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

JOINT LEGISLATIVE HEARING
In the Matter of the
2023-2024 EXECUTIVE BUDGET
ON LOCAL GOVERNMENT OFFICIALS/
GENERAL GOVERNMENT

Hearing Room B
Legislative Office Building
Albany, New York

February 15, 2023
9:36 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

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

Senator Monica R. Martinez
Chair, Senate Committee on Local Government

Senator Rachel May
Chair, Senate Committee on Cities 2

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Local Government Officials/
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PRESENT: (Continued)

Assemblyman Harvey Epstein
Chair, Assembly Legislative Commission
on State-Local Relations

Senator John C. Liu

Senator Jeremy A. Cooney

Assemblywoman Sarah Clark

Assemblyman Charles D. Fall

Senator Andrew Gounardes

Assemblyman Jonathan G. Jacobson

Assemblyman Robert C. Carroll

Assemblyman William Conrad

Senator Shelley Mayer

Assemblyman Steven Otis

Assemblywoman Latrice Walker

Assemblywoman Rebecca A. Seawright

Senator Jack M. Martins

Assemblyman Chris Eachus

Assemblywoman MaryJane Shimsky

Assemblyman Simcha Eichenstein

Senator Rob Rolison

Assemblywoman Jo Anne Simon

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PRESENT: (Continued)

Assemblyman Michael Reilly

Senator Cordell Cleare

Assemblyman Michael Tannousis

Assemblywoman Jessica González-Rojas

Assemblyman Zohran K. Mamdani

Senator Leroy Comrie

Assemblyman Nader J. Sayegh

Assemblyman Ari Brown

Assemblyman Jeff Gallahan

Senator Steven D. Rhoads

Assemblywoman Jenifer Rajkumar

Assemblyman Brian Manktelow

Assemblywoman Dana Levenberg

Assemblyman David I. Weprin

Assemblywoman Stefani Zinerman

Assemblyman John T. McDonald III

Senator Robert Jackson

Assemblyman J. Gary Pretlow

Assemblywoman Alicia Hyndman

Senator Samra G. Brouk

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Assemblywoman Chantel Jackson

Senator Mark Walczyk

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CHAIRWOMAN WEINSTEIN: So we are here for our eighth hearing in a series of hearings conducted by the joint fiscal committees of the Legislature regarding the Governor's proposed budget for fiscal year 2023-'24.

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

The hearings are conducted pursuant to the New York State Constitution and the Legislative Law.

Today the Assembly Ways and Means Committee and the Senate Finance Committee, chaired by Assemblywoman {sic} Krueger, will hear testimony from the Governor's proposed budget for local and general governments.

I will now introduce the members of the Assembly majority who are here, and then Senator Krueger will introduce her colleagues and our rankers will introduce their colleagues. And a number of members will probably be coming in as we begin.

So we have with us Assemblyman

Braunstein, chair of our Cities Committee. We have Assemblyman Eachus, Assemblyman Eichenstein, Assemblyman Fall, Assemblywoman González-Rojas, Assemblywoman Hyndman, Assemblywoman Shimsky, Assemblywoman Simon, Assemblyman Weprin, and Assemblyman Epstein, chair of our City and State Relations Task Force.

Senator Krueger -- oh, sneaky. And Assemblyman Mamdani. And I think that's it. I know there will be more members coming in.

Senator Krueger?

CHAIRWOMAN KRUEGER: Thank you.

Good morning, everyone. Gee, I feel like we were just here at 11 o'clock last night. But we're back.

(Inaudible retort.)

CHAIRWOMAN KRUEGER: (Laughing.) I'm sorry.

So we are, excuse me, so far: Senator Liu, Senator Jackson, Senator Gounardes, Senator Cleare, Senator May. Again, I'm Liz Krueger.

And I just got a note that my

Republican colleagues are all in a mandatory conference, so they hope to join us sometime soon and we are not supposed to wait for them.

CHAIRWOMAN WEINSTEIN: Okay, thank you. Assemblyman Ra, if you could introduce your colleagues who are here.

ASSEMBLYMAN RA: Thank you. Good morning. We are joined by Assemblyman Ari Brown, our ranker on the Local Governments Committee; Assemblyman Mike Reilly, our ranker on the Cities Committee; and Assemblymembers Gallahan and Tannousis.

CHAIRWOMAN WEINSTEIN: Thank you.

And Assemblywoman Seawright is here also.

So let me just go over the ground rules for governmental witnesses, which we have quite a few today. All governmental witnesses get 10 minutes to present their testimony. And nongovernmental witnesses get three minutes to present their testimony. The nongovernmental and some of the governmental witnesses will be in a panel.

So it's each individual member of the panel gets the time.

Then the members of the Legislature will have an opportunity to ask questions. And for colleagues -- I think just about everybody has been here before, but just a reminder that the time frame for chairs, 10 minutes and for rankers, five minutes, and for all other members of the relevant committee, three minutes is for the question and the answer.

So please be kind to our guests who are here testifying and don't say "I have 20 seconds left, so let me ask you my final question." Leave time for the person to answer the questions.

As Senator Krueger said, we left here just around 11 hours ago. We're not looking to break that record. Actually, Senator Liu is the only one looking to break that record. He wants -- but he can stay here by himself when the hearing ends and break that record.

(Laughter.)

CHAIRWOMAN WEINSTEIN: So with that,

I'm very pleased to welcome the mayor of the City of New York, Mayor Eric Adams. And Mayor, if you could present your testimony, I know there will be quite a few members who have some questions.

MAYOR ADAMS: Thank you. Thank you so much. It is good to be here among my former colleagues. Good morning.

And thank you Chairs Krueger and Weinstein, Local Governments Chair Martinez, Cities Chairs Sepúlveda, May and Braunstein, and members of the Assembly Ways and Means and Senate Finance committees. I'm Eric Adams, as you indicated, and I'm honored to be here as the 110th mayor of the City of New York.

I'm joined by Jacques Jiha, director of our Office of Management and Budget; Sheena Wright, my first deputy mayor; Tiffany Raspberry, my director of intergovernmental affairs and external affairs; your former colleague Diane Savino, senior advisor to the chief advisor; and Chief Counsel Brendan McGuire.

Before discussing the Governor's Executive Budget and my vision for the City of New York, I want to thank you for partnering with me last year to deliver results for the people of New York. Thanks to your leadership, we established the NYCHA Trust, extended our speed camera program, doubled the MWBE spending threshold for New York City, and provided real relief to New Yorkers through the Earned Income Tax Credit and significant childcare investments.

I also want to thank the Governor for including many of our essential priorities in this budget, including key components of our shared "New" New York plan. We are extremely pleased with the Governor’s commitment to funding a new generation of affordable housing. And we know her proposed public safety changes will make New York safer.

We also appreciate the support this budget has provided to help us address New York's mental health crisis. But while the Executive Budget contains many shared priorities, the cuts and cost shifts

significantly outweigh the assistance the state is providing to address the asylum-seeker crisis.

The impacts of these cuts and cost shifts are most pronounced in three areas: our schools, public transit, and Medicaid. If unaddressed, these cuts will force us to make difficult choices in regard to the city budget and the services that we provide.

Governor Hochul and leaders in the Senate and Assembly have been excellent partners to the city and our administration. My hope -- and my belief -- is that we'll be able to sort out our differences and work together to build a budget that works for all New Yorkers.

In my State of the City address, I laid out my vision for the city, based around four pillars of supportive government: jobs, safety, housing, and care.

By including community hiring and increasing the MWBE small-purchase threshold in her budget, the Governor is giving us the tools we need to dismantle inequality while

also investing in jobs of the future. But we know that all good jobs are built on a common foundation -- a solid education. On that note, I would like to thank the Governor for continuing the phase-in of Foundation Aid in her Executive Budget proposal.

But if the state raises the charter cap as proposed, we will need more resources. We believe it will cost us over a billion dollars to site these schools and cover the required per-student tuition -- money we do not have.

Last year the state passed legislation requiring New York City to reduce class sizes without providing additional funding to build schools and hire teachers. The requirements of this new law will cost the city $1.3 billion by Year 5. We need the state to provide funding to ensure that our children get the education they deserve.

Safety, my second pillar. It's about public safety: I always state it's the prerequisite to our prosperity, public safety and justice.

The Governor's budget rightfully proposes to keep us safer by giving us additional tools to address our recidivism crisis. Changes to the least restrictive standard, as the Governor has proposed, will go a long way towards solving our recidivism problem. This is critical because a disproportionate share of serious crime in New York City is being driven by a limited number of extreme recidivists -- approximately 2,000 people -- who commit crime after crime while out on the street on bail.

We must also recognize that our city’s district attorneys and public defenders are overwhelmed and need our help immediately. The state must make a major investment in them now or risk depriving defendants of their constitutional right to a speedy trial, delaying justice for victims and continuing the unprecedented level of attrition within each of these offices.

Our housing thought, which is my third pillar. Whether you were born here or came

here seeking opportunity, we need you, and you need affordable housing. Importantly, the Governor has included provisions that would facilitate the conversion of office space into housing, eliminate the floor-area-ratio cap to allow more housing, implement the J-51 tax incentive to preserve our housing stock and tax incentive programs that drive the construction of new affordable units.

And care, which is important to all of us, my final pillar. National and global trends often converge to create urgent and unforeseen needs in our city, such as the ongoing asylum-seeker crisis. We are at the breaking point. Governor Hochul has recognized the magnitude of this crisis and has offered state support for our growing costs. This is critical, because a disproportionate share of the serious issues that are facing us around healthcare is something we must focus on. But with the city expected to spend over $4 billion on this crisis by the middle of next year, we'll

need more than the approximately $1.2 billion in state and federal funds we believe will come our way.

Other areas that we want to thank the Governor and lawmakers is to -- we want to -- we appreciate the authorization of additional tools which will allow us to build large projects faster and smarter, while increasing opportunities for MWBEs on city construction projects.

In addition, we are pleased with the inclusion of New York City parking reform, which will allow us to keep our streets clear of industrial vehicles to the benefit of our families.

We also appreciate the inclusion of the Waste Reduction and Recycling Infrastructure Act, which will hold manufacturers and big businesses accountable for the waste they produce while doing business in our city.

And we do need more state assistance. While the Governor’s budget includes many welcome investments in our city, there are

notable cuts and cost-shifts that will leave the city with no choice but to take very serious measures in our upcoming city budget. The first of these has to do with the city’s MTA contributions.

At the outset, we need to highlight what the city government already contributes on an annual basis -- $2.4 billion in direct and in-kind contributions -- and that's in addition to the majority of the state's tax revenue that New York City residents, workers and businesses send to Albany every year.

This Executive Budget proposes new contributions from New York City that would cost $526 million in the next fiscal year, and more than $540 million every year beyond that. Aside from the increased Payroll Mobility Tax contribution that all localities in the MTA service area must pay, New York City is the only locality that has been asked to increase its contribution, and by hundreds of millions of dollars.

We all want what's best for riders, but we need a fairer and more sustainable

proposal. This current proposal hits New Yorkers twice -- once through the higher fares that riders will still face, and once through diminished service delivery by local government which will have at least half a billion dollars each year going to subsidize a state-run authority.

Additionally, the Governor's financial plan proposes cuts to Medicaid support by keeping 100 percent of eFMAP -- Enhanced Federal Medical Assistance Percentage -- funding to localities. That will be $343 million taken out of our budget beginning in fiscal year '24, which would end a long-standing cost sharing arrangement since 2015. This would effectively transfer costs from the state to localities, undoing one of the more important Medicaid reforms in recent history.

Another cost the city is being asked to fund is the court-mandated wage increases for 18-B attorneys, which increased from $75 to $158 per hour. Currently, we split it; we believe we need to continue to do so.

And finally, a recurring cut enacted a few years ago continues to strain the city's budget. We ask the state to discontinue the sales tax intercept for the Distressed Hospitals Fund -- $150 million of the city's tax revenues are intercepted yearly for this fund, and New York City is the only locality paying. Despite this, not a single dollar goes to H+H hospitals.

So again, I thank you and I look forward to answering your questions.

CHAIRWOMAN WEINSTEIN: Thank you, Mr. Mayor.

Since we began, we've been joined by Assemblyman Conrad, Assemblywoman Jackson, and Assemblyman Thiele, chair of our Local Governments Committee.

And we go to -- let me just take a moment to alert people that when you see the yellow light go on -- but particularly for the legislators, when you see the yellow light go on, that means there's one minute left. And then when the red light goes on, hopefully everything should be asked and

answered.

So we go to --

CHAIRWOMAN KRUEGER: I'm sorry, we've also been joined by Senator Martinez.

CHAIRWOMAN WEINSTEIN: So we go to the chair of our Cities Committee, Assemblyman Ed Braunstein, for 10 minutes.

ASSEMBLYMAN BRAUNSTEIN: Thank you, Chair Weinstein.

And thank you, Mr. Mayor and your team, for coming up and joining us in person today.

Before I begin, I just want to say as chair of the Cities Committee, I spend a significant amount of time with your SLA team up here. And it's been -- always been a pleasure working with them.

MAYOR ADAMS: Thank you.

ASSEMBLYMAN BRAUNSTEIN: You know, you mention in your testimony that by the middle of next year the city expects to have spent $4 billion on the asylum-seeker crisis. And Governor Hochul has committed funding to assist the city in the State Budget, but

ultimately immigration is a federal issue. And I want to know if you believe it's the federal government's responsibility to help share this burden.

And have you had conversations with our federal partners, and can we count on assistance forthcoming?

MAYOR ADAMS: Thank you for that.

And we believe 1.4 billion during this fiscal year, 2.8 billion next year. That's how we come to the 4 billion. As you know, we have to balance our budget two years out.

And yes, it is the federal government's responsibility. We believe we need comprehensive immigration reform. But as you know, New York City is a right to shelter state {sic}, and oftentimes we have heard that obligation is not part of the statewide responsibility. We believe that's not true. We believe this is a statewide responsibility as well as the city.

And we have fulfilled our responsibility for the last few months, and it has been an unbelievable strain on basic

services. And also it is a strain on those who are seeking asylum and migrants who are coming to the city.

We believe, due to the Majority Leader of the Senate, Senator Schumer, and the Minority Leader in Congress, Congressman Jeffries, we have been able to get the omnibus bill passed with $800 million, but that is going throughout the entire country.

We were able to secure $8 million from FEMA, but that is nearly -- nowhere near the dollar amount that our city is going to impact and cover the entire course of the asylum and migrant seekers.

ASSEMBLYMAN BRAUNSTEIN: Okay, thank you.

You mentioned concerns about cost-shifts to cover the MTA operating deficit. And, you know, I just want to point out that the MTA is expecting a $600 million budget deficit for 2023, 1.2 billion for 2024, 1.6 billion in 2026.

And the Governor's proposal spreads the burden around for closing that gap:

300 million from a one-time state appropriation, 800 million from increasing the Payroll Mobility Tax, a portion of tax revenue from potential downstate casinos between 460 and 820 million -- that's potentially to begin in 2026. And obviously, as you referenced, the city is being asked, through cost-shifts, to cover 500 million.

Given the amount of services that the MTA provides to New York City, don't you think it's fair that the city shares some portion of this burden? And if so, what amount do you think would be a fair amount?

MAYOR ADAMS: Well, clearly part of this burden is due to the drop in ridership during the pandemic. And in 2021 New York City was already mandated to pay $3 billion. And this current $500 million per year -- the state is going to put approximately $300 million in a one-time shot for one year. We are being told to add a half a billion dollars on to our budget for eternity.

That is just unfair. No other municipality is being asked to do this. Half

a billion dollars added to New York City's budget for each year -- when we're already dealing with real fiscal issues -- is just unfair to the city. And we should spread the pain throughout the entire state, because we realize the MTA is a statewide entity; it should not fall on the burden of New York City alone. And that's what I believe the $500 million is going to do to us.

Unlike the state's contribution of a little over 300 million, one time, we've been told half a billion dollars every year. That is going to strain our existing ability to provide services to the city.

ASSEMBLYMAN BRAUNSTEIN: I mean, the state is also contributing 800 million through the Payroll Mobility Tax. Is there an amount that you think the city, you know, could shoulder?

MAYOR ADAMS: Well, as I indicated already, the city is -- based on a 2021 mandate, we're already contributing $3 billion a year -- $3 billion a year.

And we believe this pain should be

picked up by the state and other municipalities, not only New York City.

ASSEMBLYMAN BRAUNSTEIN: Okay, thank you.

As you know, the state has increased Foundation Aid to the city year after year, to the point where this year we're going to meet the CFE lawsuit requirements. The city has instituted universal 3-K. It's been a tremendous program. My daughter is in 3-K. Will we be able to continue that program moving forward?

MAYOR ADAMS: That's our goal. And one of the things that is concerning to me that -- when I did an analysis of our budget is that we were funding permanent programs with temporary dollars. The funding from the federal government, as you know, is going to run out in 2025. It's a substantial dollar amount. Our goal is to continue universal pre-K.

And I also believe we made a major error. We were funding seats and not bodies in the seats. Our team went in, First Deputy

Mayor Wright went in and did a complete analysis, just to discover that many of the seats we were funding did not have bodies in the seats.

And so we have to be prepared in 2025 when the federal dollars that fund this program -- when these dollars run out, we have to ensure that we can continue a great program of universal pre-K. And it is our desire to make sure every child that needs a seat gets a seat, but not to just fund a seat without a child in that.

And we're calling on all of our lawmakers -- we have many Assembly districts, Senate districts, Council districts, where there are vacant seats. We're calling on lawmakers to go out and find those families that need the early childhood development that comes with pre-K and 3-K and assist us in filling the seats so that we can ensure that every child that needs it has an opportunity to do so.

ASSEMBLYMAN BRAUNSTEIN: So just to summarize, so even though 3-K was being

subsidized with federal money that's going to run out, you still feel that you're going to be able to continue the program.

MAYOR ADAMS: That's our goal. Our goal is to continue the program, our goal is to continue to make the necessary cost-efficiencies.

But we need to be clear and honest with New Yorkers, this was a permanent program paid with temporary dollars. So we're going to be looking towards the federal government and the state to assist us when these dollars run out in 2025.

ASSEMBLYMAN BRAUNSTEIN: That's great to hear, thank you.

And then my final question. And as you know, Assemblywoman Rajkumar has introduced a bill that would eliminate Brooklyn-Queens Day as a city school holiday. If we were to pass that legislation, do we have your commitment that you would make Diwali a school holiday?

MAYOR ADAMS: We -- we have to follow state laws and rules on how many school days

children must be in school. And when this was first brought to our attention, we realized we had no more school days. And we identified the Brooklyn-Queens Day, that this was a day that will allow us to have a Diwali holiday.

I think it's an excellent idea. We sat down with community leaders, we sat down with the chancellor, and we both saw that this was an opportunity to do so. We shared with community leaders that it had to come through the state to make the determination. And I'm excited with the possibility. The community has been long calling for a Diwali holiday. And if we're able to get that day, we are encouraged to make it a Diwali holiday.

We have to partner with the UFT as well. But the first stop is here in the state. And if we're able to accomplish that, I believe we are one step -- a giant step closer to a Diwali holiday.

ASSEMBLYMAN BRAUNSTEIN: Great. I hope we ultimately make that happen.

Thank you for your testimony, Mr. Mayor.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

So our chair of the Cities Committee had to be excused today, Senator Sepúlveda, but we are going to continue on without him.

And we do have the chair of Local Governments and the chair of Cities 2 that will also likely be asking you questions. So -- and of course I probably will as well, Mayor. Nice to see you today.

So our first Senator will be John Liu.

SENATOR LIU: What a pleasant surprise, Madam Chair. Thank you so much.

And thank you, Mr. Mayor, for joining us --

MAYOR ADAMS: Thank you, John.

SENATOR LIU: -- and your illustrious team. Thank you for your support of the Diwali holiday. Thank you for your support

of -- to make our streets safer by lowering the threshold of DWI from .08 to .05. And thank you for being a very inclusive mayor and an administration that embraces all communities in New York.

MAYOR ADAMS: Thank you.

SENATOR LIU: I guess we have to talk about your first pillar, jobs. Which as you stated, the underpinning of which is education.

You know, increasing the cap on charter schools in New York City, as you stated, will impose a severe financial burden on the City of New York. It's something that I adamantly oppose, lifting of that cap. And it's good to hear that you kind of oppose it also.

MAYOR ADAMS: Is that a question?

SENATOR LIU: No, that's not a question.

(Laughter.)

SENATOR LIU: You don't have to say anything. You already said what you need to say here.

But on the next point, which is --

MAYOR ADAMS: Well, let's stay on that point, because I don't want that point to be giving the impression that I took a position on it. I'm clear on scaling up successful schools. And I'm not attached to charter, district, public, private. I am -- I believe scaling up successful schools is what I believe in.

What I did today was point out what the cost is for New York City. And we believe it potentially could be a billion dollars. But we have a real school crisis in producing the quality of product that our children deserve. And I support scaling up good schools.

SENATOR LIU: And I know many of my colleagues in the Legislature would like to help you not have to bear this imposed -- additional imposed cost, and therefore many of us oppose the increase in the charter cap.

On the issue of class sizes -- you also talked about this -- you said that we passed legislation without providing

additional funding to build schools and hire teachers. Now, Mr. Mayor, this was not a problem that you created, this has been a long-standing issue. We've had many discussions with your predecessor, and he always said he'd love to build more schools -- as was required by the courts in New York -- but the state still owed more money; i.e., Foundation Aid.

Since you've taken office as mayor, last year the Legislature and the Governor in the budget provided the City of New York an additional $600 million, which you did not have when you took office. This year we are poised to yet increase that further with an additional $600 million. And that will continue to increase annually for the next several years.

So by Year 5, Mr. Mayor, you will have more, far more than the $1.3 billion necessary to provide a sound, basic education. Which means that classes cannot be excessively large. I just want to point that out to you.

Thank you.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Reilly -- is he here? Ranker on Cities, for five minutes.

ASSEMBLYMAN REILLY: Sorry.

MAYOR ADAMS: It's all good. The clock's not running yet.

ASSEMBLYMAN REILLY: Thank you, Madam Chair.

Thank you, Mr. Mayor --

MAYOR ADAMS: How are you?

ASSEMBLYMAN REILLY: -- for your testimony.

So I wanted to start out with gun violence in New York City, 16- and 17-year-olds specifically, based on Raise the Age. Have you seen -- with your executive team, have you noticed that the increase and the way that the court system is set up now under Raise the Age, where if a 16- or 17-year-old is caught in possession of a loaded firearm they automatically go to Family Court -- do you think that if it was

one of the delineated models of keeping it in Criminal Court, youth part Criminal Court, do you think that would help address the situation?

MAYOR ADAMS: Well, you know, when we think about the Raise the Age, when we think about criminal justice reform -- when I was here in Albany, these were the issues that I fought for. I believed that the criminal justice system was unfair. I think it targeted Black and brown people and it was heavy-handed.

But when you do a real analysis in our pursuit of making sure people that commit crimes are receiving the justice they deserve, we can't forget the people who are the victims of crimes.

The way it stands now where a person who's carrying a loaded weapon but is not publicly exposed, is treated differently -- that is just something we need to reexamine.

We need to also reexamine if cases should stay in Criminal Court instead of Family Court. I believe those extreme

violent repeated offenders should be handled in a Family Court criminal part.

ASSEMBLYMAN REILLY: Thank you, Mr. Mayor.

The next part focuses again on the public safety aspect of organized retail crime. Right now, currently, if they commit misdemeanors -- petty larceny -- multiple times, it's just a revolving door. Do you think there's a way that we can help address that, maybe like having -- if you have a prior conviction or two prior convictions within 18 months and then you commit another crime and it accumulates, each one that you go into different stores, over a thousand dollars, making that a grand larceny felony? Do you think that would help assist?

MAYOR ADAMS: Yeah, and there's several layers. The -- some of the repeated offenses that we're witnessing, particularly property crimes, they fall into three categories.

Category one is the individual who is part of an organized ring. The Attorney

General did an amazing job of taking down one of those rings.

Category two is a person who's -- substance abuse, they are dealing with a substance abuse. And we need to address that.

And category three are those who need basic services.

So we believe that let's go after -- use the criminal justice apparatus to go after those organized rings. Those people who have substance abuse issues, let's address that at the precinct level. If they will partner with a social service provider, we'll defer prosecution, and so they can get the services they need.

If they're dealing with food insecurity -- deferred prosecution, show them the availability of food.

But what we can't do is allow repeated offenders to make a mockery of our criminal justice system, and repeatedly. We're losing chain stores that are closing down. People who are being employed in those stores are

losing their jobs, they're adding to our unemployment.

So people who state that we're criminalizing the poor that goes after people who are repeated offenders, they're wrong. We're going after and criminalizing the poor when poor and low-income New Yorkers are being unemployed because we're losing those businesses in our city. We can't allow repeated offenders to make a mockery of the criminal justice system.

ASSEMBLYMAN REILLY: Thank you, Mr. Mayor.

So staying on that topic, talking about with the marijuana shops that are opening up, some are opening up illegally. What type of enforcement is the city prepared to do? What can the state do to help?

Specifically, I'm worried about it going to the old weed-spot shootouts we used to have in New York City when we were both in the police department. We don't want to go back to those days. Is there anything that we can do as the state to assist?

MAYOR ADAMS: Thanks so much for that question, because it's a real problem in the city and I think it's going to become pervasive throughout the state. Other municipalities like California and others have failed.

We need help. Number one, as it stands now, if someone is selling illegal cannabis in a store, the police can't take action. We need to, number one, go after landlords that intentionally set up illegal shops in their location. We need to empower the sheriffs and the police to appropriately take action to confiscate those illegal uses. And we need to identify those who are selling to our children as well.

We have to close down these illegal shops or we're going to do away with all the good work that the state lawmakers did in legalizing cannabis and the business that's associated with it. Right now we don't have the enforcement tools to correct the problem.

ASSEMBLYMAN REILLY: Thank you, Mr. Mayor.

And drug recognition experts, I'm hoping that we can still get some more funding for drug recognition experts, for the police law enforcement for driving under the influence of marijuana.

MAYOR ADAMS: So important.

ASSEMBLYMAN REILLY: Thank you.

CHAIRWOMAN KRUEGER: Senate?

CHAIRWOMAN WEINSTEIN: Yes, Senate.

CHAIRWOMAN KRUEGER: Thank you.

Next we're going to call on Robert Jackson.

SENATOR JACKSON: Mayor -- good morning, Mayor, and thank you and your team for coming up.

MAYOR ADAMS: Thank you.

SENATOR JACKSON: Let me just say I am very concerned about the fact that New York City has to pick up the locality share of Medicaid when, around the country, New York State is the only place that localities have to pick it up. And that's hundreds of millions of dollars that New York City has to pick up.

I'm also concerned about Aid to Municipalities, which New York City was cut out a long time ago. And we would probably get, right now, a billion dollars every year where other localities in New York State are getting their share but we get a big fat zero.

So my question to you is, is New York City the Federal Reserve Bank that we have all of the money that we actually need? And that's a serious question, because I've always raised the issue of Aid to Municipalities, that we're the only city, the only municipality in New York State that gets a big fat zero. And so I'm very serious about that. But -- and I know your answer. Obviously you're not the Federal Reserve Bank.

But also you mentioned about the distressed hospitals, and that you're the only city that's paying for that. I mean, where is the fairness to New York City? And as you know, I've fought, when it comes to Foundation Aid, with John Liu and other

advocates to make sure that all of our children -- not only New York City, but the entire state -- gets an opportunity for a sound, basic education.

So I'm very concerned that we have to push back at the state level and at the federal level to ensure that New York City gets its fair share so we can do all of the things that we need.

And so with that -- I only have a minute and a half -- I say to you that John Liu said, and I agree, I'm not willing to go along with the charter expansion. Basically the Governor opened the door up for a floodgate to New York City. And even if there was a hundred schools that come to New York City, under each charter they can expand. And that's possibly 300 schools over the next 10 years.

And you know one thing? You said it in your statement, the cost factor to New York City is going to be over a billion dollars more. Do you have the money to do that? I know the answer is no, we don't have

it. So that's another issue that we have expressed publicly at a press conference at City Hall with John Liu, Rachel May -- not Rachel -- Shelley Mayer and others. And advocates stood solidly and said, Stop, stop. You keep pushing on New York City things that we don't need. We have our own internal problems.

I congratulate you for trying to deal with the migrant situation, for people coming in. You slept in a -- in the Brooklyn location overnight with Assemblymember Eddie Gibbs from Manhattan. And I appreciate the fact that you want to get things done. But we want to make sure that you have the resources to get it done.

So thank you for your leadership. I look forward to working with you on the issues that I've expressed.

MAYOR ADAMS: Thank you, Senator.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Epstein, for 10 minutes.

ASSEMBLYMAN EPSTEIN: Thank you,

Mr. Mayor. Thank you for being here. I really appreciate it.

MAYOR ADAMS: Thank you. Good to see you.

ASSEMBLYMAN EPSTEIN: You too.

MAYOR ADAMS: You've inspired me to get my ears pierced.

(Laughter.)

ASSEMBLYMAN EPSTEIN: You know, bald men with earrings is a good look, you know?

(Laughter.)

ASSEMBLYMAN EPSTEIN: So I just wanted to talk to you about the housing plan first. You mentioned the housing plan; I notice you didn't mention around the basement apartments. And as you know, we lost 11 New Yorkers in basement apartments.

And in the Governor's proposal she included a path to legalizing basement apartments for New York City. My understanding is you and your administration are supportive of doing that this upcoming year. I want to hear what your thoughts are and how you're going to prioritize helping

the New Yorkers who are living in basement apartments.

MAYOR ADAMS: Well, we -- we have been looking at this for some time, and some of the lawmakers here as well as the City Council. We want to make sure, with the accessory dwelling units, that it's done in a safe way. We saw, after Hurricane Ida, we lost several New Yorkers due to the hurricane. Our goal is to make sure that any accessory dwelling is done in a safe way and be part of our overall plan on how we're going to deal with the housing crisis that we are facing.

And I want to commend the Governor and her attempt to address this issue and make sure we ensure that any accessory dwelling, particularly basement apartments, are done in a safe way.

ASSEMBLYMAN EPSTEIN: So you support the state giving you authority, under the Multiple Dwelling Law, to do a New York City plan to legalize basement apartments in a safe and affordable way, is that correct?

MAYOR ADAMS: Yes, I do. And the first attempt to roll out, it was costing homeowners anywhere from a half a million to a million dollars. It was just too expensive for low-income New Yorkers.

And when you go to several communities where you see these accessory dwellings or basement apartments, they're in low-income communities. And right now if it's done illegally without any oversight, that is what's making it dangerous. We want to stop that from occurring.

ASSEMBLYMAN EPSTEIN: I appreciate that. And I appreciate your support to create a legal pathway to support these homeowners.

As you know, we put in the budget $85 million last year, statewide, to help homeowners and municipalities legalize these basement units. And I know the city applied for a plan to do that. Do you expect to be applying for future funding as well to help homeowners up -- legalize these units?

MAYOR ADAMS: That's our goal.

And I think that seems to be in line with what the Governor is proposing as well.

ASSEMBLYMAN EPSTEIN: Great, thank you.

I want to talk to you about another housing issue that you mentioned, the lifting of the 12 FAR cap. And since I represent Manhattan, that obviously will impact my district. And, you know, obviously we have a concern about housing, but more of a concern about affordable housing. I'm concerned by just lifting the cap without requiring affordability above 12 FAR, that we're missing the mark. We're not requiring developers who are building above 12 FAR to guarantee permanent affordable housing.

I was wondering if I could -- if you'd be open to changing that and requiring, you know, if there is a cap -- the 12 FAR cap lifted, which at this point I can't support because it's not affordable, would you support something that required affordable housing above 12 FAR?

MAYOR ADAMS: Yes. Yes, I do. And I

believe that we have an excellent opportunity, when we look at almost 10 million square feet of available space in our office buildings -- if we do the conversions like we did post-9/11 in Lower Manhattan, I believe that this is an excellent opportunity for us to look at converting some of the units into affordable units -- and mixed-use affordable, low income and middle income.

Because I'm concerned about my teacher and McDonald worker. You know, they are being priced out of this city, and we're losing thousands of African-Americans that are fleeing the city because it's no longer affordable.

And so the goal is that as we look at what could be done on the state level like FAR, that's our opportunity to put as many opportunities out there to build more units.

ASSEMBLYMAN EPSTEIN: So in my district on the East Side of Manhattan, Waterside Plaza is in my district. And this year I heard from residents who are seeing

40, 50 percent rent increases in some of these market-rate units.

And one way to prevent that from happening and keeping those renters and, you know, lower-income New Yorkers in our city is good-cause eviction, so you don't see those astronomical rent increases. And I'm wondering, you know, have you seen this? I've seen this across the city. Do you think that's a good tool that we could have in our tool belt to protect renters, who are the majority of New Yorkers?

MAYOR ADAMS: We need to be clear that the issue about renters being displaced and being able to remain in the city, in their homes, is important. But we've got to get it right.

I'm a small property owner, three-family. When my renters moved in, they signed a lease that I would never raise their rent as long as they're there, and they've been there for about 10, 15 years, in Bed-Stuy.

You have to keep small property owners

in mind. So whatever we do around good-cause eviction, let's remember that small property owner who came from the Caribbean, was able to buy a 10-unit house, how their increases are going up, what they're going through.

I receive and field those calls all the time, of these small property owners that all of their assets, all of their savings is in their homes. And if we don't take that into account, the intention of good-cause eviction can displace some of these small property owners, and then you're going to have large investors come in and take away the real pursuit of the American dream.

I don't know any community from any place on the globe that came to this country with the desire of owning a home. Everything they have is in that home. All that I have is in that three-family house.

ASSEMBLYMAN EPSTEIN: Mayor, we agree on that. You know, Blackstone represents tens of thousands of units in my district. They own StuyTown-Peter Cooper Village. I'm not talking -- now I'm talking about the

large property owners who are -- you know, Blackstone's the largest landlord in the world.

So those are the landlords who we're trying to impact. And I think that's what good cause is getting to, to support tenants who are living in those buildings.

I want to turn to the cost-shifting that you mentioned around the MTA. Part of the cost-shifting was related to the Student MetroCard Program.

And so I notice that the Governor proposed shifting about $100 million from the state and the MTA to the city. And I'm wondering, do you feel like it's the city's responsibility to get students to and from school and to their school-related activities? What should be the shift? You know, what should be the city's responsibility versus the MTA versus state?

Because obviously, as the parent of public school kids that personally went to public school, my kids needed it to get to school. They needed the MTA to get to their

thing after school. They needed it to go to the Model U.N. Conference or the sporting event or all the activities that -- the MetroCard was critical for my children and I'm sure for the million-plus New York children who are going to school.

MAYOR ADAMS: Well, you know, I may be dating myself; even before we had MetroCards, I remember having that little free pass that allowed us to get on the bus and train going to Bayside High School.

We're doing our share. New York is paying 45 million, the state is paying 25 million, and we believe it's a great partnership that both the city and state -- we're not even saying split fifty-fifty. We're paying 45 million, the state is paying 25 million. And we should not shift the cost on New York City alone.

ASSEMBLYMAN EPSTEIN: I appreciate that. Thanks for -- thank you for sharing that.

The last question is around kind of the mental health crisis we're seeing. So in

my district we have a large number of people with mental health issues. It's really affecting our small businesses. They're going into stores and they're causing lots of disruption. We've heard from our East Village Merchants Association about the negative impact it's having in our community. In our local parks we see, you know, needles in playgrounds. And we've been trying to get more collaboration from the city to do something about it.

How can we confront this? How can we confront that? How can we confront the vending that's happening on 14th Street where we see people leaving food on the ground and people buying it? It is kind of this mental health street life that's really having a negative impact on people in our community and the small businesses in our community.

MAYOR ADAMS: First of all, I'm glad that you're saying that. And, you know, I hope people capture you saying it because --

ASSEMBLYMAN EPSTEIN: It's being recorded, so it's --

MAYOR ADAMS: Okay, that is so important.

You know, I was on 14th Street the other day around 11 p.m., which is --

ASSEMBLYMAN EPSTEIN: Call me, I'll join you.

(Laughter.)

MAYOR ADAMS: Let's do that. Let's do that.

And you're right. And I just don't understand the philosophy that people embrace that we should allow people to stay on the street that cannot take care of their basic needs. That is inhumane. January and February, when I first got elected, I went and visited people that lived in encampments, that lived in boxes. I saw human waste, drug paraphernalia, schizophrenic, bipolar -- people can't make those decisions.

And so our approach of using outreach workers, combined with other professionals, to give them the care they deserve, is what we're going to continue to pursue.

ASSEMBLYMAN EPSTEIN: So, Mayor, I

just -- I think -- I think I have only 10 seconds left. It sounds like -- I'd love you to come back to the district. I know it sounds like we agree that we don't criminalize poverty, we want to help people, and I think that's our shared goal. Is that right, Mr. Mayor?

MAYOR ADAMS: Yes. Yes.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you very much.

Our next questioner is Senator Rachel May, chair.

SENATOR MAY: Mr. Mayor, nice to meet you.

MAYOR ADAMS: How are you?

SENATOR MAY: I'm great.

MAYOR ADAMS: You must have came after I left.

SENATOR MAY: Yup, exactly.

Yeah, so I represent Syracuse and Central New York, and I'm chair of the Cities 2 Committee, which is all the other

cities.

So I was happy that you mentioned waste reduction. A lot of New York City's waste is trucked right through my district to Seneca Meadows Landfill, which is slated to close in a year or two, and needs to close.

So we in the Legislature have more ambitious targets than what the Governor laid out for packaging reduction as well as I carry a major expansion of the Bottle Bill. And I'm wondering if you will support more ambitious efforts to reduce waste in those ways.

MAYOR ADAMS: We would love to partner with you and hear some of your suggestions.

But I am really pleased with Commissioner Tisch. We started our composting program in Queens, hit record numbers ahead of time. This is going to be eventually a citywide program to make sure that we find better ways to use our waste. But if there's some ideas that you believe you want to present to the administration, we are eager to do so. We want to make a real

mark on how do we reduce our waste and move in the area of recyclables.

SENATOR MAY: Tremendous. I look forward to doing that. I hope we have a chance to meet about that.

I also had an opportunity to tour the watershed in the Catskills, some of the protection efforts that the city does to protect its drinking water at the source. But there are a lot of new pressures with the climate crisis and with PFOS, the forever chemicals that are getting into our water supply and everything.

I'm wondering, is New York City expanding its efforts to protect the watershed at the source so that you can continue having the unfiltered drinking water that is the envy of the world?

MAYOR ADAMS: When you say expansion of the protection, can you drill down a little more for me?

SENATOR MAY: Well, so PFOS is a real threat. These forever chemicals from plastics and, you know, a lot of the

chemicals that are in our -- that we are generating, they're ending up in the water supply. They're dangerous for people to drink.

So -- and then harmful algal blooms are happening more and more as the temperatures rise and also agricultural runoff gets into the water. And so there are just a lot more things to guard against in order to keep our water safe to drink.

So I'm just wondering if New York has allocated more funds or it needs more funds to do that kind of watershed protection that you already do at a large scale.

MAYOR ADAMS: Anything you want to add on that, Jacques?

NYC BUDGET DIRECTOR JIHA: Yeah, we will continue our efforts to make investments in watershed to make sure that, you know, we protect our water at the source.

SENATOR MAY: Okay, great.

MAYOR ADAMS: But again, Senator, if there's some particular ideas you have, we really want to partner with you. You know,

based on my reading of some of the proposals you have produced, this is an area where you're an expert. This is an area that you believe in. And we believe let's go to the experts. If there's some things you specifically feel we should be doing, the team up here is looking forward to that engagement.

SENATOR MAY: Okay. If you haven't gone on a tour and seen what they're doing, training farmers to, you know, create buffers around the water supplies and things like that, it's a really great thing to do. I recommend it because it's -- the water supply in New York City -- if you had to start filtering that water, that would blow up your budget. So --

MAYOR ADAMS: Why don't we arrange a time for me to come up. We just have to do it quietly, because every time I leave the city the press follows me.

(Laughter.)

SENATOR MAY: And then I just have one other question which is about a bill that I

carried last year that I think you're familiar with, the SIGH Act. I worked very hard with the New York Civil Liberties Union on this to protect our kids in schools from siting schools right next to major highways. And I recognize that New York City has limited space for building new schools and it may not be easy to find spaces that are far enough away from a highway. We were only asking for 500 feet, but still ...

My understanding was that New York City was the sticking point on getting that bill passed. So would you be open to working with us to try to figure out wording for that bill so that we can protect our kids all around the state from the dangers of being in a school right next to a highway, you know, breathing the air, the noise pollution, the other hazards that are associated with that?

MAYOR ADAMS: And I wrestled with that bill because the intentions were right. And I remember sitting down with the team and going over it, because it is a concern.

And, you know, I'm proud of the fact

that any new building that is being built is going to be 100 percent electric. We are going to invest a substantial amount of money to convert a lot of the diesel boilers, a lot of the boilers that are spewing out toxic fumes. We were up in the Bronx, at one of the schools that was right by the highway.

The density issue is a real issue for us -- you know, unlike other locales. Finding and siting spaces to build schools is a real challenge. But again, I would love to sit down with you and see if we could come up to a meeting of the minds. Because I did -- personally, I wrestled with that -- you know, we had to say that can we actually do this. But we have to deal with real environmental issues. That's why we're converting our vehicle fleet to electric vehicles. The deal we're making with Uber and Lyft, we're talking about thousands of vehicles going electric.

So we're in line with you. And if there's a way we could get to a place to accomplish both those goals, two thumbs up.

SENATOR MAY: Great. I appreciate that. I mean, you had some really constructive counterproposals about air quality inside the schools, which I think is something we should be working on as well.

So thank you. I look forward to working with you on these issues.

MAYOR ADAMS: Thank you. But we actually proposed it -- I'm just an overall good guy.

(Laughter.)

SENATOR MAY: Thank you.

CHAIRWOMAN KRUEGER: I'm not sure that gets you anything in Albany, but thanks for sharing.

(Laughter.)

CHAIRWOMAN KRUEGER: Assembly.

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

ASSEMBLYWOMAN HYNDMAN: Good morning, Mr. Mayor. Thank you --

MAYOR ADAMS: How are you?

ASSEMBLYWOMAN HYNDMAN: -- and your team.

So Southeast Queens was one of the biggest areas that did composting. So thank you for saying that.

MAYOR ADAMS: And you know what's very interesting, Assemblywoman, that South Jamaica, Queens, St. Albans, all of those communities that people stated would not compost are leading the way. Those Black and brown communities that they said wouldn't participate in the program, they're leading the way in Queens.

ASSEMBLYWOMAN HYNDMAN: I'm very happy to hear that. And I know that about my constituents.

So my question, we have seen the reopen of shelters in and around the community that were closed, the hotels that became shelters, and we know the migrants need a place to stay and we're very happy to provide that.

But one of the things you said is that you may have to cut essential programs for the city. And what gets cut first, is my question. Because our schools are

overcrowded now, and the additional dollars aren't coming for that, so principals are having to do more with less. We're seeing an influx of activity around some of these places. So what more can you cut in order to -- and still run the City of New York?

MAYOR ADAMS: It's a real frightening experience when you think about it. Four billion dollars in our budget. We're going to -- in 2025, we're going to reach a real fiscal cliff. We still have substantial union contracts we have to settle. People look at the $8 billion we have in our Rainy Day Fund and don't realize we still have some very serious costs. Those dollars are gone.

And every service in the city is going to be impacted, every service. Over 11,000 children are in our school system we absorb. Thus far we have not received any financial assistance to assist us with what we've been holding on for close to a year in this migrant crisis.

ASSEMBLYWOMAN HYNDMAN: I just wanted

to thank the staff that you have up here, Nitisha and Chris, for the work that they do. They're very responsive to the questions, which helps me help my community.

And I yield back my 47 seconds. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate.

CHAIRWOMAN KRUEGER: Senator Cleare.

SENATOR CLEARE: Good morning.

MAYOR ADAMS: Good morning, Senator.

SENATOR CLEARE: Thank you so much, Mayor Adams and your team. Thank you for being up here today.

I just want to drill down. You already mentioned this a little bit in one of your responses. But a recent New York Times article highlighted an exodus of Black residents from New York City over the last decade. And though the city's overall population has increased, nearly 200,000 Blacks have left New York City. That resulted in us now being one in five residents of New York City -- compared with

2000, where we were one in four -- according to the latest Census data.

And one of the main causes pointed out in the article is the rising cost of raising a family in New York -- more specifically, the rising rents and lack of truly affordable, safe housing for Blacks in New York City, who have an average median income of $53,000, compared to whites at $98,000.

We know that there's also been historic barriers put in the way of Blacks renting and owning in New York City.

I want to know, in your housing plan and in your arsenal and with the tools that you have, how can we address this major housing injustice, this disparity that exists? And I know earlier you talked about the FAR cap; if that can be tied to in some way providing housing for Blacks in New York City who are very, very critically being pushed out of New York City.

MAYOR ADAMS: Well said, Senator. And you probably -- your community is Ground Zero

for that problem.

SENATOR CLEARE: Yes.

MAYOR ADAMS: The transformation of Harlem is clear, and you're seeing long-time residents are no longer finding it affordable.

And our goal is to really zero in on low- and middle-income New Yorkers. And the cost of housing is making it challenging. And one of the reasons we're finding that landlords are able to have these exorbitant fees and costs is because of the stock. That's why we have to build more. We have to build more housing. And building more housing means that we need partners like you and the City Council to state here's some locations to build.

SENATOR CLEARE: But when I think -- and I don't mean to cut you off, because I have limited time. You know, we built more, we built a whole lot, and we built our own displacement.

So I want to make sure that, going forward, that we now focus on that, learn

from those mistakes, and make sure that we're not -- that we're including all New Yorkers, including Black residents, who want to remain in the community. And as you know, I represent a historically Black community, and this has been devastating for all of us.

If you can just talk a little bit about the executive's proposal to establish a New York City Office of Community Hiring. And, you know, is that something that you would support? And I don't know if you're familiar with it. You can send it to me.

MAYOR ADAMS: Yes.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

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

SENATOR CLEARE: I'm going to have to talk faster.

ASSEMBLYMAN WEPRIN: Good morning, Mr. Mayor.

MAYOR ADAMS: How are you, Assemblyman?

ASSEMBLYMAN WEPRIN: Thank you for

coming back to visit us. And I know you've been a constant force back and forth.

I'm the new chair of the Assembly Committee on Insurance, and I've been reviewing the Executive Budget and the potential impacts it will have on New Yorkers. Specifically I'm referring to Article VII HMH Part J, which is commonly known as the pay-and-pursue, or pay-and-resolve. This policy mandates that health insurers pay emergency and in-patient services claims prior to conducting a utilization review.

Under this proposal, hospitals would be reimbursed for services performed before health insurers can fully assess the medical necessity of those services.

It is my understanding that there is concern among the municipal workforce regarding the potential implementation of this policy. And I'm curious to get your feedback or your team's feedback on this proposal and whether your administration feels its implementation would be a benefit

or a hindrance to the municipal workforce.

MAYOR ADAMS: Well -- and I'm a big believer in I know what I know and I know what I don't know. So don't mind me turning it over to Jacques, because I don't know.

(Laughter.)

NYC BUDGET DIRECTOR JIHA: Yes, it is a bit of a concern to us. And because the costs -- it's about like $111 million this year and going to 285 next year.

So we definitely would have to work with the Governor to make sure that we -- they don't implement this policy. Because again, as I said, it's another cost to the City of New York.

ASSEMBLYMAN WEPRIN: Thank you.

We're going to be obviously discussing that as we do our response to the budget in our house, and we'd like to, you know, take into consideration your feelings on it. But we have not made a decision of whether the Assembly Majority is going to accept it or reject it at this point.

NYC BUDGET DIRECTOR JIHA: Sure.

ASSEMBLYMAN WEPRIN: Thank you.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: Thank you very much.

Next we have -- oh, have you met Senator Gounardes?

(Laughter.)

SENATOR GOUNARDES: Who is this man here? I don't know if I've seen this man before in my life.

(Laughter.)

CHAIRWOMAN KRUEGER: It was a guess.

(Laughter.)

SENATOR GOUNARDES: Good morning, Mr. Mayor.

MAYOR ADAMS: Thank you.

SENATOR GOUNARDES: First, on behalf of Assemblymembers Tannousis and Mamdani, we want to request that Greek Independence Day is also a holiday --

(Laughter.)

SENATOR GOUNARDES: -- the Green contingent and the Astoria contingent.

MAYOR ADAMS: They say I'm from Athens.

(Laughter.)

SENATOR GOUNARDES: I want to drill down a little bit on some of these cost-shifts you're being asked -- the city's being asked to pick up as part of this budget.

Operating expenses, paratransit, Student MetroCards -- you said it's over a half a billion dollars. What does that -- how does that compare to what the city's currently providing? And are any other localities in the MTA district providing a similar rate or percentage of a share to help support the MTA?

MAYOR ADAMS: And we find it -- and Jacques, you could break down exact numbers and details of it. We're finding in our analysis all of those who fall within the MTA throughout the entire state are receiving some form of services. But it appears as though only New York City is being required to assume all of the costs of these services

that historically all of you have fought for to make sure that the state pays their portion of -- and that which we have fought for now has been shifted totally to New York City.

Jacques, do we have the exact numbers?

NYC BUDGET DIRECTOR JIHA: Yes. It's -- I'll give an example of -- it's two -- currently we pay about $2.3 billion we contribute to the MTA. City residents, okay, contribute about 68.5 percent of all the revenues that go to the MTA. That's on top of that.

The Governor basically is asking the city to pay half a billion dollars for Fair Fares -- for paratransit and all of these things. These are shared responsibilities. That was the intent of the program to begin with. Now they're trying to shift everything onto the city. And the city is the only locality, like you said, around the entire region that is asked to contribute half a billion dollars in perpetuity. It's not like one time there is a short-term

problem, it's that in perpetuity we have to contribute half a billion dollars a year.

SENATOR GOUNARDES: I want to get in, because I have 40 seconds left. I appreciate that answer.

Is it fair to say that people who use Metro-North and Long Island Rail Road also, when they come into the city, use city buses and city trains?

MAYOR ADAMS: Yes, they do.

SENATOR GOUNARDES: Okay, thank you.

I also want to shift -- you mentioned earlier about the migrant crisis. Next time you're in Red Hook, give me a call, I'll come with you. The federal money that was passed last year, we haven't seen it yet, but how much -- do we know how much is earmarked for New York City at this point?

MAYOR ADAMS: No. They have not -- we met with the board of control and sat down and communicated with them. They have not allocated the exact dollar amount that will come to New York City.

SENATOR GOUNARDES: Do we know when

that might happen?

MAYOR ADAMS: No, we do not.

SENATOR GOUNARDES: Thank you.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman Carroll.

ASSEMBLYMAN CARROLL: Good morning, Mr. Mayor.

MAYOR ADAMS: How are you, Assemblyman?

ASSEMBLYMAN CARROLL: Thank you so much for coming. I'm well, thank you for asking.

You and I share a similar passion and a similar struggle. Of course I'm talking about literacy. You were a great leader in talking about your struggle with reading and dyslexia as a young person. I, for the last seven years here in Albany, have been beating my head against the wall talking about literacy.

You have done great service to hundreds of thousands of children in New York City by sounding the alarm of the literacy

crisis that we're facing in New York and committing to reforming our elementary school education. But yesterday in the city, there was a report that said still a majority of our public schools are using an outdated, outmoded and debunked curriculum from Teacher's College at Columbia University that uses a method of teaching called "3-Cueing" that has no basis in science or evidence.

I know that you care about instituting an evidence-based structured literacy curriculum that's based on the five pillars of literacy -- which are, for those who don't know, phonemic awareness, phonics, fluency, vocabulary, and comprehension. Will you commit today to saying that we will ban 3-Cueing, we will ban these debunked literacy curriculums that are destroying the lives of our children? And can you support my bill, the Right to Read Act, that will make sure that we have evidence-based literacy curriculum and teacher training for every single teacher in this state and stop these outmoded curriculums that are destroying the

lives of children?

MAYOR ADAMS: Well, first, Assemblyman, I cannot thank you enough for your commitment in this area. When people talk about upstream models, 30 to 40 percent of the men and women on Rikers Island have learning disabilities, we believe with dyslexia leading the way. And the partnership you did with the chancellor a few days ago just continues to show your commitment in this area.

I have full confidence in Chancellor Banks. He has really approached a real literacy component to how we're going to revamp education. I think we have done a disservice to our educators by putting them in an atmosphere without the right tools. But evidence-based must be the way we must go, and we want to partner with you in getting there.

ASSEMBLYMAN CARROLL: I agree with you a hundred percent. I hope you can bring that clarity to the Governor. She vetoed last year a bill of mine that would have just had

public hearings about literacy and dyslexia. She was too scared to have public hearings and listen to parents, educators, students. We need your clarity. Please, support these bills, talk to the Governor. Because if we don't do it, our children will inherit the wind.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

I'm now going to turn to Chair Martinez, from the Local Governments Committee, for 10 minutes.

SENATOR MARTINEZ: Thank you.

Good morning, Mayor. How are you?

MAYOR ADAMS: How are you? Good to see you.

SENATOR MARTINEZ: I am doing well, thank you. Good to see you as well.

First of all, I just want to say thank you for being here with us today, and with your team, and presenting us with your comments and especially making sure that

New York City is a safe place and a place where people can live.

With that said, as chair of Local Governments and also a proud immigrant myself, I want to thank you for what you're doing with the humanitarian crisis that we are now facing, not just in New York City but the entire State of New York.

Coming from Suffolk County and Brentwood, New York, which is a very transient and very diverse district, sometimes people use fearmongering to elicit emotions on the backs of the pains of families that are struggling. And for me I just want to say thank you for your efforts in providing some sort of solace for our people who are coming in from different countries.

But with that said, I just want to ask -- because there are rumors, and I just want to make sure that rumors are not real or fake, so I'm going to ask you personally. It was reported that New York City is looking into Nassau Coliseum as a potential housing

for our asylum-seekers. Is that part of the New York City plan?

MAYOR ADAMS: I didn't hear the first part, I'm sorry. You said reported that we what?

SENATOR MARTINEZ: That New York City is looking to use Nassau Coliseum in Nassau County as a place for temporary housing for our seekers, our asylum-seekers.

MAYOR ADAMS: That has not come across my desk.

SENATOR MARTINEZ: Okay. See, because it was a news article on January of this year that said New York City was looking as a potential -- looking for locations at potential places around the state, and Nassau Coliseum came up as one. So I just wanted to make sure that I gave you the opportunity to clear that up because, as you know, if this is the case, all I would hope is that there is some sort of discussions with our local governments, with our local schools, with our not-for-profits. Our not-for-profits are already struggling with

resources and lack thereof.

So I just wanted to make sure that I put that out there and gave you the opportunity to clear that up.

MAYOR ADAMS: Yes. I think you started out with the first words "there was a news article," you know.

(Laughter.)

MAYOR ADAMS: Clearly that has not come across my desk. And if we were to do an initiative in one of the local municipalities in the area, we're going to communicate with the local electeds to share what we are doing.

We -- this administration believes strongly in empowering local electeds. I think everyone here would tell you how accessible our administration, my administration is. And we would definitely communicate with you.

But with that said, there needs to be a decompression strategy in the state. I think it's the obligation of the Governor's office to decide how we're going to take the

close to 47,000 people that have come through our care, how do we make sure that this is a statewide initiative. This is not a New York City obligation, and there should be a decompression strategy that we could successfully take small amounts of those who are seeking to pursue the American dream.

SENATOR MARTINEZ: Which is why I also said people are using the fearmongering tactic, where these are families that are seeking asylum that are coming from countries where their lives are at stake. And I can tell you from my personal story coming to the United States, where my mother came on her own, leaving her children and her husband behind -- the resources were there for us to be successful where we are today. All of my siblings are successful individuals, and that was because the resources were available.

And I just want to make sure that whatever we do for these asylum-seekers -- because they are looking for help -- that we talk and we communicate and that things don't come up in surprises, because the last thing

we want is a surprise. But like you said before, we need to figure out how to help these asylum-seekers.

And I do want to say thank you for being here and for providing that opportunity for asylum-seekers, and especially these children. Right? These children have nothing to do with that's happening, and it's scary to know that they're coming to a strange place that they don't know and all they want is to feel love and to feel acceptance.

So again, I do thank you for that.

MAYOR ADAMS: Yeah, and they feel that love with this administration. And it's unfortunate that we had close to a thousand people that lived in one of the hotels, single adult males, and we told them that we need to open the space for children and families in hotels and put them in congregate settings, similar to what we're doing with everyday men in the city that live in congregate settings. We want children and families to be in hotel rooms as we

transition them into permanent housing.

And a small group of agitators have 40 of those individuals to protest and be on the street. They were on their way into the bus to go to the humanitarian center that we opened -- heat, warmth, food, three meals a day. We're incorporating English as a second language instruction. And they are thankful.

And that's the real tragedy of this. When you go to the asylum-seekers and the migrants, they are saying thank you for what you are doing. What we're doing in New York City is not being done anywhere else in the country. We are doing -- providing meals, healthcare, education, mental health support, all the things that we should treat people with a level of dignity.

And who's it being led by? It's being led by Commissioner Castro, who was a Dreamer. He came here with his mother from Mexico. He understands what they're going through, like you understand that. And that is who's leading our initiative. We've done an amazing job, and this city should be proud

of what we have done and will continue to do.

SENATOR MARTINEZ: Thank you. And just one last comment.

In moving forward we also need to make sure that our not-for-profits, those organizations that are helping across the state, are also funded. Because they're at a crossroads. They don't know who to help because of the lack of resources that they have. So that's something else that we need to look at.

And obviously, going back with AIM and the monies that are given to our municipalities, which is staying stagnant, I agree that needs to be increased. Our local governments are facing so much right now.

And I just want to say thank you for coming here, for answering my questions, and for clearing the misconceptions that's out there. Thank you.

MAYOR ADAMS: Yes. And not only did I spend the night in the Brooklyn Cruise Terminals and spoke with our brothers and sisters that came from another country, but I

spent the night in El Paso. I saw that the failure at the national level has decimated that city as they had to take on the influx.

But a lot of people must realize -- these cities, these border states, people pass through there. They end up in New York. We have already been the leader of allowing people to come from other municipalities. We were already leading the way.

This new influx and the inhumane way they were treated has put us on the precipice of just being overwhelmed. And we can get it right if everyone is participating in this.

SENATOR MARTINEZ: I agree. And I'm going to also echo what my colleague Senator Jackson always says, that New York City needs some AIM money. And I do concur. I think you do need a little extra help.

So I do appreciate you being here again. Thank you.

MAYOR ADAMS: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Before we go to

a questioner, we've been joined by Assemblyman Sayegh. And Assemblywoman Rajkumar has been sitting in the audience; I neglected to announce her earlier.

Assemblywoman Seawright, for three minutes.

ASSEMBLYWOMAN SEAWRIGHT: Thank you, Chair Weinstein and Chair Krueger.

Good morning, Mr. Mayor, it's good to see you --

MAYOR ADAMS: Always.

ASSEMBLYWOMAN SEAWRIGHT: -- and your team. And as we roll into women's history month, it's great to see the smart, talented women -- Tiffany and your first deputy mayor and our former colleague Diane -- around you.

I am the new chair of the People with Disabilities Committee, and I know you have a very active Mayor's Office for People with Disabilities. But it's been documented that people with disabilities in New York City are more than twice as likely to live in poverty as those without a disability.

Is there a comprehensive action plan

to change the city, from its transportation to its schooling to its employment opportunities, to access the affordable housing and healthcare to help those with disabilities improve their quality of life and receive the economic opportunities they need and so deserve?

MAYOR ADAMS: And there are too many stigmas and untruths that are attached to people with disabilities. And our workforce development plan is looking at all of that. All a person with disabilities is asking is, number one, to be allowed to be gainfully employed; number two, to be able to move around the city the same way everyone else is able to do so.

And that is what we are attacking. And our commissioner is head-on in ensuring that we look at all the barriers that have historically prevented people living with disabilities from entering the workforce, and how do we move around the city in the appropriate fashion.

ASSEMBLYWOMAN SEAWRIGHT: I also want

to just raise the Roosevelt Island Operating Corporation.

Roosevelt Island, as you know, is in my district, and we appreciated you coming and visiting the island.

There's still several openings on the board. As of last year there was a huge lack of diversity on the board. And I know you have several appointees, and we've talked about the residents of the island wanting to have a say and a voice in the authority, the corporation that governs the island.

So maybe we could get together and talk about how we could help the constituents to have a voice in who represents them, in filling those vacancies and taking into account diversity and women on that board.

MAYOR ADAMS: The first deputy mayor will reach out to your office. And I agree, we traveled to Roosevelt Island, it's amazing. I lived in the city all this time; this is the first time I took the tram. That's a beautiful place to live, right across the street from Gracie Mansion.

Unlike Gracie Mansion, you don't have ghosts. So, you know --

(Laughter.)

MAYOR ADAMS: But we -- the first deputy mayor will communicate with you and we will finalize those items we went through.

ASSEMBLYWOMAN SEAWRIGHT: Great, thank you.

CHAIRWOMAN WEINSTEIN: To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Next up we have Senator Leroy Comrie.

SENATOR COMRIE: Good morning, Mr. Mayor.

MAYOR ADAMS: Senator, how are you?

SENATOR COMRIE: I'm good. Good to see you this morning --

MAYOR ADAMS: Good. Good to see you.

SENATOR COMRIE: -- and your team. I see you stole Latonia McKinney from the Council. Along with your deputy mayor and your new advisor, I'm glad that you have a strong team of women along with Tiffany Raspberry, because -- to move your administration. And Jacques is also someone

that I've had the pleasure of working with.

I only have three minutes; I'm just going to run off some things that I want to talk about.

You know, I do -- I do not support expansion of the charter school numbers, but I do want to see more minority charter school owners that have been waiting in the pipeline to get opportunities to get charter schools. So I just want to be clear about that; there was a mistake that my office made last year that people are confused about.

But we need to make sure that -- and we need to end collocations with charter schools and public schools as much as possible. Hopefully this year in the Legislature we can eliminate that as an issue, because it's unfair to our local kids to be imposing a charter school with new properties, new equipment, and they're suffering to look at that in an existing school. That must end.

The issues on housing, I would hope that you would work with the community

boards. I know it's a hard road, but a lot of communities are concerned in Cambria Heights and Laurelton about the ADUs, the basement apartments. The pilot plan in Brooklyn didn't work, it was too expensive.

I hope that we can also focus on the AMI adjustment, which is a big problem. Because trying to build affordable housing when you have to project the prices in Jamaica against Forest Hills, we can never get affordable housing built. It's a federal issue. I hope that we can all work together to try to get rid of the AMI adjustment.

Progressive design-build. I know that it's already -- DDC, your DDC has already said it's saved the city over $2 billion. We can get a lot of projects done with the savings. Hope that you can support my bill, Senate Bill 1761, regarding progressive design-build.

Also I'm glad to see that you're moving on teleworking. I have a bill on that also, Senate Bill 4580. I hope that we can come to some opportunity to deal with

teleworking for those people that really can't get to work because of particular reasons. And I hope we can work that out.

Diwali, I support the Diwali holiday. As you know, I represent parts of Kew Gardens and Kew Gardens Hills. I want to thank you for being there and calming their fears after the incident in Jersey. You personally showed up and promised continued relationships with the Police Department.

Also what you're doing on migrants I believe is critical and important. I hope that we can all follow your lead on that.

Finally, the main thing I want to talk to you about. As chair of the Corporations Committee, I do support your reticence and understanding that you shouldn't be taxed another billion dollars from the MTA. So as chair of the Corporations Committee with oversight of the MTA, I do support you on that, and we will work to get other tax revenue, working with members here, to figure out a way to fund the MTA without charging city residents four times over with the

triple tax that they're trying to do right now.

Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

MAYOR ADAMS: Thank you.

SENATOR COMRIE: Three minutes is not long enough.

(Laughter.)

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Ari Brown, three minutes.

ASSEMBLYMAN ARI BROWN: Thank you, Madam Chairperson.

Good morning, Mr. Mayor.

MAYOR ADAMS: How are you?

ASSEMBLYMAN ARI BROWN: Another sharp suit --

(Laughter.)

ASSEMBLYMAN ARI BROWN: -- always looking good.

Mayor Adams, you've consistently called for changes to the state bail laws to address repeat offenders that commit crimes throughout the city. As you just testified

at this hearing on bail data, you've identified around 2,000 individuals that are responsible for most of the crime in the city.

Do you think that last year's changes to the bail laws have helped the city deal with these repeat offenders? And what's your plan on how to address these serial criminals?

MAYOR ADAMS: My counsel, Brendan McGuire, has done a lot of work around this area. And Brendan, can you --

NYC CHIEF COUNSEL McGUIRE: Sure.

Thank you for the question, sir.

I think the mayor's absolutely right, there is a small number of extreme recidivists in the city who are responsible for a disproportionate amount of the crime, and also who are failing to appear for court appearances. The mayor has focused on the 2,000 or so individuals who are particularly violent.

Beyond that number, though, there is a larger group of extreme recidivists of about

9,000 people. Just to take one example, those 9,000 individuals, they represent about 8 percent of the total number of defendants arrested in 2022. Last year those 8 percent of people were responsible for 56 percent of felony burglaries in the city. They were also responsible for more than 30 percent of assaults as well as robberies.

So we have this issue where you have a disproportionate -- where you have a smaller number of defendants we are calling extreme recidivists who are exploiting the current system and need to be addressed.

MAYOR ADAMS: And one number's important to point out that the counsel shared with me is that they're eight times more likely not to return to court. A small number of people, disproportionate amount of crime, making a mockery of the reforms we fought for in the criminal justice system.

ASSEMBLYMAN ARI BROWN: Thank you, Mayor.

Just to continue on that thought, many businesses around the city, both large and

small, have pleaded for changes to the law to address serial shoplifters. We have the same problem on Long Island. These criminals have impacted the quality of life for New Yorkers by repeatedly shoplifting at bodegas, grocery stores, CVSs, Walgreens, and many other types of stores every day. These criminals are even threatening or assaulting workers who try and stop them. What's your plan to address this issue, Mr. Mayor?

MAYOR ADAMS: We spoke about some of them, going after the organized portion of this and taking down these organizations that are selling the products on social media, but also looking at those repeated offenders. And those who refuse to get the necessary care that we are offering around food services and substance abuse, we believe we're going to need the state lawmakers to look at those extreme, habitual repeated offenders to increase the penalties that are associated with it.

But there's something that we often overlook and I'm hoping that the state

lawmakers look at. Social media is feeding many of the crises we're seeing in our cities. When you're looking on social media, on TikTok, Instagram and others, of people going into shops, stealing all over the country, it is feeding the behavior. And we need to really rein in the role that social media is playing on many of these social ills that we are facing.

ASSEMBLYMAN ARI BROWN: Thank you, Mr. Mayor.

Just to switch to education for a moment, according to the data from the State Education Department, only 30 percent of New York City students in Grade 8 were deemed to have scored as proficient in math on standardized exams, and only 65 percent of students in Grade 8 were deemed to be proficient in ELA exams.

Do you think these statistics support or hurt the Governor's proposal to expand charter schools in New York City?

MAYOR ADAMS: No, I don't think the Governor's proposal is going to hurt those

numbers. You know, the fact that if a child is in a school, we need to make sure those children are proficient. I've quoted the numbers over and over again -- 65 percent of Black and brown children don't meet proficiency in the Department of Education. That's not a charter school; that's the Department of Education.

We need to scale up and expand what's successful and what works. And that is my primary focus. Whatever works to educate our children, we need to scale it up and we need to make sure that children are prepared for the future -- not only in what we have been teaching previously, but how do they be prepared for tomorrow. It's critical thinking, working in groups, communication -- these are skills that historically have not been in our traditional school system.

ASSEMBLYMAN ARI BROWN: Thank you, Mr. Mayor.

I see I have 35 more seconds. As a former police officer, what can we do to continue to support our police? You're one

of them; we admire you for that. What can we do?

MAYOR ADAMS: Well, it's clear: To not demonize the profession, because in a numerical minority that tarnishes the badge.

We saw what has happened from the days of Officer Mora and Rivera to losing an officer while off duty shopping for a car. Our officers are on the front line. They run towards danger while we run away from danger. And we need to let them know we appreciate the sacrifices they make.

ASSEMBLYMAN ARI BROWN: Thank you, Mr. Mayor.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

I believe I'm the last Senator. So welcome to Albany again, Mr. Mayor.

I also just want to highlight how important we all do think, if we change the law to do away with Queens or perhaps Queens-Brooklyn Day, that you will have the ability to provide the day for the

Diwali-participating community.

Which I personally have learned, because everyone was telling me it matters in the Indian community, but of course it matters in the Indian, Hindu, Buddhist, Sikh and Jain religious communities. And I'm told there's over 200,000 New Yorkers that participate in religions that participate with Diwali.

And I hear it's a great holiday, so the Greeks might want to participate in Diwali also, so they were raising that issue.

But to get to other topics. MTA. I understand your point about these new costs for the city, and I understand my colleague Senator Comrie's point. And I've been reading all these articles that are commenting on why we shouldn't do this proposal. But you agree we have to do something. New York City is completely dependent on making sure we have a functioning MTA.

So what do you suggest we do up here to actually get the MTA the money that I

think we both agree they need?

MAYOR ADAMS: Well, I think similar to what I have done in the city government, when we came into office on January 1, 2022, we immediately implemented a 3 percent PEG on all of our agencies. We didn't do it one fiscal year, we did it the second year as well.

And I think that the MTA must get their books in order. We know that's not going to be the only way to close their budget gap. I believe that that is one of the ways.

And the second, it is a statewide responsibility. It is unbelievable for the New York City electeds to be told that we're going to take a half a billion dollars out of only New York City's budget. Only New York. MTA is a statewide obligation. And we have been doing our share, as Jacques pointed out, our budget director, and we were committed to do the $3 billion. We are doing our share. We know how important the MTA is.

But it's unfair to do what's in

New York -- as I think Senator Jackson pointed out, we don't have an endless flow of cash, and it is imperative that the MTA -- and we're hoping that the Governor understands that.

CHAIRWOMAN KRUEGER: Thank you.

Jumping to the migrant situation, so when the state was testifying the other day I asked them quite a few questions about how their billion-dollar contribution really was or wasn't a billion dollar contribution, over how long, and what the impact actually would be.

When I look at the numbers your offices have shared, it seems that while the state is saying -- the Governor in her budget -- that we'll be covering our traditional 29 percent of the cost of sheltering this new growing population, that (1) they're assuming they know how many people it actually is and will be, but (2) it turns out we actually haven't been giving the city the 29 percent that they should be getting even in your traditional homeless

shelter population, which is at crisis levels, speaking as a New York City resident.

So help me understand what the math actually should be if we are meeting our both historic commitment to our share for shelter in general, and then if we were attempting to meet our commitment of a matching formula for the migrant community. I know it's a little technical, but it would be very helpful for me to understand.

MAYOR ADAMS: As you pointed out, that's only 29 percent, what they're proposing. And what everyone I'm hoping would wrap their thoughts around is that on January 1, 2022, we had about 45,000 people in our shelter system. And that's throughout the years. In one year we have -- we reached roughly 43,000. Now we're in the area of 47,000. In one year we've doubled what we traditionally had in our entire shelter system. The weight of that is just unbelievable when you think about it.

Jacques, could you go into the numbers?

NYC BUDGET DIRECTOR JIHA: Yes.

The Governor basically proposed a formula of a third funding from the federal government, a third funding from the state, and a third from the city. As you know, in the Republican-led House, it's highly unlikely that we're going to get anything from the federal government. Okay?

So therefore, from our perspective, if you want to split the cost, at least it should be, at the minimum, 50/50. Okay? But right now it's like 29 percent. It's not even a third. Like you said, they're only giving us 29 percent.

And -- but again, it's a billion dollars out of a $4.2 billion problem, leaving us $3 billion that we have to close within the amount of two months. I mean, this is -- the timeline, the urgency of the timeline, this is very critical for us. If we don't have those resources, we have only two months to balance our budget because we're coming up to the Executive Budget at the end of April, and we have to balance

fiscally '23 and fiscally '24. It's not like something that you have to resolve in a year. Okay? Within two months we have to balance our budget.

So the fact that we don't have those resources -- and on top of that, okay, there is the added pressure of the billion-dollar cut, okay, imposed on us because of the MTA, the Medicaid cost shift, and other costs, that's what's so concerning to us.

CHAIRWOMAN KRUEGER: So if I just stick with the math for the reimbursement for the shelters and the HERRCs, my back-of-the-envelope math is that we're really only paying about 16 percent of the city's share of its cost for traditional shelter arrangements and HERRCs, and that we need to get you to at least 29 percent if we're trying to -- negotiating with the Governor.

So could you -- not right this second -- could you double-check my math and get back to me about the percentage?

NYC BUDGET DIRECTOR JIHA: I could

double -- I will -- sure.

CHAIRWOMAN KRUEGER: Because I think if we say we're giving the city 29 percent, whether you think it should be 50 percent or not -- we can discuss that -- I think we're not giving you 29 percent. I think we're giving you much less. Even though I understand that with the growing migrant population, as the mayor has pointed out, we really don't know what the total numbers will be --

NYC BUDGET DIRECTOR JIHA: Exactly.

CHAIRWOMAN KRUEGER: -- three months down the road or a year and a half down the road. But it seems to me we ought to have a fair and honest conversation about the percentage the state is picking up regardless of how many people are or are not coming in.

Obviously we don't want more people in shelters, we don't want people in HERRCs. And if they go down, we'll all be celebrating. But I think we need to establish that there is a percentage, we've committed to it, and that's what we actually

ought to be paying you.

So getting back to me with more math will be helpful --

NYC BUDGET DIRECTOR JIHA: We will do it.

CHAIRWOMAN KRUEGER: -- so thank you.

Quickly jumping --

MAYOR ADAMS: It always impressed me how you were just deep into those numbers, Senator.

(Laughter.)

CHAIRWOMAN KRUEGER: Well, you know, she's called the Ways and Means chair and I'm called the Finance chair for a reason.

(Laughter.)

CHAIRWOMAN KRUEGER: But thank you.

I'm sorry, I had a long list and I want to try to get to a couple more.

Oh, so in the presentation we received from your staff, Mr. Mayor, they did say the charter schools, if they were to grow, would cost you a real $1.3 billion a year. So I understand your points about you have to educate children somewhere, but apparently

the proposal of the Governor really would dig into your school budgets. And as you've already pointed out, because of the law that we passed on class size, you do have continued responsibility for some growth in the cost of education.

And I just, again, think that we should all try to be on the same page of why this is an extremely expensive proposal for the City of New York. So I didn't want to say you and your members -- your staff were saying different numbers, but I do believe that the briefing that we received referenced an increase of over a billion dollars a year if that charter school proposal of the Governor moved forward.

And I also share the opinion of my colleagues that I don't think this is in the best interests of the city.

Oh, I have one minute left. As someone who I know knows far more about policing than I ever will, you've set up a new system where we get on our phones or perhaps our cellphones every action taken by

a precinct. It's a little -- you know what I'm talking about, when the little alerts come in?

MAYOR ADAMS: Mm-hmm.

CHAIRWOMAN KRUEGER: They never report a crime being solved. I'm sure there are crimes being solved. But I actually think it would be helpful if that information also came to us. Because you sometimes read these and think, oh, there's never a solution. Nobody ever catches a criminal, nobody ever gets somebody off the streets that supposedly has done various things that we get reported every day.

So could you potentially ask them to add that to the information we're getting? Because I don't think you're telling the full story of the NYPD, and perhaps are even skewing our opinions.

MAYOR ADAMS: Well-thought. And I love that, and we're going to incorporate that because their close rate is at a record level. Many of the bad guys, they have been removing and arresting. And it's really

impressive when you look at what they have been doing. And we're going to incorporate that.

CHAIRWOMAN KRUEGER: I appreciate that. And my time is up, so thank you very much.

MAYOR ADAMS: Thank you.

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

ASSEMBLYMAN FALL: Thank you, Madam Chair.

Mr. Mayor, thank you for being here.

And I just want to highlight something before I get into my comments and questions.

You know, since you've been in office, you know, you and your team have been incredibly responsive to any requests that I have sent your way. You always pick up my calls. So I just want to publicly thank you for that.

And I also want to thank you for adding another Staten Islander to your team. It's always good to have, you know, someone across the aisle from Staten Island.

You know, public safety is a big concern. You know, my district consists of Northern Staten Island, Lower Manhattan and a little bit of Brooklyn, and public safety is very important in all three parts of my district. And on the Staten Island side, we're noticing a decrease in the head counts for the police officers that we're seeing at the 121 Precinct and the 120 Precinct. So would like to have some help and support there, because of course the more resources that they have, the better it is.

On the Manhattan side of my district, you know, we're seeing an issue with thefts, right? So we had an issue where a Rite Aid had to close down, and this is a Rite Aid in Battery Park City. A lot of 9/11 survivors relied on the pharmacy there. Now it's closed as a result of the thefts that we're seeing across the city. So, you know, I'm hoping that the city will have a plan to help protect some of these stores, you know, in my district but across the city because that's very important, especially in that part of

Lower Manhattan that has had impact in the past.

As far as homelessness, we have, you know, similar issues on the Staten Island side and the Manhattan side. You know, would love for your team to be on top of that. I know there are times where, you know, it goes away for a little bit, then it comes back, it's very inconsistent. I understand it's a citywide issue, but that is an issue that is constantly brought to my attention from folks in the district.

As far as infrastructure, one of my concerns with Lower Manhattan -- I'm sorry, with Staten Island is the flooding we've seen. I know you and the former Senator have visited a number of sites. And I'm just curious to know what's your short-term and long-term plans in addressing some of these infrastructure issues on the island?

MAYOR ADAMS: Yes. Well, clearly under this administration Staten Island is not the forgotten borough.

We've been out on Staten Island a

number of times, both former Senator Savino and I, looking at those sites. There's a real plan of shoring up our shorelines, and what we will do is have our team come in, sit down and give you the full analysis of some of the projects that we are going to put in place on Staten Island, and partner with you to get the resources we need on the state level as well as what we're going to put in on the city level.

ASSEMBLYMAN FALL: Gotcha. And I appreciate that.

And just to quickly close, Lower Manhattan, we have a number of resiliency projects that are taking place. The state is doing some, the city's doing some. And my concern is the projects are not talking to each other. You know? So I've asked for a comprehensive plan. I really haven't gotten a clear answer on that.

But, you know, we just want to make sure that the government is spending money on keeping that area safe, that we're doing it in such a way that, you know, it makes sense,

right, and we're not missing any gaps.

And just would love to have your support for the Bus Rapid Transit, the BQE, and Five World Trade Center.

And that is all, Madam Chair.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you, Assemblyman.

We go to the Senate.

CHAIRWOMAN KRUEGER: Well, actually the Senate is closed for the moment. But a few others are trying to get over here.

Thank you.

CHAIRWOMAN WEINSTEIN: Okay, so we go to Assemblyman Tannousis.

ASSEMBLYMAN TANNOUSIS: Good to see you, Mr. Mayor.

MAYOR ADAMS: Always, thank you.

ASSEMBLYMAN TANNOUSIS: As you can see, Staten Island is very well represented in the Assembly between these two gentlemen.

Mr. Mayor, I want to ask you about those 2,000 or so recidivists that are wreaking havoc on our streets. Clearly there

has been an issue with those 2,000 individuals, being that they are continuously being let out into the street.

Now, Mr. Mayor, obviously you were a New York City police officer. I myself was a former Bronx prosecutor. So, you know, I'll be the first to tell you obviously there were issues with the criminal justice system.

My question to you, Mr. Mayor, is assuming we have the right people on the bench, do you feel that we need an increased judicial discretion? Because, Mr. Mayor, would you agree that no two cases are alike, no two defendants are alike, no two victims are alike, and an increase in judicial discretion would be able to prevent a lot of these recidivists from continuously committing crimes and now showing up to court?

MAYOR ADAMS: I've always stated that I believe that we should have some type of judicial discretion.

But I'm also clear that we need to look at the totality of the criminal justice

system -- underfunding defense attorneys, the shortage in district attorneys, the amount of cases going through the court system. And if we don't take a full approach -- and even the feeders to some of this violence, something that Assemblyman -- Speaker Heastie raises all the time, that we need to look at what are some of the feeders.

Now, a report just came out recently that stated out of all of the cities, New York is doing more for upstream solutions than other city. We're putting more into preventive actions than any other city.

So I'm a supporter of giving judges more discretion, but I'm also a supporter in addressing the totality of the criminal justice system and the problems we're facing.

ASSEMBLYMAN TANNOUSIS: Thank you very much.

I yield back my time.

CHAIRWOMAN WEINSTEIN: Thank you.

So we're going to continue with the Assembly: Assemblywoman González-Rojas.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank

you, Mr. Mayor.

MAYOR ADAMS: Thank you.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: According to your 2024 budget, you proposed eliminating 773 unfilled jobs within the Department of Social Services, which oversees the Human Resources Administration that processes SNAP food stamp applications.

According to the DSS deputy commissioner, Jill Berry, there were 50,000 applications for SNAP in October of 2022, which is a 60 percent increase from the same month in 2019. Berry also said that more than half of the food stamp applications, 53 percent, were not processed within the required 30 days in fiscal year 2022.

Can you share what your administration is doing to address this issue so that our neighbors don't go hungry?

MAYOR ADAMS: First, it's not acceptable that anyone has to wait. That is unacceptable. And as the mayor, I take full responsibility for that.

There's several things we must do. We have to stop using antiquated methods on processing applications. My team has been ordered to put in place how do we expedite these applications. Far too many come in that are either automatically disqualified for one reason or another. There's no reason we're going through a lengthy process to tell someone they're disqualified. We can do a better job by using myriad technology and employees to resolve this issue.

And the cuts in personnel there? We still have a substantial number of positions that must be filled.

And again, we did a job fair this weekend, a hiring hall, where over 800 people showed up. My call is to my lawmakers. I need for you to do an analysis of your districts, see where you have high unemployment, and partner with us and do a hiring hall in your district so we can fill these jobs. We have about 27,000 vacant jobs when you have double-digit -- in some areas, double-digit unemployment. That just doesn't

balance out.

We need to get New Yorkers employed again and get them back into these offices so that we can expedite things like SNAP and WIC. We were able to get an extension, but that's not enough for me. We should not need an extension. And we're going to resolve the issue of this backlog.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Yeah, and how -- what is sort of the immediate response? Because I hear your job positions could take time, the technology could take time, but we still have our neighbors going hungry. So is there any really immediate steps to address this backlog?

MAYOR ADAMS: Again, for a person as a child that needed SNAP benefits, I know what it is not to get them on time. It's the difference between a meal and not a meal, and a difference between having some of your basic needs met.

We will address this backlog.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank you, sir.

CHAIRWOMAN WEINSTEIN: Thank you.

Continuing, Assemblywoman Simon.

ASSEMBLYWOMAN SIMON: Good morning, Mr. Mayor. How are you?

MAYOR ADAMS: Quite well. Yourself?

ASSEMBLYWOMAN SIMON: Good. Good.

So I want to thank you for being here today. I have a whole list of things. I'll never get to them.

(Laughter.)

ASSEMBLYWOMAN SIMON: I'll leave off the ones I disagree with you on.

(Laughter.)

MAYOR ADAMS: You're a good person.

ASSEMBLYWOMAN SIMON: But first I want to thank you again for your work on dyslexia and invite you again to Dyslexia Awareness Day on May 17th, and also ask for your support of my bill, with Senator Myrie, that would screen folks who go into our correctional facilities and provide them with the supports they need. Because if they're going to be successful when they get out, they need to read, as I'm sure you know.

As well as my bill addressing the way we train our teachers in higher education, which is where the problem starts.

But I also wanted to talk to you about a couple of things with regard to the BQE and funding and how we can really make this work a little bit better. There are significant issues. Some of them are funding issues, clearly. We want to be supportive of the city's application, but we need to make sure that application actually is in the shape it needs to be in when it's submitted. So I really appreciate your administration working with us on that.

But I also want to get to this issue of housing, and Harvey talked about it with the basements. And that is when you look at where those floods occurred, it's because we have no capacity in our sewer system, and it is where the sources of the underground streams were. And this is throughout the city, that was mostly in Queens during Ida.

But we need a hydrology study. And I -- it's going to be not inexpensive. But

it is the kind of thing we need. We clearly have been asking for it in the Gowanus area, which is a critical issue. And so I'd like to get your reflections on the need for that, because we are just building ourselves into more and more and more disasters as we go. And our sewer system needs a lot of work. So please, if you could address that.

Thank you. I know I used my three minutes, but -- oh, I've got -- go ahead. You've got time. You got 51 seconds.

MAYOR ADAMS: No, no, and I agree with you. And, you know, we both know the capital needs of building out our sewer system. It's not something that these major floods are going to wait on. So we need a short-term, middle-term and long-term plan. And everything from a hydraulic system to looking at how we are doing our resiliency projects along our shorelines, and looking at what are other countries doing to manage the flow of water and overtaking of water.

The last storm, which was really shocking to me, was not along our coastal

areas where we flooded. So our challenge is no longer rising sea levels, it is how we're going to ensure the infrastructure inland is also able to handle the heavy flow of water. And we're looking at creative ways of doing that.

ASSEMBLYWOMAN SIMON: Hydrology study.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblywoman Jackson.

ASSEMBLYWOMAN JACKSON: All right.

Thank you, Mr. Mayor. Always a pleasure to see you. Like everyone else, your team is very responsive.

I just want to ask about funding for reducing gun violence. With the exception of policing, what else can we do? Can we fund conflict resolution, job placement? Like what else is there available for us to do, besides adding more policing, to reduce our gun violence?

I know that we're fully funding Foundation Aid, which is great. But we also are still seeing that Black and brown students' graduation rates can be much higher

and literacy as well can be much higher. And so I'm just wondering, what are we doing to take care of those populations?

And I just need to plug that for the Bronx we need cleaner -- we need a cleaner Bronx. So I would love to see the DOT machines -- the sanitation machines, the electric ones, in the Bronx, so let's spend some money on that.

More cameras for NYCHA. My NYCHAs are requesting cameras, especially the ones that are a target with a lot of gun violence, like Morrisania Air Rights, which I know you and your team visited. So cameras for them.

And creating more green spaces, like Crotona Park. So I would love to see some money being placed into that.

But let's talk -- can we talk about what we're doing to fund programs and other things besides policing for gun violence, as well as graduation rates and literacy rates?

MAYOR ADAMS: Deputy Mayor, you want to go into what you're doing with the gun violence task force and some of the stuff

we're doing around it?

NYC DEPUTY MAYOR WRIGHT: Sure. The mayor has convened all city agencies, at least starting in June, to come together and really put together a comprehensive plan to deal with all of the upstream issues, including housing, education, economic and workforce development, small business development, sanitation. And we are targeting the six precincts that contribute to 30 percent of gun violence in the city -- and they're predominantly in the Bronx and in Brooklyn -- and are engaged in community meetings on the ground in those neighborhoods and communities to contribute to those plans.

And that's something we want to do in partnership with the state in terms of what those investments -- because as we all know, those communities have not gotten the kind of focus that they need and they're absolutely going to get it in this administration.

ASSEMBLYWOMAN JACKSON: Thank you.

And then can we talk a little bit about graduation rates for Black and brown

students, and the literacy rates. What are we doing to increase both?

MAYOR ADAMS: The chancellor -- and I joined him yesterday -- he has a version of COMPSTAT that was used in the police department to do precision policing. He has a version of that. He's going to start doing it weekly with his superintendents, and will be including principals.

And I would encourage some of you to come and sit in and look at those meetings, because they're zeroing in on those rates. They're not waiting for the end of the semester to determine there's a problem. And they're zeroing in on those numbers that you're talking about.

ASSEMBLYWOMAN JACKSON: Okay. Thank you, Mr. Mayor.

MAYOR ADAMS: Thank you.

How's your little one?

ASSEMBLYWOMAN JACKSON: He's always doing well. Thank you, sir.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Eachus.

ASSEMBLYMAN EACHUS: Thank you, Madam Chair.

Thank you, Mr. Mayor, for being here and for your testimony. Not only do you look sharp, you are very sharp.

(Laughter.)

ASSEMBLYMAN EACHUS: I'm going to make a statement first. And just to let you know where it's coming from, I was 40 years a high school teacher, okay? I was in the classroom and so on like that, in both private and public school. And I've also experienced the creations of these charter schools.

And I would love to talk with you at any time about how inherently these charter schools are discriminatory. And I certainly would not be increasing the cap, never mind the financial aspect of it. But I wanted to let you know that that's what I'm going to do.

MTA. Kind of going along with what Senator Krueger asked, my district is Orange and Rockland County. We're paying payroll tax and receiving literally no services. Not

happy about that.

But my question is, shouldn't you -- since it's a state agency, shouldn't you be asking us to kind of restructure the entire MTA, not just worry about, you know, wage increases and so on like that? Because we're talking about hundreds and hundreds of millions of dollars, year after year after year.

MAYOR ADAMS: And I agree, and I think that that is part of the deliberation process that the state is going to go through. The MTA is a statewide entity. And just as when I served here, we knew that there were some issues we had to do structurally with the MTA, and I think that still stands true today.

ASSEMBLYMAN EACHUS: Okay. Thank you.

The final thing that I have that I'd like to talk to you about, you mentioned -- are electric vehicles. Again, my experience is I have been building actual electric vehicles, racing them with kids cross-country and so on like that, won national awards.

Very proud of my history with that.

However, the one thing that I noticed is that we're encouraging electric vehicles without the proper education for the folks as well as for our emergency services folks. What happens when these things get in an accident? I'm sure you're aware that the batteries are completely encapsulated, they can't get to the batteries if a car or God forbid a bus with schoolchildren gets in an accident. And there really is at this point no education for those folks out there.

And I'm hoping that you will join with us to create an educational system where we can teach not only the people that purchase these but also the emergency services. And I'd like to put that bill on the people that are selling these vehicles, not on us.

MAYOR ADAMS: Well, a good point.

Two things that you stated that resonate with me. Number one, I would love for our team to speak with you about what you're doing with children around electric vehicles because I think we should build out

a pipeline. As this green economy grows, the opportunities should grow for those children that were ignored.

And the fire commissioner, Commissioner Kavanagh, she's looking at the battery issue in its totality. And so we would love to talk with you about that.

ASSEMBLYMAN EACHUS: Great, thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We've been joined by Assemblywoman Zinerman and Assemblyman McDonald.

And we go to Assemblyman Sayegh for three minutes.

ASSEMBLYMAN SAYEGH: Thank you very much, Madam Chairwoman.

Mayor, welcome to Albany.

MAYOR ADAMS: Thank you.

ASSEMBLYMAN SAYEGH: Mayor, you know, like my colleague, a lifelong educator. And for me, diversity is crucial. And New York City, you know, is the hub of diversity -- not only for the state but for the entire nation.

And today is crucial because in your

role as mayor, your input and your positions on issues play a major role. And we -- many of the members spoke earlier about Diwali, and Chancellor Banks already indicated that a very special bill -- that's already sponsored by Assemblywoman Rajkumar and also Senator John Liu -- is before us.

And if this bill is voted and you're in a position to support the extension of the Diwali holiday in the school system, we wanted to know if you would do so and really allow New Yorkers to continue to show respect for the traditions and religions and the cultures of what makes New York great.

MAYOR ADAMS: Yes. Yes, I'm very excited about the opportunity. When we met with advocates last year, Chancellor Banks -- I have to take my hat off to him -- he knew we were bumping up against the limitations of school days. He found a creative way to do it through the Brooklyn-Queens Day. And if we get it out of the lawmakers here, we are going to be encouraged to say that the lawmakers understood the power of diversity

and acknowledging of all of our desires to celebrate our heritage.

You know, Andrew, in my Greek contingent, they joked about, you know, the desire to do so with our Greek contingent. But the more we can do it, the better we are. It just really celebrates who we are. And if anyone can get it done, this state, this body here can get it done.

ASSEMBLYMAN SAYEGH: Mayor, thank you.

Also, in addition, we spoke last session about the importance of proposals involving small businesses in New York, especially in areas of high crime and many of the bodegas and the small business people. And this was an issue YAMA -- the Yemeni American and the Dominican associations in New York City have lobbied for, and that is for the establishment of a program with a match and a support that would allow for security and safety cameras into -- in the businesses and outside.

This way it's very helpful for crime prevention and really shows a little bit more

support, especially in light of the life support that we lost in the community with many businesses.

MAYOR ADAMS: We met with our local businesses, our retailers, we had a session at Gracie Mansion, and we're clear that this is a problem that must be addressed by the New York City Police Department.

ASSEMBLYMAN SAYEGH: Thank you very much, Mayor.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Mamdani.

ASSEMBLYMAN MAMDANI: Thank you.

Mr. Mayor, in the Governor's Executive Budget she effectively proposes to raise the fare from 2.75 to $3. Do you support that proposal?

MAYOR ADAMS: No. We're going to evaluate whatever we could do to keep the fares -- currently low-income New Yorkers, they don't use the subway system as a form of luxury, it's a necessity. And as a MetroCard holder, I know how important it is.

ASSEMBLYMAN MAMDANI: Thank you.

And just a follow-up question, then. Would it be safe to assume that you support the Legislature finding a different source for that $245 million a year that raising the fare would create?

MAYOR ADAMS: Yes, I do.

ASSEMBLYMAN MAMDANI: Thank you.

Moving on, last year when I asked you at this very juncture if you would freeze rents for the 1 million rent-stabilized apartments across New York City, you told me, quote, Let's freeze the rent of the tenant, but let's give support to small property owners as well.

Then the Legislature allocated $2.2 billion for homeowner tax relief and $1.1 billion for landlord relief in our budget. And in response, your Rent Guidelines Board raised the rent up to 5 percent. That hike is the largest in nearly a decade, more than anyone since Mayor Bloomberg, who ran as a Republican.

Will you commit this year to freeze

the rents for rent-stabilized apartments, as your predecessor did in 2015, 2016, 2020, and 2021?

MAYOR ADAMS: Well, I think if you go back and do an analysis of that period of time, there was a proposal to increase I believe to 9 percent. And you know and I know that that board operates on its own. I don't control the board. And when I appoint people to boards, I appoint them to use their deliberation powers to do what's right for the people of this city.

That's how I run my boards and my appointments. I don't meddle. I appoint, and I take a step back. And I don't interfere.

ASSEMBLYMAN MAMDANI: Okay. Well, that's a disagreement between the two of us, because I view any appointment in your administration as an extension of your -- the policy of your mayoralty. And since you have the ability to appoint everyone within the Rent Guidelines Board, that's where I see it as your responsibility. But thank you --

MAYOR ADAMS: That's rather interesting, because when we appointed to the PEP, the reason we did fix appointments is because we were stating we don't want mayors' influence on the decisions that people make. We can't have it both ways.

I appoint, I take a step back, and I allow New Yorkers to do what's right for New Yorkers.

ASSEMBLYMAN MAMDANI: Thank you.

And with my last 35 seconds, I just want to follow up on Assemblywoman Gonzalez-Rojas's questioning.

So around the Human Resources Administration, which falls underneath your administration, we have 1.7 million New Yorkers relying on food stamps. As you know, food stamp requirements state that applications must be processed within 30 days. One thing that is troubling me is that in the previous mayoralty, in fiscal year 2021, 92 percent of applications were being processed within that time period. But in your mayoralty, it dropped to 60 percent.

And it has gone to the extent that four of those New Yorkers who have outstanding applications have filed a class-action lawsuit against your administration.

So I really very much encourage you to stop allowing New Yorkers to starve and start bringing back the processing times that we expect in this city.

MAYOR ADAMS: Thank you for your analysis.

CHAIRWOMAN WEINSTEIN: Thank you.

Well, throughout the day there will be some questions -- not necessarily to you, Mr. Mayor, but to others who are here -- that will need some follow-up on. So we'll make sure to get follow-up, and any follow-up questions we'll circulate with all of the members here.

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

ASSEMBLYMAN RA: Thank you, Chair.

Mayor, thank you for being here.

MAYOR ADAMS: Thank you.

ASSEMBLYMAN RA: I always have to start on a light note and say it's great to have a Met fan as the mayor of New York City again. And hopefully -- hopefully this is our year and it ends with you presiding over some type of celebration in City Hall.

I want to ask about NYPD staffing. And in particular, as you know, there was a report back in the fall regarding response times, you know, for crimes and other emergencies. And I'm just wondering, where are you in terms of staffing in the NYPD, and is there any plans for additional classes and that type of thing to increase the force?

MAYOR ADAMS: Well, I think it's a combination. And when you look at the, as I stated, almost 27,000 jobs, we have about an 8 percent vacancy in New York City government. The City Council has about a 14 percent. The comptroller's office has a 14.5 percent.

Every corporation that I sit down and speak with across the country are talking about the availability of employees. That

has also hit our public -- our law enforcement, police agencies across the country, including New York, are dealing with the employment issues.

So what are we doing? The first deputy mayor put in place a full frontal approach to recruitment. We have been resting on our own ability to have people come to us; we can't do that anymore. We have to go out and actively recruit, and that includes the Department of Corrections officers, police officers, people who are hospital police. And we are putting in place a real campaign to diversify the department and bring on more police officers.

But with the agency numbers that we have now, we still have been able to decrease shootings in our city by double digits, homicides in our city. We moved 7,000 guns off our streets. Our offices are responding, and we're going to continue to increase our ranks.

ASSEMBLYMAN RA: Thank you.

And I know, you know, you've mentioned

within your testimony today and, you know, your plan that you recently unveiled regarding backlogs of criminal cases and, you know, getting those cases resolved so people can get justice. And, you know, particularly the discovery end of it and those burdens that have been on our prosecutors and our law enforcement.

So do you have any thoughts related to community courts? Is there, you know, somewhat of a solution there in expanding those and helping move some of these cases through?

MAYOR ADAMS: Love 'em. The Red Hook Criminal Justice Court is a real winner. I think we should duplicate that throughout the city if not the state. It's a good way of not being heavy-handed. I advocated for it when I was a State Senator, the borough president. I visited the court several times. I think it's a great, great way to deal with those particularly nonviolent low-level crimes.

ASSEMBLYMAN RA: Okay. And then just

one last question, and this dovetails a little bit into what my colleague Mr. Tannousis was talking to you about.

Obviously we have this -- the main proposal related to bail in this budget is the least-restrictive language. Do you think that's sufficient, or is there more that needs to be done to fix that law from your point of view?

MAYOR ADAMS: I think there's a number of things we can do, and I outlined some of them. Number one, we have to really consider the hemorrhaging of lawyers. We're at a dangerous level. We're losing attorneys in the district attorney's office, we're losing attorneys as defense attorneys, and justice is being able to have your rightful time in court and having the right counsel to do so.

So we have to do a real analysis of what our criminal justice system has been failing for a long time. I probably visited Rikers and spoke with correction officers and inmates more than any mayor in history, to see the bottom of the problem -- what I like

to say, the downstream problem. If we want to go upstream, then we must make sure that we can get cases through the court system and make sure that those who are dangerous repeated extreme recidivists are not allowed to return to our streets.

ASSEMBLYMAN RA: Thank you, Mayor.

MAYOR ADAMS: Thank you.

CHAIRWOMAN WEINSTEIN: So, Mayor, I am next. And first I have two questions from my colleague who's not a member of the committee. So I'd like to ask on Assemblywoman Zinerman's behalf.

With current issues with public safety and low academic achievement of New York City scholars, we were encouraged to hear about your plan to make free space available to qualified nonprofit agencies which give students more time for academic rigor and keep them in a safe and secure environment. Can you explain the process to accessing space and tell us when the initiative will be rolling out?

MAYOR ADAMS: We call -- we call it --

I believe your colleague is talking about the extended use of public school buildings. I was able to do this as the borough president. It really shocks me that at 7 a.m. we tell our children, welcome to the school; at 3 p.m., get out and don't come back until the next day.

Schools don't belong to one individual. It is part of the resources of our communities. And so we believe we should open the schools where we are going to pick up the cost for the school safety agents, for insurance, for cleaning the building. nonprofits should be using their sweat equity, not trying to figure out how to pay for the school building. These are public resources, and they should be used.

The chancellor has currently put in place a procedure that is going to allow these nonprofits to come in, they can use the gyms, the pool rooms, the school office spaces. It's a real win/win. And he's going to roll out the exact procedure for access.

CHAIRWOMAN WEINSTEIN: Great. And a

question that I share some support of, I guess, I have at least two community gardens in my district, so I understand that the Senate has advanced a bill to give community gardens free access to water. And we're wondering if the city is in support of a program that would provide free access to water so downstate urban farms can continue to grow healthy foods and support your healthy food initiative.

MAYOR ADAMS: And that's the goal, you know. I don't think it's lost on anyone that I'm probably a boring person to have dinner with because I'm always talking about healthy food nowadays.

But we are really looking into leaning how to be proactive around access to healthy food, urban farming, rooftop gardens. This is something that this administration is really proud of -- everything from the Plant-Powered Fridays to Meatless Mondays to the healthy food options in our hospitals. They are now on a default menu, and we're finding overwhelmingly the number of people

who take a default menu keep that default menu.

It's about really being proactive in how do we address our healthcare crisis and how do we look towards food. And we're going to be rolling out more initiatives around access to healthy food and urban farming in our communities.

CHAIRWOMAN WEINSTEIN: Thank you.

And now an issue that I've been very concerned with. If you follow the news, you know that Medicare Advantage plans have been roundly denounced by consumer advocates as a bad bait-and-switch. I represent many retired city workers who, like others, are struggling to keep up with inflation. Yet despite the court decisions in their favor and the City Council last month not voting in support of legislation to push this plan through, it does seem that the city is still committed to move ahead with the plan to force retirees who cannot afford the $191 a month -- not really a choice -- to switch to the Medicare Advantage plan.

And I wonder if you could address what the city's plan is at this point.

MAYOR ADAMS: Yeah, and I tell my retirees all the time, when they talk about their healthcare plan, they're talking about my healthcare plan. You know, I'm a retired cop, and I'm not going to do anything that's going to endanger the ability of those who are on a fixed income or who have already contributed to our city -- we should make sure that they have the healthcare that they need.

We've met with the union leaders two weeks ago, and we're all committed to finding a way of how do we deal with these increased costs in healthcare without taking away those benefits from our retirees. And we're going to accomplish that task. We're still in negotiations to find those savings, and they are very eager to join us in accomplishing that task.

And they're clear: Medical costs are through the roof. Really we need to look at the real differences in how it would cost to

get some of the surgeries that we're seeing, how is this impacting on the bottom line of all of our unions and all of our civil servants, and really non-civil servants.

CHAIRWOMAN WEINSTEIN: But are you willing to -- I mean, obviously it's the existing unions. Are you looking at it as alternative ways to fund the stabilization fund and to not -- and to give retirees a real choice that they can stay on Medicare without having to pay this additional monthly fee, close to $2,000 a month -- I mean, a year?

MAYOR ADAMS: Yeah, there are two RFPs that are out. And those RFPs are now being looked at by those unions that represent other members. They will do an analysis, and we will come back to the table.

But we are all committed to finding the right healthcare savings. But there are two RFPs that are out currently.

CHAIRWOMAN WEINSTEIN: I look forward to staying in touch with folks in your administration so that I can reassure my

constituents that they can receive the healthcare they need without being forced to pay extra.

MAYOR ADAMS: No, well, that's why, you know, we have former Senator Diane Savino, you know, who's a long-time labor leader and advocate for many of these issues. She's keeping a close eye on this.

CHAIRWOMAN WEINSTEIN: Good. Because I know that there often is that push-and-pull between existing current city workers and retirees who don't have that same seat at the table. That's something -- when I chaired Governor Employees here in the Assembly, I sponsored numerous bills to ensure that the retirees retained the same health benefits that current workers have.

So thank you for continuing to work on this issue.

I believe that --

CHAIRWOMAN KRUEGER: Unfortunately there's so much other things going on at the moment in the Capitol, I am the representative for the Senate for the

continuation of the hearing. So thank you very much for being with us.

MAYOR ADAMS: Thank you. Good to see you all.

CHAIRWOMAN WEINSTEIN: Yes, thank you, Mr. Mayor. See you back in Brooklyn and the city. And thank you for your staff for being here.

MAYOR ADAMS: Thank you. Thank you.

CHAIRWOMAN KRUEGER: Thank you.

(Off the record.)

CHAIRWOMAN WEINSTEIN: So I know I'm sure there are some members who would like to talk with the Mayor. If there are any conversations, please take them out in the hall so we can continue.

(Off the record.)

CHAIRWOMAN WEINSTEIN: We are now ready to continue with the hearing. We will hear from the mayors, the big-city mayors of New York State: Mayor Mike Spano, Yonkers; Mayor Evans, Rochester; Mayor Walsh, Syracuse; and Mayor Sheehan of Albany.

I'm not sure people realized -- are

any of the mayors here? We'll take a mayor.

(Laughter.)

(Comments off the record.)

CHAIRWOMAN WEINSTEIN: We are going to -- we are going to have to take a short recess while we wait for additional -- our additional witnesses to arrive.

So the hearing is in temporary recess now.

(Brief recess taken.)

CHAIRWOMAN WEINSTEIN: (Mic off; inaudible.)

Mr. Mayor, please go ahead.

SYRACUSE MAYOR WALSH: Thank you, Chair Weinstein, Chair Krueger, members of the legislative fiscal committees, for inviting me to these joint hearings to discuss the state budget. It's nice to be here back in person with all of you, and appreciate you accommodating the schedule.

So at the time of my first visit to the committees in 2018, the City of Syracuse faced a starkly different environment. The city's fiscal condition was perilous, and

most people saw Syracuse as a municipality slipping toward bankruptcy. Through smart strategy, hard choices, good fortune and the strong support of our local, state and federal partners, I'm pleased to report that those days are in our rearview mirror.

Syracuse is on a path towards fiscal sustainability. Our population is growing again -- for the first time in 70 years, as a matter of fact. And Micron's commitment to New York means the largest economic investment in the nation's history is coming right to our region.

I am grateful to this Legislature for its support at each stage of Syracuse's journey. Throughout my five years as mayor, New York State has been a reliable partner to Syracuse. I'm particularly appreciative of the members of our local delegation, including Senator May -- nice to see you, Senator, and thank you for hosting me in your office today -- Senator John Mannion, Assemblyman Bill Magnarelli, Assemblywoman Pam Hunter, and Assemblyman Al Stirpe.

As Syracuse embarks on an era of growth, we face new and different challenges. Without proper investment and effective policy, the shortage of quality, affordable housing we have faced will only magnify. Inequities in opportunity that have plagued us for decades will widen, subjecting even more children, families and seniors to poverty. The condition of our ailing infrastructure will further decline. And while our fiscal status has improved, it will backslide unless the structural deficit Syracuse and other New York cities face is corrected.

In these times, Syracuse needs its strong partnership with New York State as much as ever. We welcome the much-needed investment included in Governor Hochul's Executive Budget for the City of Syracuse. Funding for job readiness, through Syracuse Build, our construction careers program, and Syracuse Surge, our strategy for inclusive growth in the new economy, will help to break cycles of poverty. State money for a

revolving loan fund State money for a revolving loan fund for small businesses and flexible financing for mixed-income development will strengthen housing and our economy. And the Governor's pledge of funding for the construction of public housing will lift up neighborhood that has suffered injustice and disinvestment. Respectfully, I urge the Legislature to enact these provisions.

I applaud Governor Hochul's commitment to build 800,000 units of new housing in New York State in the next 10 years. Syracuse and Onondaga County must be home to tens of thousands of those units to meet the demand we are expecting in our community. I encourage the Legislature to listen to your local leaders and to work with the administration to involve all municipal governments -- urban, suburban, and rural -- in meeting the need we face for quality, affordable housing.

In my annual State of the City address three weeks ago, I said that Syracuse's great

calling now is to achieve next-level growth -- to ensure that our decisions and actions in the pivotal months and years before us create sustainable growth and opportunity for all. We can and must achieve growth that is inclusive, intentionally creating opportunity for women, people of color, veterans, the LGBTQ+ community, and others historically left behind.

Today I ask for New York State's assistance in critical areas that will help us achieve next-level growth: Violence interruption, housing, transportation, infrastructure and city finances.

In cities all over the state and country, crime is a topic of grave concern. The COVID-19 pandemic created economic disruption and mental health crises that contribute to rising crime rates. Syracuse ended 2022 with overall crime up 10 percent, largely driven by an increase in property crime. Violent crime rose at a lesser rate: 3 percent. Homicides, which have the most devastating and lasting consequences on

families and society, by the grace of God fell by 38 percent.

Yet any hope for an extended reprieve from lives lost to violence has quickly faded following three homicides already this year. This included the heart-wrenching murder of Brexialee Torres-Ortiz, an 11-year-old girl who was killed in a drive-by shooting on a Sunday evening as she walked home from a neighborhood store. Three teenage boys have been arrested for that crime.

Our community continues to grieve the loss of Brexi and to find ways to stop the killing. Last year, I started Syracuse's first Mayor's Office to Reduce Gun Violence. The office regularly convenes the individuals and organizations engaged in violence interruption, and they are working with a new level of coordination, cooperation and partnership.

Based on their input, we have released a new community violence intervention plan and will begin implementing it this year. It will go after the leading cause of deadly

violence in Syracuse -- conflicts between gangs and groups of young people. The office will focus on four major contributing factors: Entrenched cognitive and behavioral conditions; school absenteeism and limited career opportunity; high poverty levels; and lack of mental health support.

There will be counseling, conflict management, mentoring, and job and school reentry programs. Through the coordinated efforts of our community violence intervention partners, we will find an enduring path to peace on our streets.

Neighborhood street cameras, or COPS cameras, are essential to public safety. The equipment aids in response to emergencies and plays a key role in virtually all major criminal investigations and successful arrests in the city. Our constituents and our police are in full agreement: We need to expand the network of cameras in our city to increase neighborhood safety and bring more violent perpetrators to justice.

Our legislative and funding priorities

agenda for this year seeks funding for these and other crime-reduction programs. I urge the Legislature to commit resources to these immediate and long-term intervention efforts.

Syracuse and other cities across New York have long faced a crisis-level shortage of affordable housing. The upheaval of the pandemic worsened conditions, as we all know. In Syracuse, we can now foresee an even more consequential housing development: spiking demand in response to unprecedented economic growth anticipated in the years ahead.

Our signature neighborhood revitalization program, the Resurgent Neighborhoods Initiative, launched in 2019, has given Syracuse a head start in being prepared for what's to come. There are currently 84 units of new construction, owner-occupied single and two-family houses, completed or underway. We have 24 more shovel-ready sites identified for construction this year and next.

With funding included in the

Governor's Executive Budget for the new 15th Ward, the Syracuse Housing Authority can begin the first phase of redeveloping its aging public housing near the south side of Syracuse with energy-efficient, quality, new public housing and mixed-income development.

These actions will help address the immense housing challenges and opportunities we face, but they will not be enough. So we are creating a new tool, the Syracuse Housing Trust Fund, to begin to close this gap for city residents in three ways. It will support home repair and improvements; it will expand flexible financing for homeowners; and it will increase mixed-income development to deconcentrate poverty.

The Housing Trust Fund will be centered on equity, to confront discriminatory practices of the past. We expect funding in the Governor's Executive Budget will help seed the new fund, but we will also need the help of the Legislature and our federal partners to establish a sustainable funding stream.

Syracuse is working to have the right infrastructure to manage and respond to growth. Today I will report to you about efforts in traffic safety and traditional infrastructure like water pipes, sewers, and roads.

Since becoming mayor, my team and I have been on a relentless push to make Syracuse a safer place for pedestrians, bicyclists and drivers. We launched the city's first sidewalk snow removal program and began a municipal sidewalk maintenance program. We're also piloting new traffic-calming measures, including speed humps, speed cushions, and reduced lane widths to slow traffic and increase safety on our streets. While much progress has been made, we still have a long way to go.

A few weeks ago I announced Syracuse's goal to become a Vision Zero city. Vision Zero is a strategy to eliminate all traffic fatalities and severe injuries while increasing safe, healthy, and equitable mobility for all. As a first step, we will

bring legislation to the State Legislature this session to introduce speed cameras and red-light cameras in school zones. Using legislation this body already authorized, we will also move ahead with bus stop-arm cameras in Syracuse, in coordination with the Syracuse City School District.

I want to commend the Legislature on two road infrastructure programs that have been instrumental to our success in improving the condition of Syracuse streets. The State Touring Routes and Pave Our Potholes programs provide vital funding to Syracuse and have helped us consistently pave more than quadruple the miles of roads that we reconstruct compared to when I took office. Funding for these programs, which are in the Governor's Budget, should be increased in the upcoming spending plan.

On a bigger scale, the Legislature previously approved more than $1 billion in funding for the first phase of construction of the Interstate 81 Viaduct project. Once the current legal challenge is resolved, the

community grid will improve transportation in Syracuse and Central New York, strengthen the city, and create thousands of good-paying jobs.

Is that time or -- oh, had the timer right in front of me the whole time. That's okay.

CHAIRWOMAN WEINSTEIN: That is time. Despite us having time, but --

SYRACUSE MAYOR WALSH: That's okay.

CHAIRWOMAN WEINSTEIN: We're going to go first to the Senate.

CHAIRWOMAN KRUEGER: Great. We're going to have Rachel May ask questions first. Thank you.

SYRACUSE MAYOR WALSH: Great.

SENATOR MAY: Yes, hi, Mayor.

SYRACUSE MAYOR WALSH: Senator.

SENATOR MAY: Great to see you.

SYRACUSE MAYOR WALSH: Nice to see you.

SENATOR MAY: And first, in my role as the chair of the Cities 2 Committee now, excited to work with you on a lot of the

issues that you brought up.

You didn't get to talk about I-81; that was my first question. Where are we now? What are the next steps? The judge has allowed something to go forward, but not the tearing down of the viaduct yet.

SYRACUSE MAYOR WALSH: So we're still reviewing Judge Neri's decision, which came down yesterday. It does appear to create uncertainty for the project. While certain elements of the project are able to move forward per the decision, certain parts -- namely, anything impacting directly the elevated viaduct -- are not.

You know, I think per the environmental review process, all of the project needs to be reviewed holistically. And so to parse it out, again, creates uncertainty I think certainly for us in the city, but I suspect New York State DOT as well.

So I know our attorneys are reviewing the decision, as are New York State DOT attorneys. We're going to continue to move

everything forward that we can. But given the comprehensive nature of the environmental review, we continue to feel confident that that environmental review is sufficient, and we're hopeful that we're able to ultimately prove that and proceed with the entirety of the project.

SENATOR MAY: Okay, thanks.

Bus rapid transit, is there a need in the budget, anything we need to be advocating for here to make sure that that happens? Or have we got the resources we need?

SYRACUSE MAYOR WALSH: Yeah, thank you, Senator. I know you and I are both passionate about establishing a bus rapid transit system in Syracuse, much like we have right here in Albany. And based on our most recent conversations with Centro, it does appear that they have the resources they need to begin implementing a BRT system. That, at last projection, is anticipated to be put into service around 2026, which will be the year after I'm termed out of this job -- but will be happy to be a rider nonetheless.

So as I understand it right now, it appears Centro has everything they need, but I think you and I have both been around long enough to keep a close eye on that. And I would just ask that you and your colleagues be prepared to do whatever else may be necessary to ensure that we have a robust public transportation system in Syracuse.

SENATOR MAY: Okay, thank you.

I wanted to get to a bigger question, and I'm sorry the other Mayors aren't here at the same time. But as I think about my role and the upstate cities in particular, you talked about deconcentrating poverty as a goal in some of the mixed-income housing developments.

But do you have an opportunity to talk to the communities surrounding the city? Because you can't just deconcentrate poverty in the city; it is already concentrated in the city. So how much of a conversation is going on, and what -- is there anything that I can do, that we can do as a Legislature that we need in the budget? Is there

anything that you can think of that we can do to advance the idea of deconcentrating poverty regionally around Syracuse and/or other upstate cities?

SYRACUSE MAYOR WALSH: Yeah, it's certainly something that's important and is necessary. And I applaud Governor Hochul as well as you and many of your colleagues for raising this issue. The reality is for far too long poverty has been concentrated in our cities and urban centers. And there has been exclusionary zoning that has ensured that certain types of housing, whether it be low-income housing, high concentrations of housing, cannot go into suburban communities.

So it's a conversation that's long overdue. I think the question is as a municipal official, you know, I value having local control over those decisions. And I think, you know, as evidenced by our track record, the City of Syracuse and most cities, many cities, especially the larger ones, have been ready and willing to do our part to deconcentrate poverty but to also ensure that

everyone has access to quality affordable housing.

Not every municipality has done that. And so we do need to figure out a way to hold those municipalities accountable, while striking that right balance between home rule, local control -- but ensuring that everybody does their fair share. And so my conversations with the Governor and with our other colleagues -- I sit on the executive committee of the New York Conference of Mayors -- is that whether we like it or not, this is a conversation that is long overdue, that there does need to be increased accountability on behalf of all municipalities on the issue of housing.

But as to the right mechanism, whether it's what the Governor is currently proposing with the housing pact or something other than that, where it's more of a carrot approach -- maybe perhaps incorporating or using existing state funding to incentivize the right type of behavior -- you know, I think there's still room for discussion. And that's why I

encourage you all to have those discussions with local leaders. But we shouldn't allow that issue to go away. It's only going to become more acute certainly in Syracuse, but throughout the rest of the state. And we're anxious for our suburban counterparts to do their fair share.

SENATOR MAY: Thank you.

I noticed, speaking of that, in your budget priorities support for taxing nonprofits if they are renting space to other entities, that kind of thing. I know the -- do you know what proportion of the land mass of Syracuse is off the tax rolls now?

SYRACUSE MAYOR WALSH: Yeah, it's over 50 percent. So it is a challenge.

You know, we value our nonprofit partners, institutions that add so much value to the community. But it does -- it does create a burden on municipal services. And we have examples of nonprofit institutions that recognize that, like Syracuse University, who has willingly entered into a service agreement with us that was recently

expanded. We appreciate that.

But, you know, specific to this request, it's just making sure that as nonprofit institutions are buying real estate and leasing some of that real estate to for-profit entities, that we have the appropriate regulatory procedures in place so we can tax it accordingly.

SENATOR MAY: Are there other things the state should be doing to support cities that bear this disproportionate burden of, you know, hosting the hospitals and the universities and the government buildings and the highways and everything else that's off the tax rolls?

SYRACUSE MAYOR WALSH: Well, one of the things I didn't get to in my comments was of course the issue that I know you all are well aware of, which is AIM funding. And I want to thank the Legislature for recognizing the fact that AIM funding has not been increased in I think at least 14 years. And that is a very direct way that the state could help assist with that burden directly

with municipalities.

And, you know, again understanding that there are other things that the state wants to see from municipalities in terms of housing, public safety and other things, perhaps there's a way to better tie any increases in aid to ensuring that those priorities are being addressed by municipalities. I think that may be a different way to look at the conversation.

But when you look at the state budget and state funding for a lot of other institutions, school districts -- which we certainly are supportive of -- to not increase AIM aid over that period of time really places an undue burden on cities.

SENATOR MAY: Okay. And we have passed a number of bills to beef up code enforcement in the state. What's the state of code enforcement in Syracuse? How do you feel that it's going?

SYRACUSE MAYOR WALSH: We certainly appreciate the support the Legislature has provided in helping us add more tools to our

toolkit. It is certainly helping. We are fully implementing our lead ordinance enforcement right now. And -- but it's an ongoing challenge, as evidenced by the actions we had to take in Supreme Court just last week relative to the Green National properties.

We have, you know, some significant slumlords in our city that are -- that are preventing people from accessing safe, quality, affordable housing. So I think to date, the Legislature has been very receptive, as the Governor has, of new -- looking for new tools to expand ways in which we can hold property owners accountable. But we'll certainly take the opportunity to take a look and see if there's anything more that can be done.

SENATOR MAY: Okay, thank you. I sure appreciate your being here. I wanted to let you know our national championship Syracuse University Soccer Team is here. I was supposed to be introducing them on the floor right now -- but that's not going to happen.

But really proud of a lot of what Syracuse is offering to the world these days. With your leadership, I think the city is moving in the right direction --

SYRACUSE MAYOR WALSH: Thank you, Senator.

SENATOR MAY: -- and I want to thank you for all the work that you do.

SYRACUSE MAYOR WALSH: Appreciate your support.

CHAIRWOMAN KRUEGER: Assembly.

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

ASSEMBLYMAN THIELE: Mayor Walsh, how are you? It's good to see you today.

SYRACUSE MAYOR WALSH: Hi, Assemblyman. Good to see you.

ASSEMBLYMAN THIELE: I wanted to follow up a little bit with regard to the housing compact proposal. You referenced it a little bit and were somewhat diplomatic, I think, with regard to some of the mandates that are in that proposal.

And as you said, we all share the goal

of increasing housing opportunities. I think we all recognize, especially after the pandemic, that a problem that was already a problem now in many places is crisis proportions. And, you know, NYCOM, which will testify today, had a strongly worded statement about how that proposal really erodes home rule.

And in some of my discussions I've heard about, well, you know -- and you kind of referenced it -- you know, we need incentives, not mandates. Carrots, not sticks.

I was wondering -- I think, you know, it's different in different parts of the state, what works and what doesn't work. But from your perspective as a big city mayor in upstate New York, other than increased funding for housing projects and perhaps there's the need for infrastructure funding also, what other kinds of incentives or what kind of things do you think the state should be focused on that would provide the tools that you need to meet these targets?

And my second question is is one of the things that also struck me about the proposal, is that it talks about building 800,000 units. It talks about building housing. It doesn't really talk about affordability.

So what incentives do you think we could provide to build housing and, in particular, affordable housing, housing that ensures that everybody can live in their community?

SYRACUSE MAYOR WALSH: Yeah, there's a lot there. I'll try to be brief.

But I think it's important to start with something that I hope that we can all agree on, which is the status quo is unacceptable and unsustainable. And so, again, while I certainly value home rule, I appreciate that the Governor is raising this issue and coming forward with a proposed solution. Is it the perfect solution? I think, you know, that can be debated and should be debated. And I'm happy to be a part of that.

But I think that we know that there are certain municipalities that are simply using exclusionary zoning to keep certain types of housing out of their communities. And I don't think that's appropriate.

In terms of ways in which we can incentivize it, again, you know, it has to be a way that changes current behavior. That's why I had suggested, you know, perhaps looking at AIM aid or other financial support that the state is already providing or that we would like you to provide more of, and tying that to specific actions that address these specific needs.

You know, I think that engaging with counties and other municipalities in looking at how we can commit to the appropriate growth in the right parts of the county -- understanding that maybe it's not appropriate for every municipality, but it certainly needs to be spread across more than just the large cities.

So those are some of the areas that I think that we need to look at, but we can't

ignore it.

CHAIRWOMAN WEINSTEIN: Thank you.

ASSEMBLYMAN THIELE: That couldn't have been 10 minutes.

CHAIRWOMAN WEINSTEIN: You're not 10 minutes on this.

ASSEMBLYMAN THIELE: Local governments?

CHAIRWOMAN WEINSTEIN: No, this is cities.

ASSEMBLYMAN THIELE: Only cities? Okay.

CHAIRWOMAN WEINSTEIN: Yeah, sorry.

SYRACUSE MAYOR WALSH: That's how I felt about my comments, Assemblyman.

(Laughter.)

ASSEMBLYMAN THIELE: Thank you. Thanks.

CHAIRWOMAN WEINSTEIN: You're right, not 10 minutes.

CHAIRWOMAN KRUEGER: I don't think the Senate has any additional questions for you. Thank you.

CHAIRWOMAN WEINSTEIN: So Assemblyman

Sayegh, three minutes.

ASSEMBLYMAN SAYEGH: Thank you, Madam Chair.

Mayor, welcome to Albany.

SYRACUSE MAYOR WALSH: Thank you.

ASSEMBLYMAN SAYEGH: I looked at your programs. One, COPS security cameras, we're looking at initiatives that may be statewide that address the crime. And what has come to our attention from many small businesses, especially in urbanized areas, was the need for more advanced camera security systems --

ASSEMBLYMAN BRAUNSTEIN: Nader -- Nader, can you use your microphone?

ASSEMBLYMAN SAYEGH: Oh, sure.

-- security systems inside and outside the stores.

And I see the COPS program is one of your initiatives. How is that working, and how long has it been in existence?

SYRACUSE MAYOR WALSH: So the COPS cameras, which are street surveillance cameras, have been in place for about a decade or so. And, you know, early on, as

you can imagine with any type of new surveillance, they were met with some uncertainty in the community but now are widely embraced by every neighborhood. Every neighborhood that I go to, they are asking for more cameras, new cameras.

The challenge for us is, you know, they are great assets. As I mentioned, they have -- we use our cameras -- I think virtually every homicide that has been solved by our incredible Syracuse Police Department has been with the aid of these cameras.

So -- but the challenge is as we procure them, there of course are additional costs beyond procurement that -- in order to operate the system, to update the system. We're at a point now where the cameras that we first bought are ending -- you know, are at the end of their useful life.

So I think that it's providing support, capital support for additional procurement of new cameras, but also ensuring that we have operational support that we can manage these systems, keep them state of the

art. But they are an invaluable tool for our police department, and our community understands that and appreciates that, to your point.

ASSEMBLYMAN SAYEGH: Thank you, Mayor.

And secondly, on the housing compact, in follow-up to a question by my colleague --

SYRACUSE MAYOR WALSH: Housing?

ASSEMBLYMAN SAYEGH: The Housing Revitalization Initiative in Syracuse. With the Governor's proposal to expand affordable housing, has there been any concerns from single-family neighborhoods with regards to this initiative?

SYRACUSE MAYOR WALSH: No, sir.

As a matter of fact, we are -- we are in the process of overhauling our citywide zoning code for the first time in -- since the 1960s. So as part of that, there are opportunity -- we're going to be incorporating new opportunities for accessory dwelling units and for increased density. But that's been part of a -- you know, a comprehensive community engagement process

where we've engaged with all those neighborhoods.

But -- and just to be clear, from my perspective in the City of Syracuse, there's nothing concerning about the housing compact. We will exceed the expectations in there.

When I speak about, you know, reservations, it's as a municipal official that values local control. But the City of Syracuse will exceed any expectations or requirements within that compact.

ASSEMBLYMAN SAYEGH: Thank you very much.

CHAIRWOMAN WEINSTEIN: Thank you, Mayor. So there are no further questions. Thank you for being here with us.

SYRACUSE MAYOR WALSH: Thank you all.

CHAIRWOMAN KRUEGER: Thank you very much.

CHAIRWOMAN WEINSTEIN: So now we're going back to our scheduled list. Mayor Adams was briefer than was anticipated, and that is because there are so many things happening today that many members have not

been able to attend today's hearing.

So now I would like to call, as a panel, Mayor Spano, the City of Yonkers mayor; Mayor Evans, the mayor of the City of Rochester; and Mayor Sheehan, the mayor of the City of Albany.

And while they are taking their seats, I just wanted to acknowledge that unfortunately Mayor Brown from Buffalo could not be with us today. Today is the sentencing of the shooter, the murderer at the Tops Supermarket in Buffalo, and he felt that -- he rightfully felt that he needed to be with his -- the residents of Buffalo today.

So just some ground rules. You each have 10 minutes to make your presentation, and then members of -- after the three of you have given remarks, then there will probably -- I know there will be questions from the legislators.

So why don't we start with the Honorable Mike Spano, the mayor of Yonkers.

YONKERS MAYOR SPANO: Thank you,

Chairwoman Weinstein, Chairwoman Krueger, Senator Krueger, of course the members of our own delegation from Yonkers, Senator Shelley Mayer and my good friend Assemblyman Nader Sayegh.

I'm up here, I'm going to be brief, I promise. The things with the ask are the ones you've heard me ask about over and over again, every year, for I don't know how many years. But we're going to ask for additional education aid and of course hope that we can adjust the school aid formula.

You know, Yonkers has done well over the last couple of years because all of you've decided you're going to fully fund the formula, and that has been good for us. We still believe that formula needs some tinkering. I mean, just in the past 10 years or so since the Campaign for Fiscal Equity, we under that formula didn't realize some 300 -- over $300 million in revenue that, had that formula been fully realized, I think we would have gotten.

But that being said, I hope that you

look at the Regional Cost Index. You know, Yonkers is in Westchester County, highest per-capita income, highest median price for homes. And you'd all be surprised to know that our regional cost index, we're listed with like Utica. And meanwhile, New York City/Long Island is in one region, and Yonkers North is in another region.

That could give us some significant relief if that is addressed, so I ask that you please look at that.

I also -- like I said, in interests of time, I'll rush through. We're rebuilding our schools. We're in the process of building one new school. You've given us the authorization to build three, with the change in legislation that Senator Shelley Mayer was able to put forth. We thank you for that.

But we still have several hundreds of millions of dollars in repairs that still are needed in our schools. And as you know, the reimbursement is such that local property taxpayers cannot afford to make those repairs. So if there's any help that could

be given to us, we've been asking for a $100 million block grant that could be provided to us to help us move and get these schools rebuilt. But again, that's something we're going to continue to ask for.

You know, our local share of education has always been significant. If you take my sister cities of Rochester, Buffalo and Syracuse and take their local shares of education, add them all up, the City of Yonkers still spends about $800 more per pupil. And so whatever we can do with that, that would be greatly appreciated to us.

You know, healthcare, I don't know if anyone's been talking about it. If they haven't, they should be. Fifteen percent, our healthcare has gone up for this year. We spent $170 million on healthcare. So that is a $26 million increase that we're going to see. Twenty-six million dollars is 6 percent of my property taxes. That's three times higher than your property tax cap of 2 percent. That's just healthcare.

So any kind of help we can get on that

would be very, very much appreciated. Because again, it leaves little for the classroom if I have to just pay the healthcare bill. It leaves little for the -- you know, the many other things that we have to contend with. You know, labor contracts, healthcare, and the list goes on and on. So I'll throw that out to you.

And of course I will end by talking about Yonkers Raceway. And we have a license coming up. Again, I hope that Yonkers is considered for full gaming. We support full gaming in the City of Yonkers. We know it's good not just for Yonkers, good for the region. It would provide lots of jobs, especially for people that reside in the Bronx, reside in Mount Vernon, reside in Yonkers. And we want to see that type of measure put forth as soon as you can.

And I hope that while you're putting the legislation together, remember, Yonkers is used to getting that 19.5 million in the host community aid. And we'd like that to be the floor and then go up from there. At

least the legislation is kind of mum on that situation. I know the Governor did put the dollars in the budget, so I'd appreciate it if we can keep them.

And with that, I know there's a lot of items in the budget that are great, lots of proposals, and I'm looking forward to our discussion as we move on. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Mayor Evans.

ROCHESTER MAYOR EVANS: Yes, thank you, Chairwoman Krueger and Chairwoman Weinstein and all the members of the Ways and Means and Finance Committee, and all the Assembly and Senate members for allowing us a little bit of time today to talk about some of the priorities that are important in our city.

I'll start off by saying I always like to talk about the good first. And I'll be brief as well. I'm a preacher's kid, so I use the five B's of public speaking -- be brief, brother, be brief. So I will be brief.

Rochester is attracting lots of private investment and state-supported investment, and we thank you for those investments. It's having a major impact on our community, and we want to continue to see those type of investments in Rochester. We have had large projects such as our National Museum of Play, our Inner Loop East investments, they're all generating tremendous private development, including the expansion of the Strong Museum, which we celebrate with its completion in the newly renovated Neighborhood of Play. General Motors' announcement of $68 million in a new Rochester manufacturing facility. All these things are excellent.

And while we build our future, we also must also confront our challenges. We can't shirk from them, we cannot run away from them, we have to talk about our challenges. And Rochester is like cities across New York City and the nation: Our greatest challenge continues to be gun violence. The city continues its aggressive strategies of

prevention and intervention and suppression. And we reduced homicides last year, in my first year in office, but that number is still too high.

A spirit of collaboration with law enforcement and all our partners at the local, state and federal levels has helped us target the most violent offenders and taken illegal guns off the streets. And the state funding through the Gun Involved Violence Elimination initiative and our SNUG outreach program is absolutely critical. That's in this budget. We want to see that continue and even be expanded.

However, all these things will never be truly effective unless we address the challenges with the whole family, working to zero in on firearms, which there's way too many of them in this country and in New York. We have to continue to redouble our efforts there.

I'm very excited in this Executive Budget to see the numerous investments in public safety initiatives, including youth

employment programs -- we need to keep kids so doggone busy that they don't have time to even think about wanting to pick up a gun. And by doing that, that is one of the best crime-prevention programs that we ever could have.

Youth justice and gang prevention programs as well as SNUG outreach programs, economic development investments, including funding through our Regional Economic Development Councils, the Downtown Revitalization Initiative and the NY Forward and funding for infrastructure through the BRIDGE-NY, PAVE NY, the Consolidated Highway Improvement Program, or CHIPS, and Pave our Potholes programs -- these all give us unique opportunities to put people to work and keep them away from violence or thinking about picking up a gun.

I also appreciate the commitment in the Governor's proposed budget to fund housing, to create and preserve affordable homes, support the operation of shelters and supportive housing units, and provide rental

subsidies and reduce lead exposure risk for the housing stock.

And as a former school board president, I applaud the commitment to care for and educate our children through an increase in school aid, including funding to establish high-impact tutoring to assist students recovering from pandemic-related learning losses.

But for Rochester we really want to look at three things. One is an increase in AIM aid. I know that this is something that you all have heard many times, but it is absolutely critical for Rochester. And also funding to fully eliminate lead pipes around Rochester City homes and support for the rest of Rochester's ROC the Riverway initiative.

With the rest of my time I will just talk about the first two. We believe that if we get an increase in AIM aid -- which has been at the same level since 2012 of about $88.2 million -- that we can help to disrupt the poverty that we see in Rochester.

Of the five poorest zip codes in

New York State, if you look at the top five poorest zip codes in New York State, three of them are in the City of Rochester. Three of them are in the City of Rochester. And we are home to the top -- if you look at the top 25 poorest zip codes in New York State, five of them are in the City of Rochester.

So we have extreme poverty levels. So an increase in AIM aid will allow us to be able to equitably address many of the challenges that we face, including, including gun violence. And the dollar amount that that will represent for Rochester might be small for the state, but it would be huge in terms of the impact that it would have on our city. And will help us to better fight violence, extend weekday and evening hours at our recreation centers, provide jobs -- I have a goal to provide jobs for every city youth who wants one. That would help us to be able to do that. It will allow us to expand the work of our Financial Empowerment Centers. And it will allow us to be able to truly transform families.

The second piece I wanted to talk about is we have a goal, which has been recognized nationally, to be lead-free by 2030. We have already started to replace every single lead service line in our community. That's a $200 million project. We have pushed local dollars, we have used money from the American Rescue Plan Act, but we still have a long way to go.

So I am advocating $48 million in the current year and a similar level of funding in future years so we can achieve this goal.

No one in America, in the richest, most powerful country in the world, and in one of the most progressive states in the country -- no city, including Rochester, should ever have to worry about having lead in its drinking water. It is a public health issue, but it's also an economic development issue. They go hand in hand. And that is an investment that we want to ask for your support in.

So in closing, I again thank you for the opportunity to speak with you today on

behalf of the people of Rochester, and I look forward to answering any questions that you may have.

CHAIRWOMAN WEINSTEIN: Thank you.

And now to Mayor Sheehan, the mayor of Albany, a familiar face to all of us.

ALBANY MAYOR SHEEHAN: Great, thank you. And I want to thank Chairpersons Krueger and Weinstein for inviting us here. I also want to acknowledge the hard work of the Albany team of Assemblymembers Fahy and McDonald and our Senator Breslin.

I join you every year, and have since 2014, to make the case that Albany is treated like no other city. And you have listened. I am thankful to the Senate and Assembly for supporting our Capital City funding that we have asked for for the last six consecutive years. I'm also thankful to Governor Hochul, who for the last two years has included this crucial funding for the Capital City in her Executive Budget.

So I again want to acknowledge and thank you for the support and the recognition

and the acknowledgment of the need for the Capital City to have access to this funding. And what we are asking for this year is to make it permanent. We need to make sure that we keep police officers and firefighters on the streets, that we pick up garbage, that we have safe drinking water -- all of the things that my fellow mayors have talked about.

And we would have certainty in our budget if we could make this funding, which has been acknowledged and I think we've demonstrated -- and you'll look at our slides and see that we've been very good stewards of it -- to make it permanent and tie it to the tax cap.

So we're asking for two things: Make it permanent, make the Empire State Plaza pilot permanent, and then tie those to whatever the increase is based on the tax cap calculation each year. That will help us to provide the certainty that our residents need and that we need to build a strong budget.

I have worked in good faith with this body to -- and with the Governor's office --

to ensure that we are good stewards of our taxpayer dollars, and I think we've demonstrated that we've been able to do that. We've grown our budget at less than 2 percent every year since 2013, and that includes the outsized increase that we had with respect to the ARPA funding that all of us received and that is one-time funding.

And so, you know, we want to ensure that we are able to bring some basic fairness to our taxpayers. And any way that you look at it -- and we've provided a number of slides and a number of ways of showing the amount of nontaxable property in the City of Albany, the amount of that that is owned by the state. Fewer -- 36 percent of the property in the City of Albany is taxable. I share the challenges that Mayor Walsh has -- his is at about 50 percent.

But 36 percent is taxable. And many of those are low-income individuals living in formerly redlined neighborhoods that are paying those property taxes.

And I know that we had an increase in

our -- all of us have had increases in our sales tax, but I just want to remind this body that 8 percent of that was due to inflation. So, you know, we're seeing upward pressures on our own workforces. We completed a pay equity study because we had a number of nonunion employees who were not being paid equitably. And especially in the state capital, where a talented workforce can come and walk across the street and get a great job with the state, we had to make sure that we were being competitive in our salaries.

So all of those are factors that add to the challenges that we have as cities. But I also want to assure you that we are working to grow our tax base. And so with our ARPA money, I am proud to say that we took $25 million of our ARPA funding, we worked with the community to set priorities, and we did a competitive grant process, and 75 percent of that money is going directly into our formerly redlined neighborhoods to create affordable home ownership

opportunities, affordable rental opportunities, and to provide direct services in our neighborhoods of the highest need.

And we believe that we are going to see continued increases in our tax base as we work to stabilize and to support every neighborhood in the City of Albany.

I also want to demonstrate that in the City of Albany, our state aid does impact what we are able to do for those who are living below the poverty level. Certainly the situation in Rochester is dire. But when you look at the City of Albany, when I became mayor our poverty rate was about 25 percent. We've been able to drive that down. But when you still look at the state aid per capita of people living in poverty in the City of Albany, we are treated like no other city.

And so again, I'm not looking for an increase, but I'm looking for a permanency and then the ability for the amount of funding that we get from the state to grow within that 2 percent tax cap.

I'm excited about all of the growth

that we are seeing in the Capital Region and all of the growth that we are seeing in a number of different opportunities at our port and outside of the City of Albany. But we have to ensure that we're connecting that job growth to our residents. And so as we think about this budget and the funding that is in this budget, I do want to commend the fact that there is funding for summer youth employment, for violence reduction -- all of the things that we have been investing our dollars in that we need the state investing alongside us to ensure that we are making those investments.

And so again, I want to point out that we have worked with you and we're grateful for all that you have done for the City of Albany. We need to make it permanent. We need to have it grow at a reasonable rate. And we will continue to work alongside you to make this a Capital City that you can all be proud of.

And so I again look forward to your questions and to sharing our thoughts and

ideas, of which my fellow mayors and I have many that we would love to share with you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Braunstein.

ASSEMBLYMAN BRAUNSTEIN: Thank you, all three of you. And I appreciate the fact that you were brief and got right to the point. It's helpful to us so we understand exactly what your priorities are.

I'm going to ask all three of you -- we'll start with Mayor Evans -- the Governor has proposed housing growth targets, I believe for all three of your cities. It's at 1 percent. Do you feel that you're going to reach those growth targets? And if you have any opinions on the Governor's proposal for local zoning overrides should you not.

ROCHESTER MAYOR EVANS: Yeah, I think for us we will not only meet those targets, we will also exceed them. My administration has made building high-quality affordable housing a priority. I think it's something that's very important.

But we also think that other areas and

municipalities should do the exact same thing, because Rochester has had to bear the -- I don't want to say burden, because it's something that we should do, it's the right thing to do -- bear the responsibility for most affordable housing having to be built in the city. And that shouldn't just be a issue in the City of Rochester. Others should also take up that mantle, not because it's a must-do -- I think that it's something that they absolutely must and should do. But I don't think that in terms of the targets that are there it will be hard for us to reach, because it's something that we are invested in already as a city.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

YONKERS MAYOR SPANO: Listen, I think the Governor really did the right thing when she put this in the budget and made this a priority. This is certainly something that we have had to deal with. While Yonkers will meet these numbers, will exceed these numbers -- I mean, just since 2012 we've built over 12,500 new units, 2,000 of them

affordable, and then another thousand through the inclusionary units.

And so we have really worked hard to make this work for us, but we, like some of my sister cities, are kind of surrounded by communities that aren't doing the same thing. And I think that we have to figure out a way how we can bring them in. AIM -- I'm glad you brought up, Mayor, brought up the AIM. You know, in 2011, Assemblyman Nader -- I mean, I was sitting in that chair when we were -- had just spun up Yonkers for the last time, $20 million, and then they went and they lost that, and they've been level since.

And, you know, AIM is that recognition, it's that old, you know, profit-sharing, right, that recognition of that partnership we have. And if we're going to encourage local municipalities to take part in this, you know, maybe part of the look is not just saying, okay, you know, you can get some relief on property taxes -- because you don't pay them, it's revenues that come to us and we're going to have to

figure out how -- what to do when those revenues are gone.

And so we need some help. Much like you guys did a long time ago when you did the old Economic Development Zones, right, Assemblyman Seal -- Zeal -- Thiele.

ASSEMBLYMAN THIELE: I'll never forget what --

YONKERS MAYOR SPANO: Only known each other 30 years, right?

But, you know, you think about those -- where the state actually picked up those property taxes for 10 years. And, you know, and maybe there has to be some type of something that acts kind of like that mechanism so it helps a municipality, gives them a carrot rather than a stick. But at the same time, they do have to, you know, catch up. Because we have been bearing the burden, and now that will change.

ASSEMBLYMAN BRAUNSTEIN: So you favor more of a carrot approach than a stick approach?

YONKERS MAYOR SPANO: I think we have

to try the carrot first, like we always should do. But always know that, you know, if we have to, then the stick is there, ready to be used.

But I think we haven't tried that enough yet.

ASSEMBLYMAN BRAUNSTEIN: Thank you. Mayor?

ALBANY MAYOR SHEEHAN: So the City of Albany will have no problem meeting the 1 percent growth. And I think that there is a long and disgraceful history of exclusionary zoning in areas that surround the City of Albany as well as the City of Troy and Schenectady -- we are cities surrounded by suburbs -- and that there is a need for affordability at all levels in all communities surrounding the City of Albany. And so continuing to concentrate affordable housing, low-income tax credit projects in our formerly redlined neighborhoods I think does a disservice not only to our broader community who's in need of more affordable housing, but that the conversation that the

Governor has spurred with the proposal that she has, which gives localities a broad breadth of opportunity to make it possible to build additional housing before the stick is implemented -- three years -- I think is an important conversation for us to be having as we look at policies.

That said, I do think that there are policies in addition to what my colleagues have mentioned, but, you know, when you look at what you legislate with respect to affordability. To do a 4 percent low-income tax credit project, you have to have affordability at 20 percent, 40 percent, 60 percent, 80 percent.

We have developers who would be willing to set aside 10 percent, 15 percent, 20 percent of the units in a market-rate housing development for people living at 40, 50, 60 percent of area median income -- but there is no way for them to access a tax credit or any way to offset the cost of that set-aside other than to charge higher rents and fees to those who are paying the market

rate.

So I think that this is an opportunity for us to really think about what we're trying to create -- equitable, sustainable communities in our cities and in our suburbs where we don't have one locality that is bearing the burdens and the challenges of affordability while the rest of the surrounding area gets a pass.

And so I think that this conversation has started. I know that there was a mention of the strongly worded statement of NYCOM. I'm the first vice president of NYCOM, and I can tell you that I wasn't happy with that strongly worded statement. I do believe that we need to spur this conversation and look at decades and decades of exclusionary zoning that kept certain individuals and elements -- and I put that in air quotes -- but that was intentionally drafted in order to prevent the affordability that we need now in every neighborhood, certainly in the Albany area.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

That's my time, Chair.

CHAIRWOMAN WEINSTEIN: Thank you.

To the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Jeremy Cooney.

SENATOR COONEY: Thank you, Madam Chair. And it's great to see all of our mayors here. And appreciate all of the work you're doing, especially in these challenging times.

I know I only have a few minutes, but I wanted to direct my questions to my mayor, Mayor Evans.

And thank you for giving us a book of priorities that needs to get done. And you're right, all of these things are important for my hometown, your hometown, and our City of Rochester.

But I want to talk about something that's not in your priorities, and I know that you have strong opinions about, which is youth employment. We've got a great SOOP program, Summer of Opportunity Program in the City of Rochester. But you have a vision for expanding it beyond just the summer months.

I wonder if you could talk a little about what that means and how you might need some resources to be able to do that.

ROCHESTER MAYOR EVANS: Yes. So, you know, we have a very robust summer program, and the goal is to expand that during the school year. Because all the data shows, Senator, and you know this, that if a young person has a job, they are going to stay out of trouble and they're going to be a great blessing to their parents because they're going to be so doggone tired by the time they get home from going to school, going to work or doing sports that they're not going to have time to get into trouble.

So we believe that any young person in the City of Rochester that wants a job, we want to be able to provide them with a job. And if they are not even old enough to get a job, we want to give them pre-employment opportunities where they can get a stipend to be prepped to be able to get a job.

So that is what that vision is. That vision is to be able to expand the Summer of

Opportunity during the school year to be able to give them those types of jobs -- and then, secondly, to be able to give them the opportunity to be in a pre-employment-type prep job if they are not old enough to have that job yet or if they have not acquired a skill to be able to get a job.

We believe that that would be transformational for them in terms of setting them on the right trajectory and for the rest of their lives.

SENATOR COONEY: I couldn't agree more with you, Mayor, because I know this is also a public safety strategy.

And I'm sure the mayors of Albany and Yonkers would agree that when youth are employed and are busy during those critical afternoon hours, this is an opportunity to avoid other mischief that may happen.

I will end by saying that one way that we can help make that dream happen in terms of youth employment year-round is to increase AIM aid.

ROCHESTER MAYOR EVANS: Absolutely.

SENATOR COONEY: And I know that's something that you feel very passionate about and my colleague feels passionate about. So we will do our best to continue to have that conversation as a legislative body.

Thank you for coming all the way here, Mayor. Appreciate it.

ROCHESTER MAYOR EVANS: Thank you, Senator.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Thiele, three minutes.

ASSEMBLYMAN THIELE: Thank you. And welcome to all the mayors, especially my former colleague Mayor Spano. It's good to see you again.

YONKERS MAYOR SPANO: Good to see you, Assemblyman.

ASSEMBLYMAN THIELE: And we've heard about AIM today and we've also heard about the housing targets. I'm going to give proper attribution, because this is something Chairman Braunstein mentioned to me while we were just sitting here listening and chatting

a little bit.

As was mentioned, AIM funding really hasn't been increased since I think 2009. Last year in the Assembly one-house bill we calculated just what the cost of living increase would have been over that period, and we tried to add I think $210 million to AIM, which would have been a 25, 30 percent increase. Didn't make the cut. I think the Senate had something similar.

And then we have the housing targets.

So my question, and I ask you to kind of react to this, is that the housing targets, instead of if you having your zoning, your land-use authority overruled if you didn't meet the targets, how about the incentive being that you would get this increase in AIM funding if you met the targets, as an incentive for local governments to meet those targets?

I mean, we haven't been able to talk the Executive -- in almost 15 years -- into this, but maybe in the context of the housing compact, this might be the proper incentive.

What do you think?

ALBANY MAYOR SHEEHAN: Well, I think in looking at who gets AIM, you know, that would have to be a deeper dive. You know, we've talked as mayors about counties, you know, really looking at these goals. But, you know, as cities and villages, we get AIM, the towns are --

ASSEMBLYMAN THIELE: Cities, towns and villages get AIM; counties don't, City of New York doesn't.

ALBANY MAYOR SHEEHAN: Right. And so, you know, how that -- what percentage that is of their budget I think is something that would need to be looked at as to whether or not, you know, that's truly going to be an incentive for them to move forward.

But we think everything should be on the table. And if there's going to be a carrot, you know, we've all just said we're going to blow the numbers out of the water, so -- yeah, we'd love that carrot (laughing).

ASSEMBLYMAN THIELE: Okay, thanks.

YONKERS MAYOR SPANO: I certainly can

agree with the mayor.

I mean, like I said, you know, revenue sharing as we all knew it was kind of like a recognition from New York State of this partnership that we had in terms of educating our kids, policing our neighborhoods, and protecting the quality of life.

It has been -- even though that period of time when we've stayed flat our revenues to New York have gone up over 30 percent, and yet AIM aid stays exactly flat.

And then this ask, which I think is -- listen, I think this discussion that the Governor is having for us is an incredible discussion. We need to have it. We need to do something about it, and it is a crisis. But I still think that we need to have more carrots in the soup, if you will.

ASSEMBLYMAN THIELE: Okay. Thank you.

I'm out of time, Mayor. I would have -- maybe we can talk offline. Thank you.

ROCHESTER MAYOR EVANS: That's right, thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Senator Brouk.

SENATOR BROUK: Thank you so much. And welcome, Mayor Evans, for your second welcome here, your second {inaudible}.

ROCHESTER MAYOR EVANS: Thank you.

SENATOR BROUK: So glad to have you here. And I just want you, in front of some of your colleagues, to hear how grateful we are for your leadership. I think everyone living in the City of Rochester has seen the shift in having your leadership, and we're really grateful for it {inaudible}.

ROCHESTER MAYOR EVANS: Thank you.

SENATOR BROUK: {Mic off.} I know you probably talked about it, but we're talking about it, and it's AIM aid, it's AIM funding. But one thing I think is really important for people to understand is what Rochester's going through right now, and that this wasn't something that happened yesterday or {inaudible} years ago, right?

So can you give us some of the realities that the City of Rochester is

facing in terms of our poverty rate?

ROCHESTER MAYOR EVANS: I think -- as I said, and I think it's important for people to understand, that for a city the size of Rochester -- for the top 25 poorest zip codes for New York State, for Rochester to have five of those zip codes is unbelievable for a city our size. And the top five poorest zip codes in New York State, for three of them to be in the City of Rochester tells you what we're dealing with.

And over the years, per capita, we've had the highest number of homicides per capita when adjusted for population. So it shows you the challenges that we're dealing with.

And then nationally, on the national stage, we have a lot of things to be proud of -- Kodak, Bausch & Lomb, all those things -- but we have some embarrassing things to be -- that we are not proud of, which is the level of extreme poverty when you look at the -- we're just behind Cleveland in childhood poverty in terms of

what we're dealing with in Rochester.

So -- and we're all one state, so this is something that should concern everyone regardless of what area you live in. Because to have a city the size of Rochester that are dealing with that level of challenge really puts into context why more increased funding, increased resources works.

And there's no mistake, there's no mistake between a high level of violence and a high level of poverty. They're directly linked, they are directly correlated. And you can't have one without the other. They drive each other, and we need -- and we've been working to try to break that up.

SENATOR BROUK: I appreciate that. And I think put a period on that sentence on the fact that these are things that Rochester is facing that other cities do not face at this level.

Can you speak, in our last 40 seconds, about what an increase in AIM funding to actually get to a more equitable rate would mean for Rochester and where that funding

would probably be able to go.

ROCHESTER MAYOR EVANS: I mean, one of the biggest things is making sure that we can truly invest in our young people, that we can spend more money on preventative programs. We know that we can't transform or change violence by arresting our way out of it. We have to lock at the whole family. But those things cost money.

But I consider those to be front-end investments to be able to expand recreation centers, to be able to expand library hours, to be able to make sure that any young person that wants a job gets one, to make sure that we can invest more in workforce development opportunities that will allow people to move up the economic ladder. All those things will go a long way for transforming our community and bringing down our poverty rate.

SENATOR BROUK: Thank you so much.

ROCHESTER MAYOR EVANS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Reilly, ranker on Cities, for five minutes.

ASSEMBLYMAN REILLY: Thank you, Madam Chair.

Thank you, Mayors, for your testimony.

I wanted to focus on the GIVE, Gun Involved Violence Elimination initiative, and tying that into the supports that are in the Governor's budget. But also wondering if the expansion of the New York State Police Forensic Investigation Division -- being able to submit, from your police departments, the ability to investigate and ask for DNA connections to criminal possession of a weapon when that's the sole crime.

Currently the policy of the State Police is that if the sole crime is involving criminal possession of a firearm, they will not collect that and accept those submissions.

Do you think that's something that can help combat crime in your communities?

YONKERS MAYOR SPANO: Listen, any time we can have more resources brought to bear for us to help solve crime, which is what -- and I'm not really familiar entirely with

everything you're talking about, but I am familiar with what you're talking about -- would be something we'd be addressing.

ASSEMBLYMAN REILLY: So just to give a little background. For instance, say there's an individual -- there's four individuals in a vehicle and a gun is found in the car. Currently there would be no possibility of submitting that to State Police to see who that gun belonged to in the car. So under the exception, all four would be charged with it.

The ability for law enforcement to submit that to the State Police, local law enforcement, to get a DNA match would help exonerate the three that the gun did not belong to and potentially help in the prosecution of that -- the person who had the illegal firearm. That's what the basis for this is.

And I think that's something that is a missed opportunity in all the initiatives that we have in combating gun violence in our cities. So that's why I'm asking that

question. And I'm hoping that you can carry that message on and maybe talk to your law enforcement officials and see if they could --

YONKERS MAYOR SPANO: I will do that.

ALBANY MAYOR SHEEHAN: Yeah. I mean, I will say that the crime analysis center -- we have a new one in Albany, but that ties together all of our law enforcement agencies in the region, the State Police, federal resources -- is a game-changer.

And so anything that we can do -- but the work that they can do with ballistics to map a gun to a crime that might have happened in Rochester or in Yonkers, we are making incredible headway. We had a homicide on Thursday and by Friday we had the car down in New York City, we had the gun, and ultimately the individual turned themselves in to the police.

That's because of the investment that the state has made and that the Governor is continuing to propose to make in this budget, and it's critically important. It allows us

to be fast, it allows us to send a strong message to the community that we care about their safety but that we also are going to find individuals who engage in illegal activity with guns, and we are going to do everything that we can and work together to make sure that we get them off the street.

ROCHESTER MAYOR EVANS: And I think that your question really speaks to as well the collaborative nature that is necessary between State Police and localities. And we've been blessed in Rochester to have that great relationship.

But I think also anytime that you can find and ensure that innocent people are not swept up into the criminal justice system is also extremely important to be able to really deliver justice. So if you're able to eliminate an individual who might get a CPW charge that was not involved with that, that is good, because we need to keep as many people as possible from touching the criminal justice system unnecessarily, because we know what that leads to for the rest of their

life.

So if that is something that is a tool that is able to be used, it's something that we would definitely welcome and would be interested in learning more about, for sure.

ASSEMBLYMAN REILLY: Thank you so much.

And just one last point on it. The ability is of course because the DNA database is with those that were convicted of felonies and misdemeanors in the Penal Law, so this could potentially help stop someone from going further down the road and committing a shooting, because we'd be able to identify them before that happens if a gun is found and that's the only charge.

So that -- I think it's a really important piece and I thank you for your contributions. Thank you.

ROCHESTER MAYOR EVANS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Otis.

ASSEMBLYMAN OTIS: Hi, there, friends, and thank you for your great advocacy. As

being a mayor, I can say all of you are doing a good job fighting for your communities, as you do every year.

What I would like to ask about today is to hear -- we have limited time, but if the three of you could discuss where you are in terms of your cybersecurity -- prevention, protection, what help you're getting from the state, where the state could play a bigger role in helping you in this important area.

YONKERS MAYOR SPANO: We have had at least two just in the -- two cyberattacks probably in the last year or so. We have been met with a lot of support from the Governor's office, from the state and the agencies. They've been working with us.

We don't like to brag about these attacks because of the nature of these attacks, and they tend to get you more attention if you want to make big press out of it. And so -- but a tremendous amount of effort and dollars need to be made in investments in local governments in cybersecurity. I know that New York State

has started in that direction. We very much appreciate the continued support.

But we're moving along in a very positive direction. But it's scary every day.

ASSEMBLYMAN OTIS: And you could use more financial resources to help with that.

YONKERS MAYOR SPANO: Absolutely can use the financial resources.

I don't want to take up all their time.

ROCHESTER MAYOR EVANS: And I would just say I think cybersecurity is one of the not-talked-about topics that it needs to be talked about more, because you don't realize how much of a problem it is until you're hit.

But we were part of -- and I don't know the exact name of it, but the state consortium where they are assisting us with cybersecurity issues. And we've also invested money from our local share to also invest in that. But any further investment will go I think an absolutely long way, and I think we need to be as preventative as

possible in this space because by the time it happens, it's too late and the damage has probably already been done.

ALBANY MAYOR SHEEHAN: Yeah, we are part of that as well, and I want to commend the Governor for opening up that center in collaboration with New York City.

My CTO has told me that that has saved us tens of thousands of dollars because they're investments that the state is making. So, you know, whether it's the state making those investments on our behalf or giving us the funding in order to be able to make them, I think that that center is helping us to think about it more holistically.

But every town and village needs this type of protection too. I get, you know -- I mean, you want to start with the bigger municipalities. But it is an opportunity for the state to really lead on this and to make sure that we're making smart investments as opposed to doing it one-off, you know, sort of village by village and town by town, because the damage can be pretty significant

with respect to these attacks.

ASSEMBLYMAN OTIS: Very good.

And in my nine seconds left, on a different topic -- just to invite you to share with us in writing where you are on water infrastructure improvements, just so we're up to date, would be helpful.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Senator May, chair of the Upstate Cities Committee, for 10 minutes.

SENATOR MAY: Thank you.

And greetings, everybody. It's great to see you here. Sorry I had to step out for a ceremonial function, but I'm happy to be back.

I wanted to ask you all a few questions about -- number one, about the Governor's housing proposals. And I know in Syracuse we have concentrated poverty that is almost the worst in the country. And so making sure that we've got affordable housing being developed outside of the city is really important.

And I'm just wondering if you all are in conversation with surrounding communities on that kind of topic about how do we -- how do we put in place a plan that actually spreads the affordable housing around through the region and not just in our cities.

YONKERS MAYOR SPANO: Recently Governor Hochul put together a roundtable in Westchester. It was something that was long overdue, and something that needs to happen and needs to happen into the future.

We will meet all the thresholds; we will exceed the thresholds. But there are neighboring communities that won't have -- won't get there unless of course we can -- we can figure out a way to speak with them, to have them hear our language and let them know that, you know what, this is good for your community because this is housing for your kids.

Because especially in places like Westchester, the prices of homes are outpacing what our kids can afford, and they're forced to move elsewhere. So that's

why, if we can sell it to them like that, I think we can make a big difference.

ROCHESTER MAYOR EVANS: But it's also a fairness and equity issue. You know, there's been exclusionary zoning for years. There are some towns in the state where they write the language so that way you'll never be able to build an affordable housing complex because they don't want those people there.

And I think that we need to push those conversations, because nine times out of 10 when you have some of those municipalities that end up having and open up affordable housing, what happens is those people don't -- those people don't go in and destroy those neighborhoods. They find out that they care about the same things, their neighbors care about that they're moving next to -- quality education, good jobs, and what's best for their kids and their community.

And I think that this kind of illustrates that, or an attempt to illustrate that. In Rochester we've been doing

affordable housing for a long time; we'll exceed those targets. But it's time for people who have resisted it for years to think about it from an equity, from a justice, from a fairness perspective.

And I think it's something that I hope people will embrace. I know it won't be easy. But it's something that I think is long past due.

ALBANY MAYOR SHEEHAN: And I think that, you know, building on that, we have to stop making it really easy to focus on low-income neighborhoods and buy up properties and do more low-income housing and continuing to perpetuate redlining with our state policies and our federal policies around how these are funded and how they're taxed.

Because what we need in our lower-income neighborhoods is market-rate housing as well. We have neighborhoods that want the same amenities that our suburban neighborhoods have -- access to grocery stores, to retail. They want the same things

and yet, because of the concentrations of poverty, it's almost impossible to be able to attract those amenities to these neighborhoods.

And so we need the balance. It's not -- we're not talking about gentrification, but we're talking about creating the opportunity for housing to happen in a more organic way, in the way that people want to live and interact with their neighborhoods and with their communities. And we have to also acknowledge and recognize that if you go outside the city limits of Albany, there are still people who are in need of -- you know, as the mayor said, these are our kids. These are nurses, these are schoolteachers, these are firefighters that struggle to find affordable housing.

And so looking at our tax policies and looking at the incentives that are put in place, I would love to see an opportunity for us as a state to -- instead of just doing 9 percent LIHTC credits for an entire project, to be able to look at how do we use

those tax incentives to create mixed-income housing opportunities: 20, 30 percent of the units affordable and the rest market-rate.

How do we really build that organically? Because those are the types of policies that can create healthy neighborhoods. And we have examples in our communities where we've been successful at doing this -- attracting market-rate housing right alongside affordable housing. And it is creating changes in neighborhoods.

But we really need incentives to be able to do that because otherwise builders are not going to be interested in investing in our communities because they can't make the numbers work.

SENATOR MAY: Thank you. Thank you. I look forward to working with all of you on these issues, because you're singing my tune.

A map recently came out in Onondaga County, around Syracuse, that outside of the city only 1 percent of the urbanized land is zoned for multi-family housing -- 1 percent.

So it is -- you know, we have to do

that kind of mapping, too, and get the data and make sure we can tell this story of exactly what is allowed and isn't allowed and why.

I wanted to ask also about code enforcement. So one of the things we've learned, I think, about affordable housing, the difference between upstate and New York City is a lot of the issue upstate is that we have apartments but they aren't livable apartments or they aren't -- people shouldn't be living in those apartments. And I did hear you speak about the lead issue, which is -- I'm so glad that that's something you're really focused on. We are in Syracuse too.

But other code enforcement issues: What do you need from the state to make it easier to enforce your codes? We have passed some laws recently, some bills recently that should give you more tools. But what else can we do for you to make it easier to make the housing livable?

YONKERS MAYOR SPANO: Honestly,

Senator, more AIM aid.

We just hired an additional code officer. And so we have enough code officers to provide day -- daily support, and now we have enough to go Saturday and Sunday. But we don't have enough for evenings. We don't have enough for -- you know, and that -- if you don't have a 24-hour kind of push and support, it just doesn't -- it doesn't bode well for us. We can't have the impact that we want to have.

But the laws are there to be enforced; we just don't have the power, the manpower to make it work.

ROCHESTER MAYOR EVANS: Yeah, we've doubled the number of code enforcement officers that we have in the City of Rochester, but we also tie code enforcement with our legal department. Because one of the things landlords understand is court, state Supreme Court: You don't want to do what you need to do, we'll take you there to get it moved.

But we also need dollars to make sure

that if the landlord is not taking care of the property, the city needs to be able to go in and do that while we're waiting, and that takes more dollars. So any resources or investments that we can make in that area to support good-quality housing to have those type of funds where you can go in and put in a furnace if one is not there, to make sure that people aren't displaced, because there may not be a place for them to go to. I think that those types of investments are critical for us in the cities.

ALBANY MAYOR SHEEHAN: I do want to thank you for the legislation that was passed last year. I know that John McDonald carried some legislation for the City of Albany, but it applied to multiple cities.

We have landlords that were evicting people from apartments that didn't have valid residential occupancy permits. Nobody should be evicted from an apartment that's not a legal apartment. So you helped us fix that.

I think in addition to what my colleague said, Codes Court is slow, they're

overburdened. We recently asked OCA for more court time, and they have -- look, the City Court judge who works on this for us is phenomenal, she's great -- but she's only one person. So I do think looking at the OCA budget and looking at the opportunity for us to put more court resources -- because now that we have all these code inspectors and that we're doing all this work, we're creating more cases, but they still take a really long time, they languish, and that hurts our residents.

YONKERS MAYOR SPANO: The mayor's a hundred percent right. They're throwing them to the back of the docket, and that's a real problem for us.

SENATOR MAY: That's helpful to know.

And my last topic, just briefly, is about food deserts, which plague a lot of our upstate cities, I think, where people just can't get the fresh food that they need.

I don't know if you all -- if any of you has a great idea or something that's working that is bringing in fresh food to

communities that are struggling for that.

ROCHESTER MAYOR EVANS: Well, we used some of our American Rescue Plan Act for -- particularly for food desert healthy accessibility. We're trying to look at getting nonprofit grocery stores, but also attracting some of these stores to understand that they need to operate in these areas where we have these deserts.

If you look at what happened in Buffalo, you know, when that Tops shooting happened, there was no place for anyone -- anywhere for them to go. And you have some of the most densely populated areas of the state without a grocery store. That's -- that's shameful in the 21st century.

SENATOR MAY: I agree.

Okay, I look forward to working with all of you. Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Sayegh.

ASSEMBLYMAN SAYEGH: Thank you very

much, Madam Chairlady.

Welcome, Mayors.

Mayor Spano, you've sat in this seat as a member of the Assembly, so you know the legislative process. And I sat in the other seat you're dealing with, education, for many years. And as a former educator my entire life, and as a school board president, I know what happens when there's funding concerns. And you brought up earlier the Yonkers special circumstance because of what we all feel is a funding inequity.

And it's sad to say, last week I witnessed the 20th year that as administrators and educators and parents, people came up to Albany to lobby for equitable funding for Yonkers. And when I looked at the legislation that we sponsored, there was one bill that tells the Education Department, start using the most recent Census data. We're still using the 2000 Census data.

And what that does is really truly shortchange not only Yonkers but urban

settings across the state that deal with special education populations, English language learners, and of course the need to renovate buildings that are often a hundred years or more old. And we know, with the pandemic, how dangerous that is.

There is legislation that would change the funding formula, tell the Education Department to start utilizing the most recent 2020 Census data, and special legislation with regards to Building Aid that really allows more equity in allowing us to build new schools.

What is your opinion of the impact these changes will have not only on Yonkers but communities, other big cities in New York that have the same concerns we do?

YONKERS MAYOR SPANO: Assemblyman, thank you. And those would go a long way. And that, along with the Regional Cost Index -- like I said before, Westchester County, highest median income, highest local property and home sales. And so then you have the City of Yonkers, 75 percent of our

kids live at or below the rate of poverty.

And so we look really wealthy, but we're not. And then we have a formula that says yeah, but you have the same cost of living as you may have -- no disrespect -- in upstate New York. It's not the same cost of living. We have the same cost of living as what they have in Long Island, but they haven't in New York City. And that, just that change alone would bring in the city an additional $13 million.

And so with your changes, we hope to solve the problems.

ASSEMBLYMAN SAYEGH: But I also got to say I witnessed the commitment the City of Yonkers has made to education -- major increases in funding. So now more than ever, changes in the way we fund is crucial.

Thank you, Mayor.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate?

CHAIRWOMAN KRUEGER: Thank you. Just checking.

Senator Martinez? Senator Martinez is

good.

I did have one question.

CHAIRWOMAN WEINSTEIN: Sure.

CHAIRWOMAN KRUEGER: Thank you.

First off, thank you very much, all of you, for being here. And we also talked about the impact of poverty on your communities, as did the previous mayor.

So one of the cuts in the Governor's budget is to do away with the FMAP funding to localities. Now, technically it's the counties, not cities. But I'm just curious if any of you think that that actually has a significant impact on your city's ability to provide mental health services to people.

YONKERS MAYOR SPANO: You know, Senator, I don't know exactly what the total dollars we're talking about is. But I do know this. We are looking down '25. Federal funding runs out. We've already seen our revenues plateau. Sales taxes are down. There is higher costs in labor costs. Healthcare is through the roof. So we have a storm coming our way. And any cut, even if

it's a dollar, is going to hurt us significantly.

ROCHESTER MAYOR EVANS: And I think cities are tied to their counties at the hip. So anything that affects the county, particularly in mental health services -- we do a little bit of mental health services, but we rely on the county to do most of those services. So any cut to counties will absolutely have an impact on cities.

ALBANY MAYOR SHEEHAN: I mean, we don't provide any mental health services. We rely on the county to do that. But we're partnering really closely with the county, and we're trying to innovate and address the needs that our community is telling us -- you know, whether that's around people who are struggling with addiction, people who are struggling with mental health issues.

I mean, just today two of my DGS workers who were picking up recycling came upon a woman who had actually hung herself outside on a tree. They saved her life.

But this is happening on our streets.

And so the need for those services, the need for street treatment is great. And so I would rely on my county to tell me how they're going to fund that. But I will tell you what we are asking our county to do is to provide street treatment teams, to provide much more case management, to push into our schools and to address the mental health needs of our community.

CHAIRWOMAN KRUEGER: And you triggered a second question, Mayor Sheehan.

So the state has created a 988 phone number that is supposed to be there and available for people in mental health crises and suicidal -- and I'm curious whether the rollout in any of your areas has proved to you that this is an effective model or not quite yet or not really up yet.

ALBANY MAYOR SHEEHAN: I don't have any data on that. So we haven't gotten the feedback. Again, I think that would happen more at the county level.

You know, we really have focused -- we're spending some of our ARPA dollars on

pushing case management into our underserviced and underresourced communities to provide quick turnaround so that we can prevent the more serious mental health crises.

You know, oftentimes it starts with "I can't pay my rent, I can't find my kids' birth certificates so I can't get them registered for school, I got a notice from DSS that they're cutting my benefits" -- and people don't know where to go. So we're focused on that, to prevent that escalation into what can be even more of a crisis for people.

YONKERS MAYOR SPANO: Senator, we're trying to get the county to even work with us even more, especially in Yonkers. And our homeless is probably -- is where you'll find most of Westchester's homeless.

We put in place, using federal dollars, Project Connect. And we worked with one of the local not-for-profits. It's high in intensity, basically going into the community, a few people at a time, sitting

with someone who's unhoused, and saying, Hey, how can -- you know, what's going on? Let's get you a room. Let's get you to a bed. Let's get you -- let's check your medications. Let's see what's going on in your life. And then they're able to get a lot of people off the streets.

But this was an initiative put by the city, which is not our mission -- because we have enough stuff that we have to pay for as well. And we do pay county tax itself.

So we're trying to sell that to the county. We're in the process of working with County Executive Latimer, in hopes that we'll get that program to continue and maybe even be a statewide model.

ROCHESTER MAYOR EVANS: I was going to say, you know, we invented something called the Persons in Crisis team in the City of Rochester. They're a co-responsibility with our police department, which is absolutely critical.

I've been around a long time in the City of Rochester; I was the school board

president. I've never seen the mental health crisis like I've seen it today. And a report just came out I think yesterday from the CDC, highest levels of young girls that have contemplated suicide in the last week. I mean, we have a severe mental health crisis on our hands.

I think we have to use every tool in our toolbox -- that 988 number, counties working with cities -- because I think we're paying a price, be it the COVID epidemic or whatever else, for just our turning a blind eye to a lot of the serious mental health challenges that we have in our communities.

CHAIRWOMAN KRUEGER: Thank you. Thank you all very much.

YONKERS MAYOR SPANO: Thank you, Senator.

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

ASSEMBLYWOMAN JACKSON: Thank you, Chair.

So Mayor Spano, I just want you to know I spend a lot of time in your city

because I get my nails done there, I used to spend a lot of money in the casino there, unfortunately. I do not do that anymore.

But I do want to ask, what are some of the negative impacts you've seen on casinos for the community? I know you just, you know, made mention to us again that that's something you would be interested in.

YONKERS MAYOR SPANO: You know, we have not seen a huge negative impact on the casino in Yonkers. It's run well. MGM is a world-class entertainment venue. We work very well with the police department, the State Police. It provides good, solid middle-class jobs for the community, some 2,000 jobs. When it of course becomes a full gaming facility, we'll have 6,000 jobs. It could be as much as -- one of the numbers I heard was 12,000, but I think it's going to be more in the six range.

And -- but the negative part to the community, no, if you're not -- if you come to Yonkers you're not going to find -- you know, what you might find around other

casinos around the country, you're not going to find in my city. And so it's been so far a real positive experience.

But I do understand the pitfalls, and we do have to keep our eyes out.

ASSEMBLYWOMAN JACKSON: Gotcha. Thank you.

Mayor Sheehan, I see that you're asking to keep the 15 million Capital City funding. I hope some of that goes to pave the roads in downtown. My car would thank you if the roads get paved.

I was also looking for an apartment here, and I see that the price -- like the rental prices are similar to what I'm seeing in New York City. Can you speak to like why that may be right now?

ALBANY MAYOR SHEEHAN: So, you know, we don't have enough housing.

You know, there was a question about, you know, the Governor's proposal doesn't speak specifically to affordable housing, but when there is more housing on the market, we do tend to see that rates then -- rental

rates will then normalize. And so, you know, right now we have a little bit of a blip because we had a bunch of housing that was built, and now we're in a bit of a lull. But we do have 1500 more units of affordable housing that are in the pipeline, and so we're going to be seeing that come online over the next three years.

We aim to pave the streets. We paved State Street. And then we had a water main break, so, you know -- that's why we're always here asking for funding.

But I will say that the additional CHIPS money and the federal funding, we are doubling what we're spending on streets, but we're doing that because we have the $15 million. If we didn't have that funding, you know, it really curtails our ability to truly be a capital city and to address some of the challenges that you're talking about.

ASSEMBLYWOMAN JACKSON: Thank you.

Mayor Evans, if we -- how many students would you say or young people would you say are unemployed right now in your

city?

ROCHESTER MAYOR EVANS: I would say probably -- and this is ballpark -- probably that want to work, I would say like 40 percent probably.

ASSEMBLYWOMAN JACKSON: Forty percent. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you. We go to Assemblyman Brown.

ASSEMBLYMAN ARI BROWN: Thank you, Madam Chair.

Thank you, Mayors, for being here.

Regarding the Governor's density housing compact, I was a little surprised, even pleasantly so -- I heard Mayor Sheehan mention this 30 percent taxable units, 30 percent of her base is taxable units. And yet every one of the mayors said that they could possibly achieve the 1 percent goal of increased housing.

Let's talk about the white elephant in the room. There's only $250 million towards infrastructure. As a current deputy mayor and as a guy who paved a lot of roads in my

construction business, that will barely do a couple of cities, let alone the entire state. Construction's easy; you get developers. How are you going to deal with all the electric and sewer and roads and curbing and every aspect of that? The money is just not there. Where's it going to come from if the taxable base isn't there?

YONKERS MAYOR SPANO: Assemblyman, that is, like you said, the elephant in the room.

But the conversation has started. The conversation has to happen. The conversation at this point hasn't been happening. And the only people really doing anything about housing has been the cities.

And so we're willing to do our part, continue doing our part. We need partners. And I'm just hopeful that the Legislature, as you convene, will maybe take the Governor's proposal, which I think is a smart idea, and shape it, mold it into maybe even a better idea. But it's the right direction.

ALBANY MAYOR SHEEHAN: And I think,

you know, we work with developers to have them offset some of those costs.

We've also invested more in our water and sewer infrastructure -- actually double in our water and sewer infrastructure over the last 10 years than was invested in the prior 25 to 30 years.

So, you know, this is a city that used to house 136,000 people. We're about 100,000. And we're growing, but -- you know, I'm an eternal optimist. So, you know, we have tremendous infrastructure, which is why we're attracting development in our city. But we need to make sure that it's affordable for the development community, and I think that that goes back to our tax policies and tax incentives that happen at the state level.

ROCHESTER MAYOR EVANS: And I think if we found a way to also use this -- use this to attract other private investment, that will -- that could help with some of the other issues that might come up. But I think that your question also gets to the point of

making sure cities get more dollars to be able to do a lot of those ancillary things that may come along with that housing proposal, because I don't think that you can look at that just in isolation without talking about infrastructure and the other things that it will take to meet that goal.

ASSEMBLYMAN ARI BROWN: Cities, villages and all municipalities should get one.

ROCHESTER MAYOR EVANS: That's right.

ASSEMBLYMAN ARI BROWN: Thank you, Mayors.

YONKERS MAYOR SPANO: Thank you, Assemblyman.

CHAIRWOMAN WEINSTEIN: We go to Assemblywoman Hyndman.

ASSEMBLYWOMAN HYNDMAN: Hi. Good afternoon.

I'm asking this question for a colleague who's not here. I represent Queens, so -- I think this question is for the mayor of Rochester. Just give me a second here. Sorry.

We understand the need for increases in AIM aid. However, how much revenue would a residency requirement for all city employees generate -- i.e., police and fire?

ROCHESTER MAYOR EVANS: How much ---

ASSEMBLYWOMAN HYNDMAN: Revenue would your city generate if you had a residency requirement for policemen and firefighters?

ROCHESTER MAYOR EVANS: Oh, good question.

I don't know that answer off the top of my head. We have a residency requirement in the City of Rochester for all city employees with the exception of fire and police because of the state law. But if there was a residency requirement it probably would generate a lot of revenue. But I don't know what the exact dollar amount will be off the top of my head.

ASSEMBLYWOMAN HYNDMAN: How much of your city police force and fire department live outside the City of Rochester?

ROCHESTER MAYOR EVANS: I would say probably a majority.

ASSEMBLYWOMAN HYNDMAN: Majority.

ROCHESTER MAYOR EVANS: Probably a majority.

ASSEMBLYWOMAN HYNDMAN: Okay.

ROCHESTER MAYOR EVANS: But all other city employees -- our biggest bargaining unit is AFSCME, and almost all of them are required to live within the city. And that requirement does not apply to police or fire.

ASSEMBLYWOMAN HYNDMAN: Okay. Thank you.

YONKERS MAYOR SPANO: Assemblywoman, if I can, our lowest-paid employees, CSEA workers and our Teamsters, they live in Yonkers. Our highest-paid employees live out, in the outskirts of Yonkers, in Westchester and counties above and below.

I would love for there to be a law that would say you'd have to stay within the city, especially law enforcement. I think that is the best thing we could do. It's not a financial, it's a state of mind. And I think that would be -- but I don't know that we can legally do that. I've been told it's

not legal. But --

ASSEMBLYWOMAN HYNDMAN: It's a state law?

YONKERS MAYOR SPANO: -- it is something that we'd love to see.

ASSEMBLYWOMAN HYNDMAN: There's a bill for that? Okay. Thank you.

YONKERS MAYOR SPANO: Thank you, Assemblywoman.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblywoman Clark, three minutes.

ASSEMBLYWOMEN CLARK: Thank you, Chairwoman.

I will keep two of you out of the hot seat and put my wonderful mayor into it, although I am hoping these are not hard questions because we share so many priorities for the wonderful City of Rochester.

First -- and you probably covered this in your testimony, but of the top five poorest zip codes in the State of New York, how many of them are in the City of Rochester?

ROCHESTER MAYOR EVANS: Three.

ASSEMBLYWOMEN CLARK: Thank you.

When we look at AIM funding and we understand that Rochester -- you know, we put out a report this year, we've always sort of associated with our lack of parity across our upstate colleague cities as a way of us really struggling to get extreme poverty, you know, sort of solved or move the needle on it in any way in the community. But what we've tied it to now is also our high levels of violence, probably the highest per capita in the State of New York.

Is there a way that we could look at AIM funding that would hold harmless all these other communities but also finally get us up onto a much more level playing field?

ROCHESTER MAYOR EVANS: Yeah, and it would just be giving us the per-capita amount that our -- that our peer cities are getting. And that would get us where we are, and it's not taking away anything from anyone else.

And at a minimum, that would bring Rochester to the level that would allow us to

do some transformational change without it costing the state much money. It would be a rounding error, actually, as we say in accounting terms.

I think that that is a solution for us, and it doesn't take away anything from anyone else, because I'm not interested -- with my colleague cities, I know that they deal with similar challenges. We don't want to take anything away from anyone else, we're just asking to make sure that we get the same parity at the same level that others are currently getting. And that takes nothing from anyone, and that allows us to be able to do what we need to do.

ASSEMBLYWOMEN CLARK: And I think we did do it in Foundation Aid with our school districts; we held harmless everyone but started to finally put the dollars in that other districts were not getting in a much more fair way.

My last question has to do with PIC, our Person in Crisis team. I think what we've done in Rochester is a national

example. I think we really are showing our commitment to understanding both our mental health crisis and I think tied to our substance abuse crisis.

What would be helpful to you for the longevity of the PIC team? Are there things that we could do at the state level to really change that model so that you could put -- you know, it wouldn't be -- it would be something we could really grow in a sustainable way?

ROCHESTER MAYOR EVANS: Yeah, I think if we could get reimbursement for it, if we were able to get reimbursement for providing those mental health services, it would be great, because currently those are dollars that we don't get reimbursed for so we have to find dollars to pay for those therapists and folks that we are doing.

And we're doing it because it's just the right thing to do. Those PIC workers save lives, particularly when we have such a major mental health crisis in our city as we have throughout the country. So finding a

way for us to be reimbursed for the services that are provided through the PIC teams would be very helpful.

ASSEMBLYWOMEN CLARK: Wonderful. I look forward to working with you on that.

ROCHESTER MAYOR EVANS: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you. There are no further questions for this panel. Thank you, Mayors.

ALBANY MAYOR SHEEHAN: Thank you so much.

ROCHESTER MAYOR EVANS: Thank you. Thank you very much.

YONKERS MAYOR SPANO: Thank you.

CHAIRWOMAN WEINSTEIN: And we've been joined by Assemblyman Pretlow.

Just making sure we're treating you good, Mike.

Next we'd like to ask the Comptroller of the City of New York, Brad Lander, and the speaker of the New York City Council, Adrienne Adams, to please come down.

As we've said earlier, the budget hearings are later this session than prior

sessions because of the election year, so there are a lot of things happening at this moment, so a lot of Senators and Assemblymembers are in other locations.

Madam Speaker, if you can go first. And then just -- I'm not sure if people were here, if you both were here. We announced you each have 10 minutes to make a presentation, and then we will go to the members for questions.

NYC COUNCIL SPEAKER ADAMS: Thank you very much. Good afternoon, Chair Krueger, Chair Weinstein, Ranking Minority Members O'Mara and Ra, and all members of the Senate Finance and Assembly Ways and Means committees.

I'm New York City Council Speaker Adrienne Adams, and thank you so much for providing me with the opportunity to discuss the Governor's Executive Budget for state fiscal year 2024, and its potential impact on New York City. I would also like to thank Senate Majority Leader Stewart-Cousins and Assembly Speaker Heastie.

For too long, New York City has been overly relied upon to balance state budgets. Whether elimination of our Aid and Incentive to Municipalities allocation over a decade ago that now provides localities outside of the City over $700 million, or the diversion of $200 million in city revenues to fund hospitals in other parts of the state, New York City has absorbed inequitable treatment.

Last year we began to shift this dynamic to reflect a new era of collaboration between the state and city -- a path we must continue. The city's economic outlook is uncertain due to a slower pandemic recovery than other parts of the country. Federal COVID relief funding has enabled the city to avoid the most difficult fiscal decisions, but its expiration has quickly approached.

The Governor's Executive Budget includes some welcome investments and policies, yet we also have concerns. While the net impact of changes in the Governor's budget increases support for the city's

financial plan in our current fiscal year, it would cost the city nearly $1 billion annually in the subsequent two fiscal years. When these budgetary actions are coupled with our increasing costs related to welcoming the arrival of more people seeking asylum, our fiscal health is severely impacted.

The City appreciates the attention to help us provide shelter for asylum-seekers. That is sorely needed. Yet the announced $1 billion in funding for shelter services for asylum-seekers with the Executive Budget only reflects reimbursement up to that level for 29 cents on every dollar.

Maximizing access to these funds would require expanding the list of eligible reimbursable expenses beyond emergency housing to include the diverse services we're providing to support asylum-seekers.

On housing, the Executive Budget includes several policies intended to increase housing production in our city and around the state. This includes legislation we support to eliminate the required

floor-to-area ratio that has restricted housing development, authorize legislation of basement apartments, and expand conversion of commercial buildings to housing.

The council has prioritized developing and preserving more deeply affordable housing. To be successful, more state funding will be required than is currently in the Executive Budget. This should include funding for NYCHA, the city's largest landlord, that has been chronically underfunded, resulting in hazardous conditions for residents. State funding for NYCHA is currently absent in the Executive Budget, but it is critical.

We also support the proposed housing voucher program to help people facing homelessness and efforts to expand supportive housing development as critical health and safety investments.

I must also note the need for increased city and state efforts to preserve and expand homeownership. Affordable homeownership is one of the best avenues to

grow community stability and wealth that helps curb New York City's significant Black population decline by increasing housing opportunities.

We do have concerns about some of the details related to local zoning changes and overrides in the Governor's budget that could possibly undermine the ability to negotiate more affordable housing and community benefits. We look forward to continued conversations on these issues.

On education, the proposed $600 million increase in overall school aid to the city -- largely the result of fully funding Foundation Aid -- is a critical step forward. While federal COVID stimulus funding aided students' educational recovery from the pandemic's effects, these temporary funds are disappearing and make it imperative to enhance education funding.

Our school system's enrollment declines have presented budget challenges, creating concerns about the proposal to allow new charter schools in New York City.

As our city has experienced, investments in pre-K yield large dividends for our children and families, while the Executive Budget includes funding to expand pre-K around the state, New York City is not guaranteed access to these funds. We would hope that our foresight on early childhood education through 3-K and pre-K is rewarded with needed state support.

Our public higher education institutions are pivotal vehicles of opportunity. The $94 million increase in recurring operating funds and over $600 million in capital investment into CUNY are certainly welcome. Yet we look forward to partnering with you to expand these proposals to meet the system's five-year plan and budget request, moving investments closer to a New Deal for CUNY that avoids tuition increases.

I'm encouraged by parts of the Governor's budget related to healthcare, even as concerns about the proposal to stop providing local governments with the federal

funding enhancements to cover Medicaid costs remain. We urge the State Legislature to more closely examine the proposal so localities avoid significant funding losses.

Given the mental health crisis we face in the pandemic's aftermath, the Governor's foundation of mental health investments is exciting. And I look forward to partnering with you and the Governor to advance a comprehensive set of evidence-based mental health solutions.

We also see opportunities to invest in proven safety solutions that prevent crime before it occurs, to make us safer, including intervention programs, crime victim and trauma recovery services, pretrial and recidivism reduction programs, and funding for the public defenders and DAs.

Lastly, New Yorkers rely on mass transit, and the city has been proud to fund the MTA with $1.3 billion annually. The Executive Budget includes proposals to strengthen the MTA, but others transfer major costs of supporting the system to the city.

Shifting fiscal responsibility for paratransit access, student MetroCards and Payroll Mobility Tax payments are estimated to cost the city $526 million in fiscal year '24. Now is an inopportune moment to shift financial responsibility for mass transit, given our other additional obligations and economic uncertainties.

As the center of our considerations are the working families and New Yorkers who comprise the backbone of our city and state, we certainly look forward to working with you, our partners, our valued partners in the State Legislature, to enact a budget that equitably supports our city and state. We look forward to continued conversation and working in the trenches with all of you.

Thank you for your consideration and for your time.

CHAIRWOMAN WEINSTEIN: Thank you, Madam Speaker.

Now to the comptroller, Brad Lander.

NYC COMPTROLLER LANDER: Good afternoon, Chair Krueger and Weinstein, to

the other chairs and members of the committee, which includes many good friends, including my own Assemblymember, Assemblymember Simon.

I'm honored to join Speaker Adams on this panel, my first in-person Tin Cup Day, to discuss the state's executive budget for fiscal year 2024 and its implications for the City of New York.

We are lucky, for starters, to be in a far better shape than we were at the peak of the pandemic, when we worried about whether anyone would want to live, work, visit, ride the subway in New York City again. But today we face a new set of questions: How do we nurture a thriving and better-shared economy? How do we confront the skyrocketing costs facing working families in New York City? And how do we prepare for future crises and challenges?

The Governor's proposed budget contains many positives but falls short in critical areas, where we urge the Legislature to push for change. We urgently need to

build more housing at all income levels, but scaling up production alone won't protect tenants in the Bronx from eviction or house help homeless families. Indexing the minimum wage is important, but it will only help a significant number of working families if we first raise the base. And, perhaps most important for the City of New York itself, new resources for asylum-seekers should not be offset by more than $1 billion in cost-shifts and revenue reductions.

New York City has thrived for centuries by welcoming immigrants, and we continue that tradition by providing shelter and services to the newest New Yorkers -- but the responsibility to provide a safe haven for those seeking asylum is a national obligation, and the duty to provide shelter for all who seek it is found in the New York State Constitution.

So we welcome the Governor's commitment to funding nearly 30 percent of shelter costs for asylum-seekers. However, as the Speaker said, the city is on pace to

spend approximately $4 billion over the two-year period, so the state's $1 billion cap on aid falls short of 30 percent. The city cannot and should not cap the number of asylum-seekers who arrive. Similarly, the state should not cap the funding to provide shelter.

We also need to collaborate, city and state, much more successfully to move people out of shelter and into permanent housing. For asylum-seekers that means scaling up an all-hands effort to help people file asylum applications, obtain work authorizations, and find jobs. The state could help enormously by passing the Access to Representation Act to fund that right to counsel. And for everyone in the shelter system, that means rapidly expanding pathways to permanent housing. The Legislature could help enormously by increasing the shelter allowance, still set at $215 per month for a single adult, and by passing the Housing Assistance Voucher Program, with a meaningful share of the vouchers set aside for homeless

families.

On public education, I also applaud the Governor and the Legislature for the culmination of your long-overdue effort to fully fund Foundation Aid across the state. It is truly great.

Unfortunately, in this budget new inequities arise in funding for education. As the mayor said this morning, unlike other municipalities, New York City is not equally reimbursed for tuition assistance to charter schools and, alone among any city in the country, we are required to pay their rental costs without full state reimbursement. This already adds up to $2.9 billion in non-reimbursed costs for New York City for existing charters. The proposal to add 85 new ones and 20 zombie charters would cost the city at least an additional $1.2 billion in increased tuition assistance and lease payments by the phase-in time. The Legislature should reject this proposal.

And while lower student-teacher ratios is a goal I strongly support, we can't

possibly achieve last year's state mandate to reduce class size without new resources from the state as well.

Arguably the most critical budget debate you'll be facing is around mass transit. With farebox revenues severely diminished by remote and hybrid work, the state must put in place new, reliable sources of revenue. I support the proposals for the Payroll Mobility Tax and to dedicate new casino revenues to transit. And we must implement congestion pricing in a timely manner to fund the capital improvements that our system requires -- new signals, more accessible stations.

We should not, however, impose a fare hike that would disproportionately impact low-income and working-class New Yorkers already suffering the skyrocketing costs of inflation.

And it is both unfair and unsustainable, as the Speaker said, to impose an additional more than $500 million cost on the City of New York to fill the MTA's budget

hole -- none of the other 12 counties served by the MTA are being asked to bear the cost of regional transit service.

Asking the city to increase our share for Access-a-Ride from 50 percent to 100 percent is especially infuriating. Access-A-Ride was launched in 1990 under the Americans with Disabilities Act precisely because the subways were inaccessible -- and 33 years later, we're still decades away from an accessible system.

So I offer this friendly amendment when the MTA makes 100 percent of the subway stations available, New York City can pick up 100 percent of the cost of Access-A-Ride. Till then, let's split it 50-50.

Overall, this Executive Budget consistently undercuts New York City's fiscal condition. Unfunded mandates, cost and revenue shifts will cost New York City over a billion dollars in FY '24, rising to more than $2 billion when fully implemented.

I'd now like to speak about a few of the policy considerations that are in the

budget. First, on the minimum wage. While I was delighted to see the Governor call for New York to join the 18 other states that index their minimum wage to inflation, the Governor's proposal unfortunately does not address the fact that inflation has eroded the purchasing power of the $15 minimum wage already. We got there in 2019. But inflation since then has eroded purchasing power below what was $13 an hour in 2019 inflation-adjusted dollars. And the Governor's proposal would also cap future inflation-based increases at just 3 percent a year, even though inflation last year was over 6 percent -- which means the new wage won't keep up with prices. In 2024 it would result in only a meager 45-cent raise per hour.

Instead, I support the Raise the Wage Act put forward by Senator Ramos and Assemblymember Joyner, which would step the wage up for what was lost over the last couple of years, based on inflation as well as the worker's share of labor productivity,

to $21.25 downstate and $20 an hour upstate by 2026.

We also strongly support the local enforcement provisions of the Raise the Wage Act, which would allow municipalities like New York City and others around the state to supplement the New York State Department of Labor in doing critical enforcement.

There will be a cost to raising the minimum wage for both the state and the city for our own lowest-paid workers and human service workers, but it is a cost worth bearing.

It was so wonderful to hear so much discussion today of affordable housing. As you know, as someone who spent my entire professional career before entering elected office working on affordable housing, I'm delighted that the affordable housing crisis is front and center. Removing barriers to residential development through a framework of regional housing assessments is an important step in ensuring that localities across the state build their fair share of

new multifamily housing.

And good regional planning can genuinely engage residents in that conversation. Whether they'd like to be having it or not, it can help make sure that transit, that schools, that environmental protections are in place. So the $250 million initial investment in infrastructure support and $20 million in planning grants are a good start.

I also support proposals to legalize basement units and to remove the state-imposed 12 FAR cap.

But let's be clear. New market-rate development, even if equitably distributed, will not solve the affordability crisis. With median asking rents in New York near $3500 a month, new supply will do little to prevent evictions in the Bronx, where the seven highest neighborhoods in New York City for eviction are located. With less than a 1 percent vacancy rate for units that rent below $1500, new market-rate construction alone won't help homeless families move into

affordable homes.

A comprehensive affordable housing package must also include passing good-cause eviction and the Housing Access Voucher Program to re-house families currently living in shelters.

A comprehensive approach to New York City's housing challenges must also include a plan for comprehensive property tax reform, to replace our opaque and unfair system with one that is fair, transparent, revenue-neutral, and reserves affordable housing exemptions for genuinely affordable housing. Building on the New York City Advisory Commission on Property Tax Reform, we've outlined a path forward so residents of Southeast Queens and the Northeast Bronx and Staten Island don't have three to four times the effective tax rate that my neighbors and I do in brownstone Brooklyn and much of Manhattan.

We'll be back later this session with an unusually broad coalition of Councilmembers Kevin Riley, Joe Borelli,

Nantasha Williams, Justin Brannan, to push for a real focus on property tax reform this session.

I'll also be back, together with Mayor Adams' administration, to advance legislation in our Capital Process Reform Task Force. We've got nine bills that will help make it possible for us to get our bridges and schools and roads built in less time and for less money. Three of those nine bills are in the Executive Budget, but there's six more that I really hope we can pass, including one that will let us stop having a contract public hearing on every single city contract over $10,000, even though no one comes 99 percent of the time. Not sexy, but really important.

Thank you very much for the opportunity to testify. It's an honor to be with you on this busy day.

CHAIRWOMAN WEINSTEIN: Thank you. Thank you both for being here.

And I'd like to go to the chair of our Cities Committee, Assemblyman Ed Braunstein,

for 10 minutes.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

And thank you both for traveling up here to join us today. We appreciate it.

I just want to touch on the legalizing of basement apartments. As far as I understand it, couldn't the City Council legalize basement apartments now?

NYC COUNCIL SPEAKER ADAMS: Legalizing -- and thank you for the question. It's great to see you.

ASSEMBLYMAN BRAUNSTEIN: You too.

NYC COUNCIL SPEAKER ADAMS: The issue with legalizing basement apartments -- well, we've had a pilot in place, and the comptroller can speak more expansively on this, since it was --

NYC COMPTROLLER LANDER: I was the sponsor.

(Laughter; overtalk.)

NYC COUNCIL SPEAKER ADAMS: He was the sponsor of that legislation.

But I will just -- I'll preamble that just by saying that there was a pilot

initially in Brooklyn three years ago now that needed -- it still needs -- I'll just put it this way. Funding was pulled from that pilot program, which we looked -- the two of us looked to expand it, in Brooklyn first and then looking at Richmond Hill, Queens, in my district, to do that, since we have an enormous number of basement apartments -- which are illegal, people have died in flooding in basements.

So with that I'll --

ASSEMBLYMAN BRAUNSTEIN: The question is, couldn't you legalize basement apartments now?

NYC COMPTROLLER LANDER: The short answer is no, not cleanly. There's a set of things that are in state housing law that make it difficult to do. I can't remember whether it's you can make a two into a three, but not a one into a two, or vice versa. That change would require state law --

ASSEMBLYMAN BRAUNSTEIN: So can I interrupt? The Multiple Dwellings Law is the concern. So you could legalize basement

apartments, but the mayor's proposal says we're just not going to withstand the Multiple Dwellings Law. Which as far as I understand says you have to have two forms of egress, you have to have ceiling heights.

And I don't know -- I just don't understand how we're going to make basement apartments safer by not withstanding the Multiple Dwellings Law. Or make them legal. Like you could make them legal now, correct?

NYC COMPTROLLER LANDER: So the proposal I put forward, which is a little different -- I mean, I support the legislation that the Governor has proposed. But I put forward a proposal we might -- you might like to discuss, to use the Loft Law as a model.

Because right now there's a bunch of units that can't be made legal, they don't have a second means of egress. But we could at least require that there be a backflow preventer to prevent flooding and a smoke detector to prevent fire. But today we're playing Don't Ask, Don't Tell because that

unit can't be made legal.

So I've proposed using the Loft Law as a model to say, okay, that's not a legal multiple dwelling, but we're going to recognize that it is an occupied basement unit. You need to put in that smoke detector, you need to put in that backflow preventer, we'll use something like the Loft Board to adjudicate disputes when you have them.

There still needs to be a long-term plan to improve those units to provide that second means of egress. But let's not leave people in harm's way in the meantime. So be glad to talk more about that.

ASSEMBLYMAN BRAUNSTEIN: I mean, I'm just -- I'm talking about the Governor's proposal and the mayor's proposal. And, you know, the argument put forth is that you can't legalize basement apartments. But we've seen from the pilot program that you can.

NYC COMPTROLLER LANDER: It's really, really hard.

(Overtalk.)

ASSEMBLYMAN BRAUNSTEIN: Well, if there's issues with the multiple dwellings limit, we could have a conversation about that. But just saying we're not going to withstand the Multiple Dwellings Law is a concern that I have.

And my other question is if we were to make changes to the Multiple Dwellings Law, would this be something where Councilmembers decide on a district-by-district basis if they're going to have basement apartments? Or is this something that's just going to be citywide?

NYC COUNCIL SPEAKER ADAMS: This wouldn't be district by district, this would be citywide.

ASSEMBLYMAN BRAUNSTEIN: Okay. So, I mean, I think there's potential to work together. But my concern is just not withstanding the Multiple Dwellings Law. I'd like to know exactly what that entails. I'd like to hear from the fire department to know, if we're lowering ceiling heights, that

that's safe.

So, you know, I don't know if this is something that's right for the budget, but it's definitely something we could talk about. So thank you.

This is for Comptroller Lander. Just first of all, I think it's funny that you reference your unusually broad coalition with the comprehensive property tax reform. That is definitely true. You're moving forward pushing something similar to what the De Blasio commission recommended, am I correct?

NYC COMPTROLLER LANDER: Generous to call it the De Blasio commission, when it was released on his third-to-last day in office after eight years.

But if -- yeah, the New York City Advisory Commission on Property Tax Reform appointed by then-Mayor de Blasio and then-Speaker Johnson. Yes, we proposed some adjustments to it. For example, we think there might -- you know, it might make sense to look at phasing it in based on sale or

enabling people to defer what they owed till sale so folks who are house-rich and cash-poor would have some options.

But broadly, the basic idea that there should be the same effective tax rate for a homeowner regardless of what neighborhood you're in or what property type you have, that we need a thoughtful approach to protecting -- you know, giving something for homeowner occupants and something to protect low-income folks --

ASSEMBLYMAN BRAUNSTEIN: I wholeheartedly agree. I mean, the co-op side represent -- in Northeast Queens pay some of the highest effective property tax rates in the city.

I would like to work with you and your coalition. But it would be helpful to have something driven from the city. You know, coming up to Albany and asking us to impose changes to the tax system is a lot more difficult than to have something come up from the city as a request or a home rule.

NYC COMPTROLLER LANDER: I hear that.

I will say that Councilmembers Borelli and Riley and I met with the mayor first. And, you know, the mayor indicated that they agree that change needs to be made and that they're working on some proposals to bring forward. We're going to put ours forward in the meantime. This has to be done in collaboration.

ASSEMBLYMAN BRAUNSTEIN: And, you know, I thought it was interesting you brought up the alternative procurement -- what is it? What is the term you use here?

NYC COMPTROLLER LANDER: Yes.

ASSEMBLYMAN BRAUNSTEIN: You know, we've looked at some of that progressive design-build. And, you know, I think it's interesting that you're supportive. It certainly lends credibility to the mayor's team pushing some of these changes.

And, you know, I wholeheartedly agree that, you know, DDC and the mayor's team that are pushing this really want to do the right thing and reduce costs and speed up timelines. We do have concerns about

starting a project without a price, circumventing some of the comprehensive bidding processes -- you know, blind bids and, you know, qualified bidders. If I had my preference, this would be something that we did outside of the budget.

But it's certainly something that, you know, we want to pursue to allow them to speed up these projects and save money, but we just want to make sure that we're thorough and do it in a way that, you know, protects some of the anti-corruption protections that we have in place. So I look forward to talking with you about how we can do this, but do it properly and in a deliberative way.

NYC COMPTROLLER LANDER: I wholeheartedly agree and would welcome the conversation. Each of those alternative delivery methods is not right. You know, they've got a set of circumstances they're appropriate in, and there's oversight needed to make sure that you're -- you know, we're getting best value.

That is the goal. The goal is not

only to speed it up; the goal is to make it more efficient, and that means better on price and better on time. And we'd have to be judged by that holistically.

There are some easy things, though, because having a hearing on the contract for every project over $10,000, that adds a couple of weeks to everyone needlessly. That's not in the Executive Budget, it's one of the other six proposals.

But I welcome the chance to sit down and talk about the --

ASSEMBLYMAN BRAUNSTEIN: Absolutely. So I look forward to staying in touch. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

Senate?

CHAIRWOMAN KRUEGER: Good afternoon.

CHAIRWOMAN WEINSTEIN: Or Senator.

CHAIRWOMAN KRUEGER: So Senator. No disrespect, but the rest of the Senate seems to be quite engaged in another scene in the next building. And I think many of my colleagues want to be here to ask you many

questions, and it's left to me to try to summarize in all of 10 minutes.

NYC COMPTROLLER LANDER: We're honored that you're here, so --

CHAIRWOMAN KRUEGER: Thank you both.

So Speaker Adams, we appreciated very much in your testimony your making the case for us not to rush forward with new tax incentives and abatements that actually the City of New York needs to pay for, without getting the input of the City Council -- and I believe the comptroller as well -- to recognize that we don't always know everything up here. And when we're going to spend your money, your tax money, I do believe very much that the City of New York ought to have a say in that.

So do you have any sense of a time frame for your having an evaluation and perhaps coming forward with a proposal? Would it be before we end session in June, for example?

NYC COUNCIL SPEAKER ADAMS: You know, we really don't have a time frame per se,

Senator. And it's great to see you also.

We really don't. We understand that, you know, the city certainly is facing a lot of uncertainty when it comes to our fiscal future. And like you said, we just would really appreciate being at the table and being a part of the conversation. Because it is a tremendous part of what we do. Looking forward into the interests of the city, our main objective is just to make sure that we maintain a working partnership with you.

CHAIRWOMAN KRUEGER: Thank you.

So it ties into, I believe, a question I may have for Comptroller Lander, because we have worked together on trying to make more sense of the property tax system as it exists in New York.

And you have pointed out in several I think reports or analyses that with our goal of increasing the number of housing units that are there and that are actually affordable, that if we actually made fair the New York City property tax system, we would probably, if we did it right, see a dramatic

decrease in the cost for rental housing for lower-income New Yorkers who actually pay a disproportionate share of their rent as actual property taxes by their landlords.

Do you still believe that that is a major solution for us to get our arms around?

NYC COMPTROLLER LANDER: Absolutely. You know, it is true broadly in our system that even though I have focused on the inequities between different homeowners, which are severe -- and to be clear, my neighbors and I are the beneficiaries of that, but it's unfair and needs to be changed -- there is also a significant gap between what rental properties are taxed and what homeownership properties are taxed.

And that means if you're a developer considering building on a site, if you build it as condos, you'll pay about 30 percent less in taxes than if you build it as rentals. So one element of comprehensive property tax reform would be to reduce the rental -- the base rental property tax rate on new rental housing by about that

30 percent, and that will serve as an incentive.

You know, that's not necessarily by itself enough to get you deeply affordable housing. And I really agree with what the speaker said also about the need for some new genuinely affordable homeownership programs as well. If we all -- you know, if we kind of look to the history of Mitchell-Lama and say that was so great, but we could be doing it again -- and we've actually offered a model in place of the 130 percent AMI proposal in the old 421-a or the 485-w. Let's have that be the place we put a new version of Mitchell-Lama: Resale-restricted, genuinely affordable cooperative homeownership.

But yes, you know, reducing the base rental rate is a critical element. And if you have more detailed questions, this is Executive Deputy Comptroller Francesco Brindisi, who knows a lot more than me and just about anybody else on the kind of ins and outs of property tax reform.

CHAIRWOMAN KRUEGER: Maybe we can talk about that afterwards.

Something that didn't get as much attention up here as I thought it might was the proposal I think -- I believe by the Mayor and City Planning, to allow for the transition from commercial to residential. And the Governor put that into her budget.

I don't think either of you touched on that in your testimony. Do you have positions on that proposal?

NYC COUNCIL SPEAKER ADAMS: I was going to let my CFO -- defer to my CFO. But the definitive answer, Senator, is yes. We look forward to that.

Most certainly any time that we can turn over buildings, properties that are not being used appropriately, we feel that it needs to be used for affordable housing, particularly at this time. We are so far behind in building affordable housing in the city. We've got to catch up. Be it with the small percentage of these buildings that we're talking about and looking at for

conversion purposes -- we've got to start somewhere. And we are all for it.

And this is Tanisha Edwards. She is my CFO of finance.

NYC COUNCIL CFO EDWARDS: Thank you, Madam Speaker. Thank you, Senator Krueger.

Yes, the Speaker proposed a housing plan a few months ago, and that's one of the things that is talked about in the housing plan, in creating more affordable housing, the conversion from commercial space to residential space.

So just rolling back the timeline -- at least pushing it forward for these buildings to be able to be converted from the sixties to the seventies to now 91, it's a big deal for us. And offering that tax incentive we think will go a long way. And I think the Governor estimates that will create about 120 million square feet.

You know, so we're excited and we're hoping that with that conversion, that will translate into affordable housing. So we're really excited about that.

NYC COMPTROLLER LANDER: I support it, but I'm going to give you what I think is some straight talk about it.

I think very few buildings will convert as a result of this program. The cost of doing it, plus the fact that you lose rentable square footage when you go from commercial to residential, plus the challenge that you've got a lot of buildings that still have tenants with leases in them, I just -- so I think if we were actually serious about this we would come up with a tear-down model that lets some Class B and C office buildings be torn down and rebuilt residentially with a bit of an FAR boost and affordability requirements. I still don't know that we would get a ton of it, but we'd get a lot more than I think with the conversion program.

That said, it's better than nothing, so I do support it.

(Laughter.)

CHAIRWOMAN KRUEGER: Thank you.

So obviously housing is on everybody's

mind -- and I know I have a few minutes left. The Governor's proposal also allows people who are in the pipeline for 421-a to have an extra four years to complete their projects. I have to say that did not go over very well with most of my conference. We're concerned that these are not people who were held up during the COVID era but actually people who all rushed to get in before the deadline.

And that would cost you technically even if it's four more years of a program I -- speaking for myself, none of us thought was a very good one, it's four more years where you actually give up your property tax revenue.

Would it be fair to say that you would also both have concerns about extending these deadlines by another four years?

NYC COUNCIL SPEAKER ADAMS: They are certainly concerns all around.

You know, that said, there should be a way for there to be some type of compromise to work things out for all concerned, especially given the gravity of the situation

that we're all up against in the city when it comes to housing.

NYC COMPTROLLER LANDER: And I suspect some of those buildings were like genuinely applications with people that are ready to start building and might have a real hardship. So should there be a hardship process? So if you've got your financing and you're starting to build but some things have shifted, let's have a hardship process. But a blanket extension of four years, for many buildings which really were -- just filed an application because the deadline was coming, I think it's really worth taking a harder look at.

CHAIRWOMAN KRUEGER: Thank you.

The mayor pointed out that there -- and I believe both of your testimony also -- that the new cost to the City of New York to supplement the finances of the MTA are perhaps too big an ask to make of the city in perpetuity. And I get that, as somebody who lives in New York City.

But I also get, as I know both of you

do, we survive because there is a functioning MTA. And I don't think any of us could imagine our city without a functioning MTA.

So I'm in search of better answers, because I need to be able to make sure that for both of you we have a functioning MTA. Does -- do either of you have additional or different proposals on how to raise the money they need? Since the mayor pretty much zeroed out all the proposals so far being made.

NYC COMPTROLLER LANDER: I will offer that there's one thing the Governor has proposed that I could live with, even though it's unfair to the city.

Every other municipality is getting 20 percent of the casino revenue from a casino in their locality for their own city budget. This proposal says that it will take New York City's share and put it to the MTA above the 526 million. I don't support the 526 million, but I could live with our share of the casino revenue paying for the subway system. So that's at least some new revenue

that New York City is forgoing.

CHAIRWOMAN KRUEGER: Do you want to close down, Speaker Adams?

NYC COUNCIL SPEAKER ADAMS: I just said to the comptroller, "I could live with that."

CHAIRWOMAN KRUEGER: You could live with that. Okay. So now we just have to get them the rest of the money.

Well, I don't know if we want to build them a casino -- that's another discussion.

(Laughter.)

CHAIRWOMAN KRUEGER: My time is up.

But no, I don't want to.

So thank you both very much for your testimony.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Ra, ranker, five minutes.

ASSEMBLYMAN RA: Thank you, Comptroller, Speaker. Thank you for being here with us today.

I want to ask about -- and this is something that I know I read about prior to the hearing, but it's also listed on the

chart on the back of your testimony, Comptroller -- regarding this pay-and-pursue proposal and the impact on the city's finances. It's one of the -- you know, the listed new mandates or cost-shifts that both you and the mayor have detailed in this budget.

Do you know how those figures are arrived at in terms of what the financial impact is?

NYC COMPTROLLER LANDER: The number the -- so, you know, we estimate -- or the OMB estimates that it will cost the city 111 million in FY '24 and increase to 380 million by FY 2030. Pay and pursue is a set of managed care reforms that will require plans to pay claims billed by providers and limit reviews. That number is provided by OMB and we have not double-checked it or scratched it further.

ASSEMBLYMAN RA: I'm curious, if possible, if you could follow up later on, just in terms of how they arrived at it. Really because I know at the state level they

are saying they believe it will apply to less than 3 percent of all claims.

So really my curiosity is, is it based off of that? Is it based off of an understanding that it's going to affect more claims than that?

NYC COMPTROLLER LANDER: We'll follow up and get back to you.

ASSEMBLYMAN RA: Yeah, because obviously for an entity like New York City, that is -- you know, and growing to $380 million, that's a big chunk out of your budget that you, you know, weren't necessarily expecting to be losing.

So thank you for that.

The one other question I had, if you have this information, is regarding -- back to the MTA, but totally separate from the new contribution and all of that, but what a lot of people I think are forgetting with the payroll tax increase, that a lot of our governments pay that. Particularly downstate, because they tend to be larger than maybe some of the villages or towns

upstate that may not have the payroll to meet that.

So do you know what the city's MTA payroll tax, you know, cut currently is that they pay and what it would be if the increase were to go through?

EX. DEP. COMPTROLLER BRINDISI: The tax increase is from .34 to .5, so it's about 50 percent of the -- it would go up by about 40 million. The city's -- the city's payroll tax.

ASSEMBLYMAN RA: It would go up by 40 million?

EX. DEP. COMPTROLLER BRINDISI: Yup.

ASSEMBLYMAN RA: Okay. Thank you. That's all I have.

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: I don't think you're going to give me another 10 minutes, are you?

CHAIRWOMAN WEINSTEIN: So we'll go to Assemblyman Reilly, ranker on Cities.

ASSEMBLYMAN REILLY: Thank you, Madam Speaker.

Thank you, Madam Speaker and Mr. Comptroller, for coming and for your testimony.

First I want to say, as a Staten Islander -- I think I can speak for the 500,000 of us -- thank you for the efforts on the property tax. Especially my colleague and neighbor, Joe Borelli.

So I moved to Staten Island in 2003, and my taxes have gone up from 1800 to 6800 in that time period. Which is astonishing, right? But -- so once again, I thank you for that. And I'm sure there are others in Staten Island that are in a deeper hole than I am when it comes to their taxes.

So I just want to switch gears here and talk about speed cameras. In the current budget they're looking to expand them to the MTA bridges and tunnels. Over the years, they've expanded from a 20-camera pilot program in 2014 to now we're over 2,000 planned cameras in New York City. And now they're operating 24 hours a day in a quarter-mile circumference from a school, not

on the street the school exists.

The reason why I'm asking about this and laying the foundation is that we talk about the MTA. Who's going -- has there been a discussion about where the revenue from those speed cameras over the bridges and tunnels are going to go? Are they going to the city, or will they be going to the MTA?

NYC COUNCIL SPEAKER ADAMS: I just asked the comptroller if he was in discussions to determine where that revenue was going. I'm not in those discussions.

ASSEMBLYMAN REILLY: Okay. All right. So piggybacking on that with the speed cameras, since they've expanded exponentially, the revenue they've brought in has grown tremendously.

Over the years I've introduced a bill that would create a school safety fund. And the school safety fund would be all the speed camera and now the school bus camera revenue -- for passing a stopped school bus. They would go into this pool, and it would only be able to be used to put sidewalks by

schools, to do NYPD initiatives by schools, DOT initiatives. So basically like an MTA lockbox.

There hasn't been any traction on it. And right now the money that comes from those speed cameras goes into the New York City General Fund.

Would you support the idea of a school safety fund so that that money can be directed? Because right now we have a lot of the public, especially in New York City, they look at the speed cameras as a revenue generator. And it's very hard to argue with them considering how fast the program has grown and the money going into the city's general fund.

Can you just touch on that?

NYC COUNCIL SPEAKER ADAMS: Assemblymember, that idea to me is certainly appealing. It makes a lot of sense, given -- and we just had a very huge transportation and infrastructure hearing yesterday around safety, particularly the safety of schoolchildren in school areas.

And for me, those conversations are most welcome. So thank you for that. I would love to speak more about that.

NYC COMPTROLLER LANDER: I think there's also some things that could be done to strengthen the program to really achieve safety.

The vast majority of people, if they get a ticket or a couple of tickets, you know, pay them and I think think about how they can avoid the next one. But if you look at about the top 1 percent of folks that get those camera violations, they are people getting 50 of them. They're really driving in ways that anyone would say, "I'm horrified by that, that driver is going to kill or injure someone."

But we don't ever -- there's never a license suspension. We could make a more -- a program that had kind of escalating penalties -- not with the goal of extracting additional revenue, but of getting the most dangerous drivers to either change their behavior or stop putting their neighbors at

risk.

ASSEMBLYMAN REILLY: So what about increasing the number of members in the New York City Police Department to enforce traffic violations? Because if we do more speeding enforcement by the NYPD, there now is the opportunity for the person who's driving to be held responsible and their license could be suspended.

NYC COMPTROLLER LANDER: I mean, my experience is that people don't go to the Academy to write speeding tickets, so I don't think it's probably the best use of additional officers.

And the cameras actually tell you who the most reckless driver -- if you look, it's an extremely --

ASSEMBLYMAN REILLY: I'm going to interrupt you. The camera doesn't tell them that. The camera tells you the registered owner. That's the problem.

NYC COMPTROLLER LANDER: Well, fair enough. But --

ASSEMBLYMAN REILLY: So the issue --

and I will tell you that when a police officer goes into -- as a former police officer, you will have enough that would want to do traffic enforcement, especially in the local precincts, and that could be a stepping-stone to the highway unit. So therefore, you would get buy-in. And I guarantee you there will be people waiting to take those jobs. Just saying.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Epstein for three minutes.

ASSEMBLYMAN EPSTEIN: Thank you all for being here. And I appreciate you coming up to Albany.

And to you, Speaker Adams, I just wanted to kind of go back to the basement apartment issue, if we could, because I really do appreciate your support.

And we all know less than a year and a half ago we lost 11 New Yorkers to flooding after Hurricane Ida in these basement apartments. And, you know, I think as

Comptroller Lander said, you know, the issues of the MDL were really becoming real restrictions.

And so I'm wondering, are there things that you think we should be doing? I know we have the bill that the Governor's proposed and the mayor this morning again reiterated his support. You know, there are specific provisions of the MDL -- parapet walls, stairs, they require ceiling heights in a private home that you can't do because of the MDL. There are all these basic provisions.

Would you want authority like provision by provision? Or do you want broad-based authority to give to the Council to be able to create a law that you guys would enforce on the city level?

NYC COUNCIL SPEAKER ADAMS: That's a great question, and thank you very much, Assemblymember.

You know, with -- and I'm going to defer again to the comptroller on this, because this really -- the genesis of this really was his baby, so to speak. I believe

that the pilot that went forth in East New York was a terrific pilot because it standardized for each location, each unit, regulations were set for each unit, but they were all identical regulations. That meant, you know, the height, the width, the electricity, the plumbing, the sprinkler system, the fire system -- all of those things were the same. So they were uniform, that's the word I'm looking for. They were uniform.

So in taking a look at that, I think that that was the model to go with. And I will defer to the comptroller to expand on that. But for me, basically the funding ran out and it was no more.

ASSEMBLYMAN EPSTEIN: Yeah, I only have a minute left, so if I can take back the time for a second.

NYC COUNCIL SPEAKER ADAMS: That's fine.

ASSEMBLYMAN EPSTEIN: No, I appreciate the comptroller's support. And I know we've -- him and I have been working on

basement issues probably for 15 or 20 years.

So I appreciate your support for NYCHA on the ERAP. You know, just in my district alone, tenants have $20 million in rent arrears in public housing, and we need that funding. You know, whatever support you can give to help us make sure that my residents don't get evicted because they can't afford to pay. You know, pushing the Governor to do something about that would be really, really critical.

The other program -- I know you mentioned HAVP, the state Section 8 program. I'm wondering what you're using to support that and how we can make sure that happens this year.

NYC COUNCIL SPEAKER ADAMS: We're going to continue -- in the Council we're going to continue to do legislatively everything that we can to support our -- our hearings for public housing have been monumental thus far, and we have a fantastic chairperson. We're going to continue to do our part.

We just need to make sure that -- someone said it best the other day -- we're not just throwing money at NYCHA, but we actually do know where that money is going.

Thank you.

CHAIRWOMAN KRUEGER: Thank you.

And now this looks all very embarrassing for all of us, but Helene had to go one direction for a little while, and I actually have to go another direction. But we have the extraordinary Assemblymember Braunstein who --

(Laughter.)

CHAIRWOMAN KRUEGER: -- we're leaving in charge of the Assembly and the Senate. So, like, don't do a coup or anything, okay?

(Laughter; inaudible overtalk.)

CHAIRWOMAN KRUEGER: You won't have enough time to change the Constitution to do away with the Senate, that's all I know.

(Laughter.)

NYC COMPTROLLER LANDER: Thank you, Senator.

NYC COUNCIL SPEAKER ADAMS: Thank you,

Senator.

NYC COMPTROLLER LANDER: New Chair, can I offer one sentence in response to the Assemblymember's piece?

ASSEMBLYMAN BRAUNSTEIN: Go ahead.

NYC COMPTROLLER LANDER: On this issue of a way that the city and the state could work together on HAVP, I think there's an interesting idea. You know, there's these warehoused units where landlords say they have some costs to bear -- redo a kitchen or a bathroom -- that wouldn't be borne by the rent-stabilized rent.

One intriguing model would be to put together a city -- use city capital dollars and say, you know what, we'll pay the cost of that kitchen or bathroom repair, we'll pair it with one of these HAVP vouchers, but you've then got to take somebody who's in a homeless shelter or one of these new asylum-seekers or somebody that's -- you know, and house one of them.

So there might be some intriguing ways to have the state and the city work together

to really help HAVP drive some pathways out of homelessness.

ASSEMBLYMAN BRAUNSTEIN: Thank you. Assemblywoman Hyndman.

ASSEMBLYWOMAN HYNDMAN: Five minutes. (Laughter.)

ASSEMBLYWOMAN HYNDMAN: Thank you so much for being here. Comptroller, I really agree with casino revenue paying for the MTA, especially because Resorts World in Queens has been doing so well.

I am -- and Speaker Adams, you know how our Community Board 12 and 13 will be when we talk about turning basements into apartments and so forth. And it is concerning that sometimes in the Council lately when a councilmember has said they don't want zoning or rezoning in their district, the Council with override that.

So how will you navigate that if the state does decide to give that responsibility to City Council for the Multiple Dwellings Law? And Council, district by district, will be able to recommend, you know, change in the

ULURP process; how will you navigate that should it come to the city?

NYC COUNCIL SPEAKER ADAMS: Great question, and thank you.

I've put forth -- and this is all incorporated in my Fair Housing framework that I've put together, and it includes a land-use and planning toolkit for the entire Council to use as a model when it comes to discussing and moving on affordable housing.

What we've seen in the past is -- the way that we do things, it's piecemeal, it's been in silos. And what this -- what my initiative takes into consideration is the operation of all entities together. So as long as we start with all entities -- the community; the quote, unquote, building, builder; the member; and our land-use unit and others that know what the land-use process is about. If we bring those forces together instead of operating as has been done in the past -- one entity will come in and say, I know what's best for your community, and then work outside.

What my proposal does is bring everybody together to collaboratively start up-front, because as we know, our communities have felt that people come in and tell us what we want instead of being a part of the process going forward.

So to answer your question, the way to get to that is collaboratively and not just one entity working in a silo and then telling another what it is they want to do.

ASSEMBLYWOMAN HYNDMAN: Does anyone recall the amount of money it would take to convert one basement into being an accessory dwelling unit, per -- because most basements have, especially where we live, you know, smaller windows, one exit.

NYC COMPTROLLER LANDER: This was the primary challenge of these New York pilots and the reason why we hoped to do 40 homes but I think only eight wound up happening. It was over $100,000 a unit --

ASSEMBLYWOMAN HYNDMAN: Per house?

NYC COMPTROLLER LANDER: The city was providing subsidy, and so that's what made

the program work.

But yes, adding a second means of egress -- if you don't have one, digging the entire, you know, floor out to provide a larger ceiling height, it got to be expensive. It's why I believe this kind of Loft Law-like model, at least to provide some basic safety protections to everyone, is valuable. But it's a big part of the challenge, as the cost was high.

ASSEMBLYWOMAN HYNDMAN: Thank you.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

Assemblymember Simon.

ASSEMBLYWOMAN SIMON: I'm not going to be as good to you as I was to the mayor, where I didn't ask about things I didn't agree with.

(Laughter.)

NYC COMPTROLLER LANDER: You're my Assemblymember, so --

(Laughter; overtalk.)

ASSEMBLYWOMAN SIMON: Yeah, and you know the things we have agreed and not agreed on.

So -- but this is actually just an issue -- we've talked a lot about housing. We've talked about taxes and know that there are a mess of inequities because of the way things happened. And I think, Speaker, your comment about it being sort of haphazard or one-offs all the time, it's just a jumble of things that don't work together, is something that is really a problem that is hurting so many of our residents and our businesses as well.

We really do need to do something about affordable homeownership. We do need to investigate Mitchell-Lama again. We do need to get more federal money into housing. And we do need to keep people safe. It strikes me that a lot of the programs we've been doing before ended up harming the goal. Right? 421-a did not give us affordable housing. It brought us way too much gentrification, and you know in Atlantic Yards, which was relying on that in large part, we've had massive displacement of African-Americans from the area.

So I feel like one of the challenges we have in this budget process is that the Governor puts out a budget, people say they don't like this, they don't like that -- but there really isn't a space to actively work together to work on these issues.

And what I would like to get is a commitment from both of you to actually sit with us and figure this out in a way that isn't going to harm people and is going to -- you know, real estate is everything in New York City, as you know. The schools -- in downtown Brooklyn, they -- it was a bad rezoning. It wasn't that they shouldn't have rezoned, but it was lame-brained. And now we have nothing affordable. Schools everywhere that nobody needs them, and the kids are traveling like crazy to places where they only have a school there because it was a real estate deal.

How can we get away from that? So that our schools are where they need to be to serve the kids that they need to serve.

NYC COUNCIL SPEAKER ADAMS: Well, I

will just respond to, you know, your initial question, can we get together to talk about these things. I'm so glad you asked. I would love that. And I think it's absolutely necessary.

NYC COMPTROLLER LANDER: Of course I will as well.

I will refer people to -- the Speaker mentioned the planning toolkit that her office put out, which I think is a really thoughtful approach. I mean, it takes it from the Council's power rather than from what would it look like to have a more comprehensive or citywide system, but it deploys it with a real thoughtfulness on a lot of these questions.

I do think we should have in New York City some kind of comprehensive planning which asks those kinds of questions at the citywide scale that would take either charter reform or a state law. But I think it will be a good idea, because given growth targets is meaningful, but you've got to supplement it with real planning that engages

communities and thinks about infrastructure, that addresses fairness.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

ASSEMBLYWOMAN SIMON: And you know my feeling that we don't plan, we zone and develop and that's why we're in the problem we're in. So thank you.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

Assemblymember Jackson.

ASSEMBLYWOMAN JACKSON: Yay!

(Laughter.)

ASSEMBLYWOMAN JACKSON: I have to first say to my Speaker, happy National Black Girl Magic Day.

(Laughter.)

ASSEMBLYWOMAN JACKSON: Thank you for making that resolution possible in the City Council. We unfortunately did not do that here, but I won't speak on that anymore.

All right, so Comptroller, thank you for being here. You put out a good report not too long ago about unemployment for adolescents. And I just want, if possible, if you or Speaker Adams could speak to what

it would mean to our economy if we had more young people working. And what -- if there is a possible negative cost to our city for that same purpose.

NYC COUNCIL SPEAKER ADAMS: Well, I will start by saying one of the -- thank you. Of the best things that I like to see during the summer -- during the summer -- is that SYEP program where our youth are able to do what it is that makes them happy for the summer.

But it's not enough. It's not long enough. And we've also seen employers that want to continue to build with those students and they're not able to do that because we simply cut the program off way, way too -- the city cuts the program off way, way too soon.

So if we could expand that I would say year-round -- my own granddaughter loved SYEP last year. And it was a fantastic thing for a building block to come into employment. If we could continue that, that would be fantastic.

NYC COMPTROLLER LANDER: Amen.

NYC COUNCIL SPEAKER ADAMS: Comptroller?

NYC COMPTROLLER LANDER: No, no, I totally agree that that report -- you know, the cost of what it means to have young people who -- you know, obviously there's a whole set of issues for them if they don't have some productive activity.

But just what it means over time to have pathways. Like all the data shows that, you know, people who have some set of connections, who get a job, who have somebody who can give them a reference, have a chance to work their way up, then that's what will make our city better.

ASSEMBLYWOMAN JACKSON: Thank you.

And then -- so I don't fully understand the -- we say we have a need for housing, but then we also have a vacancy rate. Can you just explain to me how this works? If we have so many high vacancy -- such a high vacancy rate, then why do we need to build more housing?

NYC COUNCIL SPEAKER ADAMS: I'm going to let you take that one.

(Laughter.)

NYC COMPTROLLER LANDER: Both -- I mean, a few things are true. We don't have an overall high vacancy rate in New York City. The vacancy rate is low, and that's why rent stabilization increases.

What we do have right now are these warehoused units where, you know, some tens of thousands of units, probably around 70,000, are being held off the market even though they're rent-stabilized because what the landlords are saying is that the costs that they need to redo the bathroom or kitchen to make it rentable isn't enough to pay back the money that they would need to borrow to put it back in service. And so, you know, we need every one of those units back online. That's why we've got a couple of ideas for how to do it.

But even beyond that, we do need more units as well, supply and demand. We have created a lot more jobs over the last decade

than housing, and that is not all of the problem, but it is part of it.

ASSEMBLYMAN BRAUNSTEIN: Thank you. Thank you.

ASSEMBLYWOMAN JACKSON: Thank you.

ASSEMBLYMAN BRAUNSTEIN: Assemblymember González-Rojas.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Hello. Thank you both so much for being here.

My first question is for the comptroller. Hi, Brad. I'm curious how much is spent in New York City for the New York City Cares program to provide medical care to our undocumented neighbors.

NYC COMPTROLLER LANDER: (to Executive Deputy Comptroller Brindisi.) We looked at this last year, but I don't remember it. Do you?

I'm going to look it up while we -- because we did a study on it and we actually looked it -- I'll look it up.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: As you're looking it up, is the city administration working with the Governor on

the 1332 federal waiver to expand access to people who would be otherwise eligible for the Essential Plan but are not because of their immigration status? Because there's a real opportunity to be part of that waiver and capitalize on the $9.3 billion of the unused federal funds for the Essential Plan.

And I'd love to see the state and the city partner on that. But tell us first if you have the number on the coverage.

NYC COMPTROLLER LANDER: I wholeheartedly support what you -- you know. But I don't know whether the mayor is working with the state on it.

You know, we did the Coverage For All study last year -- (pause). So, you know, we did a study of what the implications of Coverage For All would be and found that it would net $710 million, I think, to the city in savings from labor productivity and mostly from saved lives. So it's a huge benefit.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Yeah, thank you.

And Madam Speaker, did the

City Council pass a resolution on healthcare coverage for undocumented immigrants?

NYC COUNCIL CFO EDWARDS: Hi, this is Tanisha Edwards.

For undocumented immigrants, I think a little over a year ago, yes, the Council did pass a resolution on it.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Do you remember what it stated?

NYC COUNCIL CFO EDWARDS: I do not. I can follow up with you.

NYC COMPTROLLER LANDER: I'm having a little more -- it's estimated that coverage for all would result in 46,000 new Essential Plan enrollees, at a net cost of $345 million. But with that overall benefit of savings, it was $710 million as a result of saved lives and increased labor productivity.

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Thank you. And in fact if we submit -- include this in the 1332 waiver to the federal CMS office, we can get that paid for by the federal government and cost the city and

state zero dollars. So just want to make a plug for that.

And just lastly, in my 30 seconds, the cost for our asylees, does any of that include healthcare costs or is it predominantly housing and the staff support for that?

NYC COMPTROLLER LANDER: So the state is paying the Medicaid costs right now. And that's valuable. I was at one of the HERRCs recently where there's an enrollment site. So we are doing vaccination, we're giving people screenings and then enrolling them in --

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: New York City Cares?

NYC COMPTROLLER LANDER: In New York City Cares or --

ASSEMBLYWOMAN GONZÁLEZ-ROJAS: Emergency Medicaid, probably.

All right, thank you so much.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

And now Assemblymember Mamdani to close this panel.

ASSEMBLYMAN MAMDANI: Thank you, Chair.

Hello, Comptroller. Hello, Speaker.

Comptroller, I wanted to first start with something from your testimony, and I just wanted to ask it to you directly, which is that in the Governor's Executive Budget she effectively proposes raising the fare from 2.75 to $3.

Do you support that fare hike?

NYC COMPTROLLER LANDER: No.

ASSEMBLYMAN MAMDANI: Okay. And would you support the Legislature finding a different source for the $245 million a year that that fare hike would create?

NYC COMPTROLLER LANDER: Yes. I hear there's a great Fix the MTA package that identifies ways of fully funding the MTA so we can not only not have a fare hike, not only not stick New York City with a half-billion dollars of cost, but actually get to six-minute service on our subways and buses, make our buses either free or at least more accessible, and also make the long-term

investments our system needs.

So that is the right path forward.

ASSEMBLYMAN MAMDANI: Thank you so much.

And Speaker, I wanted to pose the same question to you about the Governor's proposal to raise the fare from 2.75 to $3. Do you support that fare hike?

NYC COUNCIL SPEAKER ADAMS: I do not.

ASSEMBLYMAN MAMDANI: Okay. And would you support the Legislature finding that $245 million a year through a different source?

NYC COUNCIL SPEAKER ADAMS: Anywhere we can find it elsewhere, I would support that, yes.

ASSEMBLYMAN MAMDANI: Thank you very much.

Speaker, I just wanted to now go on to a different topic. So last month you denounced Eric Adams' proposed modifications to the New York City budget, which slashed funding for CUNY, for libraries, social services, and universal pre-K, stating that,

quote, We will not allow our city to be damaged by the undermining of city agencies and services that meet the essential needs of all New Yorkers.

However, you did not let the modification come to a vote in the City Council, which effectively allowed them to be enacted. I'm trying to understand this contradiction. Why did you choose to do this?

NYC COUNCIL SPEAKER ADAMS: Yeah, thank you for the question, Assemblymember.

We had extreme difficulty with the preliminary budget information as it stood, with the modification as it stood. And we chose as a Council, collaboratively, not to vote on it. If we would have voted one way or the other, it would have been a stamp either way, one way or the other, and the funding would have -- there would have been more flexibility in the use by the administration of that funding.

So we chose not to participate in a vote at all. And I don't know if my CFO

wants to elaborate any more on that.

NYC COUNCIL CFO EDWARDS: I do.

That's exactly right. You are right, the City Charter does specify that without Council action, at least with an expense mod, the modification is deemed approved.

But as the Speaker said, in the mod it was very difficult for Councilmembers to have a vote either way --

ASSEMBLYMAN MAMDANI: I'm sorry, I'm going to jump in just because there's only 14 seconds left.

NYC COUNCIL CFO EDWARDS: Okay.

ASSEMBLYMAN MAMDANI: Just to state my understanding was that by not voting in the mod -- on the mod, rather, you were able to preserve about $17 million in nonprofit funding. But by allowing the mod to take action, almost $300 million was cut from schools, 168 million from CUNY, 42 million from public libraries, 257 million from health, 190 million from youth services and 62 million from housing.

ASSEMBLYMAN BRAUNSTEIN: Thank you,

Mr. Mamdani. Your time is up.

ASSEMBLYMAN MAMDANI: Thank you very much, Chair Braunstein.

NYC COUNCIL SPEAKER ADAMS: Thank you.

ASSEMBLYMAN BRAUNSTEIN: So that concludes this panel. Thank you all for coming up today and testifying and waiting around for a little bit. We greatly appreciate it. Thank you.

NYC COUNCIL SPEAKER ADAMS: Thank you very much.

NYC COMPTROLLER LANDER: Thank you very much.

ASSEMBLYMAN BRAUNSTEIN: Next panel, we will have Peter Baynes, executive director, New York State Conference of Mayors, joined by Steve Acquario, executive director, New York State Association of Counties.

Okay. Once again, we are being joined by Peter Baynes, executive director, New York State Conference of Mayors, and Steven Acquario, executive director of New York State Association of Counties. Thank you

both for joining us.

You will each have 10 minutes to present your testimony. Thank you.

MR. ACQUARIO: Thank you.

MR. BAYNES: Thank you, all the members that are here. I know your break is about to begin, and I appreciate you all being here.

Again, I'm Peter Baynes from the New York Conference of Mayors. Just so you know who we are, we since 1910 have represented the 62 cities and 530 villages in New York State.

I'm going to just highlight three or four of the main points of our testimony, and look forward to some questioning as well.

In terms of the current year budget we're in right now, it was a very positive budget for local governments. There was growth in transportation funding, economic development funding, and we were very appreciative of that.

In the Executive Budget, however, it's basically just a continuation of those

programs at those levels. While it's helpful that the programs are continued, much more was expected from our membership, especially in a year with a $7 billion increase in spending in the Executive Budget.

You've heard a lot today about AIM funding, and that is always and again today will be what I talk about first. AIM funding used to be known as revenue sharing. It's really aid from the state to assist in municipal operations.

You know, the Governor's theme of this budget, which we concur with, is public safety and affordability. We think that our members at the city and village level are on the front lines of ensuring both those things in New York State. On the public safety arena, you know, obviously police but also fire, and road safety, code enforcement -- those are all functions of our members.

On the affordability front, it's really about property tax affordability in New York. And again, our members are doing all they can to control property taxes.

But AIM funding was created as a way to support those two efforts at the local level.

So for all the reasons you heard today from the big city Mayors from upstate, you know, AIM is a critical important program for them for all the things that they do in both the public safety and property tax control realm, but also in the housing realm that we talked about today. There's so much that our cities do and all of our municipalities do that AIM is a recognition of that.

It has not gone up in 14 years. We urge you this year to finally get that program going, whether it's in the form of AIM or a new program that has new factors involved with getting the money out the door. But something to get that general purpose aid going again to local governments.

The second issue, not surprisingly, is the housing growth issue, which first and foremost I'll say that our members believe that the Governor's well-intentioned with her proposal, and most of our mayors share her

goals and really want to work with the Governor and all of you to move forward in addressing the housing shortage in New York.

We do have one fundamental problem with the proposal as written, and that is allowing for the overriding of local democracy. We think that's the wrong way to go. We also think it won't work well, it will add another layer of review and litigation and delay to the housing development process.

You know, housing -- as all of you know, housing development growth, it's a complex issue with many factors and many players. Local officials may -- they don't make these decisions in a vacuum when it comes to housing. Not every community has developable land or buildings. Some have maxed out because of other previous efforts at growth in their municipality. Some have limited infrastructure or insufficient demand or builder appetite because of real estate market forces.

So those are all factors involved in

whether a municipality approves growth -- housing growth and it actually happens. So those things all have to be taken into account.

You know, you heard from the mayors today they are all doing amazing work in the housing arena, including in affordable housing. I just want to make sure you know that there's a large what I call community of the willing among local governments around the state within our membership. Over the last 10 years, two-thirds of our members have had growth in housing in their communities, and they want to do more. And there's some that didn't have growth but are trying to have housing growth.

So we think a collaborative, carrot-based approach -- which is going to cost some money, especially from the state side of the ledger -- is the way to go to try to achieve the housing growth that we all know is so important.

We support many of those incentives that are included in the Governor's budget.

There's $250 million in infrastructure funding. There's another $20 million for planning grants. Those are really good, but we need a lot more for, again, reasons that have been cited. And when it comes to the infrastructure realm, $250 million statewide will not go very far. And planning grants and redoing comprehensive plans and zoning, as you all probably know, is time-consuming and expensive. So we'd urge additional funding for that.

We support the Governor giving local governments tax incentive tools at local option. We are supportive of the concept of using state funding as a motivator, as a carrot, to get municipalities -- especially those that haven't been as aggressive in expanding their housing options -- to do the right thing.

We also think, rather than the state overriding local zoning, local governments should be given more power to, in effect, override their own local zoning, to streamline the zoning approval process so

things can move along more quickly.

Mayor Sheehan from Albany alluded to the state's low-income housing tax credit. We think there are things that can be done there that will bring more developers to the table when it comes to building new housing.

We also think New York has been slow to tap into the power of tax increment financing, because of the way the law is written here in New York. We think a mixed-use housing developments tax increment financing could be a viable option if it's amended, because in New York right now only the property tax growth backs tax increment financing. We need to include sales tax growth to help that financing scheme.

The third item I'll mention is kind of municipal infrastructure writ large. As you have heard today, municipal infrastructure -- water, sewer, roads -- is critically important, not just to housing but to economic development.

The Legislature and the Governor have been very supportive in this area. As I said

last year, there were increases in transportation funding, economic development funding. There's been $500 million increases each year in additional water improvement grant money. But much more needs to be done. We all know that the demand is greater than the supply right now.

Transportation funding, the CHIPS program's been relatively static, but funding has been added to that. Which has been helpful, but we need all of that additional funding to be built into the CHIPS base so that municipalities can budget that from year to year.

I do want to make a pitch for the 37 cities who have contracts with the state where those cities take care of state arterials that run through their cities, and then the state reimburses them for that effort. Their reimbursement rate has not been increased since 1987. We are asking for an inflationary increase for that. New York City is one of those 37 cities. It would cost $17 million for the state to do an

inflationary adjustment for that.

I mentioned water and sewer and the funding that goes toward that. Many of you I know were particularly forceful in making that happen, especially Assemblyman Otis, and we appreciate that. It's helped many municipalities, but there are a lot of municipalities that aren't -- they aren't accessing that money. We want to find a way, either by adding more money to that program or coming up with some formulaic program that ensures that water -- that state funding goes to every municipality that has water and sewer pipelines within it.

So before I get into another topic and get cut off, I'll stop there and look forward to your questions. Thank you.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

Mr. Acquario.

MR. ACQUARIO: Thank you to the members of the Legislature for permitting the local governments to bring the concerns from the community to the state's capital.

And on behalf of the 57 counties and

the five boroughs of New York City, we appreciate this opportunity.

The counties in New York have many issues to consider in the budget. We are the state's administrative arm and are responsible for implementing numerous state programs, as well as financing a large share of these programs.

Counties in New York, including New York City, have fiscal requirements under state law that most counties across the nation do not have. The extra responsibilities placed on counties by the state show up in our local budgets and the levels of taxation.

The long trend of the state imposing significantly higher costs on its local governments compared to these other states is a major part of the affordability crisis we face in New York. In fact, it's not unusual for a typical homeowner in our state to spend half of their mortgage on property taxes. For many homeowners, far more of their mortgage payment is dedicated to property

taxes than it is to paying down its principal or interest.

This is in a low-interest rate environment. As interest rates rise and property taxes increase, housing and rental affordability will slip through the fingers of more and more families in New York.

When high costs are imposed on local governments by the state, the affordability crisis gets worse, not better. For renters and homeowners alike, we have the same outcome when local government costs grow: affordability is increasingly threatened.

While there are many proposals that the counties of New York support in the Governor's Executive Budget, I'm going to focus most of my remarks on just one -- the shifting of Medicaid costs back to local taxpayers. These costs -- these cost-shifts will overwhelm everything else that's positive in this state's budget that sits before you for county taxpayers.

Specifically, as Mayor Adams mentioned earlier today, the intercepting of federal

Medicaid savings. The Governor is proposing a most unusual method of using an administrative action, which is most unusual, to intercept $625 million in federal Medicaid savings that currently, and for a long time, have been received by the counties and New York City to help pay for the state's Medicaid program. This intercept would be effective April 1, 2023, in the middle of the counties' fiscal year.

What does this action really mean, though? The state is choosing to raise the counties' Medicaid cap. Without the federal funds, the state is choosing -- or forcing -- the counties and the city to pay more into the Medicaid program. It's just that simple.

The budget document presents this as a, quote, utilize available federal funding. That's what's in your Yellow Book: $625 million is designated as "utilize available federal funding," with a reference that would cost the counties $280 million and the city $345 million, or $625 million total.

As a proposed administrative action,

there's no appropriation. There's no Article VII language to review -- for you to review, for us to review. The budget simply states that there's $625 million in available federal revenue to be used to fill the state's budget holes in the Medicaid program.

The proposal is presented as if this is found money, found federal funds that are being leveraged to fund the Medicaid expansion. To be blunt, these dollars are being diverted or taken from local taxpayers and used for state purposes.

This action leaves an immediate $625 million hole in county budgets and, as Mayor Adams mentioned, the City of New York's budget. These are not found resources.

For 20 years the federal government has provided an enhanced federal Medicaid share to the states and to localities in New York. These state has always passed these savings through to the counties and New York City, consistently during this period. The counties have used these federal funds to pay for local services and reduced

property taxes, as is intended by the Congress. These savings have been shared with counties on the proportionate share paid into the Medicaid program each time an extra share of federal funds has been received and provided for by the Congress. Every Governor since 2003 has proposed these savings using the exact same formula. Today's proposal is ending this practice.

The minimum four-year cost to local taxpayers by this administrative action is between 2.5 billion and 2.9 billion, according to the Executive Budget. By making it an administrative action, it bypasses your role. It bypasses the Legislature's direct involvement and authority as a separate and coequal branch of government. We strongly encourage the Legislature to reject this concept in its entirety in your budget negotiations with the Governor.

Based on our analysis, this single cost-shift to local taxpayers is the largest revenue action proposed in the executive Medicaid budget. Let me repeat that. The

intercepting of the federal funds, this shift to local taxpayers, is the largest revenue action proposed in the executive Medicaid budget, and one of the largest in the entire state budget. It's also the single largest and most abrupt cost-shift -- effective in several weeks, if approved -- to county taxpayers in recent memory. By state fiscal year 2027, the state's cost-shift from this action is equivalent to an average property tax increase of 7 percent, and as high as 14 percent in some counties.

It's the strong view of the counties of New York that Congress intended these federal savings be shared with the counties proportional to the amount they contribute towards the non-federal Medicaid match. For the past 20 years, the state has shared these funds proportionally, based on our analysis of savings we have received during this period when an enhanced federal Medicaid match was enacted by the Congress.

Enacted in 2011, the Medicaid statutory cap for the 62 counties is

7.6 billion. The Medicaid statutory cap for the 57 counties outside of New York is 2.25 billion. This has saved counties and local taxpayers billions of dollars since its enactment by you and made housing more affordable in New York.

If this cost-shift goes into effect, the state will have reneged on the local governments' Medicaid cap, which was put in place in 2015 to help local property taxpayers. This is 100 percent an affordability issue, as this action will directly result in service cuts and property tax increases which will negatively impact every person in the state, whether they rent or own.

Counties and local taxpayers greatly appreciate the relief provided by the state, and this is why the Legislature must tell the Executive to continue to share these federal funds with the counties.

We thank you for your time.

CHAIRWOMAN KRUEGER: Thank you.

Assembly first.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

Assemblymember Thiele.

ASSEMBLYMAN THIELE: Good afternoon, gentlemen. And thank you for your patience. It's a long day. I want to talk -- I guess, Peter, primarily to you -- about these issues. I want to talk about AIM and I want to talk about the housing compact.

Let me start with the housing compact. You know, this is really I think an unprecedented intrusion by state government on local home-rule powers, particularly with regard to land use. And, you know, I think we -- as you I think have said in your statements, we all recognize that there's a housing crisis that needs to be addressed, and you basically, you know, I think have focused on the need for incentives, you know, to try to accomplish this. You also talked about streamlining the process.

So what kind of incentives -- what would you -- you know, in the Assembly and the Senate in their one-house, what kind of incentives do you think could help to -- help

generate more -- I should say affordable housing. To me one of the things that's lacking in this proposal is it just talks about building housing, it really doesn't go to the issue of affordability.

MR. BAYNES: Yeah, I mean in terms of incentives, as always, money talks, I think, the most. You know, financial incentives from the state would be the greatest, whether it's a program of aid that comes to them when certain goals are met or other preexisting programs, whether there's a factor in the application for funding that they've met certain housing goals. You know, I think that would help.

Our members also need their own tools that I alluded to -- you know, tax exemptions might help. I think things need to be done to help the developers get across the finish line financially for it to make sense to them to do housing developments in certain parts of especially upstate New York.

So again, I think money is the most important incentive that could be held out

there.

ASSEMBLYMAN THIELE: Let me talk about that a little bit more, and related to -- really to the AIM discussion. And Chairman Braunstein and I have been kind of talking about this back and forth as we've listened to, you know, the various witnesses testify today, and I'm going to give full attribution to Chairman Braunstein because he brought this up.

But the idea of -- you know, we've been trying in the Legislature -- you know, there hasn't been an increase in AIM, as you're painfully aware, since I think 2009. It's been more than a decade, that's for sure. We've tried rather valiantly in the last couple of years. Both I think the Assembly and Senate one-houses had proposed increases in AIM. I think on the Assembly side we had proposed if you just took the cost of living adjustment from 2009 until today, I think it came to like $210 million. It's a big number. It's a pretty big number, anyway.

So anyway -- and again, full attribution to Ed -- if we came up with kind of a subset of kind of the AIM program where, you know, we can't seem to get it -- you know, an increase in AIM which would just be, you know, without any strings attached. But if we had this separate category that would be, you know, a substantial pot of money for local governments that met the targets, and maybe some sort of formula that would be on a per-unit basis of the housing that was produced, would -- what would you think about something like that?

MR. BAYNES: I think that's a good idea. Especially if it's done in conjunction with giving local governments more tools to get the job done. Especially, again, in this community of the willing that's out there, that they're trying to get housing growth but, for a variety of reasons beyond their control, aren't able to do it. So, you know, I think that would be good.

Mayor Sheehan made the point like if it was just a part of the AIM program and AIM

growth, villages, for the most part, villages and towns --

ASSEMBLYMAN THIELE: It's not going to be an incentive for villages.

MR. BAYNES: -- they don't receive enough money for it to be --

ASSEMBLYMAN THIELE: That's right, after hearing Mayor Sheehan, I'm thinking we would need to come up with a formula like related to the housing generation, and to make it a number that would be a true incentive. So her point was well-taken, and we'll think about it even more about -- you know, it's one thing for cities, because that would be a pretty big number for them. But for villages and smaller towns, you need something that would truly be an incentive that would move them to participate.

You also talked about --

MR. BAYNES: If I could just -- I'm sorry, you mentioned affordability at the beginning of your comments. If I could just make a point that I didn't make in my verbal testimony.

The Governor cites six states that have done the kinds of state intervention that she is proposing. She cites those states as having done it and as a reason to do it. They've done it, it's working there.

And in our conversations with those six states, the people who have my job in those six states, the jury's certainly still out on whether it's working. And they all mentioned the same thing, that when there has been housing growth, it really has done nothing to help affordability. So I think that has to be kept in mind in whatever's done. If it's really about affordable housing, you know, you've got to keep your eye on the prize on that, because I don't think the way it's written right now necessarily would drive affordable housing.

ASSEMBLYMAN THIELE: Well, every area of the state is different, which I think is one of the problems with this proposal, because it doesn't recognize that every area of the state is different.

But in my area, you know, all of the

multifamily housing are luxury condominiums. And if we built 3 percent more of them and just let the market forces take -- go to work, they'd still be luxury condominiums that got built. So, you know, there is -- part of this is that there -- the marketplace isn't working on providing affordable housing. And there has to be some incentives, I think, that alter those market forces.

You talked a little bit about, you know, maybe streamlining the process and, you know, giving some flexibility to local governments because we provide in the Town Law and the Village Law and the City Law, you know, what the process is if it's a subdivision or a site plan or a special permit or a variance or change of zone. But one of the things that's in the Governor's proposal is basically SEQRA would be out of the picture. You know, SEQRA would not apply to any of these zoning actions that are proposed in the housing compact.

Is that -- you haven't talked about

that, but you've talked about streamlining. Is that something that you would support or some sort of --

MR. BAYNES: That is actually an idea that we threw out to the Governor's staff in the fall and -- but I will admit, our members have mixed emotions about it.

And it depends on the specific instances when it doesn't apply, and what the backstop is -- you know, there still has to be some minimal level of environmental review. I think that's open to debate -- what is sufficient, when should that waiver or partial waiver take effect. So, you know, I think that has to be revisited in the Governor's proposal.

ASSEMBLYMAN THIELE: And maybe both you and Steve might be able to comment on this. Part of my experience, at least locally, when it comes to affordable housing projects where you have to increase density and things of that nature, is that a lot of times it isn't the local zoning code that's the issue. Sometimes it's the county

sanitary code. And, you know, at least in Suffolk and in Nassau County, those things are in place because we get our drinking water from underground aquifers, there's a good reason for that.

You know, the Governor's proposal doesn't speak directly, anyway, to what a local government does when the sanitary code is really -- you know, and that gets to the need for infrastructure money too, by the way. But any comment on that particular issue?

MR. BAYNES: Yeah, when we were looking at possible ways of streamlining the process, you know, in Massachusetts what they tried to do was there's a two-thirds vote requirement I think to override -- to locally override zoning. They were going to lower that to a majority vote, but it ended up not getting through the legislature.

So I asked my counsel, Do we have -- and you would know this as a municipal attorney -- do we have analogous provisions where you could just lower a two-thirds vote

to a majority vote? And he couldn't really think of one. He did say there is the county review process, which you're alluding to now. I don't know if that tends to hold up the process or not.

ASSEMBLYMAN THIELE: I wouldn't -- I don't think to say it holds it up is -- it's not that it holds up the process, it's just that in protecting drinking water the sanitary code standards are just more stringent than the zoning code standards are.

MR. BAYNES: Yup. Yeah, that's just the reality --

ASSEMBLYMAN THIELE: Yeah, just the reality. And, you know, there -- you know, not all zoning -- not all zoning regulations are exclusionary. You know, sometimes they were designed to protect water quality or they were designed to preserve farmland for the agricultural community. You know, there are a whole host and a variety of reasons sometimes why zoning regulations are enacted.

So thank you. Appreciate it. I see my time is running out here. Thanks.

CHAIRWOMAN KRUEGER: Thank you, gentlemen.

I'm going to go first for the Senate. Nice to see you both. Appreciate your testimony, which I got here a little late, but I had time to read both testimonies.

So there was a story a few days ago in the press about a report that came out showing that the IDAs are giving away the equivalent of $1.8 billion a year in your school tax money. Now, as I understand it, that means everybody else picks that up with the -- if there are exemptions made by the IDAs that translate to a loss of that much money. And I think there was a breakdown by county, not necessarily by city.

What's your opinion about what we should be doing about that?

MR. ACQUARIO: Well, I think you started it last session when you passed legislation that requires IDAs to provide written notification on tax exemptions to the affected local government. So that was a good first step.

We have to see how that gets implemented. These local governments are notified of any tax exemption that's issued by an IDA and required to give a comment on that exemption. So that was a good first step.

CHAIRWOMAN KRUEGER: But that doesn't necessarily save you money, it just lets you say "I don't love this." You think we should do it.

What's the second step?

MR. ACQUARIO: I don't have an answer to that right now. We can look into that and get back to you.

CHAIRWOMAN KRUEGER: Do you have an opinion?

MR. BAYNES: Not to pass the buck, but most IDAs are county IDAs. I mean, they serve an important role, so you have to strike a balance between what they're trying to achieve and the impact it has on taxes in the short-term and the long-term.

So I think greater transparency between the IDA and the municipalities that

are impacted is an important first step. And then whether you need to go further to have more involvement in the decision-making by the impacted taxing districts is something that would have to be looked at.

CHAIRWOMAN KRUEGER: And you both referenced, I think, continuing reduction in -- let me make sure I got it right -- a reduction in sales tax revenue. Is that correct, or do you actually see an increase in sales tax revenue this year?

MR. ACQUARIO: Increase.

CHAIRWOMAN KRUEGER: Saw an increase.

So do you think that things are sort of working themselves out between the shift to internet sales with them supposedly paying the tax and your not having bricks-and-mortar stores to sell as much product as we used to have pre-the world of Amazon and other major market sellers?

MR. ACQUARIO: Well, it's cyclical. It's certainly gaining in importance and collections with the internet sales tax.

Dave, you want to answer the Senator's

question more about the trend of internet sales tax and is that replacing brick and mortar?

MR. LUCAS: I think that's been a problem. It's interesting to note that for the first time in NYSAC and their legislative program, our agenda in 2002 was to tax internet sales, because we were seeing what was happening in the local communities with brick-and-mortar stores and the retail.

So it's been a longstanding problem for the counties and for downtown areas, for municipalities, that the retail centers were being hollowed out by bigger competitors. They had a good business model, but they also had a tax advantage. So for 20 years we had worked to get that implemented, and finally in 2019 that happened.

But your downtowns look different today. There's not as much retail, there's more services being provided -- not all those services are taxable -- and as Steve pointed out, in 2022 we did have a sales tax increase. But for the 57 counties, sales tax

was up about 6 percent, New York City was up about 20 percent. The 57 counties didn't even keep up with inflation. So you have to really think about the economic activity that was occurring. People were still buying things, but they were paying more for what they were buying. And we're seeing that trend continue into 2023 right now.

MR. BAYNES: If I could just add on the sales tax issue, Steve is right, it's very cyclical.

But also for a good chunk of our members and some of the towns across the state, the cycle is always down, because they don't get any sales tax. There are -- I don't know the number, you know, the percentage of towns and villages that don't get sales tax. Villages on Long Island, none of them get sales tax. You combine that with no increase in AIM funding, and that's why we're here today asking for that AIM funding increase. Because sales tax just isn't -- doesn't ever bail them out like it can during a boom period with sales tax revenue.

CHAIRWOMAN KRUEGER: So I think everybody's been talking about the FMAP issue and the Governor's proposal that I think you described very well -- it's not exactly that it's taking it away from you all, and yet it's taking it away from you all.

And the reference -- I've heard several people reference they don't believe that was the intent of Congress. So do we have -- I'm on your side of this. So do we have anything that we can find in writing or even request from our congressional delegation clarifying what they intended that FMAP for? I think that would really be a helpful, so to speak, document for winning this fight.

MR. ACQUARIO: Certainly. And I've never heard anybody say that it was not the intent of Congress. So this is the first I'm hearing it.

I think what we can look at as a matter of fact is the 20-year -- ever since the United States provided an enhanced federal Medicaid share to the states, ever

since that was done, every state, every governor in New York State has shared that in proportion to the way the counties and New York City spent. That's all the precedent we need and the intent that we need from our level of governing.

But we will work with Senator Schumer, we've worked with Senator Schumer on the Affordable Care Act. David Lucas and myself -- David is the intergovernmental relations director and finance director at NYSAC -- we directly worked with Senator Schumer on this legislation.

CHAIRWOMAN KRUEGER: And I'm old enough, as are all of you -- not going to comment on everybody in this room -- that we remember when the state said, We're not going to continue to apply new costs to the counties and localities as Medicaid costs increase.

Do you see this as a violation of that understanding and agreement?

MR. ACQUARIO: Without question. You are raising -- excuse me, the state is

proposing to raise the counties' local Medicaid cap. You're taking away $600 million from the current Medicaid cap.

We are meeting our obligation right now to pay our statutory share -- I think it's $7.6 billion. We're doing that through local resources and federal resources. That equals the Medicaid cap. Those two revenue streams meet that. It's that simple.

This is devolving into the old days of property taxpayers paying more and more of Medicaid. We thought we were beyond this. We made the case, you made the case, all of you here made that case and passed those laws in 2012 -- 2005 and again in 2012 -- to stop it. Here we are reopening that policy issue. It's the wrong direction.

CHAIRWOMAN KRUEGER: Doesn't it frighten us that we've all been doing this that long?

(Laughter.)

CHAIRWOMAN KRUEGER: That's another discussion. I don't mean to use up my extra time, I'm sorry.

You know what, I'm going to cede back my two minutes. Thank you all very much for your testimony, as always, because you always bring a perspective to things that are very helpful I think to all of us no matter where we come from, because you're speaking on behalf of the local governments who actually deliver most of the services in the state to our constituents. So thank you.

MR. ACQUARIO: Thank you.

CHAIRWOMAN KRUEGER: Back to the Assembly.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

Assemblymember Ari Brown.

ASSEMBLYMAN ARI BROWN: Thank you.

Thank you, gentlemen, for being here.

I'm not surprised, I'm glad to hear that we're all on the same page when it comes to the Governor's housing compact and the unfairness to try to take away our home rule.

I just had one question for -- is it Mayor Baynes also?

MR. BAYNES: No. No.

ASSEMBLYMAN ARI BROWN: Mr. Baynes.

You mentioned something about local municipalities should have the power to override their own zoning. What did you mean by that?

MR. BAYNES: What I meant was rather than the state being empowered to do that, give local governments more discretion within their own comprehensive plan and the zoning they've established, make it easier for them when it comes to affordable housing, if they so decide, to make an exception to their -- to those plans so that they, locally, are making the decision for their community.

Maybe contrary to what their general policy is on zoning, but not to have the state be, in essence, doing that, which is what's been proposed.

ASSEMBLYMAN ARI BROWN: That's certainly fair.

I just wanted to ask also, on a separate issue, someone had mentioned the idea -- you are all familiar that the IDAs don't decrease the tax base, they're just ramping it up to a 10- or 15- or 20-year

PILOT from where it began. It's not like what we saw try to be done in New York City, a freebie, you know, no taxes for anybody, big tax abatements. They're not abatements. But we are aware that they're just ramping up at a slower pace, yes.

MR. BAYNES: Right. Yes.

ASSEMBLYMAN ARI BROWN: Thank you, gentlemen. I know there's a lot more time; I yield that to whoever needs it.

ASSEMBLYMAN BRAUNSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Actually, Chair Martinez.

SENATOR MARTINEZ: Thank you, Madam Chair.

Good afternoon, gentlemen. Good to see you. I just want to say, one, thank you for being here today and expressing your concerns after the Governor released her budget. And I'm sure I've spoken to many of you already that I stand with you in many of your concerns that you have as chair of Local Government.

One of the questions I do have -- and

I'm not sure I missed it or not, because I know many have asked about the FMAP funds. But in what way will the cities and our counties be able to balance their budgets without cutting any type of critical resources such as your social services or public services? Have you even thought about that, if this does go through? I know it's a little premature. But obviously this is a big issue which all of us -- well, I'm fighting to make sure, you know, that that doesn't happen.

But in the event that it does, how do you plan on balancing your budgets?

MR. ACQUARIO: Well, thank you, Senator. It's -- again, this is a revenue stream that's been coming to the counties and New York City for 20 years. Every time the federal government has raised the federal Medicaid share to New York State, it has always shared it with its local government, immediately. Because of its mid-budget year impact, counties will have to fill the hole.

In the first year alone, that will

come from a combination of a reduction in services and a use of reserves. This is because we have not been allowed -- we're not allowed to raise property taxes, nor would we want to, midyear. With an already adopted budget for next year and the outyears, counties will have to consider tax increases and, without question, reduction of services.

SENATOR MARTINEZ: And I'm going to also assume that depending on the county, it's going to affect the county differently whether you're a larger county or a smaller county. Have you analyzed what that would be between sizes of counties?

MR. ACQUARIO: Well, let me just give the Legislature some preliminary estimates.

In Suffolk County, $31 million impact. In Monroe County, a $23 million impact. In Nassau County, $30 million impact. Rockland County, an $8 million impact. Albany County, where we sit, $8 million impact. Erie county, $26 million.

It's a substantial amount of money for the larger counties. And for the smaller

counties like Clinton, our northernmost county on the border, almost $2 million. So it affects small counties and large counties in a proportionate way.

SENATOR MARTINEZ: I appreciate that.

And I know that my chair on the Assembly side also mentioned the housing proposal and the impact that it will also have on our localities. Obviously we know that there is a housing issue; that's no news to anyone. And we also know that the issue of affordability is also an issue. How will this proposal affect the counties and our cities if we move forward with this?

MR. ACQUARIO: Well, I'll just answer very briefly for the counties. Since we're not specifically mentioned in the legislation, we do have a role, but our county planning and land use policies and programs -- we have extensive planning units at the county level and also, as Peter mentioned, and Assemblymember Thiele was asking about, we have wastewater and drinking water roles.

So there is a role for the county governments in this which is not currently contemplated. This is, quite frankly, a local issue best addressed locally, without state intervention, of home-rule authority. So it's truly a ground-up process.

SENATOR MARTINEZ: What do you foresee if the state does control local authorities?

MR. BAYNES: I mean, I just say to people, think about your own -- where you live, your property, your neighborhood. Do you really think somebody in Albany, a state review board, has any concept of what works in your community because they've set a target? It's just -- no matter how well-intended that might be, there's no way that can work.

There's nothing more democratic in New York State than local land-use decision-making. Right? And to interfere with that, to violate that, I think even if you have good intentions, it's going to have bad results.

SENATOR MARTINEZ: Do you think the

counties and cities have the ability to meet those targets as it is laid out in the Governor's plan?

MR. BAYNES: We -- I mean, we looked at the data over the last 10 years, you know, from the 2010 Census to the 2020 Census, to look to see how much growth in housing units have there been in all of our municipalities.

You know, the smaller cities upstate, outside of the MTA region, I think there are 44 of them, their average housing growth was almost 1 percent. Those are the people I'm talking about that are -- they're trying to do it. They don't really need the state to come in and tell them to do it, they need the state to come in and help them to do it.

So there are other communities, if you go around rural New York, in small, rural communities there aren't jobs, there's no demand for housing. There's actually more of a demand to tear down vacant and abandoned properties.

So you just can't come up with a formula that works for every community. It's

not possible.

SENATOR MARTINEZ: And just one more question. What incentives -- if this plan were to go and move forward, what type of incentives would you be looking for from the state to assist in making sure that you meet the targets?

MR. BAYNES: Well, I think the biggest impact of housing growth in a community is the impact on the infrastructure of the community -- the roads, water and sewer systems. And the Governor has advanced what I would consider seed money in that regard, $250 million. That sounds like a lot, and we appreciate it, but it's not nearly enough.

So that would be the greatest thing the state could do, is make more money available for infrastructure work. And you're going to need a lot more money for planning work, for redoing zoning -- I mean, it's going to be a full-employment act for planning and zoning consultants. I mean, I don't know if there are enough of those folks in New York State that could help our people

all go through, for example, the TOD around the MTA stations rezoning. I don't think there's a capacity in New York to even do that.

But really it's about money to help with infrastructure. Things that will bring the developers to the table -- that might be property tax exemptions, it might be, like I said, adjusting the state's low-income housing tax credit. It really -- it's a multifaceted problem that needs a multifaceted solution, not just "Local governments, you've got to fix this."

SENATOR MARTINEZ: And if I'm correct, I think someone mentioned zoning and helping with the zones. Is that something -- I know I said one more question; I'm going to ask probably this last one.

If the state had a program to assist our localities with zoning, would that be something that would be something we could consider?

MR. BAYNES: I think if they did that right now without doing anything else, that

municipal officials would be beating their door down. I mean, our members need help with that.

Again, two-thirds of our members are trying to -- they've shown that they're growing their housing stock and want to do more. We think facilitating their work is the best thing they can do -- model local laws. You know, a statewide office that really helps them on the ground with that process would be very helpful.

SENATOR MARTINEZ: I appreciate that. Thank you all for coming here today.

CHAIRWOMAN KRUEGER: Assembly.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Ra for five minutes, ranker.

ASSEMBLYMAN RA: Thank you.

Thanks for being here with us today.

So the housing compact -- and, you know, we've talked a lot about, you know, the targets and the state basically allowing for these appeals to override the local decision-making. Which, you know, I'm completely against and I think is not the

right approach to this issue.

But there's also -- I mean, those targets, if this whole proposal were to go forward, those targets, we wouldn't have to worry about them at all because in most of the places I represent, you get one of those zones around the half a mile of the railroad station, you'll be well above the target already. And I'm sure, you know, you're aware, in particular -- I'm in Nassau, so we're basically all within that Tier 1, which contemplates 50 units per acre in those half-mile radiuses. I happen to live within one of those half-mile radiuses.

But what is the impact -- if we were to have that type of density in Nassau County or, you know, any of these other downstate counties, what's the impact on emergency services, on water service, on sanitation, on our local schools? And I think related to -- you know, part of this I think is things that would be of concern to the counties as well, correct?

MR. BAYNES: Yeah, I mean, I've talked

to individual mayors in the downstate area. One in particular, in Westchester, was explaining to me how if -- they were in I think Tier 2, but even with the Tier 2 rezoning for TODs, they -- it would have basically allowed for a 30 percent increase in the housing stock in their half-square-mile village. And they just don't have the infrastructure to support that.

So again, every MTA stop, Long Island Rail Road, Metro-North, is different. The community they're in is different. There are all kinds of implementation issues where you have a half-mile around it, a Metro-North stop encompasses five villages and three towns. And how does that rezoning all happen? So it's just another reason why that kind of mandated zoning doesn't work.

MR. ACQUARIO: So not to mention health and human services, which is a county function as well. So we have to be mindful of that.

But I think, look, the end result

here -- and I think we all need to thank the Governor for starting the discussion. When I convened 20 counties last September around a table and I asked them for their number-one issue that they were facing, upstate or downstate, it was affordable housing. So how we get there, you're hearing from the local governments, is what matters most. And providing resources to the local governments to help them do their jobs, whether it's land use planning, water, wastewater, zoning assistance, local law assistance. That's what we're asking for. But the end result is, how do we address the housing crisis that the state finds itself in?

ASSEMBLYMAN RA: Sure. And I think, you know, at the end of the day, this should be about finding a way to work -- and the one thing I'll say, you know, I'm not sure -- yes, we're having this conversation, but that 50 units per acre is not within the ballpark of reasonable for Nassau County.

And as this idea -- you mentioned, you know, all villages -- yeah, the train station

that I live within half a mile of sits within a village. I don't live within that village. So how that all works, I don't know. It's -- I think it's a one-size-fits-all approach that shows no recognition of just the realities of how different each of our communities are. But just --

MR. ACQUARIO: Let me just add, in the most rural parts of our state -- I was up last week in the Adirondacks. They mentioned the exact same issue that you have. It is regulated by the Adirondack Park Agency, but they're unable to meet the requirements up there as well, in the most rural parts of the state.

ASSEMBLYMAN RA: So just with my remaining time, if you can just comment. Because transit-oriented developments do happen. You know, villages, towns are doing this on their own, but they're doing it in a way that fits within the character of their local community. I assume a lot of your members have been doing that type of development, correct?

MR. BAYNES: Sure, the president of our organization, the mayor of Rockville Centre, he's done tremendous work, won awards for what they've done around their rail station.

So it's definitely being done. ADUs are -- there are people trying to incentivize those as well and enable those in their communities.

ASSEMBLYMAN RA: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

Senator Tom O'Mara, ranker.

SENATOR O'MARA: Thank you.

Good afternoon, gentlemen. Sorry I joined you late. There've been a few distractions around here today, but those seem to be over for now. I have read your testimony; thank you for that.

You know, it seemed that we went through a decade of Governor Cuomo of just decimating local governments. And, you know, kind of was optimistic last year to see in Governor Hochul's budgets maybe some light at the end of that tunnel with some relief

coming that hadn't come in a decade. Now it's like a complete about-face here with this, with the enhanced Medicaid payments being taken away.

Mr. Acquario, you said it's a little over $600 million, that hit. And you had previously sent me a breakdown county by county; I thank you for that. My counties are saying that that's like underestimated by about 20 percent. Do you have anything you can add on what I'm hearing locally?

MR. ACQUARIO: Well, it's the Health Department's responsibility to distribute the revenue back-and-forth to the counties and credit the counties.

What's been happening for the past seven years is the state has been sharing a portion of what is owed from the federal government. We estimated that they were sharing 80 percent and keeping 20 percent. And the state just never reconciled the difference for the past seven years.

So we're owed actually another billion-two looking back for seven years. So

not only are they intercepting the 625 going forward, starting this year in a matter of weeks, but we're also owed another $1.2 billion or so going back seven years to reconcile what was actually owed to the local governments. That's the reason your counties in your district said it's underestimated.

SENATOR O'MARA: Okay. Right. Thank you for bringing that reconciliation issue up, because that's what I was going to get to next.

What are counties left to do with this kind of a hit of not getting paid $1.2 billion, now another 600-plus million? Is there any choice but to raise property taxes?

MR. ACQUARIO: Well, we have two choices: It's raise taxes or cut services. And cutting services or raising taxes is two things that local governments don't want to do. It's a dangerous thing to be doing right now. We have so many things that we're trying to face -- an affordability crisis. It's unimaginable that we're even speaking

about counties paying more in Medicaid in 2023.

SENATOR O'MARA: With all the unfunded mandates that hit counties, really, what do counties have left to cut? I mean, they've been cut for 20 years. What's left? You got any ideas? What can they -- what are they going to be able to cut to cut into this kind of an impact?

MR. ACQUARIO: Well, we have to pay the state's bills first. And I didn't even mention 18-B. Why are we talking about local taxpayers paying for the counsel for the poor? This is a state constitutional obligation. It's outrageous that local governments are being asked to provide counsel for the poor when it's a federal constitutional responsibility on the states.

SENATOR O'MARA: Oh, absolutely. And you're ahead of me today, Steve, because you keep getting into issues that I wanted to talk about.

But do you have a breakdown of what the total impact to counties is going to be

with putting this additional hourly rate on top -- it's a massive increase in the rate, which some was due, don't get me wrong. But to do it all at once is a huge hit. So you gave me the breakdown by county of the eFMAP; do you have something like that available or can you get us a breakdown of what we think this is going to really impact the counties with, providing this? And that again is going to be thrust on the property taxpayer.

MR. ACQUARIO: Yes, and I think that's something that we have to address and fix, if you will. We're looking just shy of $100 million for the counties. We estimate between 85 million to -- 65 million the first year and then 85 million for the 57 counties. So we'll try to get a breakdown by county on that.

SENATOR O'MARA: Yeah, that would be helpful, because I'm sure I'm going to start hearing those numbers from my counties as well.

MR. ACQUARIO: Another 100 million inside New York City as well.

SENATOR O'MARA: Okay. All right.

Peter, I ran out of time. Sorry. But I'm with you on the zoning issues. Just -- it's another attack on local government, local control that is the wrong direction from where we should be going in Albany. So I'll be advocating on behalf of those issues for you as well. So thank you.

CHAIRWOMAN KRUEGER: Thank you.

Assembly.

CHAIRWOMAN WEINSTEIN: Before we go to our next questioner, I wanted to acknowledge that we've been joined by Assemblywoman Walker, Assemblywoman Shimsky, Assemblywoman Levenberg, and Assemblyman Jacobson.

And now we go to Assemblyman Reilly for five minutes.

ASSEMBLYMAN REILLY: Thank you, Madam Chair --

CHAIRWOMAN WEINSTEIN: Actually, I'm sorry -- I'm sorry, you only get three minutes, because you're the Cities ranker and not the --

ASSEMBLYMAN REILLY: But we have

mayors.

CHAIRWOMAN WEINSTEIN: Huh?

CHAIRWOMAN KRUEGER: Do you need a mic?

ASSEMBLYMAN REILLY: No, I was saying that we have -- it's the Conference of Mayors. I thought that was Cities as well.

(Off the record.)

CHAIRWOMAN WEINSTEIN: No, we kind of worked it out in advance. Okay?

ASSEMBLYMAN REILLY: All right, fair enough. I'll be quick.

CHAIRWOMAN WEINSTEIN: Try and make it in five minutes.

ASSEMBLYMAN REILLY: Okay.

CHAIRWOMAN WEINSTEIN: I mean in three minutes.

ASSEMBLYMAN REILLY: All right. I'll stick to the three, that's fine. Thank you.

Mr. Baynes, I saw in your written testimony that you highlight the municipal employee recruitment and retention. And in there you start talking about the opportunities of having a wider pool of

candidates. You mentioned the 212 waiver for Retirement and Social Security Law, and raising the cap from the 35,000 limit for pensioners. Specifically in here it says for retired teachers.

When you talk about raising the cap, what limit do you think is suitable? And what kind of cost savings come along with that if the cap, the 212 cap, is raised? So basically what number do you think it should be, and what kind of cost savings do you think it will --

MR. BAYNES: Well, all we're asking for is the same treatment the schools are getting. So the schools already have a waiver, during COVID they were given a waiver for retired teachers, they could come back -- I don't know if there is a cap at all.

So what we're saying is we're finding with our members they're having the same problem filling positions. They have retired village managers, city managers that still live in the community that could come back and help them get through periods when

they're having a hard time, you know, recruiting and retaining employees. So we're just asking -- it's not just schools -- what we're saying is it's not just the schools facing that recruitment and retention problem, it's also the municipalities.

So whatever's being done for the schools in that regard, we'd like to see it be done for municipalities.

ASSEMBLYMAN REILLY: So, I mean, I'd love to get -- especially, I'm sure, with the counties it will be the same thing. I'd love to get more information and see what cap you're looking at, what you think may be reasonable. Because I know that we -- you know, there's the ability of keeping a safeguard, right, because we still have a 211 waiver where you have to get special permission over a certain amount of money, over the $35,000 cap.

So I think it's very critical that we determine what the needs for each municipality and each county may be in hiring, and to weigh that with what kind of

savings they'll make because they won't have to give health insurance -- because the retiree already has health insurance -- something like that. So I think more analysis may help us with that.

MR. BAYNES: Okay, we'll be happy to do that.

I should also mention we're in favor as well of the Governor's proposal for continuous recruitment in civil service. That's a problem we're hearing all across the state, is the civil service exams aren't being offered. So the Governor has advanced a proposal that would keep -- there would be continuous testing going on for civil service positions to help municipalities and the state fill the vacant positions they have. So it's a related issue that we support as well.

ASSEMBLYMAN REILLY: Thank you so much.

Look at that, in the three minutes.

CHAIRWOMAN WEINSTEIN: So you didn't need the five.

(Laughter.)

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: He gave us three seconds back.

Senator May for three minutes and three seconds.

(Laughter.)

SENATOR MAY: Thank you. Thank you.

Mr. Baynes, I have one quick question for you. I'm curious about this proposal for the municipal operational aid. Do you have a specific idea of how that 100 million would be spent and how it would be allocated among municipalities?

MR. BAYNES: We do not.

I mean, what -- the point we're trying to make is after 14 years of AIM not being increased, we certainly think that doesn't mean it doesn't need to be done -- it needs to be done more than ever.

But there seems to be some inherent problem with AIM being attractive to governors approving it. Because what we've been told every year is the Senate and

Assembly -- and you've evidenced it by putting it in your one-house budgets. It gets in there, gets to the negotiating table, and whoever the Governor may be at the time says, No, not doing it.

So there's -- we're just trying to find a new approach if that isn't going to happen. Maybe it's -- maybe it's somehow tying it into this housing issue. Or maybe we need a new program altogether, and that's what we allude to there. Something that goes toward municipal operations.

SENATOR MAY: Okay, that's helpful. Thank you.

So I want to get back to the zoning issue, because in Syracuse or Onondaga county outside of Syracuse, multifamily housing is allowed by right on 1 percent of the land, only 5 percent allows enough density to support a walkable neighborhood or transit, a quarter of the land is zoned for single-family housing of an acre or more. This doesn't serve young people who want walkable communities, people who work -- the

future Micron employees we're going to be trying to attract. It doesn't support -- it's a vision of the past, of what the good life is like that came from an earlier time. And the people who are sitting on the zoning boards aren't the future people, they're the past people.

So how do we get the surrounding communities to look at their zoning codes, not just to say, oh, we have to preserve the character of the community -- because those of us in Syracuse who are dealing with some of the worst concentrated poverty in the country hear that as just, Oh, we don't want you in our communities.

How do we make this a conversation of the whole and not just the individual local government saying, We need to control what we have here?

MR. BAYNES: Well, I really think it has to come from the bottom up. It's got to come from the community. There have to be people expressing the view you expressed so eloquently. And that's what drives change at

the local level.

I just don't think the state can have a blanket approach to all those communities. There's some villages I'm sure in Onondaga County that are doing the right thing, but some towns are doing what you described. But there has -- the motivation has to come from within, I think, to make it happen.

SENATOR MAY: Thank you.

CHAIRWOMAN KRUEGER: Thank you very much.

Assembly.

CHAIRWOMAN WEINSTEIN: Assemblyman Manktelow.

ASSEMBLYMAN MANKTELOW: Thank you, Madam Chair.

Thanks, Steven, thank you for being here.

I was reading through your testimony, and I do like that I see the support of NYSAC as far as the Joseph P. Dwyer funding across the state, so thank you for that. As a veteran, and as the ranker on the Veterans Committee, I thank you.

And also I saw support for the increased investment for the tax credits for the farmers that NYSAC supports. Thank you for that as well.

One of the questions I'd like to ask a little bit about is real property taxes. What's NYSAC's position as far as the excess foreclosure proceeds that are done across the state?

MR. ACQUARIO: Well, the -- thank you, Assemblyman. It's nice to see you as well.

We don't know why it's being proposed right now. We're of course talking about in rem foreclosure. When individuals do not pay their property taxes, the counties often -- well, in many instances make the local governments whole. As part of that process, the counties then have to go through a lengthy foreclosure process, ultimately selling those parcels.

ASSEMBLYMAN MANKTELOW: I'm familiar with the process.

MR. ACQUARIO: We have several issues with it. We are submitting technical changes

to the Governor by the end of this week.

We oppose it right now.

ASSEMBLYMAN MANKTELOW: You oppose it?

MR. ACQUARIO: We oppose it as written.

ASSEMBLYMAN MANKTELOW: Would you share those changes with us? Is that possible?

MR. ACQUARIO: Of course.

ASSEMBLYMAN MANKTELOW: I'd like to see them, because I know back in my home county, Wayne County, I know there's concerns from the Tax Department as well there, from the Treasurer's office.

MR. ACQUARIO: Pretty much every county weighed in with us, the treasurers, that were opposed to this.

ASSEMBLYMAN MANKTELOW: Okay. All right, I appreciate that.

My second question is, as I looked at the CHIPS funding and the Marchiselli funds all being level, I know that looking at the roads in our villages, our towns, our counties, our communities, even our state

roads, we have a serious issue with infrastructure. And if we're going to start building affordable housing, if we're going to grow our communities, what do we need to do to up that number? What can we do, and what is either one of your positions on that? I think I already know, but I want to know what your thoughts are on infrastructure.

MR. ACQUARIO: Well, I'll start, give some time to Peter. I think we need a scheduled increase in our water, drinking water, and our roads and infrastructure, sewer. Everything needs to be a scheduled increase. This is a massive road system that we have, 85,000 or 115,000 in local-road miles. We have bridges that need constant -- need to upgrade.

So the state making a continued investment in this program for us is welcome and appreciated.

MR. BAYNES: Yeah, I agree with Steve. You know, water, sewer, roads -- they're all too integral to the success of communities and the state economically, quality of life.

They're too valuable to be dealt with in an ad hoc basis.

So, you know, a scheduled commitment from the state to local governments is really critical to make that work.

ASSEMBLYMAN MANKTELOW: Well, I appreciate your comments. And thank you all for being here, because we know how vital it is for our school buses, our first responders -- it just -- it ties everything together. So thank you for your time.

CHAIRWOMAN WEINSTEIN: Senate?

CHAIRWOMAN KRUEGER: Senator Liu's joined us.

Might you have any questions, Senator Liu?

SENATOR LIU: Madam Chair, I have joined you since 9:30 this morning. And I've been going back-and-forth to conference as well as to the vote that we had this afternoon in session, and to explain my vote.

CHAIRWOMAN KRUEGER: I did not mean to misstate anything. Yes, you are a loyal member of this committee --

(Laughter.)

SENATOR LIU: And I think we have the potential tonight to achieve the goal.

CHAIRWOMAN KRUEGER: We'll see that tonight. But did you have any questions for our guests?

SENATOR LIU: Not for this panel. Thank you, Madam Chair.

CHAIRWOMAN KRUEGER: Thank you very much, Senator Liu.

CHAIRWOMAN WEINSTEIN: So we'll go to Assemblyman Otis, three minutes.

ASSEMBLYMAN OTIS: Thank you.

A question for both of you, cybersecurity. What could New York State be doing more to help municipalities or counties in terms of protecting themselves from cybersecurity threats?

MR. BAYNES: I mean, that's a tough issue. As we all know, I mean, an attack can happen in Suffolk County, we know it can happen in just about any municipality in the state.

We, Steve and I, and the Association

of Towns, we sponsor an insurance reciprocal, New York Municipal Insurance Reciprocal, that has over 900 municipalities as members. They all have that concern. So we have concerns from both angles, it's just our normal members and members of the reciprocal. We've had productive conversations with the state, with ITS and with DHSES, and they want to do as much as they can. They have limited resources, so at this point most of its going to the larger municipalities.

We'd like to see an approach that makes sure the -- you know, we have 1500 small local governments in New York -- that they are getting the same kind of attention. We've offered the three associations to help coordinate an effort to help all those smaller local governments be prepared for cyberattacks before they happen, rather than just trying to help them after the fact.

ASSEMBLYMAN OTIS: Thank you, Peter.

Steve?

MR. ACQUARIO: Just a quick response.

Make a significant and ongoing investment in the joint state operations center, the JSOC. Very important that the state centralize and coordinate cybersecurity funding, resources, computerization assistance. It's an extremely important threat to our society and to our governments.

ASSEMBLYMAN OTIS: So the state is, for some counties and some big cities, offering end-point security, that whole thing. Would you like to see that expanded to a broader group of --

MR. ACQUARIO: Without question.

MR. BAYNES: Yes.

MR. ACQUARIO: Incredibly important. Yes.

ASSEMBLYMAN OTIS: Thank you very much. And thank you, both of you, for your many years of dedicated work for counties, villages and cities.

MR. ACQUARIO: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

There are no more Senators with questions, so we're going to go to

Assemblyman Eachus.

ASSEMBLYMAN EACHUS: Thank you, Madam Chair.

Thank you, gentlemen, for coming and giving your testimony.

My name is Chris Eachus. I'm in the 99th District, which is Orange County and Rockland County. And I want you to know right away I'm all for home rule, and I'd much rather approach you with the issues about affordable housing with a carrot than with a stick, no question about it. So -- and I've heard from municipal leaders that there is no more space, especially down in Rockland, to fulfill the needs or the requirements that we have.

I would like to talk to you to about IDA. It was brought up. I'm well aware of how IDAs work. We, by the way, have five IDAs in our county alone. And I do understand what a PILOT is and so on like that. And Mr. Acquario, you are really correct when you said we informed the municipalities. But you don't -- or they

don't, the IDAs do not inform all the taxing entities -- the school districts, the fire departments, and so on like that, which are also affected by these PILOTs.

And so I'm going to propose a -- something to go forward where these IDAs should inform all the taxing entities that are there. Are you okay with that?

MR. ACQUARIO: Yes.

MR. BAYNES: Yes, we'd support that.

ASSEMBLYMAN EACHUS: Okay, great, thank you.

The second question that I actually have is it says in here something about establishing nine regional EMS organizations. In Orange County we have a wonderful EMS Center and all. How did you come up with nine regional EMS?

May I preface that with our EMS is under attack -- we are losing them, they're going bankrupt, you know, they're not getting volunteers, the whole deal. So I understand that. But I just wanted a better explanation of the nine EMS regional organizations.

MR. BAYNES: I mean, that was proposed by the Governor. I'm not familiar with how they got the nine or what the nine are comprised of. We as an organization generally, even sitting next to Steve Acquario, we like local government services to be controlled locally. We're not the biggest proponents of regionalism.

But I think in this EMS realm it's such a big problem. It inherently crosses borders by its very nature. We do think there needs to be some regional approach to fixing the problem that every community's facing right now.

MR. ACQUARIO: Well, I'd like to just add to Peter's response. This is an extremely important issue here. Last year you did a -- made an important step towards this in allowing the ambulance companies to bill Medicaid and bill insurance companies. That is going to be very important to us. We are taking reports from the most urban parts of the state, in Nassau and Suffolk County, that this is a huge problem, to the North

Country and everywhere else in between.

Volunteer recruitment is also a problem here, so please spend some time on this issue through the rest of the session.

ASSEMBLYMAN EACHUS: I certainly will.

MR. ACQUARIO: Thank you.

ASSEMBLYMAN EACHUS: The last thing I have is you are okay with us expanding the tobacco tax, but then you want us to do away with the flavors. And it seems like a give and a take there.

CHAIRWOMAN WEINSTEIN: That's -- we're going to have to wait to find out --

UNIDENTIFIED SPEAKER: People should stop smoking cigarettes.

(Laughter.)

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

ASSEMBLYMAN EPSTEIN: Thank you.

Thank you both for being here.

Do you know if any of your localities applied for the first RFP for the ADU money? We allocated 85 million last year. I think the Governor's HCR gave out the first

portion. Do you know if anyone applied and received that funding?

MR. ACQUARIO: I don't know.

MR. BAYNES: I'm not familiar with that. I would imagine some of our members, if the money was available, some of our members applied for it.

ASSEMBLYMAN EPSTEIN: Is it possible to get that to me later, to find out who did?

MR. BAYNES: Sure.

ASSEMBLYMAN EPSTEIN: Because I think the question we're talking about is housing and how do we get more housing across the state. And I appreciate your focus on affordability. But so then we put in 85 million for ADUs, and if people are applying then we need to, you know, expand that funding source. If people aren't applying, that's good to know as well, and why they didn't apply.

So and, you know, we also mentioned, you know, the Governor's put money aside for infrastructure for housing. You know, I don't think 250 million is enough, but we

need to figure out what would be helpful to build the infrastructure you need to build the housing. Is there a way to kind of get that information in a -- you know, obviously not to the dollar, but what we really need to be talking about for infrastructure to build the housing we need.

MR. BAYNES: Okay, we'll get that together for you.

ASSEMBLYMAN EPSTEIN: And maybe think about the ways that money could come. So you mentioned AIM before. Maybe AIM isn't the right -- or CHIPS isn't the right place. But what is the vehicle, and how does it help?

Like, you know, we need the housing, we all acknowledge that we need the housing. You know, 1.2 million people with 400,000 units, obviously we're lopsided. We're in a bit of a crisis. So how do we get there and what do we need to do to get there, is really I think what we're all trying to grapple with. But unless we're all talking to each other, we're never going to get there.

MR. BAYNES: Well, as Steve said

earlier, and I agree a hundred percent, the Governor, by putting this bold plan out there, has done a service by bringing this issue forward. I mean, I've been at this table 15 years or so; I don't remember it ever really being an issue to talk about. But it was certainly a need.

ASSEMBLYMAN EPSTEIN: Yeah, so maybe what we can be doing is thinking about like what would be -- what are those other approaches. If the mandate statewide, one-size-fits-all, doesn't work -- and I hear what you're saying, but we're all saying we need to do it and we need to incentivize it being done. You know, do we -- if you do an ADU ordinance, is there a financial gain? If you do something around, you know, transit-oriented development, is there some kind of resource? Is it that approach, then, that works for you all?

Like what is the approach that works?

MR. BAYNES: I think that kind of approach where there's a clear connection between the money you're receiving and the

goals you're achieving -- you know, the appropriate goals -- I think that makes a lot of sense.

What we've been doing at NYCOM since the proposal came out is trying to put together sort of a menu of incentives and options along the lines of what you're talking about, and we'll certainly be getting that to all the members of the Legislature.

ASSEMBLYMAN EPSTEIN: Thank you.

MR. ACQUARIO: Let me just say, Assemblymember, real quick here, I don't think there was an appropriation behind that ADU. There was never a grant program. So maybe the state should do something like that.

ASSEMBLYMAN EPSTEIN: HCR released money --

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblywoman Levenberg.

ASSEMBLYWOMAN LEVENBERG: Are we on? Okay. Thank you. Sorry I actually missed the testimony. I tried to do a little catch-up here. But just to comment on a

couple of things -- thank you, Madam Chair.

The -- I wanted to give a shout-out to Senator May in terms of the -- what -- you know, again, and also Assemblyman Epstein -- what is the actual solution. I heard a couple of my former colleagues from local government, and I just came from local government very recently, talk about, you know -- for especially somebody who's actually in a Tier 2 region in TOD -- that what would be helpful would be to give goals with specific deadlines and consequences, but then give the localities the ability to figure out how to achieve those goals.

And I think, you know, that what we've certainly been hearing from our colleagues here that made many of these -- the targets in the TOD in that half-mile radius are unrealistic. But I do think that, you know, we need to consider the fact that zoning and home rule, while it seems like something that's a given and it is great, is what got us here in the first place, what got us to this period of unaffordability, to redlining,

in many cases, and other ill housing situations that we now find ourselves in as a state.

And, you know, I think that the Governor's potential -- you know, her -- what she's put out there is extremely bold and potentially unrealistic. But, you know, I think we would welcome, Mr. Baynes, whatever suggestions, you know, you are hearing. But it can't just be for these willing communities. Because not all communities are willing to look some of these issues in the face and actually figure out ways to fix them.

And also, you know, we have to admit that our suburbs just don't look at even climate change realistically. And making our communities more walkable and bikeable and accessible by other public transportation is something that we need to acknowledge also adds to affordability and livability. So I think that we have to figure out other solutions.

My other question is not specific to

the housing issue as much, but I would like to know how many counties -- this has to do with sales tax. How many of the counties actually share a portion of their sales tax back with their municipalities? I'd really like to know that, because I know that that's come up with this sales tax.

Do you know that?

MR. ACQUARIO: Yes. Well, the vast majority of them do.

ASSEMBLYWOMAN LEVENBERG: The vast majority. But not all.

MR. ACQUARIO: No, not all.

ASSEMBLYWOMAN LEVENBERG: Okay. I would love to -- if I could find out what that -- what that actual number is.

MR. ACQUARIO: Absolutely. We can give you a chart.

ASSEMBLYWOMAN LEVENBERG: I'd really like to have that information.

And of course many of the other proposals that you include here are critically important, I think. And thank you for your testimony.

MR. ACQUARIO: Thank you.

MR. BAYNES: Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

We go now to Assemblywoman Shimsky.

ASSEMBLYWOMAN SHIMSKY: Thank you so much, Madam Chairs.

It's good to see my friends from NYSAC and the Council of Mayors here today.

We've got obviously a certain level of issues that we've been hearing from our local governments about the housing compact and transit-oriented development. One question I have for you is, what have you considered vis-a-vis especially the transit-oriented development and its impact on affordable housing? In many of my communities the most affordable housing in town is close to the train stations. And obviously building high-rises without thought to their affordability is going to reduce our affordability overall.

MR. BAYNES: I mean, as I alluded to before, we have -- we have communities downstate that have tapped into the

attractiveness of transit-oriented development and are working to achieve that.

So I think it's just a matter of incentivizing more communities to do it, so that -- I mean, they're never going to do it if it does not make sense for their community. But sometimes just to get across the finish line, it's some support from the state to do that.

So again, a mandate's not going to work, but we need more of it, more TODs. And I think there are municipalities out there that want to go down that road.

ASSEMBLYWOMAN SHIMSKY: I'm glad you brought up -- alluded to the infrastructure piece, because one of the big issues is going to be sewers, which is one of the most cost-intensive things that local governments do in terms of infrastructure. And as we all know, all kinds of infrastructure programs to help our municipalities, including the road and bridge funds and so on, are not keeping pace with what our local governments need.

If we were thinking about how much

infrastructure development money we may need year over year for the next several years, I think there's 250 million in this year's budget -- which sounds like a lot of money until you start doing the back of the napkin.

MR. BAYNES: Right.

ASSEMBLYWOMAN SHIMSKY: What do you see as a more realistic number for funding -- if not this year, because people still have to design. But this year and especially in future outyears, what that investment should probably look like.

MR. BAYNES: Yeah, it definitely will begin with a B and not an M.

(Laughter.)

MR. BAYNES: You know, that's for sure. I mean, the 500 million that's put into the Clean Water infrastructure Act every year, that is well over-subscribed for. So that just shows you that it's going to need to be multiples of that to be successful.

ASSEMBLYWOMAN SHIMSKY: Okay, great. That's all I have.

Thank you, Madam Chairs.

CHAIRWOMAN WEINSTEIN: Thank you.

I believe that we have no other legislators with questions. So thank you. Thank you all for being here with us today.

MR. BAYNES: Thank you.

MR. ACQUARIO: Thank you.

CHAIRWOMAN KRUEGER: Thank you very much on behalf of the Senate.

CHAIRWOMAN WEINSTEIN: And now we are going to go to Panel D: New York State Election Commissioners Association; Fair Elections for New York; and Brennan Center for Justice at NYU School of Law.

And just as a reminder as you're coming down the stairs, that it is -- for the panel, you each will have three minutes.

After the panel's finished, legislators -- all legislators -- any legislator who wants to ask a question will have three minutes. And again, when you ask the question, it's for the question and the answer, so please leave time if you're asking.

Before you begin, I just want to

reiterate, because this is the public group, your testimony was received, it was distributed to all the members a couple of days ago, everybody has it. Keep an eye on the clock. Three minutes goes pretty fast if you -- particularly if you start to read and not just hit the highlights of your testimony.

So yes, if you can begin.

MR. CZARNY: Thank you.

My name's Dustin Czarny. I'm the Democratic Caucus Chair for the New York State Election Commissioners Association. But I'm here today on behalf of the entire association, as we have quite a bit of agreement from our Republican and Democratic caucuses on funding that is vitally needed for county boards of elections, which was left out of the Governor's budget.

We are asking today for $10 million in capital funding and $10 million in Aid to Localities. And the reason we are asking that is it's a similar level of investment that this body made in 2019 when we converted

over to the early voting and electronic poll books.

The capital funding that we are asking for is needed because we are getting next-generation precinct scanners, the scanners that are in the polling places, these are coming online over the next year. The New York State Board of Elections will be certifying new precinct scanners, and we -- many counties do not have the funds to be able to purchase this. And many of our scanners in our election polling places are up to 15 years old. So it is time to move on to the next generation and serve our voters better.

Also our electronic poll books now are getting to be four to five years told. These iPads usually have a shelf life of about five to seven years. So over the next few years we're going to have to start replacing those poll pads as well.

The Aid to Localities funding would go to help us staff up our polling -- or our boards of elections offices to be able to

deal with the upcoming presidential election and also the new reforms that this body has put in place -- specifically, the 10-day registration. The new deadline is going to be an enormous hurdle for us to meet, and we can do so with properly trained, full-time staff. And Aid to Localities funding will help minimize some of the burden that a -- the minimum staffing bill that was passed by the Senate -- that I hope will be passed by the Assembly -- and full-time commissioners that are vitally needed in these counties.

And finally I want to wrap this up and say that New York State is -- the reason I always come before you every year and ask for money is New York State is one of the few states that does not provide annual funding to cover their elections. I believe it's less than 20 -- maybe it's less than 15 states now -- that New York is one of that don't provide any dedicated money to their county boards of elections.

This money is needed because we run your elections as well. We run State Supreme

Court elections, we run ballot props. And we need to look at having annual funding to offset those costs.

Thank you. That's my time.

CHAIRWOMAN WEINSTEIN: Thank you.

Go ahead, yes.

MS. WHARTON: Good afternoon.

Thank you for the opportunity to testify in support of funding the Public Campaign Finance Program, otherwise known as the PCFP. My name is Karen Wharton, and I facilitate the Fair Elections for New York Coalition, and I'm very happy to say that I'm also a constituent of Chairperson Weinstein.

In 2020 we successfully advocated for the passage of the country's most significant finance reform law since the Supreme Court's 2010 decision in Citizens United. This created a PCFP that allows candidates to run for office without relying on the power of big-money donors at any stage.

The program is voluntary and allows legislative and statewide candidates who opt in and who meet all the requirements to

receive a multiple match on small contributions they raise from their constituents. Lawmakers of diverse backgrounds have already initiated the process of opting in.

This program is needed and must be fully funded this year. Big money dominates campaign financing. In 2022, the 200 biggest donors in New York gave almost $16 million to state candidates. They gave more than 200,000 of the state's smaller donors, who gave $250 or less. So if money talks, 200 people have a greater voice in our elections than 200,000. That is not democracy. That's a rigged system.

People's impression is that the influence of the rich and the big corporations is silencing ordinary voices. They see this in the many newly constructed apartment buildings partly subsidized by public dollars but with rents that are just too damn high. The perception is that pay to play is rampant and that our votes don't count.

Democracy includes voting, determining who is on the ballot, how resources are allocated and to whom. The PCFP gives regular folks a significant say in who is on the ballot because it reforms how campaigns are financed. People can now give small donations to their candidates of choice and have it be worth as much as the big donors. Programs like the NYIC in New York City and Connecticut prove that more people participate in our democracy as small donors under these systems. They feel more connected and engaged with their local representatives.

Now, President Johnson signed the 1964 Civil Rights Bill because it was the right thing to do. So I call on you to do the right thing today for our state, our democracy, by funding this program.

Thank you.

MS. PINO: Good afternoon, Chairs Weinstein and Krueger and members of this Legislature. My name is Marina Pino, and I'm counsel at the Brennan Center for Justice.

Thank you for this opportunity to testify in support of funding for our democracy's infrastructure in this budget.

We commend this body for championing crucial democracy reforms. You have made New York a leader in fighting race-based voter suppression and provided a blueprint for campaign finance reform nationwide. With its launch last November, the state's groundbreaking new small-donor public financing program is the best solution this country has ever seen to counter the damage that Citizens United has done to our democracy. Thanks to your leadership, candidates have begun opting into this voluntary program.

The time is now to send a clear message of reaffirmed, steadfast support for reducing the outsized influence of wealth in our elections by adequately funding this program. The Executive Budget admirably meets the Public Campaign Finance Board's request of $14.5 million for administrative needs, including a well-trained agency staff

and software buildout costs, all of which will set the program on a strong foundation heading into the 2024 elections.

However, more resources are needed for adequate public matching funds. The Governor's proposed $25 million is a start, but we urge you to go farther. This investment will give prospective participants and voters who wish to engage as small donors greater confidence in this program and will help realize its promise to empower a greater diversity of New Yorkers as donors and meaningfully bring more constituents' voices into our politics.

A recent data analysis shows that in legislative elections the program could have increased the financial power of small donors six-fold, from 11 percent of all donations in 2022 to 67 percent. This increase is entirely due to small donors who reside in each candidate's legislative district.

Public financing, together with this Legislature's other enacted voting reforms, puts the state at the forefront of expanding

voter participation and strengthening everyday New Yorkers' trust in their elected government.

Last year New York emerged as a national leader in restoring legal protections against race-based voter discrimination through the John R. Lewis Voting Rights Act of New York. This Legislature must ensure that the final budget includes $5 million for enforcing this law as well as the voting and elections database needed to realize the act's full promise.

And the final budget must include designated funds to support reforms you have advanced to reduce barriers to voter registration.

To fully deliver all these reforms, this Legislature must also prioritize strengthening and funding election administration across the state. We support the bipartisan requests from local election officials for more state funding. Along with these resources, we urge you to enact legislation to bring national best practices

to our state's election administration.

Thank you for your continued efforts to boost our state's democracy. The Brennan Center is ready to be of service, and I would be glad to answer any of the questions you may have. Thank you.

CHAIRWOMAN WEINSTEIN: Thank you all.

We have a few members with questions. We go first to Assemblywoman Walker.

ASSEMBLYWOMAN WALKER: Thank you.

Thank you for your testimony today.

I just have a few questions. What do you believe with respect to poll worker training? Do you believe that there's an appetite for having local training at the local board of election levels?

MR. CZARNY: Yes. In fact that is how most poll workers are trained, at the local board of elections levels.

We have worked as an association to share best practices amongst the county boards, and a lot of the training has been somewhat standardized based on the electronic poll books that we brought in in 2019.

There's three different vendors, so we can't have a one-size-fits-all training. But the electronic poll books have changed the way we've done election inspector training, and so it has to be done at the county level.

ASSEMBLYWOMAN WALKER: Awesome.

For the New York State Public Campaign Finance Program, since its implementation are you aware as to how many candidates may have applied to participate in the program?

MS. WHARTON: Yes, Assemblymember. To date, there have been about 15, maybe 16 members who have opened the PCFB authorized account and therefore indicated their intent to opt in, or at least they've taken the first step.

ASSEMBLYWOMAN WALKER: Okay. And in your estimation, I know you wrote it in your testimony, but how much funding do you believe would be necessary for us to -- needed in order to keep the program in place?

MS. WHARTON: So there are two components. There's the administrative cost, what keeps the program actually running, and

there is the matching fund for future payouts.

And the board, the agency responsible for this program, has asked for $14.5 million in the budget this year for administrative costs. So that includes hiring personnel to work with candidates to iron out any issues, as well as bringing in -- building out their technology, the infrastructure to support this program.

And then there is the second component, the second part, which is the matching funds for future payouts, and that is $100 million that the board has asked for.

ASSEMBLYWOMAN WALKER: Okay. And also with respect to my last -- I'll combine the two questions. With respect to the John Lewis Voting Rights Act, are you aware of whether or not the Attorney General has also made the request for the $5 million that you mentioned in your testimony?

And since I wasn't here for the beginning of this hearing, do you think that election fraud should be bail-eligible?

That's a joke.

(Laughter.)

ASSEMBLYWOMAN WALKER: You can get back to me with your response.

MS. PINO: I'm happy to supplement in writing the response to your question, Assemblywoman Walker.

CHAIRWOMAN WEINSTEIN: And when you do that, please share with myself and Senator Krueger so we can share with --

CHAIRWOMAN KRUEGER: Everybody.

CHAIRWOMAN WEINSTEIN: -- all of the members who are participating.

ASSEMBLYWOMAN WALKER: Awesome. Thank you.

CHAIRWOMAN WEINSTEIN: We go to the Senate.

CHAIRWOMAN KRUEGER: Thank you.

Senator Rachel May.

SENATOR MAY: Thank you.

And thank you for your testimony.

Two questions I have. One is about early voting. We've had several years of it. What reforms would you like to see to boost

participation and make it, you know, more effective?

MR. CZARNY: Well, I mean, I'm wearing two hats today as the Democratic caucus chair and representing the association as a whole.

The Democratic caucus is very much in favor of early voting, has been, and in favor of other reforms like the portable polling place bill that you have put forward and has passed the Senate twice now, which will give us some flexibility.

One of the things that we are also asking for changes as a bipartisan association is to not have early voting limited to cities first. There's a -- the rule is that you have to put it in your highest-locality city.

We have asked for that to be a 10,000 or more voter, because many counties, especially counties -- I use Herkimer as an example. It has Little Falls, which has like 4300 voters in it, and they have to put their early voting center in it when it really doesn't help the county as a whole. So we

ask for a limit on that.

Those are some of the reforms that we're advocating for.

SENATOR MAY: Thank you.

And then I'm happy to hear you talk about having finance reform. I'm really pleased to start running in that system.

There is a proposal to consolidate elections into even years, and I'm wondering if any of you can talk about how that would boost participation or save costs.

MR. CZARNY: So I think that -- I think it's a worthy proposal, worthy of continuing discussion on moving the elections to even years.

I get a little worried about ballot length. I do get a little worried about drop-off of races from the top to the bottom if everything is on every two years.

And I do know that there's constitutional issues with cities and county constitutional offices and Supreme Court and justice -- judicial contests. So we will always have an election every year. It's

just the number of people in different elections.

I would love to see a transition of especially some of the more populous races like county legislatures or county, you know, executives, clerks, these kind of things that could maybe benefit from even-year elections as opposed to odd-year elections, without having to deal with the constitutional issues of transferring cities and other things.

SENATOR MAY: Okay, thanks. I think I'm going to try to cut off at seven minutes because I only have three minutes to --

(Laughter; overtalk.)

CHAIRWOMAN KRUEGER: She's fabulous, but she also only gets three minutes.

CHAIRWOMAN WEINSTEIN: Three minutes. We're in the three-minute public session.

SENATOR MAY: Thank you.

CHAIRWOMAN KRUEGER: Thank you, Rachel.

Assembly?

CHAIRWOMAN WEINSTEIN: We have Assemblyman Jacobson, three minutes.

ASSEMBLYMAN JACOBSON: Thank you, Madam Chair.

And good to see you. The commissioner was here last year, I don't think the other two were. But good to see you this year.

We have made significant and long-overdue election reforms since 2019 but implementing these changes does not happen by itself. I represent parts of three counties -- Orange, Dutchess and Ulster. Each of the counties I represent have had to hire additional workers, particularly for the programs for correcting absentee ballots, for counting the absentee ballots prior to the election, and for the additional early voting sites.

Also there's been a need to upgrade the equipment. On-demand printers are great, it avoids errors, but the printers are worn out. Same thing with the scanners, the ones that count the votes. We have problems that they're getting older, and we need new ones; the software is much better.

I've proposed an additional

$20 million of additional money in the state budget, $10 million for personnel, 10 million for equipment. It would be distributed as in the past, according to the enrollment in each of the counties. And I'd like to know what you think of that as a proposal and whether it makes sense. Obviously we'd always like more, but I'd like to hear.

MR. CZARNY: I -- this mirrors our proposal as well, so I think it's a great proposal.

But -- and it is absolutely needed. We are at a time where our equipment is starting to fail. These precinct scanners have a life of about 10 years; some of them are 15 years old now. Some of them are getting -- even the ones that were replaced a few years ago, they're starting to get to the end of their useful life.

And the new scanners at the polling place level will make it better for the voters because they can accept the ballots quicker, read them faster, and allow lines to move through.

The on-demand printers save money on ballot costs; are green, because we're not printing up ballots that are unused because we have to guess how many ballots are going to be used. And before the on-demand printers we would have to --

ASSEMBLYMAN JACOBSON: Have you found this in all the counties, the need for more workers, the need for more equipment?

MR. CZARNY: Absolutely. It's a resounding chorus from our commissioners that we need more workers and we need capital funding.

ASSEMBLYMAN JACOBSON: And I've only got 20 seconds. I mean, you guys can chime in also, I'm not trying to -- I have two bills to reform the Board of Elections. One is A919 that would make all commissioners full-time, and the other, A111, which would allow applications for absentee ballots to be delivered on the day of Election Day. Right now you have to go to court.

I want to know how you feel about that.

CHAIRWOMAN WEINSTEIN: So they can respond -- since it's not part of the budget now, they can respond to those questions afterwards.

ASSEMBLYMAN JACOBSON: I have five other bills, but I didn't try.

(Laughter.)

CHAIRWOMAN WEINSTEIN: We're going to go to the Senate now.

CHAIRWOMAN KRUEGER: Senator Walczyk.

SENATOR WALCZYK: Thank you, Madam Chair.

And we've been joined by Senators Martins, Rolison, and Rhoads as well.

Dustin, how important is it to have bipartisan -- to keep the bipartisan nature of board of elections?

MR. CZARNY: I think it's vital. It is what we've built the bedrock of our electoral system on. And I believe that some of the failures that have come about -- and I've got to say there've been fewer and fewer failures as we've gone about -- is resources, we need resources. It's not about the

bipartisan structure.

But what the bipartisan structure does is it provides confidence to the voters and confidence that the correct work is going in to determine the winner and believe the results of the elections.

I had a race that had 10 votes decided. Senator Mannion won that race. But no one questioned the outcome of it, because bipartisan workers were there at every step.

SENATOR WALCZYK: Should party chairs be able to also serve as commissioners on board of elections?

MR. CZARNY: So our association doesn't have a standing on this, so I'm going to give my personal opinion. I don't believe so. I would never want to do that myself. It's really hard to do that when there's primaries, to be able to serve as a party chair, which is delegating candidates, and then also commissioner, that should be there for all candidates.

SENATOR WALCZYK: Should elections commissioners be full-time across the state?

MR. CZARNY: I do believe that.

SENATOR WALCZYK: Even in a county like Hamilton County, where there's only 4600 registered voters?

MR. CZARNY: Even in a county like Hamilton County. Because --

SENATOR WALCZYK: Why?

MR. CZARNY: Because we have an expanded calendar, which requires a lot of voter registration, and in those counties there are smaller amounts of workers as well. And the full-time commissioners in those smaller counties are actually doing voter registration and some of the other work that is needed.

You need a commissioner there to make decisions. Year round, we have an expanded calendar and we need full-time commissioners.

SENATOR WALCZYK: Okay, appreciate your comments.

So on -- this is more to the panel. I know you had some testimony on public campaign finance. So Lieutenant Governor Benjamin was indicted on a campaign finance

bribery scheme. What should this Legislature be putting forward, and what funding should the Governor be considering in this budget to prevent such egregious abuse of taxpayer money in the future?

MS. PINO: So this program is the strongest response we have to outside spending and the grip that wealthy donors have on our elections.

These funds are necessary right now for candidates, voters and small donors who wish to engage as such to trust that this program is going to --

SENATOR WALCZYK: I'm not talking about the funds, I'm talking about what policies should we be considering to make sure that those funds aren't abused the way that Lieutenant Governor Benjamin abused them.

MS. PINO: Thank you, Senator.

So this -- there are safeguards built into the program to ensure that -- and this also goes back to funding. When we talk about administrative funds, the

$14.5 million, this is to ensure that there is a strong, well-trained agency staff, which would include candidate liaisons to work with candidates throughout the election cycle to ensure that they're in compliance throughout the entire program.

MS. WHARTON: May I chime in?

CHAIRWOMAN KRUEGER: I'm sorry, the time is up.

Assembly.

CHAIRWOMAN WEINSTEIN: I do not believe at this time we have any further Assemblymembers.

CHAIRWOMAN KRUEGER: Well, we have another Senator, Senator Rolison.

SENATOR RHOADS: Rhoads.

CHAIRWOMAN KRUEGER: Oh, excuse me, I apologize. (Indicating.) Rolison, Rhoads. Not you, Senator. Senator Rhoads.

SENATOR RHOADS: Thank you, Chairman -- Chairwoman, sorry.

With respect to voter identification, free voter ID, why would that be or not be a good idea?

MR. CZARNY: So, Senator, the Democratic caucus would oppose voter ID; the Republican caucus and commissioners support voter ID.

SENATOR RHOADS: What's the rationale, if you don't mind my asking. What's the rationale behind it? What's wrong with having somebody establish who they are when they go to vote?

MR. CZARNY: So voter ID, as implemented throughout New York State, has shown -- or, I'm sorry, throughout the United States, has shown a harmful, you know, impact to voters that are elderly that may not have the correct voter ID and also college-age voters that may not have the correct voter ID. We've seen it implemented in a way that is harmful and prejudicial to certain types of voters. We see it in Texas where they allow a gun license for voter ID but not a student ID issued by the state.

It's also a cost problem as well --

SENATOR RHOADS: If I can ask you, when we actually pass legislation we have the

ability to control what the criteria are. So in theory, what's the downside to --

MR. CZARNY: There's also usually a cost prohibition. You know, a driver's license will cost up to a hundred dollars to get --

SENATOR RHOADS: What if it's free?

MR. CZARNY: "What if" is a big question, and it's usually not.

And so -- and also we do have a tremendous amount of data showing that there is very little voter fraud. Infinitesimal voter fraud. The amount of money that would be spent to implement this type of voter ID legislation would be harmful, it would be onerous, and it would not actually have any real benefit to the system that is already in place.

The signature checks, the bipartisan checks of elections commissioners are -- have proven over time to be very -- work very well in New York. We have little voter fraud. And I don't see the need for it.

SENATOR RHOADS: Two years ago I had a

dead person vote in my ED.

MR. CZARNY: I'm sorry, so the dead person showed a -- I'm sorry, which -- who voted in your ED, a dead person?

SENATOR RHOADS: This was in Nassau County.

MR. CZARNY: Okay. And was that an absentee ballot?

SENATOR RHOADS: What's that?

MR. CZARNY: Was that an absentee ballot, Senator?

SENATOR RHOADS: It was.

MR. CZARNY: So voter ID would not actually help that particular situation, since in-person voter ID would not have helped that.

SENATOR RHOADS: We can't say there -- we can't say there isn't fraud, even if we may disagree as to the volume of it.

MR. CZARNY: But I said -- I said -- I said a little amount. I never said it was perfect. No system designed by humans is perfect.

SENATOR RHOADS: Just if I can --

because my time is limited. You spoke about concerns about ballot length yet seem to suggest that you think that moving town and county elections to even-number years somehow is a good idea.

When you have an election for town supervisor, town clerk, receiver of taxes, councilman, county legislature, county clerk, county executive, how does that -- how does that not create a concern for you with respect to length of the ballot and overshadowing issues that come up in local, town and county elections?

MR. CZARNY: The time is up. I'll happily provide a written response to you on that.

CHAIRWOMAN KRUEGER: Thank you.

SENATOR RHOADS: I appreciate it.

CHAIRWOMAN KRUEGER: Sorry. Thank you. Assembly? Oh, we're going to continue, I'm sorry.

Okay, we also have Senator Martins who's joined us.

SENATOR MARTINS: Thank you.

CHAIRWOMAN KRUEGER: Oh, there you are. I knew you were somewhere.

(Laughter.)

SENATOR MARTINS: (Mic off.) Appreciate it. Thank you very much for the opportunity.

Thank you for your testimony today.

I'm going to follow up on that last question.

MR. CZARNY: Okay.

SENATOR MARTINS: I come from local government. I served in the village government years ago before coming to the Senate. And I am concerned about all of the elections moved to even-number years. I hear from my colleagues in government, whether they be county or town, that sometimes there are issues that are specific to the town, the county, the locality, that would be overwhelmed perhaps by national issues or statewide issues and therefore not get the attention that they necessarily need, as a concern.

Can you give me your thoughts about

why that would probably not be a good idea or where you draw that line in moving elections from odd years to even years?

MR. CZARNY: So I want to be clear, the association as a whole has not made the recommendation. So my thoughts here are my personal thoughts on this.

However, I did say that it's worthy of discussion. I'm not saying that I'm for all of this. However, I hear this same argument when it comes to moving village elections to November; a lot of villages use that same argument.

And in my county we've had five villages move their elections to November. And that didn't seem to happen. They are still making choices -- in fact, it's increased competition and it's also increased activism at the village level.

So I do not believe that more voters voting will actually overwhelm them. In fact I think it has a beneficial benefit, that if more people are actually choosing our government officials, it reflects the voting

populace as a whole and we have better government as a whole.

SENATOR MARTINS: (Mic off.) I appreciate the context. My experience has been quite the opposite, that when you have a local district, whether it's a village or a town, whatever it happens to be, you're dealing with Main Street issues, not necessarily with national issues, and keeping the focus on what's important to those localities so that those issues {inaudible} are overwhelming locally.

I wanted to ask you -- you know, there is a tremendous amount of voter apathy when it comes to elections in certain districts. And I find, for example, in Nassau County where I come from that there are certain races, for example, that happen to have a much higher percentage of voter turnout than perhaps even some of our districts immediately to the west.

I am on the Nassau/Queens border, and perhaps you can give me an idea of why there is such a dramatic drop-off on the Queens

side of that line that there is on the Nassau side.

MR. CZARNY: Well, I'm not from that area, so I can't speak to the local issues.

But I do think ballot drop-off is an issue inside of a ballot itself as well as starting from the top of the ticket down --

SENATOR MARTINS: Not ballot drop-off, the reduction in the number of people who are actually voting on the city side of the Queens/Nassau line as opposed to the other.

MR. CZARNY: I'll have to get you that; I promise I will.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: We do have Assemblyman Brown.

ASSEMBLYMAN ARI BROWN: Thank you, Madam Chair -- Chairman -- Chairwoman.

To continue what the two Senators were addressing about the voting issues, are you aware that most villages do not run under party lines, Republican, Democrat, or independent? Putting them in the same year would force them to fall into what exact

category -- the "nothing" party? Where would they fit on the ballot line?

MR. CZARNY: I'm glad you asked that question. Because the five villages in Onondaga County that moved to November, four of them do not run on partisan elections as well. They fit on the ballot, we have plenty of space now that we don't have a ton of recognized parties. And they saw way more participation. Even though they weren't in the partisan categories, they had their own ballot lines, the independent nominating petitions, and they had a ton of participation and they did not get forced into partisan elections.

ASSEMBLYMAN ARI BROWN: Would you agree that there's a possibility -- for example, I'm still the deputy mayor of my village. I have a Democrat on my board; I happen to be a Republican. We work to serve the community. What if someone just assumes that we're all Republican or Democrat and that skews their opinion of the fairness of how an election should be run?

MR. CZARNY: I -- so I don't believe inherently being a Democrat or Republican is bad. In fact, I think it's pretty good. And I think having party identification helps the voters make choices.

I also don't believe that they have to be in the party as well. Having more choice, having more participation is where I always tend to land. And I believe in village elections and in local elections you can have a balance without -- and I don't believe just the time of the election will change that. And having more people participate is always better.

ASSEMBLYMAN ARI BROWN: Let me ask you one last question.

MR. CZARNY: Sure.

ASSEMBLYMAN ARI BROWN: With the exception of saving the board of elections' time or having to spend another couple of weeks arranging this, what would be the benefit of moving it, moving the days?

MR. CZARNY: Oh, it's only one minute.

Okay, yes, if you move village

elections to November, it's actually a 100 percent cost savings to the village itself. And it's actually a way better use of taxpayer money because we are already holding elections every year.

So if -- when we moved these five villages to November, they saved 100 percent of their costs because the board of elections was already running elections and it was really no added burden to us.

ASSEMBLYMAN ARI BROWN: So it seems like we're in agreement we should leave it up to the villages to decide their own budgets, which since they do that anyway, to decide if they want to have that cost savings.

I thank you all for that enlightened opinion.

MR. CZARNY: I -- I would -- I'd say the question is worthy of discussion and I think having that is a good discussion.

Thank you.

CHAIRWOMAN KRUEGER: Okay, thank you.

CHAIRWOMAN WEINSTEIN: Senate, if you have anybody.

CHAIRWOMAN KRUEGER: Thank you. I think there is me left.

Hi. So I'd like to follow up on my colleague's question about fraud in campaign finance and what the research shows us about which models actually end up with bigger or lesser problems. I guess I'll admit there are always problems. Somebody's always going to try to break the law, and hopefully we catch them when they break the law.

But what's your experience -- I think it was the Brennan Center who had done research -- no, I'm sorry, it was you. Either one -- research on what we've learned from around the country about the different models of campaign contributions and people violating the law.

MS. WHARTON: So thank you for that question. What I'd like to say is that the New York City program worked. It worked very well because it catches or it caught someone that it presumed was making like an infraction.

So I don't see the fact that someone

was caught -- or was accused of fraud, right, as being a problem. I think it indicates what a wonderful system they have there. And I think that the Public Campaign Finance Board has been speaking with the New York City Campaign Finance Board to learn about best practices.

So I think that the example was actually a very good one in terms of what the Public Campaign Finance Board can actually do to protect taxpayers' dollars.

Now, with respect to what studies have shown, I would have to ask -- refer to the Brennan Center for that. But thank you for bringing that question back.

CHAIRWOMAN KRUEGER: Thank you. Hi.

MS. PINO: Thank you, Senator. And I'm happy to submit to the entire committee here our reports on this issue.

I will say that, you know, public financing is working across the country. There are at least 15 states and 21 municipalities who have been using public financing programs to help boost and empower

a greater diversity of constituents and meaningfully bring their voices into our democracy. And I'm happy to supplement with those -- with that research as well.

CHAIRWOMAN KRUEGER: Thank you both. I think it will be very interesting. If you could get it to Helene and I, we will get it to everybody on the committees. Thank you.

I'm going to cede back my 32 seconds. Thank you.

CHAIRWOMAN WEINSTEIN: And we have Assemblyman Manktelow.

ASSEMBLYMAN MANKTELOW: Thank you, Madam Chair. And I'm sorry for the last-minute question.

But, you know, we sit up here and we talk about millions and millions and billions of dollars, and yesterday in my office I had two women there with children with special needs, and their concern is daycare. They don't have enough daycare in Rochester.

So we're looking at public financing. So we have public financing here, we have families that need daycare here. If I have

to choose between one or the other, which one do I choose?

MS. WHARTON: Thank you so much for that question. I actually love it.

You don't have to choose. You do not have to choose. Basically there are a couple of things going on here. And when we look at democracy, the people of New York are paying for the lights to be on, they're paying for this building, they're speaking money, they're paying your salaries, all of that. So it's an investment, right?

The only part -- the only point in the diversity process where we're left out is in the public campaign finance side, where we have ceded that portion of democracy to wealthy folks. Right?

Now, I believe, I believe that the discussion that you're having with your constituents, that the public campaign finance system, if people were more involved in the system, we probably wouldn't have to be making these kinds of choices. Right? Because we would be electing folks who would

be here from the get-go advocating for those programs to be implemented.

So thank you.

ASSEMBLYMAN MANKTELOW: I appreciate that answer. Just one question.

So just really quick -- I only have one minute left. So if I was to ask that same question to those two women that were in my office, what answer do you think they would give me?

MS. WHARTON: I'm thinking that they would probably say "Give me my program." Right? Let's be honest, they'll say "Give me my program." They probably don't know anything about public campaign financing --

ASSEMBLYMAN MANKTELOW: That's my point. Most people do not know about public financing of campaigns yet. And when they see that come out, there's going to be grave concern.

Are we doing anything to educate the public on public financing of campaigns?

MS. WHARTON: Actually, thank you, because that is where the budget comes in.

We need you to fund the program, to fund administrative costs fully so that the board can actually embark on an education campaign.

ASSEMBLYMAN MANKTELOW: So part of that financing would make sure we contact the residents of New York State to let them know that they're contributing to public finance.

MS. WHARTON: That -- yes, that it is -- we're utilizing public dollars for public good.

ASSEMBLYMAN MANKTELOW: All right, I appreciate it. And it was a tough question, but I was thinking about those two ladies and it really bothered me to -- you know, what do I tell them. So thank you for your testimony, both of them. Thank you.

CHAIRWOMAN KRUEGER: Thank you. I think there are no more Senators waiting to ask questions.

CHAIRWOMAN WEINSTEIN: And no more Assemblymembers. So thank you, and just a reminder that I think a couple of times you had a couple of questions you need to

send us answers to. So just remember to send them to the two chairs, and we'll make sure all members receive them.

MR. CZARNY: Thank you for your service to voters.

CHAIRWOMAN KRUEGER: Thank you all so much.

MS. WHARTON: Thank you so much.

CHAIRWOMAN WEINSTEIN: So now we go to Panel E, which is our last panel: Nassau County Village Officials Association; Riders Alliance; and Immigrant ARC.

MR. SEROTA: Folks, I'm going to try and read through my statement very quickly. I'm in a little bit of a doghouse, before we start. I'm here with my wife. We didn't spend much Valentine's Day yesterday. She took the day off, and I'm in the doghouse. She didn't realize when we left our house this morning that we'd be here at this hour. So hopefully I'll move along.

Chairpersons Krueger, Weinstein and Assemblyman Ra and Senator O'Mara and other honorable members of the Legislature. Thank

you for giving the Nassau County Village Officials Association an opportunity to participate in today's hearing.

My name is Daniel Serota. I'm the mayor of the Village of Brookville and the immediate past president of the NCVOA. The NCVOA has 64 villages in Nassau County and represents 475,000 people. The size of our villages vary greatly, with some having populations of less than 1500 residents and others -- like the villages of Hempstead and Freeport, with tens of thousands of residents -- that would be considered fairly large cities if they were designated as such under the applicable statute. Some of our villages have their own police departments, as I do in Brookville. Two of them have power plants. In other words, there's no one size that describes Nassau County villages.

Today's hearing involves local government. And, in the opinion of many leaders of the NCVOA who have been deeply involved in local government for many years, there's no greater threat to this

continuation of local government -- as the state has fostered it and protected it for nearly a hundred years -- than Governor Hochul's housing plan, spelled out in Parts F and G of Article VII bills S4006 and A3006.

Today I'm here to make two specific requests. First, I ask that given the widespread, historic and unprecedented scope and effect the Governor's housing proposal would have on local governments throughout the state, that this matter be excluded from budget considerations, discussions and negotiations. This proposal would affect the status of tens of thousands of existing homes and requires the mandatory rezoning of tens of thousands of acres on Long Island alone, without SEQRA standards and procedures, by the Governor's fiat, and it affects the quality of life and character of hundreds of communities.

Given how this housing proposal has been included in the budget -- without in-depth statewide community studies, no

comprehensive public hearing program, no publicized input from all affected groups, including the NCVOA, and no known publicized economic impact benefit -- this housing proposal should not be lumped in and be part of legitimate and important reoccurring budget issues that involve funding for education, healthcare, public protection, transportation, and the normal operations of state government.

Please, please exclude this from the budget. The housing issue is very important. It deserves a thorough discussion, public hearings, and input throughout the state.

I guess my time's up. Thank you for your consideration.

CHAIRWOMAN WEINSTEIN: Thank you.

Riders Alliance next.

MR. PEARLSTEIN: Good afternoon. Thanks so much. My name is Danny Pearlstein. I'm the policy and communications director for the Riders Alliance. We are New York City's grassroots organization of subway and bus riders fighting for better transit.

As we heard this morning, there is a significant dispute about the source of funds to save public transit in and around New York City. I want to focus on the use of those funds, except just to say that the Executive Budget provides a firm foundation to keep buses and trains running and, you know, without that we are certainly up a creek.

But I want to focus on the use of funds, because keeping buses and trains running on its own, with the level of ridership we have today, is not sustainable long into the future, and we need to do what we can to grow ridership. That's why we're supporting a plan to increase the frequency of bus and train service. That's a plan supported by the governor's and mayor's own New New York panel, which came up with Initiative 19 last December, urging the maintenance of the frequency of rush-hour service that we have today while adding to the frequency and reliability of off-peak service.

It's a proposal that has the broad support of the Climate Action Council, which in its scoping plan called for improving public transit service as a means of reducing vehicle miles traveled, as well as electrifying everything. We need to use the existing transit infrastructure we have today to bring more people on board.

More frequent service is estimated at increasing ridership approximately 15 percent. It also has major safety benefits which relate closely to the other priorities identified in the Executive Budget, including less time waiting on platforms and at bus stops, where riders report feeling less comfortable than they do on buses and trains.

Bringing more people into the system by making it more time-competitive with other ways of getting around, which means more eyes on the system, more safety in numbers like we had from 1990 through 2019, where crime plummeted while policing also decreased significantly as ridership soared; as well as just less anxiety and frustration from long

waits, which is why we have the support not only of those panels I said but also of Transport Workers Union Local 100, representing 46,000 people who operate and maintain buses and trains and are on the front lines every single day, in particular, wary of assaults from unhappy transit riders.

Beyond that, there's a major equity benefit. There's been enormous discussion throughout this hearing obviously about the housing crisis we face. The way it has, you know, played out in the city is that people are living further and further from work. Commutes are getting longer, commutes are involving more transfers. More off-peak commuting as more office workers stay home, but a greater percentage of people are commuting off-peak and are waiting 12, 15, 20 minutes on multiple legs of a commute, often waiting longer just to get on the bus or the train than they are on the buses and trains that they're riding.

So for all those reasons, we support what we think is a fairly modest investment

in the grand scheme of the state budget -- $300 million above what the Governor's proposing to the MTA, to increase the frequency of buses and trains, reversing the cuts that we've seen in 2019 and 2010, and going even beyond that to run trains regularly every -- you know, well under 10-minute waits, approaching six-minute waits throughout the day, throughout the week.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

And finally, Immigrant ARC.

MS. AKINNAWONU: Hello. My name is Funmi Akinnawonu. I'm the advocacy and policy manager at Immigrant ARC. We're a member-based organization, and our membership includes over 80 immigration legal-service providers. We work on access to counsel and access to justice issues for immigrant New Yorkers.

And we're here today because there is a crisis in immigration representation across this country that is felt particularly acutely in the State of New York because --

not only because of the volume of cases pending in our local immigration offices, but because this state remains a top destination for immigrants, both newcomers and long-time immigrants alike. And the increased enforcement of policies under the Trump administration, combined with the pandemic delays, have created a really untenable backlog in our immigration courts.

New York has led the country in investments in legal services for immigrant communities, but current services are at capacity and we have new needs, including the needs of Afghan and Ukrainian refugees to new arrivals of asylum-seekers from the southern border, and ongoing needs of immigrant communities which cannot be met. And this means that thousands of New Yorkers who are seeking help are being turned away each month.

So as part of the CARE for Immigrant Families Coalition, we urge the New York Legislature to include the Access to Representation Act in the FY 2024 budget, a

first-in-the-nation law that would create a right to counsel for immigrant New Yorkers and fund counsel in immigration deportation proceedings.

To fund the first year of implementation of the ARA, we ask the state to allocate $55 million. We also urge the state to increase funding for both affirmative and defensive immigration legal services to $35 million through the Liberty Defense Project within the Office of New Americans, and to allocate $10 million in rapid response immigration legal services to address the needs of newly arrived migrants.

Today there's no guaranteed right to counsel in immigration proceedings in the U.S., despite the fact that immigrants in deportation proceedings face really serious consequences like separation from their families or deportation to a place where they could face death or abuse or persecution.

There's a staggering difference in outcomes for those who have representation versus those who don't. Immigrants with

attorneys are 3.5 times more likely to be granted bond if they are in detention; they are 10.5 times more likely not be deported than those without representation. And for those not in detention, 60 percent of immigrants with lawyers win their cases compared to 17 percent of those without a lawyer.

The clear disparity in the difference between those who have representation and who don't in the outcome of their cases presents a due process issue that is fixable. So we are asking New York State, which has a long history of welcoming immigrant New Yorkers, to address this issue.

Thank you.

CHAIRWOMAN WEINSTEIN: Thank you.

There are a number of questions from the Assembly and the Senate. We'll start first with Assemblyman Ra.

ASSEMBLYMAN RA: Thank you.

Mayor, thank you for being here and for your patience, and thank you to your wife for accompanying you here today.

So with regard to the zoning proposals in the budget -- and I know your village has a police department. So, I mean, even that increase -- you know, if you were to have to have some zoning with the density of, say, the transit-oriented proposal, what does that look like relative to services like your police or water and that type of thing -- sewer, all that?

MR. SEROTA: Thank you for the question.

We don't know. We don't know the answers to this. Most of the communities on the North Shore in Nassau County do not have sewers, we have septic systems. We have a terrible water crisis on the North Shore of Long Island. We have many wells that are out of service because they are contaminated with Freon. This past two summers when we had the heat waves, there's no water in our area in the morning to take showers or to flush the toilet -- excuse my language.

So these are all questions we don't have the answers. There's been no studies.

Listen, I wear many hats. Besides the mayor, I'm the police commissioner, I'm a real estate developer. This is a great idea, but it's one size doesn't fit all. We have to figure out a way, with your help and the local governments' help, and private business, to figure out where this works, where it doesn't work.

And I -- from sitting here for all these hours, I think this committee is all on the same page here, that we'll all work together and figure out a way to go forward with this.

ASSEMBLYMAN RA: And, you know, if you can talk just from the perspective of the entire association, you know, I think about one size doesn't fit all, and that's exactly the problem here. I think about, you know, Rockville Centre Mayor Murray has, you know, won awards for the development he's done there. Mineola's done a lot around their train station.

So your members, right, are finding ways to increase housing stock by trying to

do it in targeted areas and keeping the basic character of their communities intact while doing it.

MR. SEROTA: Correct.

And the Village of Farmingdale also has done a wonderful job, Westbury. There are places where it works, and it's terrific. No one is opposed to the whole concept; it just has to be figured out, and we all need to work together on that.

ASSEMBLYMAN RA: Carrot rather than a stick.

MR. SEROTA: Yes.

ASSEMBLYMAN RA: Thank you.

CHAIRWOMAN WEINSTEIN: Senate.

CHAIRWOMAN KRUEGER: Thank you.

First, Senator Rhoads.

SENATOR RHOADS: Thank you again, Mayor Serota.

I'm a little puzzled, to be perfectly honest, as to why this particular panel is together, because there's so many divergent issues here that we could spend some time on each.

But I do want to touch upon the housing proposal again. I know that you kind of got cut off at the end, but the big ask here is that this should be removed from the budget process, I'm assuming, because the issues are so complex and complicated.

When we're talking about the Governor's proposal, if fully implemented, it's 50 units per acre. When you're talking about a half-mile zone -- I credit Senator Martins for doing the math on this -- when you do 50 units, it's 200 -- I'm sorry, 502 units per half-mile radius, so a mile circumference -- you're talking about 25,000 housing units within a mile around every train station in Nassau County. That's 50 train stations in Nassau County. You're talking about 1.25 million housing units. Doubling the population -- even if it's just one person per unit, doubling the population of Nassau County.

What kind of impact would that have on sewer, on water, on police, on fire, on schools, on everything?

So I certainly understand your point that this has to be removed from the budget process. Do you have any other thoughts on that?

MR. SEROTA: Well, as one of the hats I just mentioned, I'm a real estate developer, and you have to go through SEQRA. This completely gets rid of that.

And like I said, we don't have the water now. Where would all of the sewage go? We don't have sewers in the majority of the areas where we live.

So these are all environmental questions. We're all environmentalists. We want to do what's right. But there's been no study, there's been no thought, where did this come from? Where did 3 percent come from? Where did -- why wasn't it 4 percent or 2 percent? And where -- nobody knows anything about this. It came out of someplace. And it needs a lot of time and consideration, and nobody has the answers to it right now.

And again, we're not opposed to it.

We're opposed to sticking it in the budget. We want to work together. There is a housing crisis, and we have to figure out how to work together to get it.

SENATOR RHOADS: Right time and right location; we should be listening to those that are closest to the ground and have the best knowledge of our communities to make sure that that can happen.

MR. SEROTA: Yes.

SENATOR RHOADS: I certainly agree.

Just one question with respect to transportation. When was the last time that -- to your knowledge, Mr. Pearlstein, that there's been an audit of the MTA?

MR. PEARLSTEIN: The MTA answers to many outside sources. Right? The MTA answers to the State Comptroller, the MTA answers to the district attorneys, the Attorney General. The MTA has many different auditing-type bodies that oversee it as well as, you know, private consultants they've hired on various projects and of various things, like to figure out how riders would

come back after the pandemic. That was, you know, one piece of analysis.

SENATOR RHOADS: Well, let me ask, only because we're running out of time, are we dealing with an issue where we need more money or better management, in your opinion?

MR. PEARLSTEIN: We need more money to keep buses and trains running on a daily basis that millions of people ride. I think that's not in question.

CHAIRWOMAN WEINSTEIN: Thank you.

We go to Assemblyman Thiele.

ASSEMBLYMAN THIELE: No, I --

CHAIRWOMAN WEINSTEIN: Okay, Assemblyman Thiele is good.

We go to Assemblyman Brown, three minutes.

ASSEMBLYMAN ARI BROWN: Thank you, Madam Chairperson.

Thinking of my village of Cedarhurst again, one square mile, the train tracks run right through. The 50 units per acre would encompass my entire village. I have 2200, 2500 residential units; it would go up to

25,000. I have 7,000 residents, going up to 70,000? Unmanageable.

I'm on the South Shore. Mr. Mayor, you're on the North Shore -- bucolic, beautiful. We talk about character of villages. Our Senator talked about Rockville Centre's TODs. I did all those TODs for them when I was the vice-chair of the IDA there. Worked beautifully. They begged me to do Phase 2, and we did.

How would that affect you in your beautiful Brookville, bucolic, beautiful Brookville, with two-acre zoning? What would that look like? So everybody should know.

MR. SEROTA: Well, I just stated some of the problems. We don't have sewers. And our groundwater is contaminated already.

ASSEMBLYMAN ARI BROWN: Pardon me, Mr. Mayor. I meant the character, the visual character, the aesthetics. How would that look in your village?

MR. SEROTA: Listen, to have all those extra homes, people decide to move there because they like what they want, they want

what they like, and they would -- it would -- the quality of life we have, just two main roads, we couldn't handle the traffic, we couldn't handle the trucks that come in and out, and it would be devastating to our way of life.

ASSEMBLYMAN ARI BROWN: So, Mr. Mayor, you had mentioned you have no sewer system in your community, you just have septic systems. Where would all the effluents go if they proposed this?

MR. SEROTA: Into the ground, which goes into our aquifer, to where we drink our water.

ASSEMBLYMAN ARI BROWN: We couldn't do on a multifamily unit, so we're talking tens, perhaps a hundred million or 200 million to develop a system that possible will work?

MR. SEROTA: I would think a lot more than that.

ASSEMBLYMAN ARI BROWN: Exactly. So we're talking about billions of dollars of infrastructure, and all we're getting is $250 million for the entire state for

infrastructure. Would you think we would probably need some more for sewers alone?

MR. SEROTA: Yes, Assemblyman.

ASSEMBLYMAN ARI BROWN: Thank you, Mr. Mayor. I appreciate it.

And thank you all for your time.

I yield the rest of my time.

CHAIRWOMAN KRUEGER: Thank you.

Senator Martins.

SENATOR MARTINS: Thank you, Madam Chairwoman.

First of all, I just want to welcome Mayor Serota. Mayor Serota is a mayor in my district. I thank you very much for being here, Mayor, and I appreciate you and your wife, Cherie, for being here as well.

The question was asked. There are consequences, obviously, of a top-down approach to anything, whether it be housing, whether it be, you know, all kinds of infrastructure improvements, the need for localities and local communities to ask questions, make decisions for themselves.

Can you talk about that as not only

the mayor of the Village of Brookville but, you know, representative of the 64 villages in the Nassau County Village Officials Association?

MR. SEROTA: Sure. Thanks for the question, Senator.

We all have rules, all of us. Our State Constitution sets them out, our country's Constitution. And I'll give you Brookville's example. We have our building department, someone wants to do an addition to their home, they have to follow the rules, they have to make sure they go to the health department, and things have to be followed.

For the life of me, I don't see how you can get rid of a SEQRA study on something as massive as this. And again, I don't want to repeat what I said before, but we're all environmentalists. And to have something that obliterates state law with SEQRA to build all of these things -- again, the NCVOA is not opposed to this, but it has to be done thoughtfully and logically and with some semblance of teamwork with the Assembly, with

the Senate, and with the Governor and all the local governments together, to figure out how we can solve the housing crisis.

SENATOR MARTINS: I appreciate that. Thank you, Mayor.

Mr. Pearlstein, I have the Long Island Rail Road main line that comes right through my district. I fully understand the importance of the MTA when it comes to the vitality not only of the downstate economy but the entire State of New York's economy.

But I do ask the question, would you agree that there has to be an audit, an accountability when it comes to the MTA? Because every time they want additional funding -- and it's in the billions, every time, things like the MTA payroll tax, now congestion pricing, and all of the other investments that we're making as a state, don't you believe that we would all be best served by having an audit and holding those who are making these decisions accountable?

Because as someone said during the congestion pricing hearings, you can give the

MTA a trillion dollars and they'd still come back and ask for more.

I'd like to hear your comment.

MR. PEARLSTEIN: The MTA system is estimated at a trillion-dollar cost. And so what former Chair Prendergast said is that, you know, if you had a private entity with a trillion-dollar asset, they would be investing roughly 5 percent of the value of that asset, you know, every year, which would be $50 billion a year.

And the MTA isn't. Right? The MTA is investing, you know, 5 to 7 billion in capital every year and has an $18 billion annual budget.

So it's not. The reason we needed congestion pricing is we hadn't, you know, upgraded many systems in the subway for 60, 70, 80 years. The reason we need money now is that ridership is --

CHAIRWOMAN KRUEGER: I'm sorry, I have to cut you off. Sorry.

SENATOR MARTINS: Thank you. We'll follow up.

Thank you, Madam Chairwoman.

CHAIRWOMAN KRUEGER: Thank you.

CHAIRWOMAN WEINSTEIN: We go to Assemblyman Manktelow.

ASSEMBLYMAN MANKTELOW: Thank you, Madam Chair.

It's for the Riders Alliance.

You said that ridership was down. Why is that?

MR. PEARLSTEIN: Ridership is down owing to changing patterns in the workforce, mostly due to work from home.

ASSEMBLYMAN MANKTELOW: So if we want to see you succeed, what can we do? Well, you talked a little bit about the safety aspect of it. You said the riders don't feel safe sometimes?

MR. PEARLSTEIN: Yeah, I mean, there's -- you know, there's been widespread coverage of this, obviously. The subway is one of the most visible places in the United States with respect to crime, homelessness, et cetera.

ASSEMBLYMAN MANKTELOW: So if we were

to add safety measures, letting the riders feel safer, do you think ridership would go up?

MR. PEARLSTEIN: No. Police Commissioner Bratton, who was the commissioner in 1990, said that, you know, ridership is roughly what it was now in 1990 when crime was between six and 10 times higher. So no. I mean, crime is somewhat above what it was in 2019, but it's coming back down. And, you know, the expectation is that will continue as ridership grows.

The problem is the MTA is built around this idea of, you know, 6 million subway riders a day, and we only have 4.

ASSEMBLYMAN MANKTELOW: So if we're going to have 4 now because everybody -- or some people are working from home, if we're going to throw more money at the MTA like the Senator just talked about, what are we going to do to get more ridership then?

MR. PEARLSTEIN: Well, running more service will bring in riders. I mean, there's a, you know, sort of a benchmark

estimate, and this has been evaluated that it would add probably about 15 percent to MTA riders -- to increase the service levels, you know, roughly 50 percent, that we'd get 15 percent more riders.

The issue really is that there are 4 million people who have to ride transit every day. If we string those people along or we make them wait longer because we cut service, that, you know, has a tremendous impact not just on 4 million lives and their families, but on the city's and the state's economies, which depend on a well-functioning, dense urban core in New York City that thrives on public transit.

ASSEMBLYMAN MANKTELOW: And to just piggyback on what the Senator just said, we do need to see an audit to really see where the dollars are going to go.

Because we can keep throwing money, dollar after dollar after dollar, but if we don't know what we're trying to accomplish, we don't know what the end goal is and what the true cost is and what the transparency of

that cost is, how can we make the decision here on how much to keep throwing at it?

MR. PEARLSTEIN: Yeah, I think, respectfully, the way that people have looked at this is they've said, Well, what happened to the $15 billion in federal aid that the MTA received, you know, in 2020 and 2021?

And the answer is: Payroll. Right? The MTA runs, you know, a 12 or $13 billion payroll. It was a few billion dollars in fuel expenses, energy expenses. That money has to come from somewhere. It came, almost half, from transit riders back in 2019, and now it's only about a quarter to a third.

ASSEMBLYMAN MANKTELOW: Well, I think we all want to see New York grow, and New York City is part of New York State. And we're here to support you and help you grow.

So, you know, I'm just offering support from upstate side that we have to grow all of New York.

MR. PEARLSTEIN: Thank you.

ASSEMBLYMAN MANKTELOW: So thank you for your testimony. Thank you for all of

your testimony.

Thank you, Madam Chair.

CHAIRWOMAN KRUEGER: Thank you.

Oh, one more Senator. Senator Walczyk.

SENATOR WALCZYK: Thanks, Madam Chair.

Riders Alliance, how you doing?

So your ask is 300 million above what the Governor is proposing?

MR. PEARLSTEIN: That's right.

SENATOR WALCZYK: And in the Governor's proposed Executive Budget, Aid to Localities for the MTA was 892.2 million. So you're saying about 1.2 billion is what we should be sending to the MTA from New York State?

MR. PEARLSTEIN: That's right. But you're also leaving aside the city money.

SENATOR WALCZYK: I'm sorry?

MR. PEARLSTEIN: You're leaving aside the money from the city, which is the 500 that we heard about this morning.

SENATOR WALCZYK: Correct, yup.

I don't know if you're aware, DOT Aid

to Localities is proposed by the Governor for 642 million. Do you believe that there should be parity between those two?

MR. PEARLSTEIN: You know, I don't know if it's relevant. I mean, the federal government is spending 40 percent more per year now on infrastructure in New York, highway infrastructure, than it was before the Jobs Act passed.

And so, you know, there are ways of moving some of this money around, but primarily that was a highway bill. That's a lot of new highway money. The federal transit money that came in for operations, at least, has run out, and this is primarily what we're replacing.

SENATOR WALCZYK: It's relevant to me. I represent a rural district that doesn't have any ridership within the MTA region. Is it fair for upstate New York to bail out the MTA or should New York City be paying for their own mess?

MR. PEARLSTEIN: So again -- and you know, I don't presume to speak for the

committee or its staff, but my understanding is that the downstate MTA region sends money upstate, you know, on balance. Right? I mean ...

SENATOR WALCZYK: So just to run those numbers back again, the Governor is proposing in her DOT budget Aid to Localities at 642 million. You're proposing that we send in Aid to Localities to the MTA double that. That wouldn't be parity, right, and the money would be headed in the opposite direction, from what you're saying.

MR. PEARLSTEIN: Right, and I think that's the difference between equity and parity. Right? We have to look at what's fair, what the needs are of the particular entity. Right? It's like saying, well, why don't we give every agency the same amount of money, and the answer is because the agencies have different needs, the localities have different needs.

SENATOR WALCZYK: Sure. Okay, I'll -- to the immigration group that's here. So your Justice for All report blames a lot on

the last federal administration, which was a while back. But I read a good portion of your report. Are all of those problems resolved now that we have a new federal administration?

MS. AKINNAWONU: They are not.

SENATOR WALCZYK: Why not?

MS. AKINNAWONU: There is need to do a great deal of immigration reform.

But when we look at the backlog in immigration cases, the lack of capacity amongst our immigration legal service providers means that a lot of people are not able to get the help that they need. It leads to a lot of continuances, which exacerbates the backlog. It leads to a lot of people who could probably -- who might have a form of relief that would take the case out of the backlog to not even be able to seek it because they have no one to give them that sort of assistance.

So there are things that New York State can do to address this. But of course there are still major problems with the

immigration system as a whole.

CHAIRWOMAN WEINSTEIN: Thank you.

CHAIRWOMAN KRUEGER: Thank you.

I think we are done on this side.

CHAIRWOMAN WEINSTEIN: And the Assembly is done.

So thank you three for being here till the end of our hearing.

This is going to end the hearing today on local governments. Tomorrow we will be starting, at 9:30, the joint budget hearing on mental health.

CHAIRWOMAN KRUEGER: Thank you, everyone.

CHAIRWOMAN WEINSTEIN: The hearing is concluded.

(Whereupon, at 5:30 p.m., the budget hearing concluded.)