma'am.

CHAIRWOMAN KRUEGER: Next up is Senator Leroy Comrie.

SENATOR COMRIE: Thank you, Madam Chairs.

Good morning, Mr. Mayor. And good morning to --

MAYOR ADAMS: Hey, how you doing, Leroy?

SENATOR COMRIE: And also good morning to my constituent --

MAYOR ADAMS: You may not know it, but

my middle name is Leroy.

SENATOR COMRIE: Oh, that's right. That's right. And also to Commissioner Jacques Jiha, who is a constituent of mine -- I hope still. But you're probably going to have him working so hard he might have to move to Manhattan just to keep up.

And also to Sister Raspberry. Good to see you also. We've had -- I enjoyed a great working relationship with you and your team, and I want to commend you, Mayor Adams, as your team has been truly responsive and especially quick to get back to us in Southeast Queens.

I have five questions, so I'm going to just drop some things for you to consider and then one question for you to answer, if I may.

We need to work on bus redesign. It's coming back up in Queens. And I would hope that you and your team work with us, with DOT. DOT unfortunately has a horrible record of response on all issues in Queens. We need to do bus redesign, working with the MTA, to

make sure that we can move buses, especially in Southeast Queens, direct to Long Island Rail Road, so that we're not overly dependent on the subway system throughout Queens.

So we have plenty of capacity on the Long Island Rail Road for essential workers to take the Long Island Rail Road in, and there have been studies to show that. And we will follow up and send that to your office.

DOT, again, has been a problem. And I hope that we can consider, on a citywide level, residential parking permits for certain neighborhoods that are inundated with over -- people that are parking and walking to the subway from Long Island.

Plus another issue that I wanted to share with you. We need to make sure that we do tech support and financial services for locally based organizations that don't have the capacity to do it themselves, so that they can be available to be competitive for being part of the different contracts that are going to come up to try to reduce violence by having alternative programs.

If our local programs cannot be able to qualify because they don't know how to even fill out the Attorney General form, we need some help for those programs as well.

Just another thing, on education -- I only got 40 seconds? Oh, okay. Education, we need to figure out the after-school facilities and programs. I want to work with you to make sure that that happens, that -- your idea and our Education Commissioner Banks' to make sure that we have after-school programs in every school in our district. As you know from growing up, we used to have schools open until 8 o'clock. And some schools need to be open 24 hours on weekends for our communities.

Also, for the local groups that are trying to use the schools, we need to lower the cost for local groups that are using the schools now. It's become very prohibitive for local nonprofits to use school space for community programs, and we can work on reducing those costs.

And I just have one question. You

asked for an increase in bonding capacity.

CHAIRWOMAN WEINSTEIN: Well, excuse --

SENATOR COMRIE: How could you increase the bonding capacity -- how can you increase delivering capital projects with that bonding capacity?

Thank you.

CHAIRWOMAN KRUEGER: Leroy, you have way over --

SENATOR COMRIE: I know, I know, I just --

CHAIRWOMAN KRUEGER: You're not getting any answers from the mayor right now.

SENATOR COMRIE: Too many questions, too little time. But I just --

CHAIRWOMAN KRUEGER: The mayor can answer your questions in writing or offline to you.

And Mr. Mayor, there will be many questions you don't necessarily have the answers at the tip of your fingertips. So if you're please writing any responses, address them to Helene and myself and we'll make sure all members of the committees get your

answers. Thank you.

Helene.

MAYOR ADAMS: You're quite welcome.

SENATOR COMRIE: Thank you.

CHAIRWOMAN WEINSTEIN: Yes, thank you.

So now we're going to go with Assemblywoman Rozic, three minutes.

ASSEMBLYWOMAN ROZIC: Thank you, Chair.

Good morning, soon to be good afternoon, Mr. Mayor.

MAYOR ADAMS: Good afternoon to you as well. And I said "bless you" when you were sneezing.

ASSEMBLYWOMAN ROZIC: Thank you. I'm impressed you noticed that.

I just have one question for you. The chancellor -- Chancellor Banks said Monday night that city workers will announce -- the city will announce its plans for remote learning next week and that it's a big priority for the city.

In a similar vein, I have legislation pending with Senator Comrie to allow for

telework for city workers where possible. Currently remote accommodations we've heard take months to be processed and responded to. That's inefficient.

So is your administration open to upstreaming, making reasonable accommodations where possible for remote or telework for city workers? And similarly, would you be willing or commit to meeting with these impacted city workers who have been calling for increased flexibility?

MAYOR ADAMS: For whatever reason, there was an echo, so I wasn't really able to get it, but I believe you asked about remote workers for -- it's city employees --

ASSEMBLYWOMAN ROZIC: Yes.

MAYOR ADAMS: -- am I correct? Okay.

The -- you know, I'm a big believer in transit improvements, that's number one. But if you were asking about remote working for city employees, I really need for all of us to wrap our heads around why we need the people back to work. Because I don't think we really sort of understand it.

If we convert our city into a remote city, it's going to hurt low-wage workers. I need that accountant back in his office or her office so that they can go to the local restaurant, they can get their shoes shined, they can take their suits to the tailor's. Because if they're not in that restaurant, then that cook, that waitress, that waiter, that bartender, they're not employed.

ASSEMBLYWOMAN ROZIC: I understand that --

MAYOR ADAMS: And they're not bringing in the business travelers. Seventy percent of business -- the hotel occupancy comes from our business travelers. And so wherever --

ASSEMBLYWOMAN ROZIC: I'm asking about -- I'm asking about the pregnant worker or the immunocompromised worker. It's not every worker who needs a remote or telework option. I'm asking for those special accommodations where possible.

MAYOR ADAMS: I'm sorry, I'm really not -- there's an echo, so I want to be able to answer your question correctly, but I'm

not really hearing the question. You know, so if I'm missing the answer, it's because I'm not fully understanding the question. So if somebody can -- you know, there's an echo I'm hearing from you. But I need to get people back to work.

CHAIRWOMAN WEINSTEIN: Assemblywoman -- Mr. Mayor, we'll send you the question in writing. But if you could hear me more clearly, the question that we'll look for an answer in writing from you relates to workers that are immune-compromised or pregnant that are more susceptible.

MAYOR ADAMS: Okay, I'm sorry, I didn't understand you.

Yes, there should be a conversation about those who are immune-compromised or for some other reason. We're open to that. And Tiffany will reach out to your office to hear your ideas around that. I didn't hear that part of the immune-compromised and pregnant. I'm very concerned about those who are immune-compromised, and I think there are ways that we could address them, because they

are a small number of people and we should be compassionate around that.

And so Tiffany will reach out to you and hear your ideas around that.

CHAIRWOMAN WEINSTEIN: Thank you.

We'll move on to the Senate.

CHAIRWOMAN KRUEGER: Thank you. Thank you very much.

On to Senator Kevin Thomas.

SENATOR THOMAS: Thank you, Chair.

And thank you, Mayor, for being here.

You have so far testified about a range of serious issues, so I want to shift the focus onto something else. I am a Senator from Long Island and also the first South Asian to be elected to the State Legislature, in 2018. So the next question deals with an issue pushed by my South Asian community for years now with previous New York City administrations.

And that issue is making Diwali a school holiday. Diwali is a Festival of Lights and is celebrated by Hindus, Buddhists, Sikhs and Jains. I have school

districts out here on Long Island with Diwali as a school holiday. Mr. Mayor, when will you make Diwali a school holiday in New York City?

MAYOR ADAMS: Well, first of all, we should never have allowed Long Island to beat us --

(Laughter.)

MAYOR ADAMS: That is the first mistake. And, you know, we're pushing up against the number of hours that are required to have classrooms -- but I think we could be creative and making sure that we do so.

This is a diversified city, and we need to respect all of those important holidays that are significant. It is my goal to have Diwali as a holiday, the Festival of Lights. I fully support it, and we're going to work on this issue. And I'm going to be happy when we do it, and invite you out to some of our Diwali celebrations, because I make many of them throughout the year.

SENATOR THOMAS: Thank you, Mayor. Would you be able to do it within your

hundred days of your administration?

MAYOR ADAMS: I hope we could, but we have to identify -- the chancellor's partnering with us. Again, because we're pushing up with the requirements that are needed for school hours. But we're going to work out a plan, and we're going to get it done, I'm sure of that.

And I can't commit if it's going to be done within the first 100 days because my 100 days have been equivalent to a dog's life. Every day seems like 14 days. This has been one heck of a run. I had no honeymoon, trust me.

SENATOR THOMAS: You know what, Mr. Mayor, I'm going to join with the other Long Island electeds by saying it's a pleasure that we have such a fresh face and a mayor with swagger, as we would like to say it, running the show. All right? Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Walker, three minutes.

ASSEMBLYWOMAN WALKER: Thank you.

Mr. Mayor, are you aware that OCA data shows that there was evidence of inherent institutional discrimination and bias in our court system?

Are you also aware that this dangerousness assessment that you are a proponent of involves algorithms which are racially imperfect and that questions housing, employment and education as opposed to a propensity towards dangerousness?

Are you aware that guns are still bail-eligible?

Are you also aware that in 2019, 95 percent of all people were not rearrested on violent felony offenses and, since bail reform, that number rose to 97 percent of the people who were released were not rearrested on violent felony charges?

And in fact, are you also aware that New Jersey, which had implemented a dangerousness standard did not result in a different outcome from New York, which has not implemented a dangerousness standard?

Whereas 14.4 percent of the people in New Jersey were rearrested on felony offenses, and here only 13.3 percent of the people were rearrested on pretrial felony offenses.

And so it is a cautionary tale that we are very cognizant of the Jim Crow remnants of criminal justice in our country. Dangerousness is not a tweak, but it is a wholesale change to our bail system and the way that we've been handling bail in the State of New York.

And while I do appreciate your rhetoric and the cards, I do challenge you to a debate with respect to bail reform and the effects that it has been having with respect to an alleged rise in crime in the City of New York, where we are seeing crime on the rise all across the country, even in states where bail reform is not a thing.

Thank you, Mr. Mayor. Are you aware of all of the statements and questions that I just enumerated?

MAYOR ADAMS: Thanks so much, Latrice.

And I commend you for the passion and the caring and the concern you have on this issue. And I commended you on those publicly throughout this entire endeavor. And I talked about you, how you leaned into a very difficult conversation. And I thank you for what you have done. I've seen the actualization of my lifework materialize to this.

I didn't start doing this, Latrice. And I don't think you should debate me, you should debate the 11-month-old baby's mother. You should debate the two police officers that we lost. You should debate the people who are watching violence --

ASSEMBLYWOMAN WALKER: No --

MAYOR ADAMS: -- in your community and throughout this city.

ASSEMBLYWOMAN WALKER: -- it's you who are making this a political issue. You don't have to tell me to debate a person who lost an 11-month-old child, because I lost a brother at the age of 19 years old to gun violence. And I want to be safe, and I want

to make sure that this city is safe to raise my children as well as all children across the State of New York.

But when you are adopting the rhetoric of people who are male, pale and stale in this state to say that racially insinuated criminal justice reform in our country is harming our city, I just think it's wrong. And I think that it is something that we need to discuss as elected officials. And not in six-second bites in the media, but in a forum that will allow for us to debate the issues, to debate the facts and the circumstances so that we can make sure that this country remains one that is safe for all people to live, and not just some who declare that they want to be able to come to New York City for a visit, but for each and every one of us, including those who live in impoverished, disadvantaged and crime-ridden communities.

MAYOR ADAMS: Well, I don't think I came here just for a visit or to live, I think I came here as a person who put on that uniform and protected communities, as a

person who was arrested and assaulted by police officers, a person who visited many of our state facilities, as a person who pushed the Rockefeller Drug Law, as a person who has been a consistent advocate for this.

And so I look forward to an ongoing conversation. And we can disagree, and we don't have to be disagreeable. We philosophically disagree on the impact of this small number of people who are using the bail system to perpetuate violence in communities like yours and mine.

And I look forward to this conversation with you because, again, I commend you for what you have done and what we can continue to do to get that balance that you and I both are looking for. Public safety and justice, they must go together. We can't have one without the other. And there's a close correlation between the violence that we're seeing and those small number of people who have slipped through the system with bail reform and Raise the Age.

And let's continue to talk about it.

I look forward to it. I will be in Albany one day next week, and I look forward to sitting down with you to further this conversation. And I'm not using rhetoric, sister, you know I don't use rhetoric. You know my work. We have partnered together on these issues, and I'm going to consistently do so.

CHAIRWOMAN WEINSTEIN: Thank -- thank you.

ASSEMBLYWOMAN WALKER: Duly noted. Thank you, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: We go back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

Next we go to Senator George Borrello.

SENATOR BORRELLO: Thank you, Madam Chair.

And thank you, Mr. Mayor, for being here. You know, in addition to being a Senator, I'm also a former county executive. And I really -- I have a lot of empathy for you because you've taken the position of

chief executive officer of a city that's more dangerous than it's been in decades. So I wish you luck, and you're going to need a lot of it.

I'm also a restaurant owner, and I'm a member of the New York State Restaurant Association, and I have been in many meetings with New York City restaurant owners who are at their wits' end. They've exhausted their savings, they've seen people flee the city, first from the pandemic and now due to violence. As you mentioned, tourism is down, hotels are empty, office buildings are empty. This is a very difficult time for the hospitality industry, which has been probably the most impacted industry as a result of the pandemic and just the general climate here in New York State right now.

And so my question to you is with the proposal that our former governor and former mayor had of taking empty office buildings and empty hotels and turning them into public housing, how that might impact the ability to bring people back to New York City, and the

unfair mandates that have really been visited most heavily on the hospitality industry. You know, we have to have a vaccine card to walk into a restaurant and sit down and have a meal, but yet you can ride the subway without one and you can walk into a department store without one.

So how are you going to address the fact that this industry has been devastated and, despite all the federal funds to prop them up, which have now been exhausted, this industry is still in crisis and will likely -- and it is certainly the backbone of the experience of being in New York City, is being able to go into a restaurant, a fine hotel, a hospitality experience. How do you plan to help this industry recover?

MAYOR ADAMS: Well -- and thank you for that. And I think our restaurants, they are bellwethers to the success of the city. They are really indicative of how well we are doing. The financial stability is attached to it. As I indicated, low-wage employees are in the restaurants. I was a former

dishwasher, and I know how important it is to be employed in our restaurants.

So number one, we need to stop making business unfriendly to the city. The bureaucracy that's attached to just getting your lights and gas turned on in a restaurant, to get an inspection, to get a CFO -- all of these things are in the way of our restaurants. The lack of clarity in our businesses. One inspector comes in and gives you one indicator of what you need, and another will come in and give you something totally different.

So we need to turn our city agencies into a place where we will continue to make our restaurants and other small businesses a safe place. But we want to build on what SBS has done over the past year. You know, $50 million in rental assistance, $50 million in grant funding for low-income communities, low-interest loans and more.

But when you do an analysis, when I speak to my small businesses and restaurants, they say: Eric, we need agencies to stop

being impediments to getting our doors open and placing people in the seats. On Sunday I sat down with Councilwoman Velázquez and other councilmembers in the Bronx, and we talked about even the outdoor seating arrangements. That was a lifeline to my restaurants. We're going to do it better, we're going to reexamine it and find ways of ensuring that we infuse money into our small businesses in the city and not get in the way of our small businesses.

And so at the height of the pandemic the previous administration repeatedly asked for long-term borrowing authority and bonding authority, but all of this is connected to the things that we can do to make sure that our businesses and small businesses, as we build out and use our capital dollars, those are feeders to small businesses as well.

And so I'm with you 100 percent. It's about getting our restaurants and our other businesses up and operating.

SENATOR BORRELLO: On behalf of the restaurant industry, best of luck.

MAYOR ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Kelles, three minutes.

ASSEMBLYWOMAN KELLES: Good -- good morning for 15 more minutes, Mayor Adams.

I wanted to just first thank you for your focus on nutrition in education. As a researcher in nutrition, that is near and dear to my heart and is very highly correlated with cognitive development, so thank you on that.

And I wanted to make one comment and then one question, particularly about bail reform. As a scientist, and particularly an epidemiologist, it's so important to figure out causality. Although I totally agree with the focus on decreasing violence and gun violence, the question is whether or not bail reform is causally related to the increase that we're seeing.

So I just wanted to note a few things: That gun charges remain bail-eligible under

New York's bail reform law, meaning that judges can set bail or remand people in these cases. Wanted to note that.

And then, furthermore, OCA's data shows that less than 1 percent of people released pretrial after bail reform were rearrested on new firearms charges. And the uptick in gun violence over the past two years is actually a national trend impacting many cities that have not passed any criminal justice reform. For example, violent crime was higher in Anchorage, Alaska, 11.95 out of 100,000. Memphis, Tennessee, 11.07. And it continues.

So the question is, if our average increase is less than other states that have not seen bail reform, then is it bail reform that is causally related? And so I would just ask that that be very carefully evaluated: Is that a causal relationship or is it other factors?

And then I want to switch gears to a topic that's near and dear to my heart. You spoke earlier about climate change. I deeply

appreciate your concerns about the impact of climate change on the city. One of the big issues being discussed at the state level is the impact of cryptocurrency mining on climate change. And in New York State in particular, because of the number of countries that have banned cryptocurrency mining because of its impact on the environment -- China, as you know. Iraq. Russia is exploring it. The EU is exploring it -- and continuously the movement of cryptocurrency mining has happened in New York State. Although you've probably heard I am absolutely interested in the expansion of cryptocurrency, it is unique from cryptocurrency mining, which is exclusive to proof of work.

So there is a distinction between that one form of validation, which is the only one that uses a lot of energy. So we do have a bill that's being explored, my bill, that would give us time, that would create a moratorium simply on proof of work, and only that using fossil fuels, because upstate we

are experiencing huge increased consumption because of proof of work affecting our local communities and our environment.

So I wanted to just hear from you whether or not you would be in support of a moratorium that would allow us upstate to really address these concerns and understand the impact of proof of work.

MAYOR ADAMS: Thank you for that. And let me --

CHAIRWOMAN WEINSTEIN: I'm sorry, Mr. Mayor, but since the Assemblywoman used all of the time to ask the question and not leave you any to answer, I want to be fair to you. So if you could -- if you could forward to Senator Liz Krueger and myself, if your office can forward the answers to her question, that would be much appreciated.

And we will move on to the Senate.

MAYOR ADAMS: Yup.

CHAIRWOMAN KRUEGER: Thank you.

Next is Senator Michelle Hinchey.

SENATOR HINCHEY: Thank you, Chair.

And Mayor, it's great to see you.

Thank you for being here.

MAYOR ADAMS: Thank you.

SENATOR HINCHEY: I have two quick questions. My first one -- or two questions, I should say. My first one is you and your administration have prioritized food, specifically healthy food. And I really appreciate that, as the chair of the Senate Agriculture Committee.

I ask you -- we know that food also is nutrition. We know it's incredibly important for our students to eat healthy food. We know it's important for everyone across all of our communities, especially in the City of New York, to be eating healthy, locally sourced food. And the best food that we have at our fingertips is grown here in New York.

So how can we work with you and your administration to make sure that more locally grown New York State food is coming into city agencies, the school system, as well as just more accessible to the people that you serve?

MAYOR ADAMS: Thank you. Thank you so much. And, you know, this is a place out of

my own heart. You know how I feel about nutrition. And locally grown nutrition is important, and that's part of the analysis we want to look at. You know, I'm a big advocate on advancing urban agriculture and locally grown food and have more to say on this. We're going to roll that -- a real plan we want to do.

But I will say this. Every agency where we feed people, we should not be feeding the crisis. And that's what we're doing right now, in our schools, in our jails, in our hospitals. If we are feeding you, we should feed you food that is not going to feed the chronic disease and healthcare crisis. And that's our goal. And I'm going to have Tiffany reach out to you with our whole food team and hear some of your ideas on what we can do.

But we want to do an analysis with our agencies: If you're purchasing food, give me a reason why you're not purchasing it locally.

And then it's looking to the urban

economy. The urban economy, there's so many jobs out there. If we can do -- we can grow our food locally, even in the city, using hydroponics, vertical farming, other ways of growing food. Other states are leaning into this space. We need to be a leader in this space, and I'm excited about the future on how do we grow locally and how do we purchase locally. Because we can be a stabilizing purchasing procurement power to allow this new science to explore -- to grow even further.

SENATOR HINCHEY: Great. I appreciate that, and I look forward to hearing from Tiffany and your team because yes, we -- I'm fully supportive of urban agriculture, but at scale it's really upstate farms that are going to be able to do that.

In my last 20 seconds -- I know you won't have time to answer it -- but to follow up with your office to -- I represent communities that surround much of the New York City Watershed, all of the New York City drinking water. And because of that,

because this land is pristine because it's protected, New York City does not need a filtration system. If you did, that would be tens of billions of dollars the city would have to spend on a filtration system for that water.

However, we have a lot of negative impacts because of what we do to make sure that the city has good, fresh, clean water. That's challenges with turbidity, with our fisheries, with our water sources, as well as stopping us from being able to build housing and other critically important resources.

And so I would like to work with you and your office to find some better equity in protecting New York City's water -- which is critically important, and we take that job really seriously -- but also making sure that the communities that then do that have equity and aren't being negatively impacted.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblywoman González-Rojas.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank

you, Mr. Mayor.

I believe strongly that policy should be informed by research and data, and research has shown that pretrial incarceration, by stabilizing and -- destabilizing and disrupting people's lives, increases the likelihood of future arrests and ultimately undermines the health and safety of individuals and families and communities.

So given this, why have you called for these rollbacks to bail reform that will ultimately lead to the incarceration of more New Yorkers pretrial?

And I have one more question after that.

MAYOR ADAMS: So I'm glad you asked the question, because it gives me an opportunity over and over again to give clarity to what I am saying.

I am not calling for the rollback of bail reform. That is my lifework. I know I did not serve in the Senate when you were there, but my Senators and colleagues would

tell you that Eric Adams was the advocate for the bill around the Rockefeller Drug Laws, to stop women from being handcuffed when they were pregnant in prison, the number of cases that I brought to the Senate as a Senator to show how we were inhumane in the criminal justice arena. But they will also tell you something else: Eric was clear that we needed to have public safety.

So I'm clear on what the numbers are showing --

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: I understand, Mr. Mayor, but you are calling for changes to the system, and I want to understand exactly --

MAYOR ADAMS: The small number of people who are dangerous, they must not slip through the reform that we saw. Don't roll back bail reform, don't roll back criminal justice, roll back the areas that's hurting public safety. That is what I am saying.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Okay.

I thank you for your work and conversation on healthy food, and I also have

some concerns about mayoral control of schools, so this is where it comes together. I appreciate the efforts to offer vegan meals in schools, but as you've seen and know, this is not quite the healthiest meal that I want my child to eat in public school.

Can you share how you're going to address and ensure that our children actually eat very healthy food in our schools as we're moving towards more options for vegan young people?

MAYOR ADAMS: Thank you for that. And I can't see the exact picture, but I believe that's the picture that was taken -- is that the official DOE picture or is that the picture that someone tweeted out? Which one is that?

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: I'm not sure. I think it was shared by a parent.

MAYOR ADAMS: Okay. And let me tell you what happened. A child chose food supplies -- in the picture that was tweeted out, they chose their meal for the day and they did not take some of the main stable

foods that were present. And so it gave this impression that children were not going to be fed correctly. That is untrue. We have a nutritional obligation to give children a balanced meal.

This is what I do know. Seventy percent of 12-year-olds have early signs of heart disease. We have a crisis with childhood obesity, a crisis with childhood diabetes. We are feeding our children into that crisis. We've got to do a better job, and I want to partner with you. If there's some tweaks and changes you want to make, let's do it together. Let's be partners to save our children.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you.

Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much. And we are up to the newest Senator, Cordell Cleare.

SENATOR CLEARE: Good morning, Mayor.

First I want to say thank you for your

office being responsive in my district to heating and hot water complaints in two of my housing developments over the last two weekends.

I just want to also echo the caution raised by Assemblywomen Walker and Kelles related to bail reform.

And then I'm just going to ask a few questions; I hope I leave time for you to answer them.

I'm asking that groups like Save East Harlem and Street Corner Resources are included at the table when gun violence is being discussed. These are the groups that are on the ground defusing violence. They are talking and working with people who are at-risk individuals. And they also need additional resources to deal with the issues that those people are dealing with, the underlying conditions to some of the crime and violence that we see happening in the streets.

I also want to deal with another public safety issue to me, and it really is

serious though it may not sound that way. But increased rats and garbage continue to be a problem in our districts and in our communities. Increase in sanitation pickups and replacement of the garbage cans that were removed by the previous administration are what my constituents are looking for.

We would also -- parents are asking for a parent representative from each borough on the PEP. I know that you spoke about mayoral accountability earlier, but parents know best. As a former school board member, as a former CEC member, parent association member, I really would like to see more parent participation and involvement at that level.

Affordable housing is not affordable to many in my district. Can you speak about your plans for low-income housing that they can afford?

And one of the keys to equity and fairness is economic empowerment. Blacks make up approximately 23 percent of the population in New York City, yet less than

3 percent of small businesses are owned by Blacks. Can you speak of your plans to increase the number of businesses and support the many who are struggling?

Thank you.

MAYOR ADAMS: You gave me a nice laundry list.

First of all, it's exciting to see you up there in Albany. Your years of advocacy is -- I think is needed to continue this conversation forward. And I agree with you, the quality-of-life issues such as rats -- I recall a group of parents visiting me with a baby's head, rat bites on them. And we implemented our Rat Trap that is going to be used in parts of the city to look at how we mitigate that real issue.

I think it's crucial to deal with the sanitation issue that we're facing. And so what I would do, Assemblywoman {sic}, because you gave me a nice list of -- Tiffany will reach out to you and we'll sit down and go through that list line by line, particularly around the economic opportunities in the

city.

SENATOR CLEARE: Thank you. Good to see you too, Tiffany.

CHAIRWOMAN KRUEGER: Helene.

CHAIRWOMAN WEINSTEIN: We're going to go to Assemblywoman Seawright, three minutes.

ASSEMBLYWOMAN SEAWRIGHT: Thank you, Chair Weinstein.

And Mr. Mayor, it's great to see you again. Thank you.

I have two questions. One is more citywide, and one is more centric to the Roosevelt Island portion of my district.

First I just want to say I'm honored to have Gracie Mansion in my district on the Upper East Side. We are facing more and more development on the Upper East Side, with the unfortunate approval of the Blood Center expansion by the previous City Council. More people, cars, traffic will be flowing into the neighborhood.

How can we reinvigorate the neighborhood yet at the same time help our small businesses that are facing closure?

We're seeing more and more crime around our public schools. And every day I'm hearing from constituents walking into the office with issues about affordable housing.

And then as far as Roosevelt Island, it's governed by the Roosevelt Island Operating Corporation. As mayor, you have appointments to that board. And for several years now there has been no woman appointed to the Roosevelt Island board. So who is the point person on your team that I could sit down with and meet to review the composition of the board?

MAYOR ADAMS: First, I'm going to coordinate with you; Tiffany will call you. Let's take a trip out to Roosevelt Island together -- you know, I'm looking forward to that tram ride; I think it's one of the greatest attractions we have in the city -- so we can do a real analysis of the concerns there.

And you should reach out to Deputy Mayor Maria Torres-Springer to talk about that board and moving forward with that

board. She's a person you should reach out to in the office. Tiffany will coordinate that for you so we can, you know, zero in on the things that you are concerned about.

And around development, you know, it's imperative that we have to get our local retail shops back up and operating. I always find it interesting, Assemblywoman, some of the same people who talk about, you know, getting the stores open and the retailers open, they're quick to go to Amazon. They don't know that they're impacting those everyday retail shops.

We want to do some shop locally initiatives. We want to get people back in those stores so they can hire. Our retail shops are really dealing with a real crisis. And we -- it's imperative that our New York City economy remains competitive by having these shops opened up and operating. And we're looking forward to partnering with our Committee of Small Businesses we have been meeting with, and we're going to continue to communicate with them and give them the

support that they need.

ASSEMBLYWOMAN SEAWRIGHT: Thank you, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Brad Hoylman is up next.

MAYOR ADAMS: (Inaudible.)

SENATOR HOYLMAN: Good morning, Mr. Mayor. Good to see you.

A highlight of my daughter's recent young life was when she met you during the campaign and you relayed to her that she was dyslexic but you were too. So thank you for that.

MAYOR ADAMS: Thank you.

SENATOR HOYLMAN: Mr. Mayor, you recently came out in support of the Penn Station redevelopment project, I think this week, which as you know would not only redevelop Penn Station but also more than five and a half blocks in Midtown Manhattan, build up to 18 million square feet of new development -- basically the size of an

additional Hudson Yards smack-dab in the middle of Manhattan.

The project, as you know, isn't going through the city's Uniform Land Use Review process, instead going through the state's general project plan, which cuts out a lot of local decision-making. The GPP envisions that it would use a value capture framework, including payments in lieu of taxes, which could result in New York City being deprived of up to $330 million a year in potential property tax revenue.

Given the potential financing structure and the hit that might be to your finances, the city's finances, do you agree that we should have an assessment analyzing the potential impact on the project -- of the project on the city's finances before the state proceeds any further?

MAYOR ADAMS: Well, thanks, Brad.

First, I want to be clear: We support the concept of the plan. But we should continue to explore the potential amendments that are needed. We support the concept of

the plan. There's a great opportunity there, but we must get it right. If we don't get it right, as you just pointed out, we could lose the benefits for our city.

So the concept of the plan we support, but let's make sure we get it right.

Jacques, do you want to add anything to that?

NYC BUDGET DIRECTOR JIHA: Yeah. We'll proceed with a cost-benefit analysis to see whether or not the project is worth, you know, while for the city to pursue. So we'll continue to make adjustments to it, like the mayor said, and discuss with the state and, you know, in order to protect the revenue base of the city.

SENATOR HOYLMAN: Thank you. And --

MAYOR ADAMS: The City -- the City Planning Commission made some great points, and we're going to, you know, take all of this into view as we move forward.

I thank you for raising that.

SENATOR HOYLMAN: Thank you, sir.

And the last point I would make is --

in my remaining seconds is that right now the plan envisions only 539 units of new affordable housing. That's across five and a half blocks. This is a great opportunity, I think you'd agree, to build much more affordable and supportive housing.

MAYOR ADAMS: Well, I couldn't have said it better. If we want to deal with underlying causes, we need to diversify where people live. If we want to give people great access to schools, let's diversify housing. Great access to healthy food, let's diversify housing.

Housing is the diversification we need to stop a city that's segregated and that we are not allowing everyone to benefit from great transportation, food, education. So I'm with you 100 percent, and Tiffany will do a follow-up so that we can further discuss it. And I look forward to discussing it with you.

SENATOR HOYLMAN: Thank you, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: Some while ago

we were joined by Assemblyman Pretlow, Assemblywoman Clark, and Assemblyman Burgos.

And we go to Assemblyman Sayegh for three minutes.

ASSEMBLYMAN SAYEGH: Thank you very much, Madam Chair.

Mayor, I wanted to congratulate you and really compliment you on addressing what are key issues impacting not only New York City but the state. And I represent the City of Yonkers, which is your neighbor to the north, so a lot of the similarities that impact New York City impact urban settings in cities like Yonkers, New York.

Your focus on crime reduction, on education, healthcare, and small businesses is really crucial not only to the city but to many communities in Yonkers. So I commend you on that, and I also wanted to express a very important concern.

As an Arab American, just following the discussions of Senator Liu, in addition to Black and Latino and people of color, there's a large component of Middle

Easterners and others. And having been involved with a group called YAMA, Yemeni American Merchants Association, they -- to my surprise, they represent nearly 5,000 small businesses -- grocery stores, stationery stores -- and during the pandemic played a very -- a crucial role.

We circulated a letter of support that allows this association and its businesspeople that have been impacted by crime -- and in many cases murder -- to receive funding that would allow them to have special cameras within their stores and outside their stores so that they can -- law enforcement officials can help detect and resolve and investigate potential crime.

I hope that the administration looks at efforts to support these initiatives and really, as you stated earlier, recognize that New York needs to keep New Yorkers in New York, to keep businesses in New York, and to really find common ground where we can address criminal justice in a way that addresses the needs and the concerns of all.

Thank you, Mayor.

MAYOR ADAMS: Thank you.

And first of all, you know, your representation means so much. To be the first person of Jordanian American descent to be elected is crucial. When you talk about YAMA, you're talking about my family. Debbie and Naji, they came to me when we did the first bodega strike when Donald Trump wanted to do the Muslim ban.

My long record, even going back through in 2001 and 9/11, of standing with those of Muslim descent, Arab descent, and fighting against the horrific, draconian measures in law enforcement; starting the first Muslim association in the police department. So there's a long record of my collaboration with you, and we're going to continue to do so together. And I look forward to coming up and seeing you and speaking with you and have some great Jordanian coffee that I hear about.

ASSEMBLYMAN SAYEGH: Thank you very much, Mayor. Appreciate it.

CHAIRWOMAN WEINSTEIN: Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

And our next Senator is Senator Gounardes.

SENATOR GOUNARDES: Thank you very much, Senator Krueger.

Hello, Mayor Adams. Really great to see you at that side of the table.

I just first want to really just thank you for your laser focus on a targeted, multiprong approach to tackling gun violence. I think it's really, really important. There's a lot of pieces to that strategy, and we shouldn't let one or two pieces kind of crowd out all of the comprehensive approach that you're laying out with your public safety blueprint. So I want to thank you for that.

And I have a couple of quick questions. First and foremost, I want to talk about resiliency, specifically in Southern Brooklyn, our coastal communities.

Unfortunately, for the last decade we've seen the impact of flooding from storm surges and rainstorms. But to date the city has really only addressed resiliency as it relates to Manhattan and has left out outer borough neighborhoods all across the city.

And so I'd love to hear your thoughts on what the city should be doing to improve resiliency measures, you know, in those communities.

MAYOR ADAMS: Thank you for that.

And Andrew, you know, I cannot tell you how proud I am of what you have done. As a former staffer in Borough Hall, you just really took the helm in your role as a State Senator and continue to touch on those very important topics, and particularly the one you're speaking on now with resiliency.

And I'm going to have Tiffany bring in our entire environmental team, our new head over at DEP and the entire team on this issue, and lay out in Southern Brooklyn some of the things that we want to do in Southern Brooklyn.

We should be clear on this, as you stated. When we talk about resiliency, historically we left out Staten Island and we left out Southern Brooklyn, we left out the Rockaways, we left out those issues and areas that were impacted, and we can't continue to do so. And so I agree with you 100 percent. And we have a real outlook of how we're going to use building out our resiliency plan with employment, because that's the combination. Far too often the local residents were not employed at some of the jobs that we want to put in place.

And so I think that when you look at the Clean Water and Air and Green Jobs Bond Act, it's an important tool in ensuring the state is able to prioritize sustainability. And this is what we want to do. And so I look forward for our team to sit down and hear some of your ideas as we look towards the future.

SENATOR GOUNARDES: Thank you.

I have two other quick questions I'll lay out. Number one, in your written

testimony you've asked us to give you the city authority to run their own speed camera enforcement program, bus camera lane enforcement program, and to revert home rule back to the city over the city streets. Can you talk about your strategies around street safety?

And number two, what other ways can both the state and city be supportive to our city university system? And how can CUNY be leveraged to achieve some of the other goals that your administration is trying to lay out?

CHAIRWOMAN KRUEGER: And before you even start to answer, Eric, you'll notice that Senator Gounardes has used up your clock. So we're going to ask you to follow up with him or -- these are both important questions, so to all of us in writing, if your staff could please share that with Helene and I, and we will share it with all of the committee members. Thank you.

Assembly.

MAYOR ADAMS: Will do. It's a good

thing having you as Finance chair, because you watch the money like you watch the clock.

CHAIRWOMAN KRUEGER: Damn right. Thank you. Thank you, Mayor Adams.

CHAIRWOMAN WEINSTEIN: Thank you.

So we're going to go to Assemblywoman Hyndman. Is Alicia here?

ASSEMBLYWOMAN HYNDMAN: I'm here. I'm here.

CHAIRWOMAN WEINSTEIN: Okay, good. I didn't see you.

ASSEMBLYWOMAN HYNDMAN: Thank you, Chair Weinstein.

Mayor Adams, always good to speak with you. I am wholly invested in the turnaround of our public schools, and I've only known the mayoral control model. And I must say that previous administrations I don't believe were inclusive for parents and community. The turnaround of violence in our schools is not just your responsibility, it's also the parents' and the community's responsibility.

But I just wanted to ask you, what is your plan under mayoral accountability of

involving parents and community members back into our schools?

MAYOR ADAMS: First of all, you know, it was good seeing you last week at the installation. And you're right, you know, we need a safe space for our children. We can't have children stabbed in school, weapons are brought in school. You know, it's just unacceptable.

So there's a couple of things we must do. Number one, Senator Comrie pointed to this. I had something called the Extended Use Program as the borough president. We want to make this citywide. What it said is that local community-based organizations that would like to use school spaces should not have to pay to do so. We should be paying for the school safety agents, for the staff that comes in. This way we're allowing people to do their volunteerism.

Then you have great crisis management teams -- K. Bain, out in Queensbridge -- allowing them to put some of these good programs in place. David Banks, he has been

meeting with on-the-ground community groups and organizations, the Rites of Passage Program and teaching our young people how to evolve into adulthood. Having some real programs in those schools -- financial literacy, technology, robotics.

We are not using the school buildings correctly. They should be the focal point of the community. A school building is the only place where everyone, no matter what their language barrier may be, where they're comfortable going into. We're not doing that, and I'm going to do that and encourage a better use of our school buildings and be preventive when we deal with this issue.

And mayoral accountability is an extension. In 2019, increased parental engagement. And I want to continue to increase parental engagement and hear some of our feedback, Assemblywoman, on what we can do a better job as doing so.

ASSEMBLYWOMAN HYNDMAN: Thank you. And I just want to plus-one the previous speaker about resiliency in Southeast Queens.

We definitely have a groundwater flooding problem. And as you know, Hurricane Ida did the devastation in Hollis. So we just want to make sure that we work together in making sure those homeowners are made whole.

So thank you.

(Off the record.)

CHAIRWOMAN KRUEGER: Thank you.

Our next speaker is Senator Gustavo Rivera.

SENATOR RIVERA: Thank you, Madam Chair.

Good morning, Mr. Mayor.

MAYOR ADAMS: Hey, how you doing, Gustavo?

SENATOR RIVERA: Doing all right.

Credit where credit is due first, sir. Certainly you have been responsive not only to many offices but certainly to my own. I remember the conversation we had just a few weeks ago when you came to my district -- this is after that child was shot in the cheek -- and we had conversations with violence interrupters that were a very

important part of it. And we -- and I was certainly very thankful that you came there, and very thankful for some of the discussions that we had privately.

Now, certainly what we've seen over the last couple of hours has been the definition of a honeymoon period, and certainly you have earned it. But a couple of things, sir, that I want to make sure that I say.

I want to certainly join Assemblymember Walker, Assemblymember Kelles, Assemblymember Mamdani, Assemblyman González-Rojas in their concerns about some of the stances that you have taken. And this is what I would say, sir. I am -- I would implore you to proceed with caution. And when I say that, it is certainly recognizing that as you have reminded us many, many times, you certainly have been an advocate on issues of criminal justice when you were up here. We served together, but you were here before me. And certainly these are all facts that you point to.

This does not, however, sir, excuse you from what some folks have done to use some of your statements in their efforts to fearmonger. Because it is a reality that as far as discretion is concerned, there are many instances in which judges already have discretion and they have not used it.

We also -- and you know this, as somebody who has been an advocate. The reason that you fought to change some of these laws is that you recognized that laws are not color-blind and that when you, for example, talk about dangerousness, the issue -- the reason why many of us are so concerned is because, as you yourself hopefully would recognize, when you create a piece of legislation language that seems color-blind, history has taught us that that is not the way that it is utilized. So we have to be exceedingly careful as we establish any of these patterns.

I would also, sir, ask you to consider, when you're talking about exploited youth, it was a little bit concerning to me

when you both recognized that -- we were talking about the potential changes to Raise the Age -- you want to change the age, raise the age pattern, what we did. While you recognize that some of these kids are exploited, and yet you do not actually recognize that we should focus on that exploitation as opposed to just putting them through a criminal justice process.

Just -- I have 27 seconds. This is more -- the question is a longer one, and this is all that I would ask you to do. Please, sir, be very cautious. Because the process that we will undergo for the next couple of weeks and months has to be ultimately about public safety: Communities are safer when they have more resources, not when they're overpoliced. And these laws' changes that you seem to be supporting a change back to are not going to make us safer.

Thank you for your time.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Otis, three minutes.

ASSEMBLYMAN OTIS: Thank you.

Mr. Mayor, congratulations and good luck in your tenure.

I want to follow up on the cryptocurrency question that you got a little earlier, and an issue certainly a lot of us are involved in, which is that there are multiple forms of cryptocurrency authentication. There is one form, proof of work, that uses about a hundred times as much energy as the other forms, and is causing community problems upstate, water quality, air quality problems for upstate communities.

And the real threat is to our ability to beat climate change. And we're not going to meet our targets if we have this new energy source when there are reasonable alternatives.

So I think what I would ask is if you would sit down with some of the New York City-based advocates on this issue and walk through some of the differences in terms of

types of cryptocurrency. Cryptocurrency is a great opportunity, economic opportunity for the state and beyond, but there's one method that really causes problems statewide, nationwide, and internationally.

So any comments? But we'd be happy to set up a dialogue to get into these impacts more closely with you and your team.

MAYOR ADAMS: Thank you so much.

And clarity is important, because the lack of clarity brings a feeling of uncertainty. And I want to be clear as much as possible. I support cryptocurrency, not crypto mining. And I think it's imperative that the lawmakers, you know, compel that we move forward to do the duality of ensuring innovation but not hurting our environment at the same time.

And we can do so. Because remember, we used to run cars on leaded gas. And when we went to the auto industry and said, Listen, that game is over, they pushed back. But we compelled them to move to unleaded.

And then we said it's time for us to

go to electric cars, and we compelled them to go to electric cars. That is what evolution is about. We cannot be afraid of evolution. My goal is to make New York City the innovation capital, where our young people can be employed in these new industries that are growing around us, and then use the right laws to make sure they don't abuse the economy or abuse our environment.

And so we're really looking forward to sitting down, speaking with some of the leaders in this industry. And because nothing gave me a greater joy when I walked into Marcy Housing and a young person said to me, "Hey, I heard you're taking your paycheck in cryptocurrencies. Can I do the same?"

This is how we excite growth, by using my bully pulpit to talk about innovation that has historically been ignored in the inner cities of our state, not only New York City.

ASSEMBLYMAN OTIS: Thank you, Mr. Mayor. We'll work with you.

CHAIRWOMAN KRUEGER: Thank you, back to the Senate.

Senator Sue Serino.

SENATOR SERINO: Thank you so much, Madam Chair.

And thank you, Mayor Adams, for being here today.

I would just like to really say thank you. Thank you for your advocacy for giving judges the ability to consider dangerousness as a tweak to bail reform. You know, I've carried a bill since 2019 after hearing how dangerous the bail reform changes could be for victims of domestic violence. And that actually came from the domestic violence advocates.

We had a press conference when all of this first happened, and this was not an R or a D thing. There were Democratic DAs, Democratic law enforcement and victims at our press conference. And sadly, it's turned into this, you know, at the risk of public safety.

But I encourage you to take a look at my bill, which is Senate Bill 6947.

My question for you today, Mayor, is

there a model, maybe from another state, that fairly considers dangerousness that you would like to see New York consider? You know, for example, New York has a risk assessment tool that they use. And I just really wanted to get your thoughts on this since you're somebody that had skin in the game for so many years, and I just would like to hear your thoughts.

MAYOR ADAMS: Thank you for that question. Because I think that's something that many people overlook when we talk about considering dangerousness, domestic violence victims.

The number of cases that a person was in jail for domestic violence only to leave the courtroom and go further assault or kill the person who was the original complainant -- we often overlook that. And we need to be clear that looking at dangerousness is more than just gun crimes. It's looking at those who continue to perpetrate or continue to carry out dangerous actions. You can't walk out of a courtroom

and -- say in a courtroom that I'm going back and commit a hate crime, and then we just let you just walk out of the courtroom.

So we need to really understand the fullness and the scope of a judge having someone in front of them making sure that person is dangerous with an imminent dangerousness to society. We need to take it into consideration. And that's what I talk about when we do so.

But there must be transparency to make sure a judge is not abusing that authority to evaluate dangerousness. And so we're going to look at all models.

And that's what our criminal justice team is doing. My deputy mayor of public safety is doing a real analysis to see who has it right. But again, we're not looking to reform my lifework that has been materialized in Albany. We're looking to make sure that balance of justice is safety. And that's the tweak that we talk about.

SENATOR SERINO: Thank you so much for your very thoughtful comments. I really

appreciate it. I look forward to working with you on this. Thank you.

MAYOR ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Back to the Assembly.

CHAIRWOMAN WEINSTEIN: Yes, we go to Assemblyman Burgos.

ASSEMBLYMAN BURGOS: Thank you, Chair.

Good afternoon, Mr. Mayor. Thanks for being here today.

MAYOR ADAMS: Kenny, how are you?

ASSEMBLYMAN BURGOS: I'm good. How are you doing?

MAYOR ADAMS: Good.

ASSEMBLYMAN BURGOS: Well, I'll start off -- I won't spend the three minutes on bail reform. I just want to echo and support what many of my colleagues have stated. I think I cannot put it better than my colleague Latrice Walker.

But I do look forward to a more fruitful conversation on how to combat gun violence, you know, through city, through state and through federal legislation.

Specifically I think, you know, Congress's bill on background checks and gun trafficking are going to help combat this, because it's a problem nationwide. So I do want to echo that support.

I want to compliment you, Mr. Mayor, on your commitment to health. You know, I represent an area of the Bronx -- and we know the Bronx is the 62nd unhealthiest county out of 62 counties in this state. And I'm a big believer that health is a precondition to all -- to many of our issues here in our borough. So consider me a partner in that, and I look forward to working with you there.

What I want to spend my time here on, my question is on NYCHA. I represent over a dozen NYCHAs, every kind of development you can think of. And I have a building right now, a senior building that is on the brink of being condemned. And this is just the tip of the iceberg. I have developments with external boilers for over a decade. And this winter season seems to be the worst, because these issues have gone unattended and frankly

mismanaged.

And I don't blame you for the failures of NYCHA because you obviously inherited much of this. But what I do want to hear from you is how you plan to work on this management issue. I have -- I spend much of my day sending -- taking numbers, complaints, and just trying to help my constituents have a livable home. And I'll be very honest with you, a lot of this falls on the management team at these specific developments. So I need to hear from you how we plan to combat these issues at NYCHA, that we need capital dollars but we need the right management.

MAYOR ADAMS: Well said.

And first of all -- and I agree with you on -- listen, Latrice is a friend, I have much respect. And people shouldn't take the passion that she showed as that there's not a real relationship here. What she has done in Brownsville is just commendable. And that is my friend. And I look forward to speaking with you and others. I'll be up in Albany next week, and we could sit down and further

have this conversation.

And I agree with you on health. Listen, brother, you're the only cat I know that looks better in a suit than I do, man. You are -- you know, you believe in health, you stay in shape. And we need to make sure all of our children are doing the same thing.

Lastly, on NYCHA. NYCHA's sad. NYCHA is operating in this black, dark hole. No one knows what's going on. We need to know the dollars that are being spent, allocated. When the Build Back Better bill is passed and we get billions of dollars coming to NYCHA, if we put it back in the same mechanism and management style, we're going to waste this opportunity.

I am dead on with you: We've got to zero in on NYCHA. Tiffany's going to reach out to you while I'm up in Albany. I want to sit down and speak with you, and let's figure out the things we need to do together.

ASSEMBLYMAN BURGOS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Next we have Robert Jackson.

SENATOR JACKSON: Mayor Adams, let me just say to everyone listening, I tested COVID-19 this morning and I drove all the way home listening to the testimony coming in, and now I'm back at my home so I can ask my question.

UFT said on the record that New York City DOE is not in compliance with their contract regarding class size. When asked what changes K-12 parents would like to see in their children's school, smaller class size came as number one, the top priority, every year that DOE has surveyed.

Do you have a plan to ensure that New York City students receive smaller classes? And are you planning to work with the state to use your funds and additional funds under the Contract for Excellence towards this goal?

MAYOR ADAMS: Listen, you hear it over and over, Robert. And, you know, you're dead on.

First of all, all the parents -- you know, it's a lesson that many of us don't

know. All the parents need to know what you've done around Campaign for Fiscal Equity. This was your fight.

SENATOR JACKSON: It was our fight.

MAYOR ADAMS: And getting that money in our schools was imperative. And so we do want smaller class sizes. It ranks number one year after year. I hear it with educators as well, smaller class sizes.

But we have to do it right. A bill that was going to come through the City Council to talk about smaller class sizes was just not going to be economically feasible at the time. Let's find the right way to do it to get the smaller class sizes that we deserve.

But let's be clear on this also, and I'm sure you will agree. No matter how small the class sizes are, if we don't have the right resources and the right, trained educators and the right finances in our schools, we're not going to hit the targets that we need. And that's my goal, to do so. And we're going to analyze the class sizes --

SENATOR JACKSON: And I totally agree with you. I just got to -- I have to move to my second question because I'm limited with time.

So as in every industry there are good cops and there are bad ones. The same goes for elected public officials. New York City has only limited the defense of qualified immunity for the NYPD in cases of Fourth Amendment violations, unreasonable search and seizure.

I carry a bill that people -- to hold people accountable when they violate a person's civil rights. And do you believe that police officers should be held accountable for their misconduct when they violate the civil rights of a person, not just the Fourth Amendment? And do you believe that qualified immunity should still exist, seeing how it is a judicially made doctrine that prevents any accountability for misconduct?

MAYOR ADAMS: So let's peel it in pieces so we don't put it together.

SENATOR JACKSON: Okay.

MAYOR ADAMS: One, violation of civil rights, I say yes to that.

Two, police officers who are carrying out their jobs, such as going after someone that robs a bank, they discharge their weapon, the bullet hits an innocent person. That police officer should not be sued for that. They were carrying out their jobs acting in accordance with their duties.

Those who are not acting in accordance with their duties, that's an entirely different conversation. And we need to be very careful when we lay that out that we're not doing it to penalize those who are doing their jobs.

SENATOR JACKSON: Thank you. My time is up. I do have some additional questions, and I'll follow up.

CHAIRWOMAN KRUEGER: Thank you. Feel better, Robert. Thank you.

MAYOR ADAMS: Thank you.

SENATOR JACKSON: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: I think it's up to me. We have no other Assemblymembers, and we're not going to open up the list any further.

So Mayor, so it's great to see you here with us, and so many of the questions relating to the fiscal situation of the city and state have been asked. I want to just raise a few questions that are a little bit more local.

And I guess I would start with one of the problems that under the prior administration we had in some instances was a lack of community notification when facilities were coming into our districts, both to the community and to elected officials. And I would point out one instance was where a hotel -- and I say "hotel" in air quotes -- was opened and then immediately was populated with people -- sex offenders who were just released from prison and others released from prison through the Mayor's Office of Criminal Justice contract. And we only found out about it when people

looked in the Sex Offender Registry and saw that they were offenders listed there, along with Councilwoman Farah Louis, we were able to get the city, after months, to rescind that contract.

But I think it points out the need for better communications when there are facilities opening in members' districts.

Let me just go through a couple of short things, and then if there's time left you can respond. I'm sure there will be.

I just want to echo some of the comments members made about the importance of trying to fix NYCHA.

And I represent, I think as you know, a number of city -- a large number of city retirees. And I know that you released a statement on Sunday saying that your administration has reviewed this movement to managed care for retirees. But I would just ask you to really re-look at defending this move. I know there's a court date at the end of this month, on the 28th. And while it may be in the interests of taxpayers in terms of

saving some money, I don't believe it's in the best interests of retirees because particularly a lot of our older retirees who can't -- or are on low pensions can't afford the $2300 a year to opt out. And under this managed care I've been hearing from people that they need preauthorization for just about every procedure.

So if you want to respond to some of those. And I guess I just also want to say it's great to see you where you are. I know you've been such a strong advocate as borough president; I stood with you many times fighting hate crime. And I really look forward to working with you in this new role.

MAYOR ADAMS: Thank you so much. And I'm really excited about doing the same, Assemblywoman, working with many of you. Many of you I know personally, you have been fighting these important issues for a long time. And this is our opportunity to align ourselves together.

Dealing with, number one, the retirees issues. You know, I'm a retired guy. And I

was fearful when I heard about the first proposal, and I immediately reached out to some of the union heads to find out what was going on. And when they had us sit down and we did a very thorough and careful review.

This administration, I believe the new program would be in the best interests of the retirees and the city taxpayers. We stand to save -- think about it -- $600 million annually. And the quality of care -- and I made them go through it line by line, to make sure we were not hurting our retirees in any way.

And my goal, what I must do now is to give a clear understanding and explanation to our retirees to see how this is not going to impact their quality of care. And -- because that's the quality of my care. And I believe once they hear it, they will not go by just some of the sound bites that were put out there, to feel as though they're going to lose their retirees.

We have a real crisis with our healthcare system, and I'm going to need your

help around this. The amount that our hospitals are charging for procedures, we have to rein this under control. Union heads are going in, negotiating pay increases for their members only to lose it based on medical procedures. You could go to different medical procedures and get a different outcome based on what hospital you go to. We must really rein in the problems of the cost of healthcare in our city.

In the area of the reentry hotels, the reentry hotels were opened as a temporary response to COVID. We had to deal with placing people in housing to stop the spread of COVID. It was a public health emergency. And we're going to always strive to do the notifications properly.

And I want to hear your thoughts on how we could do it better, because many people -- my local electeds talked about this notification problem. And so Tiffany's going to reach out, when I get up to Albany. You know, just think of some ways we can do a better job in doing so. Because we want a

partnership in doing so.

CHAIRWOMAN WEINSTEIN: Thank you. I look forward to having those conversations and a long working relationship with you.

Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Salazar.

SENATOR SALAZAR: Thank you.

Good afternoon, Mr. Mayor. Thank you for spending time in Bushwick this week.

I have a lot of questions, but I will save them for another time. I'll focus on the Executive Budget in our city.

The creation and preservation of truly affordable housing is very important to me, but the 421-a housing program has really been a massive tax giveaway to corporate landlords. It's seriously lacked accountability, it's failed to deliver on promises both in terms of affordable housing created and quality jobs for union workers.

The Executive Budget proposal for 485-w is not meaningfully different from the existing 421-a program. Could you perhaps

elaborate on potential changes that you would support to the program outlined in the Executive Budget, or how we could justify continuing a program like this given the massive homelessness and affordability crisis that our city is facing?

MAYOR ADAMS: A real crisis. And Senator Salazar, I would like to hear some of your ideas on this.

I am a supporter of the Governor's plan. I think that we need to do it strategically. It should not be just a blanket anywhere. There's certain areas we need to continue to promote development and do so with affordable housing. If there's some specific areas that you feel that we should, you know, tweak, I am looking forward to having Jessica Katz -- and I would also like to join that meeting, because you have been an advocate around affordable housing. You know, there's some areas that you and I will disagree on.

But listen, I'm clear, when we rolled out our affordable housing stock, I said,

Listen, reach out, get a temperature check with Senator Salazar. You have been strong on this. You saw the displacement in your district, and you have been fighting against that. And so I am interested to hear what we need to do differently in this 421-a program.

I am a supporter of what the Governor is doing, but I'm open to hearing your thoughts around this issue and making sure that we do it in a fair way.

SENATOR SALAZAR: Thank you, Mr. Mayor. I'm looking forward to discussing it further with you.

MAYOR ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

I see you do have another hand, Helene, so I go to you.

CHAIRWOMAN WEINSTEIN: Yes, to the second round. I was just the last on the first round.

The second round, Assemblyman Braunstein, three minutes.

ASSEMBLYMAN BRAUNSTEIN: Thank you, Chair Weinstein. And I'm sorry to come back

for a second round -- I know it's been long -- but I just have one question that needs clarifying.

Mr. Mayor, thank you for your time.

So earlier today during the question and answer you had indicated at one point that you had concerns about the Governor's ADU proposal and that you prefer local government control. You indicated that you don't think a one-size-fits-all approach works for the City of New York.

And then later, again, you said that you wholeheartedly support the Governor's ADU proposal.

You know, for me, I represent Northeast Queens, where we have a lot of single-family homes, and my preference would be for the local government to have input on whether or not we legalize ADUs or -- which includes basements, garages, building structures on people's property four feet up to the property line.

I have concerns about that. A lot of the other local governments in the state have

concerns about that. I'm just looking to clarify. So do you support the Governor's ADU proposal that completely cuts out local control? Or do you support the Governor's proposal, you know, in theory that we'd like to do something to legalize existing basement apartments and address the issues that we saw with Ida with the flooding, but not completely cut the city out of the land use process?

MAYOR ADAMS: My apologies if there was a lack of clarity.

I support conceptually what the Governor is attempting to do. But, you know, we always say this in Albany, the devil is in the details. It's imperative, for me, to empower the local municipalities to be able to deal with those issues that are uniquely impacting their communities. And I think there's room to sit down and get this right, as we should get it right.

So conceptually, I'm on board with what the Governor's attempting to do, but we need to empower local municipalities to

understand the uniqueness of their communities.

ASSEMBLYMAN BRAUNSTEIN: Okay, thank you.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Back, Senator Krueger, to you.

CHAIRWOMAN KRUEGER: Thank you.

I think I'm closing, Mayor Adams, for the Senate. Nice to see you back up here in Albany. It's been a while.

So you and I don't always agree on everything, and that's what makes horse racing. I just want to urge you to think about when you talk about the crisis of crime in the city and the violence with guns -- which is very real -- there's also the danger that perception becomes reality. Because I just want to say it out loud: You're the mayor of one of the safest cities in the world.

And so even though we have problems, we want to make it clear, we're one of the safest cities in the world.

My community wants community policing desperately. They keep saying to me, why don't we see the police on the streets? We are seeing crimes, we're seeing crimes that we don't think would be there if we saw more police on the streets. So can I ask you where you are on the philosophy of community policing.

MAYOR ADAMS: Thank you for that, Liz. And one thing I enjoy about my interaction with you throughout the years, even when we disagree, we're not disagreeable. We're able to have great conversations and stand on issues that we align.

I am a strong believer in community policing. And this is one way of getting there, civilianizing the department. Too many officers are in civilian positions in our police department. We need to civilianize that.

Second, we need to look at how do we have New York City residents become police officers. I'm looking at my school safety agents, traffic enforcement agents,

correction officers -- all of these entities where they are 100 percent New York City residents, allowing them to cycle into the police department. That is imperative. They're New Yorkers, they would be our residents next door, they live here, our tax dollars will stay here, and that's important.

And third, my conversation with the police commissioner: We need to be visible. It's about what we're doing in the transit system, where police officers in the local precinct, they are now doing subway inspections. This has increased visibility in our subway system to show that police officers are doing what you're talking about, and that is what's considered omnipresence. We need the visibility of our symbol of public protection, and we could accomplish that task.

CHAIRWOMAN KRUEGER: Thank you.

I also don't want to be accused of having a frozen clock without noticing it, so I just -- we do have our eye on the clock. I don't think it's a gift to me per se.

You also -- even though it's not budget-related, I know you like cryptocurrency. I just want to urge you, as you move forward, listen to the arguments from the environmental perspective, and you already addressed that. But also please be aware that the Federal Trade Commission says that cryptocurrency scams are now the fastest-growing financial loss for people in this country. And so we have to be extremely careful that we are emphasizing financial education of people, not just jumping to whatever's new, because people can lose their shirts. And they are losing their shirts. So it's just urging you to keep your eye on that set of information out there.

MAYOR ADAMS: Yes, and I agree. I agree. And we are looking through that, and we need to move in a very smart way.

CHAIRWOMAN KRUEGER: Thank you.

We do completely agree that we need to address the issues of the number of mentally ill people acting out on the streets of New York without homes, without healthcare

services, without the right kinds of treatment plans. And the solution cannot be throwing them into Rikers and just making everything worse, and it has been. And it also cannot be 24 hours in an emergency room somewhere in New York City, released back into the streets.

And I know you agree with me. So tell me what we can do together to change that storyline.

MAYOR ADAMS: A couple of things. Liz, it shocked me when I started to examine what do we do when people who are dealing with a mental health crisis and you call police. And when I heard that we take them to Rikers, it just -- it's just unbelievable. To have 48 percent of the prison population dealing with mental health illnesses, that is just a failing revolving door process.

I brought on board Dr. Vasan to head my commission of -- Department of Health and Mental Hygiene. You may be familiar; he came from Fountain House. I talked about it all the time on the campaign trail. It's the

combination of having mental health professionals giving wraparound services. But we also need your help. We need more psychiatric beds. Those areas where people are a danger to themselves and others, we can't allow them to remain on the streets. We can't allow them to use our subway system as a place where they're receiving their help.

We recently launched a city/state partnership to more strategically deploy resources to those with mental health crises. We believe it's going to have a big payoff and turnaround. But your help in ensuring we can get more psychiatric beds will be extremely helpful. And we hope to release a more robust street homelessness and mental health strategy in the next couple of days. We put a good team together. Deputy Mayor Williams-Isom, she understands this. There needs to be compassion and a very thoughtful way of giving those people the help they need.

When we closed down mental health

facilities, that was commendable, but we did not have the services for those who needed help. And then I want you to look at family members. We have many cases where family members are saying their loved ones are in need of help, but they're restricted on how much they can have them get that help that they deserve. And so it's a combination of things that must come from Albany, and I really need your help in this area.

CHAIRWOMAN KRUEGER: Great. And I would like to work with you on that.

I will recommend to you that the city has a model called Safe Haven shelters, and I am a fan of that. It is intensive services for people who have been unwilling to come off the streets into other shelters. And I have seen it be very effective for getting some of the folks we really need off the streets into services, to be able to be willing to come in for services.

I also think you need to think about requiring hospitals in New York City to have more psychiatric beds available and not just

for 24-hour observation. Because nobody in this situation's getting better in 24 hours.

MAYOR ADAMS: So true. So true.

And we've -- I've partnered with the Nurses Association and stood with them to talk about that as the borough president, and I continue to speak with them about that. And I really want to have Tiffany bring my DSS Commissioner Gary Jenkins together with you and sit down and talk about this.

But there's something else you said, if I can, at the beginning of the conversation. You know, Senator Krueger, people often talk about my initiative around ending gun violence and they point to just one area. That's a comprehensive plan. Because you're right, if we don't deal with the feed-ins of violence we're never going to address violence. And we need to highlight the parts of that that I talk about. Let's stop feeding the crises and the violence that we're seeing. Let's not zero in on the one point we disagree, I say to my colleagues that's on here. Let's zero in on the areas

we agree.

Like this Clean Slate New York campaign. I'm a strong supporter of that. Seven years after a felony, having your record sealed; three years after a misdemeanor, having your record sealed. These are the things that we can do. These are the things I fought for. And I want to be a continuing advocate and partner to make them come to fruition.

CHAIRWOMAN KRUEGER: Great.

I want to applaud your proposal to expand the EITC credit, because it absolutely has proven to be an effective way to get more money in the pockets of lowest-income working people. And I will explore the proposal for what the state would do, because that was a little vaguer in your testimony.

But I also -- because of that, I want to highlight that I hope you'll join many of us in the Legislature in pointing out to the Governor that the concept of a one-time bonus for home care workers is not only inadequate to recruit home care workers that we need,

but also can put these people on a cliff where they lose more in SNAP, public assistance benefits, subsidized childcare, even Medicaid, than they would ever see in the $3,000 bonus. And we even had people say, well, we'll try to make it exempt. But most of those are programs with federal laws. While if you go to a tax credit such as EITC, you can actually make it exempt for these purposes.

So I applaud you and hope you'll work with us to fine-tune what I believe was the Governor's good intent but that may not actually have a good result.

MAYOR ADAMS: Well said. Well said. And, you know, as you indicated which is so important, you know, that the EITC -- we increase EITC, it won't impact the federal benefits once we get the waiver. It's a plan that's already in place. And people will do the right thing with those dollars. I think you're dead-on about that.

CHAIRWOMAN KRUEGER: Thank you.

And tax policy. So I disagree with

some people from Lower Manhattan, but I think it's way past time to end the Lower Manhattan tax credits. It's actually resulted in a competition between businesses in different areas of the city, because you get a bigger tax credit if you go to Lower Manhattan -- which is overheated, frankly, Lower Manhattan, at the cost of other boroughs.

So I'm just curious whether you've had a chance to look at that question.

MAYOR ADAMS: I'm going to turn it over to Jacques. Jacques, you want to touch on that a minute?

NYC BUDGET DIRECTOR JIHA: Well, I don't think we should look at it at -- one at the expense of the other. Lower Manhattan right now is also suffering because of the past two years. So there is still a need to continue to try to bring businesses to Lower Manhattan.

Whether we should explore, you know, a credit for other areas of the city, that's a question that we should look into.

CHAIRWOMAN KRUEGER: Well, I will just

point out there was a recent study showing it's the most unaffordable area of the five boroughs, so suffering is relative.

Going to my colleague Julia Salazar's point, I also do not support the Governor's new proposal for redoing 421-a. I believe 421-a and J-51 together cost the city over $2 billion a year in property tax benefits, with very small returns on affordable housing.

I am a believer that we should sunset these programs and let the City of New York, you and the Council, come up with models that are not as-of-right but are one-by-one deals that will give you the ability to use this property tax money in the most effective way. It might be for specific deals, it might be for helping you figure out your need to address the unfairness in the current New York City property tax system.

I'm just curious whether you think that the city could handle its own property tax revenue if we did away with these credits that we've sort of forced down the throat of

New York City for decades.

MAYOR ADAMS: Well, you know, Senator Krueger, I've always been impressed with your depth of knowledge around these topics. I look forward to sitting down with you and hearing how we can do it better.

I was in awe of you when I was in Albany, and I look forward to your insight on this conversation. And let's follow up on it.

CHAIRWOMAN KRUEGER: Great. Maybe Senator Salazar and I will join with your other staff to work on that together.

And my time is up, and I believe that closes out the Senate as well.

Helene Weinstein.

CHAIRWOMAN WEINSTEIN: Yes, and it also -- we have no further questions from the Assembly.

I just want to thank Mayor Adams for spending so much time with us. And I know all of the legislators look forward to continuing the discussions both with you and with your staff as we move forward.

So thank you, Mr. Mayor, for being here. And again, look forward to continuing conversations.

MAYOR ADAMS: Thank you so much.

CHAIRWOMAN WEINSTEIN: And with that, I'm going to call up our next witness, who is going to be the mayor of the City of Buffalo, the Honorable Byron W. Brown. Also a former colleague.

MAYOR BROWN: I would like to thank the New York State Legislature for this opportunity to testify before the joint legislative budget committee on the impact of the proposed 2022-2023 Executive Budget on the City of Buffalo.

As always, Senate Finance Committee Chair Liz Krueger, Assembly Ways and Means Chair Helene Weinstein, Senate Local Government Chair James Gaughran, and Assembly Local Governments Chair Fred Thiele, I'm pleased to come before you today as the mayor of the City of Buffalo on behalf of our more than 278,000 residents.

With me today is City of Buffalo

Finance Commissioner Donna Estrich and Budget Director Jessica Brown.

I'd also like to express my gratitude to our delegation leaders, Assembly Majority Leader Crystal Peoples-Stokes and Senator Tim Kennedy, and the other members of the Western New York delegation who continue to effectively advocate on behalf of the City of Buffalo's residents.

Governor Hochul's Executive Budget proposal represents a once-in-a-generation opportunity, in my estimation, to restore the integrity of the neighborhoods through strategic investments in commercial corridors, cultural anchors and affordable housing. By investing in the physical and social infrastructure, the Governor's budget is providing Buffalo and other upstate cities a foundation for a sustainable, equitable and rapid recovery while we emerge from the worst impacts of the COVID-19 pandemic.

Last year I spoke before this committee on how Buffalo would respond to the social, racial, and economic crisis the

COVID-19 public health emergency posed. Because of the American Rescue Plan Act, Buffalo and New York State have resources to address both the immediate and long-term social determinants of health which caused disparate health and economic outcomes which resulted from and were also highlighted by the pandemic.

With the passage and adoption of the federal Infrastructure Investment and Jobs Act, Buffalo and New York State will be able to finally address many of the transportation infrastructure needs which have limited our growth -- and strengthen neighborhoods whose residents have been denied access to the mobility options that will enhance their economic outlook; connect to each other, their school, or their workplace through affordable broadband internet; and foster a cleaner and greener transportation landscape for the future.

The Governor's budget highlights how these funds will be used to support initiatives that Buffalo’s residents will

directly benefit from, and I urge you to support the proposed allocation of those resources during the upcoming negotiations.

From these new state budget funds, I would also ask you to consider specific support for Buffalo's Cars Sharing Main Street project, my administration's People's Infrastructure Agenda, the further development of historic corridors necessary to expand our growing cultural tourism industry, and critical investments in our public health sector like the proposed Rashaun Nicole King Community Health and Education Center, which will serve as a conduit for public health outreach and education in the Buffalo area.

Buffalo is a city of neighborhoods, and the continued redevelopment of our downtown must coincide with a place-based development strategy that invests in our neighborhoods. That's why the Cars Sharing Main Street remains a priority. Automobile traffic was removed from Main Street over 30 years ago to allow for the construction

and operation of a light rail system. And while Metro Rail has been a benefit to Buffalo, prohibiting vehicular traffic essentially killed retail in downtown Buffalo, resulting in vacancies, blight, loss in property values, and an impediment to growth in one of our premier retail and entertainment corridors.

My administration has focused on realigning the Metro Rail infrastructure so that it truly benefits the entire community by fostering an approach which encourages housing development and multimodal traffic along Main Street. As a result, we have worked to reopen several blocks to vehicular traffic, which has had the effect of stimulating retail, housing, and various mixed-use development while also providing millions of dollars in economic activity and job growth.

We are requesting state assistance to continue this project, at a cost of $100 million. The success of this project is critical to continuing the redevelopment of

downtown Buffalo and creating a thriving, vibrant environment to live, work, play and visit.

The investments in Main Street must be matched by a cohesive set of investments across our neighborhoods but especially in those neighborhoods which have been subjected to historic disinvestment, like Buffalo's East Side. My administration's People's Infrastructure Agenda will enhance mobility and create more transportation options for Buffalo residents while creating jobs that will be key components of speeding our economic recovery and promoting greater racial equity. The City of Buffalo has identified approximately $100 million in shovel-ready projects in every neighborhood that will help transform the lives of low-income residents. These projects are critical to improving the mobility of residents, developing place-based economic development strategies that will strengthen commercial corridors in minority communities, and bolster a green transportation revolution

that is critical to reducing Buffalo's carbon footprint.

The level of CHIPS funding in this year’s budget is very helpful, but additional infrastructure investment will be needed for Buffalo to remain economically competitive in the future.

Another component to stable and healthy neighborhoods is affordable housing. Specifically, public housing is essential for families, seniors, and disabled people on fixed incomes to avoid homelessness or housing instability. Buffalo's public housing stock is among the oldest in New York State, and much of it is obsolete and in need of repair, maintenance or demolition. A physical needs assessment conducted by an outside contractor in 2020 concluded that more than $300 million would be needed just to repair and bring up to current standards our existing public housing stock.

We request $350 million to do additional work to address the needs of Buffalo's aging public housing. This funding

will enable us to embark on a multiyear plan to modernize our public housing, replacing developments with more modern and energy-efficient units, as well as providing safer, cleaner developments which more appropriately fit into the larger community and position people to be lifted out of poverty. I request New York State allocate funding to protect this vital source of reliable and affordable housing.

While the streets, roads, bridges, sidewalks, and utilities identified above are the connective tissue of my city, the cultural institutions in Buffalo are home to its beating heart. Buffalo's rich cultural history, architecture, musical venues, and public green spaces date back to over a century and a half, and preserving them is critical to ensuring our vibrant future.

However, it is time to finally recognize that our cultural offerings leave out important figures in our history, individuals who were almost forgotten because of the color of their skin, their gender, or

the place that they originally came from. Buffalo's cultural institutions must represent the diversity of our residents and the heritage all of our communities have offered. It is through an inclusive approach to the arts that we can connect with each other and celebrate a shared vision for Buffalo's brighter future. I urge the Legislature to ensure that investments in Buffalo's cultural institutions reflect our Black and Hispanic as well as New American communities, while also supporting the institutions that have helped make Buffalo a cradle for artistic expression across the nation.

It looks like I'm out of time, so I will end there. Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you, Mr. Mayor.

We'll go to Assemblyman Jon Rivera for three minutes.

ASSEMBLYMAN RIVERA: Good morning. Can you hear me? Well, good afternoon. Good?

MAYOR BROWN: Yes, I can hear you, Assemblyman.

ASSEMBLYMAN RIVERA: How you doing, Mayor?

MAYOR BROWN: Doing well, thank you.

ASSEMBLYMAN RIVERA: Good. Good. So just two or three things related to the Executive's proposed budget.

And I guess even before that, it's good that you mentioned public housing and the problems that we're having there. And I really, really am eager to work with you in any way I can to, one, find resources but, two, also bring more attention to the nature of our aging housing stock, especially when it comes to our public housing. Here in the state we talk a lot about the very legitimate issues with NYCHA in the city, and I would love to, you know, bring attention across upstate cities that have housing authorities that are really struggling. So it's great that you mentioned that.

The question that I had was after a long time of population decrease, for the

first time probably in my lifetime we've seen a pretty substantial uptick in our region. And I am a firm believer that a big part of that has to do with our city being a city and a region where we have welcomed so many refugees.

So this year I'm presenting a bit of a pursuit of much more than what we did last year in refugee resettlement funds here in Albany. So I essentially want to see, you know, what are you seeing in that community, what are you seeing where help is needed? And, you know, what sort of is going to be the city's role in moving this community forward?

MAYOR BROWN: Thank you very much, Assemblyman.

So the New American community is growing dramatically. As you indicated, we had our first population growth in Buffalo since 1950, and in large measure that's because of the presence of New Americans.

There are a number of needs that New American communities have: Access to

housing, access to healthcare, access to municipal services -- one of the reasons why we created in 2015 the Office of New Americans in the City of Buffalo. Buffalo certainly could use resources as well to provide assistance in accessing not only city but other government services for our New American communities. Your interest and your advocacy for our New American communities is greatly appreciated, and I certainly look forward to working with you as our New American communities continue to grow in the City of Buffalo.

ASSEMBLYMAN RIVERA: Thank you. I'm out of time, but eager to be of help whenever I can. And thank you.

MAYOR BROWN: Thank you, Assemblyman Rivera.

CHAIRWOMAN WEINSTEIN: To the Senate now.

CHAIRWOMAN KRUEGER: Thank you.

We're going to start with our ranker, Senator Rath, for five minutes.

CHAIRWOMAN WEINSTEIN: Excuse me,

Senator, is this -- this is the Cities 2 --

CHAIRWOMAN KRUEGER: Oh, you know, I'm sorry, so you're not the ranker for this purpose. You still can go next, but you get three minutes.

Thank you for the clarification.

CHAIRWOMAN WEINSTEIN: Right, because I see Senator --

SENATOR RATH: Okay. I'd happily take ranker minutes if you'd grant it to me, Madam Chair.

(Laughter.)

CHAIRWOMAN KRUEGER: No, I think she caught us. Sorry, Senator Rath.

SENATOR RATH: No, I had it there for a second. Oh, my gosh. All right, here we go.

Mayor, it is so good to see you.

MAYOR BROWN: Good to see you, Senator Rath.

SENATOR RATH: And I appreciate your opening comments.

And for many years you and I have worked together on economic development when

we were on numerous boards together, and we watched the renaissance of Buffalo unfold pre-pandemic. And in your opening comments you had mentioned the $100 million of state assistance for economic development and had referenced a few communities that you were potentially going to be prioritizing.

But if I were to talk about Larkinville, Hertel Avenue, Elmwood Village, East Side, West Side, Canalside, Outer Harbor, there's a lot of hungry mouths to feed, per se, when it comes to investments in the City of Buffalo. Could you provide some specific I guess priorities of where you think that money is going to be utilized and for what purpose?

MAYOR BROWN: So, you know, we've seen explosive growth in downtown Buffalo, and we certainly want to see a continuation of that growth. But we also want to see the investments that continue to grow in downtown, the Buffalo Niagara Medical Campus, and our waterfront extend into neighborhoods and neighborhood commercial districts

throughout the City of Buffalo.

So my focus going forward will be to see even more economic development, retail development, development of services in the residential areas and the commercial districts in neighborhoods throughout the City of Buffalo -- East Side, West Side, North Side and South Side. Equity is a key watch word, and we want to make sure that we're making investments that enable all of our neighborhoods to grow and all of our residents to benefit.

SENATOR RATH: Well, thank you. And I think narrowing the focus is important to make sure that we're prioritizing in the right neighborhoods and in the right communities.

Also, you touched on tourism and the arts and the investment when state monies or resources are provided, the massive return that comes back to a community for every dollar that's invested in tourism -- you know, the return back to the community. And we have a destination in Western New York and

in Buffalo, and I'm hopeful that you can expand on what you think are some of the priorities with regards to tourism and the arts in Buffalo going forward with state monies.

MAYOR BROWN: Tourism has been a real driver of economic development activity and job creation in the City of Buffalo, and we see our various tourism venues continue to grow. We have to invest in them. Many of our beautiful tourism venues, you know, date back to over a century and a half. So preserving them is critical to preserving the vibrancy of tourism and arts and culture in the city.

I want to make sure, though, as we make those investments we are also investing in our cultural institutions and cultural destinations of color as well, and that will also be a part of the equity that I've talked about in terms of investments in arts, culture and tourism.

SENATOR RATH: Well, thank you, Mayor. I appreciate your leadership and look forward

to continuing to advocate with you for Western New York.

MAYOR BROWN: Thank you very much, Senator Rath. I appreciate you.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you. We go to Assemblywoman Wallace.

ASSEMBLYWOMAN WALLACE: Good afternoon, Mayor. Thank you so much for your testimony today. We really appreciate it. And for your leadership.

I, as you know, represent suburban communities in Western New York, but I am a firm believer that we need to take a regional approach and that the health and well-being of the suburban communities I represent really rise and fall on the health and well-being of the city. So I've always been very supportive of making sure that we have a strong city.

And so toward that end, you mentioned transportation initiatives that you're involved in, and particularly I think you said the People's Mobility Agenda.

Transportation's always an issue, not only for residents in the city but also for suburban communities. And I'm wondering if you can highlight a little bit of what that People's Mobility Agenda involves. That's my first question.

My second question relates to accessory dwelling units -- I'm sorry -- yeah, accessory dwelling units, I believe they're called, the -- which would allow -- basically end single-family zoning for communities across the state. I know that's very controversial.

And while we all want to make sure that we have affordable housing, as you discussed with Assemblymember Rivera, we also want to make sure that we retain local control, because our communities are very diverse. And I just wanted to see where you are on that issue.

And then third, as we all know, the theater tax credits have been incredibly helpful to Western New York. And I'd like to hear what you think about expanding the

upstate theater tax credit.

MAYOR BROWN: Thank you very much, Assemblymember.

The People's Infrastructure Agenda is a comprehensive look at infrastructure in the City of Buffalo -- roads, sidewalks, bridges, broadband, internet, and actually a shovel-ready look at what the costs would be to make needed infrastructure repairs and investments in the city, which go into the hundreds of millions of dollars. I can provide you with more information on that.

I think, you know, local control for our housing development and how we protect housing is critically important, so I look forward to working with you and the delegation on that as well. And your final question was?

ASSEMBLYWOMAN WALLACE: Just regarding the upstate theater tax credit.

MAYOR BROWN: Yeah, I would love to see the upstate theater tax credit and film tax credit expanded. They have been tremendous in bringing theater and film to

the City of Buffalo.

ASSEMBLYWOMAN WALLACE: Well, thank you very much, Mayor, and I look forward to working with you on these things.

MAYOR BROWN: Thank you, Assemblymember Wallace.

CHAIRWOMAN WEINSTEIN: Senate.

CHAIRWOMAN KRUEGER: Thank you. And good afternoon, Mayor Brown, nice to see you again.

MAYOR BROWN: Good seeing you, Senator Krueger.

CHAIRWOMAN KRUEGER: Thank you.

And we were also colleagues. All mayors, apparently, were colleagues in Albany before. Not all, but quite a few.

Senator Jeremy Cooney, our chair of Cities.

SENATOR COONEY: Thank you so much, Chair.

And great to see you, Mayor. So pleased to be able to see you here. I wish you were here in person, but we know that you are holding down the fort in Buffalo and

Western New York.

And thank you -- let me echo my colleagues who came before me and thank you for your leadership and service. I think about our new mayor in Rochester, and he's so fortunate to have friends so close by in Buffalo to help guide him as he takes on an important role in Rochester.

Mayor, I know we've worked on a number of issues together, but a new issue to me, which kind of builds upon some of the conversations that you've already had so far with my colleague Senator Rath as well as Assemblywoman Wallace on the arts. And I had the opportunity to spend some time in your city just a few weeks ago spending time at the zoo on a day that it was closed and very, very cold and also spending time at Albright-Knox, AKG -- I've to get that new moniker in my mind after 40 years of calling it Albright-Knox.

And it occurred to me that there are some ways of creative thinking as a region, as Western New York, as the twin cities, if

you will, between Rochester and Buffalo, that we could find resources to do some collaborative marketing so that if you are coming in from New York City or from an international location to view the collection at Albright-Knox, did you know that just down the road, 40 minutes or so away, we've got a wonderful collection at the George Eastman Museum or the Memorial Art Gallery in Rochester. And the same for our zoo collections, right? If that's what motivates you, we've got world-class facilities in both cities.

And yet oftentimes our marketing dollars and our resources at these institutions -- which are bringing in a lot of tourism dollars and people to our region -- stay very myopic, right? It's just AKG, it's just Memorial Art Gallery. And I'm wondering if we can think more innovatively as cities at how we can support each other so that you're bringing in folks who can then come to Rochester, and we're bringing in folks to Rochester that can come down the

Thruway west to you in Buffalo, and have both communities flourish because of that.

And so I guess my question to you, Mayor, is your thoughts on -- more in the context of the arts and culture -- on how we could better market opportunities between Rochester and Buffalo.

MAYOR BROWN: Thank you very much, Senator Cooney. Would be very interested in working with you on that. Obviously New York State is a magnet for people from all across the world. I know that Buffalo gets many visitors from across the nation and internationally, as does Rochester. And would be very pleased to work with you and the new mayor of Rochester on some shared marketing initiatives.

A few years ago, prior to the pandemic, I worked with former Mayor de Blasio in New York City on some shared marketing initiatives between New York City and the City of Buffalo which were very successful in Buffalo in getting residents from New York City to actually come here to

Buffalo to visit some of our cultural and arts and entertainment destinations. And I think we could do the same thing between Buffalo and Rochester.

Money is always an issue. One of the things that, you know, I'm asking for consideration on is AIM funding, Aid and Incentives to Municipalities. In 2010, that funding to municipalities was reduced by 7.6 percent, where it has remained flat ever since with no increase.

I think having the resources to make these kinds of investments in marketing our tourism destinations across the state will have a financial return to communities all across the state and to the state itself.

SENATOR COONEY: I couldn't agree with you more, Mayor. And as you know, when I served as the chief of staff to Mayor Warren in Rochester, that was a topic that we focused on quite a bit, and specifically the Big 5 cities of Buffalo, Rochester, Syracuse, Yonkers and Albany, thinking about the impact that that has for those cities to become

thriving centers.

As you know further, Mayor, that I've had the great pleasure of serving as the first chair of the Upstate Cities Committee. And, you know, I did an 11-city tour this fall. And some of my colleagues who are on today with us were part of that tour. And I think that was probably -- that and childcare and workforce attraction were the top issues that each of your colleagues across the state as mayors brought.

And I want you to know that not only am I supportive of Governor Hochul's restoration to the AIM formula, taking out that interceptor for towns and villages, but I actually think we need to go one step further. And I have been working with your colleagues in the New York Conference of Mayors to see if we can create some additional funding in the budget that would supplement on top of what you're already getting for AIM, but would also be these additional operating dollars.

Because I recognize certainly that

your role as mayor is to make sure that not only do you pick up the trash on time and snow gets plowed, but to also think how do we get services to those critical populations. You talked about equity before, and I believe in that cause, certainly. And each of our cities is unique in how we deal with equity.

You know, Rochester has one out of two children still living below the federal poverty line. And so we would count on our mayor and our city services, whether they're libraries or recreation centers, to be able to deliver those critical services. Mayors know how to get that job done.

And so I believe that it's a good investment by the State of New York to increase operating aid or AIM aid, if you will, this year to make up for the last 13 years of flat funding. So we will be pushing that out of the Cities 2 agenda in the State Senate.

Thank you, Mayor Brown.

MAYOR BROWN: Thank you, Senator Cooney. That is fantastic. Certainly I know

that the Big 5 cities can definitely use it.

I think AIM funding should increase annually, keeping up with inflation. And that transfer to towns and villages I know was very harmful to the City of Buffalo. It essentially took money out of our pocket and gave it to other municipalities. So it is critically important that you and your colleagues are looking at this issue.

SENATOR COONEY: Thank you, Mayor.

CHAIRWOMAN KRUEGER: Thank you both.

Back to the Assembly. Oh, no, you didn't have any other Assembly, right?

CHAIRWOMAN WEINSTEIN: No, we do. We do.

CHAIRWOMAN KRUEGER: Okay, sorry.

CHAIRWOMAN WEINSTEIN: We're going to call on the Majority Leader, Crystal Peoples-Stokes, for 10 minutes.

CHAIRWOMAN KRUEGER: Oh, her. Okay.

(Laughter.)

CHAIRWOMAN WEINSTEIN: Just -- you know, just somebody.

(Laughter.)

ASSEMBLYWOMAN PEOPLES-STOKES: Thank you all. I appreciate those nice comments. I'm glad you all are smiling about that.

(Laughter.)

ASSEMBLYWOMAN PEOPLES-STOKES: It's always good to see the mayor as well.

MAYOR BROWN: Good to see you, my leader.

ASSEMBLYWOMAN PEOPLES-STOKES: I'd like to hear what your thoughts are on the Governor's budget and particularly as it relates to the great City of Buffalo, my beloved Buffalo. I will just ask a couple of questions, though.

As relates to the public housing and the capital dollars that you're asking for for renovation, I would ask, which one of those developments are state developments?

MAYOR BROWN: You know, right off the top of my head, Assemblymember, I do not recall which developments are state developments.

We certainly will work with you on that. We do have a number of state

developments. I believe Marine Drive is a state development. But I'm not sure as we speak right at this moment.

ASSEMBLYWOMAN PEOPLES-STOKES: Okay. I raised that question because I know that, you know, there had been or are state developments in the City of Buffalo, but I also know the vast majority of them are federally controlled.

And in my estimation, I think it's an unfair shift for the federal government to shift their responsibilities to us at the state level to do capital investments to their property. On the other hand, if it's state property, I think it's our responsibility to do capital investments in it.

And so I would say that I would be happy to join you in pressing our Congressional delegation to do their job in taking care of municipal housing that is still under federal control. So -- and I'm sure you'll join me in doing that.

MAYOR BROWN: Absolutely.

ASSEMBLYWOMAN PEOPLES-STOKES: Another thing that I would be interested in your thought process on is the compact. Have you gotten access yet to the agreed-upon deal with the Natives and the Governor?

MAYOR BROWN: No, I have not gotten access to the agreement directly between the Governor and the Seneca Nation.

Buffalo is certainly anxiously awaiting the casino revenue that is owed through that agreement between Governor Hochul and the Seneca Nation in Buffalo. We estimate the amount we are owed, that should be coming to the city, in excess of $40 million.

ASSEMBLYWOMAN PEOPLES-STOKES: Okay. And that $40 million is over the period of a few years when this was all in court and it was in flux and no one was passing or shared any resources.

But if the deal has been done and you anticipate that $40 million, my thought process is -- and I'm sure Niagara Falls could agree, as well as Salamanca, since

these facilities are operated in their municipal areas and have been ongoing and will be ongoing -- that it really just makes sense for the Senecas to have that agreement with you, as opposed to -- what should come to the City of Buffalo, as opposed to it funneling through the state and being then passed back to you. And I wanted to hear your thoughts on that.

MAYOR BROWN: You know, I am certainly supportive of revenue coming directly to the City of Buffalo.

It has not been a problem coming to us through the state, so that particular mechanism has not been problematic. What has been problematic is the dispute where the revenues stopped flowing.

So I'm glad there's an agreement. You know, the back revenue owed is in excess of $40 million. And obviously going forward for as long as a Seneca Nation casino exists in the City of Buffalo, I think there should be revenue sharing for this municipality and other host municipalities.

So as long as the revenue continues to flow, I don't necessarily mind the pass-through from the state. It hasn't presented any problems for us. But, you know, there's an expression that says God bless the child who's got his and her own. If it could flow directly to the city, we certainly would not object to that.

ASSEMBLYWOMAN PEOPLES-STOKES: Okay. I think that's something that we should at least give some consideration to and have conversations about with folks on the second floor. Because it just seems reasonable. It's less accounting for them, quite frankly, and it just is an easier flow.

So my last point, I want to be really grateful that you included investing in cultural institutions in your budget. I think along with education, that is probably one of the most critical things we can do for our citizens, is provide them access to culture, be it our own personal cultures or the cultures of other people, as well as the arts. So I'm excited about that, and I hope,

in all honesty, that it can be honored.

Lastly, I will say this. I know that you have been doing some work on removing lead pipes. And I wonder if there's anything in your budget ask that furthers that agenda and pushes it even faster, because I think that is a major problem. We must get lead out of the societies in which we're trying to raise our children.

MAYOR BROWN: In our overall People's Infrastructure Agenda, we do request funding to remove lead lines.

Also, in the federal American Rescue Plan Act we have proposed significant dollars again to replace old lead lines. This is something that the City of Buffalo, as you know, Majority Leader, has been working on aggressively for several years. And with requested state dollars as well as federal dollars, we plan on ramping up that focus exponentially and spending tens of million of dollars, if it is available to us, to accelerate the pace of removing lead lines from homes throughout our city.

ASSEMBLYWOMAN PEOPLES-STOKES: Thank you, Mr. Mayor. I look forward to speaking with you well into the future as we pursue the 2022 budget.

MAYOR BROWN: Thank you very much, Majority Leader Crystal Peoples-Stokes.

ASSEMBLYWOMAN PEOPLES-STOKES: My pleasure. Madam Chairs.

CHAIRWOMAN WEINSTEIN: Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

And nice to see you, Majority Leader.

ASSEMBLYWOMAN PEOPLES-STOKES: Likewise.

CHAIRWOMAN KRUEGER: Thank you.

Next up is Senator George Borrello.

SENATOR BORRELLO: Thank you, Madam Chair.

Mr. Mayor, it's good to see you again. I think the last time I saw you was back in September at the Meatball Street Brawl, so --

MAYOR BROWN: Yes. Good to see you too, Senator.

SENATOR BORRELLO: Yes. I just want

to say, first of all, again, congratulations on winning your recent race. And, you know, you've been mayor since 2006, and in that time you really presided over some important initiatives -- economic development initiatives, you've seen a reduction in taxes, and also you oversaw a historic drop in crime in the City of Buffalo. Between 2006 and 2018, I believe there was about a 40 percent drop in crime.

But that being said, you know, in 2019 you had 47 homicides. And then in 2020 and 2021, you have a record number of homicides, which, you know, in my opinion, correlates directly with the implementation of bail reform.

And as everyone has mentioned before, we need a vibrant city in Western New York and the City of Buffalo, and I agree, living just 30 miles south of you. And Western New York is strong when Buffalo is strong, as was said before by, I believe, Assemblywoman Wallace.

And you did say when it came to bail

reform that, you know, somebody that's caught with an illegal gun -- I'm quoting you -- multiple times shouldn't keep getting out on the streets. Somebody that's broken into your home last week, you shouldn't be bumping into in your neighborhood in a couple of days. So there are elements of bail reform that are not working and that have to be changed.

With that being said, sir, I'd just like to see you address the issue of bail reform and crime and your ability to do your number-one job, which is to keep the citizens of Buffalo safe.

MAYOR BROWN: Thank you for the question, Senator Borrello.

I think the Legislature, in its deliberations around bail and cash bail, was certainly concerned about inequities in the system and people -- low-income individuals not being able to come up with bail and waiting in jail for inordinate amounts of time.

That being said, I think bail reform

does need to be looked at. I think the Legislature is wise to listen to the calls around the state to look at improving the system. You know, people who have been in possession of illegal weapons, who have used illegal weapons, should not be able to get out on bail. People who are habitual lawbreakers should not be able to get out on bail.

So I am very appreciative of the concerns of the Legislature and the fact that bail reform is being reviewed.

SENATOR BORRELLO: Thank you, Mr. Mayor. And again, best of luck, and we'll see you at the next big event downtown.

MAYOR BROWN: Thank you, Senator Borrello.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Jacobson.

ASSEMBLYMAN JACOBSON: Thank you, Madam Chair.

Good to see the mayor again.

Just a quick shout out to the Majority Leader. There's $115 million coming to the state for lead-line replacement, so we need it in the cities I represent, and I hope that there would be a line item in the budget so there's more transparency so we know where it is and that it doesn't get lost.

I represent three small cities in the Hudson Valley: Beacon, Newburgh and Poughkeepsie. I'm from Newburgh. And unfortunately, Newburgh and Poughkeepsie have not regained their prior economic heights, and I look with envy at what's gone on in Buffalo.

So I would like to know -- I'll give you just a very easy question -- what would you recommend for cities, because our cities face the same type of challenges that you have and continue to face in Buffalo, but you've done some great -- had some great advances. What would you recommend that our small cities do to achieve better economic development and prosperity?

MAYOR BROWN: I think it's critically

important for small cities to work with different levels of government, so to work with state government, to work with federal government, and to develop economic development plans that can be presented to the State Legislature and can be presented to the Congressional delegation to bring in additional resources to invest in your strategic planning.

In Buffalo, we focused on developing strategic plans for economic development, recognizing that we couldn't invest everywhere at one time, and really focusing our investments strategically in a way that would attract other investment, that would bring jobs to the community.

So that would be my recommendation to some of the smaller cities in our state.

ASSEMBLYMAN JACOBSON: All right, well thank you. And I'll see what we can do, and we'll all work together because we're all in the same boat and we have very similar situations even though the skies might be different. Thank you.

MAYOR BROWN: Thank you, Assemblyman Jacobson.

CHAIRWOMAN WEINSTEIN: Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Now to the last Senator, Diane Savino, who needs to get off her phone.

SENATOR SAVINO: I'm coming. Thank you, Senator Krueger.

Good to see you, Mayor Brown. It's been a -- good to see you, Mayor Brown. It's been a long time since we were seatmates together a million years ago.

MAYOR BROWN: Yeah, good to see you, Senator Savino.

SENATOR SAVINO: So I'm going to -- I only have three minutes, so I'm going to ask you the same question I'm going to ask all of the mayors in the Conference of Mayors.

One of the biggest problems that local governments are facing around the country -- in fact, the President of the United States recently signed an order declaring that cybersecurity risks and ransomware attacks

are the national security threat of our time.

So I know that many local governments have been dealing with these ransomware attacks, struggling on their own. What do you think the state can do to help the City of Buffalo to prepare for them, to respond to them? And are we doing enough to help local governments deal with what is we now know the national security threat of our time?

MAYOR BROWN: Thank you very much, Senator Savino.

A number of governments across the country and entities across the country have been under cyberattack, and I think this is something that every government has to pay attention to. But hardening a government, hardening an organization, an entity against cyberattack is expensive. It takes resources.

So, you know, in the City of Buffalo we've done a number of things to protect ourselves, including purchasing insurance. But all of the things that we have had to do -- by ourselves -- are expensive.

So if there was an allocation of resources and a -- not only an allocation of resources, but a focus on what the playbook could be to harden government entities across the state against cyberattack, that could be very helpful.

You know, we have governments of different sizes, governments with more resources or more equipped to protect themselves. Smaller governments are more susceptible to cyberattack.

SENATOR SAVINO: Thank you.

I know that Angelo Riddick, who is the head of our Office of Internet -- OITS is what we call it -- he is going to be reaching out to local governments, to school districts, to help coordinate that activity.

But you're absolutely right, the state does need to do more. The federal government in the infrastructure package last year did include about $3 billion for cybersecurity grants. Certainly it's a drop in the bucket to help state and local governments. But we need to figure out a way to access some of

that money and to provide resources directly to our local governments and our municipalities.

So I look forward to working with you on that. And again, congratulations, good to see you, and good luck. Thank you.

MAYOR BROWN: Thank you, Senator Savino.

CHAIRWOMAN WEINSTEIN: We have one more Assemblymember, Assemblyman Mamdani.

ASSEMBLYMAN MAMDANI: Thank you, Chair Weinstein.

Thank you, Mayor Brown. I'm going to jump straight into the questions.

Where does the building of a new Buffalo Bills stadium rank in your priorities for state expenditure for the City of Buffalo?

MAYOR BROWN: I would like to see a new Buffalo Bills stadium.

The stadium agreement is between Erie County government, the State of New York, and the ownership of the team. So the City of Buffalo, while it is the

Buffalo Bills, is not a party to that agreement. The Bills don't physically -- as you know, Assemblyman -- play in the City of Buffalo. The stadium is located in Orchard Park.

But there are many benefits, I believe, that come back to the City of Buffalo, and so I am a proponent of a new Bills stadium and certainly would like to see those negotiations successfully concluded and a new stadium built in Western New York.

ASSEMBLYMAN MAMDANI: Thank you, Mayor. Are you a proponent of the new stadium being built within the City of Buffalo?

MAYOR BROWN: Would love to see it built in the City of Buffalo. However, there would be a significant additional cost to doing that, it might take significantly longer for that to happen, and I think potentially would put the Bills remaining in Western New York at risk.

So I have come out in support of building the new stadium across from the

existing stadium in Orchard Park, believing that there are still very significant benefits to the City of Buffalo and its residents and all of the residents of Erie County and Western New York.

ASSEMBLYMAN MAMDANI: Thank you.

And just to follow up, earlier, as you were saying, while the City of Buffalo is not party to that agreement, if there is a specific amount of funding that is being allocated to Erie County and Western New York at large, would you say that this is your top priority, or in the top three, of how the money should be spent in the region?

MAYOR BROWN: I would say that that certainly is a priority for our region. That would be one of many priorities that I would have for spending. But certainly believe that, you know, the Legislature should support the funding of a new stadium for this community.

ASSEMBLYMAN MAMDANI: Thank you.

And my final question -- I don't have much time, but I'll just try here -- is

switching topics to housing, what is your stance on accessory dwelling units?

MAYOR BROWN: You know, that's -- that's been asked. Have some concerns about that. I think local control in participating in setting housing policy is critically important, so want to see that maintained.

ASSEMBLYMAN MAMDANI: Thank you very much, Mayor Brown.

MAYOR BROWN: Thank you, Assemblyman.

CHAIRWOMAN WEINSTEIN: Senator Krueger, do you have any --

CHAIRWOMAN KRUEGER: No, I think we have completed the assignment on the Senate side.

CHAIRWOMAN WEINSTEIN: Okay. And here too on the Assembly.

So Mayor Brown, thank you for spending this time with us today and look forward to continuing to work with you and the members of the Legislature.

And now we will move --

MAYOR BROWN: Thank you.

CHAIRWOMAN WEINSTEIN: Now we will

move on to the City of Rochester, the Honorable Malik Evans, mayor.

(Pause.)

CHAIRWOMAN WEINSTEIN: Is the mayor here?

THE MODERATOR: The mayor is on his way.

CHAIRWOMAN WEINSTEIN: Okay. I assume that means he's in the --

THE MODERATOR: He's in the green room. They're trying to get him over.

CHAIRWOMAN WEINSTEIN: He's in the green room. So you're just moving him over.

THE MODERATOR: Yes.

CHAIRWOMAN WEINSTEIN: Okay, thank you.

CHAIRWOMAN KRUEGER: In the old days, that could mean they could be in the parking lot of the LOB, never to be found again.

(Laughter; discussion off the record.)

THE MODERATOR: The mayor has joined the meeting.

CHAIRWOMAN WEINSTEIN: Okay, thank you.

So welcome, Mayor Evans.

MAYOR EVANS: Thank you.

CHAIRWOMAN WEINSTEIN: This is your first time before us, and there are -- there is 10 minutes on the clock. Keep an eye on it. We have distributed your testimony, so feel free to summarize. And then I know a number of my colleagues will have some questions for you, both Assembly and Senators.

So the floor is yours.

MAYOR EVANS: Thank you.

Good afternoon, Chairwoman Krueger and Chairwoman Weinstein, members of the Ways and Means and Finance Committees, and other members of the Senate and Assembly. I am honored to have this opportunity to speak on behalf of the residents, business owners and all the stakeholders of Rochester.

As you know, I am the newly elected mayor of Rochester, and when I look around, I see a lot of things that are new or almost new. We are living in a tremendous time of change, in a tremendous time of challenge,

and in a time of tremendous opportunity. But I'd like to choose the word "new" to describe all of that, because it inspires hope and optimism. We all love a new day, and I am certainly relishing my new day as mayor of Rochester. And despite the incredible and very tragic challenges we are facing related to the twin pandemics of the coronavirus and unprecedented violent crime, we must never forget that it's a new day for Rochester and New York State.

New York has a new governor; America has an almost-new president, and our county, Monroe County, has an almost new county executive. The New York State Legislature has a host of almost-new members and an almost-new leadership team with a new mandate to bring much-needed transformation to our state. And they have unprecedented levels of resources to deliver opportunities that are so new that we could barely imagine that a year ago.

But we're also filled with more than a little trepidation, because new opportunities

also carry risk and pressure to get them right. We have to get them right the first time because we likely won't get these opportunities again. And that risk and pressure are very real.

I've been on the job for just over a month, but on my very first day in office I found myself talking to a mother because her 14-year-old child, her 14-year-old baby, was shot down in cold blood while walking to the store to buy noodles.

These tragedies, and so many others like them, do not have to happen. They do not have to be inevitable. But they will keep happening again and again and again -- they will keep happening if we don't seize the opportunities we have before us now.

I am the son of a preacher, so hope and optimism come easy for me. So does gratitude. And I am filled with all of those as I make a deliberate choice to focus on the new day for Rochester and all of New York. I am grateful for the support Rochester has received from the state, particularly our ROC

the Riverway initiative, and I thank Governor Hochul for her support for RECAP, the Regional Economic Community Assistance Program, which will leverage additional private funding to make strategic investments in workforce development, waterfront, smart business, commercial corridors, innovation and capacity-building in Rochester.

These funds will allow us to make additional progress with the ROC the Riverway, which includes exciting plans to create the Rochester High Falls State Park, revitalize the Rochester Riverside Hotel, update the Joseph A. Floreano Rochester Riverside Convention Center, and renovate the High Falls Visitor Center.

These projects are critical to the revitalization of our waterfront and our downtown. ROC the Riverway is a product of our strong state and local partnership that not only improves the quality of life of all of our residents, but also elevates Rochester's potential as an economic engine

for the entire state.

As a result, our city is a more attractive destination for tourists, employers, and especially those in the gaining knowledge economy, whose workers covet a strong work-life balance with ready-to-access natural resources like the Genesee River.

And there's some other things in the state budget that I am very excited about: funding for infrastructure through the Bridge-NY, Pave NY, Consolidated Highway Improvement Program or CHIPS, and the Pave Our Potholes program -- any mayor loves potholes -- economic development investments, including the RECAP program I mentioned earlier, numerous investments in public safety initiatives, including the Gun-Involved Violence Elimination program, or GIVE, the SNUG outreach program, the Community Stabilization Units partnership, capital for communities to combat gun violence, and funding for community empowerment and crime reduction programming

for areas victimized by gun violence.

In addition, I greatly appreciate the Governor's dedication of funding to housing to create and preserve affordable homes, support the operation of shelters and supportive housing units, and provide rental subsidies -- and for her promise to further strengthen neighborhoods through the Restore NY program to combat blight by supporting efforts to address vacant and abandoned properties.

And I applaud the Governor's commitment to educate our children through an increase in school aid. Our children are our future, and it's important that we invest in them.

But I have three more things that I want to ask. The first one is an increase to AIM aid. The second is money to get the lead out of our water system. And the third is legislation to make our Persons In Crisis team Medicaid-eligible so we can sustain this alternative response model.

Regarding AIM aid, Rochester had this

funding reduced to its current level of 88.2 million in 2012, where it's stayed ever since. In that time, Rochester's concentration of poverty -- a blight on not just Rochester but the entire state -- remained shamefully high. These numbers are especially reprehensible because they are the underlying cause of the 81 homicides our city experienced last year.

It is incumbent upon every New York lawmaker to help reverse this trend, whether they represent our city or not, by eliminating the disparity in our AIM formula. As you are forecasting surpluses in the billions, I believe that this current year is a time to really help us in the AIM aid category, and I implore you to do so.

Rochester continues to have a high maintenance of effort and much lower per-capita Aid and Incentives to Municipalities than Buffalo and Syracuse. Because of the state's MOE requirement, more than 63 percent of our tax levy goes to the school district.

Secondly, Rochester has made great strides in reducing lead poisoning in children through programs that remediate lead paint in homes. Now it's time to continue to get the lead out of our water system. Increased federal regulation will require it, but federal funding will fall far short of the estimated $200 million it will take to eliminate lead pipes. This is a burden that a city with one of the highest child poverty rates in the country cannot bear alone.

Rochester started to remove these pipes years ago. But without exhausting all of our ARPA funds, which are needed to help us recover from the pandemic, we simply don't have the resources to do it in a reasonable time frame. New York State is fortunate to be in a position to help, so I am asking, please help us. A commitment of $125 million will address the shortfall we anticipate after federal infrastructure funding and city ARPA investments are exhausted.

And finally, I ask that the state pass legislation that will make our Persons In

Crisis team eligible for reimbursement from Medicaid. Arising out of the Daniel Prude tragedy, the PIC team was developed to respond to mental health calls as an alternative to police response. Its aims are to divert nonviolent 911 crisis calls towards a mental health or social service-focused response, deescalate crisis calls, connect service users to appropriate community resources, and provide referrals and supports to stabilize service users and prevent future crises.

The service is available 24/7 across the entire city of Rochester to provide rapid mobile response to individuals in crisis. We need a funding stream to make this critical service sustainable.

In closing, I again thank you for the opportunity to speak to you today on behalf of the people of Rochester, and I look forward to answering the questions you may have. I came from the background of the five Bs -- be brief, brother, be brief -- so I've still got a minute and 53 seconds on the

clock. So I hope you will give me some bonus points for finishing in under the time. And I welcome your questions.

CHAIRWOMAN WEINSTEIN: Definitely bonus points. But I'm not sure you can trade them for dollars.

(Laughter.)

CHAIRWOMAN WEINSTEIN: So we go to Assemblyman Bronson, for three minutes.

ASSEMBLYMAN BRONSON: Thank you, Madam Chair.

And Mayor Evans, great to see you here today. I want to thank you for your testimony. More importantly, I want to thank you for your leadership, especially as a new mayor helping to build bridges, making sure that you're working collaboratively and in partnership with other leaders in government and with community leaders and our families in the City of Rochester, so we can do what's right for our families and children in the City of Rochester.

I want to focus on one area. You mentioned the 14-year-old, your first day in

office. The level of violence in our city is unacceptable, and we must address it. Eighty-one homicides, a historical level of homicides last year.

As chair of Economic Development, I'd like to think about the intersection of economic development with public safety and antiviolence measures. Could you speak a little bit about the linkage of those items?

MAYOR EVANS: Absolutely. And thank you for that question, Assemblymember Bronson.

They go together like, you know, a horse and carriage went together back in the day. You cannot talk about violence-reduction strategies without talking about economic development. It's one of the reasons why one of the things we talk about in Rochester is our Youth to Work program. One of the best violence-reduction strategies we can have in the City of Rochester is a jobs program -- not only a jobs program for young people but also a jobs program for parents.

So as we look to invest in seeing a shift in the levels of violence that we see in our community, we have to also make sure that we make those front-end investments. When we invest in, you know, prisons, locking someone up, those type of issues, that's after the fact. That's when someone is dead. You know, that's too late. But if we can get our young people very early on with investments so that if any young person that wants a job can get a job, they're more likely to be successful.

The data is clear. If young people are engaged in meaningful activities, they are not going to get involved in negative behavior. And if an individual is coming out of incarceration or if they're involved in a negative activity, if they get access to a job, the chances of them being involved in violence or crimes severely diminishes.

So economic development and jobs are one of the key components that we are focusing on in the city, and it's why I appointed someone who reports directly to me

that is in charge of all violence-reduction programs. And what he's looking at are jobs and opportunities as part of that.

ASSEMBLYMAN BRONSON: Thank you, Mayor. And look forward to working with you on that issue as well as the capital projects you mentioned, the AIM disparity, making sure that we rectify the lead exposure through our water infrastructure, and also the mental health crisis response so that we're doing it in a way that is compassionate and caring and not in a way that uses excessive force and control.

So a lot of work ahead, but I'm looking forward to partnering with you, Mayor. Thank you.

MAYOR EVANS: Thank you. Thank you, Assemblymember.

CHAIRWOMAN WEINSTEIN: We go to the Senate.

CHAIRWOMAN KRUEGER: Yes, thank you. We're going to call on Chair Jeremy Cooney.

SENATOR COONEY: Thank you, Chair.

And great to see you here, Mayor

Evans. Thrilled to welcome you into this space and to congratulate you publicly on your victory. And we thank you for your leadership with the City of Rochester when we --

CHAIRWOMAN WEINSTEIN: Excuse me, Senator. The time clock should say 10 minutes since you are the chair of the Cities 2.

CHAIRWOMAN KRUEGER: Thank you, Helene. Thank you.

SENATOR COONEY: Always nice to get some bonus points on the clock. And I'll be brief, following our mayor's lead here. We won't need to use that full 10 minutes. But thank you, Chair Weinstein and Chair Krueger.

Mayor, I want to continue the conversation that Assemblymember Bronson started around public safety, because I too am concerned and frustrated and want to support you as much as we can. When it comes to reducing gun violence, you mentioned investing in SNUG and GIVE, and those are programs that we definitely want to continue

to fund. But you've been around the block for a long time. You know a lot of the not-for-profits in our community, based on your time on the school board and as a community leader.

I'm wondering if -- and this is really kind of more brainstorming, but how we can help you with state resources by investing in some of those smaller not-for-profits or community interrupter -- violence interrupter, excuse me, groups that are out there, whether it's ROC the Peace, whether it's some of the work that Justin's doing with Untrapped Ministries, who maybe haven't been the recipient of some of the funding we've received in the past, like Center for Youth and some of the other wonderful organizations that have been doing good work in this space.

Because I think we need to be nimble. I think we need to try things differently when it comes to the City of Rochester and how we tackle gun violence. And I'm wondering if you could comment on -- you're

bringing new leadership to City Hall; who are some of the new organizations and ways -- new partnerships that we can fund that may tackle this issue of gun violence differently?

MAYOR EVANS: Yeah, I think that one of the things that we need to do is an all-hands-on-deck. In order to deal with violent situations we have to use every -- multiple tools within the toolbox. So if there's an organization, for example, that is good with dealing not only with the young men that might be getting ready to pick up a gun, but can also deal with the whole family. And a lot of this violence, it stems from things are also happening in the household.

Because, for example, if you have a person that is involved in violence, you have to deal with that person but then you also have to get into that household. So any organization that is looking at the whole family. Because if you're a young man and you're 14 years old, you may have an older brother that might be 21 that might be influencing you. So you can't just deal with

the 14-year-old, you also have to go in and deal with the older brother that might be in the house or the grandmother or mother or father that also might be living there that also may need some type of services to go along with what's happening in that household.

So we're interested in partnering with organizations that look at it from the holistic standpoint. No 14-year-old grows up and says, Hey, I decide I want to pick up a gun. It's the environment that they're in that sometimes is created to make them feel as though they need to join a gang or pick up that weapon.

So we have to look at nontraditional organizations who may not -- who may not be large and go through the process of understanding -- they may not have a 501(3)(c), they might need to be part of a host agency. And we're interested in looking at all of those types of organizations as part of our effort. Victor Saunders, who is running all of our violence-reduction

efforts -- the one thing we did was we centralized them all under one place. And what we're saying is is that all of those multiple organizations that kind of operate like octopus arms, we're saying we want you to centralize under one place, see how we can fill any of the gaps that are missing, and then get those folks to coordinate and work together.

Because not only do we need the traditional organizations that might have operated in the space before -- because we are living during different times, we need to try different things. And I will tell you, we had something similar to this in the nineties in Rochester when we had high levels of violence. This is a very similar time to 1993 in Rochester. The only difference is is that I have never seen young people with access to the firepower that they have now. That's one of the big differences. Yes, there was gun violence before, but now the levels of what I'm seeing -- I have a book on the computer that I can pull up right now

that shows 14-year-olds holding firearms that not even police officers or hunters have.

So we have to find ways to reach those people in order to get them to go down a path of positivity. Otherwise, we'll be paying for it, but we'll just pay for it later on when we lock them up. And that's much more expensive than giving somebody a job that pays them $15 an hour working 20 hours a week. I'd rather do that than spend the time locking them up.

SENATOR COONEY: Well, I couldn't agree with you more, Mayor. And your preventative approach is refreshing. I also commend you for consolidating all of those octopus arms under your office so that we can have a centralized solution.

And we stand ready as a delegation to work together with you to make sure that you have the resources to be successful.

I want to switch gears a little bit and build off a conversation that we had just a few moments ago with your colleague mayor just down the Thruway to the west, Mayor

Brown, about arts and culture.

As you know, we have a rich history of arts and culture in our community. We're very fortunate to have a number of those institutions located within the City of Rochester specifically. One of the things that I've been exploring as the chair of the Upstate Cities Committee is how we can better collaborate not just internally with our artistic organizations, but actually with Buffalo.

We have a lot of folks who travel from New York City or from places around the globe to come and visit Buffalo to see the Albright-Knox Gallery or to go to the Buffalo Zoo. But we have, of course, resources just 45 minutes down the road like the Memorial Art Gallery or the George Eastman Museum, or our own Seneca Park Zoo, to share those cultural experiences and to find opportunities to partner together.

And so my question to you, Mayor, is would you be willing to work with Mayor Brown on trying to find those marketing strategies,

if you will, so that when the Strong Museum of Play has attracted one family to our part of the state, that that same family may travel to Buffalo and experience some of the opportunities that they offer. Is that something that you might be interested in engaging with?

MAYOR EVANS: Absolutely. You know, one of the first tasks that my chief of staff -- who I stole from the state -- one of her first tasks was to reach out to the chiefs of staff of Buffalo and Syracuse as well. Because, you know, Rochester and Syracuse, both places are only about an hour away. And, you know, I've got family that live in Maryland and family that live down in the New York City area. That's not really that long of a distance.

So to see how we can have a coordinated approach, a coordinated marketing approach to not just market Rochester, but the region -- you know, I'm always mentioning all the things that Buffalo has to offer whenever we have people who come into town

because it is so close. And Rochester has things that we have to offer.

So there is absolutely a great opportunity for Buffalo and also, I believe, even Syracuse, because we are so close together -- Rochester's in the middle. We're like the arm that reaches both sister cities, Buffalo to the west and Syracuse to the east. There is power there. There is power in those three cities speaking with one voice on issues of mutual concern. But it's a great opportunity for us to be able to share the wealth a little bit. Because strong economic development in Buffalo, strong economic development in Rochester or in Syracuse helps the entire region.

So we are excited about working with both Buffalo and Syracuse on ways in which we can collaborate. Because it just makes sense, we're close together, a lot of us are Buffalo Bills fans --

(Laughter.)

MAYOR EVANS: So we look forward to finding ways in which we can collaborate with

both cities. Because not only does it enhance our individual cities, it enhances all of upstate New York. And I think that it's high time for upstate New York to work together to make sure that we are able to help lift all of our cities at the same time.

SENATOR COONEY: Thank you, Mayor. And you know I have a soft spot for those city mayors' chief of staffs who are --

MAYOR EVANS: That's right.

SENATOR COONEY: -- who are doing the work.

MAYOR EVANS: You can relate.

SENATOR COONEY: And I know Tammy's going to do a great job working in your administration.

Let me again switch gears a little bit. We went from the public safety to arts and culture. Let's talk about something that you and I care very deeply about, which is the education of our children. You and I are both graduates, proud graduates of the Rochester City School District. You and I both live in the City of Rochester. And you

know, of course, have had leadership on the Rochester City School District Board of Education.

We've been doing a lot of work as a delegation to support our superintendent and our school board members and of course all the families and children that they represent and serve. We're looking for ways to collaborate and to find opportunities between the City of Rochester and the school district on how we can uplift and help our students, many of whom -- as you noted -- are from families living in poverty.

What are some ways you can bring your experience on the school board to your new role as mayor to help strengthen those relationships?

MAYOR EVANS: Collaboration, collaboration, collaboration. We're going to be joined at the hip with the Rochester City School District. A strong school district is good for me because that allows me to have a tax base and I don't have parents running out when their kids get 3 years old, 4 years old.

The Pathways to Public Safety program is one way in which we will continue to collaborate. Anything that we can do with jobs, employment and youth, making use of our recreation centers because we have great distribution amongst the city. And making sure that the 133 hours that kids spend outside of school is used to reinforce and support the education of our children, what they're getting in the district.

So we look forward to continuing to collaborate with the district. I have the gray hair (indicating) to prove from my time on the school board, and I look forward to continuing to work with our district.

SENATOR COONEY: How refreshing. And thank you again for being here, Mayor.

MAYOR EVANS: Thank you, Senator. Appreciate your leadership.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Clark, three minutes.

ASSEMBLYWOMAN CLARK: Hello, Mayor

Evans. So very exciting to have you join us here today and talk about Rochester. We've come a long way from our days on the Youth Bureau --

MAYOR EVANS: Right.

ASSEMBLYWOMAN CLARK: I can't even talk about how many decades ago that was.

I want to sort of push into one of the topics you talked about. We have obviously a lot of challenges in the city, and a lot has been handled by some of my colleagues in terms of what we are so excited to work with you on to bring those resources home.

But my focus is on the PIC team. I joined the Mental Health Committee this year because I feel it's just one of the biggest challenges we have to face. I did a ride-along with Senator Brouk in the -- to see the great work the PIC team is doing.

If we were able to get that to a sustainable funding model, if we were able to really pay that as the healthcare that it is -- it's so valuable as a crisis response. But do you have any thoughts of what you

could do if we could expand that because it became a reimbursable expense and something that is really truly part of the healthcare system as well?

MAYOR EVANS: I think we could continue to enhance, we would be able to continue to enhance training and we could ensure that more calls could happen so there wouldn't be holes.

A lot of calls -- and I review -- I'm kind of crazy. I actually review all the calls for service that the Rochester Police Department gets. It makes good bedtime reading. And a lot of the calls are around mental health issues. Families are having a problem with their daughter or someone is suicidal -- you'd be surprised how many of those calls that you get.

But you have to have a worker available to come. The county will backfill it but because, in a city our size, when you have a multitude of mental health challenges going on all at the same time, there's only so many people that can respond to that. So

if you could beef that up with more individuals, we could do it. We'd also have more training. It will allow us to be able to reach that at a very sustainable level.

And the good thing is that it's really not that much more expensive in order for us to beef it up, particularly if it became Medicaid-eligible. That would be -- and we'd work with the county on that. Because we have such a great relationship with the county, it wouldn't be hard to do. You know, the county executive and I, Adam Bello, you know, we see each other three to four times a week, talk almost daily. So it just makes sense for us to be able to do that.

But it would be transformative in the mental health space. And I'm sure any of us on this call understands the importance of mental health. So imagine, if you don't have the resources -- all of us on the call have the resources to go and seek out mental health help if we need it. Imagine if you don't have it. And imagine if it then comes down to a police officer -- who doesn't have

time to be dealing with those types of issues. They have other violent things that they have to deal with.

But if we can send a trained professional out there, it could be transformational, Assemblymember.

ASSEMBLYWOMAN CLARK: I agree. And we do know what happens if we don't send the right people, and we've had our own experiences of that in Rochester.

I not only am a huge proponent of this idea, I think it could be an example for the entire state of how we take mental health and crisis response to a different place, a more holistic place that actually helps meet the challenges that it is -- with compassion, and changes everything in terms of crisis response.

So thank you for your leadership there, and you have a champion here to help you get there.

MAYOR EVANS: Thank you, Assemblymember.

CHAIRWOMAN WEINSTEIN: We go to the

Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

And we go to Senator Rath.

SENATOR RATH: Thank you very much, Madam Chair.

And Mayor Evans, great to meet you and congratulations on your new role.

MAYOR EVANS: Thank you.

SENATOR RATH: Public safety and crime, as you know, are major issues and major challenges for the City of Rochester. And frankly right now the people in Rochester in many ways don't feel safe. And I believe that needs to change. And if you look at safe and prosperous municipalities, what that does is that has a spillover effect or a mushrooming effect around the communities around them.

So I want to ask you a few questions about bail reform. And we talked earlier today with New York City Adams, who was quite outspoken about the critical need for amending bail reform measures through both

enhanced judicial discretion, with things like dangerousness being considered, and much-needed discovery reform.

So my question is, do you believe that these same changes are necessary and appropriate to improve public safety and reduce criminal activity in the City of Rochester?

MAYOR EVANS: Yeah. Well, I think judicial discretion is something that I would like to see, as long as it's fairly applied.

I think one of the things that we could seriously use help with in the City of Rochester as it relates to violence -- and the first thing, the one point I want to make is that about one -- less than 1 percent of the population in Rochester are violent. So the vast majority of Rochester is not violent, out of control.

We have the -- what we need to make sure that we do a better job in is zeroing in on the individuals that are creating the mayhem, the chaos in Rochester. And we know who those individuals are. And that's what

we need to do a better job of doing.

As it relates to bail reform, and I've said this to my team, you know, this is still a new concept. What I'm interested in is looking at the data to see if that is really the main driver of more violent crime in Rochester. Because I talk to some of my colleagues around the state -- the mayors of Cleveland, Pittsburgh, we talk regularly. They don't have bail reform, and they're dealing with the exact same issues as it relates to violent crime.

So if it is bail reform that's causing that, after I look at all the data and see that, hey, let's look and see what changes need to be made.

The other problem that I have in Rochester is the Iron Pipeline. And everyone should know what the Iron Pipeline is: Pennsylvania, Ohio, North Carolina, South Carolina, Florida, Georgia. They're not legal gun owners that are going to see Jamie Romeo, our county clerk. But we've got illegal guns coming into New York State,

arriving in Rochester, along the Iron Pipeline. And we have to figure out a way -- see, I need help with that. And that's something that I can't do, it's something that our police officers can't do. But when they are faced with people who have firepower that is more than some armies in small countries have, that creates a serious problem for our citizens.

So I think that to attack violent crime, Senator, we have to look at all of the above. And if we do that, I think we will see a safer, more prosperous Rochester. But I do just want to reiterate that Rochester is safe. There are some individuals that are wreaking havoc, and they need to be dealt with.

SENATOR RATH: Well, thank you. I think bail reform is a critical key component to getting this accomplished for the City of Rochester.

MAYOR EVANS: Thank you, Senator.

CHAIRWOMAN KRUEGER: Assembly.

Do we have an Assemblymember?

CHAIRWOMAN WEINSTEIN: Demond Meeks.

ASSEMBLYMAN MEEKS: I just want to take a deep breath -- definitely a breath of fresh air. Thank you.

I just wanted to touch base with you regarding some of the concerns that we've had as a community regarding housing insecurity and food insecurity. You know, a lot of us are beating the pavement doing what we can do.

What's the game plan, if you have any, and how can we be of further assistance?

MAYOR EVANS: Yeah, I think housing insecurity is something that is extremely important to us. I know that you guys have, in your Legislature, some conversations around, you know, just cause and eviction and that type of stuff, and I think that you'll have to look at that and see if you see that as something that can help.

But, you know, housing insecurity is a major issue. I'm very concerned about the -- with the eviction moratorium coming to an end and then once evictions start again, we need

to make sure that we continue to have resources for those individuals, particularly people who may have been displaced from their jobs. Also assistance for landlords as well as homeowners. So that's extremely important.

Access to affordable housing is something that is very important in Rochester, as it is in other large cities. People need to make sure that they are living in dwellings that are suitable. A lot of folks live in dwellings that are not suitable for animals, and they're forced to live in those properties. So we want to make sure that we have access to good-quality affordable housing. Rochester, I think we've led the nation in building some of those properties, so that's important.

But also, you know, I'm a banker by profession; homeownership is extremely important to me in Rochester. Homeownership is extremely low in Rochester; it should be much higher. One of the things that we're looking at is incentivizing homeownership.

So any support from the state in order to increase homeownership in our cities is extremely important.

We know that that, along with business ownership, helps -- helps with the American dream. I mean, home ownership and business ownership are ways in which we can sustain a real middle class in our country. I always say homeownership is like college. I'm not saying everybody has to go, but they should have the opportunity to. And so we have to be able to do both simultaneously.

And there's some people who don't want to have homeownership in upstate New York. That's fine. But we need to make sure that they have access to good rental or leasing options.

In terms of food insecurity, a major challenge. I just joined Mayors Ending Hunger, which is extremely important. I'm always worried when our students are out of school, because for so many of them their best meals are when they are in school. So we need to continue to find ways to make sure

that our residents have access to nutritious meals and access to food and that we are doing everything in our power to erase food deserts in our community.

So any help from the state in that area, Assemblymember Meeks, would be greatly, greatly appreciated. Appreciate from you and your colleagues.

ASSEMBLYMAN MEEKS: Thank you.

CHAIRWOMAN WEINSTEIN: Back to the Senate.

CHAIRWOMAN KRUEGER: I think Senator Savino to close for the Senate.

SENATOR SAVINO: Thank you. Thank you. Mayor, it's very nice to meet you.

So I'm going to ask you the same question I'm going to ask all the other members.

As we know, cybersecurity risks and ransomware attacks are the new national security threat of our time. And what I'm wondering is, is the State of New York doing enough to help our local governments, our small municipalities, our school districts

deal with the ever-present threat of ransomware attacks.

We saw last year during the pandemic school district after school district were hit with ransomware attacks, many of them incapable of responding, being able to secure their data and get it -- their encrypted data, get it back, and there's a concurrent threat.

So what can the State of New York do to assist the City of Rochester and its school district to respond to this and become more secure so that we are not so vulnerable to these ransomware attacks?

MAYOR EVANS: Exactly. I think -- I remember when Atlanta had their issue. I have nightmares about this all the time. This is what keeps me up at night. Because if any of that happened to us, you know, we'd be in trouble because we are so reliant on technology and our computers.

I think one of the biggest things and simplest things the state can do is -- are two things: Technical assistance and

guidance that they may have as it relates to cyber, cybersecurity. I'd love to see a coalition of particularly like-minded cities, with the support of the state, leading some type of cybersecurity task force that works with our chief technology officers to make sure that this isn't happening.

And then any funds that we could use to dedicate for cybersecurity. For example, if we got an increase in AIM aid, I'd be able to spend a lot more money on cybersecurity issues.

But this is -- Senator Savino, I'm glad you asked this question. This is a major, major issue. It's a sleeper issue. It's one of those things that you don't worry about until it happens. It's like when your lights go out, right?

Same thing with our lead pipe program. We don't worry about lead or any of that stuff until a child gets lead poisoning. We don't worry about cyberattacks until we go to log in on our computer and the director of finance is hearing, all right, listen, we're

holding you for ransom and no one's going to get paid this coming Friday -- or we've go access to all of your residents' information and if you don't pay us, we're going to put it all out there on the internet.

This is a very, very serious issue. It's a national security issue at the national level. But for us locally, it's also a major, major issue. There are people who work around the clock that have jobs like we have, but their jobs are to figure out how they can be -- how they can be -- how they can be crooks, how they can shake us down for money using technology. So this is a major, major issue.

And I think your question deserves even more attention, and it's something that I would be very open to state help on as well as federal help. But we should not dismiss it and think that it couldn't happen to us, because there are people who are figuring out how they can get in here and shake us down.

SENATOR SAVINO: Thank you for your response. I certainly will be reaching out

to all of the mayors and the Conference of Mayors to talk about this issue going forward.

There is money available under the infrastructure act for states and local governments to apply, and we need to tap into that. So thank you for your response.

MAYOR EVANS: Thank you, Senator.

CHAIRWOMAN WEINSTEIN: We have Assemblyman Mamdani I believe is our last -- three minutes, our last Senator. I'm sorry, our last Assemblymember.

CHAIRWOMAN KRUEGER: Our last whoever.

CHAIRWOMAN WEINSTEIN: Zohran, go ahead.

ASSEMBLYMAN MAMDANI: Thank you very much, Chair Weinstein.

Thank you, Mayor Evans.

MAYOR EVANS: Thank you.

ASSEMBLYMAN MAMDANI: I know we haven't had the pleasure of meeting as yet, but I do just want to thank you for the colleagues that you sent here from Rochester. It's a great pleasure to serve with them.

I'm going to jump into some questions. I was wondering if you could speak a little bit about the homeless crisis in Rochester and how expanding HONDA to upstate would impact Rochester. And furthermore, in that line of questioning, are there specific hotels in Rochester that the city and nonprofits could acquire with a HONDA expansion?

MAYOR EVANS: Yeah, I think HONDA is absolutely needed in Rochester. We would welcome it. I believe that there are various old hotels that we would be able to find that could serve -- that could definitely serve homeless folks in Rochester. With compassion. Because, you know, we've had people in Rochester sleeping on garage floors with exhaust fumes coming in. And no one should have to live that way. It's not right, period.

I worked with our county executive to clear out that garage and get people placed in good housing, and we need to be able to do that.

So, Assemblyman, expanding HONDA to upstate and in Rochester would be great. I think that we have a good collaborative effort with our homeless union, all of our homeless providers working together to try to find suitable housing for our folks who are unhoused in the community, and HONDA would go a long way in helping us continue to fulfill that mission of making sure that people are living in places where their dignity -- this is important to me. My father worked with not only homeless folks but folks who were homeless and had mental health issues for almost my entire life, and so I grew up knowing how important this issue is.

And if a person is housed, they're more likely to graduate from high school, they're more likely to retain their job, they're more likely to have good relationships. This is really a human rights issue when you look at what many of our homeless folks are going through.

And then if we can pair that -- because if we get HONDA and we have them in a

place, we can then push in the mental health services. Because if a person doesn't have a place to live, they're not interested in talking about mental health, they're thinking about their most important need, which is where are they going to sleep at night or getting a warm meal.

So we have to address the housing part; then we can address the drug -- if they have a drug problem or if they have a mental health issue or if they have an educational gap or any of those other things. If we can't address the housing part, then we're just wasting our time. So this is why HONDA is so important to upstate New York, and I hope that we can find ways where cities like Rochester and others can take advantage of it in order for us to really make sure that we are treating people with dignity, respect and the care that all of us are serving -- why all of us serve in order to make sure our people are living with that.

ASSEMBLYMAN MAMDANI: Mayor, because I have just eight seconds here, I'm going to

try and use them very quickly. But can you talk about, on the ground, how it would help Rochester if the state passed good cause eviction?

MAYOR EVANS: I think it would give us the opportunity -- and we wouldn't be threatened with lawsuits if we were to pass it at the local level, because the state would be able to preempt it. So it would give us some -- we'd be able to take some guidance from you all.

ASSEMBLYMAN MAMDANI: Thank you so much, Mayor Evans.

MAYOR EVANS: Thank you.

CHAIRWOMAN WEINSTEIN: Senator Krueger, do you have --

CHAIRWOMAN KRUEGER: No, I think we have completed on the Senate side. And it was very nice to meet Mayor Evans, and I wish him the very best up there in Rochester.

CHAIRWOMAN WEINSTEIN: We do have an additional -- we'd like to turn the mic over to the Majority Leader, Crystal Peoples-Stokes.

CHAIRWOMAN KRUEGER: She's back.

ASSEMBLYWOMAN PEOPLES-STOKES: Thank you. Thank you so much. I am back -- {unintelligible}.

But Mr. Mayor, what an honor to get a chance to see you. I want to congratulate you, I haven't had the opportunity to do that. I can almost kind of tell that you're taking Rochester in the right direction, and that is a good thing.

I appreciate your comments on being desirous of working collectively with upstate mayors or Western New York mayors. I think that's a great strategy. I look forward to working with you on that. And I definitely honor and appreciate your comments on bail reform. Most everybody comes from an emotional perspective as it relates to bail. They somehow feel like if you lock everybody up with or without a trial, that that's going to solve the crime problem. It didn't solve it in the past, and it's not going to solve it in the future.

So I appreciate your desire to see the

data that actually proves that people who are having the opportunity for pretrial release are the ones who are actually creating more crime. I think once you do see that data, much like everybody else that honors the value of collecting data and reviewing it, you will see that bail reform does work. What doesn't work is a judiciary who won't take the responsibilities that go with {inaudible}.

No one says that anyone with a gun should have access to get out on bail. No one says that. It's against the law. And if it's against the law already, no matter what court you're with, that should be enforced by the judge.

So I just want to honor you for your thoughts on bail reform by asking for detailed data before you make decisions about how it may or may not be beneficial.

MAYOR EVANS: Thank you. Thank you, Majority Leader. I appreciate that.

You know, my background is in -- was in finance, so we always look at data before

we make any decisions on anything. So I appreciate those comments.

And I look forward to seeing you in person in Buffalo and working with your city on issues of mutual concern. It's always so good to see you.

ASSEMBLYWOMAN PEOPLES-STOKES: We'll have to make that happen soon, sir. I have a couple of things I'd like to discuss with you.

MAYOR EVANS: Well, I'd love it. I'm always looking forward to head to Buffalo for my -- Rochester has good buffalo wings as well, but I always look forward to heading to those spots in Buffalo for that as well.

ASSEMBLYWOMAN PEOPLES-STOKES: It will be my pleasure. Thank you so much, Mr. Mayor.

MAYOR EVANS: Thank you.

ASSEMBLYWOMAN PEOPLES-STOKES: Thank you, Madam Chair.

CHAIRWOMAN WEINSTEIN: Surely.

So thank you, Mayor Evans, for being with us. We look forward, along with our

Rochester colleagues, to working with you as we craft the final budget.

MAYOR EVANS: Thank you.

CHAIRWOMAN WEINSTEIN: Now we're going to call on the City of Yonkers, the Honorable Mike Spano, mayor. There he is.

MAYOR SPANO: Well, good afternoon, Chairwoman Weinstein, Chairwoman Krueger, members of the Senate and Assembly, my friends and colleagues. Our Yonkers delegation, of course: Senate Majority Leader Andrea Stewart-Cousins; Senator Shelley Mayer; Assemblymember Nader Sayegh; and Assemblymember Gary Pretlow. And thank you again for welcoming me here, or at least to the Zoom call.

Similar to years past, I will submit to you the financial needs of Yonkers. I'll try to do it quick, because you've heard me over and over again. But I do so now as New York State's third largest city, as was just announced -- I guess it was announced by the Census. So while going fourth, I just want to remind everybody we are third, and so

we're proud of that fact.

And the issues that have been the issues for our city for a while continue to be. You know, we'll talk about the schools, we're talking about our need for additional AIM aid. I'm glad that there's a discussion happening about cyberattacks. And of course casino gaming is always a favorite.

You know, the years of inequities that we've always talked about with our schools have now started to go past us. But we all know that there are many years where our kids kind of suffered from many deficiencies in services. So we want to provide equity in services to our students so that we can mirror the successes that we've started to see in our classrooms.

Back in 2012, our graduation rate was 72 percent in the City of Yonkers. And today the Yonkers graduation rate is at 90 percent, which exceeds New York State's average. It's a number that sounds a lot like a suburban number than an urban number, but something that we're very, very proud of. And we've

continued to do what we can to move a district that has -- that is -- over 70 percent of our kids live at or below the rate of poverty, but we are still making it work.

Some of the investments that we'd like to see created or enhanced: Our Career and Technical Education Program, which we think will be a feeder program to our local workforce. The growing population that we've had over the past 10 years means that we need more equitable and inclusive funding to support the new families that are now living here, including greater investments in our UPK and multilingual learners programs.

The formula, as we start to fund that formula -- and I applaud Governor Hochul for her proposed budget. I also applaud each and every one of you in the Legislature because you started that last year. By fully funding the formula, we can get to do the things that we need to do. But at the same time, we ask that we continue to look at the formula to see where we can tweak it in such a way that

it can help the people and the residents of our city.

The Regional Cost Index. The City of Yonkers, as you know, which just borders with the Bronx, is an upstate regional cost. We are not in the New York City/Long Island regional cost, and we should be. And we ask that that's something that you look at.

And if you were able to make that change by correcting the RCI, just doing that could mean an additional $18 million more in Foundation Aid for the City of Yonkers. But we can again -- I know through Q&A you may ask me some other questions, but I'll just touch on that a bit.

Casino gaming could be a big win for Yonkers and for the region. Yonkers Raceway contributes about $300 million a year to offset the cost of education in New York State. Since its inception, it has already contributed over $4 billion -- that's 4 billion, with a B -- to help offset education in -- the cost of education in New York State. It means thousands of jobs,

both direct and indirect.

It also is expected that if a license is granted to Yonkers to allow for full gaming, that we could see as much as an additional $1 billion investment. That's pretty significant for the region, significant for Yonkers.

And I also want to throw out there, and I think it's important, that we always remember that, you know, here in Yonkers, in our region, we are so close to the swamplands of New Jersey, and they could very easily put a casino there. When that happens -- which I believe it will happen at some point -- it could have an effect on the operations of, let's say, Yonkers and Westchester County, which is right in the heart of our area.

And so what we want to do is we want to jump ahead of that. We know, by every model that has been put forward, gaming works in this facility and gaming will -- it's a sure bet. It's about as sure a bet as you're going to come up with. MGM Resorts is expected to invest another $400 million in

private capital just as part of their Phase 1.

So I also ask that as you're formulating the licensing and the tax structure that will surround that, remember that the amount of money that goes to the host community -- and Yonkers has the benefit of getting about $19.6 million for host community aid associated with Yonkers Raceway -- that you keep that in mind when you're putting forth the tax structure, because that has been a real driver for the taxpayers of Yonkers to offset any lack of funding that we may end up with in any other place in our budget.

I want to say thank you to the Legislature for giving us the ability -- and especially Shelley Mayer -- to build three new schools. We have one of those three new schools being built right now as we speak. That is huge, considering that the city has an oversaturation -- or an under-classroom-capacity of about 4500 students. And so we need to build new schools.

We also need to repair the schools that we currently have. Yonkers has about $600 million in repairs that need to be made to our schools to bring them up to state standards. We've already, just in the past 10 years, invested over $300 million in repairs to the schools.

But the current methodology as it's applied relies too heavily on the local property tax share and makes it almost impossible for us to achieve the goal of repairing the schools and putting our kids, frankly, in a place that -- you know, that -- across the river on either side of the city, or on the other side of the tracks on either side of the city that we would see our kids.

But despite the fact of the challenges that they have, we continue to do what we need to do to move our community forward.

So I ask that when you're looking at reimbursements to -- for capital needs that you take another look at Yonkers and see if you're able to either change those -- the methodologies and offer a greater

reimbursement to the school district, or to make a capital grant available to Yonkers that could be separate, that could actually help to offset the local investment that needs to be made in order for us to kind of jump-start the process, get our schools put in a place where they should be for our kids.

The partnership that we have with New York State is real. As you know, Governor Hochul outlined her Executive Budget to include investments in our state from clean energy, healthcare, COVID relief to infrastructure. And I want to applaud her again for what she has done. But over the years, AIM aid -- 2011 was our last kind of big year. 2012, our AIM aid was reduced $20 million because of the spinup, and we have remained flat ever since.

If you just allow for the 2 percent growth that you have allowed in your own budgets to be applied to the AIM aid to this particular local government, we would have actually received another $126 million over that same period of time.

So -- now remember, we have actually increased the amount of money we send to Albany: $268 million via personal income tax and sales tax have been provided to New York State. But our AIM aid continues to be flat.

Aside from the Yonkers building of a new school, the City of Yonkers also remains the only Big 5 that pays 100 percent of the school district's debt service, which is above and beyond, as you know, the legal requirements of the maintenance of effort. So flat AIM and staying within the tax cap makes it very difficult for us to even have the ability to even put additional funding into our own educational system.

Our budget continues to grow each year. Our workforce, as you know, is 74 percent of our total budget. And in the past 12 years our fringe benefits have grown by 76 percent or $74 million. Just the family plan for our health coverage has gone up 12.5 percent all by itself. So additional AIM aid would be really important to our city.

We talked about ransomware; I'm glad the Senator brought that up. It is, too, something that I lose sleep over. Yonkers was hit with a ransom attack just a few months ago. We had to make some immediate changes and immediate, you know, appropriations to our budget. We had to make a $600,000 investment with an $800,000 annual investment to the -- just to deal with our hardware and software. It's not easy, and a lot of people didn't hear about the ransom attack because, you know, we're told from the experts, right off the bat: Well, don't brag about it because if you brag about having a ransom attack and beating it, then you're going to just incite those who want to do it, give them a greater challenge and get them in there.

And so clearly at the end of the day the ransom attacks are going to continue. And I think what local governments need -- what we need -- is the deep pocket, in this particular case the State of New York, to have robust funding and a robust program that

allows us maybe to piggyback on in order for us to be a little more nimble and deal with ransom attacks when they happen, reduce the incidence of ransom attacks. Because we all know that no matter how good we are, we probably still will have a ransom attack, but I think that we can reduce the chances of it happening.

CHAIRWOMAN WEINSTEIN: Mayor Spano, you've gone quite a bit over the time.

MAYOR SPANO: Oh, am I? I'm sorry. I'm good.

CHAIRWOMAN WEINSTEIN: And maybe Senator Savino doesn't need to ask you a question now that you've answered her question.

But we'll send it over to --

MAYOR SPANO: Oh, you're right, Assemblywoman, I apologize --

CHAIRWOMAN WEINSTEIN: No problem. We actually do have an Assemblymember, Assemblyman Otis, to ask a question.

ASSEMBLYMAN OTIS: Thank you, Mr. Mayor. Nice to see you.

MAYOR SPANO: Nice to see you, Assemblyman.

ASSEMBLYMAN OTIS: On the ransomware situation, what kind of -- when you had your incident, you have, I assume, an insurance carrier that also brings in some expertise? Or who did you use to provide the technical expertise to position how you would respond and defend in that situation?

MAYOR SPANO: We don't have an insurance policy on that, but we do have, obviously, our in-house technology team. They've been very good at dealing with the matter and keeping it contained. And so we are now looking at insurance options now, but we know they're expensive options. There are also, you know, some fears out there that, you know, if you're on this list of having this type of insurance, will you be more susceptible to taking a hit, will they pick your community as the one they want to come to.

And so there are lots of questions here, lots of -- you know, like I said. And

we have to change our own system to a third-party authorization, right? So, you know, making sure that if you want to log onto our computer, that they send a code to your cellphone and then you can get on. Right? And making sure that we have the hardware in place that we need, that we've upgraded all of our hardware to make sure that we have the most up-to-date hardware available.

But it's -- but despite the fact that we -- you know, and I think I was just talking and it just reminded me, we were talking about two-factor authorization, which we hear would solve most of our problems. We are moving in that direction, making those investments. But I really think that if the state had a robust -- I mean robust, deep-pocket approach where they can use the collaborative numbers of all these different communities, together with them, it might reduce our chances down to a minimum.

ASSEMBLYMAN OTIS: Thank you. And, you know, it sounds like you were fortunate

that you had some knowledgeable people in-house that were able to guide you and knew who to call to get information, because you defended that well. And you think that a lot of smaller municipalities are -- may not be positioned to have those kinds of skills on board.

So congratulations on how you handled that, though, and appreciate the answers to the question.

MAYOR SPANO: Thank you so much. Still playing hockey, I hope?

ASSEMBLYMAN OTIS: You know, you have goal-tending children, I'm a goal tender. So it's all good.

Thank you, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

You know, I think Senator Cooney had to disappear for a minute, so let's take Senator Shelley Mayer from Yonkers.

MAYOR SPANO: Hello, Senator.

SENATOR MAYER: Hello, Mr. Mayor. Nice to see you --

MAYOR SPANO: Nice to see you.

SENATOR MAYER: -- from up here in Albany. Thank you for your testimony.

I have a few quick questions; I don't have much time.

Do you know what share of the school district's budget is paid for by the City of Yonkers, what percentage?

MAYOR SPANO: Just give me one second. So 42 percent of the city's budget, 42 percent --

SENATOR MAYER: I think you mean 42 percent of the city's budget goes to education. But of the school district's budget, what percentage is paid by the city? Because that's something -- that's a comparison with other districts. If you know.

MAYOR SPANO: I'm sorry, Senator, give me one second.

SENATOR MAYER: Sure.

MAYOR SPANO: We pay -- okay, so we pay -- all right, 42 percent of the budget is for education, right?

SENATOR MAYER: Yup.

MAYOR SPANO: But our tax -- what comes out of our tax levy is 70 percent for everything --

SENATOR MAYER: Right, but that's different than the question I'm asking you. Of the school district's budget, which I believe is 680 million, approximately what percentage of that is paid by the city? It just -- you can get back to me.

MAYOR SPANO: 32.8 percent.

SENATOR MAYER: Okay, thank you. And has that been fairly constant or has that changed over the last year?

MAYOR SPANO: It's about constant: 34, 33.

SENATOR MAYER: Okay. A quick question on Empire Casino and MGM. And thank you for your leadership and the whole coalition that's hopefully going to get there this year.

You have in your testimony that the state's legislation should require that the public schools share a portion of the

benefit. Are you asking for that to be incorporated in legislation, as opposed to sort of an agreement between the city and MGM?

MAYOR SPANO: Either way, Senator. I mean, I think that -- I'm the mayor now, and that's always been -- as you remember when I was in the Legislature, the casino was always there for the benefit of the local school district in terms of any additional aid that came out of the casino.

SENATOR MAYER: Right.

MAYOR SPANO: That's -- I think that's important.

I think that if we -- you know, I have two years left, and I don't plan to be here after two years. So I think if we had that protection in law, that we don't have to worry about in future administrations, you know, maybe diverting those dollars away from education, which I think would be a -- would not be traditional with what we have set in motion.

SENATOR MAYER: No, agreed.

Lastly, very quickly, you mentioned additional tax revenues sent to the state by development and increased personal income tax in Yonkers. What about the City of Yonkers personal income tax? Has that gone up as a result of increased development?

UNIDENTIFIED YONKERS OFFICIAL: Yes.

MAYOR SPANO: Maybe give me the number. It's a little harder for us because I can't swing the camera over --

SENATOR MAYER: I know, I'm just --

MAYOR SPANO: Sorry about that, Senator.

We'll have to get you a specific number. But yes the numbers are up, and they are performing very well.

SENATOR MAYER: Okay. I'd love to see the increased Yonkers personal income tax and any Yonkers sales tax as a result of increased development.

MAYOR SPANO: We will make that available to you, Senator.

SENATOR MAYER: Thank you. Thank you very much, Mr. Mayor. Look forward to seeing

you at home.

MAYOR SPANO: Nice to see you, Senator.

CHAIRWOMAN KRUEGER: Thank you.

Back to Assembly.

CHAIRWOMAN WEINSTEIN: Yes, our Cities chair, Assemblyman Bronson -- Braunstein, I'm sorry, for 10 minutes.

ASSEMBLYMAN BRAUNSTEIN: Yes, I get mixed up with Harry Bronson all the time. Don't worry about --

CHAIRWOMAN WEINSTEIN: No, no, Braunstein. Ten minutes as the chair.

ASSEMBLYMAN BRAUNSTEIN: I'm not taking 10 minutes.

Good to see you, Mayor Spano.

I just want to follow up on what Steve Otis was talking about, and Senator Savino has been bringing it up, about the cybersecurity issues. And you talked to -- that you're exploring insurance options.

Does your team have an estimate about how much it would cost to insure the city

against a future cyberattack?

MAYOR SPANO: We don't know what it would have cost us as far as in terms of what the cyberattack was going to cost us, because we were lucky enough not to open the email, I guess, when it came in. Right? But it still affected us pretty deeply and it cost us 600,000 just to take care of the infrastructure that we had to do to kind of go back in time and erase those moments and try to move forward.

The question you're asking me is what do you think it would cost us in terms of insurance or what would it cost us in terms of repairs?

ASSEMBLYMAN BRAUNSTEIN: Insurance. Like if you were exploring moving forward to insure yourself against a future cyberattack, does the city have an estimate of how much that would cost?

MAYOR SPANO: I would imagine we do, Mr. Chairman, and I will get that number to you.

ASSEMBLYMAN BRAUNSTEIN: Okay.

because I'm sure other cities -- it's a new phenomenon, and I'm sure other cities are, you know, looking into how to protect themselves, and insurance is an option. And it's just a question of is this something that -- an expense that other cities are going to have to undertake moving forward.

MAYOR SPANO: I will tell you, Mr. Chairman. When I was at the National Conference of Mayors -- and this was very much a part of their discussions -- it was made very, very crystal clear to us all that insurance is something that we ought to be doing. Also they -- they also talked about the two-factor authorization. So those are two key components that they were looking for all the mayors to do, and that's what we're in the process of trying to take care of.

ASSEMBLYMAN BRAUNSTEIN: Okay. Okay, thank you. Thanks, Chair Weinstein.

CHAIRWOMAN WEINSTEIN: To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator John Liu.

SENATOR LIU: Thank you, Madam Chair.

And welcome, Mr. Mayor.

MAYOR SPANO: Hi, Senator.

SENATOR LIU: I hear all about you all the time from my great colleague Senator Mayer. So I appreciated her question.

My only question to you really is the Governor talks about transit-oriented development. And I think that that would affect part of Yonkers, if not a large part of Yonkers. Is that correct?

MAYOR SPANO: Yes.

SENATOR LIU: Is that something that your administration is in favor of? Or do you think it might have some restrictions on the part of what the City of Yonkers could do?

MAYOR SPANO: No, I think when you're a city that has -- we have, I think, four or five train stations in our left, four or five train stations on our right, this is -- we have development being built all along those train stations. Transit-oriented is something that we support and want to see happen.

We want -- you know, it's just that, you know, when you're a city of 200,000 people built on 18 square -- what is it, 18 square acres or something like that? But it's where we're kind of running out of space. You know? We're not Manhattan, and we don't build that high. But we're running out of space. So when we do these things, we're very careful to make sure that, you know, we can accommodate the people, accommodate the traffic and be able to do this.

Because, you know, at the end of the day, we want the housing, we want people to be able to afford to live in our city, and we want them to be able to travel to places like New York if they want to, you know, work or play.

SENATOR LIU: Okay, so it sounds like -- it sounds like there's a little bit of mixed feeling there, Mr. Mayor.

MAYOR SPANO: No. We have supported it, and we'll continue to support it, yes. No, and we have. And we'll --

SENATOR LIU: All right, great. Thanks for that clarity. Mr. Mayor --

(Overtalk.)

MAYOR SPANO: Sorry about that, Senator. If I wasn't clear, I apologize for that. But I was trying to tell you that yeah, we have supported it, it's just that we're running into other issues that -- of space, and just trying to make it all work.

SENATOR LIU: You know, in New York City -- which is your sister city to the south -- in New York City we have -- we're always looking to create more affordable housing, and part of that affordable housing is something called inclusionary zoning, which I'm not sure you have in Yonkers. I'd be interested if you do have that.

If we had transit-oriented development like the Governor was envisioning outside New York City, if we had that in New York City, that actually impairs the ability of the City of New York to conduct inclusionary zoning agreements in order to build affordable housing. In other words, it's

just a development giveaway to developers. But you don't view it as such in Yonkers?

I mean, people who own property near those Yonkers train stations, their properties essentially skyrocket in value because of the Governor's proposals even though there's no -- not necessarily any requirement that they build affordable housing.

MAYOR SPANO: Well, we're looking at that as well. I mean, that's obviously very important to us. But it's -- being that we're so close to New York City, we do have a lot of commuters who kind of like drive into Yonkers and then go to New York City. And so all those are areas that are of concern to us because we're -- we try to figure out how to make it all work.

And one of the ways that you could -- that a deep pocket could help us, like New York State, is to help build even parking facilities at these train stations. You take a place like Yonkers that has -- if you really have -- if you built multi-tiered

structures of parking, could really go a long way towards making the programs that we love, that are near and dear to us, happen if there was that type of parking.

SENATOR LIU: Okay. Thank you very much. Thank you, Madam Chair.

CHAIRWOMAN KRUEGER: Thank you.

I think we have run out of Senators.

CHAIRWOMAN WEINSTEIN: Similarly, Assemblymembers. So thank you --

CHAIRWOMAN KRUEGER: Oh, I'm sorry, Senator Savino did you -- was your question answered?

SENATOR SAVINO: Well, I'm just happy to hear Mayor Spano acknowledge the challenges of cybersecurity risks and the necessity for it, so I don't have to ask him because he already understands it.

I would like to make the one point, though -- I think it was raised by Assemblyman Braunstein -- the issue of cyber insurance. While it's certainly a tool in the toolbox, it is not a panacea for risks. What we really need -- and I think Mayor

Spano's already indicated that -- is tools from the state, more assistance, some funding and, most importantly, employee training.

It is critically important that employees understand the necessity for multifactor authentication, because breaches happen at the desktop, at the laptop by the staff. And that's critically important. And that's where I think we can play a role, working with municipalities and local governments, to provide the tools that are necessary.

Insurers are beginning to refuse to pay out on many of these ransomware claims because of failure to provide the types of training that is necessary to prevent it.

So thank you for acknowledging the risk, and I look forward to working with you on it.

CHAIRWOMAN KRUEGER: Thank you --

MAYOR SPANO: And Senator, that third component, you're a hundred percent right, is employee training. We're working on that. That's a key, key component. Because it was

by pure luck that we had one employee who was smart enough to catch the virus before they opened it up. And it was done on a Friday, so no one was here and we were able to isolate it and go from there. So --

SENATOR SAVINO: So important.

CHAIRWOMAN KRUEGER: Thank you.

And Assemblymember, I may have dissed Assemblymember Nader by a mistake.

CHAIRWOMAN WEINSTEIN: Yes, that's what I was about to say.

CHAIRWOMAN KRUEGER: I apologize.

CHAIRWOMAN WEINSTEIN: Assemblyman Sayegh.

ASSEMBLYMAN SAYEGH: Yes, thank you very much.

Mayor, always a pleasure. As you know, we represent -- I represent Yonkers. Yonkers is completely my district. And I've got to say, I've got to compliment you on, you know, not only Yonkers being the third-largest city in the state, but that really was as a result of an economic and population growth development on the

waterfront.

And with that, of course, came the needs to make sure we have adequate funding for education. And I know in your presentation you pointed to inequity in educational funding and looked at a possibility of changing the index. But we want to see if there's a possibility of going further and sponsoring legislation that acknowledges that the population and social demographics have changed dramatically in Yonkers in urban ed. That's why we're proposing legislation that as a start tells the state to start using the 2020 data, census data, rather than presently using the 2000. A lot of our kids in high school weren't even born when we're using this data.

And the other that we're proposing is to use the percentage of free and reduced lunch that we feel is the best reflection of the economic status of kids.

So I just wanted to, you know, lend -- I know your initiative is to promote more funding, more equity. We support the

licensing for MGM, and we know that's something that would benefit Yonkers and the region.

But on the state funding inequity in education, Mayor, is that something we should lobby and should look at that addresses Yonkers Public Schools and the long-term needs?

MAYOR SPANO: Don't forget -- I mean, if you look at the census, you know, we grew 20,000 people and we have two Assembly districts, yours and Assemblyman Pretlow's, that had to be reduced by 10,000 each.

ASSEMBLYMAN SAYEGH: Correct.

MAYOR SPANO: So -- and for a city of 200,000. So that's a significant change in our population in that past 10 years.

And so, you know, while we beat out -- and I kid around about beating out Rochester for third, but we're only there by like 400 people. So -- but like I said, it took over 20,000 to get there.

These are really important because, like I said, the percentage is so wide that

if you don't take that into consideration, it could potentially lead to us not getting the proper funding.

ASSEMBLYMAN SAYEGH: And the funding from MGM, Mayor, how do you see that benefiting Yonkers?

MAYOR SPANO: In so many different ways. And, you know, while I'll brag and say yeah, it's great for Yonkers, they'll be the number-one employer of people in Yonkers, the number-one taxpayer -- but they'll be the number-one employer for Westchester and the number-one taxpayer.

And so there is a huge benefit not just to Yonkers, because it's Yonkers and Mount Vernon and the Bronx that is going to see the employment of people. And then remember, you're talking about jobs that are paying an average 30-something dollars an hour. So you're not -- you know, these are good solid positions in a region that absolutely needs it. And, you know, Yonkers has a very low unemployment rate, I think it's 3.6 percent. But, you know, we all know

that there's underemployment in Yonkers. While you have people working, because they have to make ends meet, but they're working two and three jobs to make it happen. With a job -- one job at Yonkers Raceway, what that could mean to a working family in our region, it's priceless.

CHAIRWOMAN WEINSTEIN: Thank you.

ASSEMBLYMAN SAYEGH: Thank you very much, Mayor.

CHAIRWOMAN WEINSTEIN: So thank you, Mayor Spano, for being here.

And we are now going to go to the mayor of the City of Syracuse, the Honorable Ben Walsh. You have 10 minutes on the clock, and feel free to speak now.

MAYOR WALSH: Great.

Thank you, Chair Weinstein, Chair Krueger and members of the legislative fiscal committees for inviting me to these joint hearings to discuss the State Budget again this year.

I'm grateful to the Legislature for its support of Syracuse through profoundly

challenging times in the history of New York State. The members of this Legislature have staunchly stood by our city and its residents. I'm particularly appreciative of the members of our local delegation -- Senator Rachel May, Senator John Mannion, Assemblyman Bill Magnarelli, Assemblywoman Pam Hunter, and Assemblyman Al Stirpe.

From a fiscal standpoint, the events that have unfolded over the past year have been both surprising and fortunate. When I last met with you, the prospects of federal pandemic relief to state and local governments were uncertain at best. The projections for the impact of COVID-19 on sales tax receipts were still bleak. And because of those conditions, ominous questions lingered over the reimbursement of withheld AIM and the possibility of AIM cuts going forward.

For Syracuse, the outcome has been positive on each of these fronts. The American Rescue Plan Act, or ARPA, delivered vitally important funding to our city and our

state, enabling us to restore services and invest in our recovery from the pandemic. Sales tax revenue rebounded and far exceeded anyone's expectations. With those developments, the state reimbursed the AIM withholding to cities, and this Legislature maintained AIM at the current levels.

As the early stages of the pandemic fueled financial uncertainty, my administration and our Common Council acted. We made hard cuts in city services, implemented furloughs for city employees, and reduced spending by more than 15 percent. Because of those decisions, and the arrival of federal aid, the restoration of AIM, and the improvements in sales tax, we averted a financial crisis.

We are implementing a comprehensive ARPA recovery strategy that invests first and foremost in programs to support children, families and neighborhoods. The plan we are following is also committing funds to transform infrastructure and public spaces, invest in jobs and economic opportunity, and

enhance government response and resilience. Instead of facing a massive budget deficit, we achieved a surplus in our last fiscal year. Our fund balance is now again at a level that is responsible for a city our size.

But despite our positive near-term financial position, the fundamental structural deficit facing Syracuse still exists. So without determined fiscal discipline, continued economic growth and the increased support of our state government, Syracuse will be back in a state of fiscal crisis within just a few years.

I'm heartened, though, by a recent record of financial decision-making, growth, and state partnership. I believe we will become a fiscally sustainable city government, but it's going to take a little longer and we're going to need your continued support.

Today I ask for New York State's assistance on the road ahead for Syracuse in the following critical areas that will lift

up the people we serve and our city government: Violence interruption, housing, transportation, infrastructure, and city finances.

First, Syracuse, like other cities in the state, has suffered from an increase in violence. The lack of opportunity, eviction, and trauma, exacerbated by the pandemic, drive too many people to dangerous and violent acts. Violent crime here was up 3 percent last year. Sadly, that means Syracuse actually performed better on violent crime and gun violence than many parts of New York State and the nation.

To push back on violent crime and improve neighborhood safety, we are soon starting our fifth Police Academy class since I became mayor. We're also investing in anti-crime technologies like more neighborhood street cameras and gunshot detection. Syracuse needs more help, though, with solutions that go after the root causes of violent crime.

Our legislative and funding priorities

agenda for this year seeks funding for more street-level violence interrupters through the Division of Criminal Justice Services; more trauma response to hospitals to help victims of gun violence break free from cycles of crime; additional funds to expand teen outreach through our new and very successful Syracuse Police Athletic League; and resources to successfully launch our new Police Junior Cadet Program to give training and employment to recent high school grads who want to be police officers but are too young for the academy.

I'm proud to report that we are also launching Syracuse's first Mayor's Office to Reduce Gun Violence. We will model the office after other successful programs and are hiring for a director right now. I urge the Legislature to commit state resources to these and other violence intervention efforts.

The pandemic revealed massive frailties in housing in Syracuse and, as we've heard today, across the state. We are

taking comprehensive actions to hold property owners accountable for ensuring safe and healthy living conditions for tenants. We are pursuing the most extensive efforts to build equal new housing in many decades in Syracuse. Our Resurgent Neighborhoods Initiative is building 200 new affordable single- and two-family homes all across the city. I'm proposing a major infusion of ARPA dollars to build more units quickly.

We are also advancing a large neighborhood and housing revitalization in a section of Syracuse's South Side adjacent to the Interstate 81 viaduct. This massive effort will address a 27-block, 118-square-acre area that includes more than 1,000 units of public housing. Known as the Old 15th Ward, the neighborhood and its residents have been badly impacted by the 81 highway bisecting their community.

The plan, known as Reconnecting the New 15th Ward, focuses on redeveloping the aging public housing properties with energy-efficient, quality new public housing

and mixed-income units. The $800 million project is attracting public and private investment from institutions and businesses across Syracuse, and includes a push for a HUD Neighborhood Grants program that would realize up to $300 million in public and private investment and direct assistance. The state's Division of Housing and Community Renewal is an engaged partner in this effort and has committed its support.

We applaud Governor Hochul's commitment to investment in housing and urge the Legislature to fully fund state programs for quality affordable housing.

Regarding transportation, the Governor's Executive Budget includes significant funding to begin construction on the Interstate 81 viaduct. The state and federal environmental review process is continuing, and we anticipate we will begin on the preferred alternative, the Community Grid, this year. It will remove the aging viaduct that has scarred the center of our city. We are working closely with community

stakeholders and the New York State Department of Transportation to ensure we create a more accessible and equitable city and unlock the economic and community development potential for this transformative project.

We are also working with DOT, the Federal Highway Administration, and community partners to capitalize on the local workforce opportunities this project will create, especially for women, veterans, and people of color. Syracuse has submitted one of the first applications in the nation for the federal SEP 14 local hiring initiative. Our proposal includes hiring preferences for city residents, especially those in areas that struggle in poverty and have been historically left behind.

Syracuse has welcomed additional investment through the Department of Labor for workforce development, and I urge the Legislature to ensure more funding is allocated so that we use this project and others like it to transform not just

transportation, but people's lives.

Syracuse also needs strong state support to improve our road infrastructure citywide. Last summer we reconstructed more than 30 miles of streets, compared to about 4 miles the year before I took office. We're using more effective data-driven approaches to prioritize streets for reconstruction, and more effectively deploying the state and federal aid we receive. The State Touring Routes funding, which is included in the Executive Budget again in fiscal year 2023, played a critical role in increasing our progress. I thank the Legislature for your prior support of that funding and urge you to continue it in this budget year.

In addition to investing in our roads, we're working with the Central New York Regional Transportation Authority to improve public transportation. This is an essential priority for the people of Syracuse. Last year I visited Albany to see firsthand the success of the CDTA's bus rapid transit system. We need BRT in Syracuse and have a

study from our Metropolitan Transportation Council to move forward. We are working with our transportation authority to pursue every federal and state option available for BRT funding.

I'm aware my fellow upstate cities are also seeking additional state investment in public transportation. It's my hope that the upcoming State Budget will include substantial increases in both capital and operating assistance that will help BRT become a reality in Syracuse. It will be a multi-year path, and we are determined to make it happen.

Like other communities across the state and nation, Syracuse's water infrastructure also requires significant and sustained investment. Since my first appearance at a State Budget hearing, I have had the extension of the drinking water intake pipe in Skaneateles Lake, the source of unfiltered water to the City of Syracuse and multiple other communities, on my priority list. Using ARPA funds to pay

nearly a quarter of the total cost, we will move forward on the design and planning phase for this critical project, which will help us avoid the need to build a several-hundred-million-dollar water filtration plant. We continue to need state assistance to fund the remaining three-quarters of this safe drinking water project.

As I noted earlier, reaching fiscal sustainability is achievable for the City of Syracuse. We will continue to become more efficient and generate more growth in our city. We also need additional revenue. An essential source of revenue to Syracuse is New York State Aid and Incentives to Municipalities, or AIM funding. I'm truly grateful for the Legislature's consistent support for AIM funding. For 13 years, though, it has remained at the same level despite significant cost increases. In this same time period, the overall State Budget has grown 75 percent. Relative to Syracuse's city budget, which has grown about 19 percent, AIM aid is down 21 percent.

Respectfully, I urge the Legislature to increase aid to municipalities, either by adjusting AIM funding or, as recommended by NYCOM, introducing a new mechanism for additional state support to build on the successful AIM program.

In closing, I want to thank the legislative fiscal committees for the opportunity to testify before you today. As outlined today, our greatest needs are in the areas of violence prevention, housing, transportation, infrastructure, and city finances. To advance from near-term stability to long-term sustainability, we welcome the ongoing partnership and support of New York State government. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

I don't see any Assemblymembers, so why don't we go to the Senate.

CHAIRWOMAN KRUEGER: Okay. First we have Senator Rachel May.

SENATOR MAY: Thank you, Chair Krueger.

And welcome, Mr. Mayor. It's good to

see you.

MAYOR WALSH: Nice to see you, Senator.

SENATOR MAY: I wanted to follow up on a couple of things you talked about. The I-81 project, I'm so excited that the Governor wants to break ground this year finally.

MAYOR WALSH: Yeah.

SENATOR MAY: But we know this can be a transformative project, but we also know there are still a lot of moving parts to it and a lot of different governmental entities involved. And so we need to make sure that there's good communication but also some flexibility built into it for troubleshooting as we go along, I think.

Do you feel like that's in place or are there things that we at the state level need to do to either help or get out of the way in order to make this project the best it can be?

MAYOR WALSH: Yeah, I think all of the above, Senator. You, as an example, have

been a champion of the 81 project, and specifically the Community Grid solution. Unfortunately, I think we've spent too much time debating the outcome of the Community Grid and not enough time planning for the very challenges that you identified.

So, you know, we do meet regularly with New York State DOT. We know New York State DOT is meeting regularly with the Federal Highway Administration. But I do think as we get closer to the project, a more formalized and enhanced multi-jurisdictional approach is necessary so we can really make sure that we maximize this once-in-a-generation opportunity. So I would welcome the opportunity to work with you and your office and your colleagues on that.

SENATOR MAY: Great.

And then about BRT, what can we do at the state level to make it happen?

MAYOR WALSH: Well, one, I want to acknowledge and thank you for going on our field trip to see the Albany BRT. And, you know, Albany is a smaller city than Syracuse,

so we know we can do it here.

But we do need resources. We're certainly hopeful that through the federal infrastructure bill and other federal resources that we are able to avail ourselves of those. But, you know, we need not only capital resources to fund standing up the BRT system, we need operating resources.

And, you know, the state's been a long-time supporter of public transit, but we're going to need more and we're going to -- as you look at how you might be able to direct more resources to operations, I think we want to make sure that we're doing it in a way that ensures the funding is going to actually expanding and enhancing the service in the form of BRT in Syracuse or in different forms in other communities, rather than just supporting existing operations.

SENATOR MAY: Okay, thanks.

And then just with a few extra seconds I wanted to say I'm really happy about your emphasis on housing and affordable housing. We've talked before about the crisis in young

people who are functionally homeless in Syracuse. I hope that you'll be really paying attention to making sure that those investments go to the people who most need it.

MAYOR WALSH: Absolutely. Thank you.

SENATOR MAY: Thank you.

CHAIRWOMAN KRUEGER: Assembly?

CHAIRWOMAN WEINSTEIN: We do not have any Assemblymembers, so why don't you continue, Senator.

CHAIRWOMAN KRUEGER: All right. We'll just continue to roll with the Senate.

We next have Senator Jim Gaughran.

SENATOR GAUGHRAN: Thank you, Madam Chair.

It's nice to see you, Mr. Mayor.

And Senator May only had three minutes, so I am sure if she had more time she would raise a question that I'm going to raise, and that is the importance of our state university teaching hospitals. One of the concerns that we have -- and of course you have one in Syracuse.

One of the concerns that we have is that these hospitals have really been stepping up in the pandemic and economically really, you know, facing some challenges. And unique to other academic institutions in the SUNY system, they're stuck paying fringe benefits and debt service. So one of the big things many of us are pushing for -- including Senators May and Mannion -- is to have this budget relieve them of their debt service for all our university teaching hospitals.

You know, what are your thoughts on that? And perhaps what can you do to help, you know, lobby that we get this done?

MAYOR WALSH: Sure. I think it's a great idea. I can't even begin to fathom what the last two years would have looked like in Syracuse and in New York State without SUNY Upstate Medical University. They have been a champion. They've been a long-time gem here in Syracuse and in this state.

But I think the way in which they

stepped up during the pandemic from their testing capacity to the services that they provided -- not just here upstate, but going downstate when our downstate neighbors needed us -- make them invaluable to this community and to New York State.

So I will happily join in on your efforts to advocate for any financial relief and support we can provide -- not just SUNY Upstate, but the other SUNY institutions.

SENATOR GAUGHRAN: Sure. We have them in other parts of the state, including Stony Brook in Long Island.

Thank you very much, Mr. Mayor.

MAYOR WALSH: You got it.

CHAIRWOMAN KRUEGER: Thank you.

I think we're at Senator Savino.

SENATOR SAVINO: Thank you, Senator.

So, Mayor Walsh, I will ask you the same question I'm asking all the mayors. It is about the ever-present risks of cybersecurity challenges and ransomware attacks.

What can the state do to help prepare our municipalities, our local governments -- particularly our school districts, which have been particularly hard-hit during recent years -- for responding to ransomware attacks? And what is the City of Syracuse doing, and what can we do to help you?

MAYOR WALSH: Yeah, thank you so much for the question.

We are doing as much as we possibly can. We do a lot of training for staff. We're moving our systems into the cloud as quickly as we can, but that digital transformation in and of itself takes time and resources.

We do have cybersecurity insurance, but it's costly and we were recently informed that our carrier was going to be dropping us because a lot of the carriers are moving out of this industry, and then our costs could easily triple in the coming year.

So any resources certainly that the state could provide could be helpful. But I think -- related, I think a good analogy is

what we've seen during the pandemic, the way in which we've had a statewide coordinated effort that brings municipalities together with state agencies. I think a much more unified, comprehensive and coordinated effort throughout New York State would be welcome, in addition to more resources.

SENATOR SAVINO: Thank you. And it's important that you pointed out that your insurance carrier may be dropping you.

I think there's a false sense of security on the part of many, whether they be in government or even in business, that they just need cyber insurance and that will protect them -- when in fact that is not the case. Many of the carriers are leaving, they're dropping people. And in fact in many instances they're refusing to make payments. And so cyber insurance is not the solution to this. It's better security, it's better practices, it's better cyber hygiene, it's training, training, training and support from the state all the way down to the smallest town and village.

So thank you for your efforts, and I look forward to working with you on this.

MAYOR WALSH: Thank you, Senator.

CHAIRWOMAN KRUEGER: Thank you both.

Assemblywoman, I think that is it --

CHAIRWOMAN WEINSTEIN: Yes, we have Assemblyman Otis for a question now.

ASSEMBLYMAN OTIS: Great.

Thank you, Mr. Mayor, and I want to follow up on Senator Savino's line of questioning on cyber.

Who in Syracuse do you work with now in terms of expertise on what moves you need to make? Is it in-house? Do you use outside consulting firms? Who is your resource to guide you through this uncharted territory?

MAYOR WALSH: Well, we are lucky to have some really talented municipal employees here in city government. But, you know, given the market right now, it's really hard to be able to attract and retain talent, given the limited resources that we have.

So we do rely heavily on outside resources as well. We pay a firm that

essentially provides 24-hour security for us, monitoring our emails for attachments and other things. So it's a combination. But increasingly, relying on outside services.

ASSEMBLYMAN OTIS: Great. Thank you very much. And keep up the good work in Syracuse.

MAYOR WALSH: Thank you.

Assemblyman, I have to say I heard you were a hockey guy. Google the Syracuse Pond Hockey Classic. We just had it last weekend. It's the second one we've done. It was a big success, so proud of it.

ASSEMBLYMAN OTIS: Well I went to Hobart college and had the privilege of playing some of our games at the War Memorial and at the old rink at the Fairgrounds, which I think the old rink isn't there anymore.

MAYOR WALSH: The old coliseum, yeah.

ASSEMBLYMAN OTIS: I still keep my moving parts moving, so thank you.

(Laughter.)

CHAIRWOMAN KRUEGER: I'm glad they're moving, Steve.

Helene, moving to you.

CHAIRWOMAN WEINSTEIN: Yes.

So Mayor Walsh, thank you for being here. There are no further questions. We look forward to continuing to work with you, along with our colleagues in the Legislature.

MAYOR WALSH: Thanks so much for your support.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: So next we're going to hear from the mayor of the City of Albany, where many of us are -- where we're now located, the Honorable Kathy Sheehan.

MAYOR SHEEHAN: Good afternoon, and thank you so much to Chairpersons Krueger and Weinstein for the opportunity to talk about issues pertaining to the City of Albany.

I do have to say, after watching all of my fellow mayors present, I do miss doing this in person because we typically then have the opportunity to get together and either celebrate or commiserate. But certainly the camaraderie is similar to the camaraderie

that I think you share there.

So I also want to thank the Senate Finance Committee and the Assembly Ways and Means Committee and of course our Capital City delegation -- Senate Vice President Pro Tem Neil Breslin, Assemblymembers Pat Fahy and John McDonald -- who work very closely with the city on issues that impact us. And these are issues that impact cities across the state, as you've heard today. All of us have similar challenges.

But as you know, I have been typically coming to this group with a challenge that's unique to the City of Albany, talking about the inequities of AIM funding, the fact that the state owns 64 percent of the property -- or 64 percent of the property in the city is not taxable, and an overwhelming majority of that is owned by the state. And this body has always been very supportive of our request for Capital City funding.

And I am very pleased to see that the Governor, for the first time, has also recognized that this funding is critically

important to the City of Albany and put it in the Executive Budget.

So I look forward to working with you as the budget is finalized, and am very hopeful that that funding will remain in the budget with the support of this body and of all of you. It is critically important to the City of Albany, and I believe that we've demonstrated time and time again the impacts of the inequity on the City of Albany.

But I also want to talk a little bit about what our other mayors have talked about, which is AIM funding in general. You know, I've been fighting for Capital City funding, but at the same time supportive of the fact that we need to revisit AIM. It hasn't risen, as you've heard, in a number of years. While we've seen other areas of the budget and aid to other very important institutions -- like our schools -- go up, we continue to struggle.

And now more than ever, as cities are trying to ensure that we have full staffs in place, all of us are struggling with

recruitment of police officers, firefighters. And uniquely to Albany, because we are here in the capital and the state is very generous with their pay and benefits, I feel like almost every other week I'm losing a super-talented person to the state. I'm glad that they're going to go and benefit the state, but it makes it a very challenging hiring environment.

So I think it's very important that we revisit AIM. I'm currently the first vice president of NYCOM, and this is one of our number-one priorities, to work with you to ensure that not only is AIM -- do we have enough funding and this -- you know, the Assembly and the Senate have supported AIM, and thank you for keeping AIM in the budget all of these years. But I think it's also time to revisit the formula and to really talk about the needs of our cities and how we can use AIM to address those needs, particularly, as I said, as we see health insurance, equipment, supplies and personnel costs just continue to increase.

And there's a lot of pressure on our workforce as we are challenged in delivering essential city services. Right now I'm down -- about 17 percent of my positions are open positions. And these are, many of them, in critical, critical areas that we really need in order to be able to deliver essential city services.

So I look forward to continuing that conversation. We'd love to see the cost-of-living adjustment to AIM in this budget and then work to talk about how we can make sure that we're implementing AIM in a way that works for local governments.

I also want to mention a problem that's not to be solved today but don't want anybody surprised. One of the things that is unique to the City of Albany is the PILOT payment that we receive for the Empire State Plaza. That is set to expire in 2031, which is -- you know, seems far away, especially given all of the challenges that we've been dealing with for the last two years. But I think it's important that we start the

conversation.

That payment was designed to provide the city -- it was a legal obligation with funding for the property that was taken. It represents less than 0.3 percent of the value of the property that the state owns in Albany. And it is not state aid. So I think it's really important that we make that legal clarification. It's a legal obligation to make the city -- or try to make the city somewhat up for the loss of 90 acres, hundreds of businesses, and nearly 10,000 residents that were displaced when the Empire State Plaza was built. And there's really no way to really recreate that in a landlocked city like the City of Albany.

I also want to talk about some of the great things that we've been able to do, thanks to the hard work and the recognition that local governments need additional resources and when we invest those resources we improve our communities. I'm grateful for the focus on making sure that we have funding for violence reduction efforts and

opportunities and programs that work and that demonstrate that we can demonstrate work.

We are very grateful for the Touring Routes funding that we received. It's going to allow us to be far more impactful in the investments that we are making. And in the City of Albany one of the things that we are really committed to is equity. And so we are looking and grading our roads by ward and really focusing on the areas where we have the highest number of roads that rank in poor or worse condition, and making sure that we are focusing our efforts on those neighborhoods. If we invest in those neighborhoods, we fundamentally believe that the private sector will come and invest behind us because we're creating neighborhoods where people want to live.

We're also focusing on our infrastructure. We purchased our street lights a couple of years ago. The COVID pandemic delayed the full implementation, but we now have that program fully implemented. And we are seeing not only incredible savings

from that, but we're also seeing improved public safety and the opportunity for us to further enhance public safety by being able to install cameras and other equipment onto our new "smart" light poles to make our communities safer.

We are looking forward to implementing and continuing to implement our Corning Preserve Waterfront Plan, and we've been successful in getting grant funding from the state in order to do that. We're very excited about the Livingston Avenue Rail Bridge -- this is something that the Governor has spoken about and talked about in her State of the State. We want to work diligently with our local partners to implement MRTA. And I look forward to sharing updates with you as we continue to do transformative projects in the City of Albany.

I look forward to inviting all of you to the opening of the Skyway, which would not have been possible without funding from the state. And it is our mini version of the

High Line, and it's really exciting to see it come to fruition in the City of Albany.

So I want to close by simply saying please keep the $15 million of Capital City funding in the State Budget. And I respectfully ask that you index it to make it permanent. And we also want to add and ensure that we are working with cities across the state to make sure that we have the resources that we need in order deliver safe, attractive cities that will continue to attract businesses and residents for years to come.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you, Mayor.

We go to Assemblyman McDonald first, for three minutes.

ASSEMBLYMAN McDONALD: Thank you, Chair.

And thank you, Mayor, in your dual role, not only as an officer of NYCOM and advocating for the long-overdue AIM increase, but also for the great work that you've done.

And the voters are very happy too, because you're going to be here for another four years.

You know, you mentioned the arterial aid, which was always a big effort that I always was focused on, being a former mayor. I guess out of curiosity -- as you know, it's allocated again in the budget this year, but it was kind of late coming out last year. Were you able to implement some of it, or not, or where do things stand?

MAYOR SHEEHAN: So we actually are ready to implement it. We have not let the contract yet because we're waiting to see where the tip comes in. The federal funding is coming down at the same time, and those decisions are being made by our planning authority.

But we are definitely oversubscribed for the tip, and the wonderful thing about that is that we don't have to disappoint, that we will be able to deliver on the promise to communities of moving forward with some of these long-overdue improvements to

our touring roads. So we look forward to implementing it very rapidly.

ASSEMBLYMAN McDONALD: That's great.

I also want to commend -- and I think I want to share with my colleagues as well -- the ARPA funds, your process of engaging the community over a long period of time to solicit feedback has been very transparent and open. Let's face it, all of our cities have a lot of needs. We know that all those needs won't be met. But the reality is you've done an all-encompassing aspect of that, and you should be commended for that.

MAYOR SHEEHAN: Well, thank you, I appreciate it. And as you know, we have requests out. We're looking to invest $25 million in the community this year.

And we are requiring our departments to apply for that funding if they want that funding for a specific, you know, rec center improvement or public safety improvement, so that we can really be transparent and, when we are done, be able to say to New York State and to our friends at the federal government,

this is how we spent this money, these are the transformational changes we were able to make.

So it's very exciting. Far different from where we were this time last year, and really very grateful to have this resource and this opportunity for our cities.

ASSEMBLYMAN McDONALD: Finally, you're right, eventually this program expires for the City of Albany, so we need to be mindful, even when I don't think either one of us will be around by then, but you never know.

And at the same token, you know, the mention about AIM not only by yourself but your predecessors is critical. As much as everyone seems to be drunk with money these days, we know that party will not last forever. And there are a lot of commitments, particularly in regards to retaining folks in our workforce.

So we're with you, and thank you.

MAYOR SHEEHAN: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Senator Robert Jackson.

SENATOR JACKSON: Thank you, Madam Chair.

Let me say to you that I read your statement and I wholeheartedly agree with you as far as how Albany is being mistreated unfairly as far as AIM is concerned. I mean, I don't want to talk about New York City, but I'll just mention to you, New York City used to get AIM funding. We don't anymore. This goes back several years. And some people feel, well, because it was eliminated then, that means we're not entitled to get it anymore. And I'm saying, wait a minute, we're a city just like everyone else. And everyone else has continued to receive funding. But I don't want to talk about New York City.

But Albany is our state's capital. And if in fact you need that in order to carry out your business as far as Albany is concerned -- and I heard you say how much you're losing people as far as employees of

Albany to the State of New York. I mean, what's right is right and what's fair is fair. And quite frankly, you deserve it. And anything that I can do as a State Senator from New York City -- not, you know, to be advocating for New York City; I can do that separately. But I want to make sure you're treated correctly.

But I say to you the City of Albany and the people of Albany -- and especially when you talked about that information, the time frame for the state to pay up for the Empire State Plaza, where thousands of people used to live, so forth and so on. And I say to you that even when I'm up in Albany, in the evening I run in the plaza from one to the other for about three or four miles just to get some exercise when it's freezing outside. So I thank you for that, and I thank you for keeping us safe while we're up in Albany.

And I appreciate the fact that the job that you have is a tough job in Albany. So thank you.

MAYOR SHEEHAN: Thank you so much.

SENATOR JACKSON: Thank you, Madam Chair.

MAYOR SHEEHAN: Appreciate the support.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Jackson.

ASSEMBLYWOMAN JACKSON: Thank you, Chair.

Mayor, this is our first time meeting and I just want to say thank you for all the work that you have done here in the city. I spend a lot of time here now as a new legislator, with my son.

And I just know that there is not a lot happening in the downtown area -- {video lost}, so I would love to know what kind of support you need from us so that we can have some kind of -- you know, I drive through the neighborhoods and I'll see like X's on buildings -- oh, wait. They say my internet is unstable.

MAYOR SHEEHAN: Yeah, I am able to hear you, though. It's cutting out just a

little bit.

ASSEMBLYWOMAN JACKSON: I'm going to cut off my --

I see X's on buildings that look vacant, and I just want to know what that actually signifies and how we can support with more people being housed in this area, to make sure that it's lively for the city.

MAYOR SHEEHAN: Great, thank you. And I'm excited that you're here. We have a lot more people in our downtown, which was part of a very intentional and strategic investment of converting old office buildings into residential.

And so I moved downtown; I live in our Arbor Hill neighborhood. And it's really been incredible to see even during the pandemic all of the construction continue and those apartments fill up. And a lot of that happened because of state aid that was available.

The red-X buildings, that's a state building code requirement. So if a building is deemed by our fire department not to be

safe to enter, it has to have a placard on it so that when first responders show up to that building they know that it's not safe to enter it.

We have reduced the number of red-X buildings by 30 percent over the last 18 months, and our goal is to continue to do that. We have been very intentional with resources that we've put in place, grant funding that we've put in place, to be able to help to rehabilitate those buildings and get those red X's off those buildings.

We don't own them, surprisingly. I would say that only about 30 percent of the buildings that you see with a red X on them are tax delinquent. These are for the most part owned by LLCs, by out-of-town investors who hold a portfolio who are very hard to get service of process to, and John McDonald has been outstanding in his efforts to introduce legislation and has successfully passed legislation to allow us to move more quickly to address those buildings.

ASSEMBLYWOMAN JACKSON: Thank you so

much. That's exactly what I needed to know.

CHAIRWOMAN WEINSTEIN: Thank you.

Senator Krueger, do you -- I don't see any other Senators, but I do have --

CHAIRWOMAN KRUEGER: Thank you. I believe Senator Savino has a question for this mayor, as she did the other mayors.

(Overtalk.)

SENATOR SAVINO: Great to see you, Mayor Sheehan.

So I'll be brief. It's with respect to the issue of cybersecurity, cyber breaches, ransomware attacks. As we know, local governments, school districts, everyone are certainly at risk. The Biden administration has signed national security documents indicating it is the national security threat of our lifetime.

So I'm wondering what the City of Albany is doing, what the state can be doing more to help our local governments and what we can do to work more collaboratively to protect the City of Albany and everyone here from the risks of cybersecurity attacks.

MAYOR SHEEHAN: Thanks for that question, Senator. It is good to see you although, again, I wish we were in person.

SENATOR SAVINO: Yes.

MAYOR SHEEHAN: You know, Albany has lived with this. We had a cyber attack in 2019, April of 2019, shortly after the City of Atlanta. I don't know if the hackers were going through and finding cities that started with A, but we were part of that. And, you know, I believe as my fellow Mayor Spano indicated, we are advised not to talk very much about how we were successful in fighting that, only because we don't want to encourage somebody else to try.

SENATOR SAVINO: Right.

MAYOR SHEEHAN: But I want to say that there were two outstanding resources that are available at the state level. State ITS was invaluable to us. They sent resources over here, they helped us as we worked with the FBI and with other law enforcement, and they were really, really helpful in our post-event analysis of really doing all that we could do

to even further reduce the impact. We were fortunate that the impact was relatively minimal. But they've been an outstanding resource.

And also UAlbany, its new ETEC building, its Emergency Preparedness school, cybersecurity is part of that. And so we look forward to -- and I offered to them, when we did the ribbon-cutting, you know, We'll be your guinea pig, we are willing to work with the state to do all that we can to further secure and do what we need to be doing to protect our systems.

SENATOR SAVINO: Thank you. Good to see you again.

MAYOR SHEEHAN: Good to see you.

CHAIRWOMAN WEINSTEIN: We have one more member, Assemblyman Mamdani.

ASSEMBLYMAN MAMDANI: Thank you, Chair Weinstein.

Thank you, Mayor Sheehan. Just wanted to ask you a quick question regarding housing.

So Albany was the first city in the

state to pass good-cause eviction, and we're considering it now at the state level. How has good cause impacted housing conditions in the City of Albany?

MAYOR SHEEHAN: Well, we've been sued. So, you know, I think that -- we worked really hard with housing advocates and I think got to a place where, you know, not -- it's hard to make everybody happy, but we were really excited. You know, once we understood what the challenges were that housing advocates were attempting to address, we really worked hard to engage with landlords as well as tenant groups. And I'm really proud of our legislation.

We have been sued, and the argument is that we are preempted by the state. So I think if the state were to pass it, then it would allow us to move forward with something that is really important, especially as we see, you know, pretty scary numbers as the moratorium has been lifted and as we try to sort out what is going to happen as a result of that.

ASSEMBLYMAN MAMDANI: And so, Mayor, would you say that you're in favor of the state passing good-cause eviction?

MAYOR SHEEHAN: Yes. I mean, you know, I think that it certainly would then end this litigation and allow us to continue with enforcement and implementation.

It's common sense. And I think that when you have security in housing, then you have security in families. And it makes -- you know, we have such transience that we see, and it impacts school performance, you know, it impacts people's mental health, it creates anxiety, and it takes resources from the people who are in the least position to be able to marshal those resources.

You know, changing apartments for some is like, Hey, I'm going to go look for a new apartment because I want a better place to live. For others, the idea of coming up with first and last month's rent, filling out the applications, paying application fees -- it is a devastating, devastating prospect when you're told that you're going to be -- your

lease is not going to be renewed or you're going to be evicted with no good cause.

ASSEMBLYMAN MAMDANI: Absolutely. I couldn't agree more. Thank you so much for your testimony and for your work.

MAYOR SHEEHAN: Thanks.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you, Mayor. I just wanted to send regards from Assemblywoman Fahy. Just for your information, the members are restricted to the relevant committees that cosponsor this hearing, and she is unfortunately not one of them. So she just texted me to please send her regards.

And with that, I thank you for being here with us today, and we look forward to continuing this discussion as we move to conclude the budget. Thank you.

MAYOR SHEEHAN: Thank you so much.

CHAIRWOMAN KRUEGER: Good to see you, Kathy. Thank you.

MAYOR SHEEHAN: Thank you, Senator. Thank you, Assemblywoman.

CHAIRWOMAN WEINSTEIN: And now we will

move to -- we've gone through the list of our mayors from big cities, and we're going to next have as a witness the new New York City comptroller, the Honorable Brad Lander.

Welcome.

NYC COMPTROLLER LANDER: Thank you so much.

Good afternoon, Chair Weinstein, Chair Krueger, and members of the Legislature. I'm honored to be here, as the chair says, for the first time as New York City comptroller, and grateful for the opportunity to discuss the state's Executive Budget with you.

I'm also joined today by Francesco Brindisi, our executive deputy comptroller for budget and finance.

More details are in my written testimony, and I'm happy to answer questions at the end.

The numbers suggest that we are at last, and fitfully, turning the corner on a pandemic that has been devastating for so many New Yorkers and shined a harsh spotlight on inequities in our economy. In New York

City the unemployment rate is now 8.8 percent, still double the nation's, and jobs remain more than 400,000 below February 2020. But as the Omicron surge wanes, we do see many signs of economic recovery. However, there are serious concerns about how that recovery will be shared. Federal and state rescue spending saved millions from eviction and food insecurity and bankruptcy, but now much of that relief is expiring just as inflation is eroding family spending power. So the critical questions for this moment are, are we on path for an inclusive recovery? And how is the Executive Budget facilitating it?

We've got a unique opportunity to spend one-time federal funds and surplus states tax revenues to address the impacts of the pandemic, to confront the inequalities it exposed and exacerbated, to address the cost of living for working families, and to prepare now for future crises by building up both our fiscal resilience and our climate resilience.

First and foremost, we must support New Yorkers who are currently struggling to stay in their homes and care for their families as costs rise, so it's critical to replenish funding for the Emergency Rental Assistance Program and the Excluded Workers Fund. We should not neglect thousands of New Yorkers who were denied relief simply because funds ran out before their turn.

The next round of rental assistance funding should also address the exclusion of public housing residents, and we must protect tenants who are paying their rent but facing eviction nonetheless from real estate investors profiteering off the pandemic with good-cause eviction protections.

Next, we must raise the floor for low-wage workers, so many of whom have been on the front lines of this crisis. With inflation eroding purchasing power for families, it's time to revisit New York's minimum wage. We can't leave people at the bottom of the income ladder behind.

During my time in the City Council, I

was proud to pass legislation to create a minimum pay standard for app-based for-hire drivers and deliveristas, but a far better answer would be for the state to pass legislation to properly classify gig workers as employees, to guarantee the minimum wage, workers' comp, unemployment insurance, healthcare and rights to organize that all workers need and deserve.

We must strengthen the social safety net, including expanded access to health insurance for low-income undocumented adults through coverage for all; mental health investments, as the mayor called for this morning; and the high-quality, affordable childcare that the pandemic reminded us how urgently parents and caregivers need. I urge you to support the swift adoption of a cost estimation model and establish a $500 million Workforce Compensation Fund to stabilize the sector and build toward a system of universal childcare.

And to expand economic mobility for the next generation, the Legislature should

pass the New Deal for CUNY.

These steps toward a more vibrant and inclusive economy must go hand-in-hand with investments in safe and affordable neighborhoods. This year we have a unique opportunity -- indeed, a responsibility -- to fix New York City's broken property tax system. The city's tax commission was a good start. It confirmed that the current system is regressive and proposed concrete solutions. So the time is now for the Legislature to act, and the expiration of 421-a really creates the opportunity.

You already know that 421-a is a $1.7 billion tax giveaway that subsidizes gentrification and creates little truly affordable housing. The majority of the supposedly affordable units are at levels that three-quarters of New York City's families can't afford, and the new proposal doesn't change that. But the underlying issue here is the flaw in our property tax system -- the disparate taxation of homeownership and rentals which discourages

rental housing development in favor of condos.

So we shouldn't tinker around the edges with slightly different numbers and letters. Instead, the Legislature should allow 421-a to expire, and then set a deadline at the end of this calendar year to achieve long-overdue comprehensive property tax reform that would eliminate inequities amongst different homeowners, create parity between rentals and condos for future development, and allow the city to target its scarce affordable housing subsidies to truly affordable housing.

I would be delighted to work with legislators on such a plan. I genuinely believe we can achieve it this year.

And lastly on housing, the budget can't exclude NYCHA's 400,000 residents. But even with additional state, city and hopefully federal support, the need would remain gaping. The NYCHA Preservation Trust is a promising approach that merits very strong consideration. My office plans to

engage with residents about the proposal in the coming weeks and seek to develop ways that residents would be meaningfully and permanently involved in oversight.

As we look beyond the current crisis it's clear that climate change is the biggest long-term crisis we face. I'm proud to report that two of the city's pension funds recently completed divestment from fossil fuels, with a third on the way. But we won't meet our goals unless public funding matches the urgency of the crisis.

I urge you to eliminate $330 million in state fossil fuel subsidies and to support the Build Public Renewables Act to create the groundwork for a 100 percent renewable publicly owned state energy system. We hope to get started on this work in the city through our plan for Public Solar NYC.

We also need stronger building codes and efficiency standards, emissions benchmarking for large buildings, and an accelerated timeline for banning new gas hookups, following the lead of New York City.

Thanks to the budget agreement last year, New York City schools are set to receive close to $9 billion in Foundation Aid, finally honoring a decades-long crusade. Thank you, RJ and others. I commend Governor Hochul for honoring this commitment.

Another top priority must be the humanitarian crisis in our jails. Rather than reverse progress, we must ensure that judges are complying with the 2019 reforms so that no one is detained before trial simply because they can't afford to pay. In this moment of anxiety about public safety, we must pursue investments in evidence-based approaches to address the root causes of violence, not fuel punitive strategies that produced the era of mass incarceration.

On transit, the federal government has filled the MTA budget gaps in the short term, but we must confront the fact that ridership and farebox revenue may not recover to pre-pandemic levels. So the state will need to begin considering new revenue sources that don't increase burdens on riders. Like my

predecessor, I think a higher percentage of the gas tax should be allocated to transit rather than road building.

With implementation of congestion pricing finally on the horizon, I urge you to maintain a firm commitment toward equity and reject any additional exemptions. And I share concerns about the proposed Penn Station general project plan. We need more transparency about the financing, understanding of risk, and assurance that our tax dollars will go to real transit investments.

For the first time in modern history, the state's financial plan forecasts baseline surpluses in every year, yet cost shifts and revenue intercepts continue that will cost the city more than $1 billion per year. So I urge you to reject the permanent extension of the sales tax intercept, a $200 billion cost shift, and right costs imposed by the state in past years, including the charter tuition mandates.

Now, the State Budget rightly includes

a plan to build up long-term fiscal returns, and we need to do the same at the city level. My office will propose a more structured and rule-based framework for the city's rainy day fund to do just that. I also support state legislation to make the general debt reserve service permanent, as the mayor proposed this morning, but I urge you to reject the city's request to add $19 billion to the Transitional Finance Authority debt limit. It is premature and imprudent at this time.

Finally, I would like to discuss one legislative priority that impacts the ability of our public pension funds to deliver for our public-sector retirees. We need the Legislature to modernize Section 177 of the Retirement and Social Security Law, known as the Basket Clause. That law, established in 1960 in a dramatically different investment context, hampers our ability to prudently diversify our portfolio. Making this change will improve pension fund returns and therefore save money for state and city budgets in the long term. There's more on

this in my written testimony, and I'm happy to answer questions about it.

Look, much uncertainty remains in our understanding of both public health and the economy, so we should approach the future with humility but also real ambition to build something better. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you, Comptroller.

We go to Assemblyman Braunstein, the chair of our Cities Committee, for 10 minutes.

ASSEMBLYMAN BRAUNSTEIN: Thank you, Mr. Comptroller, for testifying today for the first time. And also it was good to see you out in Queens last weekend. Good to see you again.

NYC COMPTROLLER LANDER: That was excellent drumming that we saw.

ASSEMBLYMAN BRAUNSTEIN: Yes. Yes.

First, I want to thank you for your support for comprehensive property tax reform. I think it's been too long that we've continued to kick the can down the road

by tackling this difficult issue, and I'm hopeful that the new mayoral administration will finally undertake this effort and fix our property tax system.

You mentioned that you think we should reject the mayor's request for additional borrowing authority. He and his administration testified earlier that the reason they're asking for the borrowing authority was to be able to complete existing projects, not take on new projects. And the argument they claimed was that because of decreasing real estate values, particularly in Manhattan, they've reached their limit on their borrowing capacity and this is just to complete new projects.

Do you want to comment on that?

NYC COMPTROLLER LANDER: Absolutely.

So they haven't reached that limit. Their numbers project that they might reach that limit in 2025, three years from now. We don't have any problem for three years meeting the city's capital needs. Our debt capacity is plenty for that.

And so I just think it's really premature. First, property tax values have stabilized much more than we expected. Even in Midtown, there was a 20 percent initial drop, but they're back up to half of that, so we're at 90 percent of pre-pandemic values just on Class C property -- on Class 3 properties.

We're getting a good shot at a lot of federal infrastructure dollars. So let's see what we can spend from federal infrastructure dollars that we don't have to pay the debt service on. And then I also would like to really achieve some procurement reform and see if we can't improve the way we're spending on capital projects, something I really believe the mayor and I know Lorraine Grillo and I really share.

So I just think it's premature. If a year or two from now -- despite another year watching property values stabilize, seeing what we get from the infrastructure funding -- there still is a need, I'll reconsider my position. But I think to ask

for $19 million, which more than doubles the TFA excess debt capacity, is premature at this time.

ASSEMBLYMAN BRAUNSTEIN: Great, thank you.

You also mentioned that you would be proposing proposals to tighten up the rainy day fund. I know Comptroller DiNapoli recently issued a report with similar recommendations, and we're looking at that here up at the state level. Do you want to expand on what some of your recommendations would be?

NYC COMPTROLLER LANDER: You know, we're just getting settled in here still a little. But I thought Tom's recommendations were good ones. You know, broadly, the goal of getting to roughly 15 percent -- you know, somewhere between 12 and 18, but roughly 15 percent of revenues as our cushion is the idea. So we want deposits that get us on a path to get there, and then some rules for what really is a crisis or an emergency.

And look, you don't always know. At

the beginning of the pandemic, it sure looked like that would be a fiscal emergency, and it would have been a reasonable time to withdraw, then the federal government steps in with significant stimulus. So -- but we need some rules and guidelines both for deposits and for withdrawals, and I would welcome that at either the state or the city level.

ASSEMBLYMAN BRAUNSTEIN: I agree. And, you know, we'll talk, because I'm going to be proposing something.

And the whole point of encouraging an administration to invest in the rainy day fund is you don't want them to have the concern that the next administration is just going to pull all the money out and spend it unwisely. So as I said, we'll talk, and hopefully we can tighten up that rainy day fund a bit.

Thank you for your testimony. I appreciate your time.

NYC COMPTROLLER LANDER: Thank you.

CHAIRWOMAN KRUEGER: Okay, hi. Thank

you. All right, we're going to now go to Senator Sepúlveda, the chair of the Cities-New York City Committee.

SENATOR SEPÚLVEDA: Hi. Thank you, Brad, for taking my questions and for appearing today.

Assemblyman Braunstein had asked some of the questions that I actually was to ask, but I have a few questions of my own.

You know that -- I don't know if you know, but I represent one of the poorest communities in the entire State of New York. The 32nd District has a lot of problems with education, unemployment, and so forth. You know -- I hope you know that generational wealth and wealth in Black and brown communities is something that's extremely important to me as well. You have a pretty massive pension fund that you manage, over $240 billion. I have always felt a sense of disappointment with your predecessors because when you look at the amount of money that the city has invested using fund managers, investment firms, companies that are

primarily Black and brown, the numbers have been abysmal. I don't think your predecessor passed more than 4 percent, and some of the firms that were used were from California and not from New York State or New York City.

Can you assure me -- I know that you just started, but can you assure me or tell me what steps you're going to take to really remediate a problem that is little known in New York City, and that's the lack of investment or use of investments in Black and brown communities and firms in the comptroller's office.

NYC COMPTROLLER LANDER: Yeah. Thank you for that important question, Senator. And yes, you know, I think of this as part of the broader MWBE shortcoming of the city in general. There was a report not long ago that fewer than 4 percent of the city's contracts as a whole -- construction, goods, supplies, services -- go to women and minority-owned businesses, and some of the most valuable of those contracts are the asset-management contracts that come out of

the -- not just the comptroller's office, the decisions belong to the trustees of the five funds, but we guide and lean on them.

And it is absolutely incumbent on us, just as we look at the systemic risk of climate change -- I mentioned that I'm proud that the city's taking the steps -- the pension funds are taking the steps to divest from fossil fuels because they represent a systemic risk. So too inequality represents a systemic risk to the thriving of our city and the flourishing of our funds, and that absolutely means that we need to improve the reflection of our asset managers of New Yorkers.

So yes, I really agree with this. I've met with a lot of people about it so far. You may know we actually have a search just about to get underway for our chief investment officer. The prior chief investment officer left to pursue new opportunities, so while we have an acting CIO, we've got a search underway. And we have a search advisory committee that

includes a few people, including Roy Swan, who leads Mission Investments at the Ford Foundation, who's really been a leader of diversifying asset managers.

So this is high on my priority list. What I can commit to you is, you know, I care deeply about it, I'm learning how we do it better, and next year when you ask me I'm going to have a story to tell about the steps we've taken.

SENATOR SEPÚLVEDA: Do you have a -- I know, you know, you can't predict exactly what, but do you have a number that you want to reach that I believe -- or that you believe will be reflective of the City and the State of New York Black and brown communities? The numbers are even worse amongst the Latino community. I don't know of any major firm that comes from a Latino background that had --

(Overtalk.)

SENATOR SEPÚLVEDA: -- that's very important.

NYC COMPTROLLER LANDER: I did meet a

couple. I actually went recently to a thing called the Billion Dollar Managers Club, which is Black and brown asset managers with at least a billion dollars under management. You're right, it's overwhelmingly African-American, but there were a couple of Latino fund managers there who have at least a billion dollars under management. But I think maybe just two or three out of about 25.

So let me get back to you with a target. We actually have brought in a new chief ESG officer to look at some of these questions broadly, and he is doing some planning. This also -- these things are decisions that are made by the trustees of the fund; the comptroller is just one trustee on those boards. So you can propose, but unless you have worked closely with trustees, you can't build a majority of those boards to make the decisions. The boards make every single asset manager decision. So I think it's important to build those targets and goals within the context of our fiduciary

duty to maximize returns overall, and together with our trustees. But it is important that we do so. So --

SENATOR SEPÚLVEDA: Do you have a number, a goal that you have set, after looking at all the information -- that obviously I've looked at as well, right? You're much more knowledgeable about this as I am. But do you have a number? Because many times I've spoken with other leaders, other comptrollers, about this number, and they tell me "This is my goal," this is -- I don't see concretized numbers. Is there something that you can give us for hope?

NYC COMPTROLLER LANDER: It's a good question. I honestly don't have such a goal today. But I think your question is a good one and I want to have a thoughtful answer, a real goal, and make sure it's consistent with the fiduciary duty we have to the funds. So, you know, I think that's a question I will take and come back to you with an answer.

SENATOR SEPÚLVEDA: Along a similar vein, obviously the city -- as the

comptroller you can invest in many projects and so forth throughout the City of New York. The Bronx, poor Black and brown communities, are areas where the city can, through your office primarily, with whatever limitations you have, you can invest in projects here that are going to bring more jobs, that are going to bring better housing you get through firms and so forth, but that are going to change the trajectory of what we have right now in these poor communities.

What plan do you have, with the vast amount of money that you primarily control, to bring some of that money into our communities?

NYC COMPTROLLER LANDER: Yeah. So the New York City pension funds have a 2 percent target for economically targeted investments, and yes, out of $275 billion, that's over $5 billion that can be invested for the benefit of communities within the region. We are nowhere close to that right now. And so there's a couple of ways I'm looking to increase that.

One, on the small business side, I actually was just talking with Comptroller DiNapoli, who has established some good new small-business investment vehicles, including for MWBEs, and I want to see whether there's a possibility for the city's pension funds to co-invest alongside his.

And then one place in the Bronx is really I think the place that kind of inspires it, in my mind. During the campaign I laid out a proposal for a renewed multi-family affordable cooperative homeownership program. We so often say it is sort of a 21st-century Mitchell-Lama, but we just have nothing like it. Instead, the vast majority of our housing subsidies go to for-profit private developers for rental housing.

And we can argue about what is or isn't affordable, but a much greater percentage of our housing investments used to go into cooperative homeownership. And you can see it in the Bronx, in Parkchester, at Co-op City. It makes no sense to me that

that is not a central element of New York City's affordable housing program, and I'm going to be advocating for it. I laid out a model in the campaign, but we're going to be doing some more work. It's part of what I think we could do if we get rid of 421-a.

One of the things that we could focus on instead of a program -- you know, the new option of 421-a, that 130 percent option -- 75 percent of New York families can't afford the condos created by it. So that's not an affordable program. That wouldn't help most families in the Bronx. But if we can reboot a multi-family option like Mitchell-Lama, but updated for today with some opportunities for wealth-building while preserving permanent affordability, I think it will just make all the difference in the world. I mean, think about talking to a community about the idea of a rezoning when they think, instead of the idea that the density is going into the pockets of private developers, that it would be creating intergenerational wealth for their neighbors and themselves.

So that's one place where I think -- that will take some subsidy dollars. It can't all be done with pension investments. But I really think there's a big opportunity to do something significant for the future.

SENATOR SEPÚLVEDA: Well, Brad, I'm extremely hopeful that we're going to have a different result with you. With the -- I think it's very few common individuals that are not in government -- they don't really know the incredible impact that your office can have on economic development in all communities, but especially in poor Black and brown communities.

And so I'm really laser-focused on this. I'll be very attentive, as the chair of Cities, I'll be very attentive to your numbers. And hopefully -- I will do everything possible to make sure that these numbers increase and that the level of investment into poor communities from your office is commensurate with the vast portfolio that you control, and I hope I'm not disappointed. But again, I will work

with you in any way I can to make sure that this becomes a reality.

Thank you.

NYC COMPTROLLER LANDER: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Back to the Assembly.

CHAIRWOMAN WEINSTEIN: Sure. We go to Assemblyman Mamdani.

ASSEMBLYMAN MAMDANI: Thank you so much, Chair Weinstein.

Thank you so much, Comptroller Lander, for joining us today.

NYC COMPTROLLER LANDER: Nice to see you, Zohran.

ASSEMBLYMAN MAMDANI: It's lovely to see you, and I very much appreciated your testimony. It was very refreshing and hard to come to terms with agreeing with so much of a testimony. But it was a nice feeling.

I wanted to ask you a couple of questions following up on some of the things you said, specifically around good-cause eviction. Could you tell us a little bit more about the Green Book tenant organizing

campaign that you have been active with since your time as a councilmember? And if you could speak to what the passage of good-cause eviction -- what it would mean for the residents of those buildings and how it would impact them.

NYC COMPTROLLER LANDER: Yeah, thank you for this question, which I think is really important. Because historically what I had in my mind as the family who needs good-cause eviction is a family in like a three-unit building of East New York. There's a rezoning, they're in a small building, it's not covered by rent regulation, they're very low income, speculation raises rents, and they have no protections.

And yes, that family needs good-cause eviction. But I didn't think about it as something that families in my neighborhood would need. But Greenbrook Partners is a real estate company fueled by a couple of hundred million dollars of private equity investments that bought up over a hundred

buildings, multifamily buildings, in Brooklyn, all throughout Brooklyn, from Park Slope to Bushwick. And then basically the day they buy the building, they blanket it with eviction notices for folks both who are rent-stabilized and then of course those who are not rent-stabilized. These are families paying like $3,000 a month -- a couple of roommates -- but they think they could get four or five.

And that's their motto, is mass evictions, you know, papering over a few repairs, and then jacking up the rents because folks don't have good-cause protections. So that is hundreds of families that have already been evicted, middle class and working class. And good cause would shut down this predatory practice because you just would not be able to evict people who are paying their rent and complying with their leases, with no cause.

ASSEMBLYMAN MAMDANI: Thank you so much. And just to follow up on the same issue of housing, earlier you were speaking

about the 421-a program that we have, and your recommendation to let it expire.

I also wanted to just direct us a little bit towards the Governor's proposal of how to replace 421-a. You've -- you know, you've called the previous one a boondoggle. How would you -- would you say that this current proposal falls short? And if so, how?

NYC COMPTROLLER LANDER: Yeah. Yes. I mean, this proposal is a very modest change. First, the majority of units being subsidized are in this 130 percent AMI program, and that wouldn't change. It would shift from a rental to a condo. But that means in most of the outer boroughs, a family at 130 percent of AMI is making about $120,000 a year. That's the top 25 percent of New Yorkers. So 75 percent of New York households can't afford the majority of affordable units in this program. That's -- you know, that's just not a real affordable housing program.

ASSEMBLYMAN MAMDANI: Thank you so

much. Appreciate you and appreciate the work you're doing.

NYC COMPTROLLER LANDER: Thank you.

CHAIRWOMAN WEINSTEIN: To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

We next have Senator Leroy Comrie.

SENATOR COMRIE: Hello. Good afternoon.

Comptroller Lander, how are you, sir?

NYC COMPTROLLER LANDER: Good afternoon, Senator. So good to see you. I was just out in Jamaica for Natasha Williams' inauguration at York College. It was really --

SENATOR COMRIE: I was on the other side of the huge room, so I didn't get a chance to see you before you left. I was there. It was a great evening.

I'm glad to see you in this role. I'm interested in the hearing which you plan on doing with a replacement of 421-a, since you feel that the program is not working. If you want to expound on that a bit.

And then I know that you are also

aware of the failures of government overall since -- with Ida and the response to communities. And I know that you're going to need a little bit more time on that, but if you could give us some initial thoughts about that as well, I'd appreciate it.

NYC COMPTROLLER LANDER: Great. Thank you so much.

So first what I recommend on 421-a is rolling it into a serious effort at comprehensive property tax reform. I know these things have been separated, but they really are one problem. So if we let 421-a expire -- you know, last time when it did, three years' worth of properties filed in the months prior to the expiration. So we have a little time.

Let it expire. Set a deadline of the end this calendar year for a comprehensive property tax reform that includes addressing the issue that is harming homeowners in your neighborhood, the disparity between the tax rates in my neighborhood -- like I am undertaxed relative to you and your

neighbors, and that's not right. So that's part one, parity amongst homeowners.

But part two is parity between rental and condo development going forward. Right now if you've got a piece of ground and you're going to build on it, if you build a condo building you're taxed at half the rate as if it's a rental building. So let's fix that underlying problem through property tax reform and then we don't need 421-a to do that and we can use our scarce affordable housing resources targeted to affordability.

I'm glad to follow up with folks in a lot more detail, but tying these two together really gives us the ability to do both of them.

And then on South --

SENATOR COMRIE: As you may know, I was -- did sign a lawsuit for property tax reform. As you know, all of us Queens people are with that and I'm willing to do whatever you need us to do to make that happen so that we can get to that. Your commitment and the mayor's commitment is refreshing to --

NYC COMPTROLLER LANDER: Wonderful. I'll just add here like even if -- I think there will be people who say they're for property tax reform but urge you to pass just warmed-over 421-a reform. But I just really would push them. I think if that happens and 421-a, modest 421-a reform is in the budget, we will miss the opportunity to do real comprehensive property tax reform. And I think we should try to rise to it this year.

SENATOR COMRIE: Unfortunately, we've only got 20 seconds left --

NYC COMPTROLLER LANDER: So first the federal infrastructure bill is a big opportunity. It's largely for roads, but the underside of the roads are the sewers. So we need to use a lot of that money on sewer repair work and replacement.

And then I've got a lot of thoughts on how we can actually support homeowners who are affected. The current disastrous system doesn't help them. And I've got some thoughts I'm actually planning to talk to Adrienne about that I think we can -- you

know, that I'm glad to follow up with you on.

SENATOR COMRIE: Count on me to work with you also. Thank you. Thank you, Comptroller.

Thank you, Madam Chairs.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Kelles.

ASSEMBLYWOMAN KELLES: So wonderful to see you. Wonderful. Wonderful.

So two quick questions for you -- well, quickish. The first one, you mentioned earlier about two of the three pension plans that you have fully divested, I think is what you said, at this point. I am currently carrying a bill with Senator Brisport that would require divestment of the New York State Teachers' Retirement System. And the central concern that we're hearing is the fiduciary responsibility preventing divestment.

And so I just wanted to hear from you about that because of course what -- the research I'm reading, the fiduciary

responsibility would imply that the most responsible thing would be to divest at this point.

So I'm curious how long it took, what the fiscal impact has been. If you could just describe it in a little bit more detail.

NYC COMPTROLLER LANDER: Absolutely. And it is of course important to act consistent with fiduciary duty in respect to the pension funds. And I give big credit to the prior trustees, including Comptroller Stringer, on this. It took two or three years. They worked with consultants, they established a real plan.

You can actually see on our website -- I'll get you the link -- you know, the formula they came up with and all of the companies with significant fossil fuel reserves in the ground that were divested.

You know, so so far NYCERS and the Board of Education Fund has divested. The New York City Teachers' Retirement System actually is currently working with BlackRock to achieve divestment consistent with

fiduciary duty. So it can be done in a way that is consistent with guaranteeing retirement security.

You know, your job is to look at where risks are, both in individual companies but also systemic risk. And I just don't think that -- I think it's clear that coal especially, you know, but fossil fuels in general are a retiring asset and starting to build a more renewable portfolio is important.

The next step for us is that we've committed to $5 billion of investments over the next few years in a just transition to renewable energy sources and sustainable technologies. We just made our first investment in such a fund, a $50 million investment, and we're looking forward to growing that over time.

ASSEMBLYWOMAN KELLES: That's wonderful.

And then one other question to add to previous questions about good cause. We talk a lot about the impact on tenants, but

New Jersey, for example, has had this since 1974 and I've heard nothing but how it has actually also created stability for landlords. And there's a lot of misinformation on its impact on landlords, so I'd love to hear a little bit about your view on the potential benefits to landlords.

NYC COMPTROLLER LANDER: Yeah. Good cause in many ways is like just a code of conduct between landlords and tenants. Right? What it really does is reinforce the lease and say, you know, if you're meeting your obligations, you can stay in your home. And that does reflect obligations on both sides. Landlords can still evict tenants who don't pay their rent or don't comply with their lease. But it's a strong incentive for tenants to comply with their lease, knowing they'll be able to stay in their homes if and as they do.

ASSEMBLYWOMAN KELLES: Wonderful. Thank you so much. Good to see you again.

NYC COMPTROLLER LANDER: Wonderful to see you, Assemblymember.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Next we have Senator Robert Jackson.

SENATOR JACKSON: Thank you.

So Brad -- congratulations, Brad. So happy that you are the city comptroller. And I've listened to your testimony and I appreciate your advocacy on behalf of the people of New York City, and understanding that we have 8.8 million people that live in New York City. And you talked about NYCHA, you talked about property tax, you talked about all of the things that we feel you should talk about. But I just have one or two questions.

And you may remember, going back, a 2019 report put out by Class Size Matters that found that the Department of Education overspends on rental subsidies while denying collocated public schools legally required matching funds for facility upgrades. And they further found that in fiscal year 2020, the DOE paid $11.6 million in rental

subsidies to eight charter schools whose charter management organization or affiliated organization owned their own spaces. In some cases the base rents of these charter schools also increased by as much as 400 percent in one year.

So the ask is this. Will you undertake an audit of the New York State Department of Education's charter school rental subsidies?

NYC COMPTROLLER LANDER: Thank you for sharing that, Senator. I don't know if you heard, but I gave you a nice shout out in my testimony, so --

(Inaudible overtalk.)

NYC COMPTROLLER LANDER: I'd love to learn more. I'm still learning a little bit about how our audits work, and I think there's a couple of Department of Education audits already underway. So I want to just be a little cautious before I like commit on a timeclock for new ones. But I would love to talk to you and to Class Size Matters and see how we can take a look at this and aim to

pursue it in the future.

SENATOR JACKSON: Well, I appreciate that very, very much.

But also with NYCHA, as you know, people are complaining, complaining, especially in the wintertime, with no heat and hot water. And obviously we've communicated with the mayor's office and what have you. But anything and everything that you can do to help the people that are living without heat and hot water.

I don't know if you've ever experienced that. I remember when I was in college and we didn't have heat and hot water and we were sleeping with our coats and hats and boots and everything on just to stay warm. It's not fun at all.

NYC COMPTROLLER LANDER: It happens that I had one night without heat this winter, but I'm in a position to be able to call the plumber. And the plumber came the next day and fixed my boiler, and I didn't have to spend a second night without heat.

And, you know, the first night is

cold, but you ought to have the ability to have someone come and fix your plumbing. And so absolutely. I mean, what NYCHA residents are living in is unacceptable.

You know, the challenge, of course, is that we've let the deterioration take so long that you can't just call the plumber and he'll fix one quick thing -- so many of buildings really need total rehabs.

I was proud, in the Gowanus rezoning, to win some of the first commitments, $200 million of city tax levy, for really basically like a full substantial renovation of those buildings. And that's what we have to find a way to do with some mix of federal, state, city dollars. And this is why I do think we need to look at the preservation trust, which I understand residents have a lot of anxieties about. So I want to work with people to figure out how we make sure they're involved in oversight. But I do think that's one of the ways we can bring a substantial infusion of dollars in to really fix some of those --

SENATOR JACKSON: Well, thank you. My time is up, and we'll follow up with your office.

NYC COMPTROLLER LANDER: Wonderful. Thank you, Senator.

SENATOR JACKSON: Thank you.

CHAIRWOMAN WEINSTEIN: There are no other Assemblymembers, Senator Krueger, so you can continue.

CHAIRWOMAN KRUEGER: Thank you very much.

Senator Savino, did you have your same question for the comptroller?

SENATOR SAVINO: No, I have a different one.

CHAIRWOMAN KRUEGER: Okay, go for it.

SENATOR SAVINO: It's actually a different issue.

Good to see you, Comptroller Lander.

NYC COMPTROLLER LANDER: Nice to see you, Senator. And you're not quite going to be my Senator, but much closer than you are currently. So friends and neighbors.

SENATOR SAVINO: We can't all be lucky

enough to be represented by Senator Savino, but close enough.

I wanted to talk to you about your new role as the chief officer of the pension system. Unlike the state, where the comptroller is the sole trustee, you are one of many with our five systems. And I think what gets lost oftentimes is that the most important responsibility of the pension funds is to their beneficiaries. And so the prudent investment standard is critically important that we get the best return on our investment.

And I know that you are looking for us to do something that we haven't done since my first year when I got here elected to the Senate, and that is something called "expanding the basket." So maybe you want to talk to us a little bit about what "expanding the basket" means and why it's important and why we should do it now.

NYC COMPTROLLER LANDER: Thank you so much for this question. It really is one of the most important things in my testimony

because exactly as you say, like the first duty is to make sure we're securing retirement for the 750,000 public-sector workers and retirees. And this would cover the state pension fund and NYSTRS as well.

So, you know, it used to be that your portfolio just consisted of stocks and bonds, and that was it. But in recent years much more of the market is what's called private-market investments -- real estate, infrastructure, private equity, alternative credit. And that has grown to be in some cases like the classic portfolio -- they actually call this the Yale model. Yale now has closer to 60 percent of their investments in private markets; only about 40 percent in traditional public equities in, you know, stocks and bonds. But the New York State law requires that our funds have 75 percent of our investments in those traditional investments in stocks and bonds, essentially, and indexes and fixed incomes, and only allows 25 percent for all private-market investments.

So we would like to increase that, you know, we propose by 10 percent to go up to be able to do 65 percent in those public equities and fixed incomes, and 35 percent in these private-market investments.

Yeah, so that's basically the proposal. There's obviously some more details to it. It's very prudent. All of these are risk-adjusted. You go through thorough risk screenings of all -- both the public and private-market investments. If you talk to almost any institutional investor or pension fund manager, they will say 75/25 is just too restrictive to achieve the maximum risk-adjusted returns.

SENATOR SAVINO: Well, I certainly look forward to working with you on that. And, you know, as a person who is now actually pension-eligible, 32 years in the system, I get more -- increasingly more concerned about the safety and sanctity of the New York State pension system.

Look forward to working with you on it. Thank you, Brad.

NYC COMPTROLLER LANDER: Thank you. That's wonderful.

CHAIRWOMAN KRUEGER: Thank you.

You don't have anyone else, Assemblywoman?

CHAIRWOMAN WEINSTEIN: No. Did you want to take some time, Senator Krueger?

CHAIRWOMAN KRUEGER: Thank you very much, I do.

Hello, Comptroller Lander. Known you in many hats over the years. Nice to see you up here with us.

So you actually already answered quite a few of my questions, so I just want to reinforce that you really don't think the City of New York needs such an enormous growth in their ability to expand their debt category at this point; you think that there will be plenty of time if they need it. Is that right?

NYC COMPTROLLER LANDER: That's right.

You know, I'm a big believer in infrastructure investment, so I want us to have the resources we need for the sewers in

Leroy's district, for all the investments in our streets and our parks and our libraries. But you want to be prudent, you don't want to, you know, take on more debt capacity than you need. I came in -- Francesco Brindisi's here, he's our executive deputy, and I sat with him and our deputy comptroller for public finance, and they went over the numbers with me. They showed me that we're not even projected to hit that debt limit for three years, and that's with pretty conservative assumptions about property value recovery. We're actually ahead of where we expected to be. There's just no need to act now, you know, for a problem that doesn't even -- might not even come, at worst, for three years.

So I would say, you know, let's hit pause and see what we get from the infrastructure bill, let's watch what happens with property values, and we can make a decision a year from now about whether any additional debt capacity is needed.

CHAIRWOMAN KRUEGER: And you and I

have talked about this many times, so you and I both know that we agree that the 421-a program has been a failure and the Governor's new proposal doesn't change it nearly enough. And I also, as you raised, am very concerned about it going back into being allowed to be used for condos and co-ops and that none of this is going to expand affordability.

I asked the mayor earlier whether he didn't think allowing this act to sunset and J-51 as well -- which is costing I think another 400 million a year on top of 1.7 billion for 421-a -- and giving that authority back to the City of New York where the mayor and the comptroller and the City Council could make determinations of how to use your property tax money for the maximum advantage for affordability in a variety of different ways, including, as you pointed out, potentially in the mix for fixing the really incredibly unfair property tax system, in the mix of funds that could be used on a almost site-by-site determination of whether you were going to get the best

bang for your buck for this specific proposal in this specific neighborhood.

And he said he would like to talk to me about it further, so I take that as a good sign. But do you also think that letting the City of New York control more of its housing destiny with that model makes more sense for you?

NYC COMPTROLLER LANDER: I am certainly a big fan of New York City having control over its own destiny.

I guess the one thing I definitely would say here, though, is I do think the possibility -- you know, as I've said a couple of times, I really think we should try to link the 421-a question with the property tax question. So I wouldn't want to just go back to a situation where the council and the mayor could decide about 421-a but couldn't fix what's broken with our property tax system, which currently, you know, is essentially framed by state law.

So I guess my first druthers would be sure, hand New York City the ability to do

all of that, to fix our property tax system and then reset on 421-a and affordability. But my second choice would be let's try to do all of that in Albany. You know, I do think there's the possibility of having a governor and a mayor that could work together on this, which is refreshing. That's not something that we are familiar with.

And so, you know -- and I think it's hard -- property tax reform is hard to do. Getting the politics right is very difficult. There are winners and losers, and you have to think about how to do it. So no one really wants to. I mean, we all say it should happen because we don't like the inequities in the system. But this is a real moment that we could do it. So I want us to seize that moment. And I'd be glad to support it at either the city level or the state level.

And we're going to put out some more -- I was actually talking with Francesco -- you mentioned this question of what happens if it expires. You know, he just told me this morning that, you know, on

average in New York City we have about 20,000 housing starts a year but, in the year that 421-a expired last, there were 60,000 housing starts because developers rushed to beat the deadline.

And there's every reason to believe they'll do that again this spring, giving us a little time. There's no need to rush to a bad renewal. It can expire, people will get in before the deadline. And then we'll need a deadline; you can't let it go on forever. But I think the end of the year is reasonable.

CHAIRWOMAN KRUEGER: And thank you for reminding me of that part. Because I was around last time it expired, and that's exactly correct. So there is more flexibility and more time.

And given both of our concerns about climate change and sustainability and where the city needs to go in its future -- and I think that you and I both support the city's change in law to not allow new gas infrastructure I think starting in '24 -- do

you think any kind of future property tax credits or incentives in the tax system in New York City should have a sort of climate change tie-in in some way?

NYC COMPTROLLER LANDER: Yeah, that's a great -- it's a great point. Obviously some things we just want to require in the building code, so you do that with no new gas hookups and other kinds of standards.

But obviously, especially on existing buildings, you know, where these buildings can afford to make changes, great. But, you know, where those are rent-stabilized buildings, then building in some incentives that make it possible.

Solar -- there's some good solar tax incentives. We're actually going to be experimenting with a model in New York City, hopefully through this public solar concept, where the city, through an LDC, will actually come to a homeowner and say, We can do the solar on your roof and pay you a rent, essentially, rather than having to do it through tax credits.

But yes, there's a lot to incentivize, whether that's energy source heat pumps -- you know, there's a lot of ways that we could look at using changes in both the zoning and the tax code to incentivize the urgent action we need.

CHAIRWOMAN KRUEGER: Great. We covered some of that territory in our environmental hearing a few days ago, more in relationship with state taxes. But I thought about it in the same context for why some of these proposals would be a win for city taxes. And I appreciate your raising the point in your testimony that we should stop using the state tax code to give incentives to the petroleum and gas industry. That is the opposite of what I think we all understand we ought to be doing in the 21st century.

You know, I don't want to go into a whole new territory because it will take more than two and a half minutes, so I want to give back my two and a half minutes. I want to thank you very much for your participation

with us today. I look forward to continuing to work with you in your new capacity as the city comptroller. Thank you very much.

Back to you, Helene.

CHAIRWOMAN WEINSTEIN: Thank you, Senator Krueger.

So Comptroller, Brad, that is -- we don't have other members with questions. I know that as we craft this budget I'm sure that both Senator Krueger and myself and others may be reaching out to you as we -- to look for some guidance and information.

And with that, we'll let you go back to work. We still have a lot to do up here.

NYC COMPTROLLER LANDER: I saw your agenda, so I know you have many more hours to go. So props to you. It's even more tiring on Zoom than in person, I know, so --

(Laughter.)

CHAIRWOMAN WEINSTEIN: That it is.

NYC COMPTROLLER LANDER: Thank you for the time and good questions, and look forward to working with you in the future.

CHAIRWOMAN WEINSTEIN: Sure.

So now we're going to have the New York State Conference of Mayors, Peter Baynes, executive director.

So welcome. And you've been here before, you know the drill, only you're there and not here with us. So there's 10 minutes on the clock, please keep an eye on it. And your testimony has been distributed to all the members, so feel free to not use all of the time and summarize it. I know there will be some questions afterwards.

NYCOM EXEC. DIRECTOR BAYNES: Great, thank you for having me. Thank you for having me once again. And I will -- I'll summarize the key points that we made in our testimony and hopefully leave some time for questions.

The Conference of Mayors, we since 1910 have represented the cities and villages, nearly 600 cities and villages across the State of New York. And I appreciate the ability today to talk about our reaction to the Executive Budget proposal. When it was first released by

Governor Hochul, our response was that it was a near-seismic change in the state's approach to local government, and we meant that in a positive way.

There are things in there that signal that change in the state's approach to local governments. The Governor funded the transportation aid adds that you in the Legislature so generously provided and pushed for last year, so you don't have to go back to the well to get those adds put back in. The Governor has ended the sales tax intercept for the state payment of AIM funding to towns and villages, which is something we asked to be done.

And her budget proposal also expands programs for the support of local economic development. And I'll talk about all those things a little bit more.

But I will also note that we said it was a near-seismic change in the state's approach because there are two things in the Executive Budget that we are very concerned about, one being that there was a failure to

increase AIM funding, which each of the mayors has talked about today. And we'll talk a little bit about our proposal in that regard.

And also there's a new state preemption-of-local-zoning proposal that is unprecedented in New York that we're strongly concerned about.

So let me focus first on AIM. You know, I think it's been made clear today that AIM is essential to local governments. It's operational aid. It's not capital aid. It's the money they need to do the things that are so important -- all the things that have actually been talked about today, all the issues of the day, if you think about it: Public safety, public health, the well-being of our children, affordable housing, economic opportunity, safe drinking water. Those things all intersect with what a mayor does in a city or village. And their ability to address these issues is really tied to their fiscal capacity.

Unfortunately in New York we have a

13-year track record now of the state not providing an increase in operational aid to cities, villages and towns.

To try to address that, we've advanced a proposal to the Governor and to the Legislature seeking a cost-of-living increase in AIM funding based on the 13-year period in which it has not gone up. And that would be a $210 million cost-of-living increase for local governments for their AIM funding. We have nearly 400 mayors who have signed onto our letter calling for that increase.

We also support any of the new aid that's distributed that it be done according to a new formula, since AIM really doesn't have a formula. It's just a combination of various formulas that don't actually run each year anymore. But any new money, we think, should be allocated fairly based on the population of a municipality, the poverty, the tax-exempt property, and other factors that will address the need of a municipality.

We also believe that municipalities should be able to count on some level of

increase from year to year. We're suggesting to the Legislature that they establish some fixed percent of the school aid increase every year as a benchmark for the amount of municipal aid that should go up. For example, school aid in the last 13 years has gone up $6 billion. If there was a 5 percent benchmark of school aid going in an equal amount equal to 5 percent of school aid increase going to municipalities, that would have been a $300 million increase in AIM funding over the last 13 years, which would have addressed the whole cost-of-living issue that we've raised.

So we really feel this is the year that -- the resources are there for the state -- that AIM funding needs to be addressed and additional operational aid needs to go to local governments. As I alluded to at the beginning, transportation funding in the Governor's budget continues the good work you did last year as it relates to CHIPS, extreme winter recovery, PAVE-NY, the new Touring Routes program. It also

doubles the BRIDGE NY funding from 100 to $200 million and actually creates a new program of $100 million called Pave Our Potholes. We support all of that, we think it's great news. And we also think it frees up the Legislature this year to focus your efforts on getting that AIM funding increased, that that be your priority this year.

In the water/sewer infrastructure realm, more good news there, an additional 500 million for the Clean Water Infrastructure Act. But remember, not all that money goes to local governments. And what does go to local governments, there are many local governments that don't receive it from year to year. So there still remains a need for a program of state funding to municipalities for their water and sewer needs where every municipality would get a piece of such funding every year.

Now to the thing we're most concerned about from a non-monetary point of view, and that's the Governor's proposed mandate to

preempt local land use decision-making pertaining to accessory dwelling units and transit-oriented development. Those proposals, which have been talked about today, are really unprecedented mandates into local land use decision-making. Many of our mayors believe in accessory dwelling units, transit-oriented development. Many of them have implemented those within their communities. But it has to be done from the community up, not from the state down.

So we really feel that we've made this clear to the Governor's office, and I know many legislators support our contention that it can't be -- when it comes to local zoning, it can't be a mandate from the state.

What we're asking the state to do instead is to provide support for local governments that want to consider doing accessory dwelling units or transit-oriented development. The state should study the impact of adopting those policies, provide model local laws and regulations, and provide aid incentives. That will be a more

effective way of implementing that kind of zoning in a way that's embraced by a community rather than creating controversy.

Other things in the budget that we want to talk about briefly: Local economic development we feel is equal to state economic development, and the Governor recognizes that in her Executive Budget. She's brought back to life the Restore New York program, which many of you will remember, which is one of the most popular programs our members ever had the opportunity to interact with at the state level. It provides funding for abandoned property demolition in municipalities, which is a chronic problem around the state. And the Governor has committed to $250 million over three years and $100 million in the current year.

Also the Governor has proposed a new program called New York Forward, which is sort of like the Downtown Revitalization initiative but it's geared towards smaller downtowns, which we think is really

important.

NYCOM as an organization, we support basically everything each of the mayors said today about bail reform. That, you know, public safety is the number-one job of governments, state and local governments. Clearly violent crime is on the rise and is at a crisis level in some communities. We think that necessitates and it's logical for a government to review policies its put into place to see if it's having an impact on crime.

So whether it has to do with guns coming into the state and finding ways to stop that or reviewing the bail reform laws to see if there are ways on the public safety side of things, not on the equity side of things, to address the crime issue that we have in the state right now. So we think it can be done intelligently. We're not saying to reverse bail reform at all, but we think it should be given a good hard look to see if there are ways to ensure that our communities are as safe as possible.

And lastly, I'll just mention in the local ethics realm the Governor has proposed changing the current $75 gift limit for local government officials to a nominal value limit. We think a better approach would be to do a comprehensive reform of the General Municipal Law Article 18 ethics provisions. We think you can't just change that limit without having some structure of enforcement at the local level to determine what "nominal value" means, what exceptions should be created for that gift limit.

So those are the highlights. I'm certainly ready to talk about cyber if Senator Savino wants to talk about that as well. And I'll leave the rest for questions and answers.

CHAIRWOMAN WEINSTEIN: Thank you.

We're going to go to the chair of our Local Governments Committee, Fred Thiele.

ASSEMBLYMAN THIELE: Thank you, Chair Weinstein.

And Peter, it's good to see you.

NYCOM EXEC. DIRECTOR BAYNES: You as

well.

ASSEMBLYMAN THIELE: I'd like to focus first on your testimony that relates to AIM. And as you know, both Senator Gaughran and I last year made that effort to not only reverse the sales tax intercept and restore AIM to its original program, but we also attempted to do an increase last year. So I -- we're -- you know, I can speak for myself, I think Senator Gaughran too, he's got his hand raised. But we've heard from all the mayors and we've certainly heard from you today that, you know, it's time for an increase in AIM after more than a decade of it being frozen.

I'm a little interested on the formula that you talked about a little bit and how that would work. Could you spend just a little bit of time -- because I know that, you know, no matter how we apportion it, somebody will think it's unfair to them. So what are the things at least from the mayors' perspective that you're recommending that we look at.

NYCOM EXEC. DIRECTOR BAYNES: Well, first I do want to acknowledge the work of the Senate and Assembly the last several years of putting in their one-house budgets proposed AIM increases. And NYCOM really appreciates that. And hopefully with a Governor who hasn't shut the door to negotiating an AIM increase we can actually get it done this year.

In terms of our formula, I mean it's not at the point where we could generate runs. But the key to fixing AIM and the allocation is to have new money coming into it so that we don't have winners and losers. As I said, the current formula isn't a formula at all. It's got like 1970 population data as part of it. It has funding amounts incorporated into it that were clearly political almost member-item-type amounts.

So we think there's a way to take the new money and allocate it so, you know, it addresses -- do you have a dependent school district? That clearly has to be taken into

account to determine how much is allocated. Do you provide public safety services, police and fire? What's the poverty level in your community? And do you have a high level of tax-exempt property?

We think there are ways to look at all those factors and allocate the new money -- not the old money, the new money in a fair, understandable way.

ASSEMBLYMAN THIELE: I think we would certainly like to work with you on that and with all the local governments, to try to come up with a fair formula that we have consensus on. So I certainly look forward to that.

I want to talk, with the rest of my time, about your testimony with regard to accessory dwelling units. And, you know, coming from Long Island, you know, certainly this has been a big issue already, the Governor's proposal. It was on the front page of Newsday yesterday.

And as you mentioned, you know, New York prides itself as a home rule state.

We have a whole article in the Constitution talking about the home rule powers of local government. And this approach certainly seems to be at odds with that. It also seems to be at odds with what every zoning code is supposed to be based on, which is comprehensive planning and a balanced comprehensive plan that looks at all of the elements of a community.

And this legislation not only is a mandate, but it seems to put all the weight on housing at the expense of other parts of the comprehensive plan, whether it be infrastructure or the protection of water or natural resources or things of that nature. So I -- you know, I think it's the wrong approach right from the get-go.

The thing that I wanted to talk about is, you know, in my area of Long Island I would say probably 95 percent of my communities already have an accessory apartments law or they have an apartment-over-stores law. They're trying to create affordable housing, and they've done

it pursuant to a comprehensive plan.

So, you know, it's one thing to try to develop housing to make sure that accessory apartments are legal. But the property owners have to walk through the door and want to do it also. And that seems to be one of the big impediments, is that, you know, people don't want to spend the money to legally do it on permit costs. Or it's a substantial capital investment that they have to make. Or they're afraid that the town tax assessor is going to walk through the door and reassess them upon the building of their accessory apartment.

You know, it just seems to me that we should be looking, you know, not at mandates but at, as you said, incentives. Not just incentives for local governments to participate, but incentives to get property owners to participate. You know, we want people to build solar power panels on their roofs. You know, we give them tax breaks, we give them grants. On Long Island we want people -- because we're having a water

quality problem, we want them to upgrade their septic systems with new nitrogen-removing septic systems. We give them rebates, we give them a grant. It seems to me that that is the correct way to go with this.

And I was wondering if you might talk about what kind of incentives -- you mentioned them but didn't get into any specifics -- that you think not only would be incentives that would encourage local governments to do more with accessory apartments or maybe, you know, transit-related development, but would also encourage the people who live in the community to actually want to do this legally.

NYCOM EXEC. DIRECTOR BAYNES: Yeah, I think you make a great point about the incentives. Not only, you know, the incentives and support for the local governments to adopt these policies are important, but also you need the same for the property owners themselves to take advantage

of this type of zoning law.

And you also make a great point that for a local government to adopt an ADU or TOD, they have to revisit their comprehensive plan, they have a whole process that they have to go through to make sure it fits in with the character of their community. Which is why a state law that applies to every municipality in the state can never work to dictate how the ADUs are going to work. And that's why we object so strongly to the proposal.

I mean, in terms of our members, I think the best support they could get is, you know, some model local laws and regulations, a statewide analysis of what does it take to do this, what does it cost for a local government to do it. Maybe some funding for the local governments to undertake the analysis of the service impacts that are going to happen once these ADUs come about.

I mean, under the Governor's proposal what isn't really considered at all is the service impacts on the water system, the

sewer system, parking. You know, those things have to be taken into account. So any kind of support the state can give in local governments analyzing that as they move forward with this kind of zoning would be the most helpful.

ASSEMBLYMAN THIELE: Well, thank you. And, you know, we do have a housing crisis. We do need to develop more housing and affordable housing. I think there's probably unanimity on that goal.

I think what we have to try to reach consensus on here is what are the right tools to be able to do that, you know, both for local governments and for homeowners to take advantage of this program.

And, you know, I don't like the proposal as it's been put forward, but I do think there's a way to get to yes on the goals of this. And I look forward to really working with everybody on that here in the coming weeks to try to develop a proposal that will result in, you know, meeting our housing needs but doing it in a way where, as

has been said, you know, the decision-making is from the bottom up, from local government and from the community up, and not one-size-fits-all from the top down.

So thank you for your comments. And thank you -- you know, it's always been a pleasure to work with you. And look forward to continuing to do that.

NYCOM EXEC. DIRECTOR BAYNES: Thank you, Assemblyman. And we'd be happy to work with you on trying to come up with an alternative way of achieving that goal of more affordable housing.

ASSEMBLYMAN THIELE: Thank you.

CHAIRWOMAN WEINSTEIN: To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

And now we go to our Local Government chair, Jim Gaughran, for 10 minutes.

SENATOR GAUGHRAN: Thank you, Madam Chair. And Peter, it's good to see you.

NYCOM EXEC. DIRECTOR BAYNES: Good to see you, Senator.

SENATOR GAUGHRAN: So of course Fred

going first covers 90 percent of what I was going to say. But maybe we can drill down a little bit more on this.

You know, and as Fred pointed out, most of the communities I represent, they already have in their code permission to do an accessory dwelling unit. They're already building transit-oriented development. And one of the concerns I have is that in particular to Long Island, which is, you know, somewhat unique to the rest of the state and the country, and that is all our drinking water comes from a sole-source aquifer. So particularly in Suffolk County, we have had decades of planning and have put in place a sanitary code that very specifically forbids development on, you know, even certain smaller lots or, in addition to a single-family house, simply based on the fact that it would destroy our drinking water unless a sanitary, you know, sewer system can be built and these new units can be connected to it.

So I guess one of my questions is, as

it relates to this and zoning in particular, is the language in the bill that says that this process is ministerial and without discretionary review or hearing, how do you analyze it as it relates to planning board decisions, there's an overall town board's ability to change zones, and even something like our Pine Barrens laws which we have in Suffolk County, which has areas that have minimal zoning to protect the drinking water?

NYCOM EXEC. DIRECTOR BAYNES: Well, I mean, the language you just read, you know, we feel that that's about as blanket of a mandate as you can get and doesn't really leave any room at the local level to take into account, you know, other state laws, other local laws, you know, parking issues. It's just -- it's so far to the extreme from being a supportive optional type of program that -- I mean, that's why you're seeing the reaction on Long Island and around the state to the proposal.

It's just -- it's also out of character with the rest of the Governor's

budget proposal. Which is why, you know, we've opened up a dialogue with the Governor's office to find a way where we can achieve the goals that they're trying to achieve in a workable way.

I mean, at the end of the day, who do you want to decide how you and your neighbors use their property? Do you want your local community to decide, or do you want a state agency or a state government to decide? I think the answer to that is pretty clear.

SENATOR GAUGHRAN: Again, so you view this as a preemption of all these other land-use laws?

NYCOM EXEC. DIRECTOR BAYNES: Yes. Yes, we do.

SENATOR GAUGHRAN: Because some are arguing that it simply mandates that every municipality must amend its code, and therefore all local control will still continue to exist.

NYCOM EXEC. DIRECTOR BAYNES: Yeah, that's not the way we read it. And it's kind of scary when we're -- the analysis of the

proposal is how bad of a mandate is it. I mean, it's either really, really bad or really bad.

So, you know, I side with the interpretation that I described to you, that it leaves no discretion at the local level. That's what ministerial means.

SENATOR GAUGHRAN: What about -- you know, on Long Island in particular, you know, we have these local waterfront revitalization plans that have been put in place by many communities with shorelines, both to deal with resiliency as well as we have a stormwater runoff problem that pollutes our bays, our harbors, our Long Island Sound.

Would you see this as preempting those plans?

NYCOM EXEC. DIRECTOR BAYNES: You know, to that specific question, Senator, I'd really want to talk to our counsels here who advise --

SENATOR GAUGHRAN: Okay. That's fine. So maybe you could take a look at that and --

NYCOM EXEC. DIRECTOR BAYNES: Yeah, we

definitely will.

SENATOR GAUGHRAN: -- and get back to us.

NYCOM EXEC. DIRECTOR BAYNES: We will.

SENATOR GAUGHRAN: Because again, I think we could look to some model zoning laws that have been written by some of our municipalities on Long Island, some of our towns and villages, and look at some developments that have been done that, you know, really address both this transit-oriented and accessory dwelling unit quite significantly, to look at this.

There's another section of it that I'd like to get your opinion on that says that a local government may not require an additional or amended certificate of occupancy in connection with an accessory dwelling unit. So I'd like to get your opinion on that. And would that impact assessments in that it would bar the municipality from increasing the assessment of a homeowner that did this?

NYCOM EXEC. DIRECTOR BAYNES: Yeah, I

think that's an open question as well, is the impact on the assessment on the property.

I think it would be a really productive thing for us to do to sit down with you, Senator, and other legislators to kind of go through our analysis of these detailed issues. But I think just by asking the question you're raising some real important issues that have to be considered in looking at the bill.

SENATOR GAUGHRAN: And it's also been described as perhaps just permitting an extension of a house for, you know, like an apartment or, you know, permitting a basement apartment. Do you think it also permits somebody to build a fully detached additional home on a single lot?

NYCOM EXEC. DIRECTOR BAYNES: Well, you know, in talking to my counsel, I guess it depends on what you mean by home, but -- you know, what that consists of. But my understanding is --

SENATOR GAUGHRAN: Well, another dwelling, yeah. Converting a garage into a

home.

NYCOM EXEC. DIRECTOR BAYNES: Yes, could you do one of those tiny houses, you know, in the backyard that's not attached to the house. You know, my understanding is that's part of the intent of this, is to allow that to happen.

SENATOR GAUGHRAN: And again, there are communities that are doing this and there's a need for this and we need affordable housing. And I think there -- I think if we could find a way to incentivize this, this could be a very good thing.

NYCOM EXEC. DIRECTOR BAYNES: Yeah. And we have sample local laws ourselves and some models that we've put together. So we'd like to be part of the mix of trying to support implementation of this. As long as, again, it's done at the local level and not dictated by the state.

SENATOR GAUGHRAN: So, you know, we would love to try to see if we can get more AIM and more money to our local governments, because in many cases this is the only money

you receive. So, you know, many of us will work towards trying to see if we can accomplish that.

My one question, though -- and I think we need to follow up on what you think the new formula should be. One of the sections you may have left out is cost of living, which I think is a very important factor in terms of local governments, because the cost of employment, the cost of healthcare, the cost of even supplies and energy is different based on which part of the state you come from. So I suggest that maybe that should be something considered in any formula change.

NYCOM EXEC. DIRECTOR BAYNES: I think that makes sense as well, to look at that.

You know, part of what we're trying to achieve is right now the formula or the program and how it's allocated, depending on the class of local government you are, it treats you differently. But as you know on Long Island, you have large villages there that are far more urban and larger than a small upstate city. So there has to be a way

to make sure that a local government's not judged by its name, but by what it does and --

SENATOR GAUGHRAN: Some of our towns are bigger than most of our cities, so.

NYCOM EXEC. DIRECTOR BAYNES: Yeah.

SENATOR GAUGHRAN: Okay, well, thank you very much, Peter.

NYCOM EXEC. DIRECTOR BAYNES: Thank you.

CHAIRWOMAN WEINSTEIN: We are going to go now to Assemblyman Ed Ra, ranker on Ways and Means, for five minutes.

ASSEMBLYMAN RA: Thank you, Chair.

Peter, thank you. I guess I have the benefit -- or not -- from going after two Long Island colleagues who went into a lot of the issue that I also wanted to bring up. But I mean as you mentioned it with your reading of this, in terms of, you know, that -- one of the arguments I've heard is no, it doesn't usurp local zoning, there's all these decisions that can still be made. But, I mean, my reading of it, it goes

through a bunch of things that perhaps the local zoning authority could still do, but then later on it basically puts very strict restrictions on all those different topic areas.

So I think one of our concerns is exactly that, that it's just -- in addition to being a mandate, it puts very little control in the hands of those local governments. Is that your reading of it?

NYCOM EXEC. DIRECTOR BAYNES: Yes, I would agree. I mean, if somebody makes that argument that it gives some discretion to the local governments, at the end of the day, though, the proposed law is very clear that every residential unit would have to have a legal right to having one ADU on it.

So if that's the bottom line of the proposal, you know, the rest is just tinkering around the edges. You're not really going to be able to control what's happening in your community.

ASSEMBLYMAN RA: So one thing that I noticed within it with regard to parking --

and it talks about not being able to require parking as long as there is, you know, adjacent street parking. And from my reading of it, it has I guess a little bit of a carveout for if there's only seasonal parking. But as you may be aware, you know, many of our villages on Long Island do not allow any overnight street parking. Right? And one of the things this allows is garages to be converted. They don't need to be replaced.

So do you see a real potential problem there that you could be putting these villages in a situation where there is not someplace that somebody would be able to park their vehicle under the language of this proposal?

NYCOM EXEC. DIRECTOR BAYNES: Yes, that is definitely one of our big concerns. In addition to the impact on water and sewer services and other services, it's the practical consideration of parking. And the little bit of control we would have over parking that's cited in the proposal we don't

think is meaningful at all. And in the type of communities you describe, where there's no overnight parking, you know, it's going to be a real issue basically expanding the population of the municipality and the number of cars when you don't -- you're not doing anything about expanding the amount of parking.

ASSEMBLYMAN RA: Thank you.

And then the last thing -- and I think that's great, the idea of trying to really come up with a new formula for AIM. As you know, there's the -- and on the positive side, right, we're moving away from what happened a few years ago with that taking the money from basically -- I always said it's coming out of one pocket and into the other in terms of our local governments. So that's good.

But certainly modernizing that I think is an excellent idea, and I look forward to, you know, discussions in that regard.

But as you know, it's been flat for so long that it became less and less, really, of

something that could be relied upon. But what are the types of things you see the local governments able to do if they were able to get some meaningful increase in AIM like you talked about, if it was that 5 percent, north of $300 million, that could have gone to our local governments?

NYCOM EXEC. DIRECTOR BAYNES: Well, you know, I kind of alluded to this in terms of, you know, there's been an infusion of federal money that all local governments have received, but it's very restrictive how it can be used. It's generally, you know, for capital purposes, and it's a one-time infusion. So some people want to cite that as there's no need for local governments to get any more aid because they're rolling in the cash, and that is not the case.

And I use the term operational aid. That's what local governments need. I mean, to do all the basic things they do -- police on the streets, you know, their firefighters, planning and zoning that we've just spent a lot of time talking about. Their water and

sewer systems, code enforcement. I mean, everything they do is service-based, which means it's people-based. And they don't -- there's no aid they receive right now that helps them pay the costs of people, their employees, paying their employees for providing the services.

And as everybody knows, finding employees now is getting more and more difficult. The cost of paying employees is rising. So, you know, I think it would go to all of that.

And we've said in our proposal even if there was an annual reporting that the local governments would have to do just sort of summarizing how they use the money so that it just didn't seem like state legislators and the Governor could never really talk about all the good the program did, because nobody can say what it went to. You know, we are fine with that too if it's done in a kind of a streamlined, summary-type way.

But, you know, something has to change. And just drive around New York State

and, you know, see how local governments are doing, and they're under a lot of fiscal stress. And the state needs to be a partner. Not at the level of what they are with schools, but there's got to be an acknowledgement that municipalities play an important role in the upbringing of our children, the safety of our communities, and the economic development that our state depends upon.

ASSEMBLYMAN RA: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We send it back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much. And I believe our next testifier is Ranker Ed Rath.

SENATOR RATH: Thank you very much, Madam Chair.

And Peter, it's good to see you, and thanks for your patience today. It's been a long day.

NYCOM EXEC. DIRECTOR BAYNES: You too.

SENATOR RATH: My first question has to do with local and state collaboration.

And the past administration, the previous governor was really no fan of local collaboration; I think we can all kind of agree on that. And this current administration seems to be more open to working with local municipalities.

Is that in fact the case? And can you expand on that a little bit and describe the new positive working relationship between this current administration and our local municipalities and cities?

NYCOM EXEC. DIRECTOR BAYNES: Yeah, I would say there's been a 180-degree change. And it hasn't just been, you know, the words coming out of the Governor's mouth, it's been the way they've -- her administration's been interacting with us. You know, since she came into office, you know, we talk about all these issues, even issues we don't agree upon. There's a dialogue with them. The Governor's coming to speak to our membership on Monday, which it's been a long, long time since we had a governor come speak to our mayors at our annual legislative conference.

So, you know, we're really encouraged by the relationship. I think, you know, the Governor's background as a local official is really going to bode well for her service as our Governor and for local governments themselves.

SENATOR RATH: Well, I couldn't agree with you more. And many of us come from a local government background, and we served in cities, towns, villages, counties, whatever it may be, so we have an understanding -- and so does the Governor. I think that's very helpful.

I want to ask a little bit more of a specific question about the impact of COVID-19 on businesses and local economies. And they've been really left, in many ways, in a state of disarray. And as State Senators and Assemblymen, how can we help to better partner with our communities as they look to repair and rebuild as they come out of this pandemic?

And secondly, I guess the follow-up question to that is, is there just simply

more funding or are there specific policies that your members are talking about statewide that we can do to offer that assistance?

NYCOM EXEC. DIRECTOR BAYNES: Yeah. Well, you know, our members, with the money they've received from Washington, you know, under the ARPA program, one of the key purposes for which they can use it is to support small business. And, you know, I know our mayors are trying everything they can to help small businesses get back up on their feet. I know Mayor Sheehan was on earlier and talked about -- you know, she's had a very sort of open process for deciding how to use their ARPA funding, and they've dedicated a lot of it to using it for groups that either are small businesses or support small businesses.

So I think from a municipal level, the best thing you can do for us to help small business is to allow us to provide the best services, to have the best infrastructure. Which is a lot of what you're doing with the water, sewer and transportation money. But

again, not to harp all the time in AIM, but I'm going to. I mean, the more fiscal stability and sustainability a municipality has, the more it can do to support its small businesses.

SENATOR RATH: And just to follow up on that briefly, you know, you talk about the AIM formula, and certainly I think we need to look at that. The COLA was a -- there was a drumbeat, a resounding drumbeat, a consistent drumbeat about making a COLA adjustment to that.

And also something I'm going to ask later is about, you know, shared services and collaboration amongst governments. And, you know, I think there's really an opportunity for that to be explored. And it's more of a countywide issue, I understand that, but I think there's opportunities amongst all municipalities to share services for efficiencies and cost savings and eliminate redundancies.

NYCOM EXEC. DIRECTOR BAYNES: Yeah, I mean, we think -- there's always more that

can be done, but we do think local governments and I know in your part of the state that the villages and towns and counties work together pretty well. They're always looking where it makes sense to do things collaboratively, and some productive programs have come out of the whole countywide shared services initiative.

So I think, you know, the local government officials' eye on -- you know, they can't take their eye off that efficiency with local governments, and I think for the most part they don't. I think that's something they're always looking to do.

SENATOR RATH: Well, again, Peter, thank you for all of your leadership and hard work and advocacy, and I look forward to keeping in touch.

NYCOM EXEC. DIRECTOR BAYNES: Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Otis.

ASSEMBLYMAN OTIS: Thank you, Helene.

And Peter, nice to see you.

NYCOM EXEC. DIRECTOR BAYNES: You too, Assemblyman.

ASSEMBLYMAN OTIS: You're doing a great job advocating for our local governments, and keep up the good work.

I wanted to go to a topic that's been discussed earlier today and hear what you're hearing from local governments about the cybersecurity risks and threats that they're encountering.

And one question I have is, you know, so often we hear about these after the incident has happened. What resources are available, and who are local governments going to for prevention? What are you hearing from your members?

NYCOM EXEC. DIRECTOR BAYNES: Well, I mean, I think your approach to this is spot on, and that's the approach we're trying to take as an association, along with the Association of Towns, Association of Counties, is to try to get our people to prepare and prevent, you know, these incidents happening.

You may not -- you probably are aware, Assemblyman, but not everybody on the call here, on the Zoom, that there's an insurance program in New York, the New York Municipal Insurance Reciprocal that was formed under the Insurance Law by the three municipal associations back in 1987. We insure more than 900 municipalities around the state, and this issue of cyber risk is at the top of our priority list. It has been for the last several years.

The three associations and the folks at NYMIR have been meeting with the Governor's administration, with ITS and DHSES and also with the Office of the State Comptroller to find, you know, more effective ways to improve local governments' cyber hygiene and to try to get local governments thinking about this as something that they just don't wait till it happens and then address it.

You know, our biggest fear, and where we think the state could help, is we have this fear that because local governments have

so many interactions technology-wise with the state, whether it's with the retirement system or with the State Comptroller's office or the annual financial reports they've filed, that if there was ever a cyberattack that got into local governments through one of these state agencies that interacts with local governments, then we'd have a really, really big problem where it wouldn't just be a one-off here or there of cyberattacks, but they could hit hundreds of municipalities at the same time.

So, you know, we're doing everything we can. The Association of Counties -- I know Steve Acquario's going to be on -- they led the charge in putting together a primer for local officials that we just put out this week to try to get elected officials up to speed on what this is all about and what they can do locally to prevent attacks.

ASSEMBLYMAN OTIS: Thank you, Peter.

And I'll just say everyone should know NYCOM has a great staff. You do have a great team that helps all the local governments

during the course of the year. So a shout out to everybody on your team.

NYCOM EXEC. DIRECTOR BAYNES: Thank you very much.

CHAIRWOMAN WEINSTEIN: Back to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

And I think we are closing with Senator O'Mara.

SENATOR O'MARA: Thank you, Senator Krueger.

Peter, good to see you today. Thanks for being with us.

NYCOM EXEC. DIRECTOR BAYNES: Hi, Senator.

SENATOR O'MARA: Glad to hear you're sharing some optimism on repairing the relationships between state government and local governments. Really glad to hear that. It's really been a decade of a decline of a working-together attitude across New York State. So I'm really pleased to hear that that's actually improving.

You know, there's a lot of money sitting around Albany right now and, you know, a thousand ideas on how to spend it. One of the issues that I, you know, have worked on for years is trying to chip away at the unfunded mandates. And I know we're going to hear from Steve Acquario that bears the brunt of, you know, the large ones, anyways, that come down.

But at the NYCOM level, at the village and city level, are there significant mandates that you could itemize that we should be looking at taking back the cost of those while we are apparently flush with cash?

NYCOM EXEC. DIRECTOR BAYNES: Well, I mean, the biggest mandate right now, if you asked the average city or village official, they probably would say first and foremost is the prevailing wage requirements and the feeling that -- they understand the need for prevailing wage, but they don't think the system works well in terms of the added cost of doing a project when it's subject to

prevailing wage.

And as you know, year in and year out it seems like the prevailing wage and its applicability has expanded by the State Legislature. So, you know, that's a really big one.

A smaller one that the Governor's trying to address, which I don't understand -- I mean, I understand politically maybe why it's not happening, but logic doesn't understand why it wouldn't happen, that the interest rate on judgments that the state and local governments pay right now is 9 percent, is the interest rate, rather than an adjustable rate. Yes, I know interest rates are going up a bit, but they're nowhere near 9 percent. And local governments -- you know, that's just a gift that local governments can't afford to pay that they're paying, you know, on judgments and claims against them.

So we'd love to see the Legislature fix that.

SENATOR O'MARA: Yeah, I agree with

you there, and it's something we've been working on and trying to get fixed and have it tied to a more -- more current interest rate that's in the market somehow on that and just haven't been able to crack that nut. I'd like to see that happen.

On the prevailing wage, certainly it's important when tax dollars are at use. You know, we're paying, you know, a decent wage for that work to be done. But it is a mandate from the state that does impact you on local projects. Is NYCOM or any of the groups gotten any study together on what that additional cost is to municipalities across the state? And, you know, maybe that's something that the state should look at subsidizing local governments for.

NYCOM EXEC. DIRECTOR BAYNES: Yeah, we as an association haven't tried to calculate that. I mean, we have focused on what you alluded to, and that's finding a way of measuring what the prevailing wage rate should be for a particular area. We don't think the current methodology for calculating

it really reflects what's supposed to be a fair prevailing wage in many communities, especially in upstate New York.

So that's the thing we've been trying to get fixed, because I think our members understand you need to pay the prevailing wage, but they just want to make sure it's not way above and beyond that.

SENATOR O'MARA: That it's actually the prevailing wage and not --

NYCOM EXEC. DIRECTOR BAYNES: Yes. Yes.

SENATOR O'MARA: -- inflated. No, I hear you.

Well, thank you very much, Peter. Have a great day.

NYCOM EXEC. DIRECTOR BAYNES: Thank you, Senator.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Jacobson.

ASSEMBLYMAN JACOBSON: Thank you. Thank you, everybody, for hanging in there as we start the ninth hour very soon.

The Conference of Mayors has always

been a great resource to local government. When I was on the city council in Newburgh, we were able -- we used -- I used it a lot, very helpful.

I'm glad that you mentioned about the rate of reimbursement for state highways that go through cities -- Poughkeepsie is one example. It hasn't changed, they need it. But I'm -- also on the accessory units, do you think that this would just wipe out the environmental impact statement? I mean, wouldn't there still be a need, wouldn't there still be -- would that be a conflict with that?

NYCOM EXEC. DIRECTOR BAYNES: We do think that that's again -- we're limited to the comprehensive plan that has to always be revisited before you make -- locally make a change to do ADUs or TODs. But you also have to look at the environmental impact, and we don't see that in the proposal being, you know, taken into account -- again, because it's just an absolute mandate of being able to --

ASSEMBLYMAN JACOBSON: Yeah, I think we can do -- I've got to move quickly.

You know, one of the things is that if you had a new development that was 1500 units of some sort, the town would say, oh, my God, how can we -- is there enough water, sewer? You know, are we going to have enough -- how's the traffic going to be? Well, this easily can go to that and beyond without thinking, without the planning.

And that's why I just want to say there's just so many unintended consequences of this that have to be addressed. You have to have owner occupied before you can do it. Well, how are they going to enforce that all the time? Will this mean there's more B&Bs happening when people don't want that?

I mean, there are all these things that we have local zoning for, and I just think that -- the problem with taxes. If you want people to do it, well, maybe what we should do is have a pilot so that people do not have to -- for the structural and bringing your house up to code for another

unit, then maybe we could delay the full taxes on that to the homeowner.

So these are the things that I think have to be thought about. And there's not enough time here. I just want to say I appreciate it and I hope that all of us would think about the unintended consequences while we go for certain goals here. There's a way to do it, but I think this -- it has to be done with the local government. And I think my time is up, so I have to stop.

NYCOM EXEC. DIRECTOR BAYNES: We concur, Assemblyman.

CHAIRWOMAN WEINSTEIN: Thank you.

So Peter, that concludes all of the questioners from the Assembly and Senate. Thank you for spending some time with us as we go through the budget process.

NYCOM EXEC. DIRECTOR BAYNES: Thank you.

CHAIRWOMAN KRUEGER: Thank you very much, Peter.

CHAIRWOMAN WEINSTEIN: So next we are going to -- our next witness is the New York

City Council, the Honorable Adrienne Adams, speaker of the City Council.

And I see that she has brought some people with her. Behind that mask I see Justin. He I can recognize.

(Laughter.)

CHAIRWOMAN WEINSTEIN: -- as the New York City Council finance chair. Can you identify the person to your right?

NYC COUNCIL SPEAKER ADAMS: Absolutely. This is our new chief financial officer and deputy chief of staff of finance, Tenisha Edwards.

MS. EDWARDS: Hello.

CHAIRWOMAN WEINSTEIN: So since this is your first time here, I just want to explain your testimony has been circulated to all of the members here. You have up to 10 minutes. Feel free to use less than that time. And then there will be some questions from the Assembly and Senators who are still with us today.

So feel free to begin.

NYC COUNCIL SPEAKER ADAMS: Thank you

very much. And good afternoon, Chair Krueger, Chair Weinstein, Ranking Minority Members O'Mara and Ra, all the members of the Senate Finance and Assembly Ways and Means Committee. I thank you for your time today, and I also thank Majority Leader Stewart-Cousins and Speaker Heastie.

I'm Adrienne Adams, speaker of the New York City Council and the representative of Council District 28 in Southeast Queens. As you've said, Madam Chair, I am joined here today by the Council's Finance Committee chair, Councilmember Justin Brannan, and our new chief financial officer and deputy chief of staff for finance, Tenisha Edwards.

I'm pleased to be before these esteemed bodies to discuss the Executive Budget for state fiscal year 2023 and its potential impact on New York City.

I was raised in Queens, the daughter of union workers. I'm the product of our public school system. I previously worked in the private sector and my roots in public service were at the local level, chairing

Queens Community Board 12.

From government representation at the local level, we know how our budgets impact communities. Neighborhoods like the ones that I represent have historically been underfunded and underserved. This pandemic has laid bare how this disproportionately harms New Yorkers in many parts of our city and state. Black and brown communities were among those hardest hit by COVID-19, and also least prioritized for resources to protect them. Inequities that could be papered over before the pandemic have since been revealed to be critical fault lines that not only undermine the communities experiencing them but the entire city and state.

We find ourselves in a moment that is both difficult due to the pandemic and one that holds promise. We now have an opportunity to address some of our longstanding systemic challenges. The council looks forward to working in partnership with you to ensure neighborhoods that were forgotten in the past are no longer

underserved but instead are prioritized for key investments in public health and safety, education, housing, and economic recovery. Together the state and city can pave the pathway to a healthier and safer New York for all.

New York City continues its slow recovery from this COVID-19 pandemic. Employment is up 600,000 jobs compared to its low points in the spring of 2020. However, this is still 330,000 jobs below our pre-COVID peak. The city is in a stable fiscal position with tax collections exceeding our projections and some remaining budget reserves. However, significant fiscal risks remain in the latter part of New York City's financial plan which could be aggravated if changing work habits lowered the value of Manhattan office space. As speaker, I intend to prioritize careful management of the city's budget.

The council applauds the Governor's effort to increase state budgetary reserves. This will improve the stability of the

state's budget and reduce the likelihood that unexpected dips in state revenue lead to budget cuts impacting our residents. The council is also pleased that this budget reflects a new era of goodwill and collaboration between our state and city, including the proposals to extend mayoral control of schools for four years and cost-sharing of New York City's Medicaid growth.

I'm also encouraged by the increased eligibility thresholds for vital safety net programs, including public assistance, childcare, and health insurance. This extension of support to struggling families is critical as we recover from the pandemic.

There are several additional proposals in the State Budget that the council supports, even if additional efforts may be needed in some areas. Access to childcare was an issue before the pandemic, and if anything, the pandemic has further exacerbated the issue. We're happy to see the over $900 million investments for

childcare over the next three years to increase childcare worker wages and add capacity, as well as the increase of the family income eligibility threshold.

Additionally, the $4.8 million to establish additional childcare facilities on CUNY campuses is a smart investment in young children and their parents seeking higher education.

Our small businesses are key to the state's economic recovery. We support the Governor's $1 billion small business plan and ask that the city's small businesses receive their fair share of this funding. We're grateful that the federal Infrastructure Investment and Jobs Act will fund the Gateway Tunnel project and express the need for additional federal infrastructure dollars coming into New York to support other major projects that advance equity and job creation in other parts of the city.

The commitments to grow the state's healthcare workforce by 20 percent over the next five years and provide $1.2 billion in

bonuses for certain frontline healthcare and direct support workers who have tirelessly served our communities are essential. The city has been disproportionately impacted by this pandemic, and it is critical that we receive our fair share and ensure our nurses are included in this proposal.

We also support the tripling of investments into hospital-based and community-based violence prevention with the state's proposed $95 million allocation. This welcome state support should be distributed equitably to support New York City neighborhoods suffering the impact of violence.

On education, the increase in school aid is much needed and the Executive Budget continues the promise to meet the Campaign for Fiscal Equity mandate by allocating $8.9 billion in Foundation Aid. I expect the DOE similarly to provide all of our schools with 100 percent of their Fair Student Funding next year. We also fully support the tuition rate increase of 11 percent to help

preschool special education providers address the early education needs of students with disabilities, which often goes overlooked.

We also commend the Governor's support for higher education and the proposed plan to make higher education more affordable and accessible by maintaining CUNY's State Operating Aid levels and protecting community colleges from cuts due to pandemic-related enrollment declines.

The proposed expansion of the Tuition Assistance Program, or TAP, to part-time and working students is a smart step to increase access to higher education. Closing the $59 million difference between TAP funding for students and actual tuition costs, known as the TAP gap, is also critical.

The proposal to remove TAP restrictions on incarcerated New Yorkers is a smart investment, given the evidence showing how access to higher education can reduce recidivism.

In the area of public assistance, the Governor's proposal to allow an increase in

the amount of earned wages and savings allowed for recipients before losing eligibility would be a lifeline to New Yorkers recovering from the pandemic.

And on public housing, the state's most recent allocation of $450 million in capital funding to address boiler replacements and elevator car replacements in New York City Housing Authority developments is greatly appreciated. NYCHA's capital needs equate to $31.8 billion, and we ask the state to consider allocating more funding to complement the city's $2.9 billion allocation to support it.

There are several areas where the state can restore previous funding cuts or go further in its current proposals. On healthcare, while we applaud the proposal to expand eligibility for healthcare in the Essential Plan to 250 percent of the federal poverty level, we encourage you to consider additional strategies to extend coverage to the more than 1 million New Yorkers who remain uninsured.

We also urge the state to end its interception of city sales tax revenue for the Distressed Providers Fund and award the funds already collected to the city's Health + Hospitals system.

The American Rescue Plan's state fiscal recovery funds are a lifeline, and the state should direct a portion to New York City's healthcare infrastructure.

It is critical that state and city work closely together to ensure that final submission of the state's Medicaid 1115 waiver to the federal government prioritize funding for the city's focus on health equity, particularly for low-income communities of color.

On mental health, the state has partnered with the city to support outreach that transitions individuals living on the street into stable housing and treatment. There is a need for more focus and resources to address the mental health needs of New Yorkers, including those who are homeless, especially given the recent

incidents in the city.

One education concern that we have is the impact of our time-limited extraordinary federal aid on the charter school tuition formula. The federal stimulus funds should be excluded from the state's calculation of charter school tuition payments so that there is not an undue increase in the city's funding liability for charter school tuition payments.

I would also like to remind you that New York City continues to feel the impact of prior state budget cuts that targeted our city. Reduced state funding for public health programs, Temporary Assistance for Needy Families or TANF grants, foster-care tuition, and special education placement in residential schools, as well as the complete elimination of state support for the Close To Home program for young people in the juvenile justice system, has left a $180 million hole in our city budget.

On housing, the council is hopeful that the governor and mayor's request for

more federal funding for the Emergency Rental Assistance Program will be fulfilled, yet we urge the state to consider allocating a backstop as a contingency if additional federal dollars do not materialize.

Major economic and housing proposals like the proposed 485-w tax break to replace 421-a, and those related to casinos, require careful consideration and conversation with the city and other stakeholders. We encourage these to be separate conversations apart from and subsequent to the budget process, so they receive the devoted focus they require.

Lastly, we urge the state to permanently authorize design-build authority, rather than granting the proposed three-year extension, to enhance construction efficiency and engage constructively with the city on reforming our city property tax system to make it fairer and more transparent.

We are at an important juncture for our state and city. I thank you for your time and attention today and look forward to

our continued productive partnership to enact a state budget that supports the City of New York and every person who calls it home.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you, Council President.

We go to the chair of our Cities Committee, Assemblyman Ed Braunstein, for 10 minutes.

ASSEMBLYMAN BRAUNSTEIN: Thank you, Chair Weinstein.

And it's good to see you, Speaker Adams, from Queens County.

NYC COUNCIL SPEAKER ADAMS: Wonderful to see you, Assemblyman.

ASSEMBLYMAN BRAUNSTEIN: Yes. And also thank you for joining us, Chairman Brannan and Ms. Edwards. We appreciate -- it's been a long day, and we appreciate you guys hanging around to testify.

I'm just going to touch on two topics, the first being, as you mentioned in your testimony, the desire for comprehensive

property tax reform. This is something that, you know, we've talked about at the city and state level for a very long time but, you know, never get around to accomplishing.

And I'm just wondering if the council as a body has developed a roadmap to follow as to how they want to accomplish this. I know it's something that we need to pass in Albany, but obviously since it has such a big impact on the city's finances, it's going to have to be done in coordination with you as well. So do you have a plan?

NYC COUNCIL SPEAKER ADAMS: We are still working on that, Assemblymember. And again, it's very good to see you in this environment as well.

The reform plan released by the recent commission presents a good plan, but there are still issues to be resolved before the city can move forward. For example, the plan includes a circuit breaker, which is a critical tool to provide relief for low- and moderate-income homeowners and to prevent displacement. But that reform commission

neglected to identify a funding source for the tool.

We know that people have waited far too long for this, so we want to move quickly, but we do have to get it right.

ASSEMBLYMAN BRAUNSTEIN: Sure. And it seems like already you've started the process and you've already identified some things you don't like. So it's encouraging. And, you know, I hope we can continue to communicate moving forward, because in my district in Northeast Queens we pay some of the highest effective property taxes in the city and it's been an unfair system for too long and we'd like to see that changed.

The other area that I wanted to touch on, which has been a big topic of discussion for local governments throughout the day, is the Governor's proposal to legalize accessory dwelling units. She has proposed a statewide approach to legalizing ADUs, as they're called. In my opinion it kind of circumvents the city's zoning and planning process.

Does the council have a position on

the Governor's proposal regarding ADUs?

NYC COUNCIL SPEAKER ADAMS: Well, we welcome, certainly welcome a discussion about how we can improve housing production and affordability not just in the city but in the suburbs and surrounding communities where many city workers live. We know that these are complicated issues with long-term impacts. So again, we think they're better discussed after the State Budget, when more attention can be given.

ASSEMBLYMAN BRAUNSTEIN: Great. Great. I agree. It's not really a budget-related issue, it's more of a policy matter and it should be pulled out and discussed separately.

So those are my two questions. Once again, thank you for hanging around this late into the evening. And it was good to see you. Thank you for testifying.

NYC COUNCIL SPEAKER ADAMS: A pleasure. Thank you.

CHAIRWOMAN WEINSTEIN: We go to the Senate now.

CHAIRWOMAN KRUEGER: Thank you very much.

And welcome with your first visit up here, new speaker of the City Council. And anyone who knows New York City government knows they're doing evening meetings all the time also --

(Laughter, overtalk.)

NYC COUNCIL SPEAKER ADAMS: Exactly, Senator.

CHAIRWOMAN KRUEGER: So you're just on a Zoom somewhere different tonight, no difference.

Our first speaker is Senator Sepúlveda, our chair of the Cities Committee.

SENATOR SEPÚLVEDA: Good evening, Madam Speaker, Chairman Brannan, Ms. Edwards. I want to commend you on your patience in waiting this long, but hopefully it was well worth it.

NYC COUNCIL SPEAKER ADAMS: Absolutely.

SENATOR SEPÚLVEDA: Ed Braunstein keeps beating me to the punch on the issue of

the property tax, changes in the property tax system in the City of New York. But what I have for you is a question that's more targeted to the kind of community that I represent.

I am the chair of Cities 1, and as I've told other representatives that have spoken from the city, that I am here to work with you in any possible, any form that I can, to bring the best that we can for the City of New York. That's a responsibility that's been given to me, and I take that very seriously. And I hope that we can partner on anything that you need assistance with at the state level.

But my question is more in terms of communities like the one I represent. I'm sure it's not that much different from your community. One of the poorest districts probably in the country is the area that I represent in the Bronx. And I know that you very eloquently spoke about some of the programs from the Governor, the federal government, and things that you approve. But

I also know that as the speaker of the City Council you have a large say in the way policy goes in the City of New York and budgets, the way they go in the City of New York and in my district.

I want to know what kind of impact you can have directly on the economic development -- you know, we have the highest unemployment rate -- and the educational system. Aside from what the Governor has given us and the federal government, what the City Council can do to make a considerable drastic change in the trajectory of the economic development in our communities and the graduation rates that are the lowest in the State of New York, certainly. What you can do -- financially, policywise -- to make a drastic change in our communities.

NYC COUNCIL SPEAKER ADAMS: I like the question a lot, Senator. It's great to see you as well.

SENATOR SEPÚLVEDA: Thank you.

NYC COUNCIL SPEAKER ADAMS: And you're absolutely right. The area that you're

responsible for is a lot like the area, District 28 in Southeast Queens, that I represent as well. So your question is very germane and very important.

What we've seen in the past has been drastic inequity across the board for communities of color. And we've of course seen everything exacerbated by the pandemic. What we intend to do in the New York City Council is spread across the board equity. We are represented now in every corner of the New York City Council, communities and representation that look like communities of color, that look like the communities that they represent. And we are in full force to support those communities, be it through the education system, be it through equitable and affordable housing and what that looks like to us and may not look like to everyone else, meaning bringing forth creative affordable housing, some things that we have not looked at in the past. For me, I'm a fan of the basement apartments and legalizing those to make more affordable housing across the board

for people that have never been able to afford it before.

So what the City Council can do -- and I believe we have done -- is become a part and partner of those that live in our communities who look like us, that have been underserved for so long. Our commitment is to represent those communities because we live in those communities and we see firsthand the impact of inequity across the board. We'll do everything in our power to create an equitable system, be that legislatively, be that financially when it comes to the budget and restoring budgetary items within our City Council lines and working with the mayor and the administration, of course, to ensure equity across the board.

SENATOR SEPÚLVEDA: Okay. You've heard I'm sure about the mayor's blueprint plan on criminal justice reform, bail reform. It's fair to say that there's been an incredible amount of fearmongering going on with respect to bail reform and a lot of

misinformation.

What is your position as speaker of the City Council with respect to the mayor's blueprint plan for fighting high levels of crime that exist in the city now?

NYC COUNCIL SPEAKER ADAMS: I've said in the past when it comes to the blueprint, number one, I'm glad that there is a blueprint. A blueprint gives us something to work from and work with. So it's something that has to be discussed, something that has to be reckoned with, with a whole lot of players, state and city included. So we should all have a voice when it comes to the blueprint, when it comes to working through it, when it comes to resolving some of those issues of concern, quite frankly, that some of us have.

What we don't want to do is go back to business as usual when it comes to the treatment of citizens who have been marginalized in our city. So I welcome the conversation, the ongoing conversation regarding the blueprint to hammer it out and

to work through some of those things to come to a rightful consensus.

SENATOR SEPÚLVEDA: Well, I really appreciate that. I think we all must remember the reason why we had criminal justice reform in the State of New York. We have to remember that we had a two-level, two-tier system for those that are wealthy and those that are poor and primarily living in our communities. And so we can never -- we should never forget that. But hopefully we can get to a consensus that everybody agrees with.

But we have to keep in mind always why we are where we are, why we made the reforms. We should not have two different levels of the criminal justice system in the state and certainly not in the City of New York. And so hopefully we can get to a point where everyone's satisfied and we can stop the intense fearmongering that's been going on with our criminal justice reform packages that we passed a couple of years ago.

That's all for me today. Thank you so

much. And I really look forward to working with you. And Justin, you look a lot more handsome with a mask on.

(Laughter; cross-talk.)

CHAIRWOMAN KRUEGER: You've lost Senator Sepúlveda.

CHAIRWOMAN WEINSTEIN: And you left out a long -- and a long-sleeved jacket.

(Laughter.)

CHAIRWOMAN WEINSTEIN: So we go to -- it's been a long day.

We go to the Assembly to Assemblyman Mamdani.

ASSEMBLYMAN MAMDANI: Thank you so much, Chair.

Thank you so much, Speaker Adams, for being here with us today. I appreciate the time and appreciate the testimony. And thank you to everyone else as well -- Finance Chair Brannan.

I wanted to share that I was really heartened by your cosponsorship of legislation that would force an end to solitary confinement as well as your comments

last month that, quote, we're better than that.

Are you still opposed to solitary confinement or punitive segregation, as the mayor calls it? And will you bring a bill ending its practice coming to the floor for a vote?

NYC COUNCIL SPEAKER ADAMS: Oh, I love the question. Thank you very much, Assemblymember, and it's great to see you as well.

The answer is that we are still working through the conditions of that legislation in the City Council.

I would prefer to call what is now called punitive segregation rehabilitative segregation if we're going to call it anything, using my psychology background. I continue to say that New York is better than that. And there is a reason for behavior, and there are ways to change behavior if we so choose to do so, if we desire to do so.

So my hope is that we will take a harder look at the way to prevent certain

behavior that is unacceptable, rather than continue to punish behavior and think that we're going to change the behavior with punishment.

ASSEMBLYMAN MAMDANI: And in your hopes for that, do you see that -- does that mean edits to the existing bill?

NYC COUNCIL SPEAKER ADAMS: It may. It means putting our heads together again, taking another look at it to see where we come to consensus with the legislation.

ASSEMBLYMAN MAMDANI: Okay, I appreciate that. From one side of Queens to the other, I can tell you for sure that my constituents truly do believe in ending the practice, and appreciate your comments on it.

The second and last question that I have is that MTA Chairperson Janno Lieber recently called for the city to fully fund Fair Fares after the previous mayor and City Council speaker had left it at only 50 percent funded. Is it in your plans to fully fund the program in the upcoming budget?

NYC COUNCIL SPEAKER ADAMS: That is my hope. Of course we haven't started budget deliberations yet, but Fair Fares was on the table. We thought that it was something that needed to be done for New Yorkers, and it is certainly something that we are willing to take a look at. Again, it's about equity for us in the council, and truly Fair Fares is a part of that equity.

ASSEMBLYMAN MAMDANI: Absolutely. And I would very much, you know, urge that be one of the number-one priorities as we get into this budget season. Really do appreciate the work, the time and the testimony.

Thank you very much.

NYC COUNCIL SPEAKER ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

And our next up is Senator Robert Jackson.

SENATOR JACKSON: So I was going to say good afternoon, but it's like evening. So good evening, Speaker, how are you? And to your leadership team, let me congratulate all of you and hope you have a successful

term.

I just wanted to touch base with you on one of the primary issues of the Campaign for Fiscal Equity, and that is small class size. And I asked the mayor earlier does he have a plan to ensure that New York City students receive small classes, and is he planning to work with the state to use the funds under the Contract for Excellence towards this goal of reducing class size.

And I ask whether or not is that a major issue for you also, and I would assume that it is. But I ask for your answer.

NYC COUNCIL SPEAKER ADAMS: Senator, always great to see you, needless to say.

Small class sizes has been an albatross around the necks of New York City schoolchildren for a very long time. It's something that should be on the front burner, and we hope to have discussions with the administration around it. It is a very important issue for us. And yes, we hope that it will be prioritized with both sides of City Hall.

SENATOR JACKSON: And also earlier in testimonies and under Q&A as far as dyslexia -- and supposedly a school is going to be built in order to address that major issue that impacts so many students in our public school system. And I would just hope that the City Council gets right with him and moves forward on that as quickly as possible, because thousands of children are being left behind because in fact they can't read at the level they're supposed to.

But also, I just wanted -- the last item -- I have only a minute and a second -- is qualified immunity. The City Council passed a qualified immunity bill for cases that dealt with the Fourth Amendment violations of unreasonable search and seizure. I have a bill to end qualified immunity where the civil rights of people are being violated. And as a result of this, then they have a right as a result of violations of law to sue the individual officers -- whether it's police, fire, whoever violates their rights -- an

opportunity to sue.

And my question is do you support an individual's right, where their rights are being violated, to be able to sue in cases of qualified immunity?

NYC COUNCIL SPEAKER ADAMS: Well, another question that I take very seriously and appreciate, Senator. The issue of qualified immunity was passed through my committee when I was chairing public safety. New York City is the only jurisdiction in the country to have passed qualified immunity. We were hoping that it would be a model for the rest of the country to take a look at. We happen to feel that no one's rights should be violated.

So the answer to that question would be we've already done it in the city, and we would hope that it would be taken further.

SENATOR JACKSON: Thank you. My time is up. Thank you for coming and giving testimony at this joint budget hearing.

NYC COUNCIL SPEAKER ADAMS: Thank you very much.

CHAIRWOMAN KRUEGER: Thank you, Robert.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Jackson, three minutes.

ASSEMBLYWOMAN JACKSON: Thank you, Chair.

And Justin, I'll make sure to get Sepúlveda for his comment, don't worry.

(Laughter.)

COUNCILMAN BRANNAN: Thank you, Chantel.

ASSEMBLYWOMAN JACKSON: Madam Speaker, congratulations. This is our first time in your position being able to meet again. So congratulations.

NYC COUNCIL SPEAKER ADAMS: Thank you so much. Great to see you.

ASSEMBLYWOMAN JACKSON: Thank you for all your work.

So my questions are around NYCHA. And I'm just wondering, what do you think City Council is willing to do around NYCHA? Like what kind of funding do you think is necessary to restore NYCHA?

And I'm just going to ask all my questions because I don't have a lot of time.

What are your thoughts around public banking and how it can be useful in our city, especially in the Bronx?

Vacant storefronts. It's a hazard, it causes communities to be -- it causes such a hazard in our community. It creates a dumping ground, hangout spots. It creates litter. So what are we doing about our vacant storefronts? And I know Lower Manhattan is experiencing this, you know, in records that they haven't before. But the Bronx has been dealing with vacant storefronts for the longest.

So what are we doing to help with entrepreneurship in our communities, get people to own their own businesses and own their own storefronts so that we can get rid of these vacant places?

And then of course we're dealing with gun violence across our city, across our state, across our nation. And it's due to lack of social services, lack of conflict

resolution and mental health services, low or no employment. So what do you think the city and state -- what do we think we can do in conjunction to address these issues? Yes, we're putting money into our Cure Violence, but there has to be more that we do because we're losing Black and brown bodies every single day.

So those are my questions. NYCHA, public banking, the vacant storefronts, and gun violence. Thank you.

NYC COUNCIL SPEAKER ADAMS: Thank you very much, Assemblymember, for your questions. I really appreciate them.

NYCHA -- NYCHA is a tremendous, tremendous issue. It has been a stain on the performance of New York for decades, as we all know. The condition of NYCHA didn't get there overnight, and it certainly won't be changed overnight. This pandemic has exacerbated issues within NYCHA to levels that are absolutely unbelievable. NYCHA's most recent physical needs assessment identifies a need of $31.8 billion over their

five-year plan, and an additional need of $13.4 billion in Years 6 through 20.

So the city's allocated $2.9 billion of our capital budget to try to address these needs, but again, years of deferred maintenance has taken a toll on NYCHA and the buildings and residents. The residents, they need all the help that they can get, and it's going to be incumbent upon us as a city and state to get that relief to the residents of NYCHA. It's going to take a lot. And I look forward to continuing conversations around it, to work on it and to resolve the issues. It's not going to be easy to do it.

As far as public banks, I support the issue of public banks, particularly in our communities of color where we have been the ones most troubled with our banking institutions and having issues with banking institutions -- unable to get loans, unable to sustain ourselves financially. Check-cashing places are on pretty much every corner in communities of color.

So the more we can do to help

alleviate our situations when it comes to finances, I think the better that we will all be off as a city.

Vacant storefronts. This is an issue that my colleague, former Manhattan Borough President Gail Brewer, now Councilmember Gail Brewer, has been speaking about for a very, very long time.

We have to take a very hard look at the situation of vacant storefronts. It is something that is also, you mentioned, in your community, and our communities in Queens also. What are we doing to help small businesses recoup, what are we doing with the buildings that are vacant, how can we best use those areas that will no longer come back as the former businesses? There's a lot of work to do.

It sounds cliched, but quite frankly we've got to roll up our sleeves and do the work. We're all new coming into this work -- well, a lot of us are. You're not. But some of us are, in capacities of the work that we're doing. So we've got to put our heads

together as a new team to work it out.

And finally, gun violence. I didn't want to --

CHAIRWOMAN WEINSTEIN: Speaker, the time has expired a while ago. And a number of these issues are off-budget issues that I'm sure we're going to be having continuing conversations on. So I'm going to move on to the Senate.

CHAIRWOMAN KRUEGER: Thank you very much, Assemblywoman.

Senator Diane Savino.

SENATOR SAVINO: Thank you, Senator Krueger.

Good evening, Speaker Adams. It's good to see you. Also good to see my good friend the chair of the Finance Committee, Justin Brannan there.

A lot has been covered today, but I want to focus on something that you brought up. And while everyone today that has testified has talked about how we have a good budget this time where we're not looking at giant budget cuts, you were the only one who

mentioned that there have been almost systemic budget cuts that have been in place for the past several years that are continuing, particularly in the areas of social service.

So whether it's the state continuing this practice of only providing 62 percent to the localities now -- 36 percent, 34 percent for social services, shifting further costs to the Foster Care Block Grant, no longer paying for Close to Home, which is a program that works and works so well.

There is one thing, though, that I would like you and your team to look into and to press the Governor to change. When we enacted the Raise the Age program in 2017, one of the things the previous governor insisted upon was a funding formula that was predicated upon local governments doing two things, New York City being one of the local governments. One, you had to submit a plan for how you were going to run your program and utilize the funding every April 1st, and you had to remain under the 2 percent

property tax cap. And what that essentially means is New York City receives no money for Raise the Age.

Governor Hochul's budget continues that practice. And whether she did it intentionally or not or just didn't realize it -- I like to think she didn't realize it -- I think we need to raise our voices against this unfair funding formula. The Albany Times-Union just Monday did a report on Raise the Age, announcing that there was $800 million available since the program was originally adopted. Since then, only 200 million has been distributed statewide.

These are important dollars that go to a program that we all believe in, and we all know that New York City has the largest number of young people adjudicated through the Raise the Age program. And as a former chair of the Public Safety Committee on the New York City Council, I know you know that intimately.

So if you would -- you and your colleagues raise your voice that we need to

change this funding formula for Raise the Age, and let's get some of those dollars back into New York City. And it's time to stop the budget cuts that have been put in place particularly with respect to social services, child protective services, and the Foster Care Block Grant.

NYC COUNCIL SPEAKER ADAMS: Thank you very much, Senator. I appreciate your remarks very much. They really hit home with me. And I agree with you.

And as I did mention, we are still suffering through those budget losses and we need to recoup that. So I appreciate your remarks very much. Thank you.

SENATOR SAVINO: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly?

CHAIRWOMAN WEINSTEIN: We have no more Assemblymembers. I think, Senator Krueger, you wanted to speak?

CHAIRWOMAN KRUEGER: Yes, then I might be the last speaker.

I also want to welcome you, and Justin

as the new Finance chair. We can all compare notes at a later time. For people who aren't from New York City, you might not understand that those of us who live in New York City and are in a government position, we really depend on our interrelationships with our City Council members. I overlap about four fantastic Councilmembers, and I couldn't do my work without them. And I'd like to believe that they might not be able to do their work without me. And so there's a real close-knitness between City Council, Assembly and Senators, particularly if you come from the heavily densely populated New York City where your neighborhoods are always going through something -- or 10 somethings. So I know we will be working together more in the future.

I also appreciate that Diane Savino brought up your highlighting the need for more money for social services and children, because it was exactly what I was going to say. That I've been here long enough that I remember when New York City had about

300 million in AIM every year. And then we took it away, but we said we'll give it back, and we lied to you. And then we said, well, maybe we'll give it back to you someday, and we lied to you. And then we've intercepted money over the years, as opposed to giving it back, and we have cut the formulas in social service programs and the formulas of how much you have to pay for all these programs.

So I agree completely that we all need to loudly say to our new Governor, you know: This budget is so much better than the last 10 or 11, but we really need to address these issues for poverty statewide, but particularly in what we've done to New York City.

And I just really have one question. There was a recent report about the crisis in the Family Court system in New York and how things have gotten so out of hand that people can't even get a chance to deal with custody issues, child support issues, foster care issues, endless issues -- unless we increase the number of judges.

And I'm just curious whether that's something that the City Council would agree on, that we need to be addressing the backlogs in the city's Family Court system.

NYC COUNCIL SPEAKER ADAMS: Thank you very much, Senator. It's great to see you as well.

I would definitely agree with that. You know, the issues with the courts are really multifaceted. The situation with the judges certainly is something that we need to take a good hard look at. What I've seen over the past few years particularly, seeing this through the pandemic, through the lens of the harm of this pandemic, there's been a tremendous backlog in our court systems, a lot having to do with not being able to be before a judge at all, being in remote situations and being in very -- when folks are brought in, being brought into cramped quarters, not being able to have the proper legal team that they need or legal assistance that they need as well.

But yes, I would definitely say that

we need to take a look at the situation with the judges. We need to do whatever we have to do to fortify our court system. There is a tremendous backlog, and if we need to fortify our system by getting more judges in, then that's what we need to do.

CHAIRWOMAN KRUEGER: Great. And I think that Assemblymember Braunstein already brought this up, and it came up quite a bit today. I don't agree with the Governor's proposals on 421-a, but I do agree that the city and the state need to work together carefully to craft models that are going to make sense for you in the city to maximize affordable housing options and also finally get your arms around the incredibly complicated property tax chaos. Because I don't think you have a property tax system, I think you have a property tax chaos system.

So I'm hoping that the Legislature will pull certain things out of the budget with a commitment to work with you and Mayor Adams and the Governor's office to get things done correctly. So I hope that we

will be working on those issues together as well, but not on such a short time frame.

NYC COUNCIL SPEAKER ADAMS: I agree. I agree totally, Senator. That's my hope as well.

CHAIRWOMAN KRUEGER: Great. And I'm not going to use up the rest of my time, so I'm going to thank you very much for being with us. And again, you'll probably go to night meetings as soon as you leave this Zoom anyway, so again --

(Laughter.)

NYC COUNCIL SPEAKER ADAMS: You must be looking at my schedule right now.

CHAIRWOMAN KRUEGER: I know our lives. We'll be here. Some of us will be here, some of us will be running around. But we all keep working day and night. That is the truth about elected officials.

So thank you very much for your participation, all three of you.

NYC COUNCIL SPEAKER ADAMS: Thank you so much.

CHAIRWOMAN WEINSTEIN: I did want to

ditto that. Thank you for being here with us, and look forward to a continued working relationship with you, Speaker Adams, as well as all the members of the City Council.

With that, we're going to move on with our speakers. The next presenter is from the New York State Association of Counties, NYSAC, Stephen Acquario, executive director.

NYSAC EXEC. DIR. ACQUARIO: Thank you, members of the State Legislature. It's a pleasure to be with you. I wish I was in front of you personally and not through the video.

I'm joined today with my colleagues Mark LaVigne, David Lucas, and Ryan Gregoire from our organization.

The Association of Counties has been around for 97 years, initially founded in 1925, charged with protecting local taxpayers, preserving local services, and safeguarding the quality of life for New Yorkers.

The past two pandemic years have been extraordinary. And on behalf of the 62

counties, I want thank you, the members of the State Legislature, for helping our collective governments run.

With the budget that's before you, the counties of New York are encouraged by the following: The renewal of local sales tax locally, ending the intercept of local sales tax to pay for the state's AIM program, making sound investments in public health, and supporting veterans and infrastructure.

There are, however, areas of concern. The continued intercept of local sales taxes to support state distressed health facilities. Forcing counties to shoulder private rate increases in preschool special education -- these may be needed but should not be funded by local taxpayers. At the end of the day, our top priority is keeping local taxes local.

Tonight I'd like to draw your attention to our number-one priority, the Distressed Health Facilities Fund. Specifically, we ask that you eliminate the county's sales tax diversion, Part ZZ of

Chapter 56 of the Laws of 2020.

I'd like to remind you that you directed the State Comptroller to divert 50 million in sales tax from the counties and 200 million from the city to create a temporary fund to help health facilities to weather this pandemic if they needed additional assistance. It was never meant to be a permanent program. Why are we making it permanent? Nobody has asked for this to become permanent. And everyone has said this is an awful idea, including the mayor of the City of New York earlier today.

So, so far the state has taken $500 million in local sales taxes and provided nothing to local healthcare facilities. In fact, the state transferred 250 million to the General Fund on the last day of the '21 state fiscal year. Again, this program is totally unnecessary. The state and the federal government have several distressed hospital pools to address this very issue. Supporting distressed health facilities has always been properly a federal

and state responsibility.

Tonight I hereby call on you, as a check and balance, to end this practice immediately. The law should sunset as originally enacted. At the very least, it should end when the federal COVID-19 public health emergency ends.

Turning to some other important priorities in the Executive Budget for counties, let me first start by discussing local sales tax issues. We support the proposal to end the practice of diverting county sales taxes to pay for town and village AIM funding. While we're on the subject, cities, towns and villages -- as you heard from my peer Peter Baynes, towns, cities and villages haven't seen an increase in this state support for over a decade, and we support that initiative.

Finally, we respectfully ask the Legislature to support the proposal to grant permanent local sales tax authority for all counties and cities consistent with the City of New York at their existing sales tax

rates, up to 4 percent.

Now, we're getting into some program and policy implementation now in the few remaining minutes that I have. I'd like to talk about children and family services. something that's not in the Governor's budget, a childcare two-county pilot project that we would like to ask for your consideration. Similar to what Mayor Adams asked for this morning in regards to childcare, we support a two-county pilot project for Tompkins County and Erie County, to address a childcare crisis in Erie County and a childcare desert in Tompkins County.

Specifically, we request 20 million to supplement Erie County's childcare block grant allocation and raise market rates. This will allow Erie to better align the actual cost of childcare with the OCFS market rate, increase wages for childcare workers, and get parents back to work without decreasing the number of children served.

We also request 20 million for projects in the pipeline to support in-home

care and create new childcare opportunities for families in Tompkins County.

In prior years the State Budget cut state financial support for child welfare services and safety net programs. Senator Savino was just talking about this. We strongly encourage the Legislature to restore these funding cuts to 65 percent open-ended state match for child welfare services -- up from 62 percent -- and 50 percent for safety net programs, up from 29 percent.

The budget also includes a resolution to a long-simmering state legal battle related to foster care rates settled by the state in December of 2021. The settlement terms require an immediate increase in foster care rates of 20 percent to 40 percent upstate and 45 percent in the City of New York area. We have concerns about how this is being funded, as the budget includes no additional state resources to support the settlement over what has been provided in prior years.

The counties are grateful to Governor

Hochul for additional community college base funding; we support the proposal in the Governor's budget.

The budget includes a provider rate increase that, while necessary, will cost county taxpayers an extra $50 million a year for costs for preschool special education providers. The counties are asking the state to cap preschool costs at the average cost per county over the last three years and put that in statute this year.

With respect to economic development, the counties support the ConnectALL initiative by Governor Hochul and also the proposal to waive the Department of Transportation's right-of-way fees for future ConnectALL broadband construction projects. We believe these things should be waived for all publicly funded broadband projects as well.

With respect to gaming, last year the state changed the state tax rate on slot machines to help commercial casinos stay in business. However, this had a negative

impact to revenue-sharing with local governments. The counties support the Governor's proposal to offset gaming payment reductions by increasing this funding from 7 million to 10 million.

The counties also appreciate Governor Hochul's leadership and efforts to reach an agreement with the Seneca Indian Nation. We appreciate the appropriation in the budget that's before you to ensure proper payment is distributed.

With respect to cybersecurity, an issue talked about by Senator Savino and other members of the Legislature, the budget includes an additional 44 million for state and local cyber defense and response efforts. The counties appreciate the state's recognition that this problem requires an immediate all-hands-on-deck approach. All local governments have various needs, and we shouldn't just throw money at the problem. We need a well-coordinated program that raises the baseline level of awareness -- and more importantly, preparedness -- at all

levels of local governments across the state.

The three municipal associations, the towns, the mayors and the counties, have been discussing this funding stream. We believe we're in the best position to provide the greatest number of local governments effectively to respond to this.

I want to add and thank Governor Hochul that DHSES, the State Board of Elections, the ITS -- the Office of Information Technology Services -- they've been tremendous allies in providing critical reinforcements, as Mayor Sheehan in Albany talked about, in this fight against cyber hackers.

With respect to public health, the counties applaud the Governor's commitment to raising the funding for public health. We request that the State Budget restore New York City to 36 percent reimbursement beyond the base grant under Article 6 state aid, consistent with the rest of the state.

With respect to lead poisoning prevention, the state lowered the allowable

blood levels in children last year. That is a good policy. However, to properly achieve this, to properly screen these children, we need an additional 46 million over the 9.7 that's currently appropriated.

We support the 35 million for a 988 crisis hotline in the State of New York, and we ask that you enact that policy.

I want to call to your attention that we support some additional legislation on ensuring that 911 emergency -- grants for 911 systems are appropriated and released to counties in the year that they are authorized and appropriated and not three or four or five years afterwards.

With respect to -- one final issue I want to make with respect to veterans. I want to just thank the Governor and thank you for your consideration to talk about additional appropriations for veterans services. I hope that the Legislature will look at this policy very seriously and work with Governor Hochul about building out additional veterans service funding. We

haven't had additional veterans services funding increases in decades in the State of New York for our county-based veterans services organizations.

We support the $7.7 million statewide expansion to the Joseph P. Dwyer Peer to Peer veterans services program and very much support the transportation and infrastructure appropriations such as the CHIPS funding, PAVE-NY, BRIDGE NY, and the new pothole program. And the CHIPS bidding threshold that the Governor so smartly included in her budget, raising that from the present $350,000 to $750,000, which would allow local governments to use local government employees to do road and bridge projects without going out to bid, which could cost the taxpayers more money.

CHAIRWOMAN KRUEGER: Thank you.

NYSAC EXEC. DIR. ACQUARIO: Thank you for this opportunity.

CHAIRWOMAN KRUEGER: Thank you, Stephen. I did let you get the rest of your numbers in.

First off, Chair Weinstein had to be somewhere else, so I will take both sides, Assembly and Senate, for the rest of this hearing. I think I can be fair.

And I will start with Chair Thiele. For 10 minutes, yes.

ASSEMBLYMAN THIELE: Thank you, Senator Krueger. And thank you for starting with the Assembly. That demonstrates your fairness, thank you.

Steve, it's good to see you, and thank you for the testimony. You talked about the distressed healthcare, the intercept. And we spent a lot of time last year talking about obviously the AIM program and that intercept.

And, you know, to me the concept is the same with both of these. And in one case, with AIM, we're very happy about that. The sales tax intercept for something that should be a state charge is eliminated, and for the distressed healthcare facilities it's not. It just seems to me that, you know, that's a concept we should be eradicating from the State Budget where we call upon

counties or any other local government to pay for this expense.

I wanted to talk a little bit about this, though. You said, you know, either eliminate it completely or when the emergency is over. We don't know when the emergency is going to be over. And it would seem to me that if we tied it to that, that could create a hardship for counties because you could be in the middle of a budget year and, you know, not have the time or the effort to -- to budget for it or to deal with it.

Wouldn't it be better if we picked a date certain if we were going to end it this year?

NYSAC EXEC. DIR. ACQUARIO: Thank you, Mr. Chairman. And thank you for all you do for local governments in the State of New York and on Long Island, in Suffolk County.

Yes, without question, a date specific is the way to go. It was done in the midst -- in the early, early days of the pandemic when it was announced, when it was

put in place. Okay. We got it that it was done. It was sunset, it's supposed to sunset next month, the month after -- April, I believe it was supposed to sunset.

It is a very dangerous precedent, an extremely dangerous precedent to use local sales taxes for state government obligations and purposes. It's a dangerous precedent. We respectfully ask that it be sunsetted date specific, yes.

ASSEMBLYMAN THIELE: Thank you.

My second question, you had mentioned, referenced the Governor's proposal with regard to community college aid, in a supportive way. Could you just comment on if there -- what the trends are as far as community college enrollment across the state?

NYSAC EXEC. DIR. ACQUARIO: I will -- yes, I will. I'll ask David Lucas to give a 30-second or a minute answer to that.

I just want to say that our enrollment is trending downwards. We need to address that. Pandemic, things went down; it has

been trending down without a floor.

Without what you did last year in last year's budget, and without this 98 percent of last year's funding that's proposed in this year's budget, we would see a severe reduction in our community college funding base aid from the State of New York. We have fixed costs in our buildings, fixed costs with our professors and salaries, and other fixed costs with our community colleges, our 34 institutions across the state. Having this state aid at this level with a locked-in rate is incredibly important.

Dave, do you want to add something else? No?

NYSAC FINANCE DIR. LUCAS: No, I think you covered it.

NYSAC EXEC. DIR. ACQUARIO: Thank you.

ASSEMBLYMAN THIELE: So just on that point, perhaps we need to be examining -- maybe not for the local governments table as much as maybe higher education -- but this trend of lowering enrollment on community colleges maybe is something that we need to

also take a look at.

My last point is there's been a lot of talk about criminal justice issues today with the upstate cities and New York and with NYCOM. And, you know, I saw that you had in your testimony some comments which I thought were very important with regard to Raise the Age. I wanted to give you an opportunity to just talk about that a little bit.

NYSAC EXEC. DIR. ACQUARIO: Well, we're very grateful that the Governor has continued to fully fund Raise the Age -- Raise the Age funding.

We support the policy when you enacted it. The funding of 250 million I believe is in this budget. It is flowing. But I want to turn to Ryan Gregoire here, our legislative director, to be more responsive to your question on Raise the Age.

Ryan.

NYSAC LEG. DIR. GREGOIRE: Yeah, Chairman Thiele, it's good to see you again.

And I think, you know, Senator Savino hit this nail right on the head, and that is

that, you know, we need to be delinking the property tax cap from an eligibility requirement for the full state reimbursement of Raise the Age.

And I just want to expand on something that has been addressed, and that is that counties and the City of New York are responsible for implementing the Raise the Age statute, which includes new programs. But we need the State of New York -- and they have $250 million set aside in the budget, but we need that money to flow to the counties, to flow to the City of New York when those plans are submitted and when those programs are stood up.

There's been a delay in funding getting out the door, and we will look to your assistance to help that that gets done faster.

ASSEMBLYMAN THIELE: Right. Thank you very much, gentlemen. It was a pleasure, and I appreciate your testimony. Thank you very much.

NYSAC EXEC. DIR. ACQUARIO: Thank you,

Mr. Chairman.

CHAIRWOMAN KRUEGER: Thank you very much.

And our next testifier will be Senator Rath.

SENATOR RATH: Well, thank you, Madam Chair.

Steve, it's good to see you. And I give you a lot of credit for packing a lot of information into your 10-minute comments there.

A few things I want to follow up on. First and foremost, you had brought up and touched on briefly broadband, broadband connectivity and the challenges that broadband connectivity is bringing to our counties. This is not just a rural broadband issue, this is not just a suburban broadband issue, it cuts across every single county, and it's been underprioritized for a long, long time. This affects our children, public safety and our businesses, particularly our agribusinesses.

If you could expand a little bit on

the broadband challenges and what NYSAC is doing to work on that for an advocacy piece and what you're looking for out of this budget.

NYSAC EXEC. DIR. ACQUARIO: Well, thank you, Senator. We are working with the Public Service Commission. We're trying to get a better understanding of the mapping. So the direct answer to your question is information. We need the mapping that the state has been doing. We had a broadband program office under the former administration that stood up a billion-dollar broadband initiative. There's been sort of a disconnect since that ended and a new program that's been announced by Governor Hochul for this.

We are hopeful that this new program can use the mapping information that we have, combined with the county planning geographic information system that we have in the county planning agencies, that we can better coordinate the two together.

We saw deficiencies during the

pandemic in schools. We saw that certain children were given Chromebooks but no ability to access it, only to go to a parking lot in a municipal shopping center to try to get their children to get the education that they so deserve.

We have a problem. We have an opportunity with federal ARPA funds to use them for broadband outreach. So we need to work with the state, together with the local governments, the federal money, and do the best job we can.

SENATOR RATH: Thank you. It can't happen soon enough. And I know exactly what you're talking about with kids being in their school parking lots with school buses as hotspots. That's shameful.

My next question goes into the County Wide Shared Services Initiative. And the current budget includes 200 million of a reappropriation for CWSSI to allow plans that were approved prior and not implemented to be eligible for matching funds. Based on the NYSAC members' experience, is there an idea

of approximately how many plans this would affect?

NYSAC EXEC. DIR. ACQUARIO: We don't have an idea. I will say that we asked Governor Cuomo -- Governor Cuomo? We asked Governor Hochul to include this language in a program that Governor Cuomo had championed. He was a big champion of this program.

We have not seen a lot of savings come about from this over the years, but we did ask Governor Hochul to include this language because we thought -- it came from Western New York, Senator. The request came from Western New York. We had a county in Western New York that had a project that was put together that was not implemented in the year that it was proposed to be eligible for this state match in the following year.

So we asked Governor Hochul and the Department of State to consider this, they agreed it was good public policy, and we think it will bring about a savings, a matching savings, and others can benefit from some of these programs that were put together

the prior year.

SENATOR RATH: Well, I totally support this concept, because it works and I've seen it firsthand when I was at the county level with intermunicipal cooperation and shared services, which makes a tremendous amount of sense with regards to allocation of resources and optimization, if you will, of services.

My last question is tied to unfunded mandates. And certainly this has been the beck and call from anyone at a county level for years and years and years. And Erie County, as we know, has been suffocated by unfunded mandates for decades. And, you know, 80 percent at one point of our budget was to pay for unfunded mandates.

So in the 37 seconds that I have left, if you could touch on what type of unfunded mandate relief you think is a highest priority for NYSAC and something we could pay attention to in this budget.

NYSAC EXEC. DIR. ACQUARIO: Well, we pay 7 billion in Medicaid, New York City and the counties. We pay a billion dollars in

the safety net. We pay $300 million in Early Intervention for newborns to 3-year-olds. We pay a billion dollars for 3-to-5-year-olds' preschool special education. We pay approaching a billion dollars in child welfare.

Where does it end? With the mandates that we have, what can we do to begin to address these? I've talked to you over the years about this, I've talked to Senator O'Mara over many, many years about addressing unfunded mandates.

The one thing that I can ask your collective consideration is to please defeat the Distressed Hospital Fund. That needs to expire. That is the one ask, and that's the one thing that you're going to get requests from us on unfunded mandates. We have to have that expire.

SENATOR RATH: Thank you, Steve. I appreciate all your advocacy.

NYSAC EXEC. DIR. ACQUARIO: Thank you, Senator.

CHAIRWOMAN KRUEGER: Thank you.

We're going to go back to the Assembly. Anna -- I'm sorry, Kelles, excuse me. Assemblymember Kelles.

ASSEMBLYWOMAN KELLES: No worries. It's been a long day for all of us.

CHAIRWOMAN KRUEGER: Apparently.

(Laughter.)

ASSEMBLYWOMAN KELLES: So thank you so much, Steve and Ryan. Wonderful to see you, of course; this work is very near and dear to my heart.

So I just wanted to make one comment, and a great thank you for your support of the funding for Erie County and Tompkins County for childcare. I just want to add how incredibly significant this is. When we say that these two counties have a critical issue with respect to childcare, we're referring to the fact that with -- in Tompkins County, I can speak for myself, I see Assemblymember Wallace is also speaking -- that the situation in Tompkins County is that for all the children under 6 years old, there are -- only 30 percent of them have actual slots.

We simply do not have childcare for the rest of them. So this is an incredibly critical situation.

And what you are supporting in Tompkins County is to create actual slots. And the importance for Tompkins County is that it is an economic driver in the Southern Tier. There are 15,000 in-commuters into Tompkins County, and this is creating generational problems because of the loss of people in the workforce. So thank you so much for that support.

And I have two questions. One of my questions is specific to the permanency in sales tax authority. Why is granting this permanency in sales tax authority so important for counties, and why should we include this? That's the first question.

NYSAC EXEC. DIR. ACQUARIO: So first of all, I think on the childcare grant pilot programs, I hope that you can get that done and across the finish line. New York is the Empire State. We could show the nation how to address and tackle this very, very

critical and important policy for childcare providers, helping mothers and fathers go to work knowing that their children are cared for. Ryan, who's sitting next to me here, can't find a childcare provider --

ASSEMBLYWOMAN KELLES: Exactly.

NYSAC EXEC. DIR. ACQUARIO: He's on an 18-month waitlist, still, with a newborn baby.

ASSEMBLYWOMAN KELLES: Exactly.

NYSAC EXEC. DIR. ACQUARIO: With respect to the permanency of sales tax, this is an issue -- Erie County -- I know Assemblywoman Wallace is going to speak -- was the first. We had Erie County sales tax in 1966. Sixty years ago we did a sales tax. Yet each -- every two years state lawmakers have to approve or reauthorize a sales tax that's been on the books for 60 years. It's a waste of administrative time, both locally for the Erie County Legislature with a home-rule request and the State Legislature. It takes precious time between two levels of government, taxpayer dollars to re-pass

legislation that we already know is going to be extended.

ASSEMBLYWOMAN KELLES: All right, I'm going to sneak in my last question for you, which is can you speak to the challenges counties face with respect to the EMS and why -- and what counties are seeing across the state and what we should do about that in the budget.

NYSAC EXEC. DIR. ACQUARIO: Okay, on the EMS issue we have a wait line for an ambulance to come to your emergency, growing. It's getting longer. We have a recruitment problem with volunteers to do this service. And we have a problem with cost recoupment of our providers. The public ambulance fire districts cannot recoup reimbursement for services. We have a crisis.

The Governor put in some pilot language to do EMS reform. This is the year to do it. We have to help our volunteer fires better recoup EMS from insurance carriers. And we can do a better job in that, and we ask for your help.

Thank you for both questions.

ASSEMBLYWOMAN KELLES: Absolutely. Good to see you.

NYSAC EXEC. DIR. ACQUARIO: Thank you.

CHAIRWOMAN KRUEGER: Thank you very much.

And we have been joined by our chair of Local Government, Jim Gaughran. Hi again, Jim. You have 10 minutes.

SENATOR GAUGHRAN: Thank you, Madam Chair.

Steve, how are you and Ryan?

So I saw you before, so I think you probably have been listening to some of the discussion today about the land use proposed changes in the budget for accessory dwelling units and also transit-oriented development. The communities I represent, you know, the counties I represent are doing a lot of this. Suffolk County has a very forward-looking affordable housing program that they do in cooperation with the towns and villages.

One of the concerns I have is that -- and my question is, what are your thoughts on

this, or is this something you need to look into? Because there's some question as to whether or not it would impact regional plans, county plans. In Suffolk County we have a sanitary code that restricts development in certain areas, you know, because of the need for sewage, to protect our drinking water, waterfront revitalization plans, et cetera.

So what thoughts do you have on this proposal?

NYSAC EXEC. DIR. ACQUARIO: Thank you, Mr. Chairman. It's great to see you again as well.

I think that we have to look at this very carefully. The association has a diverse membership from the City of New York to the 57 counties. This issue splits regionally, and I have to defer mostly to our brothers in municipal government and town government, village and city who have predominant zoning authority.

I do think that some of the language that has been proposed regarding this is

necessary to address some of the issues in the City of New York. I heard Mayor Adams talk about this today. It addresses perhaps what are illegal accessory dwelling units within the City of New York, perhaps that flooded during the floods that we saw over the summer. Perhaps there is some applicability in the City of New York. The mayor is asking for some of this authority.

But if you look out into Long Island with its unique aquifer that it has out there, its unique septic system that it uses, the contamination problems that we're dealing with -- PFOA, 1,4-dioxane -- on Long Island, this is a very -- it cuts a different way on Long Island --

SENATOR GAUGHRAN: I agree.

NYSAC EXEC. DIR. ACQUARIO: -- than the metro city, where there's not the support that we're seeing for it.

We don't think that this should be enacted this year, but we think it needs to be looked at. There are local zoning policies in place presently that

municipalities could best address this issue, and I think that we need to really look at this carefully. That's the best I have for you at this time. Our members are discussing it, looking at it --

(Overtalk.)

SENATOR GAUGHRAN: Right. But you would be supportive of perhaps funding and assistance, turning this into incentives both for transit-oriented development and ADUs, perhaps even on a regional basis?

NYSAC EXEC. DIR. ACQUARIO: Without question the incentives is the best way to go, as opposed to a top-down, one size fits all approach across the state for 932 towns, 500-and-some-odd villages is not the right way to go. Incentives is the right way to go to do this.

SENATOR GAUGHRAN: Okay, and finally maybe I will just ask you -- you addressed it a little bit, but if there's you want to add about the discussion we have had today about looking at some of the criminal justice changes we made and seeing if there are some

tweaks that perhaps should be considered so that we protect and enhance the underlying importance of this law, which is to make sure we don't have two different systems of justice. But we also feel there's some of the practical and real issues, based on data, that, you know, may have to be addressed.

NYSAC EXEC. DIR. ACQUARIO: Thank you, Senator. I guess what I would add to that discussion today and tonight is that judicial discretion is the biggest issue that comes to our attention. Granting judicial discretion in particular on risk of flight and public safety risk is what we're hearing here.

Also how the mayor of the city addressed the issue of a public display of a gun; it should not be a factor as it is under current legislation. The carrying of a gun should be treated the same way, whether the individual displays it or not, removing it out of the Family Court.

Those are the types of issues that we hear. The discovery demands, the voluminous requirements of the new discovery bill have

jammed up too many cases. The information we're hearing from our members is urging the state to distinguish what is truly necessary for discovery, especially in cases where a complainant directly brought law enforcement to the scene.

So I think if the Legislature is going to take this up, if Governor Hochul is going to take this up, we can add significantly to the debate, to the discussion in a meaningful way.

SENATOR GAUGHRAN: Thank you very much, Steve.

NYSAC EXEC. DIR. ACQUARIO: Thank you, Mr. Chairman.

CHAIRWOMAN KRUEGER: Thank you very much, Jim. You threw me off by not using your full 10 minutes.

But we will move along to Assemblymember Wallace. Good evening, Monica.

ASSEMBLYWOMAN WALLACE: Good evening. Thank you so much, Chair.

And thank you, Mr. Acquario, for your

testimony. I don't think we've had the opportunity to meet in person, but I look forward to doing that soon.

I agree with a lot of the comments that you've made today. In particular, I want to state that I join your call to eliminate the sales tax diversion for distressed hospitals, and also to make the sales tax permanent for the counties.

I want to drill down a little bit on the issue of childcare, and I want to thank you for your comments and for your support of the pilot program that's being requested for Erie County. Just in context, Erie County, in conjunction with Cornell, did a study that showed that the true cost of childcare, that the cost of childcare is $2,000 to $5,000 more per child than the state pays to the provider. And that results in essentially childcare providers losing money for each child that they take that's subsidized, which is causing them to not be able to have enough money to pay their workers, their workers are working for substandard pay and they're

leaving for other jobs, which results in less slots available. And so it has this sort of domino effect.

And the point of the childcare study is to say -- the pilot program is to say not only that we need to increase the number of slots available, but we need to increase the rate at which the reimbursement is made by the state.

So can you talk a little bit about why you think that that pilot program will be helpful to not only Erie County and Tompkins County, but also all of New York State in terms of recognizing a way to perhaps shore up the industry.

NYSAC EXEC. DIR. ACQUARIO: Thank you for the comments. And again, I think that New York can lead the nation in this discussion and provide a way through this situation.

We think that a $20 million supplement to Erie County can help other counties learn how to best address this. Erie County is the largest county outside the City of New York,

and we're asking to supplement the county's childcare block grant allocation and raise market rates, as you mentioned.

We believe that this money, through the Cornell study, will allow the county to better align the actual cost of childcare with the Office of Children and Family Services market rate, as you have been mentioning. We believe that it can increase the wages of childcare workers and help get parents back to work without decreasing the number of children served.

But we can't get to that until we fund this program and have Erie County prove out, with Cornell, this proof of concept here, and it needs to be a statewide approach. But we have to start somewhere. And, by starting with projects that are already in the pipeline in Tompkins County and this extensive study that Cornell did in Erie County, that we can best get across this issue and Cornell can really study the effectiveness of the pilot programs.

ASSEMBLYWOMAN WALLACE: Well, I think

it's going to be incredibly valuable to not only Erie County and Tompkins County but all of New York State, and I want to thank you for your support. And we're going to do what we can, Assemblymember Kelles and I and everyone, to try to get that across the finish line. So thank you so much.

NYSAC EXEC. DIR. ACQUARIO: Thank you for your leadership.

CHAIRWOMAN KRUEGER: Thank you.

Senator Tom O'Mara, ranker on Finance.

SENATOR O'MARA: Thank you, Senator. Good evening, Steve.

CHAIRWOMAN KRUEGER: Give him five minutes, please. Sorry, Tom, I'm trying to get you the correct clock.

Five minutes for Ranker O'Mara.

SENATOR O'MARA: Hopefully I won't even need three minutes, but we'll see. Steve covered a lot of the territory already.

And Steve, thank you for the discussion on childcare. It is critically important across the state, but there's very few slots in Tompkins County, and those

efforts are drastically needed everywhere. So hopefully that's going to be a success and we can get that done.

You talked a little bit about unfunded mandates, so I'm not going to get into that with you. You know I've been a champion of that for years. But what's NYSAC's position on if we get to mandate relief, say this 7 billion of Medicaid that's directly on the property tax rolls, what's NYSAC prepared to do or agree to to make sure that that comes off the property tax roll if that mandate's relieved, that cost?

NYSAC EXEC. DIR. ACQUARIO: Well, we've talked about that before. As the state begins to assume the functions, the property taxes should go down correspondingly. It's right, it's fair. Our taxes are too high. Look at the population drain. We're losing another member of Congress in the state. We need to do everything we can to help keep people in this state. By reducing property taxes, we can do just that.

We have to begin -- if it's good

enough to mandate a policy, it ought to be good enough to fund at the state level.

SENATOR O'MARA: Absolutely. Thank you. Thanks for the commitment if we're able to make that progress. And I hope we can. You know, we're in a good financial position presently.

The other area I wanted to ask you about was 911 and the grant process for those upgrades and things. Can you generally outline for us what's going on with those?

NYSAC EXEC. DIR. ACQUARIO: Yes. I'd like to ask Ryan to just weigh in for 30 seconds.

I want to say that, look, we estimate it's going to cost about $2 billion for county-based 911, enhanced 911 systems. Taking video, people have cellphones now, they're using their cellphones to send video to 911 systems. We have to have the technology to process these emergency requests. For crying out loud, this is people's lives on the line, and we don't have technology that's been upgraded to meet

federal standards. We're one of a handful of states, two or three states, that divert 911 surcharge funding on our cellphones, on our landlines -- we're diverting it at the state level and not returning it back to county-based 911 service providers. That's outrageous. We have to stop that.

But the real request that we have right now is that we have two separate programs that are in place right now, two funding streams. And the grant programs that are coming to the counties, they're coming to us in a very delayed manner. Tioga County, desperately looking to upgrade its system right now, can't get a grant allocation out of it. It's owed this money.

We think that the year that you as a legislative body appropriate these funds, they should also be released to the counties.

Ryan, do you want to add anything else on that?

NYSAC LEG. DIR. GREGOIRE: Yeah, the only thing I would add to Stephen's comments is the two grant allocations, the PSAP grant

and the SICG, State Interoperable Communications Grant, have been stagnant level funding for many years now. Ten million dollars for PSAP, $65 million for SICG -- of which 20 million is this target fund that Stephen's mentioning.

We really need those monies to be distributed in the year they're appropriated, and the Legislature should look to increase that funding from the revenue that's generated already from the 911 surcharge.

SENATOR O'MARA: Great. Thank you for that. Thank you for the work that you guys do on behalf of the counties. And I look forward to hopefully making some progress on these. But one thing I can assure you, that for the last 10 years no grants have moved with any expediency whatsoever. We're hoping to see a change going forward in that kind of timeliness -- when things are awarded, that they actually get paid. It's been a problem, and we're looking to improve upon that.

So thank you both very much.

NYSAC EXEC. DIR. ACQUARIO: Thank you.

That's why you appropriate, Senator, and put all that work into appropriations. It would be nice to see them actually awarded.

Thank you.

CHAIRWOMAN KRUEGER: Thank you.

And seeing no other legislators' hands up, I also don't want to take up time, I just want to thank you very much, Stephen, and actually the Association of Mayors and the Association of Towns coming up. All three of your associations are always so valuable to us as we are trying to sort through an enormous budget each year, and all three of you offer perspectives that I think details what's really going on in local governments that we might not ever have access to if not for your hard work and the work of your staffs collecting up the priorities of all these different local governments in New York.

So I don't have a question tonight. I look at your legislation and I learn things, even when we don't all agree, which is part of the game.

All right, so I want to thank you very much, Stephen, for your time and your staff's time, and move it to Gerald Geist, the Association of Towns of the State of New York -- or the State of New York Association of Towns, I'm not sure which order it's in. Stephen {sic} Geist for 10 minutes.

AOT EXEC. DIRECTOR GEIST: Good evening, Senator Krueger and members of the State Legislature. Thank you for having the Association of Towns here tonight. With me is our chief legislative counsel, Sarah Brancatella. And we welcome this late hour to address some of our critical concerns about the State Budget.

I'm a former town board member of the Town of North Castle from the County of Westchester, and I know town issues firsthand. I served as a town board member for 24 years. The Association of Towns represents 933 towns across the state, where 9 million of our residents live. We're extremely diverse, and we play important

roles in providing services to our residents each and every day.

This is the best budget we've seen in years from the executive office. Governor Hochul's delivery of her commitment to local government is a refreshing change from the past administrations. Her appreciation of the importance of local government is clear throughout this budget, and her ability to work with us since she's assumed office.

We want to focus on three issues today: AIM, CHIPS, and the ADU and transit-oriented development proposals.

On AIM, we're thrilled to see that the program, under the budget proposal by Governor Hochul, has now been restored to state funding. We've been asking for that, and I know you in the Legislature have heard our cry over the last couple of years and have been outstanding in our support of trying to restore it. And we thank you for all your hard work for towns over the last couple of years. We know you hear us, you support us, and it's very important that the

Legislature has been a great partner with us on that very important issue.

The thing about AIM, though, it hasn't been increased since 2009. It's really time to address the fact that not only is it going to be restored to the state funding budget, but we need to really increase the funds. Why do we need more funds? Well, everybody knows services cost more, supplies cost more, making sure of the commitments to our citizens all costs more money, and we can't do it at the levels of 2009 dollars.

So we're asking the Legislature to consider an increase -- I think the Conference of Mayors' Peter Baynes outlined a very interesting proposal of how to do it and the rationale behind it, and we would be supportive of that direction as well.

Highway funding. We're very excited that the Governor has restored Extreme Winter Recovery funding, PAVE-NY and the new pothole program. But we feel that, once again, we need to increase the base. We need to increase the base for CHIPS, so -- because

these other programs don't increase the base we need to show that dollar commitment to the roads. Very critical to help people get to work, help kids get to school. We need to make that commitment going forward.

Now, the one thing we do disagree with the Governor on is the accessory dwelling unit and transit-oriented development. You know, coming from Westchester, we had to deal with this issue decades ago. And many of the communities, including mine, drafted ordinances and acted and created units all over our town, and it happened all over Westchester.

This top-down legislation does not take into consideration all the hard work that's already been done. In fact, the failure of the legislation by overriding local authority -- home rule, if you will -- is really an anathema to how government really works. Those of you in local government know that we have to wrestle with the impacts on sewer and water. We have to deal with transportation issues. We need to

deal with density, off-street parking. And we need to deal about -- and this is one of the things we had to deal with with this law in my town, is the impact of sending -- how many more kids would go to schools and the impact on the schools if we increased more density units.

The fact that this legislation doesn't have any of this collaborative effort, doesn't call for any of this kind of discussion leaves it, in my opinion, not worthy of consideration at this time. The fact that it's even in the budget really doesn't account to give this opportunity for people to discuss the important issues this legislation is.

Overriding home rule, overruling local regulations, overruling master plans, planning boards, zoning boards, how these things factor into a community and community input, is really the wrong direction on this issue. This is a really important issue, and the Association of Towns applauds the discussion, but we feel there's a better way

to do it which includes a collaborative effort with towns, the villages, the cities and the State Legislature working together to come up with a comprehensive, well-thought-out plan, which this legislation doesn't do.

We believe we should incentivize ADUs. How do you incentivize? For example, you could commit dollars to sewer and water programs for each community so that they would have the ability to take in additional units. That would be one way to incentivize this.

But we need to think about this from a whole town, a whole state perspective. Just because if you look at the transit development plan, it talks about bus stations -- but you really need to understand if the bus runs once a day or it runs five times a day to get people to work. Those are the kind of issues we had to wrestle with on the local level. But all this is missing from this proposed legislation.

And I said this before. Water and sewer is critical. The legislation talks

about impacts on septic, but the community has to be able to accept the new population coming in, because our systems are crumbling and aging and we need to not only repair and keep them going, but we have to improve those systems. And this legislation doesn't account for that.

As I've always said, local government is the best way to address and hear the complaints of the public, and their concerns, and this legislation attempts to override that ability. So we would like to see this legislation taken out of the budget and restructured so to give everybody a better opportunity to weigh in on this very important issue, but not by overriding home rule.

Now, a couple of other things in the state budget. We're very supportive of the Governor's proposal on the interest rate on judgments. Nine percent doesn't make any sense. We need help on that front.

Local ethics reform, we shouldn't do a piecemeal approach to Article 18 but, rather,

a comprehensive review of the entire program.

Code enforcement. The provisions in the state budget on code enforcement once again are piecemeal and don't take into account how to address the problems. We need to come up with a plan to strengthen code enforcement, but not to penalize or have standards that aren't able to be measured to determine whether code compliance programs are working or not.

And the last thing I would like to say is we want to increase the CHIPS threshold, very important, as I've heard that testified today. And then on the revenue from the vacation rental industry, we want to make sure that those dollars go to all levels of government wherever those properties are situated.

I know the hour is late, and I know you might have lots of questions, but I would like to say thank you once again for the support of towns that you've always given us, and thank you for hearing our concerns on this year's state budget. Thank you very

much.

CHAIRWOMAN KRUEGER: Thank you very much.

And we're going to start again with the Assembly chair, Fred Thiele. Are you there, Fred?

ASSEMBLYMAN THIELE: Sorry, had to unmute there.

Thank you very much, Chair Krueger, I much appreciate it.

And Gerry, it's good to see you. Thank you for your testimony.

Let me start with AIM again. You're presenting a proposal with about a 2 percent increase, basically. The NYCOM presented a bit more of a robust proposal of taking the cost-of-living adjustment from -- during the freeze, which would be more, and then they talk about a formula.

I don't want to get into what the amount of money should be. That's going to be a budget negotiation, and you both come out with the concept that there should be an increase, and many of us in the Legislature

agree with that after all these years.

My question to you, though, is that if there is an increase, you know, there was some talk from NYCOM about a formula. Do you think it should just be a percentage across the board increase, or do you have interest in a formula? And if you do, what do you think should be in that formula?

AOT EXEC. DIRECTOR GEIST: Well, I agree with Peter Baynes when he talked about that the AIM, how it's structured currently is -- it hasn't been revised in decades. And I just want to point out, for example, some of the inequities of the current AIM legislation. Hempstead, which has 800,000 residents, approximately, gets one-quarter of the amount of dollars that the City of Albany gets. So it's not based just upon population.

So I would look at a new stream of funding for future dollars, because it might be more equitable based upon towns with larger populations -- which a lot of them are out on Long Island, as you know, Fred. And

so we want to make sure that there's better equity on those types of dollars going forward.

ASSEMBLYMAN THIELE: Okay. And, you know, a lot of conversation today about the, you know, zoning provisions that are in the budget. I'm not going to repeat what I said earlier with NYCOM. I obviously do not think that this is the right approach and, you know, think that an incentive-based approach -- basically a carrot, not a stick. You know, we all recognize that there's the need for additional housing. But, you know, it seems to me -- and you mentioned some incentives as far as infrastructure and things of that nature. Are there any other incentives? Could you see maybe tax credits or grants? How would you feel about those kinds of things?

AOT EXEC. DIRECTOR GEIST: I think -- yeah, so like when we mentioned one incentive, I would also -- would think that incentives would also be necessary for grants to the towns for code enforcement and to make

sure that all these new units are safe.

And we need to make sure that we can provide adequate parking for these units.

So I think, you know, we need to have a robust discussion about what possibilities are out there to incentivize and make this work. But the way it's written, top down, doesn't make any sense. It just overrides the ability of local governments to function.

ASSEMBLYMAN THIELE: Yeah, this approach is definitely a mandate, kind of imposes requirements on local governments that they have to comply with. You know, I think a lot of what we've heard today about it, you know, an alternative approach is an incentive-based, a collaborative approach between state and local governments with incentives.

I did a little bit of research on this and, you know, other states have done various things here. I just wanted to get kind of your impression about this. I think the State of Connecticut has -- they did something with accessory dwelling units, but

they had an opt-out provision for local governments. I'm not sure if it was they could opt out completely or there were aspects of the law they could opt out of.

What would you think about having opt-out provisions for something like this?

AOT EXEC. DIRECTOR GEIST: Well, I'm only going to speak for myself and my own experience on this issue. I don't think you should allow opt-outs. If we're really interested in supporting and endorsing the idea of creating more affordable housing units, I don't think you can allow communities to just opt out. There's got to be a metric, there's got to be a measure.

But I think it's a goal that we should strive for, but we just can't do it in this type of manner. And I think this really needs some further study, a lot of input from towns and villages and cities on the issues that they confront so we can come up with an appropriate bill.

ASSEMBLYMAN THIELE: Gerry, thank you very much. Sarah, good to see you also.

Thank you very much.

AOT EXEC. DIRECTOR GEIST: Thank you, Fred.

CHAIRWOMAN KRUEGER: Thank you, Fred.

And next up is Jim Gaughran, the chair of Local Government in the Senate.

SENATOR GAUGHRAN: Thank you, Madam Chair.

And good to see you, Sarah. And Gerry, good to see you as well.

Just following up on Fred, I don't think it would take us a long time to have to figure out how to convert this to an incentive program, because there are so many municipalities in the state, including some on Long Island and in my district, that are already doing this.

So maybe we should look at putting -- trying to see if we can get some funding into the budget for an incentive program that towns and villages and cities could apply for, you know, and begin it maybe even as a pilot project, and then work very quickly to try to develop what the program would be.

What would you think of something like that?

AOT EXEC. DIRECTOR GEIST: So, Senator, thank you again for your support of the towns and your interest in local government.

I want to say two things, and then I'm going to let Sarah comment on another portion of it.

A lot of towns already have these laws and have been acting under these guidelines for decades. And I think there should be some consideration of a grandfather in whatever legislation is down the road on this subject. Because if towns have been doing it effectively and working it out in a reasonable, rational way, why should they be imposed upon when they've already been doing it right? It sort of reminds me of --

SENATOR GAUGHRAN: But if they wanted to do more of it, if we gave them an incentive in some funding --

AOT EXEC. DIRECTOR GEIST: Then you could incentivize, right.

Just as we had this whole discussion on shared services years ago about towns have been doing it for generations, we should remember those kind of discussions as we look into this.

Sarah, do you want to comment on what else the Senator says?

AOT LEG. DIR. BRANCATELLA: Sure. I just wanted to bring up the fact -- and I don't think it's been raised a lot -- that the issue of affordable housing and accessory dwelling units doesn't just impact more densely populated areas, it also is something that is very important to our rural communities. Especially with seasonal workers, it's a very important issue. So one of the reasons why a top-down approach doesn't necessarily work is because, as Gerry mentioned, our towns are so remarkably diverse.

Assemblymember Thiele, you mentioned doing an opt-out. Even if you had a standard local law at the state level, or standard rules at the state level that towns could opt

out of, while that certainly is an improvement over a mandate, the top-down approach doesn't account for the nuances and particular concerns of each community.

And Senator Gaughran, I had listened to some of your questions that you presented to Peter Baynes and the Conference of Mayors, and I have some thoughts on those if you're interested in hearing them.

SENATOR GAUGHRAN: Sure.

AOT LEG. DIR. BRANCATELLA: In particular, you asked about the idea of what "ministerial" means. And I had that flagged from my lawyer's -- putting my lawyer's hat on.

I had a similar concern about that, because in the land-use context you often hear about things allowed as a matter of right. That's why you have special-use permits. But even something that's allowed as a matter of right you're still allowed to impose conditions on, and that's just not the case involved with this legislation. So I had a lot of concerns with the term

"ministerial."

And you had also asked about the possibility of other laws and other protections, whether they would apply to this. I just wanted to point out some language on page 170 of ELFA, in particular subdivision 8. And it says that no policy or regulation other than the local law authorized shall be the basis for denying a permit. And while there are some allowances for taking into consideration watershed protections and wetland protections, I think the fact that it is so focused on the health and safety of the occupant, instead of the community, is a cause of concern. And I think that some of the legislation -- the local protections that you had mentioned, they potentially would not be able to be the basis for rejecting an ADU permit. Because it is -- there is no discretionary review, the local government doesn't really have a lot of discretion -- or any discretion, really -- to deny a permit. And I think that that is particularly problematic with some of

the things that you raised.

SENATOR GAUGHRAN: Okay, thank you, Sarah.

And finally, I just want to talk about potholes. You know, Governor Hochul is now very proudly allowing people to refer to her as Governor Pothole with this $1 billion in the budget, which I fully support and think is a great idea. But I also think the implementation of that is something that we're probably going to have to develop, you know, after it's put in the budget.

So I would, you know, love to have your thoughts either now or in the future on how that could be implemented. Because I could see this in effect as providing municipalities, you know, with some additional sort of CHIPS money, because there are many roads in certain municipalities that are just one pothole after another. And that maybe there can be a grant program or an application process that this could be used for that purpose as well. Just wanted your thoughts.

AOT EXEC. DIRECTOR GEIST: We would welcome the opportunity to give some suggestions, Senator Gaughran, as to the pothole program. We're very desirous of this, but we also believe, as we stated, that we need to increase the base on CHIPS.

SENATOR GAUGHRAN: Right. Okay. But also a lot of the money is first going to have to go to fix the Long Island Expressway -- I'm going to use my regional hat here -- because we've got a lot of them.

(Laughter.)

SENATOR GAUGHRAN: Thank you.

CHAIRWOMAN KRUEGER: Are you done, Jim?

SENATOR GAUGHRAN: Yes, I am, thank you, Madam Chair.

CHAIRWOMAN KRUEGER: Thank you very much.

I'm now going to jump to Assemblymember Otis.

ASSEMBLYMAN OTIS: Thank you, Senator.

And Gerry, nice to see you.

AOT EXEC. DIRECTOR GEIST: Good to see

you, Steve.

ASSEMBLYMAN OTIS: You do bring a lot of history to this world, so the Association of Towns is very lucky to have you.

Earlier I had asked your colleague from NYCOM about cybersecurity, and especially for towns and smaller towns I think they are very much soft targets. What are you hearing from your members in terms of the challenges of cybersecurity protection? Who are they using, who are they going to, if anybody, to try and play a little defense?

AOT EXEC. DIRECTOR GEIST: Well, the best strategy is really to be prepared. Right? And we're so happy, as Peter Baynes mentioned earlier, about the NYMIR program, which has been a tremendous leader here, and I have to thank Steve Acquario, Mark LaVigne at the Counties Association for helping take the lead on coming up with a cybersecurity program to help local governments get ahead of it, plan. Because this is an area of real concern for our members.

ASSEMBLYMAN OTIS: And are you

hearing -- without going into details, you probably also get alerted when somebody's been attacked and they're in a more challenging situation. How often are you getting those reports?

AOT EXEC. DIRECTOR GEIST: Well, thankfully we don't get them every day, Assemblyman, but it's certainly on our radar watch. We do hear about it, and we try to act on it as quickly as we can.

But as I said, we're trying to be proactive through that NYMIR program, and we are getting our message out. And it's nice to see the three associations working on a way to get municipalities to prepare and defend themselves on this very important issue.

ASSEMBLYMAN OTIS: Gerry, thank you. Nice to see you. Sarah, thank you as well.

CHAIRWOMAN KRUEGER: Thank you.

And I believe our closer is Senator Tom O'Mara.

SENATOR O'MARA: Thank you, Senator.

Good evening, Gerry, Sarah. Thanks

for hanging in there.

You know, I'm glad to hear you say that you see this budget as the best budget in ten years or so, which for local governments I agree with you, it is. Because the prior administration policy was to I think bleed dry local governments out of existence. So I'm glad we're seeing some turning of the corner here to improve that.

And I just -- it's unfortunate that the budget is tarnished with this ADU zoning issue, with taking the -- infringing upon home rule. Which I think zoning should be one of the strongest areas for home rule and what a community wants, doesn't want, how they want it done. So I'm with you on that.

I'm with you on the CHIPS base aid, that I'd rather have the increased money in the CHIPS base aid. But the pothole fund is great. Do we have the details yet on the pothole fund? Is that going to be distributed similar to the CHIPS formula, by road miles? Or do you know?

AOT EXEC. DIRECTOR GEIST: Sarah, do

you know? I'm not sure it's been --

AOT LEG. DIR. BRANCATELLA: I think some of that information is still forthcoming. We don't have the details on that.

SENATOR O'MARA: Okay. And do you know, is that separate funding because it's pothole funding? Is that going to have some different criteria, maybe, on the longevity of what the repair is? Because the capital projects under CHIPS have to have a certain duration, expected life span. Is this for maybe shorter-term projects, just patching things up?

AOT LEG. DIR. BRANCATELLA: That was the impression that I got from Governor Hochul's comments on it, that it was literally pothole repair, not necessarily long-term infrastructure investments. So our understanding currently is that it's for shorter-term bandaids.

SENATOR O'MARA: I certainly hope that -- well, I'd rather have it rolled into the base aid for CHIPS, as we've said. But I

hope it at least is going to get fairly distributed along the lines of the CHIPS program, because frankly I think that that's one of the fairest funding distribution methods we have in state government. You know, per mile. So no matter, you get what you have mileage-wise. So that's critical.

One last thing I wanted to ask you about. My understanding is that the federal pandemic aid is -- flows not directly to towns, it's coming through the state to the towns. Can you tell us how that process is going? Are those funds flowing? Are they getting held up? You know, because the prior administration, you know, their philosophy was to hold onto every nickel as long as they possibly could and not send it out the door.

So is this federal pandemic aid getting to you guys in a timely fashion?

AOT EXEC. DIRECTOR GEIST: Senator, before I turn it over to Sarah, who's -- another moniker that she wears in the office is she's the ARPA person in our office -- I do want to -- I think we have to thank

Senator Schumer for taking the leadership in the U.S. Senate, for making sure that monies didn't go directly to the state, but created a vehicle to go down directly to the localities. And Senator Schumer and his staff deserve a tremendous amount of credit.

Sarah, you want to fill in the rest of the question -- the answers to the question?

AOT LEG. DIR. BRANCATELLA: Sure.

I have to commend the Division of Budget on working with local governments and distributing ARPA funds. Out of the 933 towns in New York State, I've only heard of one town having an issue, and it was due to a secretarial mistake.

So the Division of Budget has been -- over the summer I talked to them almost every day, and they were truly phenomenal at making sure that these funds were distributed immediately and in a timely fashion to towns. So we were really pleased to work hand in hand with them, and I would be remiss not to acknowledge their significant efforts and the great work that they did. And I know that

our towns are extremely thankful for that.

SENATOR O'MARA: Well, I'm very glad to hear that. That's a nice note to -- well, not quite finish our night off, but we're getting there.

So thank you both very much.

AOT EXEC. DIRECTOR GEIST: Thank you, Senator.

CHAIRWOMAN KRUEGER: Thank you.

With no other hands raised by legislators, I'm going to excuse you. Gerry, thank you and your staff for coming in tonight. Appreciate all your hard work.

And I am going to move us along -- just double-checking a Zoom message to me. "I'm on the next panel, seem to be having a Zoom issue. Would someone help me?" I'm assuming somebody took care of that message -- yes, good, because you're here.

All right, I'm going to just start with -- this is the part of the hearing where we move from government reps to people who asked to testify, and so the rules change a little bit.

We have the full panel testify in a row for three minutes each. Then we open it up to any legislators who want to ask the panel questions for a total of three minutes each, and your ranker and chair status are no longer relevant.

So let's start with Empire State Indivisible, Danielle Brecker, co-lead organizer; League of Women Voters, Laura Bierman, New York State executive director; New York State Election Commissioners Association, Dustin Czarny -- and there's a much longer name, Democratic caucus chair and Onondaga County Board of Elections commissioner. And then Brennan Center for Justice, Joanna Zdanys, senior counsel.

Let me see, is there anyone else on this panel on the next page? No.

So if you'd start, please, in that order, with Danielle from Empire State Indivisible. Good evening.

MS. BRECKER: Hi, hello. Can you hear me?

CHAIRWOMAN KRUEGER: Yes.

MS. BRECKER: So thank you for the opportunity to testify in support of funding the Statewide Public Financing Program in the full year 2022-2023 budget.

I am Danielle Brecker, co-lead organizer of Empire State Indivisible. The Indivisible movement is predicated on holding our elected leaders to account. Empire State Indivisible is dedicated to policies that amplify the voices of New Yorkers in our democracy. We have been working with other grassroots groups in the Fair Elections for New York Coalition since 2018.

Empire State Indivisible has canvassed across our state, asking New Yorkers to support policy and candidates. We have seen candidates with bold policy platforms struggle to raise money, stay in the race, reach voters and get elected. We have seen the devastating and stifling influence of corporate and special interest money on our communities and communities across the state.

The New York Small Donor Public Financing Program is key to changing this.

We are pleased to see funding for the program in Governor Hochul's Executive Budget. We support the inclusion of 10.5 million for the administration of the program and 10 million for future matching funds in the Executive Budget.

Today we ask the Senate and Assembly to increase the appropriation for future matching funds to $40 million, to be in line with the projected cost of the first legislative cycle of the program. We ask that the program be as strong and as bold as the many diverse candidates it will uplift.

It is important that the program receives adequate funding this year -- to build confidence in the program for both candidates and voters. The potential benefits of this program cannot be overstated. Public financing can help stymy the disproportionate influence of large corporate and special interest donors on our democracy. The weight and influence of these corporate and special interest donations are at odds with the solutions we need for our

communities.

Public financing is key to fostering a multiracial democracy. Folks from all walks of life can run and win without needing to know or depend on donors who can write big checks. Together with voting reforms, this policy brings more people into the democratic process. We do not have to look beyond the new New York City Council to see how well it can work.

Funding this program now is an investment in our democracy's future. We commend the budget lines in the Executive Budget and strongly urge you, the Legislature, to increase the funding for future matching funds to 40 million.

Thank you again for the opportunity to testify in support of this important reform.

CHAIRWOMAN KRUEGER: Thank you very much for testifying.

And now the League of Women Voters.

MS. BIERMAN: Thank you. Thank you for the opportunity to testify today. I'm Laura Ladd Bierman, executive director of the

League of Women Voters of New York State. The league is a nonpartisan, grassroots organization with a mission to educate the public to become engaged members of their communities and informed voters.

We believe voting should be made as easy as possible for all New Yorkers, and we greatly appreciate the tremendous gains that have been made in the last couple of years in making voting more accessible. And we applaud the Legislature for enacting these reforms. However, many of these reforms still have not been sufficiently funded, particularly with voter participation this year expected to significantly increase from last year.

The expansion of early voting last year with more poll sites now required, and extended hours of the poll sites, was great -- but only if funding is provided. We did not want these reforms to become unfunded mandates on the counties. The reappropriated funds for county boards of elections must remain in the budget, and increased if

possible, for early voting options to be available for all voters in all counties.

The current outdated process used by New York State to collect, process, send, receive and count absentee ballots is slow, cumbersome and costly. Reforms for absentee voting are greatly needed -- but again, only if funded. Ballot tracking systems could give voters confidence that their ballot was received and counted. Ballot drop boxes can make voting easier and safer for their ballots. Return postage on ballots could delete a cost to voters to vote. This is a big election year, and many voters now prefer to vote by absentee ballot. We don't want to discourage that.

Two final comments on the budget. The league supports the proposal for poll sites on college campuses, but asks for expansion to include primary elections and early voting in addition to the general election day.

The league also applauds the proposed elimination of the 25-day statutory voter registration deadline. Many voters become

engaged in the election toward the end of the election season, but by then it's too late for them to register and vote.

Elections are often the last item on the list when it comes to county budgets, and many county boards operate with limited funds. The league urges the Legislature to seriously consider the cost of new election improvements when introducing their proposed budgets, and to consider setting up a yearly fund specifically for enhanced election reform like early voting and absentee voting.

New York State is finally in the 21st century with regard to voting, but we are still funding our elections as if they're being conducted in the pre-technology era. Recent media articles have noted how hard it is for voters to vote in New York State as compared to other states, which is a surprise to many New Yorkers. In order to realize the enhanced goals of the legislative leaders and Governor, we urge a serious funding commitment to the State Board of Elections and county boards of elections be enacted.

Thank you for your time today.

CHAIRWOMAN KRUEGER: Thank you very much.

And our next testifier is Dustin Czarny.

MR. CZARNY: Thank you very much for having me. I have submitted written testimony which will go into detail on what I'm going to sum up here just a little bit.

However, I want to thank the New York State Legislature for the many reforms that they've given us. Yes, it has provided us with a lot more work at our county boards of elections -- however, this is good work and work worth doing.

We do note, though, that this next year we face a huge increase in work with the expansion of early voting and the moving of the canvassing of absentee ballots to pre-Election Day counts -- both reforms that I personally and my caucus support. However, without state funding and state aid, we can see a disparity of resources going from county to county, as local county legislators

often do not fund the boards of elections at equal rates from county to county, leaving citizens at the whim of frugal budgets and oftentimes boards of elections being treated as the bastard stepchildren of county government.

So we do ask that the New York State Legislature consider the funding levels that you gave us in 2019 when you had us implement early voting and electronic poll books. There was a $10 million Aid to Localities fund and a $25 million capital fund. If that was enacted and added to the Governor's budget -- which is a great budget for the State Board of Elections but leaves the county boards of elections out of the mix -- if those funds are enacted by the Legislature, as it has traditionally been the role of the Legislature to add those budgets, we can purchase high-speed scanners.

We can bring in workers to help with the absentee canvasses to fulfill the goal of having these votes counted by Election Night.

We can have electronic poll books on

Election Day. Many counties have not rolled those out and only have them on early voting because that's all the money that they had to implement those.

We could replace some of our aging precinct scanners. These machines -- some of our counties have had the same ImageCast scanners since 2007, and they're ending their useful life.

We need state help to be able to amplify the resources at these local boards of elections to perform the reforms that you have tasked us to give. So please consider adding these budget lines into the budget. And yes, please consider making these a permanent solution for funding elections in New York State.

Thank you.

CHAIRWOMAN KRUEGER: Thank you very much, Dustin.

And our last testifier on this panel, Joanna Zdanys? Help me, sorry.

MS. ZDANYS: It's Zde-nees.

Thank you. Good evening,

Chairs Weinstein and Krueger and members of the Legislature. My name is Joanna Zdanys, and I'm senior counsel at the Brennan Center for Justice. I appreciate the opportunity to testify in support of funding for our elections and voting infrastructure in this year's budget.

With malicious and racist attacks on the franchise across the country, New York's leadership in fostering a stronger and more inclusive democracy has never been more urgent.

We're grateful to the members of this body for championing policies that expand access to the vote and break down barriers to the political process. One of those is the state's new Small Donor Public Financing Program, which will launch this November. It's the strongest and most ambitious response in the nation to Citizens United.

The Brennan Center works on this issue nationally, and I can tell you that jurisdictions across the country are watching to see if New York can implement its program

successfully. A modest investment now will help ensure that the program lives up to its promise of giving constituents donating only modest amounts a more important role in fundraising.

We're pleased to see funds in the Executive Budget for both program administration and for a portion of the matching funds that will be distributed to participating candidates. But like my co-panelist Ms. Brecker, we urge the Legislature to increase the appropriation for matching funds from 10 million to $40 million this fiscal year, which is approximately half the amount projected to be disbursed the program's first cycle.

It's common practice to build up program funding well in advance of the first election year that candidates use public financing. Prominent programs like those of Connecticut and Montgomery County, Maryland, are just two examples. So providing adequate funds now will build candidate and voter confidence in the program's solvency and help

campaigns plan their fundraising strategies using small contributions from constituents.

Another important reform, automatic voter registration, is going to launch in January 2023, and we support continued funding to build out the state's online voter registration system, which is critical to AVR's success.

And outside of the budget, New York can lead where Congress has failed by adopting the John R. Lewis Voting Rights Act of New York, which if enacted would be the strongest voting rights law in the country to fight race-based voter suppression. And to fully deliver on these reforms, this Legislature must support improvements in elections administration. There are simple yet effective solutions that are available now to promote better voter service. And of course we also support more state funding for local boards of elections to help address the persistent resource challenges that they face.

Thank you for your continued

leadership in strengthening our democracy. We stand ready to assist, and I am happy to answer any questions you may have.

CHAIRWOMAN KRUEGER: Thank you all.

And I'm looking for raised hands. And I saw Assemblymember Jacobson first.

ASSEMBLYMAN JACOBSON: Thank you, Madam Chair. And I want to thank all the panelists for being in favor of expanding democracy, expanding the vote.

As I know Commissioner Czarny knows, because I rely on his organization and the local commissioners as a resource, I pushed last year for additional funding and I was successful, and I'm doing the same this year.

We've done incredibly great things -- early voting, being able to correct absentee ballots. Now we're going to be able to start counting earlier, so we look like every other state in the nation to know our results on time.

But unfortunately all these things take money. And believe it or not, not every commissioner is in favor of these reforms.

So it's important that we do it on a state level as far as the funding, and I'll be pushing for it. And I hope that you will also continue to push, not only on the state level but on the local level. Because as you know, people -- politicians do respond, and it's important that you make your voice heard.

So I stayed to the end for this hearing because I wanted to be here for this group, just to let you know that you have an advocate here. Letters going out in the next day or two for the budget, and we have to keep pushing because there's more to do. But it does take money.

So I don't have a question because I know that you all -- what you're all in favor of, and I just want to thank you for hanging in there and for advocating for our democracy. And voting should be simple and easy; doesn't mean it isn't expensive.

So thanks.

CHAIRWOMAN KRUEGER: Thank you, Assemblymember.

I see Robert Jackson's hand up. Senator Jackson.

Did we lose you, Robert? I know Senator Jackson had to go home today because he tested positive for COVID. And I'm wondering whether he's been frozen out.

THE MODERATOR: We are asking him to start video and unmute, but so far --

(Overtalk in Spanish.)

CHAIRWOMAN KRUEGER: That's not Robert Jackson's voice. Who's speaking in Spanish? Will you go on mute?

(Spanish interruption continues.)

CHAIRWOMAN KRUEGER: Hi, Robert Jackson. I see you and I'm hearing a woman speaking to us in Spanish, and yet it's not you.

SENATOR JACKSON: Am I up, Liz?

CHAIRWOMAN KRUEGER: You are up.

SENATOR JACKSON: I'm sorry, I'm just juggling -- I'm juggling with some other people.

CHAIRWOMAN KRUEGER: Can you turn the other person off for a moment?

SENATOR JACKSON: Yes. I think I did.

CHAIRWOMAN KRUEGER: Good, okay.

SENATOR JACKSON: Well, first I want to thank you all for coming in and staying the course of the entire hearing. And I wholeheartedly support all of the funding for early voting, for absentee voting, and for ethics reform. I mean, understanding that this is democracy and we must be able to make sure democracy continues, where people can vote no matter what. And people can register up to the last day if they have not registered. As long as they're telling the truth, they're citizens, and they can vote. That's what it's about. This is democracy.

I don't want to do anything to clamp down people's right to vote and exercise their right to vote. And so I say to all of you, my colleagues who may disagree with me and those that are agreed, our job is to make sure that we represent the people, the people of New York State. This is the Empire State. Let's take the lead to ensure that no matter who you are, no matter if you're black,

white, yellow, green or blue, whether you're rich or you're poor, that your rights are not being violated by suppressing their right to either register to vote or to change their party designation within a certain period of time or to vote by absentee without an excuse, and deal with ethics reform.

And so I support wholeheartedly this panel, and especially the League of Women Voters, and moving forward and coming and saying what needs to be said. And as you can see, it's almost at the end of an entire day's hearing. But I'm still here pushing for it. So thank you, thank you, thank you. As someone that has been registered to vote way back when I turned 18 -- and, you know, I'm exercising my right to speak up for people's right to vote and not to be suppressed and denied the right to vote for whoever they want to vote for.

CHAIRWOMAN KRUEGER: Do you know that the Senator's nickname among his Senate fans is Still in the Fight. Senator Still in the Fight.

Thank you, Robert.

SENATOR JACKSON: Thank you, Madam Chair.

CHAIRWOMAN KRUEGER: Take care of your health, please, okay?

SENATOR JACKSON: I will. Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Tom O'Mara, did you have your hand up or you're just in the box so I'm seeing you? You don't have your hand up.

All right, I have one question for Dustin. You were making a wonderful pitch for the need for additional money to the county boards of elections. Is there a number?

MR. CZARNY: I believe the funding that this Legislature provided in 2019 is a good model to do again this year. And that was $10 million in Aid to Localities, which allowed us to have more flexibility bringing staffing and offset the cost of early voting, and then $25 million in capital funding, which will allow us to replace aging voting systems, bring in high-speed scanners for

absentees, as well as some counties needing to expand their electronic poll book fleet to be able to move those to Election Day to be able to accomplish all the reforms.

I believe those two items from 2019 would be of use this year.

CHAIRWOMAN KRUEGER: Okay, so you never got the 25 million capital, right?

MR. CZARNY: We did. We spent it.

CHAIRWOMAN KRUEGER: You did.

MR. CZARNY: Yeah. Many of us spent it, and many small counties have already exhausted that. And they were not able to expand their electronic poll books to Election Day because they just didn't have enough money -- it was only for early voting.

Now that we're going to count absentees before Election Day, we need these electronic poll books on Election Day to make sure people don't vote twice. And also we need high-speed scanners to be able to do those counts for absentees while we're also running early voting and Election Day voting.

CHAIRWOMAN KRUEGER: Got it. Thank

you.

I want to thank all four of you for your testimony here tonight. I also just want to give a shout out to my chair of Elections, Zellnor Myrie, who could not be here but wanted to be, and who is very aware of all of the proposals that all four of you have made.

So with that I want to thank you very much for your participation and for staying so late with us. And I'm going to call up the last panel, the New York Land Bank Association -- or it could be the Association of New York Land Banks. I'm never quite sure the way it's written out -- Adam Zanako --

MR. ZARANKO: Zaranko.

CHAIRWOMAN KRUEGER: Thank you. Thank you, thank you.

-- and Immigrant ARC, Camille Mackler, executive director. Noah Kazis from the Furman Center could not be with us tonight, but his testimony is included in the package.

So why don't we start with Adam.

MR. ZARANKO: Thank you, Chair. And

thank you to all the legislators for the opportunity to testify today. And thanks for staying to hear about New York's land bank program.

So I'm Adam Zaranko. I have the honor of serving as the president of the New York Land Bank Association, and we focus on fostering the growth of the state's land bank program, which is among the largest and most active in the country in terms of effectiveness and number of land banks.

I'm also here today as someone that's kind of on the ground and in the trenches. I've served going on six years as the executive director of the Albany County Land Bank, which is one of the largest in the State of New York, and it's the one that helps remove some of those red X's on the properties that surround the Capitol and the things that I'm sure you see when you come visit.

You heard a lot today -- and I actually listened to all of it because I wanted to hear from our mayors and our local

government leaders. And we heard a lot about vacant and abandoned properties as a challenge. Just about everyone is talking about affordable housing as a challenge in a lot of communities in the state, I think. I don't think there is a community in the state that isn't struggling with one or both of those two items.

And so land banks are here to be part of that solution, and we're a proven and effective way to do that. New York's land bank program was actually established in response to the 2008 foreclosure crisis, and we're now 26 in the state and we serve over 70 percent of the state's population outside the City of New York. We're not just focused on rural issues. We heard from a lot of upstate mayors from cities today, but also a lot of our rural areas are served by land banks. Actually most of the land banks serve rural areas and cities that are countywide or multiple counties that come together.

I put a lot of the numbers in our packet, what we've done. But essentially

we're facing kind of a double whammy of challenge. At a time when the foreclosure and eviction moratoriums have expired and we're facing maybe unprecedented levels or a wave of vacant and abandoned properties, tax foreclosures and otherwise in terms of mixture -- residential, nonresidential for the first time -- to wash over our communities, state land banks have ran out of funding and our funding source has primarily been Attorney General bank settlement funds from the 2008 settlements for financial misconduct the Attorney General secured, and land banks were part of the initiatives to help rebuild neighborhoods from that.

That money is fully drawn down, and so our request is to have simply a continuation of that program, upwards of $100 million allocated towards land banks so we can form our multiyear plan and continue our work around everything we do, from reclaiming vacant properties from acquisitions, building stabilizations, new construction of affordable housing, vacant lot cleanups,

assemblage of sites, demolitions of abandoned structures.

It's all in the testimony I submitted. Many of you are now familiar with land banks, which is a great sign. But we need the funding to continue the work we're going to do or the burden is going to slide back onto local governments and taxpayers, which as you heard is already a challenge for a lot of communities. And so we don't want to slide and undo the work we've done.

Thank you for listening, and thank you for your continued partnership.

CHAIRWOMAN KRUEGER: Thank you.

And Camille?

MS. MACKLER: Good evening, Senators and Assemblymembers. Thank you so much for the opportunity and for sticking it out with us till the end.

My name's Camille Mackler. I'm the executive director of Immigrant ARC. We're a relatively new organization spun out of the New York Immigration Coalition just in the last two years. We're a coalition of over

80 organizations and professional associations that provide legal services to immigrants here in New York and throughout the state.

And I'm here tonight because we are asking that New York State increase its funding for legal services to immigrants -- this is like the immigration legal services -- to $15.3 million from the existing $10 million that it's been at since about 2017. And we're also asking for an additional $3 million to be allocated from economic development funds for our Afghan refugees who are arriving in the state since last summer.

New York State has led the country in investments for legal services -- many thanks to many of you who are here tonight -- and we want to continue that leadership. The reality is that the continuing policies of the last many years and the delays and problems caused by the pandemic mean that most of our providers are still having maximum caseloads. Many of them cannot take

on new cases as the need continues to grow.

Immigrants, as you all know, have been at the forefront of the pandemic response and are a real economic engine for our state.

There is no guaranteed right to counsel in immigration, even for somebody who is detained or even for somebody who faces potential permanent exile from the United States. There is a right to a competent attorney at no expense to the government only if somebody is facing deportation, but we know that sometimes providing an attorney to apply for immigration status, as someone may be eligible under current laws, means that they will end up in deportation proceedings in the first place. And so both types of funding are critical.

We know from studies that have been done that detained immigrants are four times more likely to be released from detention, 11 times more likely to actually apply for an immigration benefit and to defend themselves from deportation charges. Twenty-two percent

of detained immigrants and 16 percent of never-detained immigrants will successfully defend their cases if they are able to be represented by counsel.

I also want to briefly touch on the Afghan refugees who are coming to our state. New York State expects over a thousand families mainly in upstate New York. They've been -- refugees have been an incredible economic driver for upstate New York for a very long time, and the rest of our state. Because of the chaotic nature of the evacuation, these individuals are actually in very precarious legal positions and don't have permanent ability to stay. And these are not legal needs that refugee resettlement agencies, who are doing yeomen's work working with these communities, can handle. These are very specific complex cases.

And so we see this as an economic investment and ask for an additional $3 million from economic funds to provide legal representation to this very specific population.

Thank you.

CHAIRWOMAN KRUEGER: I'm sorry, I was on mute.

I was saying Assemblymember Steve Otis.

ASSEMBLYMAN OTIS: Thank you.

Camille, thank you for that presentation. And I don't have a question for you, but I'd say I've been to a number of meetings -- and you glossed over it a little, but the statistic of outcome difference whether someone has an attorney or does not have an attorney is mind-boggling.

And so the Legislature has gotten money to some of the groups around the state that provided these services in the past, and hopefully we can do more this year. But it is just shocking that differential. And it just shows you that if people had an attorney, their rights would be vindicated.

So thank you for your good work.

Adam, question for you. So the settlement funds are out. And I'm wondering whether there are either some other kinds of

litigation settlement fund kind of animal that's out there that maybe we could be tapping into that already exists, or are there federal funds in the infrastructure bill or the Rescue bill that we should be looking into as a way of New York State applying for money and then directing it towards the important work that you're doing?

MR. ZARANKO: Yeah, thank you for your question.

So we're not aware of any other settlement funds. But unfortunately we've learned that banks around real estate and mortgages, zombie properties, sometimes do repeat some of their actions that harm communities. But we don't budget off of that.

On the state side and the local side, we're very aggressively pursuing ARPA funds, which if you look at the final Treasury guidance, there's been very clear guidance issued thanks to some of our national partners that help land banks, that support the work that land banks do. And it's

delineated, some of that's in the testimony I submitted.

So that is a source of funding that we think we can get into neighborhoods very quickly, especially partnering with the state, because we have the infrastructure to get into the communities and apply the funds in eligible ways.

On the federal side, we've been working with Senators Gillibrand and Schumer, and land banks are partnering with other states and their Senators. The housing, the second part of the Build Back Better Act with the housing, the one with the childcare in it and the housing, there's a special -- last I heard, there's around $3 billion that would be eligible directly to be received by entities like land banks, like land trusts, the on-the-ground community development groups, where we're not competing against municipalities and towns, villages and cities and other entities for that money.

But that bill hasn't been passed yet, obviously. We're hoping very much that it

will be.

So those are the funding sources that we're aware of, aside from state funds, budget funds.

ASSEMBLYMAN OTIS: Well, I'd say if there's state agencies that should be applying for federal funds that deal with this issue, to get that to our Ways and Means and Finance staff people so that we can try and connect the dots for you.

MR. ZARANKO: Okay.

ASSEMBLYMAN OTIS: So thank you for the testimony.

MR. ZARANKO: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

And I think our last hand for the evening is Assemblymember Jacobson.

ASSEMBLYMAN JACOBSON: Thank you.

I just want to comment about the land banks. We have been very successful in the City of Newburgh with our land bank. Poughkeepsie now -- which I also represent -- is implementing it.

The problem -- and why it's great for

small cities is that most places the cities have to pay the school taxes after they take back the property. So that can be a big drain on the local city.

The problem in Newburgh now is all the easy properties or relatively easy properties have been bought. Now you have some that are really bad. And so that you get a case of diminishing returns.

So I think something has to be worked out on that, so I'll let you try to figure it out, sometime after this hearing, on what we can do on that so that it makes sense. It's not always as great as it sounds, but it was very helpful in those situations. But once the little boomlet is over, then you're still left with these properties. And so there's still zombies, but they're zombies on the land bank's watch.

So that's it. We've been here a long time. Thank you. Thank you, Madam Chair, and everybody else for hanging in there. And also to both Madam Chairs, I should say.

CHAIRWOMAN KRUEGER: That's okay.

I'll tell the other Madam Chair who had to leave.

ASSEMBLYMAN OTIS: I'm sure I'll see her tomorrow on one of them, anyway.

CHAIRWOMAN KRUEGER: No. As I close down this hearing I am going to actually, first off, thank very much the last two testifiers for being with us this evening and for staying so late to testify. I'm going to thank all my colleagues who are still with us.

I'm officially going to close down the hearing on local governments for 2022, remind you we're not having a budget hearing tomorrow -- don't show up, Jonathan -- but we will be having our next budget hearing on Monday, starting at 11:00 in the morning, and that will be on mental health and OPWDD-related issues.

So again, thank you all to my colleagues, thank you all to the staff of the Assembly and the Senate who also are all behind the scenes making sure somehow we get through each of these days.

Have a good night. Sleep well.

(Whereupon, the budget hearing concluded at 7:58 p.m.)