

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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June 12, 2017
Start: 10:14 a.m.
Recess: 11:00 a.m.

HELD AT: Committee Room - City Hall

B E F O R E: JULISSA FERRERAS-COPELAND
Chairperson

COUNCIL MEMBERS:
Ydanis A. Rodriguez
James G. Van Bramer
Vanessa L. Gibson
Robert E. Cornegy, Jr.
Laurie A. Cumbo
Corey D. Johnson
Mark Levine
I. Daneek Miller
Helen K. Rosenthal
Steven Matteo
Ben Kallos

A P P E A R A N C E S (CONTINUED)

Michael Hyman
First Deputy Commissioner
NYC Department of Finance

Kristen Rouse
Founding Member
NYC Veterans Alliance

Mariana Alexander
Research Associate
Citizens Budget Commission

Noel Hidalgo
Executive Director
BetaNYC

[sound check]

[pause]

[sound check]

[pause]

[background comment]

[gavel]

CHAIRPERSON FERRERAS-COPELAND: Good

morning and welcome to today's Finance Committee meeting. My name is Julissa Ferreras-Copeland; I am the chair of the Committee. I'd like to first acknowledge the members of the Committee who have joined; we have Minority Leader Matteo and Council Member Kallos; I'm sure [sic] members will be coming in and out throughout the hearing.

Today the Committee will be hearing two bills; the first, sponsored by Minority Leader Steve Matteo, is a Preconsidered Introduction that would amend the maximum allowable exemption under the Alternative Veterans Exemption. This bill compliments Proposed Intro 1304-A, which was heard by the Committee in December, together these two bills represent the agreement reached by the Council and the Administration as part of the Fiscal 2018 budget

1
2 to expand the Veterans Exemption and provide vital
3 tax relief to those who bravely served our country.

4 To provide some brief background, the
5 Veterans Exemption is different from other property
6 tax exemptions in New York City. Unlike most
7 exemptions, this exempt value of the property is
8 still partially taxed; the property tax operates as a
9 combination of two subrates -- the school tax rate
10 and the non-school tax rate.

11 For the Veterans Exemption, the property
12 owner is still responsible for paying the school tax
13 rate on the exempted value. Furthermore, the school
14 rate varies, depending on how much state and federal
15 aid the City received for its public schools;
16 cutbacks in the state and federal education funding
17 can cause the tax relief provided by the exemption to
18 shrink, as they have in the past. These two bills
19 will fully exempt the veterans benefit from all
20 property taxes, while also lowering the maximum
21 exempt value allowed. Together these two actions
22 will provide a well-deserved increase in tax relief
23 to veteran homeowners and their families.

24 I want to thank Minority Leader Matteo
25 for his leadership on this issue and his advocacy on

1
2 behalf of our city's veterans. I also want to thank
3 the Administration for working with us to come to an
4 agreement on these two priorities for the Council.
5 The Department of Finance is with us today to testify
6 on this important measure.

7 The second bill on today's agenda,
8 Introduction No. 1176, sponsored by Council Member
9 Ben Kallos, would codify the requirement that the
10 Office of Management and Budget provide data to the
11 Council, online to the public, in sortable, computer-
12 readable format.

13 During my time as Finance Chair I have
14 made increasing budget accessibility and transparency
15 one of my primary goals. I believe that New Yorkers
16 should be able to access information about how the
17 City spends their tax dollars in a clear,
18 understandable way; an open government is a
19 government that is more responsive and accountable to
20 the public. I was glad that because of the Council's
21 advocacy in the Fiscal 2017 budget response the
22 Administration has already put several budget budget-
23 related items on the Open Data Portal. This
24 legislation is an important step in expanding the
25 transparency of our city's budget.

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2 I want to thank Council Member Kallos for
3 his advocacy and leadership in striving for
4 government that is more open to all. Before we hear
5 from the Department of Finance, I will turn it over
6 to Minority Leader Matteo; followed by Council Member
7 Kallos to discuss their two bills. Minority Leader.

8 COUNCIL MEMBER MATTEO: Thank you Madam
9 Chair and thank you for your steadfast leadership and
10 support of this bill; couldn't have done it without
11 you and I thank you.

12 This legislation will make it possible
13 for us to provide New York City veterans with further
14 savings on their property taxes. As everyone knows,
15 this bill is a companion bill to Intro 1304-A, which
16 I am the sponsor, which will expand the Alternative
17 Veterans Exemption to allow New York City to include
18 the school district portion of the tax, as many other
19 municipalities in the State already do. It was part
20 of the agreement we made with the Administration to
21 include the Alternative Property Tax Exemption for
22 Veterans in the Fiscal Year 2018 budget. By capping
23 the exemption, this bill will control the costs to
24 the City and give us some fiscal certainty, but most
25 importantly, it will double the exemption the average

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2 veteran household saves; that is real, that is
3 significant and is going to have a really deep impact
4 on tens of thousands of veterans and their families.

5 Because most veterans in New York City
6 are seniors, at or near retirement and living on a
7 fixed income, 70% have served during a time of war
8 and the majorities are also homeowners. This money
9 will be a lifeline and help them maintain and remain
10 in our communities. I believe, as many of you do,
11 that we need to do more to help all New York City
12 families remain here and we need a more fair and
13 equitable property tax system, but until we can pass
14 real property tax reform, we must pass legislation
15 and other measures like this to help those in need
16 and certainly deserve our help, so there's no better
17 group in my opinion to start than with those who have
18 sacrificed and served and I'm very, very pleased that
19 we were able to reach this agreement with the
20 Administration to help our veterans. So I want to
21 thank you all for your support, my colleagues, and
22 again, especially Chairwoman Ferreras-Copeland.

23 Thank you.

24 COUNCIL MEMBER KALLOS: Thank you Chair
25 Ferreras-Copeland. I am Ben Kallos; as always, you

1
2 can tweet me @BenKallos, I'm looking at you BetaNYC
3 [sic].

4 It's been said that budgets are moral
5 documents; unfortunately, most of these moral
6 documents are made available to the public; New York
7 City has thankfully been ahead of the curve in
8 transparency but even until last year we did not have
9 full transparency when it comes to our budget. I
10 authored Introduction 1176 with Finance Chair
11 Ferreras-Copeland because we believe that every piece
12 of our city's budget should be online in human and
13 machine-readable formats, from the capital budget to
14 Schedule C, to the parts like the kaffer [sp?] and
15 appendices no one else has ever heard of.

16 The legislation would align New York City
17 data standards for its budget with federal standards
18 and the Digital Accountability and Transparency Act
19 of 2014 -- otherwise know as the DATA Act -- that led
20 to the adoption of Extensible Business Reporting
21 Language (XBRL) so that any software built for the
22 federal budget could easily be used with the City's
23 budget, like USASpending.gov.

24 After several years of requesting these
25 documents to be made available, I was able to work

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2 with Chair Ferreras-Copeland, as well as Latonia
3 McKinney, Dean Fuleihan, and others, and we were
4 actually able to incorporate the ask in the Council's
5 budget response while still working on the
6 legislation. We then worked with the Mayor's office
7 to coordinate the introduction of the legislation
8 **[inaudible]** the Mayor's announcement to put more
9 budget documents online, which you can now find on
10 the Open Data Portal, in formats that are useful to
11 the public and also for policymakers. We need to
12 codify and ensure that from here on after the public
13 knows where each and every one of their pennies is
14 being spent. Transparency restores trust in the
15 system and no matter what happens in Washington or
16 Albany; New Yorkers should know they can trust their
17 city government.

18 Thanks again to our Finance Chair, former
19 Committee Counsel Rebecca Chasan, former Governmental
20 Operations Analyst James Subudhi, Finance Unit Head
21 John Russell, and to our Finance Chair for leading us
22 through the successful budget cycles. I look forward
23 to today's hearing.

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2 CHAIRPERSON FERRERAS-COPELAND: You may
3 begin your opening testimony after my counsel swears
4 you in.

5 COMMITTEE COUNSEL: Do you affirm to tell
6 the truth, the whole truth and nothing but the truth
7 in your testimony before the committee today and to
8 respond honestly to council member questions?

9 MICHAEL HYMAN: I do. Good morning.
10 Good morning, Chairwoman Ferreras-Copeland and
11 members of the Committee on Finance. I am Michael
12 Hyman, First Deputy Commissioner at the New York City
13 Department of Finance. With me today is Samara
14 Karasyk, Assistant Commissioner of External Affairs.

15 DOF supports Preconsidered Intro 6286,
16 legislation that would establish that the maximum
17 exemption allowable on qualifying residential real
18 property under the Alternative Veterans Tax Exemption
19 shall be the lesser of \$48,000 or \$48,000 multiplied
20 by the latest class ratio for wartime veterans,
21 \$32,000 or \$32,000 multiplied by the latest class
22 ratio for the additional benefit provided combat
23 veterans, and \$160,000 or \$160,000 multiplied by the
24 latest class ratio for the additional benefit

1 provided veterans with service-connected
2 disabilities.

3
4 The new maximum exemptions established
5 with this legislation would expand alternative
6 veteran exemptions to the 41,100 households who
7 currently receive the benefit. DOF estimates the
8 benefit on FY17 recipients. The additional savings
9 on this expanded exemption would be \$595 annually;
10 this is in addition to the existing average annual
11 benefit of \$545. If passed, this would bring the
12 total alternative veterans average exemption to
13 \$1,140 for FY18.

14 Due to the very short notice of this
15 hearing, we are not able to fully review and comment
16 on Intro 1176, legislation that requires budget
17 documents to be provided in certain formats, but we
18 look forward to discussing it with you in the future.

19 Thank you.

20 CHAIRPERSON FERRERAS-COPELAND: This
21 sounds like Monday after the budget [laughter,
22 background comment] on the hottest Monday to date in
23 2017. Thank you so much.

24 So I have a few questions; one in
25 particular. Can you tell us when veterans can expect

1
2 to see their enhanced savings on their tax bills, if
3 you...

4 MICHAEL HYMAN: I'm sorry; could you
5 repeat that question?

6 CHAIRPERSON FERRERAS-COPELAND: When will
7 veterans begin to see the enhanced savings...
8 [crosstalk]

9 MICHAEL HYMAN: The benefit? Well if
10 it's passed for FY18, we'll do a rebilling for the
11 year and they'll receive the full benefit, so that
12 would either be -- normally we do rebillings either
13 for the second half of the year, or potentially, for
14 quarterly payers, it could be slightly earlier, but
15 it would be on their quarterly statements they
16 receive from us.

17 CHAIRPERSON FERRERAS-COPELAND: So the
18 next quarterly statement they could... [crosstalk]

19 MICHAEL HYMAN: Possibly. Generally we
20 do a lot of the rebillings for the second half of the
21 year, so it would either be the second half, or if
22 the programming allowed, we would do it for the
23 second quarter statement.

24 CHAIRPERSON FERRERAS-COPELAND: Okay.
25 And just for the record, 'cause there might be

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2 veterans watching, what does that mean in a date, so
3 what do they...

4 SAMARA KARASYK: So likely it will go in
5 the bills that we mail at the end of November around
6 Thanksgiving that people have to pay by January 1st,
7 and just to be clear for any of the veteran
8 households that are listening, they will get the
9 credit for the entire year no matter when in the year
10 we give it.

11 CHAIRPERSON FERRERAS-COPELAND: Great.
12 And will a qualifying veteran have to do anything to
13 get the larger exemption or will the enhancement be
14 automatic?

15 MICHAEL HYMAN: It will be an automatic
16 increase in the benefit.

17 CHAIRPERSON FERRERAS-COPELAND:
18 Excellent. And for a veteran who let's say is
19 purchasing a home for the first time, happens to be
20 purchasing the home let's say today, what do they
21 need to do to be able to qualify for the veterans
22 exemption?

23 SAMARA KARASYK: So they need to apply
24 for it; the deadline to apply for exemptions for
25 Fiscal 2018 was on March 15, 2017, so they will

1 automatically get the more enhanced benefit if they
2 qualify, but it won't go on until Fiscal 2019, which
3 starts July 1, 2018.

4
5 CHAIRPERSON FERRERAS-COPELAND: So for
6 someone who's purchasing a home now, they'll see it
7 in FY19?

8 SAMARA KARASYK: As long as they apply by
9 March 15, 2018.

10 CHAIRPERSON FERRERAS-COPELAND: By March
11 15, 2018. Okay.

12 And I wanted to talk about 1176... Oh I'm
13 sorry... Yes, thank you. What kind of outreach efforts
14 does DOF do to let veterans know about these
15 exemptions?

16 SAMARA KARASYK: So we are very fortunate
17 that right now External Affairs, which has the Office
18 of Outreach, is down the hall from the Department of
19 Veteran Services, so we actually coordinate a lot on
20 various outreach events and materials to make sure
21 that people have the materials that they need. We
22 try an work with different veterans groups; some of
23 whom we meet with regularly to try and keep them
24 involved in what's going on with us and see how we
25 can help them. We go to a lot of the veterans

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2 parades and events like that, we'll set up a table
3 for the big one that takes place every summer and
4 then we're always open, if there are groups out there
5 -- this is a public hearing; if you want us to do
6 outreach, please let us know so that we can get in
7 touch with you and you can contact us through the
8 website, by contacting 311 or through any of your
9 local elected officials they can get us directly.

10 CHAIRPERSON FERRERAS-COPELAND: Great.

11 And are veteran exemption recipients also eligible
12 for senior or disabled homeowner exemptions, and if
13 so, do you do any work to inform veterans that they
14 might be eligible for the other programs?

15 SAMARA KARASYK: Yes and yes. With our
16 outreach we would explain all the different benefits
17 that they can get. That's also something that often
18 will come up when we do a Notice of Property Value
19 outreach events, when we come out with the property
20 assessments every year in January and we do a lot of
21 outreach in February, and so we do talk to people
22 about that, and the benefit application for veterans
23 and for the senior and disabled, homeowners'
24 exemptions are the same.

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2 CHAIRPERSON FERRERAS-COPELAND: So... and I
3 know this is kind of... but when you are doing, for
4 example, tax liens, I know that you do a lot of
5 outreach during those programs; would you also be
6 talking about the potential savings that someone who
7 may be on the verge of being on the tax lien program
8 that they can also take advantage of all these other
9 exemptions?

10 SAMARA KARASYK: Yes, absolutely. One of
11 the main things that we talk about at our outreach
12 events is trying to help people understand how they
13 can lower their tax bills in the future.

14 CHAIRPERSON FERRERAS-COPELAND: Right.
15 Can you provide a breakdown of the number of veterans
16 receiving the exemption to borough?

17 MICHAEL HYMAN: We certainly can get you
18 that.

19 CHAIRPERSON FERRERAS-COPELAND: Okay,
20 good. And how and when does a veteran -- well, you
21 asked that already. Does DOF require any renewals of
22 the exemption at all at any point or is it you apply
23 once and you're automatically in?

24 MICHAEL HYMAN: Well you're in the
25 program, we do monitor, you know, people's lifestyle

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2 over time; you don't have to recertify every year,
3 you know, we basically look for things like, if a
4 household member's died we will check and verify
5 eligibility. So it's out responsibility to verify
6 eligibility, but there's not a formal annual
7 recertification process.

8 CHAIRPERSON FERRERAS-COPELAND: So unlike
9 **[inaudible]** where you always have to check back in or
10 some of the other programs for certification, this is
11 one; once you're proven or certified, you don't have
12 to recertify?

13 MICHAEL HYMAN: We'll verify -- is that..
14 [background comment]

15 CHAIRPERSON FERRERAS-COPELAND: Someone
16 come and help them.

17 [background comments]

18 MICHAEL HYMAN: Yes.

19 SAMARA KARASYK: Okay, there's no annual
20 recertification process; we have that confirmed.
21 Thank you.

22 CHAIRPERSON FERRERAS-COPELAND: Okay.
23 And what is the current homeownership rate among
24 veterans in New York City?

25 SAMARA KARASYK: I don't know, I'm sorry.

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2 CHAIRPERSON FERRERAS-COPELAND: It's
3 fine. You can... [crosstalk]

4 MICHAEL HYMAN: Yeah, we could...

5 CHAIRPERSON FERRERAS-COPELAND: can we
6 get that from you... we'll follow up with you?

7 SAMARA KARASYK: Yes.

8 CHAIRPERSON FERRERAS-COPELAND: Great.
9 And now 1176. [background comments] Alright. Now
10 we will hear from... Matteo, I'm sure he has a couple
11 of questions that he would like to ask.

12 COUNCIL MEMBER MATTEO: Thank you, Madam
13 Chair, but you did a very good job of getting all the
14 answers that we uh... [background comment] No, that's
15 great; we've been talking about it long enough,
16 right, Madam Chair? Just a few clarifications.

17 So the \$595 savings; that's the average?

18 MICHAEL HYMAN: That's the overall
19 average.

20 COUNCIL MEMBER MATTEO: And do you know
21 how high it can go?

22 MICHAEL HYMAN: How high?

23 COUNCIL MEMBER MATTEO: Yeah.

24 MICHAEL HYMAN: Yeah, I think we gave to
25 Council staff some distributional information as to

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2 -- everyone gets a benefit; there is variation, so I
3 think there is a max benefit amount -- do we have it
4 here? [background comments] The maximum benefit is
5 -- this is additional to what the current benefit is
6 -- \$1,157.

7 COUNCIL MEMBER MATTEO: I'm sorry; say
8 that again.

9 MICHAEL HYMAN: \$1,157... [crosstalk]

10 COUNCIL MEMBER MATTEO: Okay.

11 MICHAEL HYMAN: in additional benefit.

12 COUNCIL MEMBER MATTEO: And the \$595
13 annually, that's per veteran, but if there are two
14 veterans in a household, that's for the household?

15 SAMARA KARASYK: The \$595 is for the
16 whole household.

17 COUNCIL MEMBER MATTEO: For whole
18 household.

19 SAMARA KARASYK: That's right.

20 COUNCIL MEMBER MATTEO: So if there's one
21 \$595; if there are two veterans, it's still \$595?

22 SAMARA KARASYK: Well usually, because of
23 the way the homeowner's exemption works, I mean I
24 don't... I'm not familiar with a situation where there
25 might be a few veterans that own a home together,

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2 because it's people that are named on the deed that
3 would qualify for the exemption... [crosstalk]

4 COUNCIL MEMBER MATTEO: So it's just per
5 household then?

6 SAMARA KARASYK: So it's per household,
7 and you know, a surviving spouse could also be
8 included. I do want to mention with the 595 number,
9 just for the record, that these are estimates and
10 they're based on Fiscal 2017 numbers, so we won't
11 know for sure what the benefits are until we're in
12 Fiscal 2018 and we sort of see how everything shakes
13 out, and we're happy to fill you in once we have
14 those numbers. But these are the best estimates that
15 we have right now.

16 COUNCIL MEMBER MATTEO: Okay; I
17 appreciate that. So I guess what I was... what I was
18 pointing at is a husband and wife who are both
19 veterans who are on the deed, they would get the
20 \$595, right; I mean?

21 SAMARA KARASYK: That's right.

22 COUNCIL MEMBER MATTEO: Okay. The 41,000
23 who currently receive the benefit, do you know how
24 many are not receiving that can receive?

25 SAMARA KARASYK: I'm sorry; how many...

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2 COUNCIL MEMBER MATTEO: You said there
3 are 41,000 veterans who are currently receiving the
4 benefit; do you know how many veterans that are
5 eligible but do not receive it?

6 SAMARA KARASYK: No. you know one of the
7 thing that... I think that the Chair just asked, is if
8 we can follow up on the number of veteran homeowners
9 in the city; I think the next step would then be to
10 look at that and see if we can extrapolate how many
11 of those owners do or don't have the benefit, so
12 we'll look into that and get back to you and see what
13 data we can find on that. But we don't have that
14 today.

15 COUNCIL MEMBER MATTEO: Okay. And I
16 think that goes to the point of the conversation with
17 the Chair about outreach and that... [crosstalk]

18 MICHAEL HYMAN: Exactly.

19 COUNCIL MEMBER MATTEO: you know the
20 local members, obviously, we should have our own
21 events and you know, make sure that all veterans know
22 about this, because as we've been talking about this,
23 I've been getting a lot of calls and emails from
24 veterans who just... who haven't even applied for the
25 original exemption and quite frankly, in my opinion,

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2 it's a lot that don't already get it, so I think we
3 should all do outreach within our districts and
4 however you could do it, and you know I know we're
5 gonna do mailings and send them out and our
6 newsletters and everything, but I think more and more
7 outreach is better... [crosstalk]

8 SAMARA KARASYK: Yeah and I mean, and
9 especially, especially in your district where I know
10 that there are a lot of veterans, if you're getting
11 calls and you want us to come out and set up an event
12 with those folks, we're happy to do that.

13 COUNCIL MEMBER MATTEO: Okay. So if
14 someone came to us and they filled out the
15 application, they wouldn't get the benefit till July
16 1, 2018?

17 SAMARA KARASYK: July 1, 2018, that's
18 right.

19 COUNCIL MEMBER MATTEO: Right, 'cause
20 it's March 15th, right? So March 15th is the
21 deadline... [crosstalk]

22 SAMARA KARASYK: That's right.

23 MICHAEL HYMAN: It's the deadline for
24 applying [sic].

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2 COUNCIL MEMBER MATTEO: March 15th is the
3 deadline for every... all [sic] exemptions...?

4 [crosstalk]

5 SAMARA KARASYK: Yes.

6 COUNCIL MEMBER MATTEO: Okay. Alright
7 yeah, so we should do outreach from now until March,
8 to make sure everybody there.

9 So a veteran who passes away but has a
10 spouse, the exemption goes to the spouse?

11 MICHAEL HYMAN: The exemption does go to
12 a surviving spouse.

13 COUNCIL MEMBER MATTEO: It goes to the
14 surviving spouse and then it ends with the spouse or
15 if...

16 MICHAEL HYMAN: Maybe other relatives; we
17 can check.

18 COUNCIL MEMBER MATTEO: if the children
19 are... if they live at home with the children; does it
20 go to them or?

21 MICHAEL HYMAN: I need to check with the
22 people who administer the program. [background
23 comment]

24 SAMARA KARASYK: It's the surviving
25 spouse.

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2 COUNCIL MEMBER MATTEO: Surviving spouse.
3 Okay. Okay. Okay, I think we've got everything --
4 Ryan [sic]? Okay. Alright, we're good. Thank you.

5 CHAIRPERSON FERRERAS-COPELAND: Thank
6 you, Minority Leader. I have a quick question. I
7 know that when you're going through your closing
8 transaction the City collects a transfer tax; what is
9 the engagement or where does the agency fall on
10 perhaps adding a question that says -- Are you a
11 veteran? -- that's it, so then you'd have a more
12 populated universe and you would know if this person
13 applied or didn't, and I think that speaks to the
14 number, 'cause the challenge is, if those that are
15 going to be able to take advantage of the savings are
16 the ones that are already in the system, but if you
17 don't know the universe, because honestly, you know
18 I've never... I don't remember in any of my closings
19 that a veteran question is asked. So is that
20 something that can be done -- and I'm just trying to
21 find the link that it would really be through the
22 transfer, 'cause usually you really have no other
23 involvement in the closing?

24 MICHAEL HYMAN: I think that's a good
25 idea and in fact we're looking at whether we should

1
2 be doing that with all our exemption programs

3 **[inaudible]**... [crosstalk]

4 CHAIRPERSON FERRERAS-COPELAND: I agree.
5 I was gonna start here, but that's where I was going.

6 MICHAEL HYMAN: Like welcome to New York
7 City; here are benefits you may be eligible for.

8 CHAIRPERSON FERRERAS-COPELAND: Right.
9 And you know, check this box, so at least you can
10 collect that data. Is that something that's doable
11 that I don't have to legislate... [crosstalk]

12 SAMARA KARASYK: We'll go back and look
13 into...

14 CHAIRPERSON FERRERAS-COPELAND: Don't
15 make me legislate it.

16 SAMARA KARASYK: No, no, no; we have
17 already... as First Deputy Commissioner Hyman
18 mentioned, like we are looking at our forms to try
19 and understand how we can better reach people about
20 their exemptions. I think one of the challenges that
21 we have is -- you know, if you've transferred
22 properties in New York City, you've got a stack of
23 paperwork that's like this high and most people don't
24 really like look through everything that they sign,
25 so you know, something that we've been trying to

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2 think through is how we could have it somewhere where
3 people might actually see it, because us...

4 CHAIRPERSON FERRERAS-COPELAND: You could
5 do it in the first ten pages. I think after the ten
6 pages is when you're like whatever; where do I sign.

7 MICHAEL HYMAN: I think it's a good idea
8 and it's something we should pursue.

9 CHAIRPERSON FERRERAS-COPELAND: Okay.
10 Minority Leader.

11 COUNCIL MEMBER MATTEO: I just -- one
12 point I want to make for any veterans who are
13 watching; one, obviously you can call your local
14 Council Member's office to get the link, call 311,
15 but do you have the exact link you could say for the
16 record for the application, on the Finance site?

17 SAMARA KARASYK: Give me a minute; I
18 think I have a quick link to that, but give... give me...
19 [crosstalk]

20 COUNCIL MEMBER MATTEO: But I do, I think
21 we should say it on the record.

22 SAMARA KARASYK: Yeah, give me a minute;
23 I'm gonna search and see if I can find it for you
24 now.

25 COUNCIL MEMBER MATTEO: Okay. Thank you.

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[pause]

SAMARA KARASYK: Keep going; I'll get back to you over the course of the hearing, don't stop.

[pause]

CHAIRPERSON FERRERAS-COPELAND: And we've been joined by Council Member Cumbo. What you can do is; once you get the link, you can pass it to the Sergeant-at-Arms and we'll say it publicly during the hearing, 'cause this portion is now over. Thank you so much for coming to testify. I'd like to say this was your fastest hearing, but I feel like we've moved things smoothly. So thank you very much for your partnership and for moving this along; this is very important for our city, and we're looking forward to passing this legislation. Thank you for coming to testify.

MICHAEL HYMAN: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Okay.

[background comments]

COMMITTEE COUNSEL: The next panel will be Kristen Rouse.

CHAIRPERSON FERRERAS-COPELAND: Turn on your mic and begin your statement.

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2 KRISTEN ROUSE: Good morning; I'm... it's...
3 I'm pleased to be here with you this morning and I'm
4 surprised that I'm the only one on this panel; I'm
5 feeling alone. [background comment] It is, it is;
6 it's like oh, is this it? But so I do want to say
7 thank you to Councilman Matteo for his leadership on
8 this tax exemption bill; I mean I know that this was
9 a long, hard fight and I appreciate all that you did
10 and thank you to the City Council and all City
11 Council members who supported this. This will make a
12 tangible difference in the lives of so many veterans
13 across the city; this is a quality of life; this is a
14 statement of value on what veterans mean to the City,
15 and I'm grateful that our City is beginning to take
16 tangible action to really recognize veterans and our
17 service, and the fact that you know our GI Bill of
18 Rights promises veterans homeownership, the
19 possibility of homeownership, and as you know, the
20 rising costs in New York City of housing are making
21 that increasingly less possible for veterans to
22 attain and maintain, so again, this is one step
23 forward to make homeownership just that much more
24 affordable and possible and sustainable for New York
25 City's veterans.

1
2 I do want to point out however that the
3 caps, they appear to be targeting the most
4 vulnerable, those most in need of this exemption and
5 the relief and that's an important thing and I
6 realize that compromise is necessary to make things
7 happen, but as an advocate I do want to note my
8 concern that this is something that may not keep up
9 with the ballooning increases of New York City school
10 taxes that have made it such a strain on our city's
11 veterans.

12 And I also want to state that the five-
13 year sunset of the tax exemption also appears to be
14 putting a burden on younger veterans who are
15 struggling to buy these houses and because, you know
16 the membership of my organization, the New York City
17 Veterans Alliance, often brings up to us that
18 homeownership for New York City veterans, especially
19 new ones returning, is functionally unattainable, you
20 know, because the VA caps for home loans isn't
21 keeping up with the market rates. So I'm concerned
22 about the five-year sunset and I'm concerned about
23 the caps and I do want to bring that up as an
24 advocate for New York City's veterans, and I think
25 that that's part of what's understood, but I do want

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2 that for the record and also on behalf of my
3 membership constituency.

4 I would also like to take this
5 opportunity to separately encourage all City Council
6 members to support Introduction 1259, which prohibits
7 discrimination against veterans and military members;
8 for those council members who have not yet signed on,
9 it would be very meaningful and substantive action to
10 on and pass 1259 in order to, again, make tangible
11 progress for New York City's veterans.

12 And again, on behalf of the New York City
13 Veterans Alliance, the more than 200 members that I
14 represent, and as a resident of Brooklyn in
15 Councilwoman Cumbo's district, I would like to say
16 thank you and thank you for this opportunity to
17 comment and testify and thank you for your work.

18 CHAIRPERSON FERRERAS-COPELAND: Thank
19 you. I have a quick... I have two questions. Well
20 one; thank you for coming to testify and for voicing
21 your support and appreciation of this piece of
22 legislation. Obviously, you know, if it were up to
23 us, it would have no sunset and there'd be no caps,
24 but we have to negotiate and at the same time take
25 into consideration a lot of other variables,

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2 especially as the Finance Committee, we understand
3 the impact that this has on our city as a whole and I
4 know that Minority Leader Matteo has really been an
5 incredible negotiator on this bill to make it as
6 inclusive and to kind of move it along, but it's
7 called negotiations for a reason; everybody's gotta
8 give a little.

9 But my question is; one, how have your
10 veterans been... or how have your members been informed
11 of the savings and have they found any process or any
12 point of this process daunting or you know, has it
13 been readily accessible; do you have any issues in
14 applying, from the first perspective, and also, how
15 do your veterans get informed about this potential
16 savings?

17 KRISTEN ROUSE: So we've been discussing
18 this with our membership since last summer; we held a
19 stakeholder meeting where we invited veterans who are
20 homeowners who are affected by what was then, you
21 know the school tax burden, to come in and talk about
22 it and we also invited representatives from the
23 Department of Finance to talk about the details of
24 what the current law was, as of last summer. And so
25 what we found in that small group was that there was

1
2 a lot of confusion over specifications between what
3 the state exemptions are and what the City recognizes
4 for those exemptions, and I like to consider myself
5 fairly well informed, but I found it confusing as
6 well, and you know I understand that if it was easy
7 to understand, you know taxation and all this, then
8 we wouldn't an entire agency dedicated to this,
9 right, but it was very difficult to understand; we
10 also had veterans in the room who did not know that
11 they were eligible for these tax exemptions, and so
12 outreach is an important issue on these exemptions to
13 make sure that veterans know they're out there and
14 what they're able... you know, if there's any kind of
15 you know automatic information that could be sent to
16 them, which speaks to Councilman Kallos' initiatives,
17 you know on opening data, on doing as much as we can
18 to open up city services and resources to be
19 available online, to be... you know... [crosstalk]

20 CHAIRPERSON FERRERAS-COPELAND: Right.

21 KRISTEN ROUSE: this sort of thing;
22 there's a lot of opacity in city services and I think
23 this is one of them... [crosstalk]

24

25

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2 CHAIRPERSON FERRERAS-COPELAND: Well
3 welcome to government as a whole, right? We don't
4 take the cake on that one.. [interpose]

5 KRISTEN ROUSE: Yeah.

6 CHAIRPERSON FERRERAS-COPELAND: we start
7 all the way from the top. But my question is; how do
8 we best reach veterans, right? Because we can reach
9 out to groups, but usually groups have their own
10 little memberships and are often siloed, which is why
11 we worked so hard with the Administration to create
12 an agency to be able.. so where can we find veterans;
13 where can the DOF go to and say hey you know what;
14 this is where we can begin to start imparting this
15 outreach and this information?

16 KRISTEN ROUSE: And what I've found is
17 that in the veterans' community, which covers, you
18 know everybody who's still alive, you know, so..
19 [crosstalk]

20 CHAIRPERSON FERRERAS-COPELAND: Right.

21 KRISTEN ROUSE: up to much younger
22 veterans who are coming home from Iraq and
23 Afghanistan in their 20s, and so building up those
24 online resources is very important for the younger
25 generation, but reaching veterans where they're at,

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2 in the communities where they're at, is very
3 important; it's very much a person to person issue to
4 make sure that the knowledge is there with all of the
5 little organizations, whether it's the Marine Corps
6 League in Staten Island or more individualized
7 memberships at VFW or American Legion Halls. My
8 organization, the New York City Veterans Alliance, is
9 striving to publicize more digitally and to reach as
10 many people as we can that way and sort of a ripple
11 effect of emails, having stuff posted on our website;
12 this kind of thing, and to have that mirrored and
13 reinforced in government is hugely important. And so
14 to have the Department of Finance tabling at
15 community events all across the City is critical, and
16 also not just to say okay we're the Department of
17 Finance, but also to have more forward-leaning maybe
18 marketing to say are you getting all your benefits,
19 because veterans may not realize that this is
20 something.. [crosstalk]

21 CHAIRPERSON FERRERAS-COPELAND:

22 **[inaudible]**

23 KRISTEN ROUSE: that they just aren't
24 taking advantage of.

25

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2 CHAIRPERSON FERRERAS-COPELAND: Right,
3 great... [crosstalk]

4 KRISTEN ROUSE: But it's... it has to cover
5 all age groups though.

6 CHAIRPERSON FERRERAS-COPELAND: Thank
7 you. I know the Minority Leader had a statement --
8 we've been joined by Council Member Van Bramer and
9 Cornegy and Cumbo.

10 COUNCIL MEMBER MATTEO: Thank you, Madam
11 Chair.

12 You know what, I just want to thank
13 Finance staff; I didn't get a chance before, but
14 Madam Chair talked about negotiating; we wouldn't get
15 anywhere without Emre, Ray and Eric here, so I want
16 to thank the three of you for your work on all this;
17 we wouldn't get here without you, so thank you.

18 Kristen, I want to thank you for your
19 leadership on behalf of veterans. And Madam Chair is
20 talking about the issues I wanted to talk about with
21 you as well and it shows we're on the same page here.
22 And you're right, you know you have to go to the
23 groups and you know we do that in Staten Island and
24 I've already started going to my veterans group, so
25 the only thing I will ask of you is that you help out

1
2 and keep doing what you're doing to make sure that
3 every veteran gets a chance to get this exemption,
4 because I am a little concerned, and I'm sure you
5 heard from some of the calls and emails that I am
6 receiving that there are veterans who are eligible
7 but that haven't received this yet, so it's a little
8 concerning to me, so I think we have to make sure we
9 have a collective effort, so I want to thank you and
10 work with you citywide to make sure that we reach
11 every veteran possible... [interpose]

12 KRISTEN ROUSE: Absolutely.

13 COUNCIL MEMBER MATTEO: In terms of the
14 sunset, it's not ideal, but as Madam Chair said, it's
15 part of our negotiations and we have to give a little
16 and you know, some want to talk about a sunset every
17 year to review; I'm glad that we negotiated that we
18 don't have to do it every year; that it will be to
19 2022, but on the flip side, it gets the Council to
20 review the caps as well, so it continues that
21 discussion, which can also lead to maybe even a
22 better exemption than -- which is my hope -- so the
23 Council will keep at it, but like I said, we could've
24 got a sunset every year, which we didn't want, so
25 part of negotiation was to get it to 2022, so I'm

1
2 proud of that. And again, just thank you for your
3 leadership and let's just get the word out to as many
4 veterans as possible.

5 CHAIRPERSON FERRERAS-COPELAND: Great.
6 And I also wanted to add that the sunset allows us an
7 opportunity to take another stab at this, so if
8 there's additional savings or you know we're able to
9 grow the program; that's when we can do it,
10 especially if the economy continues to grow, then
11 we're able to provide more savings, because you know,
12 our economy is a stronger economy. So those are
13 opportunities that we can continue to engage and have
14 this conversation. Okay?

15 KRISTEN ROUSE: Understood, thank you.

16 CHAIRPERSON FERRERAS-COPELAND: Thank you
17 so much for coming to testify today.

18 KRISTEN ROUSE: Thank you.

19 CHAIRPERSON FERRERAS-COPELAND: And I'm
20 sure Council Member Cumbo is very excited to see her
21 constituent here too.

22 Is Council Member Kallos... you want to
23 call up the next panel?

24

25

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2 COMMITTEE COUNSEL: The next panel will
3 be Mariana Alexander from the Citizens Budget
4 Commission and Noel Hidalgo from BetaNYC.

5 [background comments]

6 CHAIRPERSON FERRERAS-COPELAND: You can
7 begin your testimony.

8 MARIANA ALEXANDER: Good morning. I am
9 Mariana Alexander, Research Associate at the Citizens
10 Budget Commission (CBC). The mission of CBC is to
11 achieve constructive change in the finances and
12 services of New York State and New York City
13 government. Thank you for the opportunity to testify
14 today.

15 Introduction No. 1176 would require the
16 Office of Management and Budget to make relevant
17 budgetary documents on: 1. the City's website; 2. the
18 NYC Open Data Portal, and 3. via an open application
19 program interface in both human-readable format and
20 formats that permit automated processing, such as an
21 Excel or CSV spreadsheet.

22 In carrying out its mission, CBC depends
23 heavily on the availability of up-to-date budgetary
24 documents, including but not limited to the
25 Preliminary, Executive and Adopted Budgets and their

1 supporting schedules, as well as the Mayor's
2 Management Report. For budget watchdogs like us, the
3 availability of data in open formats has
4 significantly aided the speed and ease with which we
5 can do our work.

6
7 CBC supports the proposed legislation, as
8 it will ensure the continuing accessibility and
9 usability of budget data, ultimately facilitating
10 transparency and accountability in the budget
11 process.

12 We also offer two recommendations:

13 The first is to add the Preliminary and
14 final Mayor's Management Reports produced by the
15 Mayor's Office of Operations to the list of documents
16 that should be made available on these platforms so
17 as to facilitate the links between agency performance
18 and budgeting.

19 Second is to require that the Office of
20 Management and Budget make public a document that
21 reports prior fiscal year actual spending in a format
22 similar to the supporting schedule, providing data by
23 agency, unit of appropriation, and budget code.

24 Thank you for the opportunity to testify.
25

1
2 NOEL HIDALGO: Great, thank you. My name
3 is Noel Hidalgo; I am the Executive Director of
4 BetaNYC, and for those of you who don't know BetaNYC,
5 we're a civic hacking organization who has fought for
6 the City's Open Data Law since 2009. Our membership
7 is over 4,000 members and we're a volunteer-led
8 organization that believes that technology, data and
9 design can be used to improve people's lives.

10 For many years we have been working with
11 the City budget data and have had many, many
12 frustrations. We're members of the Transparency
13 Working Group and have helped improve Checkbook 2.0,
14 but still find the City's budget data to be quite
15 frustrating.

16 We support 1176 of 2016, and the reasons
17 why is that the current data that the City shares, as
18 much as -- let me make sure that I get this right --
19 as helpful as the new spreadsheets have been on the
20 City's Open Data Portal, they are still consistently
21 frustrating to work with; primarily they are summary
22 data and it doesn't actually have the granularity
23 that we would like to see. The PDFs that have some
24 of the details of the budget are horrendous -- is the
25 polite word to put it -- and it's very frustrating to

1 actually look at what the City's budget looks like.

2 And so most of the data that we've had access to are

3 in summary formats and that's actually not helpful

4 for us to actually see what's going on within the

5 City. And so the key points of us supporting 1176 is

6 that it increases budget transparency; the big thing

7 is that it adopts a data standard, a national data

8 standard that helps us build applications that

9 provide transparency at a federal level as well as a

10 local level, the potential to increase budget

11 literacy with new applications that really make it

12 simple so that way people, everyday New Yorkers can

13 have a better understanding of what's going on within

14 the budget, and then lastly, it provides an

15 interface, a programmable interface for us to simply

16 build new tools and applications.

17
18 So the only concerns that I have with

19 1176 is pretty much a concern that carries through

20 all of the City's open data program; is making sure

21 that when we find errors or inconsistencies, as I

22 Quant NY has pointed out a number of times within the

23 City's budget data, that there is an iterative

24 feedback loop to ensure that the City's budget data

25

1
2 gets cleaned up and becomes more accurate. Thank
3 you.

4 CHAIRPERSON FERRERAS-COPELAND: Thank you
5 for your testimony. Council Member Kallos. We've
6 been joined by Council Members Miller and Gibson.

7 COUNCIL MEMBER KALLOS: So first to
8 Citizens Budget Commission, thank you for reviewing
9 the legislation on short notice and thank you for
10 your recommendations; I hereby accept it. Are there
11 any other additional documents you would see added or
12 appendices or **[inaudible]** or other agencies that have
13 other similar budget type documents?

14 MARIANA ALEXANDER: I would just add that
15 it'd be helpful if the appendices to the Mayor's
16 Management Report would be included as well.

17 COUNCIL MEMBER KALLOS: I think the
18 Mayor's Management Report we have gotten those
19 appendices up.

20 MARIANA ALEXANDER: Okay.

21 COUNCIL MEMBER KALLOS: So take a double-
22 check, but if anything is missing, I promise you, and
23 somewhere Mindy Tarlow or her successor has just
24 shuddered, but that is great.

1
2 And Noel, thank you for your testimony,
3 thank you for asking others to join you via Twitter,
4 and so just a preliminary question. So you mentioned
5 I Quant, you mentioned corrections -- so you're
6 telling me residents of the City of New York actually
7 have already been going through the existing budget
8 documents and just in the summaries they have found
9 mistakes?

10 NOEL HIDALGO: Yes.

11 COUNCIL MEMBER KALLOS: And so can you
12 tell me just a little bit about why people are.. how
13 this works and how they were able to find this
14 mistake or speak to... [crosstalk]

15 NOEL HIDALGO: So..

16 COUNCIL MEMBER KALLOS: a little bit
17 about it and why it's important that we fix these
18 mistakes?

19 NOEL HIDALGO: Sure. I will summarize
20 briefly Ben Wellington's I Quant NY posting. Last
21 year's fiscal budget included a typo where the.. what
22 is it, the services that provide consulary [sic]
23 services, I believe, the NYPD's kind of protection of
24 diplomats in relationship to the UN, had some numbers
25 transposed, and so it became the largest pool of

1 money given to the NYPD, and it was odd, it was... you
2 know, it was a -- as I recall, it was a typo and
3 needed to be fixed, and so I believe it was fixed
4 later on, because where the money was actually
5 allocated was properly moved to, but it provided
6 insight in the sense that the citizens are able to --
7 well not just citizens, but residents and you know,
8 people who come to New York were able to see exactly
9 where the budget goes and make sure that there is
10 accountability.

12 COUNCIL MEMBER KALLOS: That sounds
13 right. I guess another quick question; can you speak
14 a little bit about what you mean by "granularity"
15 because I think some might say, well it's already
16 online on the Open Data Portal, and I guess for both
17 you and CBC, so to the extent that -- just to give a
18 straw person argument that it's already up on the
19 Open Data Portal; why do we need a bill to actually
20 require more. What are you talking about in terms of
21 granularity?

22 NOEL HIDALGO: So my personal story is; I
23 live in North Brooklyn and I live on a street where a
24 lot of trucks come down that are kind of bypassing
25 the construction around the BQE, and we've had a

1 couple children that have been hit by vehicles, and
2 so understanding where North Brooklyn is spending its
3 money on crossing guards and you know, is there
4 adequate support for all of the dangerous
5 intersections that have been identified by the
6 Department of Transportation and making sure that
7 there's money for crossing guards is an important
8 argument or an important issue that we've debated in
9 the North Brooklyn Facebook group, and so having the
10 ability to see very specifically where crossing
11 guards are allocated across the city to ensure that
12 our children can be able to go to school safely is an
13 important issue that I've seen come up in my
14 community and that I want to make sure that there's
15 equity for all of the other communities that have to
16 deal with dangerous intersections. So that's why I
17 want details, I want to be able to see exactly what
18 precincts or what commands have budget allocation for
19 crossing guards, and making sure that those that have
20 the dangerous intersections are protected.

22 MARIANA ALEXANDER: I think we find the
23 supporting schedule to be sufficiently granular, but
24 there's a bit of unclarity [sic] about which budget
25 corresponds to which policies and that definitely

1
2 like makes it difficult to understand those numbers
3 **[inaudible]**.

4 COUNCIL MEMBER KALLOS: And what you're
5 describing as you look at the larger now online
6 budget and perhaps an Excel sheet or something else
7 and then you'll say, oh... and then you'll search
8 through a PDF that may or may not have a search
9 function that works to then find the right page and
10 then the right code and then try to figure out where
11 the 19th Precinct might be in the City of New York
12 and then match that up to a dangerous intersection.
13 Is that the current process?

14 MARIANA ALEXANDER: Yeah, **[inaudible]**.

15 COUNCIL MEMBER KALLOS: Okay. And so I
16 guess to BetaNYC, if you go to
17 [github.com/benkallos/legislation/blog/master/openspac](https://github.com/benkallos/legislation/blob/master/openspac)
18 [ebudget](https://github.com/benkallos/legislation/blob/master/openspac), we've got a GitHub report; we'd love to have
19 specific language from you on granularity, and
20 similarly, to the Citizens Budget Commission, if
21 you're able to submit to this Committee and to
22 Policy@BenKallos, we'd be very interested in any
23 specific language you would have. Thank you.

24 CHAIRPERSON FERRERAS-COPELAND: Thank
25 you. We've been joined by Council Member Rodriguez.

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Does any member have any additional questions? No?
Thank you very much for coming to testify today. And
seeing no additional questions or anyone else coming
to testify, we will now call this hearing adjourned.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date July 6, 2017