

TUESDAY, JUNE 17, 2025

11:23 A.M.

ACTING SPEAKER HUNTER: The House will
come to order.

Good morning, colleagues. Happy Tuesday.

(Applause)

In the absence of clergy, let us pause for a moment of
silence.

(Whereupon, a moment of silence was observed.)

Visitors are invited to join members in the Pledge of
Allegiance.

(Whereupon, Acting Speaker Hunter led visitors and
members in the Pledge of Allegiance.)

A quorum being present, the Clerk will read the
Journal of Monday, June 16th.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, I move to dispense with the further reading of the Journal of Monday, June the 16th and that the same stand approved.

ACTING SPEAKER HUNTER: Without objection, so ordered.

MRS. PEOPLES-STOKES: Thank you. Colleagues and guests that are in the Chambers, we've already heard this is the last Session. But I want to share one last quote with you. This one is from Dorothy Height. She is [sic] a civil rights and women's rights activist -- she was, I should say. She focused on issues of African-American women including unemployment, literacy and voter awareness. Her words for us today: "Progress comes from caring more about what needs to be done than about who gets the credit." Again, these words from the late Dorothy Height.

Madam Speaker, members have on their desk a main Calendar and a debate list. After you have done any introductions or housekeeping, we're gonna begin our floor work by taking up some bills on consent: Calendar No. 123 by Ms. Kelles, Calendar No. -- Rules Report No. 377 by Ms. Rajkumar, Rules Report No. 606 by Mr. Bronson, and Rules Report No. 739 by Ms. Woerner.

We're gonna be calling for committees to meet off the floor: Ways and Means followed by Rules. These committees are going to produce an A-Calendar of which we will absolutely take up today. We're also gonna take up the following bills on debate: Rules

Report No. 686 by Ms. Gallagher, Rules Report No. 740 by Mr. Magnarelli, Rules Report No. 701 by Ms. Rosenthal, Rules Report No. 715 by Ms. Glick, Rules Report No. 717 by Mrs. Peoples-Stokes, and Rules Report No. 734 by Ms. Woerner. There possibly will be some additional announcements made regarding floor activity.

Madam Speaker, if that is the case we'll be happy to advise.

However, that's the general outline of where we're going today, what we will be doing. So if you could begin by taking any introductions or housekeeping.

ACTING SPEAKER HUNTER: Yes. Happy Tuesday again.

We have no housekeeping, no introductions.

(Applause)

Page 25, Calendar No. 123, the Clerk will read.

THE CLERK: Assembly No. A01029-B, Calendar No. 123, Kelles, Seawright, Sayegh, Simon, Steck, Paulin, Gallagher, Vanel, Otis, González-Rojas, Epstein, Cruz, Glick, Levenberg, Burdick, Shimsky, Lavine, Shrestha, Mamdani, Reyes, Hunter, Bichotte Hermelyn, Forrest, Stern, Dinowitz, R. Carroll, Gibbs, Simone, Dais, Cunningham, Walker, Weprin, Anderson, Tapia, Taylor, Meeks, Hevesi, Romero, Bores, Rosenthal, Kassay, Kim, Clark, Mitaynes, Schiavoni, Colton, O'Pharrow, Hooks, Zaccaro, Maher. An act to amend Penal Law, in relation to individuals engaged in prostitution who are victims of or witnesses to a crime.

ACTING SPEAKER HUNTER: On a motion Ms.

Kelles, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 60th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Kelles to explain her vote.

MS. KELLES: Thank you so much, Madam Speaker. This legislation would allow survivors of trafficking and consensual adult sex workers to report crime they experienced or witnessed, allowing them to seek the justice and care they deserve while providing law enforcement with the information they need to investigate serious crimes such as sexual assault, human trafficking and murder. Currently, these victims do not feel safe to report crime due to fear of arrest, allowing violent individuals to commit crimes with impunity. One of the most infamous serial killer cases in recent history happened here in New York. The Long Island Serial Killer intentionally preyed on sex workers, and his case went unsolved for over a decade while he continued his violence. It is likely that he would have been apprehended much sooner if sex workers felt that they could come forward with the information without being arrested.

I wanted to stop for a moment and thank everyone across the aisle, both sides of the aisle. This was a bipartisan effort.

The final language was bipartisan. I worked with several members across the aisle, and I want to explicitly thank you all because the bill is actually better and stronger for the joint effort. We have occasions where that happens, and I want to highlight that this is one of them.

This bill will protect not only the sex workers, it will protect their families. And it is also supported by law enforcement, by DAs, and by sheriffs on both sides of the aisle because this will help them do investigations and catch people who are doing violent crimes.

So I want to thank everyone again for all the support, and I obviously vote in the affirmative. Thank you so much, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Ms. Kelles in the affirmative.

Mr. Molitor to explain his vote.

MR. MOLITOR: Thank you, Madam Speaker. I'd like to commend the sponsor of this bill. This is a really, really good idea. And I'd also like to thank the sponsor of this bill for engaging our side in conversation about strengthening this bill, making it a better bill. You know, this is why -- this is why, you know, I wanted to become a legislature -- a legislator; to -- to put good legislation together so that it would benefit all the people of the State of New York. And this bill will protect those in the most vulnerable situations; those people who are afraid to come to law enforcement because they're being victimized, because they're being abused, because they're being trafficked. And I'm very, very proud to vote for

this bill. I know it passed the Senate unanimously, and it looks like it might pass the Senate [sic] unanimously as well. I'd like to thank everybody for that, especially the sponsor.

ACTING SPEAKER HUNTER: Mr. Molitor in the affirmative.

Mr. Maher to explain his vote.

MR. MAHER: Thank you, Madam Speaker. I rise today to explain my vote. I again want to commend the sponsor for working with both parties to make sure that we had the best product possible. This bill has always been about trying to help victims trafficking and a lot of other different circumstances. When we talk about somebody in a position like those that are victims of human trafficking, you really can't put it in words. There's nothing that we can say or do to give justice to the reality and the horror of what goes on in their daily lives. So to be able work with law enforcement in a way that helped make this bill a little better and really also be able to help those that are in some of those most vulnerable, dangerous positions is something we're quite proud of. And it was part of our recommendations made in our Minority Human Trafficking Task Force that we did over the last year-and-a-half, traveling the State, meeting with over 200 local stakeholders. We wanted to come to Albany this Session, have some results, and we are truly pleased to see this report create some bipartisan results and work with the other side of the aisle.

My final thing is we have so much more to do when

it comes to getting folks out of these situations in a sustainable way, and I look forward to working with the sponsor and many colleagues on both sides of the aisle to get that done in the next Legislative Session.

Thank you, Madam Speaker. I vote in the affirmative.

ACTING SPEAKER HUNTER: Mr. Maher in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 7, Rules Report No. 377, the Clerk will read.

THE CLERK: Assembly No. A02237, Rules Report No. 377, Rajkumar, Alvarez, Lemondes, K. Brown, Stern, Otis. An act to amend the State Finance Law and the General Municipal Law, in relation to prohibiting procurement of certain technology that poses security threats.

ACTING SPEAKER HUNTER: On a motion by Ms. Rajkumar, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 730th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Lemondes to explain his vote.

MR. LEMONDES: Thank you, Madam Speaker, to explain my vote. I just want to say thank you to both sponsors on this bill, and also to highlight its importance.

Electronic anything is China's number one espionage goal against us, and this is -- this bill will help mitigate that a little bit. But anything is -- anything is worthwhile. Anything electronic, they are after. This bill will preempt some data going right back to the Chinese Communist Party unwittingly by people that buy and use this technology.

We have to do everything possible as a nation and as a State to deny them the capabilities of electronic espionage because they're undermining every aspect of our defense and economic livelihoods.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Mr. Lemondes in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 12, Rules Report No. 606, the Clerk will read.

THE CLERK: Assembly No. A02747-A, Rules Report No. 606, Bronson, Taylor, Rozic, Cruz, Glick, Rosenthal, Simone, Bores, González-Rojas, Seawright, Benedetto, Reyes,

Weprin, Brabenec, Raga, Slater, Braunstein, Dinowitz, Durso, Steck, Ra, Epstein, Rajkumar, Gibbs, Tapia, Hyndman, Berger, Lee, Burdick, Jacobson, K. Brown, Bendett, Reilly, McDonough, Pheffer Amato, Mikulin, Santabarbara, Stern, Otis, Griffin, Colton, Kay, Williams, Meeks, Shrestha, Lunsford, Clark, Burroughs, Shimsky, Lupardo, Sayegh, Hooks. An act to amend the Labor Law, in relation to inclusion of certain off-site custom fabrication as public work for the purposes of payment of prevailing wage.

ACTING SPEAKER HUNTER: On a motion by Mr. Bronson, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 180th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Tague to explain his vote.

MR. TAGUE: Thank you, Madam Speaker.

Although a well-intentioned bill -- we took this up last year as well -- unfortunately, all this bill does is increase costs, especially for local taxpayers and I cannot support it. It's just going way, way too far.

So I will be in the negative.

ACTING SPEAKER HUNTER: Mr. Tague in the negative.

Ms. Giglio to explain her vote.

MS. GIGLIO: Thank you, Madam Speaker. And I'd like to thank the sponsor for this bill, and for also meeting with one of my constituents in my district who employs 600 people, has a half-a-million square feet of manufacturing space, does a lot of custom fabrication, and is having a really hard time competing with other companies of other states and other countries that are bringing materials in. And paying prevailing wage for the wages that are on the destination of these materials that are fabricated offsite is going to create an even playing field for everyone that is doing public works projects and projects that are funded by the State to make sure that prevailing wage is paid, project labor agreements are in place, and that it's -- it's a competitive market.

So again, I want to thank the sponsor, and not only for making changes to the bill, but for also meeting with my constituent and I thank you.

ACTING SPEAKER HUNTER: Ms. Giglio in the affirmative.

Ms. Walsh to explain her vote.

MS. WALSH: Thank you very much, Madam Speaker. So, last year I voted in favor of this bill, and then I had a very, very long discussion with one of my local business owners. I talked to her for a couple of hours about what this -- what this bill and what this legislation would mean to her and to her operation in terms of trying to do appropriate recordkeeping. And she's a relatively small

business, and she said that it was gonna really be a big problem for her.

So for that reason and for other businesses like hers, I'm going to be voting in the negative this year. Thank you so much.

ACTING SPEAKER HUNTER: Ms. Walsh in the negative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 16, Rules Report No. 739, the Clerk will read.

THE CLERK: Senate No. S06351-B, Rules Report No. 739, Senator Addabbo (A07475-B, Woerner, Buttenschon, Kay, Sayegh, Santabarbara, Kassay, Lupardo). An act to amend the General Municipal Law, in relation to electronic bell jar games.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Woerner to explain her vote.

MS. WOERNER: Thank you, Madam Speaker. This bill modernizes the bell jar charitable gaming machine that is often installed in American Legion and VFW posts across New York. These machines -- the electronic machines simplify the administration

of the game, reduce leakage and improve the accuracy and timeless -- timeliness of required reporting to the State. We have narrowly tailored the bill to eliminate the gamification attributes that encourage overplaying, including slowing down the speed of the game and prohibiting interface design that mimics slot machines.

We've also placed strict limits on the number of machines per facility based on the size of active membership and geographic adjacency to licensed casinos, because we do not want to encourage the creation of mini gaming parlors.

I want to thank the Speaker, the staff, and my colleagues on the Racing and Wagering [sic] Committee and all of the American Legion and VFW members who have advocated for this bill. And with that, I cast my vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Woerner in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 13, Rules Report No. 686, the Clerk will read.

THE CLERK: Senate No. S08432, Rules Report No. 686, Senator Hoylman-Sigal (A08662-A, Gallagher). An act to amend the Limited Liability Company Law, in relation to the scope of certain provisions relating to beneficial owners of limited liability companies.

ACTING SPEAKER HUNTER: An explanation has

been requested.

Ms. Gallagher.

MS. GALLAGHER: Thank you. This bill changes the definition of beneficial owner, reporting company and exempt company in Section 1106 of the Limited Liability Company Law to remove cross-references from the Federal Corporate Transparency Act, and provide definitions applicable to New York State law. This bill is only delineating the previously-cited definitions from Federal law. We are not adding or changing any of the disclosure processes or who is or is not exempt. We are only expressly writing out the citations.

ACTING SPEAKER HUNTER: Mr. Lemondes.

MR. LEMONDES: Madam Speaker, will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GALLAGHER: It would be my pleasure.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. LEMONDES: Thank you, Ms. Gallagher. Thank you for the explanation of the bill. Could you comment, please, on what the bill's actual intent is beyond the explanation that you just provided?

MS. GALLAGHER: The bill is moving the Federal citations into print and printing the definition into statute.

MR. LEMONDES: So let me ask the question

differently. Will this bill increase the cost to the State, to New York State, in any way or to small businesses within New York State that are organized as LLCs?

MS. GALLAGHER: No.

MR. LEMONDES: How so? Could you -- could you describe that, please, how it would not?

MS. GALLAGHER: This bill is moving the Federal citation into print and printing the definition into statute.

MR. LEMONDES: So with that, I -- I wanna disagree. And I'm disagreeing based on the information provided in the opposition letters by the Business Council and NFIB. If -- if this is an invasion of privacy, do you think that that might impact business owners in New York State if they view what this is trying to do as an invasion of privacy?

MS. GALLAGHER: The LLC Transparency Act is already law. This bill is only delineating the previously-cited definitions from Federal law. We are not adding or changing any of the processes or who is or is not exempt.

MR. LEMONDES: Nonetheless, it is still -- ownership information of businesses is still considered private information.

MS. GALLAGHER: The LLC Transparency Act is already law. This bill does not change the law.

MR. LEMONDES: So, let me ask the question differently, then. Perhaps as a beneficial owner you described in the

bill as 25 percent or greater ownership, let's say an angel investor wants to invest in a women- or minority-owned business at 26 percent or more, and they don't want their name disclosed because it could hurt that minority- or women-owned business. Now what?

MS. GALLAGHER: That's not germane to this bill.

MR. LEMONDES: It absolutely is german to the bill.

MS. GALLAGHER: It's not. This bill is just moving citations into definitions and in previously existing law.

MR. LEMONDES: Thank you. We disagree.
So, is it punitive in any way?

MS. GALLAGHER: This bill is moving definitions into a bill that was already cited in a previous bill. It's just moving the definitions, it's not changing the law.

MR. LEMONDES: So let me ask the question differently again. If private information is disclosed that people may not want disclosed, as a result of this bill, do you think that will impact New York's economy favorably or unfavorably?

MS. GALLAGHER: A.8662-A is simply moving the Federal citation into print and printing the definition into statute.

MR. LEMONDES: Yes. Thank you. I've heard that several times already. So with that, on that point, the relationship with the Federal CTA for domestic businesses, I think you realize that adding more rules, regulations, in any way, shape or form, the simple fact is more regulation is being added that that negatively impacts

New York businesses. Would you agree with that or no?

MS. GALLAGHER: This bill does not add anything except Federal citation into print and printing the definition into statute.

MR. LEMONDES: Yes, I've heard that line before. However, I would again reference the Business Council and NFIB's opposition based on several -- several points.

Do you recognize the Department of State rule changes would impart increased costs?

MS. GALLAGHER: This bill simply moves the Federal citation into print and prints the definition into statute.

MR. LEMONDES: So who regulates it, then? Who enforces it?

MS. GALLAGHER: This bill simply moves the Federal citation into print and prints it into statute.

MR. LEMONDES: Excellent. I've heard that point several times.

MS. GALLAGHER: Then why do you keep asking more questions that aren't about the citations?

MR. LEMONDES: I'm gonna continue to ask more questions. Thank you.

MS. GALLAGHER: Well, you can do that but I'm gonna keep giving you the same answer.

MR. LEMONDES: Thank you. Why are --

MS. GALLAGHER: (Indiscernible/cross-talk)

ACTING SPEAKER HUNTER: Colleagues. We -- this is our first debate. We will not start our day like this. We will ask a question --

MS. GALLAGHER: I'm having a nice time.

ACTING SPEAKER HUNTER: -- and answer the question.

MR. LEMONDES: Thank you, Madam Speaker.

Madam Sponsor, why are large entities carved out?

MS. GALLAGHER: This bill does not add or change any of the disclosure processes or who is or who is not exempt.

MR. LEMONDES: Thank you. I -- I appreciate that response. It seems like we're on -- we're on a -- on a wheel here. I'm gonna keep asking questions.

So on that note, I believe, and people that look after small businesses in New York State believe that it will increase costs for sure. So why -- again, why are large entities carved out?

MS. GALLAGHER: We are not adding or changing any of who is or isn't exempt in this bill. That is already law.

MR. LEMONDES: And what about legal exposure to small businesses that this would impact? Would it increase legal exposure? Would it increase accounting burden?

MS. GALLAGHER: This bill has nothing to do with that.

MR. LEMONDES: This bill has a lot to do with that. Any -- any time you add regulations it increases costs and it increases

-- and generally will increase legal exposure. So that's the impact -- that's -- that's cited in the opposition letters as well.

Do you think this could impact out-migration in New York State?

MS. GALLAGHER: The LLC Transparency Act and its regulations are already law.

MR. LEMONDES: Why is the burden placed on small, family-owned businesses and why are large businesses carved out?

MS. GALLAGHER: This is only related to LLCs, not non -- not non-for-profits.

MR. LEMONDES: I'm not talking about --

MS. GALLAGHER: Not corporations.

MR. LEMONDES: -- a not-for-profit. I'm talking about large entity LL -- large entity corporations that are -- that are carved out.

Madam Speaker, I'll ask a different question. Does the bill help improve public safety in any way?

MS. GALLAGHER: This bill simply moves Federal citation into print and prints the definition into statute. It's not germane to this bill, your question.

MR. LEMONDES: It is absolutely germane when you're requiring the disclosure of sensitive information. That's what the last bill was about, the -- the unintended disclosure of information to the Chinese Communist Party. Different bill; not germane, but

same concept.

I'll ask a different question. We'll keep moving. Do New York State businesses, LLC businesses still have to file with FinCEN?

MS. GALLAGHER: It's the -- the normal process that LLCs follow. They already -- they already -- pardon?

(Conferencing)

They do not have to file with FinCEN.

MR. LEMONDES: Wonderful. Thank you.

Would this, if adopted, add or decrease cyber security risks to our businesses? Add to or decrease?

MS. GALLAGHER: That's not germane to the bill.

MR. LEMONDES: It is absolutely germane to this bill because you're requiring the --

MS. GALLAGHER: Cyber is not.

MR. LEMONDES: -- the disclosure electronically and adding a new database that can be hacked. And I can tell you right now, as -- as a guy whose Social Security number was -- was compromised three times in my military service because of hacks into government healthcare systems, anything that's electronic can be hacked. So the answer is yes, it does increase cyber security risks to our databases where this information is housed, as well as to the businesses who are required to then provide that information.

Madam Speaker, on the bill. Thank you very much for your -- for your --

MS. GALLAGHER: You're welcome.

ACTING SPEAKER HUNTER: On the bill.

MR. LEMONDES: Thank you. As -- as it is known, several reasons to not vote for this: One, this business -- this bill would make it more difficult for businesses in New York to -- to operate. And especially for small businesses, those that -- those that it requires the -- the -- the disclosures for. Sixty-seven cents of each dollar spent on a small business is reinvest -- generally reinvested in the communities where that money was -- was -- was spent. We have 500,000 small businesses in New York State with --

(Cell phone playing music)

It's okay, Bill. We're good. Forty percent of private sector investments -- private sector employees, amounting to about three million are employed by these businesses that would have to have these additional disclosure requirements. The expected cost to New York State small businesses that would have to -- have to comply with this is in the range of \$5 billion. You don't import -- imply to any business a new requirement and then get away saying it won't cost anything. Every time a businessowner, an employee does anything, there is cost associated with it. It doesn't matter what the task is; whether it's with another accountant, with another attorney, in court, out of court, transactions with customers. There's costs associated with it. And we all know we're the highest out migrating state in the country. The last thing we need is more reason to force more businesses out of business and out-of-state. The greatest risk that this

will do, it will put small businesses in the position of noncompliance; having to make that decision, *Will I comply or not? And if not, what's the risk to me for doing so?* What are you gonna do, fine them out of existence?

The Federal -- additionally, the Federal framework that this is based upon is collapsing as we speak, according to the Business Council. The Federal Government has abandoned this, but New York is doubling down on it, making it harder for our small businesses, the engine of our economy, to function, flourish and provide opportunity to its people. Again, exacerbating out-migration. But I guess we don't care about out-migration in this -- in this State. We don't care that we're the highest out-migrating state in the country four years in a row, ranked dead last with business climate, number 50 out of 50. What a great -- what a great place we've gotten there. Fifty out of 50 12 consecutive years in a row. Ding, ding, ding. I hope that matters to somebody, because we are creating the conditions to force people to leave.

And the risk to the database is even acknowledged by the National Association of Secretaries of State or NASS. You put something in a database, it's at risk. That's all there is to it. And now you're putting at risk sensitive ownership information. There are a lot of reasons that people don't necessarily want public the businesses that they are involved with. It could be religious. It could be purely business. It could be social. It could be familial. There a lot of reasons that people choose to not disclose what businesses they own

or portions thereof. Yet we're gonna compel that here for our small businesses, our greatest economic engine. This will resort in another arrow in the side of our small businesses, create more regulation and higher and hasten out-migration.

Madam Speaker, thank you.

ACTING SPEAKER HUNTER: Thank you.

MR. LEMONDES: I vote no and -- and ask everyone else to.

ACTING SPEAKER HUNTER: Mr. Blumencranz.

MR. BLUMENCRANZ: Thank you. Will the sponsor yield, please?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GALLAGHER: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. BLUMENCRANZ: You've repeatedly referred to the Federal citation that you are putting into print. What is that Federal citation?

MS. GALLAGHER: On January 1, 2021 U.S. Congress passed the first Corporate Transparency Act, which requires all business entities formed or registered to do business in the U.S. to report beneficial ownership information to FinCEN. When the original bill was passed, the intent was for LLCs organized in New York State to submit the same information they were already submitting --

MR. BLUMENCRANZ: Sorry. Let's -- let's --

MS. GALLAGHER: -- to the Federal Government -- hold on, I'm gonna get to your answer -- to the Department of State. Unlike the Federal law which covered all business entities, this bill addresses only LLCs and incorporates statutory definitions for -- from the Federal law in order to provide certainty and definitions for LLCs in New York State, reducing confusion during the changes in Federal regulation.

MR. BLUMENCRANZ: Okay. Can you please explain your reliance on Section 5336 of Title 31 of the U.S. Code regarding beneficial ownership information reporting requirements?

(Conferencing)

MS. GALLAGHER: The previous citation for that Federal LLC is in --

MR. BLUMENCRANZ: I'm sorry, for the previous citation?

MS. GALLAGHER: The previous citation that we use in the LLC Transparency Act was the 31 U.S. Code 5336, and that is now -- we've taken the -- the text of that and we've put it into the New York State bill.

MR. BLUMENCRANZ: So why are you moving the Federal citation into print?

(Conferencing)

MS. GALLAGHER: We want to make sure that it's clear who is and isn't applicable to this law and who is and is not

exempt.

MR. BLUMENCRANZ: So the original version of your bill was unclear?

MS. GALLAGHER: It was using a citation to the Federal law. The Federal law was where it was all listed. We've taken that and we've moved it into our State law.

MR. BLUMENCRANZ: But why?

MS. GALLAGHER: As I said, the -- the Federal Corporate -- Corporate Transparency Act --

MR. BLUMENCRANZ: Did it change?

MS. GALLAGHER: It did change in March of 2025.

MR. BLUMENCRANZ: So why do you feel compelled to revert back to the language that you liked after the courts and the Federal Government had essentially gutted and removed the teeth from the CTA?

MS. GALLAGHER: Because the State law is different than the Federal law.

MR. BLUMENCRANZ: I understand they are different. My question is, why do you feel compelled to use language the courts had determined was unconstitutional on a Federal level and that the Federal Government said they would no longer enforce? Why are you choosing to change the language in your original bill now, right, to what you seek to see from the original version?

MS. GALLAGHER: We want to make sure that the State law is clear to all of the New York State LLCs that are

participating in the State law.

MR. BLUMENCRANZ: Clear that you want language that the Federal Government is no longer asking individuals to comply with.

MS. GALLAGHER: The State law is still using that language.

MR. BLUMENCRANZ: Well, that's what you hope to do here is change the State -- the language within the bill because it relied on -- when we debated this the original time, you consistently answered my questions with "This is bringing State law in line with Federal law." Now you are bringing State law out of line with Federal law. So two different compliance mechanisms.

MS. GALLAGHER: This -- this bill is still important for transparency. This bill is -- you know, the current Administration has a relaxed posture towards corporate corruption and white-collar crime. New York State does not. So this bill incorporates statutory definitions from the Federal law in order to inoculate the LLC Transparency Act from shifting Federal guidelines by providing certainty and definitions, and reducing confusion during the changes that are happening in Federal Government.

MR. BLUMENCRANZ: So when the CTA had made its changes, it was estimated that -- that 32 million businesses that would be affected would be whittled down to 12,000. Under you reverting back to that language, how many New York State businesses do you believe will be affected under this iteration of the law?

MS. GALLAGHER: That hasn't changed from the original law for New York State.

MR. BLUMENCRANZ: What hasn't changed?

(Conferencing)

MS. GALLAGHER: It still applies to all LLCs in the State. Doing business in the State.

MR. BLUMENCRANZ: The original language that was in the CTA?

MS. GALLAGHER: And it's currently in New York State law.

MR. BLUMENCRANZ: So you modeled this bill after the Corporate Transparency Act. But just three months ago the Financial Crimes Enforcement Network -- the very agency tasked with enforcing this on a Federal level -- rescinded the beneficial ownership information reporting requirement that the U.S. companies and U.S. persons would have to comply with, gutting the CTA's scope. So why do you still feel like moving forward with the State version of this is something that you feel compelled to do?

MS. GALLAGHER: The State of New York is still dedicated to upholding the -- the LLC Transparency Act because we believe that white-collar crime and corruption is a -- a problem. And we are working to make sure that what had once been cited is now written out in clear language so that people are no longer looking at a dead citation. It doesn't matter if it was in the Federal bill and in the State bill. We're still using the State bill, so that language is now in

the State bill. It's purely technical.

MR. BLUMENCRANZ: Okay. But four Federal courts have already split on whether the CTA is even constitutional, and the nationwide injunction blocked its enforcement. What specific analysis have you relied on to ensure that your bill, which is substantively modeled after that original language that was ruled unconstitutional, is legally sound and won't face similar constitutional questions?

(Conferencing)

MS. GALLAGHER: We are just making a technical change to allow New York State to continue with the process that it set into law.

MR. BLUMENCRANZ: Okay. So please explain comprehensively the Federal citation and its reach for the purposes of the legislative record for me.

(Conferencing)

MS. GALLAGHER: Okay. There are 30 -- the beneficial ownership information reporting requirements definition in this section, acceptable identification document. The term "acceptable" -- what? Can you repeat the question?

MR. BLUMENCRANZ: Please explain the Federal citation for the purposes of the legislative record.

(Conferencing)

MS. GALLAGHER: One moment, please. Please hold.

(Conferencing)

MR. BLUMENCRANZ: Does this count towards my time?

(Pause)

MS. GALLAGHER: Okay, here's the citation.

Beneficial shall -- owner shall mean with any respect -- with respect to any entity or individual who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, one, exercises substantial control over the entity, or two, owns or controls not less than 25 percent of the ownership interest of the entity.

Reporting company shall mean a limited liability company that is creating -- created by the filing of a document with the Secretary of State or authorized to do business in the State pursuant to Article 8 of the chapter, and not to mean or include -- and then we get into the exemptions.

MR. BLUMENCRANZ: How many exemptions are there?

MS. GALLAGHER: There are....

MR. BLUMENCRANZ: I'll give you the SparkNotes. There's 25.

MS. GALLAGHER: Thank you. There's 25.

MR. BLUMENCRANZ: So given the lack of enforcement funding and the lack of evidence that this will deter crime and the lack of public access to this data, what measurable outcome are we promising New Yorkers in exchange for the burdens

that we see that the Federal Government no longer and the courts no longer felt was relevant here?

MS. GALLAGHER: Well, in this bill the -- what we're guaranteeing New Yorkers is that the Federal citation will be moved into print and the -- and we are printing the definition into statute. That's what this bill does.

MR. BLUMENCRANZ: Okay. What I'm -- I'm having a hard time understanding is the lack of response when we question why you're doing this. Why -- why do we feel compelled? Is there any empirical evidence to show that we will be able to deter crime, even though without -- throughout the court proceedings on the Federal case they found that there was really no compelling reason for doing this because the banks were providing that data under criminal investigation.

MS. GALLAGHER: The -- I would have been happy to answer any of these questions during the original debate for the LLC Transparency Act which we passed into law. That is still law. It takes effect in January, 2026 so we are making sure that the State law is ready to go, as with the language, and it is purely a technical fix. So I will not be debating any questions about the original LLC Transparency Act, as it's already law and it is not this law.

MR. BLUMENCRANZ: You've now decoupled New York from Federal definitions for a reporting company if this is passed, correct?

MS. GALLAGHER: Correct.

MR. BLUMENCRANZ: So does this mean that businesses will need to track two different legal standards; a State and a Federal, and create -- and may create confusion and costs without any added security benefit?

MS. GALLAGHER: No. Because if the Feds keep it in place the definitions are aligned -- aligned, and if they don't --

MR. BLUMENCRANZ: (Indiscernible/cross-talk).

MS. GALLAGHER: -- then the State law is perfectly fine.

MR. BLUMENCRANZ: If the Feds keep what in place?

MS. GALLAGHER: If they keep the definition in place for -- in the -- in the what?

(Conferencing)

In the general requirement.

MR. BLUMENCRANZ: So you're saying there won't be two different reporting metrics considering that the Federal Government says many of the entities covered under here will no longer need to report in the same way how you're requiring there? There won't be two different reporting metrics for LLCs?

MS. GALLAGHER: No.

MR. BLUMENCRANZ: How so?

(Conferencing)

MS. GALLAGHER: Because the definitions are the same.

MR. BLUMENCRANZ: Okay. But you're decoupling (indiscernible/cross-talk) -- Federal Government --

MS. GALLAGHER: It's just spelled out in -- it's just spelled out now in -- in full language in the bill.

MR. BLUMENCRANZ: Even though that's no longer the language that the Federal Government is relying on for enforcement.

MS. GALLAGHER: This bill is about the New York State law, and we put these definitions into the New York State law.

MR. BLUMENCRANZ: You understand when you couple and decouple language with Federal law, it's not just about New York State law anymore? It is about how the language affects New Yorkers. I believe there is a change in the way we are representing what is and is not a qualified entity versus the Federal Government.

MS. GALLAGHER: That's your opinion.

MR. BLUMENCRANZ: That's my opinion? Okay. So will -- what -- the bill retains exemptions as they stood in the original version. So institutions, publicly-traded companies, proxies, different and various entities that are similar to LLCs are still not included in -- in these new definitions that you are now enumerating?

MS. GALLAGHER: The same -- the same exemptions are -- it's -- we have changed nothing in the law except adding the -- the written language of the citation into the State law.

So nothing has changed.

MR. BLUMENCRANZ: So nothing has changed, and you're not decoupling it from what are now the Federal guidelines, right?

MS. GALLAGHER: The Federal -- this -- for the State law we are using the definitions that were in the Corporate Transparency Act.

MR. BLUMENCRANZ: The previous -- the previous operative definitions than what is currently being enforced.

MS. GALLAGHER: And we have taken that language and we have put it into this bill.

MR. BLUMENCRANZ: Okay. But this is not a technical fix. This is a bill, and this law relies on -- on new facts, correct?

MS. GALLAGHER: That is your opinion.

MR. BLUMENCRANZ: Is this a technical fix or is this a new piece of legislation?

MS. GALLAGHER: It's just a technical fix.

MR. BLUMENCRANZ: Okay.

Let's go back to some of the exemptions, just to understand and have clarity for what is and is not now -- what was originally coupled with the Federal law.

MS. GALLAGHER: I can save you some time if you'd like. The exemptions have not changed.

MR. BLUMENCRANZ: But they're no longer being

enforced on a Federal level.

MS. GALLAGHER: They're -- in the New York State LLC Transparency Act, the exemptions have not changed.

MR. BLUMENCRANZ: So if nothing has changed, what's the need --

MS. GALLAGHER: Nothing has changed --

MR. BLUMENCRANZ: What's the need for --

MS. GALLAGHER: -- except we have added the language into the bill.

MR. BLUMENCRANZ: So you had referred to Federal language.

MS. GALLAGHER: Yup.

MR. BLUMENCRANZ: And now you are no longer referring to Federal language?

MS. GALLAGHER: Yup.

MR. BLUMENCRANZ: Why?

(Conferencing)

MS. GALLAGHER: The point of the bill is to codify the language in the law in case there is a change at the Federal level.

MR. BLUMENCRANZ: In case there is a change? Is this traditionally what we do?

MS. GALLAGHER: Yes. We do definitions all the time.

MR. BLUMENCRANZ: Is -- is that because you don't think the Federal Government is relying on what was their

original language because it was deemed unconstitutional?

MS. GALLAGHER: This -- this is simply a codification of the terms in the -- in the bill.

MR. BLUMENCRANZ: So why was the Federal language okay before and now we no longer feel compelled to rely on it?

MS. GALLAGHER: We -- we decided to make it more clear by putting the distinct language into the bill.

MR. BLUMENCRANZ: Why wasn't that clarity necessary the first time you did this?

(Conferencing)

MS. GALLAGHER: Because there's been a change in policy mindset at the Federal level.

MR. BLUMENCRANZ: So is this a political stunt, or is this simply --

MS. GALLAGHER: No, this is a technical change to a bill to ensure that the policy in New York is not affected by Federal changes.

MR. BLUMENCRANZ: So the interim final rule from FinCEN, which on a Federal level was the ones who had -- had to deal with this, now exempts all domestic reporting companies. Why is New York stepping in to enforce something that the Federal Government -- with broader resources, legal autonomy -- has decided not that it's just not unnecessary but it's likely not constitutional?

MS. GALLAGHER: That is not germane to this bill.

That is about the Federal -- or sorry, the LLC Transparency Act, which is not the bill I'm debating right now.

MR. BLUMENCRANZ: You're debating changes to the LLC Transparency Act; are you not?

MS. GALLAGHER: I'm -- I'm debating bill A8662-A, which is a definition bill.

MR. BLUMENCRANZ: So you're saying that this is not a germane question to the bill?

MS. GALLAGHER: It's not.

MR. BLUMENCRANZ: Okay. I don't -- I don't think you can determine whether or not it's germane that New York is stepping in to enforce something that the Federal Government has no longer decided to enforce. I believe that's up to the Speaker to decide the germaneness of the bill. But I'd love some insights as to why you think New York can do something the Federal Government has deemed unconstitutional.

MS. GALLAGHER: That's your opinion and I don't need to answer that question.

MR. BLUMENCRANZ: That's not my opinion, it's House Rules. So, I mean, we can ask the Speaker if it's germane, or I'd love your opinion as to why you think New York State --

MS. GALLAGHER: You're welcome to ask the Speaker if you'd like.

MR. BLUMENCRANZ: Madam Speaker, I'd like clarification on whether or not my question is germane to the bill.

(Pause)

ACTING SPEAKER HUNTER: We are currently on debate for this bill, but we'll keep track of your questions to ascertain if it remains germane or not. So we're debating this bill here.

MR. BLUMENCRANZ: Okay. I -- I am asking a question with regards to this piece of legislation, which is an amendment to a previous piece of legislation and both are affected by my question. The sponsor has been negligent in trying to answer any questions related to anything besides the physical change, but there are actual changes to the law. So I -- I'd ask for clarity on whether or not the question is germane.

ACTING SPEAKER HUNTER: My answer remains the same, that we're debating this bill. You can't make her change her answers.

MR. BLUMENCRANZ: Well, she's stating that the question is not germane to the bill, I believe.

MS. WALSH: Madam Speaker, if I may. Perhaps the sponsor could ask you to make a ruling as to germaneness. That might be a way to unstuck us here. Just a suggestion.

Thank you.

MR. BLUMENCRANZ: Would you like me to reiterate the question?

ACTING SPEAKER HUNTER: Yes, please.

MR. BLUMENCRANZ: The interim final rule from FinCEN now accepts all domestic reporting companies. Why is New

York stepping in to enforce something that the Federal Government, with broader resources and legal authority, has decided is not necessary and likely not constitutional?

(Pause)

ACTING SPEAKER HUNTER: This question is not germane because it's not changing any policy implications from the first bill.

MR. BLUMENCRANZ: Okay. Um --

MRS. PEOPLES-STOKES: Madam Speaker, I -- I wonder if -- is the gentleman interested in us taking a vote to honor your opinion that his questions are not germane so we can move on? If that's how you want to use the time, is that what you'd like to see happen?

ACTING SPEAKER HUNTER: You can appeal the ruling and we would take a vote.

MR. BLUMENCRANZ: Sure. I'll appeal the ruling.

ACTING SPEAKER HUNTER: And the ruling's been appealed.

(Pause)

The question before the House is does the ruling of the Chair stand.

A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. In an effort to move this debate forward, we ask that members recognize on

our side of the aisle it'll be a Party vote in... which way? I'm confused now.

(Laughter)

Against the ruling of the Chair. So it would be a vote in the negative, I suppose. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, the Majority Conference believes that states have rights, and so we will be voting against their desire to challenge your ruling.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The ruling of the Chair stands.

Mr. Blumencranz.

MR. BLUMENCRANZ: Thank you. Will the sponsor continue to yield for questions?

(Pause)

MS. GALLAGHER: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. BLUMENCRANZ: The bill appears to be based on a Federal law that is no longer applied here. So it's directed at a problem that disproportionately exists outside the scope of your bill

and is advanced under the pretenses of transparency, yet not offering very much transparency at all. So I ask again, what does this bill do?

(Conferencing)

MS. GALLAGHER: It ensures that these definitions are codified in State law regardless of Federal definitions.

MR. BLUMENCRANZ: Why do you feel the Federal Government no longer felt compelled to enforce the compliance mechanism that you seek to codify here today?

MS. GALLAGHER: I have no answer for that question.

MR. BLUMENCRANZ: What do you think the implications are for companies in New York who will have two different compliance mechanisms?

MS. GALLAGHER: This -- this is a technical bill that's changing the language into the State law.

MR. BLUMENCRANZ: All right. Thank you.

Madam Speaker, on the bill, please.

ACTING SPEAKER HUNTER: On the bill.

MR. BLUMENCRANZ: I think all of us have seen today and over the course of the past few debates on this piece of legislation that is not about transparency. This provided loopholes. This provided the allowance for proxies for any company that has over 25 employees for shell companies to all be exempt from the bill. It allows for dormant companies to be exempt from the bill. It has provided a lackluster enforcement mechanism. So much so that even

in the Federal version it was ruled unconstitutional. It was ruled very infeasible from the enforcement arm on the Federal level, and it has continued to create and wreak havoc on our small businesses who seem to understand what the sponsor might not. This bill exempts the very people, the very individuals, foreign or domestic, that it seeks to provide transparency for. And it creates a layer of red tape, a layer of dual-reporting, a layer of constantly changing law as the courts have continued to defang the Federal version and continue to question the validity of even doing something like this. It continues to show how once a good idea potentially has been whittled down into a lackluster version or ugly step-sibling of what it once was. And it is sad to see this Body continue to try and enforce something that will -- I think we will one day see a significant change to after they try and enforce something like this with little enforcement mechanisms involved.

We're creating a duplicative regime with no funding, no metrics, no success and no clear benefit. Just more paperwork, more confusion and more liability. But worst of all, this bill puts real people at risk; people who are hiding, whether it's MWBEs, whether as anti-Semitism is on the rise, Jewish individuals seek to hide their business and beneficial ownership in a time where businesses that are owned by Jewish individuals who are under attack. There so many different ways and reasons why LLCs and beneficial ownership is typically hidden in the first place.

If this bill actually did tackle some of the issues among proxy voters, among any of the 25 exemptions that have been

enumerated in the new version of the bill, maybe I'd say this was a laudable idea. But as it stands, the only thing that is transparent about this bill is its intentions.

So I will be voting in the negative and I think my colleagues should as well. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mr. Braunstein.

MR. BRAUNSTEIN: Thank you, Madam Speaker.
Will the sponsor yield for a quick question?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GALLAGHER: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. BRAUNSTEIN: Under the Federal Corporate Transparency Act, co-ops and condo boards were required to make disclosures. It's my understanding that this new language does not apply to them; is that correct?

MS. GALLAGHER: That's correct.

MR. BRAUNSTEIN: Okay. Thank you.

MS. GALLAGHER: You're welcome.

MR. BRAUNSTEIN: Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Fitzpatrick.

MR. FITZPATRICK: Thank you, Madam Speaker.

Would the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GALLAGHER: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. FITZPATRICK: Thank you.

Ms. Gallagher, with the -- judging from the debate so far there seems to be a lot of confusion around this legislation. What -- what con -- how are you going to address the confusion that some of these small businessowners are going to feel with this requirement? And how do you plan to make them aware of this requirement (indiscernible/problem with mic)?

MS. GALLAGHER: The Department of State is doing the rules and regulations and they are already working on that based on who is covered.

MR. FITZPATRICK: And what are the fines or the penalties for --

MS. GALLAGHER: In this bill there are no fines or fees. This bill is a technical change to language.

MR. FITZPATRICK: Technical change. Okay. What is the role -- what will be the role of the Attorney General in -- in all of this?

MS. GALLAGHER: I -- I have a feeling you're asking about the bill that -- that this attached to but is not this bill. So this bill does not have any role for the Attorney General, it is simply a language change that moves the Federal citations into print and prints

the def -- definitions into statute.

MR. FITZPATRICK: Well, if there's any noncompliance, who would pursue a remedy for that?

MS. GALLAGHER: That -- that's something for the LLC Transparency Act, which is not the bill I'm debating today.

MR. FITZPATRICK: But you're -- this bill is attached to that bill. It relates to that bill, so it's a relevant question.

MS. GALLAGHER: But this bill is not that bill.

MR. FITZPATRICK: It relates to a bill that was passed here that you're saying *I'm not gonna talk about*. It has yet to be enacted, yet it modifies your original bill. How can it not be related? It's -- I'm asking a serious question here.

MS. GALLAGHER: You're asking about aspects that are underlying that are not addressed in this bill.

MR. FITZPATRICK: So you're not gonna answer the question.

MS. GALLAGHER: Right.

MR. FITZPATRICK: Okay.

Madam Speaker, on the bill.

Thank you, Ms. Gallagher.

ACTING SPEAKER HUNTER: On the bill.

MR. FITZPATRICK: This is -- this is very interesting. The -- there is clearly an ulterior motive behind this legislation. That is obvious, unspoken and unmentioned as it may be. What's going to happen here is you're going to, as the previous speaker

mentioned, create real vulnerability here. There is a risk of this information being hacked, leaked, et cetera, which is a serious concern. It will incentivize businesses to locate elsewhere. It will further drive people away from New York, especially business investment. It's very concerning. And I'll tell you, given the -- given what has gone on so far in this debate, it reminds me of a quote by the Austrian economist Friedrich Hayek, and he once said that, "If socialists understood economics they wouldn't be socialists."

I urge a no vote on this bill.

ACTING SPEAKER HUNTER: Mr. Ra.

MR. RA: Thank -- thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GALLAGHER: But of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. RA: So can you explain to me -- because I know there's a number of exemptions here -- the exemption xvi. It's line 40 on I believe page four. I never -- when I'm looking at it on the tablet I never if know the -- if the page number is at the bottom or the top. But it -- it's exemption xvi. It says a limited -- any limited liability that, and then it goes through A, B, C and D, and I'm just trying to understand who that will cover. I mean, some of the -- some of the other provisions -- obviously -- it's obvious what a United States residence is -- resident is -- but, A, operates exclusively to provide

financial assistance to or hold governance rights over any entity described in a previous paragraph. And then it's beneficially -- C is beneficially-owned or controlled exclusively by one or more United States residents that are United States citizens or lawfully admitted for permanent residence. Again, obvious. But then D also says derives at least a majority of its funding from one or more United States residents that are United States citizens or lawfully admitted permanent resident. So can you describe or explain what type of entity that exemption is designed to cover?

MS. GALLAGHER: Can you repeat the line number that you're looking at?

MR. RA: I'm looking at line 40.

MS. GALLAGHER: Of what page?

MR. RA: It is page -- I think it's page 5. Sorry, yes,
5.

MS. GALLAGHER: One moment.

(Pause/conferencing)

Can you repeat the citation? We don't have the -- the page numbers aren't aligned.

MR. RA: It's under the exemptions. It's xvi. And the -- and the description starts on line 40 of -- again, I apologize, but looking at it on a tablet the page numbers there. But I'm looking at a tablet and I don't know exactly --

MS. GALLAGHER: So pool investment -- I'm sorry to interrupt. I didn't mean to.

MR. RA: It's xvi. Any limited liability company that... and then it goes into a couple points, the first one being, A, operates exclusively to provide financial assistance to, or hold governance rights over, any entity described in subparagraph xvi.

MS. GALLAGHER: Okay. I believe you're asking about pooled investment vehicles used by an exempt banking organization, securities exchange, entity or commodity exchange registered entity.

MR. RA: Okay. So can you -- I am not familiar with what that type of entity does. What does that -- what does that mean?

(Conferencing)

MS. GALLAGHER: So it's an -- an exempt banking organization, securities entity or commodity exchange registered entity.

MR. RA: Okay. And then it's -- it's referencing back to one of the previous exemptions, correct?

MS. GALLAGHER: Correct.

MR. RA: Okay. Thank you.

MS. GALLAGHER: Thank you.

MR. RA: And -- and then there is -- the other exemption regarding -- I'm trying to find where it is -- I believe it's in the next one, xvii, employs more than 20 employees on a full-time basis in the United States. And then it has a -- I guess a threshold of \$5 million in gross receipts. So can you explain, you know, why we have that exemption? Why 20 employees? Why are we exempting

really the larger players in this space but keeping these requirements on smaller employers?

MS. GALLAGHER: So, all of the exemptions are the same as the previous law that's already in -- in statute. So this -- this doesn't change any of the exemptions, so there are no new exemptions in this bill.

MR. RA: Okay. But, I mean, this is -- this is text in this bill. This is not -- regardless of what's in existing law, I'm asking you about text in this bill.

MS. GALLAGHER: The text in this bill does not change who is exempt in the law. It's just putting the actual words into the bill rather than the citation.

MR. RA: Well, the citation doesn't exist anymore.

MS. GALLAGHER: Right. That's why we put the actual language into the bill. But we are not defining in this bill who is exempt. We already did those exemptions; that's in the LLC Transparency Act which was passed in 2023.

MR. RA: Okay. Who -- I will -- I will take your -- your statement on its face. So you're saying that these entities are currently exempt?

MS. GALLAGHER: In -- in this bill they are currently -- in -- in the LLC Transparency Act they are currently exempt.

MR. RA: By -- by virtue of what definition?

MS. GALLAGHER: The Federal definition.

MR. RA: Which doesn't exist anymore.

MS. GALLAGHER: That's why we're putting this definition into it. That's why it's a technical fix.

MR. RA: But the definition does not exist anywhere. So in current law there's a definition, a reference to a Federal definition that is no longer in statute. So functionally, right now New York State law does not have a definition. You are putting the definition into State law. So while I appreciate that you're saying you're just codifying what was in that previous definition, it is referring to a Federal statute that no longer exists. So you are putting this language into New York State law. So again, I ask, why is there an exemption for 20 employees?

MS. GALLAGHER: It's not referring to it. It is filling the hole that was torn into the law by the removal of the Federal law.

MR. RA: Yes, the Federal statute had exempt -- these exemptions in it. But the Federal statute no longer exists.

MS. GALLAGHER: But the State law does.

MR. RA: The State law does, but it lacks a definition, which is why we're talking about this bill.

(Conferencing)

MS. GALLAGHER: Once the Federal law was repealed it created a hole in the State statute, and we are repairing the hole with the language that was originally in the Federal statute.

MR. RA: That -- that I agree with and understand.

But this language was only part of the previous law by reference. That reference no longer is valid because that does not exist at the Federal level. So we are for the first time putting explicitly in New York State law these definitions. So I'm going to ask again. Why is there an exemption -- what is the rationale for 20 or fewer employees to be included, and over that to be exempt?

(Conferencing)

MS. GALLAGHER: The rationale for any of these exemptions was part of the initial bill and its debate.

MR. RA: Perhaps. But again, we were referencing a Federal statute that doesn't exist. You are putting these into State law for the first time explicitly. Right now -- let's -- let's be clear as to what the current situation is. Right now you have an existing law that references a definition in a Federal statute. That Federal statute doesn't exist. So -- so right -- let me -- let me back up a second. Right now if New York State wanted to enforce this law or utilize this law to get at the conduct that the original State statute was trying to get at, how -- how could New York State do that?

MS. GALLAGHER: Well, the law does not become enacted until January 1, 2026, so there is no need to do any of that until the law's enacted, which is why we're making a technical fix now to stitch up that hole.

MR. RA: Okay. Suppose -- okay, so let's -- let's say we did not pass this bill. New York State could not -- really, this law would be not functional because the definition has -- does -- doesn't

exist.

MS. GALLAGHER: That's why I --

MR. RA: Am I correct?

MS. GALLAGHER: -- brought the bill forward to the Speaker and the Speaker has brought the bill forward to the House.

MR. RA: So again, we're looking at putting these exemptions in New York State law. I -- I completely disagree that it's not fair to ask about the exemptions. When -- when I look at bill text, there are -- there's words -- and -- and we've all looked at bills, right? There are words that are in existing law and there are words that are clearly part of a statute that we are bringing forward -- or a -- a bill that we are bringing forward that's a proposed law. This is language that's in this proposed law. So why is there an exemption for businesses over 20 employees?

MS. GALLAGHER: The citation from the previous law, the Federal law, is the same language as the language that we have put in here. So that means that we've already discussed all of this in the original bill.

MR. RA: Did any of us vote on the Federal law?

MS. GALLAGHER: No, but you voted on the LLC Transparency Act, which is the State law --

MR. RA: I -- I'm aware of that, but --

MS. GALLAGHER: -- which included that language.

MR. RA: Well, it didn't include the language, it

included it by reference, which, by the way --

MS. GALLAGHER: Which is functionally the same.

MR. RA: I would point out to my colleagues which is why that is usually not a good way to draft legislation, because that stuff can change, and -- and that's why we're here now. So can you explain to me what these businesses need to report to the Department of State when this does become effective?

(Conferencing)

MS. GALLAGHER: I will answer that. That is the information about the beneficial owners of the LLC to the Department of State.

MR. RA: And at what level of detail? Like, what -- what specifically about each of those owners?

(Conferencing)

MS. GALLAGHER: One, full legal name; two, date of birth; three, current business address; and four, a unique identifying number from an acceptable identification document defined in 31 U.S.C. Section 5336.

MR. RA: Okay. And I -- I believe that could be a passport number, a Social Security number. Something of -- of that nature.

MS. GALLAGHER: Correct.

MR. RA: Okay. And if there is a business that doesn't comply, what's the penalty for -- for non-compliance?

(Conferencing)

MS. GALLAGHER: The penalty is not being impacted by this bill.

MR. RA: Okay. Do -- do the -- do the exempted businesses that are now going to be listed in New York State statute, is there anything they need to file with New York State pursuant to this law?

(Conferencing)

MS. GALLAGHER: Pursuant to the General Corporations Law, yes.

MR. RA: Okay. And -- and how does that information differ from what we're requiring under the Corporate Transparency Act?

(Conferencing)

MS. GALLAGHER: The general LLC Law does not include the beneficial ownership requirements that this law includes.

MR. RA: Okay. Thank you.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. RA: So, I -- I want to just reiterate. We have an underlying statute that referenced the Federal definition. That Federal def -- definition is gone. I -- I think it is entirely fair and legitimate to ask questions about these exemptions that, regardless of whether they were a part of Federal law I'll -- I'll note a couple of things: Number one, we're the New York State Assembly. We're not the U.S. House of Representatives. We didn't vote on that language. So I don't know

how in the -- in the weeds we were. I don't specifically remember that floor debate, but at that time I -- I think it -- it might have been likely to get an answer of, *Oh, well, we're just referencing the Federal definition.* So I don't know how in the weeds we got we with regard to those exemptions. But -- but the bottom line is, look at the bill text. These definitions are being put into New York State law explicitly for the first time. If we were to not pass this bill, this statute would be rendered meaningless, in my opinion, because you would have no definition. So I think it is entirely legitimate to -- to ask these questions.

I don't think this bill is really necessary in terms of the law. I -- we should be voting on a bill, I think, probably to just repeal this law. But in particular, I want to point out that if we're trying to deal with major financial institutions and situations, the fact that we're only going after the small ones in this definition gives me great pause and I'm gonna be voting in the negative.

Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, if you could please call the Ways and Means Committee to the Speaker's Conference Room.

ACTING SPEAKER HUNTER: Ways and Means to the Speaker's Conference Room. Please meet Chair Pretlow in the Speaker's Conference Room for Ways and Means.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker.

On the bill.

ACTING SPEAKER HUNTER: On the bill.

MS. WALSH: I thought that after the debate we've had so far, maybe we would give the sponsor a bit of a rest. I kind of feel like I can probably get my thoughts out a little bit better just by going on the bill rather than engaging in a question and answer.

With regard to what the previous debater was talking about as far as poor drafting by just referencing the Federal statute, it's not just poor drafting, it's actually against the New York State Constitution. And we -- we discussed this the other day. But that's why Article III, Section 16 of the State Constitution prohibits incorporation of Federal law by reference, because that's what gets us into all of this problem.

I'm not gonna even touch the arguments about germaneness or not germaneness. I felt like I was listening to something out of Abbott and Costello, honestly. But I -- what I would like to do with the time that I have is I would like to express the very real concerns that have been raised by some of the people who will actually be impacted by this bill, and that would be our business community.

So the Business Council strongly opposes this bill. And, you know, let me just say parenthetically, you know, we get a lot of opposition, memos of concern, memos of support when it comes to

various legislation. Sometimes it's written down, sometimes it's just simply a phone call gets made and somebody says yes, we have concerns because of this, this, this. This is a, I think, a very well-worded, well-thought-out written memorandum of opposition and that's why I'd like to share it with you. "This bill is a clear example of regulatory overreach that adds costly, confusing and punitive requirements on businesses at a time when New York's economic competitiveness is already under serious strain. If enacted, this legislation will further accelerate the steady exodus of businesses from New York. This bill would enshrine into State law a complex reporting regime based on the now-receding Federal Corporate Transparency Act, the CTA. The Federal Government has effectively walked back implementation of the CTA for domestic businesses, recognizing that the rules were poorly constructed and burdensome. Rather than follow suit, New York is attempting to go it alone, codifying definitions and mandates that no longer apply at the Federal level, and applying them in ways that will uniquely and unfairly punish New York companies. This is not a fix or a clarification. This is a significant expansion of the State's power to demand sensitive owner -- ownership information from thousands of legitimate LLCs, many of them small, local, family-run or entrepreneurial businesses. The new definitions of beneficial owner and reporting company are broad and murky, sweeping in businesses that were never intended to be subject to this law and offering little guidance on how to comply. The bill empowers the Department of State to rewrite and enforce

these rules through unchecked regulatory authority, creating a moving target for businesses that could change at the drop of a dime. And let's be clear about what's really happening. The largest, most powerful financial institutions such as banks, broker-dealers, public utilities, insurance firms and investment companies are carved out. The small and mid-sized LLCs that make up the backbone of New York's economy, they're left holding the bag. This is exactly why businesses are leaving New York or choosing not to come here in the first place. The State has become notorious for layering regulation on top of regulation, creating endless red tape and offering little certainty or relief. Business owners are tired of being treated like a problem to solve instead of a partner in economic growth. They are tired of watching the rules change mid-game. They are tired of footing the bill for Albany's mandates while being told it's all in the name of transparency. What this bill actually delivers is more compliance costs, more legal exposure, more time spent on paperwork, and more reasons to move jobs and investment elsewhere. And let's not pretend that this is cost-free. Accountants, lawyers and compliance officers will be needed to navigate this maze. That means real dollars out the door for businesses that already operate on tight margins. And for what? The Federal Government is no longer enforcing these rules. Other states aren't adopting them. This bill does nothing to improve public safety or economic integrity. It simply makes it harder to operate a business in New York. There is no credible justification for the legislation. The Federal framework it's based on is collapsing.

There is no demonstrated benefit to State duplication. And there's no plan to ensure data security or protect businesses from misuse of their sensitive information. What this bill offers is more regulation for regulations' sake."

So, I mean, I don't think it can get any more clear than that about why the Business Council strongly opposes this legislation. And I would just say, you know, since when did business become the enemy here in this State? Since when? Why is it only in bills like this that we can get the Majority to actually get tough on anybody? It just seems to be just tough on our business community. And they are very clear about what the real impacts are on them, on their businesses, what it's going to cost them, the uncertainty. And it just talks about -- as a previous speaker said, it really talks about and underlines why New York State has been 50th, the worst in the nation, in business climate. It -- this is it. This is the absolutely metaphor, this bill, as to why New York ranks dead last in business climate.

We have a choice to stop layering regulation upon regulation upon regulation. But it just doesn't seem that the Majority has an appetite for trying to make the business climate around here any better.

I will obviously be voting in the negative. I encourage others to vote in the same way. And I just think that this is a very unfortunate example of one more -- one more thing that we don't need, and the wrong direction that we continue to follow in this State.

Thank you very much, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The Republican Conference will be in the negative on this bill. If anyone wishes to vote yes, you may do so now at your seats.

Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. The Majority Conference is gonna be in favor of this piece of legislation. There could be a few that would desire to be an exception; they should feel free to do so at their seats.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Gallagher to explain her vote.

MS. GALLAGHER: Thank you. States have the right to codify policies and language in State law that remain in effect, independent of Federal law and policy decision. That is what this bill is doing, and nothing else.

I'd like to thank my colleagues for their support, and I'd also like to thank the Speaker and the staff for helping me put this together. Thank you very much. I will be voting yes.

ACTING SPEAKER HUNTER: Ms. Gallagher in the affirmative.

Mr. Bologna to explain his vote.

MR. BOLOGNA: Thank you, Madam Speaker. I take this job very seriously. This has been one of the greatest honors of my life to -- to have this job. And as I said yesterday in a debate, as we talk about these bills I drive through my district in my head and I try to remember certain conversations I've had with -- with people, with residents. And honestly, as I was sitting here thinking about this bill, there was a conversation I had with a -- with a constituent on Georgia Avenue in the -- in the City of Lockport. And kind of just talking about child care, affordability and some of -- some of those things, and how this bill does not get us any closer to solving any of the issues that are just facing normal everyday people. And we have a certain expectation here to remain professional, work hard, and understand -- have an understanding of what we're talking about and what's going on and asking questions. Whether you live in a penthouse in Manhattan or are homeless and -- and on Elm Street in the City of Buffalo, you should have the same representation and you should have people that are asking questions on your behalf. So the dismissive nature in which some of the questions today was -- was very disappointing.

So, purely based on that fact alone, I mean, this is -- I'll be voting no on this bill. But again, to echo my colleague's comments on the business climate in New York State and how this doesn't get us any further to really discussing any issues that are meaningful to people who are struggling, affordability, child care, energy choice.

So thank you very much. I appreciate it.

ACTING SPEAKER HUNTER: Mr. Bologna in the negative.

Mr. Steck to explain his vote.

MR. STECK: Thank you, Madam Speaker. I don't want to engage in the broad discussion of economics. I know some of my colleagues act as if John Maynard Keynes never walked the face of the earth and we're back in the 17th Century. Leaving that aside, when it comes to corporations and LLCs, people forget that they are creatures of government. They are created by government to give business people limited liability. If there were no corporations and no LLCs, people would have to do business in their own name. They would be personally liable, and that would make it more difficult and more risky for people to make investments. So by the same token, with respect to corporations and LLCs, the government can set rules. Confidentiality is not part of it, and this bill is a perfectly reasonable act to make sure that LLCs are not used to hide illegal activity.

I vote in the affirmative.

ACTING SPEAKER HUNTER: Mr. Steck in the

affirmative.

Mr. Gallahan to explain his vote.

MR. GALLAHAN: Thank you, Madam Speaker.

Speaking from a family that has an LLC, I sit in this Chamber for the last five years and I see bill after bill after bill that not only costs me and my wife, the LLC, additional funds and reaches into my pocket, it takes away my profitability.

With the situation the last few years with our economy, prices have escalated. Trying to comply with all these rules and regulations that are thrown upon us small business folks in New York State are becoming a real problem. I've got a six-foot window in my food trailer. I've got more stickers on that window telling people watch out for this, watch out for that. Ask me if you have a food allergy. You can do this, you can't do that. If I put two more stickers on my window, I'm gonna be taking orders out the back door. It's getting to the point where it's not even worth having a business in this State because of all the red tape that we have to run through every single year. And where does that fall? We don't have money for an accountant and an attorney. We're a small business. My wife and I do it all. It's getting to the point where it's impossible to keep up. It's creeping into our profits. We try to do all kinds of things for the community. We can't do those anymore. We don't have the money to do those anymore. So it's affecting the lives of all the citizens in -- in New York State, but particularly in my case, in my community.

We purchased a home last year, a vacation home in

Florida. We're having serious talks about moving our food trailer to Florida, where I don't have to put up with all this.

So I am certainly in the negative on this bill, and I know I'm speaking to -- my colleagues are all in the negative. But I -- I just think that, you know, this bill is gonna pass. We all know it's gonna pass. I hope the Governor has the common sense to veto this bill because I will be in the negative.

ACTING SPEAKER HUNTER: Thank you. Mr. Gallahan in the negative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

ACTING SPEAKER HUNTER: Page 16, Rules Report No. 740, the Clerk read.

THE CLERK: Senate No. S06997-A, Rules Report No. 740, Senator Ryan C (A07544-A, Magnarelli, O'Pharrow, Schiavoni, Ramos, Barrett, Jacobson, Stern, Kassay, Torres, Griffin, Shrestha, Burdick, Gallagher, Otis, Colton, Lunsford, Eachus, Kay, Davila, McMahon, Shimsky, Dinowitz, Taylor, Rozic, Hevesi, Clark, Seawright, Simone, Reyes, Rosenthal, Levenberg, Conrad, Benedetto, Simon). An act to amend the Public Service Law and the General Municipal Law, in relation to enforcement of pole attachment safety and quality.

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Magnarelli.

MR. MAGNARELLI: Yes, Madam Speaker. This bill allows for the PSC to ensure the safety of utility and communications workers as we continue to work on deploying broadband. It makes changes to the Public Service Law to establish mechanisms for attachers to identify their pole attachments and corresponding contractors performing work relating to their attachments. It creates an online complaint form to allow the public and relevant workers to report on alleged safety related violations, it establishes the process by which the PSC oversees the remedy to safety violations and estemblish -- excuse me, establishes fines for the safety related and what One Touch Make Ready violations.

ACTING SPEAKER HUNTER: Mr. Palmesano.

MR. PALMESANO: Yes, Madam Speaker. Will the sponsor yield for some questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. MAGNARELLI: I will.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. PALMESANO: Thank you very much, I appreciate that, Mr. Magnarelli. My first question for you is: I know this is an A print. I think I know what some of the changes were from the initial print from the A print. Might you be able to explain that to me? Or, I can ask if you think that's the better way?

MR. MAGNARELLI: I guess, for the most part, it

had higher penalties.

MR. PALMESANO: Right, because I think -- I think one thing that I caught from the initial print was, there's three penal -- after three penalties in the A print, it would be an applicants, or individuals, or companies, wouldn't be eligible for State Grants, for State Loans. I think that's kind of what was in your initial plan; is that correct? Is that accurate?

MR. MAGNARELLI: I mean, it's all gone. It's taken out.

MR. PALMESANO: All right. So, there are I know, I think on page 2 of the bill, you talk about different violations. What are the -- the penalties for each violation? I -- I think it's up to three?

MR. MAGNARELLI: The first violation is up to \$20,000 fine. Upon a second violation, the responsible party may be subject and I -- I want to use the words may be, okay?

MR. PALMESANO: I understand.

MR. MAGNARELLI: Subject to \$50,000 fine and upon a third violation, the responsible party may be subject to a stop work order in the county where any of the violations were made --

MR. PALMESANO: Okay.

MR. MAGNARELLI: -- and I want to, you know, point out that it says "up to". So it doesn't mean those are the fines, it could be less.

MR. PALMESANO: Okay, fair enough. I know in your sponsor's memo when it says costs for fiscal implications, it says,

"to be determined". Have you been able to determine what costs would be associated with this implementation of this legislation?

MR. MAGNARELLI: I'm not sure there will be any to the State in the sense that the PSC already has a mechanism to take a look at this. It has investigators in the field that could take a look at this. So, at this point in time, we don't know.

MR. PALMESANO: Okay. So, technically then you're -- I think you're -- if I'm hearing your answer right, the PSC has an initial operating budget that you believe they can work -- work within their existing budget with -- with their existing staff to meet the demands and operations of this?

MR. MAGNARELLI: At this point, yes.

MR. PALMESANO: Okay. Now, did you talk to the PSC about this legislation? About the operational demands and are they equip to handle the -- the things you're asking them to do?

MR. MAGNARELLI: I'm going to be honest with you, I have not personally done that.

MR. PALMESANO: That's -- that's fine. How about, did you talk to any of the stakeholders like whether it's the utilities, or the telephone companies, or the pole hold -- the pole owners? Did you talk to any of them about this legislation?

MR. MAGNARELLI: Yes. Yep.

MR. PALMESANO: And how did -- what -- what was their response with that discussion if --

MR. MAGNARELLI: Well, the people I'm talking

to, or have talked me about this, that it's important to, are the people who work on the poles --

MR. PALMESANO: Sure.

MR. MAGNARELLI: -- and they're very concerned about the safety and the placement of the attachments and who's working on them and how to make sure that the more things we put on the poles and where they're located, are going to be done properly and in the proper order. And so that's been the focus of my talks with them and the focus of this bill, I might say.

MR. PALMESANO: Sure, and I can appreciate that, Mr. Magnarelli. Certainly these (indiscernible) should be paramount.

Now, it's my understanding and I'm sure you're probably aware, the PSC already has put in place a Statewide process of post-construction inspection to ensure pole work complies with all the legal and safety standards and this was developed after extensive stakeholder input to make sure it has an effective regulatory background. Are you aware that this -- there's a process in place that this -- the PSC is working on?

MR. MAGNARELLI: Yes, I -- I am aware that there is a process in the previous legislation. However, there was no way of implementing that or enforcing that process and that's what this bill attempts to do.

MR. PALMESANO: So, under existing regulations, the PSC doesn't have the authority to enforce penalties if -- if a company is violating safety factors or that?

MR. MAGNARELLI: There weren't any penalties at all.

MR. PALMESANO: Okay.

MR. MAGNARELLI: So, what we're doing is spelling out, making it clear that there will be penalties, that there will be enforcement and we're allowing not only workers, but the public to initiate those places where enforcement should be at least looked at.

MR. PALMESANO: Okay. So, with this new process, is there any evidence right now that it's not working, or lacking and really shouldn't be given time to be implemented before we make any suggested changes? Or -- or your basic argument, we need that penalties to go along with --

MR. MAGNARELLI: No, there are people who have been talking to me who say that there are violations and there are things that should be changed and looked at and that it does affect the safety of the workers on the poles.

MR. PALMESANO: Okay. As far as the timelines of the bills, if I read it correctly, is it my understanding that 14 days to inspect the complaint -- the PSC would have 14 days to inspect the complaint that's issued.

MR. MAGNARELLI: Yup.

MR. PALMESANO: And then is it my understanding that seven days after that to fix the complaint -- the violation, is accurate or no?

(Conferencing)

MR. MAGNARELLI: You're correct, but the PSC also has the ability to lessen the amount of time or increase the amount of time to correct.

MR. PALMESANO: All right. So, this complaint mecha -- how is this complaint mechanism going to work? It's going to be an online complaint or somewhere to file a complaint? Is that how it works?

MR. MAGNARELLI: Right. There would be filing of a complaint by either a company, a worker or the general public who sees a -- a wire dangling from a pole.

MR. PALMESANO: Okay. Is there any filters or any verification mechanisms so -- to make sure the complaints are legitimate or, you know, substantiated or unsubstantiated? It seems to me like there's no clarification in the language of this bill. It doesn't differentiate between substantiated or unsubstantiated, as far as filters or verification mechanisms and couldn't that possibly lead to false claims, you know, things being reported incorrectly or no?

MR. MAGNARELLI: Well, I -- I think there could always be the possibility of a false claim or things being incorrectly reported. I think the PSC, though, is the one that will investigate those claims and make a determination on whether or not they'll valid.

MR. PALMESANO: Okay. What type of violations would really actually trigger the penalties -- trigger penalties in an -- in an actual stop work order outlined in this bill? Are there certain types of violations that -- are there repetitive violations? I know you

said the third violation gives the stop orders. Anything in particular that would have to happen to trigger that?

(Conferencing)

MR. MAGNARELLI: The penalties will be triggered once there -- there have been violations at least three times.

MR. PALMESANO: Okay. And I think I touched on this, but I'll just ask it. Did you have any consideration delaying the implementation or advancement of this bill until the PSC was able to finish their current process and evaluate it to see if any other changes are needed to be made? Or is that you didn't think that was necessary, that these changes are necessary to be made?

MR. MAGNARELLI: I think they're necessary to be made now, but we're always open to listening to the PSC if there's anything that has to be changed or tweaked going forward.

MR. PALMESANO: Okay. And real quickly, just going back to the fiscal impact again, I know I'm bouncing around, I apologize to you about that, Mr. Magnarelli. Often the Governor will veto bills because it doesn't have specific funding requests, you know, how much work this may take, but, again, if I heard our earlier conversation, you said there doesn't need to be a line item in this bill or a funding request in this bill, because it's your belief and the Majority's belief that this can be funded in -- in the existing PSC operation. Is that accurate then?

MR. MAGNARELLI: That's correct.

MR. PALMESANO: Okay. What about relative to I

believe there's some disclosure requirements, contractor disclosure requirements, such as private -- are there any concerns relative to privacy, safety or competitive concerns? Are they really necessary in this bill to really achieve the bill's goals?

(Conferencing)

MR. MAGNARELLI: That information is not supposed to be made public, it's supposed to be only for the PSC.

MR. PALMESANO: Okay. Is there any concern on your part given there could be work stoppages or delays, additional costs that would be put on the pole owner for work and everything, couldn't that also -- is there any concerns on your part that this could disincentivize companies to making the necessary infrastructure investments to bring online access, broadband access to underserved and unserved communities? Is there a worry about that can slow up the broadband deployment, which you know is critical, especially in our Upstate rural communities? Is there any concern --

MR. MAGNARELLI: It is critical and -- and we want to see it happen, but on the other hand, we want to make sure that it's done in the proper way and with the safety requirements adhered to. I think taking care of our workers and making sure it's done right is paramount.

MR. PALMESANO: Sure. Okay. Mr. Magnarelli, thank you for your time --

MR. MAGNARELLI: Thank you.

MR. PALMESANO: -- and questions.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. PALMESANO: I appreciate the conversation with the sponsor. Let me ensure my colleagues on both sides of the aisle, safety is paramount. And we want to make sure that safety is always there. But we have a process in place. The PSC has already put a process in place, a Statewide process that deals with post-construction inspection to ensure pole work complies with all the legal and safety standards. This seems like it's duplicative and unnecessary. Again, there's no dollars associated for this in the -- you know, which we think would be something that might be allocated, although I know the sponsor says it could be worked out of other existing operations. That process that's in place was actually developed after extensive stakeholder engagement and input, which is the way it should be. This helps provide an effective regulatory backstop. As I mentioned, I think this bill duplicates the PSC's inspection process and just overlaps with more costly and burdensome mandates. And there's no indication that the new process is lacking or not working, so we should be going -- giving more time -- we should be giving more time to be fully implemented before further changes are made. You know, there's excessive -- there's excessive penalties in this. I know you said "up to", but there's still excessive penalties in this. The sponsor mentioned there was really no consultation as far as with the PSC to they could handle this other burden that's gonna be placed on them. And it doesn't distinguish between substantial and unsubstantiated

claims. I think there's some also concerns about the unvetted public comment period complaint form. So there's no clear vetting and filtering of -- of comments, which could be -- lead to misuse, false reports and system overwhelming. And also, as far as the due process and -- and adjudicary [sic] process with these process when you stop -- do stop workers because there's no clear guidance in that process. But it also could lead to unnecessary inspections; more importantly, project delays which could disincentivize and hurt investment in broadband and the broadband build-out, slow it down because of excessive documentation and compliance which would delay the needed upgrades.

So with that, Madam Speaker, I -- I would ask that -- I'm -- I'm gonna be voting negative on this bill. I appreciate the sponsor's comments on it and I will leave it at that. I vote -- I'm gonna be voting no.

ACTING SPEAKER HUNTER: Thank you.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker.

The Republican Conference will be generally opposed to this legislation; however, anyone who would like to vote yes may do so at their desks right now.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. The Majority Conference is gonna be in favor of this piece of legislation; however, there may be a few that would desire to vote differently and they can feel free today so at their seat.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, if we could now call up Rules Report No. 748. It's by Ms. Davila.

ACTING SPEAKER HUNTER: Page 17, Rules Report No. 748, the Clerk will read.

THE CLERK: Senate No. S08197, Rules Report No. 748, Senator Brisport (A08271, Davila). An act to amend the Family Court Act, in relation to the right to counsel in proceedings regarding violations of orders of child support and to establish paternity or parentage in the family court.

ACTING SPEAKER HUNTER: An explanation has been requested.

Ms. Davila.

MS. DAVILA: Thank you, Madam Speaker. This bill would enhance access to justice by ensuring that both sides, not simply one side, in certain family court cases have a right to appointed counsel if they cannot afford an attorney, and if a child is a party, that an attorney be appointed for the child.

ACTING SPEAKER HUNTER: Ms. Walsh.

MS. WALSH: Thank you. Madam Speaker, will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. DAVILA: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MS. WALSH: Thank you very much. So first let's take a look at the three different types of family court proceedings that are gonna be impacted by this legislation. Am I correct that they would include a contempt proceeding, a parentage or paternity proceeding including intervening parties, and three, a child court collection proceeding; is that correct?

MS. DAVILA: That's correct.

MS. WALSH: Okay. So currently, under current law in a contempt proceeding, is there any assigned counsel available through 18-B for those parties under current law?

(Conferencing)

MS. DAVILA: Just the respondent.

MS. WALSH: Right. Okay. Would that include a

family offense petition in family court? Because I think that that's the case in that as well.

(Conferencing)

MS. DAVILA: Yes.

MS. WALSH: Okay. So, this -- so this bill would say both sides would get 18-B counsel if they financially qualify, correct?

MS. DAVILA: That is correct.

MS. WALSH: Yeah. And I think that's great, because I actually had a family court attorney -- a family court judge, in particular, reach out to me and say, you know, it is always so very awkward to him to only have one party have to, you know, get counsel and the other side not. So, I'm with you so far on that with this bill.

So the second one is parentage or paternity proceedings, including intervening parties. Under current law, does anybody in that scenario get 18-B counsel right now?

(Conferencing)

MS. DAVILA: Only the respondent.

MS. WALSH: Okay. So again, parity. You're gonna have both sides being able to get 18-B if they financially qualify. I'm still with you. Okay.

Now, in -- in -- this is -- and this is really -- the last one is where I really want to spend most of our time; child support collection proceedings. Right now, isn't it true that -- and -- I -- I saw this, I might not have my data not exactly right. I thought another one

of our colleagues has a bill having to do with child support and she cited a statistic saying roughly 85 percent of people currently appearing before a support magistrate do so pro se, or unrepresented. Does that sound about right to you?

MS. DAVILA: That is correct.

MS. WALSH: Okay. So about 15 percent or so can hire their own attorney, and then -- or choose to hire their own attorney. But about 85 percent right now go it alone.

MS. DAVILA: That is correct.

MS. WALSH: Okay. All right. So what this bill then would do -- and, you know, there are a huge -- it's a very, very busy business in Child Support Collection Unit and the -- in front of support magistrates throughout the State. I don't -- I don't have data -- maybe -- you probably do -- but about the number of cases that there are each year. But it's -- it's a very busy situation, right?

MS. DAVILA: To -- to be a little exact --

MS. WALSH: Yes.

MS. DAVILA: -- it's about 7,200 cases a year.

MS. WALSH: Yeah. I -- to me, that even seems low. Does that -- is that, like, just per family unit? That isn't the number of appearances. So you might have somebody coming in; they need to get their case resolved with one or two appearances. But some of them go on and on. They go to full hearing and, you know, on and on, correct? So this -- that 7,000 might be the number of unique families, you know, that are coming in front of the support

court, but not the number of appearances, right?

(Conferencing)

MS. DAVILA: It's not the numbers [sic] of proceedings, it's the numbers [sic] of cases, so...

MS. WALSH: Correct. That -- I -- that's inarticulately what I was trying to get across. Okay. Thank you. So -- okay. Now, when we're talking about child support collection proceedings, does that include all the different kinds of flavors? In other words, you're gonna get some proceedings where people are gonna come in and say, *I need to have child support established as to my children*. There may be a parent, an obligor parent who is gonna say, *I had a child support order of X dollars. I lost my job. I wanna get a downward modification of my application*. Then you could have a -- a parent who has a child support order who wants to get an upward modification because they find out that there's more income on the -- the other parent or something like that. So this bill would cover, like, all those types of proceedings. Is that correct or am I mistaken?

(Conferencing)

MS. DAVILA: No. This -- this only covers for cases that are delinquent. It doesn't cover everything.

MS. WALSH: They're only for delinquent cases.

MS. DAVILA: Yes.

MS. WALSH: Oh, so they're enforcement proceedings. That's it?

MS. DAVILA: Yes.

MS. WALSH: Not for the -- okay. All right. So that's not for the est -- that's not for the establishment of child support, but it's if the parent that's supposed to pay has fallen behind or hasn't done their -- their payment and now it's an enforcement proceeding that's being brought.

(Conferencing)

MS. DAVILA: Yes. That's correct.

MS. WALSH: Okay. All right. Well, then that -- those numbers that you gave then start to make more sense to me. Because I, you know, fortunately, especially with the involvement of the child support collection units in many counties that take over the automatic withdrawal, the garnishment of -- of, you know, child support, fortunately there aren't as many cases where you're coming in. Okay. That's very helpful.

So who is -- who is going to pay for the counsel that's gonna be provided to both parties in these types of proceedings?

MS. DAVILA: Well, the cost for local government is -- that we are proposing at this point is 9.4 million. Currently, the State is spending \$100 million a year on these proceedings. And the City is also adding another 50 million.

(Conferencing)

So the 9 -- 9.4 million is a -- it's reimbursable. So the counties are not going to be putting money in to that.

MS. WALSH: So they're gonna outlay the money

initially and then they're gonna ask for reimbursement from the State to pay them back for that?

(Conferencing)

MS. DAVILA: Not for the whole cost, but for most of the cost.

MS. WALSH: Okay. So -- so what -- what do we estimate will be the -- the unreimbursed cost to counties for this proposal?

(Conferencing)

MS. DAVILA: We do not at this point have an estimate.

MS. WALSH: Okay. And that, of course, is based on current numbers in terms of how many, you know, how many cases there are right now versus what there may be in the future, I would assume.

(Conferencing)

MS. DAVILA: These numbers came from OCA.

MS. WALSH: Yes. Yes. I know that they did. I know that they came from OCA. But I guess what I'm saying -- and I don't mean to belabor it -- but they're basing their projected costs on the caseload that they're recognizing right now that they're estimating across the State. That could go up, that could go down. But right now this is their best guess based on the numbers that they're looking at.

MS. DAVILA: That's correct.

MS. WALSH: Very good. Okay.

So, you mentioned that this is going to be means tested in some way. So rich people aren't going to have 18-B counsel assigned to them. It's only gonna be people who can't afford their own attorney?

MS. DAVILA: I -- I believe it's at -- at the discretion of the judge.

MS. WALSH: Okay.

(Conferencing)

MS. DAVILA: Only if they cannot afford counsel.

MS. WALSH: Okay. But, I mean, is it based on any -- so it's not on a sliding scale, it's gonna be in the discretion of the support magistrate based upon some kind of testimony. The judge will take a look at or the hearing officer will take a look at pay stubs and figure out who has the ability to pay and who doesn't?

MS. DAVILA: Well, currently, I believe in order to get these type of services you have to have a certain income level to qualify.

MS. WALSH: Well, I mean, that's how it works for public defender services, and 18-B is really kind of like an extension of that in some instances, so... Okay. I don't know what those thresholds are, but I just -- it -- I just wanted to establish that it's not for every single case that's coming in front of the court. It's only for those where people just cannot pay for their own attorney and that's approved or verified by the hearing officer or the judge that's handling the case.

MS. DAVILA: That's correct.

MS. WALSH: Okay. And then also, one thing -- in your explanation you talked about possibly an attorney for the child also getting appointed; is that correct? I just wanna know which cases that would be. Because right now -- I've done a lot of attorney for the child work and we don't ever get appointed to go into child support proceedings at all. We just -- we have no role in that at all.

MS. DAVILA: Okay.

MS. WALSH: Is that going to change?

MS. DAVILA: So, thank you for that question.

Minors are rarely parties in family court actions concerning themselves. Expanding the scope of the right to counsel to include minor parties is extended for rare cases of teen parents --

MS. WALSH: Okay.

MS. DAVILA: Yeah. So...

MS. WALSH: Okay. So, yeah. If you have -- if you have a minor who is also a parent in one of these proceedings, that -- those are the minors that are gonna be getting an attorney for the child, but it's really counsel.

MS. DAVILA: That's correct.

MS. WALSH: Okay. All right. I've got you.

Now, isn't it true that, I think within the last couple of years, the 18-B rate and the attorney for the child rate, too, was essentially doubled. It went -- it was really low. It was like \$75 an hour, and I believe that now the rate is \$158 an hour, correct?

(Conferencing)

MS. DAVILA: The 18-B has -- I believe it's under --

(Conferencing)

It is \$500 per case. Yes.

MS. WALSH: Per case?

MS. DAVILA: Per case.

MS. WALSH: Not per hour?

MS. DAVILA: Per hour, I'm sorry.

MS. WALSH: \$500 per hour?

MS. DAVILA: Correct.

MS. WALSH: For 18-B?

MS. DAVILA: For these types of cases.

MS. WALSH: Oh, wow. I -- I'm gonna have to check out my outside income limits. That's fantastic. That's more than an average matrimonial attorney would make per hour up in my neck of the woods. Okay.

So, let me just double-check my notes here and see if I have anything else.

MS. DAVILA: I'm sorry, correction. It is \$500 per case, not per hour.

MS. WALSH: So it's capped.

MS. DAVILA: Yes.

MS. WALSH: Okay. Okay. So it's not based on an hourly rate, it's like a -- it's a flat fee?

(Conferencing)

MS. DAVILA: It's just an average.

MS. WALSH: Oh. I'm -- okay. I'm sorry, I apologize if I -- I wasn't clear. But what's the -- what's the hourly rate that's gonna be applied to these cases for 18-B counsel? I was looking at it as an hourly rate rather than an average cost per case.

(Conferencing)

MS. DAVILA: We do not have that answer at this moment.

MS. WALSH: Oh, you don't know the hourly rate? Okay. Oh. All right. I -- I thought for sure it would be \$158 an hour, but that -- that's okay. I mean, if you don't know, you don't know. That's fine. Okay.

And this bill is a Unified Court System program bill, right?

MS. DAVILA: Can you repeat that, please?

MS. WALSH: This bill that you're carrying today is a Unified Court System program bill? They asked for this bill?

MS. DAVILA: Yes.

MS. WALSH: Okay. All right. Well, thank you very much for answering my questions.

At this point I'll go on the bill, please.

ACTING SPEAKER HUNTER: On the bill.

MS. WALSH: Thank you, Madam Speaker. So, I think that there -- there are -- there are some good aspects to this bill, as I tried to mention during debate. I do like the fact that in contempt

or family offense proceedings you're gonna have both parties represented. I always thought that it was awkward that -- and so did the family court judges that I spoke with -- that only the respondent was getting counsel where the -- the other party wasn't. Even in paternity proceedings I can understand that you would want parity and have both sides represented.

Where I was really concerned and where I think the debate was actually very helpful to me was that the sponsor confirmed that it's not gonna to be every single child support case that's gonna have counsel on both sides appointed. Because I -- I could see that number just being a huge number. And right now the current state of affairs is that we have on average maybe 85 percent of these cases, people are pro se. And the -- the support magistrates that handle these cases are very accustomed to dealing with pro se parties. You know, I -- I'm thinking fondly of the support magistrates that we have in the county where I primarily practice. They're very -- they're very accustomed to dealing with people who are, you know, very accustomed to being in court and they walk them through it. They figure it out and they help them out. So I felt originally that the idea of having them all immediately, if they met the needs test, receive court-appointed counsel would -- would be a bit of a -- of an overkill, in my view. But this -- I -- I'd like to continue on, if I could. Thank you. Just to finish up. But the sponsor clarified that this is only gonna apply to child support collection proceedings. So it's only going to be in cases where one party is not meeting their obligation, and I can

understand why you would have counsel possibly there.

My concerns with the bill overall are just these. The counties are already paying a portion of what this -- this costs. And child support and paternity cases for last year in the county -- my county were -- was \$163,000. And I mean for -- for -- I mean, for an Upstate county, even a -- you know, that -- that's a lot of money. You know, that's a lot of money. I'm not saying it's not a good investment so that people are well-represented. I'm just saying it's a consideration, especially when you've got -- when you've just recently doubled the hourly rate that these attorneys will be paid.

I think another concern that I've got, though, is that -- it's -- we have a very hard time in my county -- I don't know what it's like in the rest of the State, but I have to assume it would be kind of similar in most parts. It's really hard to find 18-B counsel to even take any cases. If you're, say -- say you're a solo practitioner, as I was for a period of time, the appeal to doing 18-B cases is that you just get a phone call. They say, *Hey, we've got a case for you. Go pick it up.* *Your -- your -- you know, your first appearance is on this date.* You pick it up. You don't have to advertise for it. You don't have to do any marketing. You just get the -- you get the work, you go and do the work. The downside is you don't really get paid very much money, so it's -- in comparison to what you would make in a private practice case. So like I said, you are, you know, a matrimonial attorney, in my county you could be making \$400 an hour, \$450 an hour, somewhere in there, for your work versus making \$158 an hour.

So it's four times more appealing to take other kinds of work over 18-B, and so it's really hard to get them to join the panel and take these cases. So I do think that if this is going to be expanding the need for 18-B, you know -- yes, we did increase the rate from a really ridiculously low \$75, but it's still, relatively speaking, kind of a low rate. It's gonna be kind of hard to get people to get on the panel to do this work.

I also think that there's something to be said that -- and God bless us lawyers, this is just how it works. But when you have paid attorneys being able to come in in cases, it's going to encourage more people to bring cases because they don't really have to have any financial skin in the game. So I think that you're gonna have more people coming in which, depending on your point of view, could be a good thing or maybe a not so good thing, alleging that there haven't -- that the other party, the other parent, hasn't been meeting their obligation to pay child support, and that there would be more collection proceedings being brought.

So I think that the numbers that are being given by the -- the Unified Court System, by OCA, of \$9.4 million per year doesn't sound like that much, but I think that that number probably is gonna increase because I think we're gonna get more cases by providing counsel, not fewer. I prefer a different approach to this one, at least as it relates to the child support collection proceedings.

There's another bill that we may be taking up as early as today, brought by another colleague, that encourages alternative

dispute resolution in a -- in a pilot program for these child support cases and I think that's really a good idea. That's also a Unified Court System program bill and I like that idea a lot. But I know we have to be germane and talk about the bill that's in front of us, so let me do that.

I think that I'm -- you know, my primary concern is if the State wants to make this investment, then all the power to the State for doing it. I think in the -- in the scope of a \$254 billion State Budget, the -- a few million to ensure that people are represented who don't have the money to get their own counsel seems like a good investment to me. I just want to make sure that it's not the counties that are gonna be holding the bag here. I think that they already have enough unfunded mandates that are placed on them, and it's for that reason I really wanted to speak on this bill and to -- and to ask a few questions of the sponsor and I do appreciate her time answering my questions.

So I'm gonna think a little bit about whether or not to support this bill. But I do appreciate that it's a little bit more limited than I originally thought. So thank you very much, Madam Speaker.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect on the 90th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Davila to explain her vote.

MS. DAVILA: Yes. Thank you very much, Madam Chair.

We live in a world that we have the have and the have-nots, and oftentimes the haves always win. This is just an extra mechanism, an extra bit of money in the State Budget that's going to help people understand the court system, and also to be defended in -- in a place that can be extremely scary.

So with that said, I'm very proud to carry this bill, and thank you very much and I vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Davila in the affirmative.

Ms. Walsh to explain her vote.

MS. WALSH: Thank you, Madam Speaker. Very briefly. So upon -- reflecting a little bit upon the debate -- and I have to say, this is why we have debates. This is a good debate because it helped me to better understand what the scope of the bill really was because I was unclear. Based on the -- the answers given during the debate and the narrower scope and what the financial impact is supposed to be and who it is most likely to fall on, which is not the counties, but on the State itself through a reimbursement process, I -- I will support this bill. I do agree with the sponsor that the whole family court system and the child support process, paternity proceedings, contempt proceedings, it -- it is scary. And it is

something where I think that having counsel for those who cannot afford to hire counsel on their own when the price tag looks like it is this, I will support it and I would encourage my colleagues to do the same.

Thank you very much.

ACTING SPEAKER HUNTER: Thank you.

Ms. Walsh in the affirmative.

Mrs. Peoples-Stokes to explain her vote.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker, for the opportunity to explain my vote. I wanna commend the sponsor of this bill for putting it in. And actually, I want to commend the process of the debate because it actually was very informative.

I will also say that I can recall as a county legislator some years ago when the family court was the fastest-growing court in our State. Definitely in our county that I represented in Erie. And it seems like it necessarily has not slown [sic] down. And so everybody needs to be represented when you have to go to court. And so putting something in place that ensures that, I think is a -- is a huge leap forward. And perhaps because they have the right counsel, their families will be restructured in a way that won't land them to be still dysfunctional, and perhaps the next generation of this family will not need the services of family court.

So thank you, again, to the sponsor of this legislation. I vote in the affirmative.

ACTING SPEAKER HUNTER: Mrs. Peoples-Stokes in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, would you please call the Rules Committee to the Speaker's Conference Room?

ACTING SPEAKER HUNTER: Rules Committee members to the Speaker's Conference Room. Rules Committee members, please make your way quietly to the Speaker's Conference Room.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. If we can now bring our attention to Rules Report No. 717 by myself, Peoples-Stokes.

ACTING SPEAKER HUNTER: Page 15, Rules Report No. 717, the Clerk will read.

THE CLERK: Senate No. S03294-A, Rules Report No. 717, Senator Cooney (A04795-A, Peoples-Stokes). An act to amend the Cannabis Law, in relation to medical use cannabis; and to repeal Article 33-A of the Public Health Law relating to the Controlled Substances Therapeutic Research Act.

ACTING SPEAKER HUNTER: An explanation has

been requested.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Yes. This bill, 7 -- 4759 [sic] actually is an opportunity to both protect and to revitalize New York's medical -- medical cannabis program. Medical cannabis was legalized in 2014, and as we all know, since then adult-use cannabis has been legalized as well. But the medical cannabis program is -- is sort of kind of struggling. Patients' access is shrinking, prices are rising and dispensaries are closing and/or consolidated into adult-use space. This bill attempts to long -- to enact the long overdue reform that puts patients first and ensures that the program survives.

I personally believe that the most valuable piece of the cannabinoid -- cannabis plant is its medicinal benefits, and so we want to bring that back into reality. So there are 30 medical dispensaries now in the State of New York; that used to be 40. And as a matter of fact, one of them in my district was actually closed. And the cannabis law that was enacted in '21 permits at least 80 to be operational. So, medical access is going the wrong direction; when it should be going up it's actually going down. Our rolls under the current law have up to eight medical dispensaries. As of '21, only three of those can have adult-use products colocated. There are a total of 30 medical stores open now, with 12 of those being colocated.

The other piece that this one does is it allows our medical cards to be transferrable between states. Many states already do this. If you are visiting the State of New York and you have access

to medical cannabis in the state where you live, your card should be accepted here in the State of New York as well. So we're looking for that reciprocity. And it also streamlines the certification process, which I think was complicated in its original state because people didn't really want necessarily the plant to be used medically. So the mandatory consultations and the prescription monitoring, not that it will be eliminated, but it will not be stressed as tightly as it is right now. So as opposed to needing to have a new license every year, you need to have a license every two years.

ACTING SPEAKER HUNTER: Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker.

Will the sponsor please yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MRS. PEOPLES-STOKES: Yes, of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. GANDOLFO: Thank you, Majority Leader. So first, I know this bill makes a number of changes that you just kind of walked through there. One of them would allow healthcare practitioners to give certification for medicinal-use cannabis to either the certified patient or the designated caregiver of the certified patient. So the new addition is the designated caregiver, correct?

MRS. PEOPLES-STOKES: It could be the caregiver or it could be a person who is certified to provide -- provide that sort of licensing.

MR. GANDOLFO: Okay. What is the reason for this change to the law to allow the certification of the designated caregiver?

MRS. PEOPLES-STOKES: Well, the reason is you want to allow people -- remove the barriers for people getting access to a license. If there's only, I would say, maybe 20 people in your town that can provide access, then your time to wait to get access would be longer and perhaps delaying your process to get access. Or perhaps you'd have to travel farther to find someone who has the ability to provide you with that certification. So it's streamlining the system so that it's easier for patients to get access to the product that they need.

MR. GANDOLFO: Okay. And now this would also change the designated caregiver age from -- to someone -- someone could be 18 to be a certified designated caregiver instead of 21?

MRS. PEOPLES-STOKES: Say that again.

MR. GANDOLFO: The -- so now a certified caregiver who -- who can be certified for medicinal-use cannabis, they can now be 18 instead of 21? That age was lowered?

MRS. PEOPLES-STOKES: Yes. That's right.

MR. GANDOLFO: Okay. And is that also just to try to expand access?

MRS. PEOPLES-STOKES: No, that's to expand access to the need. So if people have the need -- as a matter of fact there's some children who get medical cannabis who are much

younger than 18. So if you need to be certified and you're 18 and you have a health condition, you could be considered as opposed to now you can't. You have to be 21.

MR. GANDOLFO: Okay. Now, currently there's a requirement that practitioners review patient's controlled substance histories before making or issuing certifications. Does this remove that requirement?

MRS. PEOPLES-STOKES: I would assume that's still required, yes.

MR. GANDOLFO: So that still would be required that the controlled substance histories would have to be reviewed?

(Conferencing)

MRS. PEOPLES-STOKES: I'm gonna ask you to say that question one more time, because --

MR. GANDOLFO: Sure.

MRS. PEOPLES-STOKES: -- (indiscernible) not necessarily what you asked.

MR. GANDOLFO: Okay. Currently -- there's a requirement currently -- this is my understanding -- that practitioners have to review a patient's controlled substance history before prescribing, I guess? Yeah, before making or issuing certifications for those patients.

MRS. PEOPLES-STOKES: They would have to review their history before they've decided they should have a certification to get the product.

MR. GANDOLFO: Okay. And that requirement would stay in place?

MRS. PEOPLES-STOKES: Yes.

MR. GANDOLFO: Okay. Among these other changes. Okay.

Now, there is -- they're eliminating the registry identification cards and all references to that in the original language. Is there a reason why that require -- the identification cards are being removed from the language?

MRS. PEOPLES-STOKES: Why the cards are being removed? Again, we're trying to streamline the process so people have access to using medicinal marihuana if they would like to.

MR. GANDOLFO: Was there an issue with people not having the cards?

MRS. PEOPLES-STOKES: So what we're suggesting is that you just need to be certified. You don't necessarily have to have the card.

MR. GANDOLFO: Okay. So the registry identification card requirement is -- is there a digital version of this card that can replace the physical -- I mean, I assume it's already digital.

MRS. PEOPLES-STOKES: Yes.

MR. GANDOLFO: Okay. Those are all the questions I have. Thank you, Majority Leader, for clearing some of that up.

MRS. PEOPLES-STOKES: You're very welcome, sir.

MR. GANDOLFO: Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Reilly.

MR. REILLY: Thank you, Madam Speaker. Will the Majority Leader yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MRS. PEOPLES-STOKES: Yes, Madam Speaker. Of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. REILLY: Thank you, Majority Leader. So, with the -- one thing I wanted to ask specifically is about decreasing the age for a caregiver from 21 to 18. Can you give me a little rationale behind that?

MRS. PEOPLES-STOKES: Well, clearly there are people who are under 21 that are experiencing issues with their medical health that would desire to have access. Then they can either go and do what they're traditionally doing using an adult-use product or using some product from the street, or they can talk to a registered physician who can advise them properly on what to use.

MR. REILLY: Well, I think my -- the -- the question that I have is, the way I understand it in the bill is that currently the law states that a 21-year-old for a caregiver of someone who needs

medical cannabis, they have to be 21. So in other words, for them to oversee the dispensing to the patient. This is decreasing it, I believe, to 18. Is that -- am I misinterpreting that?

MRS. PEOPLES-STOKES: And the product that they would receive would be administered by a caregiver. Not something that they would use themselves.

MR. REILLY: So -- so what's the rationale for reducing the age from 21 to 18?

MRS. PEOPLES-STOKES: So a patient could be younger than that and need to have -- a caregiver needs to have access to a product that they can give them to treat whatever their illness is. And so if you're 17 -- I'm sorry, 18 and you've been perhaps in elder care or Hospice and you need access to cannabinoids, then a caregiver would be able to provide that for you.

MR. REILLY: I think my disconnect here is that the legislation, from my understanding, allows the -- the person who's the caregiver for the individual, the sick individual who needs the medication, for that -- we're lowering it that they're 18, meaning that can they pick up the medication for the patient at 18 years old?

(Conferencing)

MRS. PEOPLES-STOKES: Okay. So if the caregiver happens to be 18 and the patient is older, the -- the patient still needs to have access to the product. And so this allows them either to be the patient with the proper administration from a caregiver or to be the caregiver and ensure that the person who they're helping

take care of has access to the product.

MR. REILLY: So has -- what -- what conversations took place to -- to move forward with reducing that caregiver age of 21 to 18? Was there any agencies involved? Was there a discussion on maybe some data that shows the -- the need for that?

MRS. PEOPLES-STOKES: Yes. We've actually been communicating with the Office of Cannabis Management, as well as the, I would say, several medical organizations that are made up of physicians as well as owners of the businesses to make a determination that there needs to be access to people who are under 18 both as patients and as caregivers.

MR. REILLY: So if there's other medication that an individual has to be over a certain age, does this align with any -- any laws that are currently in New York State?

MRS. PEOPLES-STOKES: Does it -- does it align with any -- with what?

MR. REILLY: Does it -- does it conform with allowing other individuals that are under -- under a specific age to get the -- the medicine themselves, right? So is -- is there other points in the law in New York State about those individuals under the -- the age that would allow them to legally obtain the medicine for them to get it? Does this align with that?

MRS. PEOPLES-STOKES: So, I can remember some years ago when this bill was being carried by Mr. Gottfried, the medical cannabis bill, there were parents who had children who

experienced epilepsy and other sorts of disabilities -- debilitating [sic] -- debilitating diseases who were pleading for opportunities to have access to medical cannabis. And people still need that access. And so I -- we're -- we're not talking about someone who just wants to run in to see a doctor and claim some problem. We're talking about people who are trying to figure out how to deal with the problems that they have and seeking -- seek medical care to get support for it.

MR. REILLY: Madam Majority Leader, I -- I definitely understand and -- and appreciate the -- the medical aspect of those maybe under 18 who could benefit from cannabis, and I'm totally -- for the medical marihuana, I supported that, right, long before I was in -- in this Body and I wasn't here for that vote. But my -- my question is, not for those 18 and under being -- having access to it. It's about lowering the age from the 21-year-old to be an authorized caregiver that fits the criteria under current law for medical cannabis. Now we're moving it to 18. Is there any -- is there gonna be any training or certification process by the State for those that are 18?

MRS. PEOPLES-STOKES: No, I don't think there's a specific certification for an 18-year-old to go through to say, *I'm the one who is taking care of my grandmother, and so she's ordered her product and I'm the one that's able to go pick it up for her.*

MR. REILLY: Okay. So is this gonna cause any issues with those legal medical marihuana dispensaries giving that medicine to someone who's 18 years old or 19 years old or 20 years old as a caregiver when the legal age in New York State for cannabis

is 21?

MRS. PEOPLES-STOKES: So, they would go through the Office of Cannabis Management and be registered to be that caregiver for their grandmother.

MR. REILLY: So the Office of Cannabis Management will provide a certification process?

MRS. PEOPLES-STOKES: For people who are 18 to be caregivers.

MR. REILLY: So, 18, 19 and 20.

MRS. PEOPLES-STOKES: Yes.

MR. REILLY: What kind of process is that going to be?

MRS. PEOPLES-STOKES: You know what? I'm not sure the details of it, but I guess we can probably find you how the application looks.

MR. REILLY: I'm sorry?

MRS. PEOPLES-STOKES: We can probably get you a copy of how the application will look when it's created.

MR. REILLY: Okay. Do we currently have an application for those that are caregivers for not their personal consumption or the person they're caring for?

MRS. PEOPLES-STOKES: Repeat the question. I had two people talking at the same time.

MR. REILLY: Okay. Sorry about that. So, currently someone who is a caregiver who is 21 or older, is there an application

process for them already?

MRS. PEOPLES-STOKES: Yes, there is.

MR. REILLY: Okay. So it's gonna be similar to what's --

MRS. PEOPLES-STOKES: As you know, the -- the -- medical cannabis was dealt with in the Health Department when it was originally conceived, and upon the passing of adult-use or -- cannabis -- adult-use cannabis, it all switched to the Office of Cannabis Management. So the totality of what they were doing in the Health Department around this issue, honestly I -- I have to be honest and say I was not necessarily familiar with that. But I'm understanding right now at this point that there already is a process in place for people who are caregivers to provide these products, whether they be a parent and/or someone who is 18 and taking care of their grandmother.

MR. REILLY: Okay. So in this legis -- in this legislation, am I correct that this -- there's gonna be a reciprocity with other states as well?

MRS. PEOPLES-STOKES: Yes.

MR. REILLY: So is the caregiver position 18, would that apply to someone who is in, say, New Jersey?

MRS. PEOPLES-STOKES: No.

MR. REILLY: So the 18-year-old caregiver thing only applies to New York State residents.

MRS. PEOPLES-STOKES: Yes.

MR. REILLY: Thank you, Majority Leader. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Dais.

MR. DAIS: Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MRS. PEOPLES-STOKES: Yes, of course, Madam Speaker.

ACTING SPEAKER HUNTER: The sponsor yields dialog.

MR. DAIS: Madam Majority Leader, this is full circle. Just for qualification, we worked on medical marihuana when I was in the medical marihuana field. But I think I just want to clarify on some of the questions that were previously asked.

In reference to a caregiver, like a home service aide, you only have to be the age of 18 to be like a home -- a home health aide, correct?

MRS. PEOPLES-STOKES: Right.

MR. DAIS: So I think here the clarification is the -- lowering the age from 21 to 18 is just demonstrating that a person who can be a home health aide or a caregiver is qualified at the age of 18 and you just want to ensure that that person, because they're below the age of 21, can obtain the medical marihuana products for -- for their patient.

MRS. PEOPLES-STOKES: Correct.

MR. DAIS: So basically the bill is clarifying this to ensure that we don't have any confusion to the point so that OCM, even with the registration process, is ensuring that those people who need this medical marihuana can obtain it. It's not about them being below the age of 18, it's just ensuring those who can pick it up will not be stopped by the -- by the security at -- at one of the dispensaries.

MRS. PEOPLES-STOKES: Yes.

MR. DAIS: Okay. And second, the biggest point of the bill also is to streamline and support the medical marihuana industry, which is having some issues at this current time, correct?

MRS. PEOPLES-STOKES: Correct.

MR. DAIS: And by streamlining with the health -- with the health providers plus the caregivers, what we're trying to do is make sure that the -- the medical marihuana program can continue to be robust and can work for all those that need it.

MRS. PEOPLES-STOKES: Yes.

MR. DAIS: Thank you.

On the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. DAIS: I'll be brief. I started working in medical marihuana in 2018. I actually worked for one of the first ten ROs here in New York. I actually opened the first medical marihuana dispensary -- West Coast style -- in Manhattan. The medical marihuana field is very important. We have to make sure those who

have those issues that medical marihuana can help contain access. We need to make sure that the medical marihuana industry stays afloat, not just the adult-use industry. There are certain products that will not be sold in adult-use dispensaries that are produced in medical marihuana dispensaries. One of the first products I helped bring to the floor was medical marihuana lotion that could help people with arthritis and other chronic pain issues. It is essential that the medical marihuana field remains robust and strong and protected. In addition, we need to make sure those who need those products have access to those products.

This bill's commonsense. It's trying to streamline the process. The rollout of medical marihuana and adult-use has been rough at times, but it does allow us to try to fix the issue and make it -- streamline it and more efficient. We can lower the prices, ensure that the industry can remain solvent and strong. It will make sure that we have a strong medical marihuana program, and I will be voting yes on this bill.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Angelino.

MR. ANGELINO: Thank you, Madam Speaker.

Will the sponsor please yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MRS. PEOPLES-STOKES: Yes, of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. ANGELINO: So going back through history, I remember in 2014 I think it was called the Compassionate Care Act.

MRS. PEOPLES-STOKES: Yes.

MR. ANGELINO: And I assume you must have been involved with that at some point.

MRS. PEOPLES-STOKES: I'm sorry, sir. Speak into your microphone. I can't hear you.

MR. ANGELINO: Were you involved in that also in 2014?

MRS. PEOPLES-STOKES: No, I was not.

MR. ANGELINO: Okay.

MRS. PEOPLES-STOKES: That bill was carried by our former colleague Mr. Gottfried.

MR. ANGELINO: The -- and back then it was overseen by the Department of Health.

MRS. PEOPLES-STOKES: Exactly.

MR. ANGELINO: And now is it overseen by OCM?

MRS. PEOPLES-STOKES: Office of Cannabis Management, yes.

MR. ANGELINO: Okay. And that all happened in 2021, that night we were all here.

MRS. PEOPLES-STOKES: Yes.

MR. ANGELINO: Okay. Did -- after we enacted the MRTA, I think it was called --

MRS. PEOPLES-STOKES: MRTA, yes.

MR. ANGELINO: It just flashed into my head.

After we enacted that, that's when the problems with medical use started happening. And did the price increase or did the supply drop?

MRS. PEOPLES-STOKES: I wouldn't say that's when the problem with medical use happened. I -- I would say that some people did not continue pushing the market as they did prior to adult-use. But -- and some people went out of business, as was said by our -- our colleague a few minutes ago. But I wouldn't say that the adult-use is the problem for medical.

MR. ANGELINO: No, I'm not saying it's -- there was some sort of cause and effect after it happened. I think you said dispensaries dropped by ten, the number dropped by ten. But something happened. Did patients start using recreational cannabis?

MRS. PEOPLES-STOKES: I -- I can't tell you if that's what patients started to do or not. I -- I can tell you that people like my mother, specifically, still kept using the medical salve that she got before she transitioned.

MR. ANGELINO: The -- and currently, with OCM in charge now, some sort of healthcare worker or a medical provider still has to write some sort of prescription for it?

MRS. PEOPLES-STOKES: Yes.

MR. ANGELINO: Okay. The -- and, you know, that always begs the question, why doesn't it go into a drugstore?

MRS. PEOPLES-STOKES: Why do what?

MR. ANGELINO: Why do they not go to a drugstore to get their medicinal-use cannabis instead of going into a dispensary next to the liquor store?

MRS. PEOPLES-STOKES: Well, you know, it wasn't written that way, but, you know, perhaps there can be some changes made to it. That might be one of the ideas you put forward. By the way, if you go to a drugstore and pick up a prescription, you don't have to pay taxes on it. So we're looking to eliminate taxes on this medical product as well.

MR. ANGELINO: So there still is a tax on medicinal use?

MRS. PEOPLES-STOKES: Yes.

MR. ANGELINO: Well, that needs to stop. It's a -- it's supposed to be a medication.

MRS. PEOPLES-STOKES: Absolutely. We agree on that.

MR. ANGELINO: Does -- does this piece of legislation increase or expand the -- the number of conditions for which you can get medical cannabis?

MRS. PEOPLES-STOKES: No.

MR. ANGELINO: Okay. Thank you, Madam Leader.

MRS. PEOPLES-STOKES: You're welcome, sir.

MR. ANGELINO: On the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. ANGELINO: I was around for both of these when they -- both the 2014 iteration and also 2021 MRTA. And I think we predicted that the use of medical marihuana would decrease because people who were prescribed medical cannabis were just going to go buy the recreational use. The problem with that is, the recreational use has such a high potency that it was being -- having negative effects on patients who really do need this. The role -- I think OCM was distracted, and we all know they were distracted by their initial rollout of recreational use, and I think the medical portion use was just put on the back burner. And hopefully this will bring medical use back to where it should be regulated and potency measured so that patients who need this, some of my friends who are cancer patients and also some with post-traumatic stress, really see the benefit of medical use of cannabis. And I think OCM, now that they have gotten a little bit better footing of what they're doing, they can give some more attention to the medical portion.

Thank you very much, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. I -- as was brought up by one of my colleagues, I was not intimately involved in the creation of the medical marihuana, but I do know the benefits that it's caused for people in their lives. And I do know that some medical schools, including some folks from the University of Buffalo, have been in -- in a lot of trials. Some folks at

Roswell have been in a lot of trials and they're working to make sure that people understand that the cannabinoids that are in the cannabis and hemp plants are the same cannabinoids that are -- that are within our -- our body. And if we understand them and use them in the right ways, it can be beneficial.

I will also say that, you know, you can have as many adult-use stores as you like, but you're not gonna be able to go and get a little container of powder that some people use with their children and some caregivers use with children when they mix it into their food to have them live a better life when they are in debilitating conditions.

And so I think we should be trying to do in New York all we can to make sure that the medical marihuana problem -- program does not continue decreasing. We should do what we can to make sure that it increases because the first value of it is medicinal. Yes, I do understand that some people like it for other reasons, but in honesty, the best value of this plant is in its medicinal components.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Dais to explain his vote.

MR. DAIS: I'll be brief. As I said, I'm a cannabis

attorney. I've worked on -- in the cannabis industry and I care deeply about it. I thank the sponsor. She is truly one of the true champions in ensuring that we can have a competent cannabis program throughout New York State. There's no greater champion than -- than our sponsor on this.

One point that I -- I did want to make that is very important about this bill is the reciprocity aspect. Just to put it in perspective why it's important, even though let's say cannabis or medical marihuana is legal in New York and California, if you fly from California to New York you have to go through TSA. That's technically Federal -- Federal jurisdiction. What the reciprocity aspect does is it makes a person that has a medical marihuana card in California, they don't have to make that choice of possibly taking their medicine on the flight and possibly being stopped by TSA. They can fly to New York and get a similar product so that they can keep healthy, visit our great State, see our sites, eat our great food and get true -- and get real peace, especially the people from Illinois and Chicago. So we've got to make sure that people keep traveling and we don't stop them because they're concerned of traveling because they're carrying their medical marihuana, and because technically it's still federally not legal.

This bill is common sense. It is streamlining our medical marihuana process, and I thank the sponsor for her continued championship in ensuring that we have a better -- better product here in New York. I will be -- and thank you. That's why I'm voting in the

affirmative.

ACTING SPEAKER HUNTER: Mr. Dais in the affirmative.

Mr. Zaccaro to explain his vote.

MR. ZACCARO: Thank you, Madam Speaker. I rise in support of this critical piece of legislation that is aimed at expanding access to medical cannabis for those who need it most.

As we know, many individuals suffer from chronic conditions and debilitating illnesses that significantly impact -- significantly impact their quality of life. And for these patients the medical use of cannabis can provide relief that traditional treatments fall short. And so this bill is designed with the singular intent to ensure that patients have the ability to access medical cannabis as prescribed by their health providers. And by streamlining this process, the certification process, and enhancing the role of designated caregivers, we are removing barriers that are historically limited -- limiting access to this essential medicine. And so this bill's introduction is an important provision for patients' reciprocity, allowing out-of-state medical cannabis patients to obtain the medication they need while in New York. And this does not only demonstrate our commitment to passionate care, but also recognizes the importance of supporting patients regardless of where they come from.

I want to take a moment to emphasize my commitment to assisting those who use medical cannabis for

treatment. And I also wanna extend my heartfelt thanks to our Majority Leader and the bill sponsor for her exceptional leadership on this issue, and I'm grateful for her commitment to improving the lives of New Yorkers who rely on medical cannabis.

And with that I proudly vote in the affirmative.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Mr. Zaccaro in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, if we could continue our work on our debate Calendar, we're gonna go to 701 by Ms. Rosenthal, 715 by Ms. Glick, and 734 by Ms. Woerner. In that order, please.

ACTING SPEAKER HUNTER: Thank you.

Page 14, Rules Report No. 701, the Clerk will read.

THE CLERK: Senate No. S08420-A, Rules Report No. 701, Senator Gianaris (A08887-B, Rosenthal). An act to amend the General Business Law, in relation to requiring advertisements to disclose the use of a synthetic performer.

ACTING SPEAKER HUNTER: An explanation has been requested.

Ms. Rosenthal.

MS. ROSENTHAL: This bill requires producers and creators of advertisements for commercial purposes to provide a disclaimer when such ads contains a synthetic performer or a deep fake.

ACTING SPEAKER HUNTER: Mr. Blumencranz.

Mr. Ra.

MR. RA: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. ROSENTHAL: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. RA: Thank you. So can we just go through the definition we're using here? Some of the opposition to this bill has come from the concern that it is very broad. And, you know, I think we look at what it says on -- on its face in terms of the disclosure requirement, but that a lot of advertising is generated using different, you know, computer-based tools, whether they're actually AI or just a computer algorithm today, and that it might sweep in things that aren't, you know, like things like voice enhancing and stuff like that as opposed to what I think this is trying to get at, which is you're actually, you know, creating a fictional character, kind of, and having to disclose that. So can you just explain the -- the definition that we're using with regard to a synthetic performer?

MS. ROSENTHAL: Okay. So I'll -- I'll describe

what the synthetic performer is. It's -- it's not overly broad, it's actually very narrow. It doesn't include digital uses of technology or AI use that edits, alters or creates visual effects in an ad. It doesn't include digitally-created or AI-created uses of digital replicas, which means basically a digital clone of a real person. It doesn't include audio-only advertisements like radio using advanced digital or AI vocal tools. And it also does not include any uses of synthetic performers in ads for expressive works that already contain uses of these synthetic performers, whether it's film, TV, video games, et cetera. So it is actually quite narrow.

MR. RA: Okay. So would it be your intention that that include, you know, some of the techniques that are currently used in post-production that have been standard for decades in advertising like CGI animation, digital compositing, voice modulation?

MS. ROSENTHAL: If -- I mean, if you're creating a person who's just created by synthetic media it would capture them.

MR. RA: Okay. And what about if you're using, you know, AI editing tools? You know, kind of when you're -- you know, there's a person but you're using whatever; green screens, putting somebody in a virtual environment that they're not actually in.

(Conferencing)

MS. ROSENTHAL: If it captures a natural person then it is covered here.

MR. RA: If it captures a natural person. Okay. So just -- but in that def -- definition, right, what -- what somewhat

concerns me is where it says -- you know, artificial intelligence, I -- I totally understand what we're talking about there, that we're creating this fictional person.

MS. ROSENTHAL: Right.

MR. RA: But where it says "or a software algorithm that is intended to create the impression that the asset is engaging in an audiovisual and/or visual performance of a human performer who is not recognizable as any identifiable natural performer." Now, there's, I guess, two pieces of that that I'm a little unclear on. What do we mean by a software algorithm outside of the context of artificial intelligence? And then in terms of not recognizable, are we talking about, you know, somebody who isn't famous, somebody that we wouldn't recognize, or are we talking about something that is, like, clearly not human?

MS. ROSENTHAL: No, it -- it looks human, but it's -- it's not a human. It is a -- it's -- it's created digitally and it's -- it's -- it's not anyone you would recognize.

MR. RA: Okay. And -- and what are we -- what do you mean by a software algorithm with regard to this?

(Conferencing)

MS. ROSENTHAL: Whichever way it's created through software, other digital means that -- that any -- any computer program or any other digital plat -- digital method that modifies an image.

MR. RA: Okay. Now, do you know currently in the

the advertising industry, which obviously is a large industry in New York, a major part of our economy, you know, how common these practices are currently?

MS. ROSENTHAL: Mm-hmm. Well, it's actually becoming more and more common. In the NBA finals last week there was an ad featuring a shirtless older gentleman draped in an American flag, a farmer floating in an inflatable pool filled with eggs, a lady in a sparkly pink tracksuit driving a Zamboni. Those were all created. Those were deep fakes.

MR. RA: Okay. So in those examples, what -- what is the concern for the consumer if they're not aware that that is a synthetic performer?

MS. ROSENTHAL: It's -- it's basically something about transparency and not being deceived, thinking that that is a real person. That it -- the consumer has a right to know that this is not a person, this is a digitally-created image. And it's an order to also to ensure trust in advertising. Because you are fooled if you think, *Woah, that's really a farmer.* No, it's not a farmer, it's a digitally-created image of a farmer.

MR. RA: Okay. My -- my concern being that if we are, you know, sweeping in something that has become in very common usage we're gonna see these disclosures on every ad and they may somewhat lose their effectiveness. If we're really trying get at a situation where that confusion might, you know, lead the consumer to think somebody is endorsing a certain product or, you know, *Oh,*

wow. That guy's a big strong guy and is this is for, you know, a exercise machine or supplement or something like that. It seems to me that's what we wanna get at, that we're not creating a false impression of the person. But if we sweep in stuff that is basically in every ad and we start seeing these disclosures on every single ad, I think it's gonna lose its effectiveness.

MS. ROSENTHAL: Well, I -- I don't agree. I think it is just disclosure so the viewer understands that this is a created image. It isn't a real person. And you see when you have ads like with doctors saying, *I prescribe X, Y, Z* and then you have a disclosure that said, *This actor portraying a doctor* so the consumer can know that it is not a person. It is a created image. And it's really just so you can, you know, have some kind of trust in the ad.

MR. RA: So can you explain what you mean in terms of the disclosure itself? It says it has to be a conspicuous disclosure, but there's not really a lot of guidance in terms of what -- what that means. How do you envision the advertising entities complying with this in terms of making sure that they're making a conspicuous disclosure as per the provisions of this bill?

MS. ROSENTHAL: Well, conspicuous is generally a word that means you can -- it is noticeable, it is seeable. It -- it does not prescribe wording, which we could have done. But, you know, basically conspicuous would be simple wording that is easily seen or seen by the consumer. Like, for example, like the beginning of the ad it could say, *This ad uses a synthetic human.* Or at the end of the ad it

could have said that. Just like as I said earlier, pharmaceutical ads say, *This is not a real doctor*. And -- and we don't give the wording. We leave it up to the creator of the ad to decide to give them flexibility.

MR. RA: Okay. I -- I think that's something we should keep in mind. I -- I know -- you know, we're dealing with so many of these things that -- that are new technologies, new types of things that we need to deal with. One of the things that this was compared to is the FTC has influencer disclosure rules and people have felt that the clear and conspicuous standard that they used have led to very uneven disclosure across different types of platforms.

What about how this works with regard to the provisions we may -- well, many of us may be familiar with that the Screen Actors Guild had a contract agreement and they -- one of the big areas of -- of disagreement at first was -- was AI, and they came to some agreement as to how they're gonna deal with this and that is being addressed. How does -- what is the interplay between this -- does this mirror that? Does it conflict with that at all?

MS. ROSENTHAL: No, it -- it doesn't. It doesn't contradict anything bargained in the recent commercial agreement negotiations. In fact, I introduced this quite some years ago before the disagreement happened. So it has no impact either way.

MR. RA: And lastly, the -- the cure period. So there's a five-day cure period?

MS. ROSENTHAL: No. That -- that was in a

previous version.

MR. RA: Okay, I'm sorry. Thank you. So that's not in this. So is there any cure period in this bill?

MS. ROSENTHAL: No. It's on the -- the creator. And so there is no prescribed cure --

MR. RA: Okay. And what --

MS. ROSENTHAL: -- period. There is no liability.

MR. RA: What is the penalty, then, for a violation?

MS. ROSENTHAL: The penalty on -- on the -- let me just -- it's in the -- it's in the bill here. So, a violation will result in a civil penalty of \$1,000 for a first violation, and \$5,000 for any subsequent violations. But it is on the creator, not, for example, on the broadcast that runs that ad.

MR. RA: So would -- would the violation be just producing an ad that didn't have this disclosure, or, I mean, would -- would the creator be guilty of a violation -- say they produced a television advertisement and it's airing on network TV and it's airing through streaming services. Is each of those airings of the commercial a violation?

MS. ROSENTHAL: I would -- I would say so.

MR. RA: Okay. Thank you.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. RA: Thank you. So, you know, the real concern I have here is -- is really a couple of things. I think that some

of these definitions could be clearer so that we don't have uneven use of these disclosures across different, you know, companies that are producing these ads. We -- we're not really saying what it needs to say, where it needs to be put. So it may be worded differently across different advertisers. But I -- I think we have to keep in mind, advertising and related industry support nearly 1.6 million jobs in New York and contributes \$437 billion in economic activity. This is a major, major economic driver in New York and has been for -- for decades. And what we need to be careful about is not doing things that have the potential to make it better for all of the businesses in New York and elsewhere that use New York advertisers to say, *You know what? I'm gonna go use some -- I'm gonna go out-of-state*, and -- and put -- and we then put our advertiser -- advertising folks to people who are developing different technologies that they're utilizing for advertising at a competitive disadvantage as -- to other states who may not have such a stringent regulation.

So out -- out of concern for that I'm gonna be voting in the negative. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mr. Blumencranz.

MR. BLUMENCRANZ: Thank you, Madam Speaker. Will the sponsor yield for a few more questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. ROSENTHAL: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. BLUMENCRANZ: Ms. Rosenthal --

MS. ROSENTHAL: Mr. Blumencranz.

MR. BLUMENCRANZ: When it comes to the definitions here and the capture, what -- when we talk about a synthetic performer, how are we supposed to label the use of synthesizing artificial intelligence models? You used the -- the example of a doctor, right? Let's say a real human doctor is in an advertisement, but they synthetically alter their location, they put a stethoscope on him. Do we now have to label that real human being as a synthetic actor here?

MS. ROSENTHAL: Hey, is it a real human being or

--

MR. BLUMENCRANZ: It is a real human being, but in post-production the advertisers felt advantageous to include different articles of clothing. Let's say change --

MS. ROSENTHAL: No. No.

MR. BLUMENCRANZ: No. It -- it seems like that's captured in the definition.

MS. ROSENTHAL: If it's a fake human. But we're not talking, as far as I'm concerned, with clothes on a real human.

MR. BLUMENCRANZ: So a synthetic performer means any digitally-created asset created, reproduced or modified by a computer. So even if it is a real human, if there's been synthetic modifications to the human being then they would not be considered?

MS. ROSENTHAL: I believe that's correct.

MR. BLUMENCRANZ: So where does that line -- where is that line drawn? So let's say I take Linda Rosenthal, I put you in an advertisement. But I change your hair, your nose, your chin. You're still you, but now your features are different, your pitch and tone is different. The background you were standing in is different. Still no disclosure?

MS. ROSENTHAL: Okay, so the image of me as you described it, different hair, different features, that is manipulating an image. So I believe it would be covered.

MR. BLUMENCRANZ: So this -- now we're discussing lines that are not written within the bill. So where in the bill text does it say where the line's drawn where someone is synthesized in a way that is considered a synthetic performer under your definition here? And where is [sic] modification qualify as -- let's say I took some pimples off someone's face or I lightened their hair a little bit.

MS. ROSENTHAL: Okay. So in (c), synthetic performer means -- means a digitally-created asset created, reproduced or modified by a computer using generative artificial intelligence or a software algorithm that is intended to create the impression that the asset is engaging in an audiovisual and/or visual performance of a human performer who is not recognizable as any identifiable natural person.

MR. BLUMENCRANZ: So if I can still recognize --

even if I changed your hair, your glasses, your clothes, digitally, if I can still recognize you as Linda Rosenthal that would not be a synthetic performer?

MS. ROSENTHAL: Okay. It -- you know, this just seems like a fine line. It depends if -- if it's altered so that it's not recognizable.

MR. BLUMENCRANZ: It's an extremely fine line. So why don't we talk about that. Who determines that fine line? Who is the authority here?

MS. ROSENTHAL: I'm sorry, say it again?

MR. BLUMENCRANZ: Who's the authority? Who's -- we're talking about it here. Who is gonna decided to fine, as you stated with the previous speaker, the per violation is every time it is produced, say, on one channel or another, every time it's viewed. I'd also like to hone in on that. But who's making that determination?

MS. ROSENTHAL: I guess ultimately it would be up to the Attorney General if somebody brings that to their attention and they feel that it warrants, you know, investigation and/or prosecution.

MR. BLUMENCRANZ: Is -- I didn't see many indications in here, flexibility as to how they'll be promulgating rules, regulations surrounding how this advertisement will work. How are advertisers supposed to completely with such a vague capture-all?

MS. ROSENTHAL: I think it's -- it's -- it's basically laid out enough in -- in this bill. And -- and the AG has jurisdiction

over all General Business Law, so that's who -- who the authority would ultimately be.

MR. BLUMENCRANZ: So you state here in, I guess this is Part 3, any person engaged in the business of dealing in any property or service of any commercial purpose produces or creates an advertisement shall conspicuously disclose in the advertisement the synthetic performer is such advertisement where such person has actual knowledge. Can you define "actual knowledge" for me in this case? So if I -- go ahead if you have a definition ready. Because it's not in the bill.

MS. ROSENTHAL: I mean, that is commonly used in -- in law, so it doesn't need to be defined here.

MR. BLUMENCRANZ: So ignorance of artificial intelligence usage in an advertisement by a third-party vendor is a legal defense?

MS. ROSENTHAL: I mean, if you're creating the ad you -- you would have actual knowledge of how you created it, et cetera.

MR. BLUMENCRANZ: So if I go to a third-party advertising agency who outsources the --

MS. ROSENTHAL: But who are you?

MR. BLUMENCRANZ: What?

MS. ROSENTHAL: Who are you in this scenario?

MR. BLUMENCRANZ: Let's say I'm -- let's say I'm Disney, and I go to a third-party and I say, *Create an advertisement*

for me. I need it to be, you know, whoever, a princess in a castle.

How and what line of ignorance do they have of that exact -- do they have to now go -- is their protocol now need them to have their third-party vendors all disclosed whether or not in their Meta data they utilize artificial intelligence in the creation of the ad?

MS. ROSENTHAL: Well, I mean, once this becomes law then it is -- it is incumbent upon them to understand that they have to disclose.

MR. BLUMENCRANZ: So, but...

MS. ROSENTHAL: Whoever creates or produces the ad. So if that's a third-party, then the responsibility lies on them.

MR. BLUMENCRANZ: But the creation of a piece of work like an advertisement can sometimes affect multiple different entities, especially when it comes to artistic and post-production in the renderings or any adjustments or changes. Like you said, I can change maybe your hair, but you're still you so you're not considered a synthetic performer. Who and how are we both educating individuals where that line is where they have to disclose? Because naturally, if I just changed your hair color, I don't want to tell people you're a fake person. But under the guise of this capture-all I may have to?

MS. ROSENTHAL: As I said, once we pass the law then whoever is involved in the creation and production of that ad has to know what the rules around it are.

MR. BLUMENCRANZ: So you talk about -- just going back to, again, the capture-all is very confusing and the industry

feels the same way, which is why I bring up these questions. A synthetic performer, how is the public supposed to know -- let's say I changed pitch and volume of a -- of your voice. That -- would that qualify as altering?

MS. ROSENTHAL: Modifications on the audio are excluded.

MR. BLUMENCRANZ: So if I use a completely false audio advertisement that plays on radio -- a -- a generated one. Sorry. A generated audio, not a real person that that audio's on radio. I don't have to disclose?

MS. ROSENTHAL: Correct. If you look at Section 7(a), it says this -- this section shall not apply to advertisements and promotional materials in any of the following circumstances: Audio advertisements is 7(a).

MR. BLUMENCRANZ: So when it comes to human-like features, right, we're talking about whatever synthesize need to seem human-like, right? It needs to be almost like trickery if they're gonna be considered a synthetic performer? Who's making the determination where the line is between non-human-like and human-like? I think that there's a wide-ranging -- you know, it seems pretty subjective as to what may seem human-like and not human-like. Is a cartoon that seems too human-like gonna be an issue?

MS. ROSENTHAL: The creator and producer, they -- they would have to abide by the rules, and err -- if they're making a mistake they should -- or if they're unsure they should err on the -- on

the side of caution. And ultimately, the AG is responsible for -- if there's any legal action taken against them.

MR. BLUMENCRANZ: Does the AG's Office or have they in any way indicated that they have the expertise or speciality to scrub Meta data of every advertisement out there to understand where and how synthetic performers, under an unknown definition, are being used?

MS. ROSENTHAL: I believe it was last year we did a similar measure when it comes to AI and election advertising. So the AG should have staff that's familiar with how to detect what's real, what's synthetic.

MR. BLUMENCRANZ: Well, I can actually speak firsthand in that experience. I've actually called into question the usage of artificial intelligence in an election, and I can say there was not really much of a resource there when it came to assisting and understanding how or what that protocol would look like in making that determination with any specific information provided from a particular party. So they did not have any way of telling. They said, *We don't know.* So how are they gonna know here? They don't in the way we did it before and then they're gonna know now? I'm not sure. Is there subject matter expertise in the AG's Office? You're so confident you're putting such a broad-brush definition here that they're just gonna know what to do, how to recreate this definition, draw that line that you and I are struggling to find. That's a big task.

MS. ROSENTHAL: Well, I -- I'd say I have more

faith in the AG's Office than -- than you do. But if you've noticed over the past six months -- yes, six months -- we have passed all sorts of bills that require different agencies, different bureaus to execute certain tasks, take up certain responsibilities. And that means if they do not have an expert in-house, they have to get up to speed because we've made them responsible for enforcing a law.

MR. BLUMENCRANZ: Okay.

Let's talk about a real-life scenario that's happening right now for the first time ever, a piece of IP. Her -- its -- its name is TaTa, right? She's the first-ever signed synthetic performer who will produce music synthetically and is signed to a major record label. Now, if TaTa is under this law in an auto -- audio-only recording on the radio, they don't have to disclose that she's not a real person, right?

MS. ROSENTHAL: Right.

MR. BLUMENCRANZ: But if she's in a visual social media ad for radio songs, would she have to disclose that she is not a real person or would the advertiser?

MS. ROSENTHAL: The advertiser.

MR. BLUMENCRANZ: So there would need to be a disclosure that that wasn't a real person.

MS. ROSENTHAL: Yes.

MR. BLUMENCRANZ: So in music videos. So now, on the radio no one needs to know --

MS. ROSENTHAL: Correct.

MR. BLUMENCRANZ: -- if her music video --

MS. ROSENTHAL: Is that an ad, though?

MR. BLUMENCRANZ: Is it an ad? They could be playing clips as advertisements as they do with music videos.

MS. ROSENTHAL: Well, I mean, if it's just music that -- this bill doesn't concern that. This just concerns commercial advertising.

MR. BLUMENCRANZ: So in a commercial advertisement for TaTa's music video, that would need to disclose that she's not a real --

MS. ROSENTHAL: Yes.

MR. BLUMENCRANZ: Okay. Is there a reason you made a differential between just purely audio and visual?

MS. ROSENTHAL: Yes, we did. And we wanted to accommodate different concerns that different industries had, and the advertisers, actors, broadcasters, they all had a lot of concerns around audio. And so to accommodate them we did not include that in the responsibility to disclose.

MR. BLUMENCRANZ: Okay. Now, what if there is album artwork with TaTa, a synthetically-created artist --

MS. ROSENTHAL: Is that a -- is that a real person, a real scenario (inaudible/cross-talk) --

MR. BLUMENCRANZ: It's real IP that has really been signed as a synthetic person to a record label. That's why I used her as an example, because this is -- it's relevant.

MS. ROSENTHAL: Okay. (Indiscernible) good

imagination, too.

MR. BLUMENCRANZ: If she has an album cover with her face on it, a synthetically-created face, that would -- would that trigger if that face is used in advertisements in the future?

MS. ROSENTHAL: I mean, if it's used in advertising, yes. However, there is an exemption for expressive work. So this -- I'll -- I'll read you Section 7(b) -- no, sorry, not 7(b).

(Pause)

MR. BLUMENCRANZ: There is an exemption for --

MS. ROSENTHAL: So it says -- it is Section 2 -- I don't know, Section 4: "This section shall not apply to ads in commercial materials for expressive works, including, but not limited to, motion picture, TV programs, streaming content, documentaries, video games or other similar audiovisual works, provided the use of a synthetic performer in the ad or promotional material is consistent with its use in the expressive work."

MR. BLUMENCRANZ: So --

MS. ROSENTHAL: So that is giving creative license the ability to not be identified as a synthetic performer.

MR. BLUMENCRANZ: So there is creative license. So in any form -- so let's say if she is a -- a false -- falsely-created person, a synthetic person. She's advertising for her music, using her -- its artistic license, whatever the label that owns her -- the rights to her IP. Is that artistic license the usage of her --

MR. ROSENTHAL: I would say so. Yes.

MR. BLUMENCRANZ: Okay. So essentially, just for the record, your -- it's not your belief that any synthetically-created artists would qualify in -- as long as they're producing some sort of work, they would not qualify even if they're advertising?

MS. ROSENTHAL: It -- it would be expressive work.

MR. BLUMENCRANZ: Okay. What's expressive if no human is involved in the creation of that expression? These are really serious questions we must ask before we start to regulate. That's why I ask.

MS. ROSENTHAL: Okay. Everything in -- in the section that -- that I read earlier would be included in that. You know, expressive as in motion pictures, TV programs, streaming content, documentaries, video games, other similar works, provided the use is consistent with its use in the expressive work. I mean, the -- the point isn't to -- is to make the consumer aware that this is created.

MR. BLUMENCRANZ: But aware sometimes.

MS. ROSENTHAL: So but if it's expressive -- if it's an expressive creation as in that -- that album cover, that would seem to me to be exempt. However, if the creator has any question or any doubt, they could simply add that disclosure, TaTa, or whomever, was created by synthetic media.

MR. BLUMENCRANZ: Now, what would that disclosure look like? What does it have to say specifically?

MS. ROSENTHAL: Well, that is up to the producer.

MR. BLUMENCRANZ: So they could say -- like most social media platforms do provide you a button you can press to say that artificial intelligence was used in the creation of this advertisement. Right? Would that be sufficient or would they need to actually target and say that a synthetic performer is there? Because if I just say AI is used in the creation of an ad, how is someone supposed to know that that's not a real person? That they didn't just use it to create subtitles.

MS. ROSENTHAL: Well, you know, it's not -- it's not like the words are not laid out here; however, the intent is clear. So as long as they adhere to the intent, which is to inform the viewer that this is a created person. So we give them leeway in how to say it.

MR. BLUMENCRANZ: Okay.

Would you be open to amending the bill to include a safe harbor for clearly artistic, fictional or humorous use of generative media where there is no consumer deception and is reasonably possible?

MS. ROSENTHAL: I mean, I'm not sure how you would say there's no consumer deception; however, I'm -- I'm always open to discussion.

MR. BLUMENCRANZ: Okay.

Wouldn't a more tailored disclosure limited to impersonations of real people or deceptive use achieve the same transparency goals without creating the collateral damage to New

York's creative economy? Because right now a lot of the creatives in this space are questioning how they're going to meet a, as we've learned through this debate, often subjective meaning of this -- this new bar that you've created?

MS. ROSENTHAL: We think that the descriptions and the narrow scope provides enough guidance for them to accurately follow the law. And -- and by the way, if we, you know, said, *Use these exact words*, you probably would say, *Why'd you pick that word? You should have picked a different word*. So this gives them leeway, which I think they appreciate.

MR. BLUMENCRANZ: Okay. But I don't -- then let's go back to the civil penalties. So is there -- is there - can I say I've been harmed if I know somebody has been using a synthetic ad that I wasn't aware was synthetic as a private right to action here?

MS. ROSENTHAL: There is no private right of action here.

MR. BLUMENCRANZ: So this is just the AG can sue on --

MS. ROSENTHAL: Correct.

MR. BLUMENCRANZ: -- behalf of the people of New York?

MS. ROSENTHAL: Yes.

MR. BLUMENCRANZ: And in that case, could we just hone in on how that will work? What do you see as happening if I'm Google and I put in an ad and I don't disclose properly? Is this

something that we think will be per occurrence, as in every time eyeballs see something, or is this per occurrence every time an ad campaign is run? Or is it every platform it's on?

MS. ROSENTHAL: Well, you know, this -- we -- we give the AG the authority to go after them. But, you know, as with all laws, hopefully we don't have to have such a huge penalty or a huge fine for them to follow the law. And -- and so that's the case here, too. If the AG chooses to pursue any kind of action, then, you know, they will do that.

MR. BLUMENCRANZ: Okay. Thank you.

On the bill, Madam Speaker.

ACTING SPEAKER BUTTENSCHON: On the bill.

MR. BLUMENCRANZ: This piece of legislation, like some others we've seen this year, but some that we've seen over the course the last few years, seeming to try and tackle a particular evolving issue in the world of artificial intelligence in creative spaces, in visual and audio arts, it -- it's hard to pinpoint how and what we can do to try and make sure we can protect consumers. But one thing is for sure; legislation like this that's -- with no offense to the sponsor because I think it's a laudable goal to disclose to individuals -- seems a little bit half-baked. I've -- I've dealt with the AG's office in a -- in a similar matter, and it -- it doesn't seem like New York is fully ready, willing and prepared to make these determinations. Especially considering that the Federal Government needs to come up with their own regulations, and any national campaign and advertising may be

more difficult to pinpoint New York's special definition versus what will be a Federal definition.

There's a reason the Federal Government is looking at taking away our right to even legislate like this, because it is gonna create so many problems for our businesses, for our consumers. It's gonna create a bar that's going to minimize our ability to really warn consumers when there's a serious problem if we're just warning them about everything. And there are a lot of things to be concerned about, and I think that not knowing when someone is a synthetic individual trying to sell you something versus a real person is one of them. But I don't think that this bill achieves the goal it seeks to achieve, because it seems to do an awful lot, and there also seems to be an awful lot of problems.

So in my opinion I -- I don't think it's ready for the board yet, but I do think that it's -- it's worth a longer conversation and some collaborative work, we could get this done in the right way.

Thank you.

ACTING SPEAKER BUTTENSCHON: Read the last section.

THE CLERK: This act shall take effect on the 180th day.

ACTING SPEAKER BUTTENSCHON: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The

Minority Conference will be in the negative, generally speaking, on this legislation. Should anyone wish to vote in the affirmative, now would be the time to do so at your seats.

Thank you.

ACTING SPEAKER BUTTENSCHON: Ms. Hyndman.

MS. HYNDMAN: Madam Speaker, the Majority Party will be in the affirmative on this piece of legislation. Should any members wish to vote in the negative, they may do so at their desk.

Thank you.

ACTING SPEAKER BUTTENSCHON: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Rosenthal to explain her vote.

MS. ROSENTHAL: Thank you, Madam Speaker, to explain my vote.

AI and -- and such technology is rapidly evolving, and it's incumbent on us to try to keep up in -- to keep up so that the average viewer, the consumer has the ability to know what is real and what is fake. Reality is altered so often in all kinds of ways, in all kinds of platforms. And so the State has a strong interest in protecting consumers so they will know what is real and what is not. I think that advertisements that say, *This was created by AI* actually bolsters a consumer's trust in the advertisement, than in the product. We're not

trying to trick you or pull a fast one. We're disclosing this is not a real person. And I think that will help them, and I think it's only fair that consumers know that they're not looking at an actor. They're not looking at a really person. They're looking at a synthetic or deep fake image, and they should have that knowledge.

So I vote in the affirmative.

ACTING SPEAKER BUTTENSCHON: Ms. Rosenthal in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 14, Rules Report No. 715, the Clerk will read.

THE CLERK: Senate No. S00073-A, Rules Report No. 715, Senator Kavanagh (A04641-A, Glick, Colton, Otis, Simone, Rosenthal, De Los Santos, Reyes, Dinowitz, Simon, Stern, Jacobson, Bores, Rozic, Rajkumar, Steck, McMahon, Anderson, Kim, Shimsky, Lunsford, Santabarbara, Epstein, Barrett, Forrest, Taylor, Clark, Bichotte Hermelyn, R. Carroll, Paulin, Seawright, Shrestha, Slater, Cunningham, Sayegh, Magnarelli, Levenberg, Woerner, Raga, Vanel, González-Rojas, Benedetto, Jackson, Rivera, Tapia, Jones, Stirpe, Lupardo, Meeks, Conrad, Lee, Bronson, Buttenschon, Pheffer Amato, Davila, Burke, Fall, Hunter, Williams, Eachus, Ramos, Burdick, Mamdani, Alvarez, Kelles, Ra, Gibbs, Blumencranz, McDonough, Dilan, McDonald, Schiavoni, Kassay, Hevesi). An act to amend the Environmental Conservation Law, in relation to rechargeable battery

recycling.

ACTING SPEAKER BUTTENSCHON: An explanation has been requested.

Ms. Glick.

MS. GLICK: Thank you very much. The purpose of the bill is to maximize the removal of unwanted and depleted rechargeable batteries from the solid waste stream, and update our existing rechargeable battery collection system to include what has been excluded at the time, which dates back to 2010, the proliferation of e-bike batteries and e-scooter batteries.

ACTING SPEAKER BUTTENSCHON: Mr. Durso.

MR. DURSO: Thank you, Madam Speaker. Would the sponsor yield for some questions?

ACTING SPEAKER BUTTENSCHON: Will the sponsor yield?

MS. GLICK: Absolutely.

MR. DURSO: Thank you, Ms. Glick. So, is this bill for New York City alone or is this a Statewide bill?

MS. GLICK: It would be Statewide. The program that exists now for recycling -- collecting and recycling batteries is Statewide. It is -- it specifically excluded e-bike batteries at the time and e-scooter batteries, but obviously that is now a much larger part of the market. And the bill would require -- would say that sellers couldn't -- retailers couldn't sell it unless the manufacturer was participating in a collection program that had been approved. And the

hope there is that we would get some of the gray market batteries out of the system which, in many instances, are extremely problematic.

MR. DURSO: So is this bill specifically just for e-bike batteries and scooter batteries, or is this all lithium-ion rechargeable batteries?

MS. GLICK: Well, it updates the entire battery program which, as I said, started back in 2010. And this updates it in -- in a few ways because it up -- updates the program plan to include safe and prompt collection and disposal of batteries. And that's -- that has been one of the concerns and frustrations for I think retailers of any kind of batteries.

MR. DURSO: So with that, the collection portion of it. So now if -- is this only for businesses that sell those products --

MS. GLICK: Yes.

MR. DURSO: -- and that --

MS. GLICK: Yes. And it -- it actually specifically refers to taking back batteries that are of the same size and shape and function. So if somebody sells batteries to me that are AAs or AAAs and doesn't sell bike batteries, they would not be required to take them back. It is for those retailers that sell the same size, shape and weight function of battery.

MR. DURSO: So when you say function, if I'm a retailer, small business, a bigger business and I sell scooters that have a lithium-ion battery as -- is what powers it, do I have to take just those batteries back that I have sold, or do I have to take back in all

batteries if someone wants to, basically like you said, keep it out of the waste stream. I'm a small business. You know, there's someone in the neighborhood that has four e-bike batteries that have gone bad.

Do I have to take them in?

MS. GLICK: There is a daily maximum of ten. But if you are selling a battery that is the same size, shape and function, yes, you would be required to take it back, but there is a limitation on -- on the number.

MR. DURSO: Okay. So it's if -- I didn't have to sell it, but there is a limitation on how many I can take in. Is that per day?

MS. GLICK: Yes.

MR. DURSO: Okay. And you said the number is ten per day.

MS. GLICK: Yes.

MR. DURSO: What -- what in this bill -- or what are the current protocols for them storing the batteries that then they are taking in?

(Conferencing)

MS. GLICK: There -- this would require updated regs to ensure that there would be the safe collection, disposal and would require that manufacturers or the producer responsibility organization, which is 2 -- Call2Recycle is the industry-created EPR. That would be their -- they would have to provide for the collection, and it would -- also, DEC would have to approve an updated battery collection, transportation and recycling plan, and that would include

training of any staff on the proper storage.

MR. DURSO: So -- so in other words, what you're saying is that once this bill is passed, anybody that works inside one of these bigger businesses or small businesses now have to get trained on rules and regulations that the DEC will come up with on how to store and take in these batteries?

MS. GLICK: Well, I think, you know, there's probably a great deal of training new employees face about a number of things, and one additional piece would be where to properly store these while they're waiting for collection.

MR. DURSO: Okay. So there is no plan in place now. In other words, those protocols haven't been formulated by the DEC on how these stores are going to collect them, store them and what the training is going to be for these businesses that are required to take these batteries in and now are gonna have to go for training? There hasn't been anything set yet, correct?

MS. GLICK: Well, there is an existing program. So presumably, every business that is taking back batteries now shows their employees where they should be put and how -- and who comes to collect them, et cetera. So this would be just the update because these are a larger battery, for the most part, and they would be -- the additional training and the additional updated regs, because this is not part of the current regs, that's the updated part of the regulations. And with that, anybody who is selling would see the new regulations and presumably would want their employees to know what to do. I -- I --

MR. DURSO: Understood. But is there money in this piece of legislation for the training? Because I mean I didn't see any and obviously, this is now putting another mandate on --

MS. GLICK: No, no, no, no.

MR. DURSO: -- all businesses and small businesses that are now required to take this in, and they have to go get training and learn how to store it. And I'll get to how they're storing it next. But is there any funding in this at all?

MS. GLICK: Well, the manufacturers are the ones who pay for the EPR, and so this is an existing program. They have asked for the -- because getting -- two things; one, getting the materials back are good for the manufacturers; two, it is good for those involved in the solid waste stream business want those out of the waste stream. And so, both the manufacturers and the solid waste management folks are happy to see these batteries join the other batteries in being taken out of the waste stream. And so the manufacturers will, as they do now, indicate protocols for how they want them to be collected in order to have their -- their collection and transportation in a manner and fashion that works for them.

MR. DURSO: So in other words, we're -- we're counting on the manufacturers to tell those who are selling these batteries and the -- the vehicles that use these batteries on what the proper protocols are. But --

MS. GLICK: Well, you know, it's an existing program, and this is a -- a -- an expansion of a particular type of

additional battery, but the program exists. The manufacturers already have relationships with those retailers that are part of the program. The DEC will add to this. And specifically in the City of New York -- I'd like to be able to see you, but I can't see this if I don't --

MR. DURSO: That's okay, ma'am.

MS. GLICK: -- take the glasses off. So, apologies. Additionally, the DEC in producing its regulations that are updating this program -- after consultation with the Office of Fire Prevention and Control, and the Division of Homeland Security, and Emergency Services, and the Fire Department of the City of New York -- within 180 days -- it's six months, not -- not, you know, the day after -- will promulgate rules and regulations to ensure the safe storage of rechargeable batteries that minimizes the risk of fires, and such rules also, at a minimum, require retailers to coordinate with the battery manufacturer or a combination of manufacturers working together, which is the 2 -- Call2Recycle group, to regularly remove batteries from retail locations and inform all employees who handle -- now maybe some people only do the cash register -- but those employees who handle or have responsibility for managing batteries, about the proper handling and emergency procedures including fire-related hazards, appropriate to the type or types of batteries handled by the retailer.

MR. DURSO: So --

MS. GLICK: So that's --

MR. DURSO: And I understand. And thank you for

clarifying that. But my question is, currently with the current program that's going on, how do these manu -- how do the -- excuse me, the retailers store those batteries when they come in?

MS. GLICK: Well, according to whatever -- right now, there is -- there -- are you referring to the existing batteries?

MR. DURSO: Sure. Let's -- because this is new, and what you're saying is there is no protocols and system in place in this bill. It's gonna be up to the DEC later to figure out how to store these batteries, correct?

MS. GLICK: Well, currently, the batteries that are part of the existing program since 2010 have been storing them in accordance with whatever recommendations have come.

MR. DURSO: What are those recommendations? How are they storing them now?

MS. GLICK: That is -- currently, that is between retailers and -- and the manufacturers.

MR. DURSO: So, Ms. Glick, so that -- that is my biggest concern here, is because we are making a -- essentially adding on to -- we're making a new law on how batteries are recycled, taking it out of the waste stream, which I, by the way, agree on 100 percent. They need to stay out of the waste stream. They are dangerous. They do pollute our environment. So we need to find a way to recycle them. My concern is that we are making a law here that is saying to retailers, *You have to take these batteries in*, and we're not telling them how they're gonna store them, what the safety protocols are for

them. Obviously you've seen, especially in New York City, the amount of fires that have taken place because of lithium-ion batteries, especially e-bikes and e-scooters. And there's hundreds upon hundreds of fires each year. And a lot of these stores that are -- especially in New York City, especially the mom-and-pops, are in a mixed-use building with apartments upstairs. So don't you feel that this is a little dangerous for some of these stores to be housing these batteries inside a building that has people living above it?

MS. GLICK: Well, first of all, let's be clear. We have no restrictions on the sale, the repair or the charging in any of those locations currently.

Now, I believe that many of the fires, which are dreadful. I've had them in my district, so I am aware of their dangerous nature. They are currently usually the result of charging; charging perhaps on a power strip. Perhaps the battery is an off-market battery. And those things are dangerous. Clearly, that is the current state of affairs. What we are trying to do is not create a whole new thing, but just expand an existing program that has been very effective. That manufacturers are -- and retailers already have established relationships. Those that do not yet have a relationship because they only sell e-bike batteries will be, I believe, happy to have the manufacturers work with them to take them back and handle them with the protocols that both the manufacturer recommends and the Department will, in fact, look at and will in accordance with FDNY and the Office of Fire Prevention provide a safer process going

forward.

MR. DURSO: Ms. Glick, but -- but here's my concern: Six months from the passage of this bill you said it will be a requirement for these stores, regardless if they are a standalone commercial building. If it's mixed-use. If they're within 50 feet of housing. Any -- anywhere in New York State, that they are now required to take these batteries in with no protocols in place of how to store them.

Now, if you are working on a construction site and you have flammable liquids or gases that you're using for a -- for a torch, they have to be stored in very specific containers, boxes that will contain a blast, anything like that. That way, obviously it's safe around, that it's safe for the other buildings around the surrounding areas are safe. We don't have any of that language in this bill. And, again, we have many concerns from the UFA -- which is obviously the Uniformed Firefighters Association of New York City -- that the rules and -- that are in this bill are not enough to protect those that possibly live above these buildings that are taking the batteries in or the surrounding areas. So, I mean -- and again, along with them -- because I've had many conversations with them -- they agree with the idea of the bill. Listen, as a former sanitation worker, I agree with the idea of the bill; get it out of the waste stream. Find a way to recycle it. The problem is, if you -- as you said, you have a limit of taking ten batteries in a day. If you have a small business, they might just thrown them under the counter for two weeks.

MS. GLICK: Well, I would certainly -- I -- I -- I believe that this does require that retailers should -- are required to inform all employees who actually are involved in either handling or managing the handling of the collection and storage to have -- be instructed in the best safety protocols, which will be the result of regulations and advice from the manufacturers.

MR. DURSO: Agreed. But we haven't done the regulations yet, and we're wait -- and we're gonna have to wait for them to make those regulations. Again, my concern is if -- if -- and -- and who's following up on it? I mean, we have hundreds of these stores now all across New York State that are selling e-bikes and scooters and they're gonna have to take those batteries in, where now all their employees need training that we haven't figured out yet. There's gonna be a protocol in place to store them, which we haven't figured out yet. And we've had, I don't know, let's go with 277 fires in New York City in 2024 due to lithium-ion batteries being stored indoors; 268 in 2023. And the FDNY and the Fire Commissioner have done television ads and radio ads, PSAs, saying do not store these batteries indoors. And as you said, these batteries are either bad, not working properly. They're actually on their way out. They're dangerous to begin with. And we're asking them to take them in without any rules and regulations of how to store it, and the proper training, if it's gotta be in a metal box, if it's gotta be outside. I'm just concerned about the safety concerns for all those in the surrounding areas. And unfortunately, as we saw, I mean there was just one in the

Bronx which was a big case where someone was storing an e-bike inside their building, caught fire and a gentleman passed away. We've had a number of deaths throughout the past couple of years, just because, again, people get comfortable. People aren't worried about it. Every time of the year is different months. It's -- we're making a law without the rules and regulations first.

MS. GLICK: Well, that is what we do in many instances. I mean, we don't -- the rules and regulations are based on a statute that is enacted by this Body. That happens in, you know, probably a dozen or more times a week. So this is not new. The fact that absent doing anything, these batteries are wherever the heck they wanna be, and people may decide to keep some extra ones that are depleted and should go to being stored properly currently in their apartment. Where potentially, somebody says, *Oh, let's just throw it in the garbage*, in which case, it goes into the garbage truck and the Department of Sanitation is not happy about that --

MR. DURSO: Of course not.

MS. GLICK: -- because there have been fires in fire trucks. There have been fires in municipal waste transfer stations; one burned down Upstate. This is -- your -- your solution or your concern essentially says let's keep the status quo, which is that they're not being collected properly. They are being willy-nilly not stored one way or another. This is an attempt to create an expansion of an existing program that collects these materials. The Department of Environmental Conservation already says that about 80 percent of our

solid waste has some monetary value. These batteries should be collected, returned to the manufacturer where they can, in fact, retrieve some of the usable material from it.

MR. DURSO: I agree.

MS. GLICK: And it certainly shouldn't be out there. Look, I -- I appreciate the concern. I spent several years working in a factory where we had flammable materials. We used rags that could, in fact, contain those materials. And there was, in fact -- it didn't take a whole a lot of major training. People were told at the end of the day, the -- the canisters of materials went in the firebox. As you were using rags, they went in the disposal box. It wasn't exactly going away for two weeks for some sort of major training. People who are retailers, who get the information from the manufacturers, will get in regulations that will be in sync with the concerns of manufacturers. And they will just tell their -- the employees who are charged with taking these back or managing the taking of them back, where to put them so they are as safe as possible.

MR. DURSO: Agreed. And -- and -- and, Ms. Glick, I agree with you wholeheartedly --

MS. GLICK: It didn't sound like it, sorry.

MR. DURSO: -- that these things need to be -- I'm sorry, ma'am?

MS. GLICK: It didn't sound like it.

MR. DURSO: I know -- I -- I --

MS. GLICK: I apologize.

MR. DURSO: I -- I agree with the idea of it. The problem is the application is terrible. The people that are going to be, unfortunately, doing the work if one of these batteries go on fire inside someone's home, inside a business that has homes above it, which are the -- in this case, and I -- I have the paperwork here from the firefighters of the City of New York have grave concerns about this. So what do we say to those that we're now charging with coming in and rescuing us in a fire? Are we not taking their ideas into account?

MS. GLICK: I appreciate that. I met with them. I talked to them.

MR. DURSO: Yes, ma'am.

MS. GLICK: We went back and forth. Their recommendation that it not be in any residential building or within 50 feet of it pretty much said you couldn't collect them in New York City, which is not a solution.

MR. DURSO: But this bill is not just for New York City. What about the rest of the State?

MS. GLICK: The rest -- well, these were firefighters from New York City.

MR. DURSO: Understood.

MS. GLICK: So that was the discussion.

MR. DURSO: But this is a bill for entire New York City.

MS. GLICK: It is. And I think that probably people Upstate are equally concerned about fires and have the same concern.

And certainly, the town where the waste transfer station burned down, I'm sure they are pretty concerned and would appreciate knowing that those batteries were being taken back by the manufacturer and not showing up at their facility --

MR. DURSO: Agreed.

MS. GLICK: -- where they can leak -- not just cause a fire, but they can leak chemicals that are harmful to the waste facility. So I think that ultimately, you know, this -- while the bill goes into effect, there is a process and a timeline for retailers to register and for manufacturers to participate. So I think that the notion that somehow tomorrow willy-nilly ten batteries a day are gonna show up in each business's location is not a reality.

MR. DURSO: Well, the reality of it, ma'am, is -- is this: Is that -- I understand and I apologize, but I am running out of time. I understand the manufacturers, the DEC, everybody's gonna get together and make some of kind rules and regulations on how these are going to be collected. The problem is, is that the people that are charged with putting out the fires, pulling people out of danger, and unfortunately, in numerous cases have pulled people out that have lost their lives because of unsafe storage of these. Their concerns are very much high, and we're not listening to them because we haven't changed anything in the bill.

MS. GLICK: Well, actually that's just not true. We did add -- now, the -- the provision that we added was after consultation with the Office of Fire Prevention and Control and the

Division of Homeland Security and Emergency Services and the Fire Department. We had --

MR. DURSO: What fire department, ma'am?

MS. GLICK: Well, in that instance it is the FDNY, which is, as I said, we had some meetings directly with firefighters. So we included the FDNY, and that -- we have done what we think is prudent, appropriate, to reduce the risk. Because currently there is a risk because these are willy-nilly wherever. And I don't quite grasp the -- the concern that now that we're expanding the battery recall and that we're asking the manufacturers to take these back, that the only way the system functions is if the people who have a relationship with the manufacturer -- which is the retailers -- participate together. That's -- that is how many of our extended producer responsibility operations work.

MR. DURSO: Agreed.

MS. GLICK: We don't tell people who sell shoelaces and shoes to participate in the paint return.

MR. DURSO: Agreed. But --

MS. GLICK: It's the paint people.

MR. DURSO: But the shoelaces -- but the shoelaces aren't gonna light on fire and kill anybody.

MS. GLICK: Well, paint might.

MR. DURSO: Well, unfortunately -- listen, I'm not saying that it -- it can't happen, and I'm not saying it's going to happen. But it can happen. And that is the concern of the men and women that

we charge with going in, putting out the fires and saving people's lives. They have concerns, and those concerns are not being met. I agree with you, and so do they, frankly, that these things need to stay out of the waste stream and be recycled. The problem is, and as they have said, the legislation fails to adequately address issues concerning the storage of the batteries. That is my problem, is we're telling them

--

MS. GLICK: You know --

MR. DURSO: -- you're saying that the manu -- ma'am, excuse me, one second -- you're saying that the retailers and the manufacturers have to have a relationship. As the Legislature, where is our relationship with those that are charged with running into a burning building and saving people that, unfortunately, live above a lot of these things, which you have said? Because if there was a 50-foot rule for this or not in a mixed-use building, you couldn't be recycling these in New York City. There has to be a way to have that relationship with our firefighters and EMS to say, *What is the best way to do this without costing lives and saving the environment?* There needs to be a way to work together. Unfortunately, as you said, it's not willy-nilly because you have met with them. But they are disagreeing with how this is being put forth. And they're the ones who we're asking at that point, *Then go do your job and go put fire out. Go drag that gentleman out. Go get that kid out of that burning window*, which we have seen and has happened. But we're not taking into account of what they're saying and their concerns. We're just gonna

do this bill willy-nilly in hopes that people develop a relationship with a manufacturer. That is not gonna keep people safe in New York State.

MS. GLICK: Absent this bill, the current situation continues.

MR. DURSO: Agreed.

MS. GLICK: So nothing -- the status quo just continues, which you and firefighters are saying is not a safe situation. You on the one hand say we micromanage too much, and now you're saying we're not doing enough. We are saying that the experts who happen to be both the manufacturers --

MR. DURSO: Firemen are not experts, ma'am?

MS. GLICK: I didn't finish my sentence.

MR. DURSO: Oh, go ahead. I'm sorry.

MS. GLICK: Manufacturers, the experts -- we frequently have experts either from NYPD and consult with others. Or the FDNY consult with others. So we have required -- not suggested -- we're requiring the consultation --

ACTING SPEAKER HUNTER: Thank you.

MR. DURSO: Thank you, Ms. Glick.

ACTING SPEAKER HUNTER: Mr. Ra.

MR. RA: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GLICK: Yes, of course.

MR. RA: Actually, if you -- can you start with -- because that's obviously something I'm interested in and we actually discussed this briefly last week. So, can you continue to just -- what is in the bill with regard to that consultation with -- with the Fire Department?

MS. GLICK: Well, we had originally suggested that the Department, which would be DEC, within 180 days of the effective date, promulgate rules and regulations to ensure safe storage of rechargeable batteries that minimizes the risk of fires. And the rules and regulations would require retailers to coordinate with the battery manufacturer or a combination of manufacturers, and that they inform all employees who handle or have responsibility for managing them, the best proper handling and emergency procedures. What we have added after our conversations with numerous individuals who are both from the Uniformed Firefighters and from the Uniformed Fire Officers Association, that after -- this is the Department shall, after consultation with the Office of Fire Prevention and Control and the Division of Homeland Security and Emergency Services and the Fire Department of New York City, then they promulgate rules and regulations based on the consultation that they have had with those individuals that have direct experience with fire prevention and, in fact, firefighting. So we believe that we have done the responsible thing to ensure that as the regulations by DEC, which controls regulations around solid waste management and the retrieval of

materials, that -- that we have done the right thing and that out of that the rules and regulations will ensure that there is a safe process for taking back these batteries without having them go into, as they currently do, the waste stream.

MR. RA: What -- so what do you envision that consultation looking like? Because I -- I can think of any number of bills that we've passed here that just require a consultation with some entity, and they were not happy with the outcome or didn't feel like their input really was reflective in the ultimate regulations that came out. So how -- how are we making sure that if they're coming up with regulations and the Fire Department says, *No, we really don't think that's sufficient to protect public safety*, do they have any recourse? What -- how, you know, involved are they going to be in -- in developing these regulations?

MS. GLICK: Well, it's my understanding that with -- that there has not been a problem with paint care, which is the manufacturer's retrieval of paint, which is -- you know, could be a volatile organic compound. Although they -- there are some paints that are not or have less or reduced VOCs. So I -- I believe that the Department is clear that we made this specific amendment to ensure that there is, in fact, actual sit-down participation. If my friends at the Uniformed Fire Officers Association feels like -- or FDNY leadership feels like they're not being heard, I think they're gonna tell me. And I am going to call the Commissioner and ask them, in polite terms, you know, what the heck?

MR. RA: I wouldn't expect you to be anything but polite.

MS. GLICK: So I -- I -- I believe that we did this in good faith, believing that it is in the interest of all parties that that consultation be robust and be respectful and inclusive of the recommendations that come from those who have to deal with the potential fire hazard.

MR. RA: I -- I am -- I am very glad to hear that. So as they're going through that process, I know you and -- and my colleague in -- in your discussion talked about the concern that's been raised that many times we have these shops, particularly in New York City, that may be on the ground floor, there may be residents above, and they're gonna be taking in these batteries. Would something like -- if as this is going on, them suggesting, *Hey, you -- you need some more stringent guidelines for what a retailer does when they bring in a battery if that's the case.* If they're in a location that is immediately part of a residential building or immediately adjacent to an apartment building, is that something that could come about through regulation?

MS. GLICK: I -- I suppose it could. I mean, the reality is that under the current circumstances, there are no requirements that I'm aware of -- and we looked into it -- about what kinds of structures businesses can be selling these, charging them. I believe some of these buyers have been the result of, you know, idiocy. You can't always legislate against that. But, you know, one

should not be -- I've gotten some different kinds of appliances that actually say do not recharge in a power strip. You should be using the outlet that is connected to a, you know, a -- a circuit breaker. So, personally, early on when they started selling these things, I didn't think they should be sold unless they came with a fireproof box. I was not -- I was instructed that was not actually going to happen.

Manufacturers were not interested in that. So out of my own experience early on with volatile materials. So that was my recommendation which was not accepted, but I hope that we have manufacturers talking with the DEC and the DEC talking with fire professionals to come up with a commonsense protocol. But right now you can charge these and they could be in -- they're in residential buildings, and people have these items and they're charging them now. And there are no regulations. So it seems to me that this is a fairly modest proposal that when we have these and they're depleted and people are ready to chuck them, that they don't throw them into the garbage, that they get retrieved.

MR. RA: So now, with regard to the retailers, so -- right? A retailer that sells these item -- items that contain these types of batteries can only offer for sale ones that are coming from a manufacturer that has a plan on file that's participating in this, correct?

MS. GLICK: Yes.

MR. RA: Now, suppose -- because obviously, there are tons of items out there that contain these. People may have purchased them out-of-state, people may have previously purchased

them online. I know we've tried to work on that issue over the last couple of years. Is a retailer who is, you know, complying with this, only offering for sale items from manufacturers that are participating in this required to take back a battery from a manufacturer that doesn't have a plan on file and isn't participating in this and maybe isn't, you know, up to snuff in terms of quality standards and things like that?

MS. GLICK: Well, we -- we are not brand-specific. So there isn't -- there will be, I believe -- let me double-check. I think that they -- there will be a list of -- on the Department's website, of manufacturers and their plan. You know, that they have an approved plan. I suspect that most will want to go through Call2Recycle because it's a well-established recycling EPR. So I -- I suspect that that is going to be. But if somebody shows up, quite honestly -- I don't want to be disingenuous -- I think if somebody shows up with a battery to a place that they have in the past worked with, they got their bike there, and they got a battery who knows where and they go back and they give it to that guy, I -- I suspect that is -- that -- that will -- I wouldn't be surprised if that happens.

MR. RA: And that -- that retailer would be required to accept that?

MS. GLICK: Yeah.

MR. RA: Okay. And is -- it's any retailer who would offer these types of items like -- let me give you an example we all know, right? You get, say, around the holidays that maybe a drugstore that doesn't normally sell these type of things, but maybe, you know,

because there's impulse purchases, thing like that, that maybe they -- they -- they get some scooters into stock that they're gonna sell because it's Christmastime and people are looking to, you know, buy gifts and stuff like that. Would -- would they be under, like, a recurring obligation to accept these things if it wasn't something they regularly dealt with?

MS. GLICK: If -- if they -- if they've sold seven, they'd probably have to take back seven. They would not be -- and it would have to be, you know, the manufacturers -- retailers have to have -- work with manufacturers that have been registered with the Department. I am trying to envision, you know, you can't -- in some of the drugstores you can't get toothpaste, so I'm wondering who's selling bike batteries. I -- I understand the question. I'm trying to envision who would do this on a spur of the moment.

MR. RA: Well, I --

MS. GLICK: They would have to have a connection with a manufacturer. And maybe they have the connection because that manufacturer deals with sort of more normal batteries and they also have these, and they decide for, as you say, holiday that they're gonna bring in a small amount. They would have to take back the number that they sold.

MR. RA: Okay. So even if it was -- say they sold a dozen of them and -- but it was really a seasonal thing, and now they've taken back a dozen batteries, but -- I mean, those batteries aren't necessarily coming from the person they sold them to, correct?

It could be --

MS. GLICK: It's -- it is -- it is possible, yes.

MR. RA: Okay. Thank you.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. RA: Thank you. So I -- I very much, you know, appreciate the intent of this bill. I'm supportive in concept of trying to deal with the issue we have with these batteries, trying to make sure they are properly recycled. But we have a tremendous problem in the State, and -- and -- and I think, you know, what the sponsor said is -- is well-taken. We -- many times we've seen fires where people were really -- I was -- I want to just say foolish as opposed to, you know, something more extreme or judgmental of them. But, you know, overloading a power strip with -- with a number of these types of batteries or something like that and it causes a fire. But I think we do have to really take pause when, you know, one of the best-trained firefighting groups and -- and their representatives are saying to us that they have concerns with how this bill is going to work, and with the potential for -- for negative consequences.

So I hope that that consultation -- if this were to be signed into law, I hope that that consultation with -- with the FDNY is as robust as the sponsor stated. I hope that suggestions they make are put into effect. But -- but I do think we need to really think about giving this the opportunity that there are maybe -- even if it's not a full *you don't have to take them if you're in a residential building*, at the

very at least, very strong pro -- provisions to make sure that that's being done in the most safe manner possible.

Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mr. Ari Brown.

MR. A. BROWN: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. GLICK: Of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. A. BROWN: Thank you, Madam Sponsor.

Some point in my career I built a lot of medical offices and restaurants, medical offices and national chains of drugstores. There was always a place for medical waste. It was easy; a very simple box. Restaurants, a lot of them require indoor refrigerated containment for the refuse so that rats and things wouldn't come.

Just one quick suggestion, I think we can solve the whole problem. Would you consider adding one line into the bill to require an inexpensive bag? We used a lot of battery tools. They were invented 40 years ago. So we have this issue now. For example, would you consider adding an extra-large LSR XL bag, \$30 to \$50, that would contain the batteries? Or Ridgid, a common manufacturer, tools they make. They're \$60 to \$120, a box container storage for lithium batteries. Or even a UL one, which not required to do, would

be 30 -- \$300 to \$500. One line saying if you're gonna store them, you got to get this \$30 to \$50 bag. I think it solves a lot of problems.

What do you think?

MS. GLICK: I think that that may be a suggestion that comes from FDNY as they prepare the rules and regulations. I told you -- I -- I said before that I thought they shouldn't be sold without a fireproof box, but that's me. So I believe that the regs will be promulgated in consultation with the recommendations out of the Office of Fire Prevention and recommendations from FDNY. And it might be that that is a simple thing. We would not put that somebody has to -- a retailer has to spend X amount of dollars for a particular item because we wouldn't put that in law. And of course then the objection would be that we would be -- you know, requiring them to spend money that they hadn't intended to. But we wouldn't put into regulation a specific product, even -- but we assume that in consultation that will be part of the regulations. That that would be the recommendation from FDNY and that that will be regulations that DEC promulgates.

MR. A. BROWN: Thank you, Madam Sponsor. Could you please answer the question that you had proposed? If we're requiring them to spend the money for disposal, why not make their lives easier and safer at the same time, because we are requiring them to have an expenditure? And I think everybody would be happy with that. It's very inexpensive. It keeps them safe. We don't need anybody else to tell us what we already know, and it's just a nice, easy,

inexpensive thing.

MS. GLICK: Well, that's why we included the FDNY. They might have a different recommendation than you have because they may be more up-to-date on what material they think is best.

MR. A. BROWN: Thank you.

MS. GLICK: Thank you.

MR. A. BROWN: So -- and just to go back to a previous question my colleague Assemblyman Durso suggested, the fire departments and the like have suggested that it was an unsafe means. We're having a situation right now where we can save lives together in a very collaborative effort. Why not just add the line? There's no harm in any which way. We are -- if we weren't asking them in the past to have an expenditure of disposal, I agree with you. But we are anyway. So 30 to 50 or \$100 to keep everybody safe and alive so they don't have to look back at this meeting and saying, *Well, why didn't we just add that line to save one life?* Why wouldn't we do that?

MS. GLICK: Well, I appreciate that, but I sat down and talked with them and that wasn't their recommendation.

MR. A. BROWN: Thank you, Madam Sponsor. So who was that, again, that you had sat down with exactly? I -- I remember --

MS. GLICK: Uniformed Firefighters Association and the Uniformed Fire Officers Association.

MR. A. BROWN: And -- and they -- thank you.
And they had no recommendations for storage?

MS. GLICK: Well, they had recommendations. Sir, I already -- perhaps you were not paying attention at the time. But I already indicated what -- and -- and we did make an amendment based on the conversations.

MR. A. BROWN: So just to be clear, we don't wanna make the recommendation to keep them safe by getting (indiscernible/cross-talk) --

MS. GLICK: Well, that -- I -- I -- excuse me. Do not put words in my mouth.

MR. A. BROWN: Let me finish my -- my --
(indiscernible/cross-talk) --

MS. GLICK: I understand that that may work for you, but it's not -- it's not respectful.

MR. A. BROWN: I was in the middle of speaking and you interrupted me. So I don't know (indiscernible) respectful. I was in the middle of speaking. So --

ACTING SPEAKER HUNTER: Colleagues.

MR. A. BROWN: I was in the middle of speaking. I was interrupted.

ACTING SPEAKER HUNTER: Okay, we're going to be --

MR. A. BROWN: So, again, I was (indiscernible/cross-talk) --

ACTING SPEAKER HUNTER: -- respectful.

MR. A. BROWN: -- the sponsor, why not do it right now, just to keep -- save one life? It's so inexpensive.

(Pause)

We're -- we're done? Okay.

On the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. A. BROWN: As I had suggested to my colleague, we're already asking for an expenditure by people for the storage of the batteries, and I think it's a commendable effort. It's a commendable bill. All I'm asking for is to spend a fraction of what it's gonna cost them to dispose of these batteries. Keeping people safe and alive, I think that's -- we all have in mind. Spend 30, 50, \$100, I think it's a -- it would be a great tool and a quick amendment.

We'll see how I'll vote on this thing. And thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The Minority Conference will be in the negative on this bill. But if anyone wishes to vote yes, now would be the appropriate time to do so at your

chairs.

Thank you.

ACTING SPEAKER HUNTER: Thank you.

Ms. Hyndman.

MS. HYNDMAN: Madam Speaker, thank you. This will be a -- the -- the Majority Party will be in the positive and up on this vote. If any member wishes to vote in the negative, please proceed to the Chamber so you can vote at your desk.

Thank you.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Durso to explain his vote.

MR. DURSO: Thank you, Madam Speaker, to explain my vote. And again, I appreciate the sponsor taking the questions. And again, at a time I was the sponsor of this bill. But again, once we had spoke [sic] to those that keep us safe, the -- the organizations that represent the FDNY and New York City, they had grave concerns, and they did bring them to the sponsor and unfortunately, none of those concerns were met. Not having these batteries stored inside a mixed-use building where there's apartments upstairs endangers lives; endangers the lives of people that live in those buildings. And as we have seen, there's been numerous amounts of fires, especially in New York City, due to these batteries being stored inside. And not heeding the calls of those who are the

professionals, the ones that are answering the call, frightens me. Again, bring -- bringing all stakeholders in to make the bill better, to make it work. To get these things out of the waste stream. But again, to also keep people safe, I think is important. And again, I understand the sponsor said carving those things out would not allow it to basically happen in New York City. Again, we could rewrite the law -- we could rewrite the bill to make it so that you can recycle them, but it has to be done safely and with the respect of those and the understanding of those who are keeping us safe on how to do it best.

So with that being said, I'll be voting in the negative. Thank you.

ACTING SPEAKER HUNTER: Mr. Durso in the negative.

Ms. Glick to explain her vote.

MS. GLICK: Thank you, Ms. Speaker. I -- I appreciate that there are people who do things that most of us wouldn't want to do, and that's run towards fire. And we did talk with them and we had attempted to have a prolonged exchange. Frankly, they made one recommendation from the Uniformed Fire Association and then never responded and had no comeback when we said this doesn't make it workable in the City. And the current circumstances are that these batteries are being sold, repaired and charged in buildings that are residential and are in -- and within 50 feet of another residential building. So there was no give. We had a conversation with the Uniformed Fire Officers Association, and out of that came up with an

amendment. It may not be the exact words that they thought they wanted, but we had an exchange. We think that DEC, in consultation with the Office of Fire Prevention and with the FDNY, will make appropriate rules and regulations.

This is a step forward. The alternative is continuing the wrong path that we are currently on. I withdraw my request and vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Glick in the affirmative.

Are there any other votes? Announce the results.
(The Clerk announced the results.)

The bill is passed.

Page 16, Rules Report No. 734, the Clerk will read.

THE CLERK: Senate No. S05935-A, Rules Report No. 734, Senator Addabbo (A06745-A, Woerner, Vanel, Kay, Rozic, Fall, Buttenschon, Burdick, Shimsky, McDonald, Beephan, Hawley, K. Brown, Glick, Kassay, Lunsford, Levenberg, Rosenthal, Gallahan). An act to amend the Racing, Pari-Mutuel Wagering and Breeding Law, in relation to prohibiting online sweepstakes games and revenue from illegal markets.

ACTING SPEAKER HUNTER: An explanation has been requested.

Ms. Woerner.

MS. WOERNER: Thank you, Madam Speaker, my colleagues. This bill addresses a growing threat to New York's

consumers and legal gaming industry: Online sweepstakes casinos operating outside New York State law. These platforms use dual-currency systems that allow players to purchase virtual coins, redeemable for real money; simulate casino games like slot machines and poker; and are accessible over the internet, including to minors, without any of the safeguards New York requires for legal gaming.

By exploiting legal ambiguities to pose as sweepstakes, these operators avoid licensing, oversight, responsible gaming requirements, and anti-money laundering laws. They're unregulated, untaxed and unfairly compete with New York's licensed gaming facilities, which have to follow strict rules and contribute revenue to the State.

What this bill does is make it clear that these online sweepstakes casinos which use the dual-currency system are illegal gambling operations in New York. It gives the Gaming Commission, Office of the Attorney General and State Police the tools they need to stop these bad actors, both offshore and domestic. It also imposes penalties to deter illegal operators from entering and remaining in New York State, the proceeds from which will be directed to problem gaming education and treatment.

ACTING SPEAKER HUNTER: Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker.

Would the sponsor please yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. WOERNER: It'd be my pleasure.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. GANDOLFO: Thank you very much. So first, there's a couple of conditions laid out that would prohibit them under the law. One of them is a dual-currency system. Can you explain a little bit what a dual-currency system is?

MS. WOERNER: Sure. So, a dual-currency system starts with you get some free coins. And then you can purchase some premium coins with which to wager, and then you get -- you can cash those premium coins out for real cash or cash prizes.

MR. GANDOLFO: Okay. So, are the premium coins that are eligible to be wagered for prizes, are those the ones that are purchased or are those given for free with the purchase of, I guess, non-monetary coins?

MS. WOERNER: It can be either.

MR. GANDOLFO: Okay. Because I'm -- I'm aware of, just in my research for this bill, there's actually one operated that calls themselves a casino. And I believe it works that you purchase gold coins, and then with the purchase of gold coins you get sweeps coins. The gold coins cannot be wagered for anything of value, but the sweeps coins that get for free can be and you can win cash. I don't know if you can win other physical prizes. So is that what we're looking at here?

MS. WOERNER: That's what we're talking about, yes.

MR. GANDOLFO: Now, is it only cash prizes or any prizes that have a cash value? Like if it was merchandise that you won instead of cash.

MS. WOERNER: It is -- it is cash and cash equivalents.

MR. GANDOLFO: Okay. So that would be, like, if you got T-shirts or electronics. Would that be a cash equivalence?

MS. WOERNER: I think we're talking about more like gift cards.

MR. GANDOLFO: Okay. So, gift cards. Okay.

Now, a dual-currency system, since it's a little unclear what that might end up encompassing, would a -- let's say a reward program, Starbucks, to use an example, where you go and you buy coffee and because you bought the coffee and you get stars that can be redeemed for gift cards sometimes.

MS. WOERNER: Yeah. So, those are not considered these online casino sweepstakes games. Those -- they don't allow you to accumulate reward points and then cash them in for cash.

MR. GANDOLFO: For cash. Okay.

MS. WOERNER: It is basically an online analog to, you know, what's happening in Starbucks in the physical world.

MR. GANDOLFO: Okay. What about, like, a McDonald's monopoly --

MS. WOERNER: No.

MR. GANDOLFO: -- where you -- okay -- where you collect the pieces and get the million bucks? That's not encompassed?

MS. WOERNER: No.

MR. GANDOLFO: Okay.

Now, there's a couple of more conditions here, one of them being the types of games. Is it typically anything that simulates a casino game or are there other things that would be encompassed in the ban?

MS. WOERNER: It is principally games that -- that simulate casino games.

MR. GANDOLFO: Okay. And I believe I think I saw, like -- there's another website that does kind of a sports wagering setup similar where you buy coins that you don't wager, but then you get free coins that you wager. So it's sports betting only.

MS. WOERNER: Right. Those are -- those are simulating legal gaming and they are not legal gaming.

MR. GANDOLFO: Okay. And I know the definition here says included, but not limited to. I've seen some of these where people buy some kind of token and it almost looks like they're playing Plinko. Would that be -- and it multiplies the amount of coins and then I think eventually they can cash out the coins. Does that fall under that umbrella?

MS. WOERNER: I haven't seen that particular game, but it would seem to, based on how you've described it.

MR. GANDOLFO: Okay.

Now, with the enforcement here, I believe the fine is \$10 -- \$10,000 per violation. That's correct?

MS. WOERNER: It can be between 10,000 and 100,000.

MR. GANDOLFO: Okay. What constitutes the violation? Is it just operating, and would that then accumulate per day of operating in violation?

MS. WOERNER: So it's operating or facilitating the operation in some way of these games. And I do believe it's per day, violation per day, per violation.

MR. GANDOLFO: Okay. So we're expecting that should they continue to operate in New York it would probably be a significant of money raised for the problem gambling hotline?

MS. WOERNER: I would think so.

MR. GANDOLFO: Okay. All right. I think that's about all the questions I have here. Thank you.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. GANDOLFO: This bill here is addressing a loophole in our gaming laws. There are a lot of these operators that are basically gambling. You're using real money to buy tokens that you don't wager, but when you buy those tokens you get free tokens that you can wager. So it's basically online iGaming, just with an extra step to technically make it legal.

Now, I don't know if there's been any court rulings or lawsuits on this, but either way, this legislation is addressing a little loophole here that has been abused, and that these kinds of websites lack the oversight that legal gaming websites and apps have. So there is a concern that without the same levels of security and age verification and location verification that legal sites have, you can end up in a situation where minors are potentially engaging in this addictive behavior which could stay with them their whole life and lead to some negative outcomes for them.

So this is a bill that I will be supporting again to close this loophole and to make sure that our gaming system is on the up-and-up here in New York. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, members have on their desks an A-Calendar. I would like to move to advance that A-Calendar.

ACTING SPEAKER HUNTER: On Mrs. Peoples-Stokes' motion, the A-Calendar is advanced.

MRS. PEOPLES-STOKES: So that we might take it up immediately. Thank you.

ACTING SPEAKER HUNTER: On consent, page 3, Rules Report No. 854, the Clerk will read.

THE CLERK: Assembly No. A01556-E, Rules Report No. 854, Kelles, Colton, Epstein, Gibbs, Glick, Jackson, Lee, Levenberg, Raga, Reyes, Rosenthal, Sayegh, Seawright, Shimsky, Simon, Steck, Stirpe, Tapia, Clark, P. Carroll, Hevesi, Torres, Cruz, Norber, Dinowitz Kay, Lunsford, Gallagher, Slater, Paulin, Burroughs, Schiavoni, De Los Santos, Tague, Angelino, Meeks, Gallahan, Alvarez, Otis. An act to amend the Agriculture and Markets Law, in relation to enacting the "Food Safety and Chemical Disclosure Act."

ACTING SPEAKER HUNTER: On a motion by Ms. Kelles, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

THE CLERK: Assembly No. A02103-A, Rules Report No. 855, Paulin, Otis. An act to amend the Environmental Conservation Law, in relation to extended producer responsibility for carpet.

ACTING SPEAKER HUNTER: On a motion by Ms. Paulin, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A03351, Rules Report No. 856, Dinowitz. An act to amend the Civil Practice Law and Rules, in relation to permitting a plaintiff to recover against a third-party defendant in certain cases.

ACTING SPEAKER HUNTER: On a motion by Mr. Dinowitz, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

THE CLERK: Assembly No. A03480, Rules Report No. 857, P. Carroll. An act to amend the Real Property Tax Law, in relation to providing a tax exemption on real property owned by active auxiliary police officers in local law enforcement agencies in certain counties.

ACTING SPEAKER HUNTER: On a motion by Mr. Carroll, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect January 1st.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A03849, Rules Report No. 858, Weprin, Paulin, Dinowitz, Sayegh. An act to repeal Section 470 of the Judiciary Law, relating to allowing attorneys having offices in the State to reside in an adjoining state.

ACTING SPEAKER HUNTER: On a motion by Mr. Weprin, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

THE CLERK: Assembly No. A04068, Rules Report No. 859, Palmesano. An act to amend the Tax Law, in relation to extending the authorization of the County of Yates to impose an additional 1 percent of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Palmesano, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04216, Rules Report No. 860, Cunningham, Shimsky, Epstein, Yeger, McDonough, Manktelow. An act to amend the Tax Law, in relation to excluding certain food donations from sales tax.

ACTING SPEAKER HUNTER: On a motion by Mr. Cunningham, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04396, Rules Report No. 861, Fall. An act to amend the Public Authorities Law, in relation to the appointment of members of the Battery Park City Authority.

ACTING SPEAKER HUNTER: On a motion by Mr. Fall, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05403-A, Rules Report No. 862, Solages, Hevesi, Simon, Seawright, Reyes, Lasher, Davila, Taylor, Sayegh, Bichotte Hermelyn, Septimo, Clark, Gibbs, Bores, Pheffer Amato, Torres, McDonald, Paulin, Bronson, Kim, DeStefano, Glick, Otis. An act to amend the Education Law, in relation to enacting the "Jack Reid Law: Protect All Students Act."

ACTING SPEAKER HUNTER: On a motion by Ms. Solages, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Walsh to explain her vote.

MS. WALSH: Thank you, Madam Speaker. So, I had the opportunity to, in a -- in Zoom meet Jack Reid's parents and have them explain to me the story, the reason for their advocacy for this particular bill. It will prohibit discrimination and harassment or

bullying, including cyberbullying, of students by other students on non-public or secondary-school property or at a non-public or secondary-school function. And it requires school employees who witness bullying or harassment or receive a report of such to orally alert the head of the school or designee not later than one school day after witnessing or receiving a report of the conduct.

They -- they reached out to me because they knew that I had a bill called "Jacob's Law", which unfortunately hasn't been -- been able to advance since I've come into the Assembly, but it's a good bill. And it -- that bill essentially says that if a student is being bullied and the administration or teachers know about it, that parents will be notified. And so as Jack's parents, they reached out to me.

This is a good bill. We need to make sure that if -- just like we tell our kids, if you see something, say something. Regardless of whether it happens in public or private school. If there's bullying going on, parents need to -- to know about it and it needs to be reported because if they know, they may be able to avert what was really a tragic situation here with Jack Reid. So I -- I'm glad that his parents came forward and were such strong advocates for this. And I appreciate the fact that it looks as though this bill will pass unanimously. And I will, of course, be supporting it as well.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Ms. Walsh in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05588, Rules Report No. 863, Zinerman, Simon, Cunningham, Clark, Taylor. An act to amend the Tax Law, in relation to adding certain properties to the definition of a qualified historic home for the Historic Homeownership Rehabilitation Credit.

ACTING SPEAKER HUNTER: On a motion by Ms. Zinerman, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05868, Rules Report No. 864, Pheffer Amato, Lavine, Griffin, Stern. An act to amend the Retirement and Social Security Law, in relation to granting certain county fire marshals, supervising fire marshals, fire marshals, assistant fire marshals, assistant chief fire marshals or chief fire marshals pension benefits for service rendered beyond 25 years.

ACTING SPEAKER HUNTER: On a motion by Ms.

Pheffer Amato, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06887, Rules Report No. 865, Bronson, Benedetto, Brabenec, Hevesi, Colton, DeStefano, Durso, Jacobson, Lucas, Davila, Bichotte Hermelyn. An act to amend the Workers' Compensation Law, in relation to contracted network pharmacy use.

ACTING SPEAKER HUNTER: On a motion by Mr. Bronson, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 30th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07390-A, Rules

Report No. 866, Hyndman, Sayegh. An act to amend the Education Law, in relation to college admission and financial aid for students who have received a high school diploma from certain online high school programs.

ACTING SPEAKER HUNTER: On a motion by Ms. Hyndman, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 90th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07464-B, Rules

Report No. 867, Stirpe, Eachus, Lupardo, Magnarelli, Stern, Tapia, Wright, Taylor, Hyndman, Solages, Buttenschon, De Los Santos, Lunsford, Simone, Shimsky, Woerner, Jacobson, Paulin, Hevesi, Santabarbara, Cruz, Pheffer Amato, Kassay, Bores, Barrett, Kay, McDonald, Clark, P. Carroll, Schiavoni, Davila, Lavine, Sayegh,

Conrad, Torres, Alvarez. An act to amend the Alcoholic Beverage Control Law, in relation to permitting certain retail licensees to purchase wine and liquor from certain other retail licensees.

ACTING SPEAKER HUNTER: On a motion by Mr. Stirpe, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 90th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Stirpe to explain his vote.

MR. STIRPE: Thank you, Madam Speaker. Passing legislation that changes ABC's laws is not an easy undertaking in New York State. In the system we operate in New York, most of the changes to these laws create winners and losers. This is not the case here. No one loses. The restaurant, bar or caterer who runs out of a particular distilled spirit or wine and can't wait a week or two for the next regular delivery can run to their local liquor -- liquor store and buy up to six bottles to keep their customers happy. The wholesaler sells the bottles to the restaurant or bar or to the liquor store. The -- the Teamster drivers ship the same number of bottles to their customers. So nobody loses, opposed to what a lot of people have been saying for the last year or two.

But anyway, thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Mr. Stirpe in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07713, Rules Report No. 868, Smullen. An act to amend Chapter 326 of the Laws of 2006 amending the Tax Law relating to authorizing the County of Hamilton to impose a county recording tax on obligations secured by mortgages on real property, in relation to extending the expiration thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Smullen, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07775, Rules Report No. 869, Bendett. An act to amend the Tax Law, in relation to extending the authorization of the County of Rensselaer to impose an

additional 1 percent of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Bendett, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07822, Rules Report No. 870, Lemondes. An act to amend Chapter 308 of the Laws of 2023, amending the Tax Law relating to authorizing an occupancy tax in the Village of Weedsport, in relation to extending the effectiveness thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Lemondes, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07862-A, Rules

Report No. 871, Levenberg, Shrestha, Anderson. An act to amend the Election Law, in relation to permit political parties to perform certain functions without forming county committees.

ACTING SPEAKER HUNTER: On a motion by Ms. Levenberg, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

THE CLERK: Assembly No. A07918-A, Rules
Report No. 872, Maher. An act to amend Chapter 636 of the Laws of 1995 relating to incorporating the Volunteer and Exempt Firemen's Benevolent Association of Coldenham, Inc., and providing for its powers and duties, in relation to the purposes and duties of such corporation and the use of foreign fire insurance premium taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Maher, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08091-A, Rules

Report No. 873, Peoples-Stokes, Levenberg, Rosenthal, Shimsky, Gallagher, Paulin, McDonald, Simon, Shrestha, Kassay, Raga, Anderson, Solages, Zinerman, Kelles, Stirpe, Epstein, Bronson, Santabarbara, Jacobson, Cunningham, Seawright, Jackson. An act to amend the General Municipal Law, in relation to the awarding of certain purchase contracts to purchase food.

ACTING SPEAKER HUNTER: On a motion by Mrs. Peoples-Stokes, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

THE CLERK: Assembly No. A08220-A, Rules Report No. 874, Wright. An act to amend the Arts and Cultural Affairs Law, in relation to empowering the Council on the Arts to designate the Harlem Renaissance Cultural District.

ACTING SPEAKER HUNTER: On a motion by Mr. Wright, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08297, Rules Report No. 875, Lunsford. An act to amend the Family Court Act and the Judiciary Law, in relation to the establishment of a pilot program to provide alternative dispute resolution and navigator services in child support matters.

ACTING SPEAKER HUNTER: On a motion by Ms. Lunsford, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on 270th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08330-A, Rules Report No. 876, Woerner, Steck, Buttenschon, Kay, Burdick, McDonald, Gallahan, Bendett, Lemondes, Sayegh. An act to amend the Environmental Conservation Law, in relation to clarifying provisions regarding the use of crossbows for hunting.

ACTING SPEAKER HUNTER: On a motion by Ms.

Woerner, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08466, Rules Report No. 877, Giglio. An act in relation to granting retro -- retroactive Tier II membership in the New York State and Local Police and Fire Retirement System to Giuseppe T. Rosini.

ACTING SPEAKER HUNTER: On a motion by Ms. Giglio, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08566, Rules Report No. 878, Brabenec. An act in relation to authorizing the assessor of the Town of Ramapo, County of Rockland, to accept an application for a real property tax exemption from Yeshivas Nachlas Sofrim.

ACTING SPEAKER HUNTER: On a motion by Mr. Brabenec, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08738, Rules Report No. 879, Bronson, Clark, Lunsford, Rivera, Stirpe, McMahon, Kay, Lupardo, Kelles, Woerner, Romero, McDonald, Steck, Jensen. An act to amend the Public Health Law, in relation to reimbursement rates for certain programs established by not-for-profit and public skilled nursing facilities in Upstate New York nursing home regions.

ACTING SPEAKER HUNTER: On a motion by Mr. Bronson, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08787, Rules Report No. 880, Glick. An act to amend Chapter 189 of the Laws of 2013, amending the Vehicle and Traffic Law and the Public Officers Law relating to establishing in a city with a population of one million or more a demonstration program implementing speed violation monitoring systems in school speed zones by means of photo devices, in relation to making technical corrections and extending such provision related thereto; and to repeal certain provisions of the Vehicle and Traffic Law relating thereto.

ACTING SPEAKER HUNTER: On a motion by Ms. Glick, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08822, Rules Report No. 881, Kay, Novakhov. An act to amend the Military Law, in relation to authorizing additional paid leave for public employees who are absent on military duty.

ACTING SPEAKER HUNTER: On a motion by Ms. Kay, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Kay to explain her vote.

MS. KAY: Thank you, Madam Speaker. This past Saturday, as many of I'm sure you did, I had the opportunity to join veterans in my district for Flag Day. We reflected on what it means to truly support one's community through ongoing commitment and action. We owe our service members a debt of gratitude, and doubly so when they are also public employees in their civilian lives. That is why I sponsored this bill which will increase the number of days of paid leave available to these public servants when they are ordered on military duty. This is my way of saying thank you and showing support for those who defend us. Courageous New Yorkers who dedicate so much of their time to service and duty deserve to be fairly

compensated.

I ask my colleagues to join me in passing this bill.
Thank you. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Ms. Kay in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08869, Rules Report No. 882, Romero. An act to amend the Public Officers Law, in relation to the denial of access to public records that relate to civil investigations; to amend the Executive Law, in relation to requiring the Superintendent of State Police to provide the Department of Law with direct, real-time access to the Criminal Gun Clearinghouse; to amend the Executive Law and the Civil Rights Law, relating to the enforcement powers of the Attorney General; to amend the Education Law, in relation to authorizing the Attorney General to enforce the provisions of the Education Law against covered entities who engage in discrimination and the powers and duties of State University trustees; and to amend the Public Health Law, in relation to the compromise of certain claims the State may have.

ACTING SPEAKER HUNTER: On a motion by Ms. Romero, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

THE CLERK: Assembly No. A08882, Rules Report

No. 883, Simone, Cruz, Rosenthal. An act to amend the Civil Rights Law, in relation to the right of publicity.

ACTING SPEAKER HUNTER: On a motion by Mr. Simone, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06448, Rules Report No. 884, Hunter. An act to amend the Social Services Law, in relation to conciliation and noncompliance with public assistance employment; and to repeal certain provisions of such law relating thereto.

ACTING SPEAKER HUNTER: On a motion by Ms. Hunter, the Senate bill is before the House. The Senate bill is advanced. This bill is laid aside.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, would you please call the Rules Committee?

ACTING SPEAKER HUNTER: Rules Committee

members to the Speaker's Conference Room. Rules Committee members, please go to the Speaker's Conference Room quietly. Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you for bringing us back to quiet for a moment. We are now going to continue our work on Calendar No. 70, our debate Calendar. We're gonna -- these are all Rules Reports, Madam Speaker. So Rules 212 by Ms. Rozic, 425 by Mr. Bronson, 762 by Mr. Bronson, 787 by Ms. Rozic, and 832 by Mr. Lasher.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Page 3, Rules Report No. 212, the Clerk will read.

THE CLERK: Senate No. S02551, Rules Report No. 212, Senator Myrie (A03858, Rozic, Kelles, Levenberg, Glick, Jacobson, Bores, Simon). An act to amend the Penal Law, in relation to fines for corporations.

ACTING SPEAKER HUNTER: An explanation has been requested.

Ms. Rozic.

MS. ROZIC: Thank you, Madam Speaker. This bill updates outdated penalty limits in New York's Penal Law by increasing the maximum fines that courts may impose on corporations convicted of criminal offenses. Under current law, the maximum fine for a corporate fel -- felony is \$10,000. This number has not changed

since 1965. So we raised the cap -- that cap to 80,000 for a felony, 40,000 for a Class A misdemeanor, 15,000 for a Class B misdemeanor, and 4,000 a violation. It also retains the ability of courts to impose fines based on unlawful corporate profits in cases involving financial crimes.

ACTING SPEAKER HUNTER: Mr. Morinello.

MR. MORINELLO: Thank you. Will the sponsor yield for a couple of questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. ROZIC: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. MORINELLO: This particular bill addresses strictly criminal penalties; am I correct?

MS. ROZIC: Yes.

MR. MORINELLO: How do they compare to the civil penalties for a corporation?

MS. ROZIC: I don't have that in front of me. I don't have that in front of me, but I'm happy to follow up with you on that.

MR. MORINELLO: Okay. Now, what I see is for a felony, what category of felony are we talking about?

(Conferencing).

MS. ROZIC: I'm told it's any felony.

MR. MORINELLO: So any degree of felony would be the same fine?

MS. ROZIC: Yes.

MR. MORINELLO: Thank you.

Now, can you state which offenses would be subject to the \$80,000 fine?

MS. ROZIC: That's in the hands of the judicial system and the courts.

MR. MORINELLO: Wait, I'm confused. You're putting a number on a felony.

MS. ROZIC: We're updating the penalty levels. So what is currently \$10,000 written in the law when a conviction is of a felony, we are just changing (indiscernible/cross-talk) --

MR. MORINELLO: Well, I -- I can read that. My question was, okay, what felonies? You're saying it's up to the court.

MS. ROZIC: Any.

MR. MORINELLO: So, any felony?

MS. ROZIC: Yes.

MR. MORINELLO: Any degree of felony.

MS. ROZIC: Yes.

MR. MORINELLO: Okay. How does that fine that you are proposing compare to a fine for a non-corporation convicted of a felony?

MS. ROZIC: Can you restate that question?

MR. MORINELLO: I'm sorry, I can't hear you.

MS. ROZIC: I couldn't hear you, either. Can you restate --

MR. MORINELLO: Okay. My question was, how does the \$80,000 fine for a corporation compare to a fine for a non-corporation that is convicted of a felony?

MS. ROZIC: I don't have that other section of law in front of me.

MR. MORINELLO: So you don't know the comparison?

MS. ROZIC: I don't have it in front of me.

MR. MORINELLO: Okay. Well, did you compare them when you prepared the bill? Did you look at them when you compared [sic] the bill?

MS. ROZIC: We certainly consulted with a lot of different stakeholders and found that these were the right levels to be updated.

MR. MORINELLO: That wasn't my question, but apparently you won't answer it. Okay.

Did you compare -- what -- on -- on the \$40,000, what crimes would be comprised that would generate a \$40,000 fine?

MS. ROZIC: We are not changing any of the actual crimes. We're just updating the penalty levels.

MR. MORINELLO: Right, but I don't know which ones -- I wanna know which ones you're -- that would be convicted of or pled to that would yield a \$40,000 fine.

MS. ROZIC: Class A misdemeanors.

MR. MORINELLO: Pardon?

MS. ROZIC: Class A misdemeanors.

MR. MORINELLO: So, any Class A misdemeanor.

MS. ROZIC: Yes.

MR. MORINELLO: Okay. But it wouldn't be a Driving While Intoxicated, right? Because it's a corporation.

MS. ROZIC: Can -- can a corporation drive while intoxicated?

MR. MORINELLO: No, I'm saying no. But what Class A misdemeanors would you consider a corporation could be convicted of?

MS. ROZIC: Whatever is currently under the law.

MR. MORINELLO: Okay. But can you enumerate them?

MS. ROZIC: I don't have that in front of me. I just have the update --

MR. MORINELLO: Okay. Can't answer the question.

What about \$15,000? Can you enumerate what crimes would be -- a corporation could be convicted of?

MS. ROZIC: Whatever the current -- whatever the current ones are.

MR. MORINELLO: What -- but you don't know what they are.

MS. ROZIC: I don't have that in front of me.

MR. MORINELLO: Okay. Could you compare

them to a non-corporation, a civilian or -- a non-corporation fine for the same B misdemeanor?

MS. ROZIC: We are just upping the penalties based upon what we feel is appropriate (indiscernible/cross-talk) --

MR. MORINELLO: Is that a no?

MS. ROZIC: (Indiscernible) corporation.

MR. MORINELLO: Is that a no? I asked if you compared them to a non-corporation. Not what you're doing. I know what you're doing. You've told me that at least ten times. I'm asking you the question, did you compare them?

MS. ROZIC: That is my answer.

MR. MORINELLO: So the answer is no. Okay. It's really interesting. Today we're getting a lot of nos out of your side.

What about a \$4,000 fine?

MS. ROZIC: Same thing. Any violation --

MR. MORINELLO: Same thing. Another no. Okay. Do you feel that this is a drastic increase all at once?

MS. ROZIC: No. It's actually under what would be if you took inflation into account.

MR. MORINELLO: All right. Well then, a non-corporation, how have they increased or not increased over the same period of time?

MS. ROZIC: We -- we are only focused on corporations in this bill.

MR. MORINELLO: So you don't know the answer

also, correct? I asked a question. You are -- you are not answering my questions.

MS. ROZIC: Madam Speaker.

MR. MORINELLO: You are not answering the questions.

On the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. MORINELLO: Apparently the sponsor is not aware or cannot answer questions that are normally asked when you're going through these excessive increases on crimes that non-corporations have -- will pay also. That's number 1. Number 2, the non-corporations have not been increased also. So I'm trying to -- I was trying to ascertain why such a focus on corporations? But now I understand why; because the socialists run out of other people's money that this Body keeps spending, and so they need to create basis to get money.

Because of all of that, because of the excessiveness, because of no graduation and not able to answer, I urge my colleagues to vote no.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 9, Rules Report No. 495, the Clerk will read.

THE CLERK: Assembly No. A03999-B, Rules Report No. 495, Bronson. An act to amend the Public Authorities Law, in relation to establishing the Mechanical Insulation Energy Savings Program.

ACTING SPEAKER HUNTER: On a motion by Mr. Bronson, the Senate bill is before the House. The Senate bill is advanced.

An explanation has been requested.

Mr. Bronson.

MR. BRONSON: Yes. Through you, Madam Speaker, this bill would direct the New York State Energy and Research Development Authority to establish a program to provide specific energy audits of mechanical insulation and provide grants for public buildings to purchase and install mechanical insulation.

ACTING SPEAKER HUNTER: Mr. Palmesano.

MR. PALMESANO: Thank you, Madam Speaker.

Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. BRONSON: Yes, I will, Madam Speaker.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. PALMESANO: Thank you, Mr. Bronson. How are you this evening?

MR. BRONSON: I'm doing well and --

MR. PALMESANO: Good.

MR. BRONSON: -- I hope you are as well.

MR. PALMESANO: Good. Thank you. Before I start, I guess my first question is how much is allocated for this program?

MR. BRONSON: I -- I'm sorry, I can't hear you.

MR. PALMESANO: How much -- how much -- does this bill allocate a certain amount for this program?

MR. BRONSON: There is no appropriation in this piece of legislation.

MR. PALMESANO: All right. Where does the money come from?

MR. BRONSON: The money will come from current revenues received by NYSERDA.

MR. PALMESANO: All right. And those revenues come from the ratepayer, don't they? Some of them? About 700 million of them?

MR. BRONSON: In some cases it comes from the ratepayers; however, this bill and the implementation of this program will not, will not, increase the costs to ratepayers. That cost will be set already through the mechanism of receiving those funds.

MR. PALMESANO: So you're saying it's not an

increase to ratepayers, but the ratepayers are paying for it. Because it's out of existing funds that already there; is that correct?

MR. BRONSON: The -- yes. A portion of it will be paid by ratepayers; however, this is not going to impact an increase to ratepayers.

MR. PALMESANO: Okay. Do you know how much of a source of funds NYSERDA gets from utility surcharge assessments that are paid by utility ratepayers?

MR. BRONSON: I do not, but if you'd like to put it on the record, go for it.

MR. PALMESANO: \$743 million.

MR. BRONSON: Very good.

MR. PALMESANO: You know how much is provided by renewable energy credit (indiscernible)?

MR. BRONSON: I would suggest -- I -- I would suggest if you want to put those numbers on the record, you can.

MR. PALMESANO: That's fine.

MR. BRONSON: I do not have that information.

MR. PALMESANO: I won't go through them all. I think we get the idea.

MR. BRONSON: Can I -- can I finish?

MR. PALMESANO: I'm sorry, yes. Absolutely. A hundred percent.

MR. BRONSON: If you want to put numbers on the record, you can. I don't have that --

MR. PALMESANO: Okay.

MR. BRONSON: -- off the top of my head, nor do I have notes on it. What I do know is that this program will not increase the costs to ratepayers.

MR. PALMESANO: Okay. So there's no total amount for the program, it's coming from NYSERDA through the ratepayers. You say there's no increased cost to the ratepayers. Is there a cap on the amount of funding for this program? Like, is it 100 million --

MR. BRONSON: (Indiscernible/cross-talk)

MR. PALMESANO: -- 20 million?

MR. BRONSON: As NYSERDA does with other programs that we authorize or direct them to do, they work through their revenue mechanisms to pay for those programs.

MR. PALMESANO: Okay. Your bill mentions something about it's not -- it shall not -- it's not intended to cover 100 percent of expenditures; is that correct?

MR. BRONSON: It covers 100 percent of the audit and 100 percent of the installation, which would include the materials as well as the labor. And it also requires that prevailing wage will be paid, and it also requires that apprenticeship programs would be utilized, which will be a savings to ratepayers.

MR. PALMESANO: So the NYSERDA is gonna decide how much money is gonna be spent. What about where the money is gonna be spent? Does NYSERDA get to decide where that

money is gonna be spent? Is it gonna be done by region? So the Southern Tier, Monroe County, Long Island and econ -- different zones, or is it basically NYSERDA looks at applicants and makes a decision?

MR. BRONSON: The bill directs that this program will be affordable to grant applicants to include school districts, public hospitals, public housing buildings or political subdivisions as defined in current law.

MR. PALMESANO: Right. So just wanna take us back 24 hours when -- I know it's not this bill -- we were debating the 100-foot rule. I know you probably remember the debate. Our colleague and your side argued that if you want gas, you can have it. But you have to pay for it. Now, for the electric, that was picked up by the ratepayer. So in this case, if -- if a -- if a public housing facility in New York City wants to apply for this funding, they could be granted it, but it will be paid -- a lot of it will be paid for by ratepayers in Steuben County, Herkimer County, Monroe County. So I guess my question to you, why are ratepayers -- because I know you're saying it's not an increase to ratepayers, but ratepayer are, in fact, contributing to this program which is funding this program. Why should the ratepayers in Steuben County fund a project like this for NYCHA? Or why should ratepayers in Herkimer -- Herkimer County fund a -- a hospital project in Westchester County? What was -- what's the -- what's the rationale there? Why can't it be funded by the hospital itself or the housing complex itself?

MR. BRONSON: The purpose of the program is to authorize all of the entities that you just named to be applicants. And if the audit shows a need for improvement for energy efficiency, then we have a policy here that we socialize that cost of that energy efficiency and these programs to NYSERDA is about making sure we have energy efficiency.

MR. PALMESANO: So we wanna socialize the costs, right, is what you said?

MR. BRONSON: For the purpose of energy efficiency.

MR. PALMESANO: So -- and as my colleague mentioned during the debate on the 100-foot rule yesterday, we've seen a number of these bills come through Ways and Means, we've seen a number of these bills come to the floor or almost to the floor. One of them would be use NYSERDA dollars to fund the purchase of heat pumps for those who want heat pumps. One would be the purchase rebates for used electric vehicles. One would be for a new car. And one would be to subsidize and purchase the cost of lawn equipment. So again, I'll go back. Why should the senior citizen in Steuben County, why should the disabled veteran in Herkimer County be -- have their rates, their utility bill charges go to pay for work being done in New York City or -- where is the rationale? I mean, the rate -- we know -- because we heard during the debate, everyone (indiscernible) was upset at the utility companies for -- for these exorbitant rates. But these surcharges are on the rates that have been

directed by us to put on the bills that they collect. So why should the ratepayers -- again, disabled vet -- veterans, senior citizens. Why should they have to fund if -- a hospital in Westchester County? Or if a NYCHA apartment complex in New York City wanted to do insulation and -- and weatherization. Why should they have to pay for that? Can you please give me some kind of rationale there?

MR. BRONSON: Well, I'm not sure the comparison to the debate the other day is -- is appropriate. That being said, when we have energy efficiency that will hopefully reduce the need to have additional facilities built and plants built to supply the utilities. So this is ultimately and potentially could be a savings to ratepayers --

MR. PALMESANO: Sure.

MR. BRONSON: -- because we find efficiencies, and then we don't have to have other production and more facilities.

MR. PALMESANO: And in fairness to you, Mr. Bronson -- I've been critical so far -- I agree. Weatherization is something that we should be focused -- that should be an attention on what we are doing. Out of all the bills I mentioned -- NYSERDA funding for heat pumps, NYSERDA funding for used electric vehicles, for lawn equipment -- this is the one I think I -- I don't want say I support --

MR. BRONSON: You like it?

MR. PALMESANO: I -- I -- this is the one I dislike the least. How about that?

MR. BRONSON: That -- fair enough.

MR. PALMESANO: That's fair enough?

Now when it comes to NYSERDA, what kind of accountability does NYSERDA have as far as giving us a report on the money they have? Do they -- don't they basically just have a blank check they can spend? They ask for the money -- they ask the PSC for the money, they get the money and then they spend the money. That's basically what happens with these programs, doesn't it? Am I wrong?

MR. BRONSON: My understanding is that NYSA -- NYSERDA does have required financial reporting and that there is additional information on their web page.

MR. PALMESANO: It's my understanding that the Comptroller has no auditing over it. It's my understanding they don't report to the Public Authorities Control Board. I'm not even sure about the Attorney General. Is that something you would agree that, yes, the Comptroller should have auditing authority over NYSERDA? Yes, the NYSERDA should have to be reporting and documenting to the Public Authorities Control Board. Wouldn't you agree with me? Is that something we should be looking at secondary to this?

MR. BRONSON: That's a broader question, you know, a policy decision that one could make. This particular bill, however, does not address that. This bill works within the current parameter to try to have a grant program -- and audit program and a grant program to find energy efficiencies so that we can help with the energy across the State.

MR. PALMESANO: Mr. Bronson, thank you for

your time. I appreciate our cordial conversation.

Madam Speaker, on the bill.

MR. BRONSON: Thank you, sir.

ACTING SPEAKER HUNTER: On the bill.

MR. PALMESANO: Madam Speaker, my colleagues, I certainly understand the intent of this legislation, the idea behind it. And I agree with the concept of it. We should be promoting weatherization. We should be promoting insulation. Trying to deal with the shells of these properties. That's a good thing. I think the question I have is, who is the ones that should be paying for it? I will relate back to the conversation yesterday when we were talking about the 100-foot rule. My colleague and others said, *Hey, if you want natural gas you can have it. But you have to pay for it now. But we're gonna continue to subsidize electric but we're not gonna subsidize natural gas.* And I won't get into the arguments from that perspective. So that doesn't make any sense to me. But here we are with the bill, saying, okay a NYCHA housing, which we know has been -- have issues and with problems, funding and management problems. So if a NYCHA housing developer or complex wants to come in and ask for funding through this program, they can request to become an applicant, receive how much money so they can cover up to 100 percent of insulation, 100 percent of this, 100 percent of that. But who's gonna pay for it? Yes, the residents in Steuben County, the residents in Herkimer County, the residents in Cattaraugus County, the residents everywhere. How about we use that same thinking? If

New York City, NYCHA housing wants an insulation project, how about they pay for it, not subsidize or socialize, as the word was mentioned, over all the other ratepayers. Because we heard during the debate yesterday, countless speakers on the other side of the aisle get up and yell, *It's the utilities' fault. The utility bills are out of control.* I agree. They are. But you don't go far enough with that comment because you don't look in the mirror. It's easy to point the finger at the utilities and say, *It's all your fault.* But you don't -- you should not be pointing the finger at the utilities. Remember, three fingers are pointing back at you. You should be looking -- taking a hard look in the mirror and recognize that it's your policies that are driving up the utility rates, the electric rates in the State of New York. So we have that bill. We had a bill that would subsidize lawn equipment, electric leaf blowers, lawn mowers, weed whackers. That bill wouldn't subsidize -- be subsidized by ratepayers. If you want an electric lawnmower, go buy an electric lawnmower. Don't ask the ratepayers of New York State to pay for it.

Heat pumps, electric heat pumps and electric used automobiles. One thing after another. If it comes out of NYSERDA, but they fail to recognize how much money is coming from the ratepayer. I told one -- just in the utility assessments alone last year, they collected about \$743 million. You take the renewable energy credit proceeds; they're about \$54 million. You have a whole host of -- that's -- that's what's raising these prices. We continue to fail to recognize. Because on the bill, the bill is made of three portions: You

have the taxes, fees and assessments. Some of those taxes, fees and assessments are like the systems benefit charge. They pay for these programs, and that's a tax -- an assessment on the -- the ratepayer.

You also have -- the other part of your bill is for transportation delivery. That's the part of the utility bill where the utility goes to the PSC asking for the rate increases for the delivery. That's for the wires, the poles, the substations, the infrastructure that they need to pay for, or the tree trimming that they need to pay for to put in place the infrastructure to pay for these green energy mandates that you once again are putting on upon them. So they're getting hit on the taxes, fees and assessments by the programs put on them in this House. They're getting hit on the transportation and delivery charges through the utility bills that are put on them. And then they're getting hit on the supply side. How are they getting hit on the supply side? The supply side is a pass-through, but yet the PSC is taking action to socialize those costs also. For example, the offshore wind proposals for Downstate. They want to socialize those costs so it -- it would be spread out over the supply and baked into the supply so everyone's paying for it. And who does that benefit? It only benefits Downstate. The Champlain Hudson Express [sic], the -- the big power line from Quebec -- oh, and by the way, Quebec doesn't have to provide the power to New York City if they need it in Quebec. Why was that put in place? Because of the brilliance of the former government -- Governor who said, *We're gonna shut down Indian Point*, which provides 25 percent of the power to New York City, and it was an

emission-free generation, 2,000 megawatts. So we had to shut it down. We had to address that. So now the Champlain Hudson Express [sic] is gonna come from Quebec down to New York City to bring the power. The only one that hook on that line is New York City. But New York City isn't the only one paying for it. The ratepayers in Steuben County, the ratepayers in Herkimer County, the ratepayers in Chautauqua County. They're all paying for it. That's what these policies continue to do time and time again. If you think these policies are such a good thing, let's be honest and transparent with the ratepayers of the State of New York. For example, we had legislation called the Transpayer [sic] -- the Ratepayer Disclosure and Transparency Act. What that would require is that on your utility bill they would line out all these specific mandates, these energy charges. Whether it was a -- a systems benefit charge. All these programs, these assessments. These taxes, fees -- I'm almost done -- the -- that would go on your bill. But yet this House rejected that proposal. You didn't want the public to know. You don't want them to know how bad this is. You don't want them to know how much it's gonna cost them. That's why you never did a cost -- never went for a true cost-benefit analysis of how much it was gonna cost them.

So here we are, we're at the end -- near the end here. And I talked about the bill last year -- last week -- yesterday you were talking about \$200 million for that. But not a word about a quarter-of-a-trillion dollars to green energy policies that are costing the State of New York. Policies like this that NYSERDA is paying for to help

insulation, to do those type of things. You don't wanna cover those. One thing after another. And on top of it, there's no cap on charges. There's no dollar amount on this program listed. We're just putting all our faith in NYSERDA saying, *You take care of it. We trust you.* I don't trust NYSERDA, because rates are going up. We ought to talk about the rates. They could pay up to 100 percent of these costs. So no cap, no total dollar amount funding listed. No cap on costs. Could drive it up to 100 percent of the coverage based on this legislation. Give NYSERDA the ability to say where's it gonna spend. They could spend it in New York City, in Westchester and Long Island if they want, to heck with Upstate New York. But yet, Upstate New York ratepayers are gonna be paying for this. And NYSERDA has no accountability. They're basically given a blank check. This House is giving them a blank check. Because every time on all of these bills I mentioned, we say NYSERDA can figure it out. But NYSERDA doesn't really report back. There's no Comptroller audits of it. There's no -- no reporting back to the Public Authorities Control Board. Nothing from the Attorney General. This is so problematic in so many ways. I could go on and on and on, but I'm not going to. I'm gonna not use my full time there on the second portion.

But for this reason, Madam Speaker, my colleagues, without -- even with respect I have for the sponsor and his intentions behind the bill, which agree with the intentions. I just disagree with how it's being paid for. If New York City housing wants insulation, New York City can pay for it. If a Westchester public hospital wants

insulation, Westchester can pay for it. Don't ask for the residents of Steuben County, Herkimer County, Cattaraugus County, Allegany County. Some of the poorer counties in the State of New York. Don't ask those ratepayers to pay for it. It's just not right, it's not fair, and it's not a good thing.

So for that reason, Madam Speaker and my colleagues, I'm gonna be voting no on this bill and I would urge my colleagues to do the same. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mr. Ari Brown.

MR. A. BROWN: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. BRONSON: Yes, through you, Madam Speaker.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. A. BROWN: Thank you, Mr. Sponsor. I generally like the concept of these types of bills. I just need some clarification, please.

I noticed in the Senate companion bill there was a \$20 million cap. Why don't we have a similar cap in the Assembly side of it?

MR. BRONSON: We are passing a same-as bill with the Senate.

MR. A. BROWN: I -- I apologize, I couldn't hear you.

MR. BRONSON: The bill we're passing is the same as -- as the Senate, and technically we're passing the Senate's bill, not the Assembly's bill.

MR. A. BROWN: Oh, my apology. I thought there was, like, an unlimited you had mentioned to Mr. Palmesano. Okay. That's fine.

Would you mind if we discuss the process of how it works? From what I understand, there is no charge to the applicant for the initial audit.

MR. BRONSON: Correct.

MR. A. BROWN: And then, I guess the audit's created and it's somehow sent over to NYSERDA and they will make the determination if that particular project is worthy of moving forward?

MR. BRONSON: So, the auditor works with the building owner and NYSERDA. If the audit reveals that there is a need for the insulation, then that applicant has the ability to apply for a grant.

MR. A. BROWN: Thank you. In -- in the -- in the audit I'm assuming that the auditor will give a cost analysis of what the project will cost?

MR. BRONSON: That would make sense.

MR. A. BROWN: Okay.

Just moving on. So does this -- I read through the bill. I couldn't see if this applied only to new buildings or existing as well, or existing and new buildings.

MR. BRONSON: It could be either.

MR. A. BROWN: All right. So -- so that's where my question leads. On a new project, a guy decides to frame a building, you know, starts at 20,000 square feet according to the bill, he does the framing and he says to himself, *You know what? It's gonna cost me 20 grand to put insulation around these particular pipes. Let me have an audit done and maybe I can save that off the cost of the construction of my new build.* Is there -- is there any limitation so we don't see developers trying to go to NYSERDA for an inherent cost that typically would happen on a real estate investment?

MR. BRONSON: So the way the audit would go is you would have to evaluate an existing system. So if that system's not there, there's not something to evaluate yet. And so the idea, again, with the objective of finding energy efficiency, that's where the audit would -- would look at the system.

MR. A. BROWN: Thank -- thank you, Mr. Sponsor. So, I apologize if I wasn't clear. What I was saying was a developer builds a building, erects the steel, encapsulates the building, puts in the windows, puts in the doors, put in the roof. Roughs all of his plumbing work, his HVAC work, this is the mechanical and he says, *You know what? I'm not gonna do my insulation inspection.* Everything's in place, as you had mentioned just now. *I'm gonna ask*

for the audit and maybe I can save 10-, 15-, 30-, \$50,000 on the insulation. It seems that we may need a little clarification in the bill to probably prohibit that because I think the intent was probably, you know, to do it for existing buildings; am I correct?

(Conferencing)

MR. BRONSON: Okay. So in the bill it has a definition of mechanical insulation, which is insulation materials, facings and accessory products used for thermal requirements for mechanical piping and equipment, hot and cold applications, heating, ventilation and air conditioning application. So, you know, this would be an audit of those kind of things and looking to see if you are gonna put mechanical insulation in them.

MR. A. BROWN: Correct. So -- so like -- we're in agreement. So -- so now that they see the new -- all the new mechanicals in place, the next step is always insulation before they close the walls. Would this -- could this possibly get an audit and the funding on a new building with these mechanicals already in place, as you had just mentioned?

MR. BRONSON: Yeah, I -- so through you, Madam Speaker, the intent here -- and we authorize and direct NYSERDA to promulgate rules and regulations. So that level of detail and that level of process, our anticipation would be would be dealt with through the promulgated rules and regulations.

MR. A. BROWN: Okay. Thank you, Mr. Sponsor. I noticed also it mentions -- the bill mentions that

certain private owners may be eligible, but there wasn't any clarification on that. What -- what would that -- who would -- who would those private owners be? Private for commercial use or is that residential?

MR. BRONSON: So -- so on any of these where we are indicating that, you know, for public housing and the like, it could be a private owner that's building public housing.

MR. A. BROWN: I see. That's fair enough.

MR. BRONSON: Could be a private school.

MR. A. BROWN: Thank you, Mr. Sponsor.,

One of the glaring things that I was a bit concerned was existing buildings. So there are -- the bill calls for, and rightfully so, someone who's certified to do the audit. He goes into an existing building, whether a school or some other type of warehouse or structure, and he looks at these 100-year-old pipes and he discovers guess what's around those old pipes?

MR. BRONSON: Mm-hmm.

MR. A. BROWN: Asbestos, that magic mineral.

During the process of his audit he's going to record that he noticed that there's a great deal of asbestos around the piping and around the cast iron boiler. And even sometimes around the old ductwork. He's now gonna be reporting that to NYSERDA. Should that happen, would there be now a liability to the existing building owner to do the remediation on that asbestos causing him a problem? In other words, could there be a look-back and he ends up not only getting money

from NYSERDA, but there has to be remediation that he didn't anticipate spending?

MR. BRONSON: Through you, Madam Speaker, there's already laws, rules and regulations regarding asbestos abatement and what the responsibility of a building owner in that regard, so this bill doesn't change that in any way.

MR. A. BROWN: I appreciate it. Maybe it was the way I explained it. The asbestos on the piping in the hypothetical building is in a safe condition. It's not in any powdery form, it's not falling in any way. But as -- as you had proposed, you know, you can get better -- better insulation factor out of a more modern type of insulation. His building now would go through this audit and it -- NYSERDA and other entities would be made aware of the asbestos in the -- in the building. Well, even if he wouldn't get into trouble, so-to-speak, about having the asbestos because it's in safe condition, is NYSERDA going to pay for not only applying the new insulation but doing all of that remediation which is extensive, quite extensive?

MR. BRONSON: I would think that in any other -- like in any other situation -- through you, Madam Speaker -- that a building owner would then have to make a judgment call. You know, if -- if the asbestos isn't friable, it's not airable, it's -- it's not dangerous in any way, that building owner would have to make a decision, *Do I now try to replace it and mediate the situation, or do I not do that because of the cost. It's prohibitive because of the cost.*

MR. A. BROWN: I do like that answer.

MR. BRONSON: As long as it's safe, right? I mean, if -- if it's not, then that's a whole different situation.

MR. A. BROWN: Right. So -- so there -- there lies (indiscernible). I do happen to like that answer, that response. But again, if we're gonna put the onus and the burden on the owner of the building to make that decision, that's okay. He's gonna pay for his own problems. But will it end up falling on NYSERDA, you know, through a grant or whatever it is, to do that remediation? It really doesn't say that in the bill. And the other part of that question is -- the other part of that question is, should he not be -- if he's honest about it and he really wasn't aware that it was friable, it's in a powder form. He just didn't notice. It could happen. Now it's out in the open and, *Boy, I now have a big expense I didn't anticipate having to do.* Is NYSERDA gonna take care of that remediation, or did it fall back on him because of something he really wasn't aware of, in an honest way?

MR. BRONSON: Well, through you, Madam Speaker, the -- my expectation here would be similar to other programs where NYSERDA does not become liable in those kind of situations. It's still the building owner who's responsible. And if -- if there's a need to mediate asbestos, then that building owner is gonna have to do that. That doesn't get transferred to NYSERDA merely because we're creating a grant approach regarding mechanical insulation.

MR. A. BROWN: Thank -- thank you for that

answer.

One last question, if I may. So we talk about the MEPs; mechanical, electrical, plumbing, and this is where the encapsulation is. But when it comes to the ductwork aspect, there really isn't a way of bringing that ductwork up to code with today's, you know, insulating factors. The old steel ductwork would have to be removed and replaced with R8 ductwork, R8. How -- how would this program work? Would NYSERDA end up paying for a massive program like that as well?

MR. BRONSON: Through you, Madam Speaker, you know, I'm gonna to plead. I'm a lawyer. I -- I -- you know, I'm not involved in the construction trade, as you are. So that level of detail, I'm not gonna be able to respond to and -- and do it with a straight face, if you will. But my understanding is NYSERDA has the expertise -- you know, they're required to hire auditors and contractors who are experts. And I will defer to their expertise in the implementation of a very basic bill that says we audit and if there's a need found, then there's a grant approach that will help that -- the owner of that building, whether it be a public owner or a private owner.

MR. A. BROWN: That's -- that's a fair answer. Just getting back to my initial question, though. Is it gonna be capped at the 20 million like the Senate companion bill or would it be unlimited?

MR. BRONSON: There is no cap in the current bill.

You make be looking at an earlier version of the bill.

MR. A. BROWN: (Indiscernible)

MR. BRONSON: There's no cap on the bill -- Senate Bill 2457-B.

MR. A. BROWN: Thank you --

MR. BRONSON: The bill that we're debating today.

MR. A. BROWN: Thank you for your answers, Mr. Sponsor.

MR. BRONSON: Thank you.

MR. A. BROWN: Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Dais to explain his vote.

MR. DAIS: I'll be brief. I want to thank the sponsor.

My house was built in 1901. I have a construction background. My house has very poor insulation. I have solar panels, heat pumps. A heat pump for my water heater. I'm doing everything to lower my carbon footprint. But what I realized with my heat pumps, I need insulation in my walls. So I will be using this program myself, and I wanna make sure that the people in my community know about it. Because if we can lower their energy bills by making sure that we

have insulation that -- that lowers our energy usage in my district, and that's gonna make a difference across the State and I'm hoping that this program will be widely used in all of our districts.

Thank you, and I'll be voting in the affirmative.

ACTING SPEAKER HUNTER: Mr. Dais in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 17, Rules Report No. 762, the Clerk will read.

THE CLERK: Senate No. S08034-A, Rules Report No. 762, Senator Ramos (A08590-A, Bronson, Lasher, Jacobson, Valdez). An act to amend the Labor Law, in relation to disputes between employers and recognized employee organizations.

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Bronson.

MR. BRONSON: Yes, through you, Madam Speaker. This bill would amend the Labor Law to require the Public Employment Relations Board to promptly certify exclusive bargaining representation and units previously certified by another state or Federal agency. Any terms or conditions agreed between employers and said exclusive bargaining representatives would remain in full force and effect.

ACTING SPEAKER HUNTER: Mr. Sempolinski.

MR. SEMPOLINSKI: Will the sponsor yield for some questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. BRONSON: Yes, through you, Madam Speaker.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. SEMPOLINSKI: I appreciate the sponsor for yielding, especially I app -- appreciate him being willing to do two bills in a row. So thank you for that. And as you mentioned in the last debate, you're an attorney. I'm not. So the first of my questions is just gonna be sort of walking through current law to make sure I understand it and the folks back home understand it correctly what this does and then we'll get into some questions and concerns at -- at the end.

Am I correct that this bill amends Section 715 of the Labor Law, which is a portion of Article 12 -- I'm sorry, not Article 12, Article 20, which is the New York State Labor -- Labor Law?

MR. BRONSON: That is correct, yes.

MR. SEMPOLINSKI: So Article 20 of the New York Labor Relations Act, in general -- and correct me if I'm wrong about its general purpose -- protects the rights of workers to organize and collectively bargain. That is the broad purpose of that existing Article 20 of the Labor Law.

MR. BRONSON: I'm sorry, could you ask that

question again?

MR. SEMPOLINSKI: Oh, sorry. This is an amendment to Article 20 of Labor Law, the New York State Labor Relations Act. Am I correct that that article, Article 20, the existing law, broadly is put in place to protect the rights of workers to organize and collectively bargain and regulate those particular matters?

MR. BRONSON: You are correct. That law was put in place to implement our New York State Constitution, Section -- or Article 1, Section 17, which grants workers the right to organize and to select their representatives.

MR. SEMPOLINSKI: Thank you. And the section being amended in this bill, Section 715, the purpose of that existing section is to determine to whom the broader Article 20 applies.

MR. BRONSON: It -- indeed, it does.

MR. SEMPOLINSKI: Okay. And so it currently applies to --- and I'll read from the statute -- *employees and any employer who concede to and agree with the board* -- and that is a board that is constructed earlier in the Article -- *that such employees are subject to and protected by the provisions of the National Labor Relations Act or Federal Railway Labor Act*. So it exempts -- current law exempts those two categories from the application of Article 20 of the Labor Law of the State of New York.

MR. BRONSON: That is correct.

MR. SEMPOLINSKI: Okay. And they would then fall under Federal jurisdiction as opposed to State jurisdiction under

current law.

MR. BRONSON: That is correct.

MR. SEMPOLINSKI: Okay. Thank you very much.

The change would be instead of saying that anyone subject to the National Labor Relations Act is -- the -- the current law does not apply. It says the current law does not apply when the National Labor Relations Board successfully asserts jurisdiction via an order by a Federal district court. That is your change to the law.

MR. BRONSON: That is a correct reading of the legislation.

MR. SEMPOLINSKI: All right. So am I correct that prior, the current law, you're sort of assumed to be under NLRB jurisdiction if everybody sort of agrees, and now you need a concrete court order.

MR. BRONSON: You need the Board to successfully assert jurisdiction.

MR. SEMPOLINSKI: So it's a -- am I correct this is sort of going from -- there -- there needs to be more of an affirmative act to assert jurisdiction under the new statute?

MR. BRONSON: You are correct.

MR. SEMPOLINSKI: Okay. Thank you.

And then subsection 2, could you walk me through how that would work in practical terms day-to-day?

MR. BRONSON: So if indeed the National Labor Relation [sic] Act is not successfully assert -- asserted and the

jurisdiction's not asserted, then these cases would be dealt with through our current PERB, Public Employees Relations Board.

MR. SEMPOLINSKI: Okay. And it sort of -- am I correct that the -- the language sort of talks about stuff that is previously certified? Does this provide for any new certifications that are not already previously certified?

(Conferencing)

MR. BRONSON: Yes. They -- it would provide for new certification as well, because that's in a different section.

MR. SEMPOLINSKI: Okay. So if -- if there was some sort of problem with the NLRB being unable to assert authority through a court order, then you could -- you would be able to certify existing and new certifications.

MR. BRONSON: That's correct.

MR. SEMPOLINSKI: Okay. Thank you.

Are there any concerns -- since we're in a sort of State/ Federal section of the law where we're negotiating our relationship with Federal labor authorities, are there any concerns about conflict with Federal law if this went into place?

MR. BRONSON: There's not a concern about conflict. I will -- I will share with you how this bill came about.

MR. SEMPOLINSKI: Sure. Please do.

MR. BRONSON: This bill is the result of many attorneys, labor attorneys from our area, attorneys from Cornell Industrial Labor Relations School, attorneys from NYU Wagner

School of -- of Labor [sic]. Attorneys, indeed, from across this -- the country. Late last year, the beginning of this year, I began to have regular meetings with chairs of labor committees at state legislatures across the country, and others, to discuss what we would do as states to continue to protect our workers and their right to organize and collective bargaining. As I had mentioned earlier during the debate, that is enshrined in our New York State Constitution. So what are we gonna do since the Federal Government isn't exercising that oversight and, you know, the -- the procedures under the National Labor Relations Board? And, indeed, the Federal Government has taken steps not to be able to enforce the workers' rights to organize and collective bargaining, and they've done that in -- in several ways. They have done that by, one, the removal of a board member --

MR. SEMPOLINSKI: Would that be a -- a quorum issue?

MR. BRONSON: Yes. So there's been a removal of a board member. There had already been two vacancies. The Supreme Court had earlier ruled that in order to have a quorum, you needed to have three members of the board -- of the five-member board you'd have to have three for a quorum. We can't have a quorum because those vacancies have not been filled. So that's number one. Number two, the Federal Government has failed to exercise its obligation to protect workers because they have reduced the staff level at the National Labor Relations Board by 45 percent. Number three, reason that they have prevented the protection of workers through the

Federal Government is because there's a Federal mediation program that has also been understaffed and gutted.

So the problem is this: We have a New York State Constitution that says workers have the right to organize and the right to select their representatives, collective bargaining.

MR. SEMPOLINSKI: Yes.

MR. BRONSON: We have a scenario under current law where those rights are currently enforced through the National Labor Relations Act and the National Labor Relations Board, but they're not acting. So what this is doing --

MR. SEMPOLINSKI: Just to -- just to --

MR. BRONSON: Let me just finish.

MR. SEMPOLINSKI: Okay.

MR. BRONSON: So what this bill is doing is putting in place a mechanism that's still deferred to the Federal Government, but if they do not exercise their jurisdiction then PERB will kick in and enforce those constitutional rights that New York workers have.

MR. SEMPOLINSKI: So with that, could I wrap that up as you have concerns with the labor policy of the current Federal Administration?

MR. BRONSON: I certainly do.

MR. SEMPOLINSKI: Okay. How would this affect multistate employers?

MR. BRONSON: I'm sorry?

MR. SEMPOLINSKI: I'm sorry. How would this

affect multistate employers?

MR. BRONSON: If the workers are in New York State, it would be -- the jurisdiction would be over those workers in New York State.

MR. SEMPOLINSKI: Okay. I'm -- in Section 2, I'm on line 14, when the State Board acts it is told to promptly certify. Is there a concern, a due process concern there as far as it's saying whatever was done, you have to certify it in the past. It's sort of -- it sounds like a rubber stamp sort of thing.

MR. BRONSON: Through you, Madam Speaker, and with all due respect, as a lawyer I have absolutely no concern with the use of the word "promptly." Courts would -- courts would look at that scenario and it would be within the totality of the circumstances what's prompt and what's not prompt.

MR. SEMPOLINSKI: Prompt is not my concern. It's certified that's my concern. Because it's saying the action, you must certify what was done before. What if there was a concern about that certification? What if somebody wanted to appeal that? I cert -- so prompt, I'll concede, I like prompt things just in general. But the sort of presumption as to what their action would be is sort of a due process concern I have.

MR. BRONSON: I think there -- again, this would be determined possibly through the case itself in PERB; however, I am not suggesting that the National Labor Relations Board that has certified bargaining units have done that in an erroneous or unlawful

way. I'm not suggesting that at all. If that scenario were to come up, then I think PERB could look at it. There's nothing that -- that expressly requires them to do that, but that would be within their purview. But I -- you know, I -- I don't want to suggest on the record that I am concerned about the National Labor Relations Board having wrongfully certified some bargaining unit.

MR. SEMPOLINSKI: Okay. And I -- I -- I understand where you're coming from on that. I was just saying that it sort of, in my reading of it, it presumed a particular determination and action. That was my concern.

The current law that's being amended with this bill, how -- how old is it?

MR. BRONSON: Oh, goodness. I -- I know that the National Labor Relations Act was enacted in 1935 by Congress. The -- what is it? 1967.

MR. SEMPOLINSKI: Okay. So --

MR. BRONSON: I knew -- I knew those -- those very more knowledgeable attorneys than me in this area who gave me my notes would have that in there and, indeed, they did.

MR. SEMPOLINSKI: But would -- would you concede it is a longstanding State statute that we are amending?

MR. BRONSON: I certainly would. But I also would recognize for the record and through Madam Speaker that these are uncharted times. The world is very different. And with all due respect, under Project 2025 and under the current administration and

its hostility toward workers' rights. So yes, the law has been in place for a very long time; however, the world has changed over the last five months.

MR. SEMPOLINSKI: Well, that's where I was sort of going. Am I correct that in 2012 there was also a quorum issue with the NLRB due to concerns about some recess appointments from President Obama?

MR. BRONSON: You -- you may be right. I don't know.

MR. SEMPOLINSKI: And -- and my point I'm getting to is, over that long period of time that the law has been in place there have been other situations where there would be procedural concerns with what's going on at the Federal Government, yet New York State did not change this statute regarding previous administrations.

MR. BRONSON: Through you, Madam Speaker, I think there's a difference. Certainly, we experience here in New York State where there's vacancies on boards and commissions and things of that nature, and there may or may not be a timely or an immediate filling of those vacancies. That occurs in government. It's not infrequent in government.

MR. SEMPOLINSKI: Okay.

MR. BRONSON: The difference -- the difference is we have a document, a document that says this Administration wants to attack the National Labor Relations Act. And even more so, we

have actions. We have cases and numerous jurisdictions in circuit courts at the Federal level where this government, this Federal Government is trying to prove that the National Labor Relations Act is unconstitutional. The difference here is we have affirmative action by a Federal Government that says, *Look, if that's what they want to do, that's their policy decision.* I happen to think it's absolutely wrong. But that's what they're doing. We have a conflict here in New York State. And I know you swore to uphold the Constitution of New York State, as I did and all of us in this room.

MR. SEMPOLINSKI: Sure. Yes, sir.

MR. BRONSON: And in the Constitution of New York State there's a requirement that we honor a worker's right to organize and to select their representatives. And so what this bill is doing is saying we'll give deference to the Federal Government. So look, if those vacancies get filled, if staffing comes back and things of that nature and they assert jurisdiction, this bill doesn't come into play. But if they don't do that, if they don't do that, New York State is going to stand by the workers of New York State, and we are going to continue to protect their constitutional right to organize and collectively bargain.

MR. SEMPOLINSKI: I -- I have one final question.

MR. BRONSON: Yes.

MR. SEMPOLINSKI: Would you -- and this has been a word that's been thrown around a lot over the last six months -- would you characterize this as Trump-proofing?

MR. BRONSON: Say that again, please?

MR. SEMPOLINSKI: Would you characterize this bill as Trump-proofing?

MR. BRONSON: I would characterize this bill, through you, Madam Speaker, as us fulfilling our duty to implement the Constitution of New York State.

MR. SEMPOLINSKI: I'm gonna go on the bill.

MR. BRONSON: Thank you.

ACTING SPEAKER HUNTER: On the bill.

MR. SEMPOLINSKI: Well, first of all, I -- as somebody who is not an attorney and certainly not a labor attorney like the sponsor, I appreciate you going through in detail with me all of the -- the details of the bill. I -- I thank the sponsor very much for that.

We did end up where I was concerned we might end up. And the reason I voted against this in Committee is clearly based on the sponsor's words and rationale laid out in detail. He is very concerned about the Federal Government and -- and is -- is negative on the current Administration. I would characterize this bill as quote, unquote, "Trump-proofing." And I get very concerned about changing State law that has been in place for decade upon decade simply because certain members of this Body don't like the current Administration that is in Washington, D.C.

So because of that, because I am against, quote, unquote, "Trump-proofing" and because I think a law that has been in

place for this long through Republican and Democrat administration through concerns about what's going on in Washington from -- from the left and the right, I -- I have grave concerns about making this change.

I will be voting in the negative. But I greatly appreciate my questions being answered.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Bronson to explain his vote.

MR. BRONSON: Yes, Madam Speaker. I abstain for the purposes of explaining my vote. And, you know, I just want to reiterate how important this piece of legislation is. We have a Constitution that says a worker has the right to organize, the right to select their representatives and the right to collectively bargain. And we have to fulfill that responsibility, and that's why this is so vitally important. Because the Federal Government is not doing it.

Second of all, it was pointed out that the law was put in place in 1967. Well, we've changed that law a couple of times. In 2010 the mission of PERB was expanded to encompass administration of the New York State Employment Relations Act. Also, in 2019 we changed the law so that the private sector agriculture industry would

be covered under PERB. So we've made adjustments to this law.

But I just think that we -- we need to make sure we take care of these workers. I want to thank Micah --

Assemblymember Micah Lasher for helping me on this bill. I want to thank Cathy Creighton from Cornell Industrial Labor Relations. Terri Gerstein from New York Wagner School of Law, and the many other state legislators from across the country in trying to address this situation.

Madam Speaker, I am very pleased to vote in the affirmative and I withdraw my request. Thank you.

ACTING SPEAKER HUNTER: Mr. Bronson in the affirmative.

Mrs. Peoples-Stokes to explain her vote.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. I actually simply want to rise and commend the manner in which the sponsor not only introduced the bill, but debated the bill on the floor so that people understand that a lot of what we have had to do here today has been about trying to protect our State, and that's what our responsibility is. And I imagine that there will have to be more of things -- more things like this to protect our State. We do have rights and we have the right to protect our State (indiscernible).

I really want to thank the sponsor for his work on this piece of legislation and I'm pleased to be voting in the affirmative.

ACTING SPEAKER HUNTER: Mrs. Peoples-Stokes in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Ms. Walsh for the purpose of an introduction.

MS. WALSH: Thank you, Madam Speaker. So we have guests in our Chamber tonight, on this long day that we've done so much work. We're pleased to be joined and on behalf of Assemblywoman Jodi Giglio, I'd like to introduce a nice family that has come to visit the Capitol: Michelle Morrey, Danny Morrey, Lila -- Layla Morrey and Kaylin Morrey, who are here all the way from Brevelence, California. Kaylin is playing in a baseball tournament in Cooperstown this -- in the next couple of days, and they wanted to kind of tie in a visit to the State's Capitol while they were here and learn a little bit about how we do things. And we certainly do talk a lot about California in here, don't we? But we're very, very happy to have them join us and, Madam Speaker, if you would please extend to them all the cordialities of the House.

Thank you.

ACTING SPEAKER HUNTER: Yes. On behalf of Ms. Walsh, Ms. Giglio, the Speaker and all members, we welcome the Morrey family to the Assembly, the Speaker's [sic] House and extend you the privileges of the floor. Welcome all the way from California. We do hope you have enjoyed the proceedings that you were able to hear. Good luck in Cooperstown. It's a fabulous place; you'll have a wonderful time. Thank you so very much for joining us today.

(Applause)

Page 18, Rules Report No. 787, the Clerk will read.

THE CLERK: Senate No. S04505, Rules Report No. 787, Senator Gounardes (A05346, Rozic, Seawright, Taylor, Steck, Hevesi, Alvarez, Lunsford, Lasher, Torres). An act to amend the General Business Law and Mental Hygiene Law, in relation to requiring warning labels on addictive social media platforms.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect on the 180th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Rozic to explain her vote.

MS. ROZIC: Thank you, Madam Speaker. Just very quickly to explain my vote. I rise today to support this bill that brings long-overdue transparency to online platforms that shape our lives, our communities and the mental health of our kids.

We started this journey last year with My Safer Kids Act, but we know that more needs to be done. We know not just from parents and teachers, but from pediatricians, neuroscientists and even the U.S. Surgeon General himself, that social media platforms are not passive tools. They're engineered to be addictive and powered by algorithms and design features that overtake the brain's reward system,

especially in kids whose emotional regulation is still developing.

This bill does not actually ban platforms, it does not limit speech. But it certainly adds a layer of accountability and transparency. And so just like we label cigarettes and alcohol, this bill would require that platforms using addictive design features to carry a clear, science-based warning label.

So with that, Madam Speaker, I'm just proud to vote in the affirmative and ask my colleagues to do the same. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Ms. Rozic in the affirmative.

Ms. Walsh to explain her vote.

MS. WALSH: Thank you, Madam Speaker. I will be supporting this bill, as I did the Safer Kids Act last year. But I would kind of note that sometimes I think we can overestimate the value of a warning label like this. I mean, I -- I guess it really can -- it can't do any harm to put it out there. But, I mean, if you're -- I'm just basing this on being the -- the parent to a few kids that are really, really addicted to their phones; to their phones. And I think I know a few adults who are, too. And I -- I do question, you know, do you really -- if you're truly addicted to your phone, do you need a warning to tell you so? And if you saw a warning, would you do anything to adjust your behavior in a response? So -- and I say this as I read this off my phone.

So anyway, I'll be supporting this and I do thank the sponsor for her continuing efforts in this area. I will be in the

affirmative. Thank you.

ACTING SPEAKER HUNTER: Ms. Walsh in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 19, Rules Report No. 832, the Clerk will read.

THE CLERK: Senate No. S08416, Rules Report No. 832, Senator Comrie (A08427-A, Lasher, Dinowitz, Seawright, Forrest, Weprin, Schiavoni, Steck, Simon, Shimsky, Valdez, Gallagher, Torres, P. Carroll, Hevesi, Epstein, R. Carroll, Rosenthal, Reyes, Alvarez, Rajkumar, Burroughs, Simone, Glick, Solages, Colton, González-Rojas, Lunsford, Tapia, Taylor, Cunningham, O'Pharrow, De Los Santos, Mitaynes, Clark, Levenberg, Bores, Gibbs, Cruz, Stirpe, Wieder, Paulin, McMahon, Meeks, Lee, Shrestha, Wright, Jackson, Bronson, Conrad, Romero, Burdick.) An act to amend the General Business Law, in relation to enacting the "Fostering Affordability and Integrity through Reasonable (FAIR) Business Practices Act."

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Lasher.

MR. LASHER: Thank you. Through you, Madam Speaker. In 1970, this Legislature enacted and Governor Rockefeller signed into law Section 349 of the General Business Law to authorize

the Attorney General to take action against deceptive business practices. Ten years later, the Legislature gave New Yorkers individually limited power to sue when they are victimized by these practices. Over the last 55 years, our entire society has grown dramatically more complicated. We have seen massive corporate consolidation, technological revolution, and the complete reinvention of commerce. Consumers face a dizzying array of products and services and ways of paying for them. But in all that time we have done nothing to modernize our laws to protect New Yorkers from being taken advantage of, and to enable the Attorney General to take action against corporate misconduct. We are, in effect, asking the Attorney General to protect New Yorkers in 2025 with tools built in 1970.

This legislation, the FAIR Business Practices Act, aims to catch up with the times. It would do so in several basic ways; to the current prohibition of deceptive business practices, it would add a prohibition of unfair practices which are prohibited in 42 other states and under Federal law. It would prohibit abusive practices which are prohibited by a number of other states and also under Federal law. And it would eliminate the obstacles to action by the Attorney General that have been created over decades by a happily-named, but completely haphazard and contradictory line of case law known as the consumer-oriented standard. This doctrine has killed public enforcement by the Attorney General, and at times led to results that are at odds with the clear purpose of GBL 349.

The bill uses definitions of "unfair" and "abusive" practices drawn, respectively, from the Federal Trade Commission's definition in place since 1980 and adopted by Congress in 1994, and from the Consumer Financial Protection Act of -- of 2010, part of the Dodd-Frank Reforms. These are legal constructs that businesses are well-accustomed to.

I should note -- and there was some confusion on the Senate debate on this matter that I'd like to clarify, that the definition of unfairness requires showing that an act or practice has caused or is likely to cause substantial injury and that harms are not outweighed by benefits. This is not a requirement for taking action against deceptive or abusive practices, which are fundamentally about tricking people and are, therefore, inherently harmful.

I should also note that this bill as amended does not affect in any way the ability for individual New Yorkers to take legal action when they are victimized. The current law is extremely limited in this regard, and has been hemmed in by the aforementioned consumer-oriented doctrine in the courts. The Attorney General has a big state to look after, and inevitably will be unable to respond to many, if not most, individual cases of deceptive, unfair or abusive business practices.

We jettisoned portions of this bill in response to fierce and bad-faith lobbying that would have filled in this gap by strengthening the legal recourse available to individual New Yorkers. I hope we can correct that in the future.

The need to protect New Yorkers from fraud and abuse has never been greater. According to the Consumer Financial Protection Bureau, consumer complaints filed between January and May of this year more than doubled from the same period in the previous year. The highest regional increases were in the Finger Lakes, the Hudson Valley and Central New York. New York City saw a more than two-fold increase; 119 percent. And yet at this very moment, the Trump Administration is dismantling the entire Federal infrastructure devoted to protecting consumers. They are dropping new cases every day.

If we are disturbed by New Yorkers having their homes stolen right out from under them through deed-theft schemes; if we are distressed about loans that structured in ways the lender knows are practically impossible for borrowers to pay back; and if we are concerned about individuals with limited English proficiency being told one thing in their native language and presented with a contract that says another; and fundamentally, if we care, we truly care about affordability, we should, after 55 years of stasis and at a time of Federal Government withdrawal from the field, pass this bill to protect New Yorkers and their pocketbooks.

Thank you.

ACTING SPEAKER HUNTER: Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor

yield?

MR. LASHER: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MS. WALSH: I got tired of standing there for a little bit. That was a long explanation, but I appreciate it. You kind of took my first question from me, which was what's the purpose of this bill. So let's just skip to the second question.

The bill removes "consumer", the term consumer from the statute. Why is that?

MR. LASHER: Because there is no reason that a small business should be not protected from abuse, deception or unfairness.

MS. WALSH: But aren't we supposed to be protecting consumers?

MR. LASHER: We are supposed to be protecting the people and entities that are doing business in the State of New York.

MS. WALSH: No, that's true. It's just that that word, "consumers" was removed and I was just curious as to why. You don't think that that's necessary anymore? I mean, when you gave your explanation of what the bill did you were talking about the need to protect consumers, and then it will eliminate that word.

MR. LASHER: I think if a -- if a lender takes advantage of small businesses all around the State, I -- I would imagine you would want the Attorney General to be able to deal with that.

MS. WALSH: So let's talk about that. So this -- in what ways would you say does this bill expand the power of the Attorney General?

MR. LASHER: Fundamentally, this is building on an existing authority that the General Business Law grants to the Attorney General to take action on behalf of New Yorkers when they are victimized under the current law by deceptive business practices. This would add to that business practices that are abusive or unfair. And it would, as I mentioned, address this sort of haphazard doctrine that has been -- sprung up in the courts over the last couple of decades.

MS. WALSH: Well, what -- what are the types of acts or practices that the Attorney General's Office cannot pursue now that they are looking to -- because this isn't it a -- this is a bill that they're asking for that you're carrying, correct? It's one of their program bills.

MR. LASHER: This is -- this is a program bill from the Attorney General.

MS. WALSH: Yeah. So what -- what types of acts or practices that the Attorney General's Office cannot pursue now that they are looking to under the expansion in your bill?

MR. LASHER: Let me give you, if I may, a few examples --

MS. WALSH: Thank you. Yes.

MR. LASHER: -- of -- I'll use some from the

insurance space where these are actual cases where relief under 349 was denied. Adopting a blanket policy of denying insurance coverage for dental reconstruction surgery despite promising to cover such surgeries. An insurance company fraudulently inducing a consumer with very limited English proficiency into signing away his rights when he was hit by a car the company insured. A grossly negligent oil spill cleanup that spread contamination to the neighborhood thanks to an insurance company trying to skimp on playing claims. An insurance company denying multiple claims based on an "engineer's report", quote, unquote, from a person who was not, in fact, an engineer. Backdating life insurance policies to avoid paying claims to grieving family members. Those are just a few examples. Those are real New York cases where relief under the existing 349 was denied because they do not meet the standard for deception under the current law.

MS. WALSH: So is it -- because -- I have to ask this, because all of the examples that you gave had to do with the insurance industry. Would you say that one of the reasons or one of the primary reasons for this bill is to be able to go after insurance companies for the kinds of things that you just talked about?

MR. LASHER: Well, I will say that this bill is -- is about protecting New Yorkers from deceptive, unfair and abusive business practices no matter who the perpetrator is. And I would say -- I'll give you some more examples: Dismantling equipment and refusing to reassemble it until the consumer pays extra. A business

that refused to take basic security precautions with sensitive customer data, despite not one, but three security breaches. A self-storage facility that sold a tenant's personal property for past due rent without providing any notice. I mean, we -- the list is long, it is varied, and it covers many industries.

MS. WALSH: So why not just have us do our jobs and draft legislation -- specific legislation to target those practices?

MR. LASHER: As creative and prolific a legislature as we are, I'm not sure we have the capacity for imagination that the many incidents of fraud would require.

MS. WALSH: Well, I mean, I hear what you're saying there, but I -- it's always been -- it's -- it's our role as legislators, I think, to develop legislation. I know that this is legislation. But in a way, aren't we just kind of empowering, giving greater power to the Attorney General to just, you know, root out these practices as -- in this case, and the current AG being a woman, as -- as they or she sees fit?

MR. LASHER: I -- I would say we'd be following the wisdom of the Federal Government which enacted the Federal Trade Commission Act in 1914. We'd be following the wisdom of 42 other states that prohibit unfair business practices. And we'd be building on the 55-year history of this law in New York. We have simply lagged behind the times. We have been stuck in a law that is outmoded, outdated and insufficient to protect the interests of New Yorkers.

MS. WALSH: Now, you mentioned that there were 42 other states that are doing this?

MR. LASHER: Yes.

MS. WALSH: Okay. Did --

MR. LASHER: I should say -- let me be precise.

There are 42 other states that prohibit unfair business practices.

MS. WALSH: And is that a uniform definition of what an unfair practice is that we've adopted in this legislation?

MR. LASHER: I'm -- I'm really glad you asked that. It is -- in fact --

MS. WALSH: I'm here to help.

MR. LASHER: Yes. No. In fact, most of those states employ a definition that is -- that is broader than the one that this bill employs.

MS. WALSH: Really? Wow.

MR. LASHER: This bill relies on the definition adopted by the Federal Trade Commission in 1980, enacted by Congress in 1994. And it is a narrower definition than many, if not most, other state laws have, which predated that Federal action.

MS. WALSH: So, I see that this -- this bill is in an A-print, and it's my understanding -- although I didn't exactly track the development of the bill -- that we went from, I was told, like an 11-page bill to, like, a three-page bill or something like that. Can you talk about how the bill has evolved? You -- you said that it was a response to some -- what did you say? I don't know if you used the

word "disingenuous." I don't wanna put words in your mouth, but --

MR. LASHER: Disingenuous, bad faith, pernicious.

MS. WALSH: Bad faith.

MR. LASHER: Greedy.

MS. WALSH: Bad faith lobbying efforts. So did those bad faith lobbying efforts result in amending the bill in such a way as to shrink it up quite a bit?

MR. LASHER: I think we are passing a bill that would be a meaningful and historic improvement on the State's law in this regard. But it leaves out any expansion -- or does not affect in any way, I should say, the rights that exist under the law for individuals to sue when they are victims of those practices. I think the better law would have been to address the limitations of that portion of the statute. But creating a statute for the Attorney General that keeps up with the times is a significant improvement.

MS. WALSH: Okay. All right. I accept that explanation.

So what is -- if you could explain the difference between a deceptive act or practice or unfair act or practice and an abusive act or practice? Because there -- there's actually three different categories. So could you just give examples of each kind?

MR. LASHER: A deceptive act or practice is one that relies on a deception. And there is extensive case law to that effect. I believe just yesterday the -- well, I guess that was a case brought under unfairness, so I'm not gonna cite that. But there -- there

are -- the Trump University case, I believe, which is an Attorney General case from some time ago in which the now-President, the then-entrepreneur advertised --

MS. WALSH: Trump University? That one?

MR. LASHER: -- advertised his offering as a university. That was a deceptive business practice. Unfairness -- and let me move to abusive next. Abusive as defined under the statute is an act or practice that materially interferes with the ability of a person to understand a term or condition. A material -- a material interfering with a person's understanding of terms or conditions -- or I should say -- let me put it this way: This is based, I should say, on the Consumer Financial Protection Act, as I mentioned. And the CFP definition of abusive can be summarized as prohibiting the obscuring important features of a good or a service, or exploiting the weakness or trust of another to take unreasonable advantage of them, or both.

MS. WALSH: And this is -- that's the abusive one?
I'm sorry.

MR. LASHER: That's abusive.

MS. WALSH: Abusive.

MR. LASHER: And that's a paraphrase of what's in the bill.

MS. WALSH: Okay. And before you go back -- I -- I know the third one was unfair, which I know that you're gonna address next. But on -- on the abusive act or practice, you mentioned that 47 other states --

MR. LASHER: No.

MS. WALSH: How many? Forty-two?

MR. LASHER: No. Unfairness is on the books in 42

--

MS. WALSH: Forty-two.

MR. LASHER: -- other states.

MS. WALSH: What about abusive? Is that also in -- in the statutes for those other states well?

MR. LASHER: Abusive -- and I should note again, abusive is prohibited under Federal law, and so businesses under New York State should not have been committing -- engaging in abusive business practices prior to the enactment of this bill, either. They'd be in violation of the law.

MS. WALSH: Okay.

MR. LASHER: But abusive practices are prohibited explicitly by Indiana, Maryland, New Jersey and California; and in effect by Arkansas, Michigan, Kansas, Oklahoma, Ohio, and Nevada, as well as under Federal law.

MS. WALSH: That's around, I don't know, I can't count that fast. But was that, like, around ten maybe?

MR. LASHER: Something like that.

MS. WALSH: Ten states that do some version of that? Okay.

So, what -- what specific -- so, abusive -- and I know we're gonna -- we're still gonna go back to unfair. I'm not forgetting

about that. But abusive; it is highly subjective, I think. When asked during -- and you -- you spoke about this is a little bit during your explanation about the Senate floor debate. The Senate sponsor admitted that what is abusive to one might be -- might not be abusive to another, and that it could be wide open -- quote, "wide open for many people", closed quote, and that, quote, "20 different people could give a different interpretation of what is or isn't abusive." What -- what do you have to say to that?

MR. LASHER: I think what I would say, just as a general matter, that the Senate debate was held at 2:30 in the morning, as we do sometimes around here. And I'm grateful for the opportunity to clarify confusion that may have been created and create a clear record. Because I think there may have been some intentional effort to obscure the record during the Senate debate. I -- I would simply say that for the Attorney General's enforcement authority, generally, the fundamental way the Attorney General conducts business is to investigate, to make a determination whether in the view of the Attorney General, a -- an entity has violated the law, to pursue an enforcement action which is adjudicated by the courts. Just as in any civil action. And that is the course that would be followed in the instance of an abusive act or practice. So that is why we have a duly-elected Attorney General, and that's why we have courts to adjudicate these matters.

MS. WALSH: So -- but deciding what the AG's Office is going to go after under this -- the abusive heading or that

definition, there -- it will be somewhat subjective because it is a pretty wide -- it's a pretty open definition, isn't it?

MR. LASHER: I think I would reject the premise that there's anything unique here. Prosecutors, the district attorneys of the State and our Attorney General are making judgments every day about whether a violation of a law has occurred and what the nature of the violation is and what the applicable law is. That's true in criminal violations and it's certainly true in civil violations. So I think this is no different from anything else.

MS. WALSH: Okay.

MR. LASHER: And -- and -- and the statute spells out a clear definition which, again, is borrowed from the Consumer Financial Protection Act which has been on the books for 14 years, which New York State businesses have been living under and operating.

MS. WALSH: No, that's true. Well, I think we can probably agree to disagree about the -- the actual definition and how tight that definition is. I -- I don't -- I don't want to spend anymore time on that.

But what would you say -- oh, let's go back, actually -- I promised I would -- to what an unfair act or practice is as distinguishable from a deceptive or abusive act or practice. And could you provide a distinct example of an unfair act or practice?

MR. LASHER: Sure. An unfair act or practice is one that causes substantial injury or is likely to cause -- is likely to

cause injury, and in which the -- that injury is not outweighed by benefits to consumers or to competition.

MS. WALSH: But -- so I just want to understand this. So -- but when an AG brings a case, they don't need to show that it is consumer-oriented anymore under this bill, correct?

MR. LASHER: So let's talk about that for a second.

MS. WALSH: Please.

MR. LASHER: The -- the words "consumer-oriented" is a shorthand, and I think a poor shorthand, for a line of many cases going back, I think, to 1980, that have narrowed the -- in -- in ways that are extremely contradictory the application of this statute. In fact, if you look at the very first case on the consumer-oriented standard, which involved a, I think, a bizarre dispute over a country music concert at-then Shea Stadium. In that very first decision, all of a sudden the court introduces the question of whether a violation was recurring. Having nothing to do with whether it's a consumer or not, whether it's recurrent. And over time there's been an accumulation of court cases sort of getting at this notion, shorthanded as consumer-oriented, but basically, whether or not this statute applies. I'll just give you an example of kind of the contradictions that -- that have occurred. In the *Desa Realty* case in 2019, lender falsifying --

(Buzzer sounds)

Are we out of time?

MS. WALSH: We're -- we're gonna keep going.

MR. LASHER: Okay.

MS. WALSH: I would never want to cut you off mid-sentence.

MR. LASHER: I appreciate that. Lender falsifying consumer's details for home loan was not consumer-oriented because they were specific to the subject property. In *Saltiel*, refusing to issue a reverse mortgage for a consumer's home was consumer-oriented. In *Silver v. City Mortgage*, sale of a high-cost -- sale of high-cost home loans consumers not consumer-oriented because each loan concerned an individual home. HSBC Bank, 2021, misleading consumer regarding high-cost home loan was consumer-oriented even though each loan only concerned a single home. And so the -- and I have a stack of these.

MS. WALSH: Yeah, but --

MR. LASHER: But the goal here -- the goal here --

MS. WALSH: Yeah.

MR. LASHER: -- is the law is the law, and we are returning to the basic meaning of the law, and if people are subject to these practices the Attorney General can take action, period.

MS. WALSH: Yeah. I -- I -- I -- I recognize what you're saying but, I mean, isn't that really how law evolves and develops? You've got -- you've got a series of cases over 45 years that is developed, and each case provides, you know, a precedent, a line of cases for the cases that follow. That's how the law evolves and develops. And aren't you, by drafting this bill in such a way that just

strikes out the term "consumer-oriented", just saying, *Yeah, I don't like the way that that developed. I'm just gonna chuck that out and we're gonna do something else.*

MR. LASHER: Well, again, I have to take issue with the characterization. We're not striking out the words "consumer-oriented." We're not striking out a provision of this statute. We are, as legislatures do, passing a law that -- it will go on to be interpreted by the courts. And we are making it very clear that for purposes of Attorney General action, the various sundry and often contradictory limitations of this law that have been imposed by the courts over many years, that that does not reflect the forward-going intent or desire of this Legislature.

MS. WALSH: So -- okay, I might be mistaken. I -- is the term "consumer-oriented" still in the statute?

MR. LASHER: Again, the term "consumer-oriented" is not in the statute.

MS. WALSH: Okay.

MR. LASHER: The term consumer -- it is in this bill so as to make clear that that doctrine does not apply to Attorney General action.

MS. WALSH: Right.

MR. LASHER: But was a doctrine that evolved as an outgrowth of the statute.

MS. WALSH: Okay. But so does it -- does that situation where now we are going to allow the Attorney General to

bring actions whether or not that actor practice is consumer-oriented, does that mean that the AG can bring an action for employment matters between a business and employees, or a business and a contractor or for commercial transactions that they disagree with?

Can a -- can an Attorney General get involved in a contract dispute?

MR. LASHER: As is currently the case under the current law with deceptive acts or practices, you may well have a situation that is violative of GBL 349 and violative of some other law or violative of a contract. And there may be -- there may be overlap or there may not be, and that would not change. But at this moment, the Court of Appeals is taking a new case every year on the question of whether or not this amorphous consumer-oriented standard -- and again, I use those words without ascribing the meaning to them that you might logically think -- whether it applies. And this bill clarifies that the law is the law. The Attorney General has this authority. The Attorney General is duly-elected by the people of the State to exercise it, and that's what we're doing with this bill.

MS. WALSH: Does this -- does this bill allow the Attorney General to prosecute cases against business and individuals who are not in New York State?

MR. LASHER: The -- this law would enable the Attorney General to take action against violations that occur in whole -- in whole or in part in the State of New York. So if -- if somebody is the victim of a practice that is prohibited by this law and they are in New York, the Attorney General could go after it. If somebody

perpetrates an act or practice and they are based in New York, the Attorney General can go after it.

MS. WALSH: Okay. So just -- when you said "they." So the -- the injured party needs to be in New York?

MR. LASHER: No.

MS. WALSH: Okay. The -- the company or entity that created the damage or -- or the problem has to be in New York?

MR. LASHER: The conduct at issue --

MS. WALSH: Okay.

MR. LASHER: -- has to, in some part, take place in New York. That can mean the perpetrator of a conduct is based in New York, the victim of the conduct is based in New York, or some part of the transaction occurs in New York.

MS. WALSH: Okay. Well, does that really -- is that different from what our existing law is as far as nexus in order to bring a suit?

MR. LASHER: That is what this bill says.

MS. WALSH: Okay. All right. So could the AG now bring an action against an out-of-state business because of a term or a condition that they disagree with and perceive to be abusive?

MR. LASHER: If an out-of-state business is engaged in a deceptive, unfair or abusive act or practice that -- that can have an effect or is having an effect on New Yorkers, the Attorney General can certainly take action.

MS. WALSH: Well, thank you very much for your

answers. I appreciate the conversation.

And Madam Speaker, on the bill.

MR. LASHER: Thank you.

ACTING SPEAKER HUNTER: On the bill.

MS. WALSH: Thank you. So, you know, I think that the way that this bill has been drafted, it -- I think it is -- I -- I think it's less bad than the original version. I -- I do think that all of that bad faith lobbying did probably result in something that it's a little bit more palatable to me on this side of the aisle. But I still think that if any of you are uncomfortable with the amount of discretion and authority and power that our Attorney General currently has, this bill will only be adding to it. And some of us are not okay with that. You know, it could be argued that this bill is best described as an expansion of the AG's powers to police business practices in New York State that she finds objectionable. You know, for example, "unfair" or "abusive", and those -- I keep using air quotes as I'm saying that because the way that those are defined is, some would say, I would say, is kind of wide open using the new standards which are more subjective and do not necessarily have to be tied to consumer activity.

So there have been recent cases that have been brought and then dismissed in New York State and New York City, alleging claims against the existing Section 349 of the General Business Law and similar New York City Administrative Code provisions. I won't list them all. I mean, there -- there are -- I have a

bunch of them. But the bottom line to me is that I think that if this law is adopted it would provide additional avenues by which the AG could bring claims against businesses or people that the AG finds objectionable in the future, ensuring or tipping the scales in -- in her favor and making it easier to bring or maintain an actionable claim.

So for that reason, I believe that the Attorney General already has plenty of power and authority under our existing law and I'm not interested in having it increase. So for those reasons I will be voting in the negative on this bill and I would encourage my colleagues to do so as well.

Thank you, Madam Speaker.

ACTING SPEAKER BUTTENSCHON: Thank you.

Mr. Ra.

MR. RA: Thank you, Madam Speaker. Will the sponsor yield?

MR. LASHER: Yes.

MR. RA: Thank you. So just to pick up with regard to what situations this applies to. So the term "unfair" has, I guess, three prongs to it; it causes or is likely to cause substantial injury which is not reasonably avoidable and is not outweighed by countervailing benefits to consumers or competition. The term "substantial injury", my understanding is meant to have the same meaning as it does un -- under the Federal act, correct?

MR. LASHER: Yes.

MR. RA: But am I correct that that doesn't really

define it? Are we -- are we looking at what it's been held to mean by the courts as our definition of substantial injury?

MR. LASHER: Um...

(Pause)

MR. RA: Because my under -- understanding is the Federal Trade Commission Act doesn't have a -- a full statutory definition of that term, substantial injury.

MR. LASHER: There is extensive case law on the question of what constitutes substantial injury, and the FTC's 1980 policy statement addresses it specifically, and I could just read. "The Commission is not concerned with trivial or merely speculative harms. In most cases a substantial injury involves monetary harm, as when sellers coerce consumers into purchasing unwanted goods or services, or when consumers buy defective goods or services on credit but are unable to assert against the creditor claims or defenses arising from the transaction. Unwarranted health and safety risks may also support a finding of unfairness. Emotional impact and other more subjective types of harm, on the other hand, will not ordinarily make a practice unfair." That is -- there are decades of case law expanding on this, and that is what this law relies on.

MR. RA: Okay. So we're talking about primarily financial harm, but not -- not necessarily only financial harm.

(Indiscernible)

MR. LASHER: Yeah, I think you have -- you have economic harm; it could be money and time; you have physical harm;

you have psychological and emotional injury; loss of privacy; potentially reputational; what could happen to somebody's credit reports.

MR. RA: Okay. So a lot of that sounded like something that would be applicable in the case of a consumer. What -- what do you take that to mean if we're talking about a situation where it's not a consumer transaction, but rather a business-to-business transaction?

MR. LASHER: I think it is probably more likely that if a business were the victim of an unfair, deceptive or abusive practice that the harm would be economic in nature, but not necessarily exclusively.

MR. RA: Okay. So one of the concerns that -- that we have with this is that something that seemingly was designed to deal with business -- or I'm sorry, consumer transactions now can go into the business realm. And I certainly, you know, understand what you said at the beginning when you talked about small businesses. Certainly we want small businesses to be protected under our laws and have an opportunity to deal with any harm that is done to them, whether it's by a larger business or maybe another small business. But when we're dealing with two businesses, say, who have entered into what, you know, we legally call an arm's-length transaction; they -- they may be, you know, represented by -- by attorneys and the whole nine yards. Could there be a situation where we're still gonna have the Attorney General saying, *Hey, something unfair happened here*, or,

something abusive happened here, and -- and she's gonna sue for the harm for one of the parties?

MR. LASHER: I think you have to consider that the -- the foundational idea, going back centuries in common law, behind the Attorney General's Office is that they are the People's Lawyer. We elect the Attorney General. We vest in the Attorney General broad legal power and discretion with the expectation that the Attorney General is gonna use that discretion in the people's interest. There is an enormous amount of prioritizing and triaging that goes on, and I think you would find -- I -- I imagine, although I haven't done the research, that you will not in the 42 other states or other states where these remedies are not limited to individuals, Attorney Generals using UDAP statutes to intervene in large two-company sophisticated commercial transactions.

MR. RA: Yeah. I'm --I -- sure --

(Indiscernible/crosstalk)

-- it hasn't happened in most of the other states, but I -- I'm pretty confident it has happened in this State and that's the problem. I do agree with you with regard to what the foundations of the Attorney General's Office is. But you may not agree with this, but in my opinion we have had in New York State for decades Attorney Generals who have not been interested in that being their role; rather they've been trying to set up whatever their next political office is. We have -- we've had Attorney Generals that chase headlines more so than justice, in my opinion. I'm sure you -- you would probably

disagree with that, but -- but that's what I see from our Attorney Generals going back the last several decades. They seem to -- there was a time that it seemed like it was, *I'm the next Governor and I'm just waiting to make my move and I'm gonna -- I'm gonna pursue the cases that set me up best for that.*

MR. LASHER: I can't imagine we'd find such political motivations in any room in this building.

MR. RA: I'm shocked to find there's gambling going on in this establishment.

Yeah, so certainly this is an elected office, so I -- I appreciate that. But again, that's where we are concerned with expanding the authority of that office with regard to -- I -- I think the Attorney General's Office has and is well-suited to trying to help consumers in this State. And -- and I'll tell you one of the first jobs I had that was legal in nature when I was in law school, I worked in the Regional Office of the Attorney General's Office, and we dealt with consumer situations, consumer fraud. I worked in the Consumer Fraud Bureau, and people would write to us with their issues and we'd try to see what we could do to help them. I was -- I think I was a mediator was -- was the title. And we'd tried to assist with these situations. And sometimes just the weight of the fact that even if we, you know, you weren't threatening legal action, *per se*, but just the fact that the Attorney General's Office is saying, *Hey, we're taking a look at what you did here and we're trying to, you know, mediate this dispute* usually got the job done. This is something that goes, I think,

well beyond the consumer realm, and that's -- and that's what our concern is.

So let me shift to that second part, "abusive." Right? We're going from a standard that was consumer -- even just the title of -- of the section, consumer protection from unfair -- from -- I'm sorry, deceptive acts and practices. So we're saying unfair and abusive. So does abusive require some type of continuing act or could it be just one -- one thing that happened between two parties?

MR. LASHER: As a technical matter -- and this is not just limited to abusive -- a single violation of the law is a violation of the law enforceable by the Attorney General. As a practical matter, the Legislature created the private right of action ten years after the law was first enacted giving the Attorney General the authority, because of a recognition that the Attorney General did not have the capacity to protect and enforce against every individual violation of the law and that that was better suited to individual legal recourse. So by and large, perhaps almost without exclusion, I think if you look at the Attorney General's enforcement of GBL 349 over the years as it exists, you will find the Attorney General taking action against practices that occur involving many victims. But again, I want to stress that that is not a requirement of the law. And to the extent it is propped again in this consumer-oriented standard, it will no longer be a requirement of the law upon passage of this bill.

MR. RA: Yes. So -- so the private right of action is -- is limited to the -- basically the prior definition.

MR. LASHER: The private right of action is untouched by this bill.

MR. RA: Thank you.

MR. LASHER: And I should say, as long as the topic has come up --

MR. RA: Sure.

MR. LASHER: -- that just as I think that the consumer-oriented standard as read into the legislation by the courts over the years is not to be found in the statute pertaining to the Attorney General's Office. I do not believe -- and this bill and its lack of action on the private right of action side, I do not believe that, and we should not ascribe any statutory authority to the consumer-oriented standard as relates to private rights of action, and certainly not simply because the bill doesn't eliminate it there. We made -- the intent of this bill is simply to expand the Attorney General's authority, and we have left to decide the questions of how the private right of action should be handled.

MR. RA: Okay. So I -- I guess lastly, with -- with regard to this new standard, obviously any time you have a law enforcement official, whether -- whether it's a local DA, whether it's an attorney general, they're gonna have a great deal of discretion as to determining the types of cases they're gonna bring in -- in any context, right? So the Attorney General's Office can look at a situation and decide is this something that's unfair and abusive and then bring an action. Now, in the consumer realm I think that's fairly obvious that,

you know, there's kind of David and Goliath. There's -- there's maybe the big corporation and -- and the consumer that was trying to buy a good, trying to buy a service and was harmed by -- by the unfair or abusive act. In the situation where it's a business-to-business transaction, what role does, say, the aggrieved business have with regard to an action the Attorney General decides to bring?

MR. LASHER: No -- no formal legal role. They -- the Attorney General -- the Attorney General is acting on behalf of the people of the State of New York. And again, that may -- the Attorney General may take an action -- may involve the office in a -- in an enforcement action where there has been conduct that is also subject to a breach of contract. But the Attorney General's obligation and job is to protect the public interest of the people of New York, and that -- that would be the case in any enforcement action taken under GBL 349.

MR. RA: Okay. So how do we make sure that we differentiate between -- in that business-to-business situation we differentiate between something going on that really was unfair, deceptive, versus one side just made a bad deal?

MR. LASHER: So I think in a couple ways. I mean, the -- the short answer obviously is that's why we have courts to adjudicate these matters. But I think the line of questioning, if I may say respectfully, relies on two illogical -- two logical fallacies. The first is the notion that this sort of hypothetical problem you're envisioning doesn't exist in the realm of the current statute, that you

couldn't have a dispute between a business and an individual, that is not a good use of the Attorney General's time or resources and is better suited to a private civil action. And that -- that presumably exists, and the wisdom of the Legislature for 55 years, the laws we've operated under, is to create an inclusive statute that relies on the judgment of the duly-elected Attorney General to apply it in the people's interest. And so, too, would be the case here. And I think the question really is this gets at is do you have a statute that is so incredibly narrow that it would exclude the Attorney General from taking action to protect small businesses in their entirety, in any circumstance, in a violation of this statute, or do we expand the statute in a way that is consistent with the way that it treats individuals to allow the Attorney General to apply that same discretion and protect small businesses or larger businesses when it is in the people's interest to do so. And I think the intent of this bill is to do that.

MR. RA: Thank you, Mr. Lasher.

Madam Speaker, on bill.

ACTING SPEAKER BUTTENSCHON: On the bill.

MR. RA: So, quickly, I -- I certainly take at face value the -- the intent of the sponsor with regard to this. I am uncomfortable expanding the authority of the Attorney General. We've had so many different organizations weigh in with regard to this, everything from the insurance side of things to realtors to just general business interests, concerned that this is another thing that will make New York State a more difficult place to do business; expose

businesses to increased lawsuits which increases cost, increases the need for them to do -- use their time on things other than business.

And -- and I think this is too expansive and too vague to entrust to the judgment of the Attorney General.

Thank you, Madam Speaker.

ACTING SPEAKER BUTTENSCHON: Thank you.

Mr. Molitor.

MR. MOLITOR: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER BUTTENSCHON: Will the sponsor yield?

MR. LASHER: Yes.

MR. MOLITOR: Thank you, Mr. Sponsor. So, I don't have any questions about the practical or pragmatic issues or potential issues with this bill. I want to focus specifically on language and drafting of this bill. And I want to focus on lines 45 through 52 which define substantial injury. I don't know if it's the same on yours.

MR. LASHER: Let's see. Yup.

MR. MOLITOR: Okay. So, I believe you told my colleague that this statute defines substantial injury as the definition of substantial injury as referenced by 15 USC, Section 41.

MR. LASHER: Correct.

MR. MOLITOR: But you told them that 15 USC, Section 41 does not -- that -- that Federal statute does not actually contain a definition of substantial injury?

MR. LASHER: No, I -- if I said that, I may have misspoken.

MR. MOLITOR: Okay. So, that Federal statute actually contains -- sorry. That Federal statute actually contains a definition of substantial injury?

(Pause)

MR. LASHER: So, I was -- I guess I was correct earlier. The -- the -- the term is used in the Federal Trade Commission Act and it is flushed out in case law over many years.

MR. MOLITOR: Okay. So, if we enact this bill -- if we pass this bill today and it's gets signed into law by the Governor, then the State of New York will have to use a definition that is referenced by a Federal statute but actually defined by Federal case law?

MR. LASHER: I think, if I may -- the -- the short answer, Mr. Molitor, is yes, and I -- I think where you're going with this, if I might presume, is that this is somehow a circuitous or unpredictable way of defining it and I think it's quite the opposite, because the -- the reason for the bill to be drafted in this way is that this is the definition and the case law that businesses had been relying on for many years. And in fact, because of the authority given to the Attorney General under Federal Law, that -- that has been the law, effectively, in the State of New York for years and we have made an effort in drafting this bill in response to some of the feedback that we've gotten, to establish definitions that reflect the -- the statutory

and framework and jurisprudence that businesses have been living with for years. And what we've heard was that the creation of a new definition would create, I think, the -- the instability that I think we both do not want to create.

MR. MOLITOR: I understand that, but actually, I'm going in a different direction. I think the language of this bill violates Article III, § 16 of the New York State Constitution which prohibits laws passed by this Body from referencing other laws without containing the full text of that other law. I actually think it goes one step further in violating the New York State Constitution because it doesn't actually violate -- or doesn't actually contain the text of another statute, it actually is referencing Federal case law. So, that's where I'm going with that if you want to answer that.

MR. LASHER: I -- I think I would say, I take the comment as duly noted and am advised with -- by people with greater wisdom of the State Constitution than I have, that that is incorrect, but I imagine that that is a matter that can be explored further in either the Executive review of this bill, or potentially in some litigation.

MR. MOLITOR: Or a Chapter Amendment --

MR. LASHER: Or a Chapter Amendment.

MR. MOLITOR: Thank you, Mr. Lasher.

On this bill.

MR. LASHER: I should say --

ACTING SPEAKER BUTTENSCHON: On the bill.

MR. LASHER: Ma'am --

MR. MOLITOR: Yeah, we can go back to this.

MR. LASHER: I -- I just -- I -- I would say my understanding is that the -- that the provision that you're speaking of, does not apply to Federal law. That's what I'm -- that's what I am told. So, again, we can --

MR. MOLITOR: The -- the provision that -- the provision that is referenced in the statute doesn't apply to Federal law?

MR. LASHER: Correct.

MR. MOLITOR: Or the provision I'm referencing in the New York State Constitution --

MR. LASHER: The provision that you're referencing.

MR. MOLITOR: Okay. You're -- so you're saying it's okay for New York State to reference other laws without containing the text of those laws so long as it's a Federal law --

MR. LASHER: That is my -- that is my understanding.

MR. MOLITOR: Okay.

On the bill.

ACTING SPEAKER BUTTENSCHON: On the bill.

MR. MOLITOR: So, first of all, I think it's really bad policy to put in a law that we're going to pass in the State that is going to affect businesses and the Attorney General's Office and future litigation without adequately defining our terms. That's a lawyer's dream scenario because it creates all sorts of wonderful litigation, but

it is a nightmare for certainty, for businesses and our -- our government agencies. I think it's even more problematic that we're referencing not another Federal statute, but Federal case law and as we all know, case law can change depending on the outcome of, you know, future litigation. So, we're creating a standard by -- by voting yes on this piece of legislation, what we're saying is, we're totally comfortable with the laws of the State of New York potentially being modified by Federal litigation, and that makes me very uncomfortable. I don't think that's what we should be doing and I would encourage everyone to vote no on this piece of legislation just to avoid, you know, all the chapter amendments that we're going to have to pass next year.

Thank you.

ACTING SPEAKER BUTTENSCHON: Read the last section.

THE CLERK: This act shall take effect on the 60th day.

ACTING SPEAKER BUTTENSCHON: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The Minority Conference will be in the negative on this bill, but if you want to vote yes, now would be the time to do that at your seats. Thank you.

ACTING SPEAKER BUTTENSCHON: Majority

Leader Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. The Majority Conference is going to be in favor of this bill, however, there may be some that would desire to be an exception. They should feel free to do so.

ACTING SPEAKER BUTTENSCHON: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Lasher to explain his vote.

MR. LASHER: I just wanted to first thank the Attorney General and her extraordinary team and Senator Comrie for their leadership and partnership on this bill and to all of my colleagues who have been supportive of it. And I just want to close with two comments. First, just to Mr. Molitor's last point, many bills that we pass are subject to litigation and interpretation. That's the nature of lawmaking and the notion that this is somehow exceptional and that it may -- it has been, GBL 349, has been subject to litigation, I'm sure it will be in the future, but we've gone to great lengths to -- to rely on language and definitions that reflects well-settled law in an effort to limit that. And I think any other direction would have caused the problem he aims to avoid.

And finally, I would just say and -- and this came up in my discussion with Mr. Ra, markets function effectively when people have confidence in them. When they know that there is one set of rules for everyone, that they will not be taken advantage of, that

they can be consumers, that they can spend money, that they can engage in commerce with confidence. That is how you create a thriving economy, an economy that people have confidence in. That's the kind of economy we should have in New York, and that's what this bill aims to advance.

And with that, I vote in the affirmative.

ACTING SPEAKER BUTTENSCHON: Mr. Lasher in the affirmative.

Mr. Steck to explain his vote.

MR. STECK: Thank you, Madam Speaker. I will be voting in the affirmative on this bill. It is very important to update consumer protection and protection of fair business practices in the State, but I think we've taken a wrong turn and there's another area that needs updating and that is the private rights of action. We cannot continue to give over enforcement only to administrative agencies and Attorney General that do not have the resources to enforce every aspect of the law. We need to modernize and enhance the private Attorney Generals to enforce the law, so that more -- more things are covered. The law is not just for big corporate law firms in Manhattan. We need our average everyday lawyers all over the State to be empowered to engage in consumer protection.

Thank you.

ACTING SPEAKER BUTTENSCHON: Mr. Steck in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Majority Leader Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, if we could now bring our attention to the A-Calendar again on debate. We're going to go with Rules Report No. 871 by Ms. Levenberg, Rules Report No. 856 by Mr. Dinowitz and then we're going to go back to the main Calendar and take up Rules Report No. 744 by Mr. Simone.

ACTING SPEAKER BUTTENSCHON: Page 6, Rules Report No. 871, the Clerk will read.

THE CLERK: Senate No. S07111-A, Senator -- oh, excuse me, Rules Report No. 871, Senator Harckham, (A07862-A, Levenberg, Shrestha, Anderson). An act to amend the Election Law, in relation to permit political parties to perform certain functions without forming county committees.

ACTING SPEAKER BUTTENSCHON: An explanation has been requested.

Ms. Levenberg.

MS. LEVENBERG: Thank you, Ms. Speaker. The purpose of this bill is to permit political parties to perform certain functions without forming county committees. Election Law, § 16-102 currently provides a process by which a voter's enrollment in the party may be cancelled upon a determination that the voter is not in sympathy with the principles of the party. However, this process

requires the party to have formed a county committee which has left some minor parties without recourse. This bill would amend § 16-11 -- 110 of the Election Law to provide that in the absence of a County Committee, the State Committee may elect a person to hold a hearing and make a determination that would go to a judge that a voter's registration with the party be cancelled due to the voter not being in sympathy with the principles of that party.

ACTING SPEAKER BUTTENSCHON: Mr. Sempolinski.

MR. SEMPOLINSKI: Would the sponsor yield for some questions?

ACTING SPEAKER BUTTENSCHON: Will the sponsor yield?

MS. LEVENBERG: Absolutely.

MR. SEMPOLINSKI: I appreciate it and again, we've got the angle from --

MS. LEVENBERG: Got the angle.

MR. SEMPOLINSKI: Don't worry about it.

MS. LEVENBERG: It's okay.

MR. SEMPOLINSKI: So, just to be clear, you said the certain actions and so you -- you reiterated those in your explanation, but the action that is being authorized is the removal of someone's chosen enrollment without their consent.

MS. LEVENBERG: They -- they would also have a voice in the process. There is a process currently in place, this does

not change the process.

MR. SEMPOLINSKI: Well, it --

MS. LEVENBERG: The process is already something that's in place.

MR. SEMPOLINSKI: Well, I would say that the process does change, as currently it's handled -- I have some concerns with that the process exists period. But, currently it's handled locally by a county chairman and this would allow it to be bumped to the State level; is that correct?

MS. LEVENBERG: If there are no counties -- if there's not a county committee in place. Right now Election Law doesn't actually require County Committees, but it does require a State Committee. So, the State would be able to appoint somebody to fill in for the role of the County Committee if that were not -- not appoint, but elect. I'm sorry, the State Committee could elect by majority of the State Committee a person to hear complaints.

MR. SEMPOLINSKI: So, you could have -- so, there's sort of two different mechanisms in your law -- or your bill. One is it gets bumped to the -- a majority vote. A -- a person -- sorry. A person elected by the majority vote, or the state committee, or the state committee could have a standing person that handles this type of matter. Is that kind of how -- how it works?

MS. LEVENBERG: No, I think there's only one process and the process is that the State Committee could hold an election to appoint some -- choose somebody by electing somebody

that could be -- serve the same role as the County Committee Chair.

MR. SEMPOLINSKI: Well, there's two sections. So, the -- the first one says, sort of in the absence of a County Committee, a person elected for such person -- purpose by majority vote of the State Committee, then fills in what the law already contemplates for a county chairperson. But then, you have a new section that you've written that says that you have -- they appoint a person to receive complaints. I am interpreting that -- am I correctly interpreting that as the first is for a particular circumstance and the second is to have a standing person for circumstances such as they may develop?

MS. LEVENBERG: It doesn't actually say standing person. I think it's, you know, in the event that there is a -- a complaint by a voter, that then the State Committee would have the opportunity to elect by majority vote, or a special meeting at which quorum is present, a person or persons to receive those complaints, hold hearings and institute proceedings, which is the same thing that the parties that do have County Committees are allowed to do. It doesn't change the process at all. The only thing it changes is if they don't have a County Committee.

MR. SEMPOLINSKI: So, they would -- they would have a situation where State Committee has met and Jane Doe is the person that receives these complaints and then later down the road in -- in cases where there is not the County Chairperson, who would be the standing person to receive these type of complaints from someone

that's the person they get directed to, they conduct the hearing and then it gets directed to the judge. Am -- am I correct on that?

MS. LEVENBERG: Yes.

MR. SEMPOLINSKI: Okay. All right. So, as I said, some of my -- I have a couple of concerns with this. First, the County Chairperson is local. The County Chairperson, although counties are -- you have counties that are very, very small. You have counties that are very, very big. But I would say a County Chairperson is far more likely to know the nuances of a particular situation politically in their area than a State Committee. Am I incorrect on that?

MS. LEVENBERG: It depends on the size of the party, probably. You know, smaller parties are probably more in tune with what's happening in all of their counties. And if they don't have counties -- if they don't have County Committees because it is a costly and cumbersome process to form them, then they have the ability to use their State Committee to appoint again -- or -- or elect somebody.

MR. SEMPOLINSKI: So, just to use an example, a hypothetical: I represent Cattaraugus, Allegany and a portion of Steuben County; an area that's very far removed from Albany, New York City, where a State Chairman might presume to be based, or a State Committee might presume to be based. This would allow somebody who has enrolled in some particular party and chosen to enroll in that particular party, to be removed as a member of that particular party by State party leadership from New York City, Albany, wherever they happen to be.

MS. LEVENBERG: Right. So, they're not removed by party leadership, they're removed by a judge in that jurisdiction.

MR. SEMPOLINSKI: Well, to be clear and this is existing law, it doesn't -- it doesn't seem to give a lot of discretion to the judge. It says, "shall direct". The judges "shall" and that's existing law. So, can the judge overrule the party, or are they just a legal mechanism?

MS. LEVENBERG: I think that the judge can overrule the party and again, the judge is -- would have to be in the jurisdiction where the voter was -- was registered.

MR. SEMPOLINSKI: Okay. He has to determine whether it is just? That's -- that's the mandate on the judge?

MS. LEVENBERG: Yes.

MR. SEMPOLINSKI: Okay. Do you have any concerns on the effect this would have on diversity of thought and diversity of opinion within our political structure?

MS. LEVENBERG: I don't because, again, this process has been in place and in -- and has been utilized by parties that have County Committees in place to do exactly what it's intended to do, which is to challenge anybody who's signing up or registering to be a member of a party as a rogue or renegade voter.

MR. SEMPOLINSKI: Do you feel this would constitute a State level loyalty test?

MS. LEVENBERG: No.

MR. SEMPOLINSKI: No. Okay.

I'm going to go on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. SEMPOLINSKI: I -- I -- I have a lot of problems with this. One, I have a problem with the underlying law. I think people should be able to sign up for whatever political party they want to sign up for and you have -- if you happen to be somebody who doesn't agree with the majority of the political party of which you're a member, you know, that's -- that's your right. This is America. You should be able to, you know, express your beliefs and sign up for a political organization. Obviously, the particular opinions of our political parties on particular issues have shifted and changed over time. Coalitions have been built, coalitions have fallen apart. I, you know, think that's a healthy part of our democracy. I think diversity of thought is a healthy part of our democracy and I don't like a situation where somebody can be kicked out of a political party for wrong think.

Therefore, I urge all members to vote in the negative.

ACTING SPEAKER HUNTER: Mr. Durso.

MR. DURSO: Thank you, Madam Speaker. Would the sponsor yield for some questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. LEVENBERG: Absolutely.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. DURSO: Thank you, Ms. Levenberg. So -- and

just to try and understand this, is this for all parties or minor parties only?

MS. LEVENBERG: All parties that do not have County Committees.

MR. DURSO: So, this would be for the larger parties, whether it's Democrat, Republican, Conservative?

MS. LEVENBERG: They all have County Committees.

MR. DURSO: Okay. So, really this is for minor parties then that don't have County Committees.

MS. LEVENBERG: Yes.

MR. DURSO: Okay. And really, what's the genesis of this bill? Why are we doing this now?

MS. LEVENBERG: I believe it's to level the playing field. We know that, for example, we know Conservative party has effectively purged people from their registration roles using this process. Other minor parties who have County Committees have, but not all parties have -- have County Committees. So, those that do not have County Committees who want to have a level playing field with -- with the rest of the parties, are, you know, deserve to have that.

MR. DURSO: Understood. So, you just said -- you said the Conservative party's done this to purge their roles?

MS. LEVENBERG: Yes.

MR. DURSO: Are those voters still -- I mean, are those just voters that have passed away that are no longer registered

voters in New York State?

MS. LEVENBERG: No.

MR. DURSO: So, what -- what exactly -- just people that they feel that don't agree with their party line?

MS. LEVENBERG: Are using their registration for -- for other purposes.

MR. DURSO: Okay. So, you're saying we already have a thing -- we already have a law in place that allows this for major parties and again, I'm just trying to understand how this works, major parties that have a County Committee. This is really, I mean, obviously for minor parties that don't have County Committees. So, as you said, someone doesn't essentially highjack, right, that -- that --

MS. LEVENBERG: In your words, yes.

MR. DURSO: Why is that if -- if they do -- if these minor parties don't have a County Committee, why are we so concerned with who is registered in that party? And again, if the party's not strong enough to have a County Committee in those areas, why would we need to do legislation to protect them? They can't protect themselves and create a County Committee, so why should we do it for them here?

MS. LEVENBERG: Again, some of these minor parties either don't have the money, or are -- they find that the process is cumbersome and therefore believe that they should still have an opportunity, just as the major parties do, to challenge voter registration if, again, if it's being used to highjack a -- a -- a line.

MR. DURSO: Can you give me any examples?
(Conferencing)

MS. LEVENBERG: It's -- it's an equity issue and I don't know that -- that an example is -- is necessary.

MR. DURSO: Well, I understand it's an equity issue, but usually when things like this pop up, there's an example in place. So, someone went on a party line that someone feels like they don't deserve. Again, when we're talking about these minor parties, again, that don't -- and -- and as you said, the major parties all have County Committees. Which again, means that the parties have grown, they're -- they're kind of set in what they do and person -- to be perfectly honest with you, I mean, maybe it's just where I'm from, I've never heard of anybody getting purged out of the party. But, if a minor party committee wants to do that, I mean, obviously people may just change their voter registration because they don't agree with what the party does. That's up to the voter, that's up to the person that registers. Why are we allowing a minor party who can't even get a County Committee going deciding whether or not they can have someone in their party?

MS. LEVENBERG: I just, you know, want to highlight a case --

MR. DURSO: Yes, Ma'am.

MS. LEVENBERG: -- from 2022 which is the matter of *Mazzullo v Barnett* in which the Conservative party did follow this procedure to purge their voter rolls, and I -- I -- I just got this, so I'm not super familiar with it. So --

MR. DURSO: Do you know where that is?

MS. LEVENBERG: It was the Supreme Court Appellate Division, 4th Department, July 8, 2022 decision.

MR. DURSO: Okay. Well, I was just informed it was actually Monroe County.

MS. LEVENBERG: Oh, sorry.

MR. DURSO: Do you know anything else about that case and why the Conservative party at that point decided to purge their roll of one person?

MS. LEVENBERG: The compliant [sic] alleged that respondents were from the same town, had newly registered in the Conservative Party close to the deadline for changing party registration, had largely been associated with the local Democratic Party, and had then designated -- then designated three respondents as Conservative Party candidates for local office. And alleged that the respondents had not joined the Conservative Party to endorse or express support for the party, but instead to further ulterior political purposes. So, I think that's kind of, you know, an example of why a party would go through the process to do this if they believe that it was being done again to highjack as you pointed out the line.

MR. DURSO: I -- I said highjack, you --

MS. LEVENBERG: In this -- this was -- in this -- in this case, I believe that's what the decision was rendered -- agreed that that was being used by the -- the Democratic party to try to get registrants for the Conservative party line.

MR. DURSO: So, you said -- what year was that case, ma'am?

MS. LEVENBERG: 2022.

MR. DURSO: What year is this now?

MS. LEVENBERG: 2025.

MR. DURSO: Why three years later are we doing this bill?

MS. LEVENBERG: I guess the Conservative party didn't approach you?

MR. DURSO: They approached you?

MS. LEVENBERG: Not --

MR. DURSO: Oh.

MS. LEVENBERG: They didn't approach me, but they -- I guess that's why we didn't do it then.

MR. DURSO: So who approached you to put a bill like this? Whose idea was this?

MS. LEVENBERG: I -- I would say that that is not that relevant to this case. I -- I'm just going back again to say that -- that many, you know, other parties are able to use it and -- and the -- we should level the playing field for all parties to be able to do so.

MR. DURSO: Understood. Okay. So, again, what you're saying is so in a -- in a case like you gave me, the example of that was the County Committee --

MS. LEVENBERG: Right.

MR. DURSO: -- right, that decided --

MS. LEVENBERG: And -- and that's why it didn't come up then, because they had a County Committee formed so they were able to go through the process.

MR. DURSO: Right. So and again, this is for minor parties that do not have County Committees. So they're either not large enough or don't have the money as you said, right, to -- to be a major party.

MS. LEVENBERG: Or they -- right, yes. They either -- they either don't have the money or don't have the infrastructure or don't believe that forming County Committees is necessary for their -- to -- to move forward with their goals.

MR. DURSO: Okay. And I understand it and -- and I -- I -- again, it's already in law for the major parties, but again, my concern is this seems very targeted and -- and as I asked this, you know, again, when -- when we do legislation in here, whether we're talking Labor Law we can point to a specific case. If we're talking about protections for people, we can talk about a specific case. This just seems very targeted. I was just kind of wondering, was there a specific party that this was being done for a specific case that is in the works currently?

MS. LEVENBERG: I -- I don't believe there's anything that's in the works currently.

MR. DURSO: Okay. Thank you, Ms. Levenberg. That's all the questions I have for now.

ACTING SPEAKER HUNTER: Mr. Tague.

MR. TAGUE: Thank you, Madam Speaker. Would the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. LEVENBERG: Surely.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. TAGUE: I'm just a little bit confused here because we already have a law on the books for parties that are not official parties in counties. It's called the Interim Party system where a county that doesn't have a committee and I will use the Working Family [sic] Party and the Conservative Party as an example. They can do an Interim Party to nominate individuals for certain offices every year. They don't have to -- they can either continue on and try to get in as a county party, or they can stay interim and then after a certain period of time they lose their Interim Party designation.

So, I'm just wondering why we need this when we can all -- we can already go back and do that.

MS. LEVENBERG: I think that's for a different process within the political structure.

MR. TAGUE: No, it's not. I'm a County Chairman in my home county for the Republican Party. I -- before our county had a County Committee, they had what they call the Interim Party. They had two members and that's how they designated their candidates -- designated their candidates for elections. So, the Independence Party did it for years until we no longer had an

Independence Party.

MS. LEVENBERG: But this isn't for designating candidates for election.

MR. TAGUE: What is this for then?

MS. LEVENBERG: It's for if -- it's for challenging voter registrations.

MR. TAGUE: But how -- voter -- how do you challenge -- you -- you can challenge anybody's voter registration. You don't have to be a member of a party to challenge anybody's voter registration. You can go to the Board of Elections tomorrow and you can challenge somebody's registration.

(Conferencing)

MS. LEVENBERG: It's -- yeah, but voter -- voter registration for party affiliation. That's -- that's what I mean, specifically.

MR. TAGUE: What's the difference in party affiliation? If I'm a Republican and I want to run as a Republican, I can go to the County Committee, I -- I go to the Caucus, if I'm chosen I fill out a -- a petition and have -- and pass the petition around. It's the same thing. You can't go to the Conservative Party and be a Democrat or a member of the Working Families Party or a Republican without a Wilson-Pakula to be -- to be able to run on one of their lines. And you surely can't be from another party and be a member of the Conservative Party or the Working Families Party, you have to be one or the other. As long as you fill out your registration and your

registration is valid before the cut-off date, then you are now a member of that party. I mean, you can go out and get petitions signed and if you have a registration form with you and somebody fills out that registration form in front of you and they were a Conservative but now they're reregistered as a Republican, they can actually legally sign that petition as a Republican. So, I -- I -- I don't understand because here's the problem with this bill. This takes away local control of our political parties. Okay? And it's not the fault -- listen, if somebody's smart enough when they go get themselves nominated under a party that they're not, then it's shame on the people that allowed it to happen.

I think that this bill is unconstitutional. I don't think that it will see the light of day in the court system.

MS. LEVENBERG: I'm sorry, was there a question?

MR. TAGUE: Yeah, there was. I want your answer to my question: How is this constitutional, how is it legal and why are we wasting our time at the end of Session on something like this?

MS. LEVENBERG: Again, the process is already law as we know, it's part of Election Law. The question is if there's a committee -- if there's a party that doesn't have County Committees, what is their opportunity to take advantage of this process? Right now, there's no way for them to do that --

MR. TAGUE: There most certainly is.

MS. LEVENBERG: -- and the -- the pieces that you identified were different than challenging -- challenging voter

affiliation.

MR. TAGUE: You can challenge anybody's registration, you don't have to be a member of any party. You can challenge anybody's registration in a court of law or with the Board of Elections.

MS. LEVENBERG: Again, this is --

MR. TAGUE: I've done it before.

MS. LEVENBERG: -- affiliation, not -- not registration.

MR. TAGUE: Well, how do you determine somebody's affiliation? If I fill out a registration form and I want to be a Democrat, how can you tell whether I'm a Democrat or not?

MS. LEVENBERG: Again, through the current process and again, you -- you know, I -- I refer you to the decision of the Appellate Division, 4th Department from July 8, 2022 and you can actually read the decision right there which was how they determined for the Conservative Party that those voters were not affiliated with -- officially should not have been aligned with the Conservative Party.

MR. TAGUE: So, now you're telling me that when people are born we know what they're -- what party they're affiliated with or throughout life we know what party they're affiliated with?

MS. LEVENBERG: I -- I don't think it's about --

MR. TAGUE: I know people in this -- I know people in this room that were Republicans at one time, now they're Democrats. I know people in this room that were Demo -- that -- that

were Republicans that are now Democrats. People change throughout their life.

MS. LEVENBERG: Well, there's -- there's an opportunity -- there's a hearing that needs to be held and there's an opportunity to -- for a -- a voter to present to the -- to the judge and to the -- and to the appointed or elected person, either the County Committee or -- or the -- the State-elected person to present why they believe that their affiliation is correct and there's a process by which to make that determination.

MR. TAGUE: I would love to see that process because I --

MS. LEVENBERG: Again, that process is already in law. This doesn't change that process.

MR. TAGUE: But -- but where -- where in the law is it and what is it -- how is it defined --

MS. LEVENBERG: I -- I already -- I -- I already --

MR. TAGUE: How is it defined --

MS. LEVENBERG: I quoted it -- I quoted it already.

MR. TAGUE: How does it define what someone's beliefs are and whether they're a Republican, a Democrat, a Conservative, a Liberal? I -- I -- this is -- this is ridiculous. So you're telling --

MS. LEVENBERG: It's again, Article 16 of Election Law 16-110 is where it is described in the law.

MR. TAGUE: Well, what's the language in that?

MS. LEVENBERG: In a proceeding launched by a duly-enrolled voter of a party, a Supreme Court Justice or a County Court Judge within the judicial district of the county shall cancel the enrollment of a voter if any material statement in the declaration of voter when enrolling is false, the voter died or the residential address is wrong. The chairman of the county committee of a party with at least one voter is enrolled in such county, may, upon a written complaint by an enrolled member of such party in such county and after a hearing held by him or by a sub-committee appointed by him upon at least two days' notice to the voter, personally or by mail, determine that the voter is not in sympathy with the principles of such party. The Supreme Court or a justice thereof within the judicial district, in a proceeding instituted by a duly-enrolled voter of the party at least ten days before a primary election, shall direct the enrollment of such voter to be cancelled if it appears from the proceedings before such chairman or sub-committee, and other proofs, if any, presented, that such determination is just

This is the law. I'm reading you the law.

MR. TAGUE: Well, I'm going to speak on the bill because --

MS. LEVENBERG: Thank you.

ACTING SPEAKER HUNTER: On the bill.

MR. TAGUE: -- this is -- this is one of the most ridiculous things I've ever heard that we now -- people are going make decisions on whether people are registered Republicans or registered

Democrats. I -- I -- I cannot believe that anything like this would even be constitutional. I think it's absolutely ridiculous. What this is, is this is a power play again, again a power play of politics here in the New York State Assembly. Can you believe it? For a major State party to take control of smaller county parties. Unbelievable. Here we are, eight o'clock at night on the last day of Session and we're debating a ridiculous bill on this like there's an election tomorrow. I just don't get it. We have people that are starving, that can't clothe and feed their children, have an affordability problem. A \$254 billion budget in this State and we're sitting here debating some unconstitutional Election Law bill as far as I'm concerned. Where the hell are our priorities? Where the hell are our priorities? And this bill just got snuck in the way I understand it. This bill wasn't even scheduled to come to the floor. We got more important things to worry about this.

I vote no and I hope the rest of you will, too.
Absolutely ridiculous.

ACTING SPEAKER HUNTER: Mr. Ra.

MR. RA: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. LEVENBERG: Yes, of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. RA: Thank you. So again, can you tell me --

you -- you mentioned a case which I think was in Monroe County --

MS. LEVENBERG: Yes.

MR. RA: -- previously regarding the Conservative Party. But, is there -- and -- and that's obviously as you've said, pursuant to existing law which allows county chair people to institute these proceedings. But, is there a specific instance you have seen that lead you to introduce this bill?

MS. LEVENBERG: I -- I don't know that that's relevant. I hear -- I hear your question and it's been asked three or four times and I suggest that it's not relevant.

MR. RA: Well, I -- well, I think relevant in terms of, you know, why a bill is before us or really what the problem we're seeking to -- to solve.

So, let's -- let's back up for a second. So if you currently have a party and we know, right, mostly the -- the major parties have County Committees, but say we're talking about one of the minor parties and they don't have County Committees or maybe -- I don't know, are there parties that have maybe County Committees in some counties and they don't in other counties? Or they -- or -- or as -- or is it usually they either have County Committees or they don't?

(Conferencing)

MS. LEVENBERG: It's usually all or nothing.

MR. RA: It's usually all or nothing. So, I mean to my knowledge, then the parties that currently have established ballot lines, which as we know gets established each even year, whether it's a

presidential election or a gubernatorial election by getting a certain number of votes and we're all familiar with this and we've, you know, upped that number in recent years and some of the parties that maybe some of us have been familiar in the past or run -- even run on their lines have cease to exist in recent years. So really we're talking to -- we're talking about a core number of parties. So the only one then, if it's all or nothing, the only one I know of is the Working Families Party that doesn't have because I -- I -- the other ones as far as I know have County Committees.

MS. LEVENBERG: Okay.

MR. RA: So --

MS. LEVENBERG: I -- I think the Green Party maybe. I'm not -- I'm not -- I'm not familiar. I know that there's some other minor parties that they come and they go. Again, this is the -- the notion that -- that all parties who have voters enrolled should have the ability to make sure that voters who are affiliated with their party are -- are -- are aligned with their principles.

MR. RA: Okay. I -- but I -- I don't believe that, you know, there -- there are these parties that have come and gone, but I think currently based on the last election, it seems -- it seems to me that Working Families would be the -- the one that this applies to because it's --

MS. LEVENBERG: Okay --

MR. RA: -- it doesn't apply in a situation, right, if it's the Republican Party, if it's the Democratic Party and they have local

committees, this doesn't say now we're taking the power away from the local committees and giving it to the State, correct?

MS. LEVENBERG: So, at this moment I would say yes, but in the future that might change. We may see -- see a -- another party get introduced.

MR. RA: Okay. With regard -- with regard to which parties this applies to? That's with regard to my previous question, that answer wouldn't --

MS. LEVENBERG: And I said yes.

MR. RA: Yes. So, but I -- but with regard to a party; the Democratic Party, the Conservative Party, the Republican Party that currently has County Committees, this doesn't really change that for them? They -- the authority would still rest with the County Committee?

MS. LEVENBERG: Correct. This process has been in place. This -- I don't -- I don't know at what point. I know that the -- the complaint was about this process. The process itself is in place. This isn't questioning the process that's in law, it's only amending it to allow for committees that -- for parties that do not have established County Committees to partake in the same process that the other parties do.

MR. RA: Okay. Thank you.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. RA: So we've done a number of Election Law

changes, I talked about this last week on another thing we did. And we -- we get ourselves in these situations where everybody in the room knows exactly what's going on, but it's like we can't say it. Sometimes it's for legal reasons we can't say it, sometimes it's for other reasons because, you know, we have to claim on its face that it's about something other than what it's about. This bill is about the congressional campaign in the Hudson Valley last year. Everybody in this room knows what that -- what -- that's what this bill is about and it only applies in a very specific situation for one of the parties that wasn't able to kick somebody off the ballot. But at the end of the day, we talk about democracy all the time, this individual registered in a party and won a primary and they appeared on a ballot line. It's seems to me that the solution was to get more votes for the opponent so that that person would've represented the party on the ballot line.

So again, we all know what's going on here. We should reject it. We have to stop thinking just because one party controls this State that they should every chance they get if they see something going on they should change the rules to benefit the Democratic party. This is about not small D democracy, large D democracy. I vote no. Thank you.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A slow roll call has been requested.

The clerk will record the vote.

(The Clerk recorded the vote)

Mr. Lavine to explain his vote.

MR. LAVINE: I withdraw.

ACTING SPEAKER HUNTER: Mr. Dais to explain his vote.

MR. DAIS: I -- I understand some of the concerns and arguments that was [sic] made on both sides, but I would offer -- I would offer a different vantage point. Let's say I had my own party, the Landon is the Best Party, and I had some people who registered underneath my political party who I thought believed in who -- in our political vantage points. And then a member of my Party went out and committed an act of political violence. Would I want that person representing my Party any longer? Would you want that person to represent your Party any longer? Or would you want them to be expelled from your Party? Regardless if found guilty or innocent, the fact that that can diminish your Party and your ideals, you should have a mechanism to expel someone from your Party in a manner that's already been legalized for the major parties. So a Democrat can do it, a Republican can do that. But if the Landon Dais is Great Party cannot do that and that would diminish the value of the party that I'm trying to build and the values that I believe in, this is giving me a mechanism to do such. This is about level the playing field to allow the smaller parties in those areas to have the same rights as a major party. And if we do not do that, one would argue that there goes the

big parties not listening to the third parties in our country.

So, therefore, that's why I'm voting in the affirmative, and that's -- that's my reasoning for supporting this bill.

ACTING SPEAKER HUNTER: Mr. Dais in the affirmative.

Mr. Sempolinski to explain his vote.

MR. SEMPOLINSKI: Yeah, I'm gonna be voting in the negative. This is supposed to be a free country. You're supposed to be able to express yourself politically as you see fit. And an area that's gonna be less likely to have a county committee is gonna often be perhaps a rural area. So a person signs up to join a political party. Maybe they think like the folks in that particular area, but they don't think like someone at the State level. And the idea of a rural person being called before some sort of party inquisition in Albany or New York City because they think wrong compared to how the party leadership of the State level thinks is odious to me. It's odious to a free society.

I vote no.

ACTING SPEAKER HUNTER: Mr. Sempolinski in the negative.

Mr. Reilly to explain his vote.

MR. REILLY: Thank you, Madam Speaker, to explain my vote. This is nothing more than Lucy pulling the ball away from Charlie Brown when he's about to kick it, thinking that the field goal is right there. Constantly moving the goal post. That's what

happens here. It's shameful.

I vote in the negative.

ACTING SPEAKER HUNTER: Mr. Reilly in the negative.

Mr. Durso to explain his vote.

MR. DURSO: Thank you, Madam Speaker. Again, having this bill in statute already for larger parties, again, when they have county committees and they're able to do this. This is for small parties that do not have the means, but also they don't have the people that are involved. They don't have the money behind them. And unfortunately, when you have smaller parties like this that, as my colleague said, are -- you know, have rogue people that are in them, there -- there's no mechanism in place for those people that join those parties and then the party itself changes. They're worried so much about the person changing, no one has mechanism in place for the change if the party was to change. And obviously, this is a very targeted bill, and unfortunately it's not gonna stop them anyway.

So I vote in the negative.

ACTING SPEAKER HUNTER: Mr. Durso in the negative.

Ms. Levenberg to explain her vote.

MS. LEVENBERG: Thank you, Madam Speaker. Again, the point of this amendment to what's already in State statute is to level the playing field, as my colleague across the aisle just -- just said. It's -- he actually mentioned that it's not -- if you don't have the

people involved or you don't have the money behind them. So smaller parties are, therefore, at a disadvantage because they do not have the same access to a process to question if those who are not in sympathy with the principles of the party should be registered with -- with that party alignment. This would level the playing field so that big money doesn't necessarily win out and win the day, and those people who are involved in the party and do follow the principles are the ones who would be running for office and would be, again, aligned with the party as there should be. And this would give a process in place to question or challenge those who are not by voters of the party themselves.

So I vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Levenberg in the affirmative.

Mr. Tague to explain his vote.

MR. TAGUE: Thank you, Madam Speaker. I rise to explain my vote. I -- I just don't understand it, this coming from the party that has rank choice voting. It just doesn't make any sense to me why -- why we would even be sitting here tonight voting on a bill like this. I mean, don't we really care about democracy? Don't we -- don't we want people to vote for who they want to vote for? It just doesn't -- doesn't make any sense. I mean, we really know what this bill all -- is all about. It's about the congressional race in New York 17. We know what that's about. You know, everybody's over there smirking. That's what this is about. This isn't about democracy. This isn't about

freedom of elections. This is about a certain congressional seat that another party has been smarter and worked harder in the last two election cycles and won. That's really what this is about. And again, we politicize legislation and it goes back on the voters of the State of New York. What a shame. What an absolute shame.

I vote no.

ACTING SPEAKER HUNTER: Mr. Tague in the negative.

Mr. Palmesano to explain his vote.

MR. PALMESANO: Yes, Madam Speaker. I know the question was asked, what -- what was this -- the genesis for this bill? The original sponsor's memo that was introduced says in 2024, New York 17 congressional election Anthony Frascone was able to secure a spot on the ballot through an unconventional set of circumstances. When running for office, engaging with potential voters and performing outreach to local communities is essential for any candidate who seeks to represent the world of people. However, Fran -- Franscone [sic] did not run a campaign for the congressional seat. There was no fundraising or significant outreach to gain additional support, and Francone [sic] did not have any previous affiliation with the party. It appears --- blah, blah, blah, blah, blah. But this is -- this memo says what this bill is about. It was New York 17 in 2024.

I vote no.

ACTING SPEAKER HUNTER: Mr. Palmesano in

the negative.

Ms. Lunsford to explain her vote.

MS. LUNSFORD: Thank you, Madam Speaker. I guess I'm just confused why everyone is acting like this is some dramatic change in our law. Right now, any party in New York State that has a county committee can currently say, *I don't think this person should be a member of our party*. Whether they are Democrats or Republicans or Conservatives. If they're a member of the Working Families Party in Monroe County or Suffolk County, where they have county committees, they can currently do what this bill is saying. But they can't do that in, say, Rensselaer County or Allegheny County where they don't have county committees. Frankly, I don't know that this bill is entirely required because I think they can just change their bylaws and do this. If another party -- we had a SAM Party and a Women's Equality Party. This just creates a mechanism so that they can utilize their State committee in smaller counties to do what is already legally allowed. This doesn't give any new power. It doesn't change anything dramatic. It just provides a mechanism so that small parties can do what everybody else can do. The hand wringing is really unnecessary.

I vote in the affirmative because this bill is not a big deal. Thank you.

ACTING SPEAKER HUNTER: Ms. Lunsford in the affirmative.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, if you could please call on our colleagues that are on Zoom to get their responses to this vote.

THE CLERK: Ms. Barrett, for the record, please state your name and how you wish to vote.

(Pause/no response)

Mr. DiPietro, for the record, please state your name and how you wish to vote.

(Pause/no response)

Mr. Epstein, please state your name -- for the record, please state your name and how you wish to vote.

MR. EPSTEIN: Harvey Epstein, yes.

THE CLERK: Mr. Epstein in the affirmative.

Mr. Gibbs, for the record, please state your name and how you wish to vote.

(Pause/no response)

Mr. McDonough, for the record, please state your name and how you wish to vote.

(Pause/no response)

Mr. Ramos, for the record, please state your name and how you wish to vote.

MR. RAMOS: I vote yes.

THE CLERK: Mr. Ramos in the affirmative.

(Pause)

Mr. Gibbs, for the record, please state your name and

how you wish to vote.

MR. GIBBS: Edward Gibbs, I vote in the affirmative.

THE CLERK: Mr. Gibbs in the affirmative.

Ms. Septimo, for the record, please state your name and how you wish to vote.

MS. SEPTIMO: Amanda Septimo, voting yes.

THE CLERK: Ms. Septimo in the affirmative.

Mr. Slater, for the record, please state your name and how you wish to vote.

MR. SLATER: Matt Slater, I vote no.

THE CLERK: Mr. Slater in the negative.

Ms. Williams, for the record, please state your name and how you wish to vote.

MS. WILLIAMS: Jaime Williams, I vote no.

THE CLERK: Ms. Williams in the negative.

Mr. Ramos, for the record, please state your name and how you wish to vote.

MR. RAMOS: I vote yes.

THE CLERK: Mr. Ramos in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 3, Rules Report No. 856, the Clerk will read.

THE CLERK: Assembly No. A03351, Rules Report

No. 856 -- excuse me, Senate No. S05170, Senator Skoufis (A03351, Dinowitz). An act to amend the Civil Practice Law and Rules, in relation to permitting a plaintiff to recover against a third-party defendant in certain cases.

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Dinowitz.

MR. DINOWITZ: This bill would allow a plaintiff whose judgment against a defendant remains unpaid after 30 days to recover the unpaid amount directly from a co-defendant or third-party defendant who was legally responsible to contribute or indemnify the original defendant. And if the defendant has not yet obtained a judgment for contribution or indemnification, the plaintiff may take over and pursue the claim.

ACTING SPEAKER HUNTER: Ms. Walsh.

MS. WALSH: Madam Speaker, will the sponsor yield for questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. DINOWITZ: Yes.

ACTING SPEAKER HUNTER: The sponsor yields.

MS. WALSH: I detected a little hesitation in your voice there, Mr. Dinowitz.

MR. DINOWITZ: Well, I was thinking about it.

MS. WALSH: Okay. And -- and this is such an

interesting topic that I'm sure it's gonna liven everybody right up.

Okay.

So first of all, why -- I wanted to -- actually, first of all, I wanted to congratulate this bill on achieving its silver anniversary. It's 25 years old, so that's fantastic.

MR. DINOWITZ: I -- I've had older.

MS. WALSH: Mazel. That's awesome.

So -- so anyway, why are -- why is this bill coming back? Why are we doing this bill tonight?

MR. DINOWITZ: Because if you don't succeed at first, try, try again.

(Laughter)

MS. WALSH: You try and you try. Okay. So back in, let's see, 2019, that's the one and only vote that we ever had on this bill, and it passed, spoiler alert, right, 96 to 41. It was vetoed by the Governor. Has the bill changed at all since that vote in 2019?

MR. DINOWITZ: I think the Governor has changed.

(Laughter)

MS. WALSH: The Governor definitely has changed. This is true. But I would -- I would -- I would say that he had an excellent veto message, which I'd love to share at some point later maybe. But has the bill changed at all? I know that this used to be -- I think Member Weinstein used to carry this bill, and then somehow you -- you inherited it. So do you know if it's changed?

MR. DINOWITZ: I don't know that it's changed.

MS. WALSH: Yeah. I -- I didn't really check it over those 25 years to see.

MR. DINOWITZ: No, I -- what I have should have done is I should have gone back to each version of the bill going back to the beginning of this millennium, but I'm pretty sure each version was the same as this one.

MS. WALSH: Okay. Well, I think that that's a yes, then. It has not changed. That is correct. Okay. So by its terms, though, wouldn't this bill contradict longstanding principles of New York law regarding fault and responsibility in the criminal justice system and will accordingly increase costs for New York businesses and consumers?

MR. DINOWITZ: No.

MS. WALSH: No? How -- why do you say that?

MR. DINOWITZ: Why do you say otherwise? I mean, I don't think it contradicts those principles at all.

MS. WALSH: Oh, you don't? So then why are we bringing it, then? I mean, if it doesn't make any change in the law, then why -- why do we have a bill on this?

MR. DINOWITZ: I didn't make it doesn't make changes to the law. What I said is it doesn't contradict longstanding principles and whatever else you read from that memo that somebody wrote.

MS. WALSH: Okay. Well, I'll break it down for you then. Let's break it down, okay? So --

MR. DINOWITZ: I'll -- I'll give you a more detailed answer, just to --

MS. WALSH: Okay.

MR. DINOWITZ: It represents existing legal relationships. The bill only allows recovery with the third-party defendant or codefendant has already been found liable to the original defendant through contribution or indemnification. And it doesn't create new liability, it simply expedites recovery when a judgment is unpaid.

MS. WALSH: Well, it does definitely expedite it. It allows -- it's called -- it allows the plaintiff to jump over an insolvent defendant and collect from an impleaded third-party defendant. Right? Isn't that -- isn't that kind of like the problem that it's trying to correct, is the case where a plaintiff brings an action against a defendant and that defendant ends up being somewhat insolvent and can't -- can't pay the judgment? So this bill allows the plaintiff to jump over to maybe a deeper pocket that another defendant that has a relationship with that insolvent defendant.

MR. DINOWITZ: Well, I don't know if I'd use the word "jump over", but I certainly think that a plaintiff who has been successful and who deserves to be compensated should have the ability to do so in a way that's appropriate. And if this third-party defendant, that person could be the appropriate party to do that. Especially if that third-party defendant is liable to the defendant/third-party plaintiff.

MS. WALSH: Well, but what about -- does this bill require that that second defendant -- I'm just gonna call that -- that defendant the "deep pocket." Let's just call him the deep pocket, because --

MR. DINOWITZ: That's kind of a loaded term. Why don't we just say A, B and C; A being the plaintiff, B being the defendant, and C being the third-party defendant?

MS. WALSH: Okay. All right. I'll do that. I don't wanna -- I don't wanna be pejorative. I mean, it -- it's really, though, to address the issue of the broke defendant and then the defendant that's gonna potentially have some money. That's what we're -- and we're trying to help the plaintiff become whole, which I think, you know, I generally don't have a problem with the idea of a plaintiff being made whole. That's -- that's a good idea, I guess. But --

MR. DINOWITZ: It's an excellent idea.

MS. WALSH: What's the -- what's the -- yeah, and the trial lawyers think so, too. But what's the relationship --

MR. DINOWITZ: Nothing wrong with that.

MS. WALSH: -- between the -- the plaintiff, A, and C, that second defendant? What's -- what's their relationship?

MR. DINOWITZ: Well, the relationship is probably more between the defendant and the -- between B and C.

MS. WALSH: Yeah. I -- I know this is taking us both back to law school, but there's a difference between indemnification and contribution. Do you want to explain that for

those of us here who are non-lawyers?

MR. DINOWITZ: No.

MS. WALSH: Not really? Okay. All right. So I'll do it for you. Contribution differs from indemnity in that it is not founded upon nor does it rise from a contract, and only a proportional reimbursement is sought, while indemnity springs from a contract, expressed or implied, and full, not partial reimbursement is sought. So there's a difference between indemnity and contribution. Does this bill change that at all? The way that a plaintiff is able to seek payment from Defendant C?

MR. DINOWITZ: I think the key to this bill is that it lets the plaintiff take over and prosecute the defendant's contribution/indemnity claim if no judgment yet exists. In other words, it -- it gives the plaintiff the ability if the third-party defendant also has a liability, to be able to recover from that individual. And that would be done if they can't recover from the defendant, B, for one reason or another.

MS. WALSH: Now, in -- under this bill, does -- does the plaintiff, A, have had to have sued Defendant C directly?

MR. DINOWITZ: I don't believe so. I believe that B could bring C into the case.

MS. WALSH: B could bring C into the case okay. So normally, under existing law, is it true that under current law B would be able to get contribution from C, but not -- but the plaintiff would just get no more than what the plaintiff is supposed to get?

Like, what the judgment was supposed to get so that plaintiff doesn't get a windfall.

MR. DINOWITZ: I -- I don't believe the plaintiff would be able to get a windfall. But I -- I -- I should say that to me, one of the key pieces of this bill is it deals with the -- the issue of a time frame. Like right now, I mean, if -- if the plaintiff can't recover from defendant B within 30 days, then this is -- this kicks, in I guess.

MS. WALSH: I'm sorry, I didn't hear the end. This is what?

MR. DINOWITZ: If the plaintiff can't recover from the defendant within a period of time, 30 days, that is when the plaintiff can then try to recover from the third-party defendant, C.

MS. WALSH: Right. Okay. Oy vey. All right. So, what -- what -- the way I understand this case is that say that there's a lawsuit brought between plaintiff and a defendant and then there's an action by that defendant for contribution by a third-party. So what this bill would allow the plaintiff to do is to bypass any judgment that they receive from the defendant and go directly to the third-party; is that correct?

MR. DINOWITZ: No. That's not correct.

MS. WALSH: Okay. Tell me where I'm wrong.

MR. DINOWITZ: Well, for one thing I don't think the plaintiff could go to try to deal with -- with the third-party defendant, C, with -- in too short a period of time, number one. And number two, in the first instance the plaintiff would need to try to

recover from the defendant, B.

MS. WALSH: Right. Yeah. And then when they find out that Defendant B is broke, it allows them to then go after Defendant C. That's what this bill does.

MR. DINOWITZ: Then it would be Defendant C if -- I assume that Defendant C was brought in by Defendant B.

MS. WALSH: B, yeah. That's -- and that's different than the way that we do things right now, right? This represents a change.

MR. DINOWITZ: Well, I think the -- well, let me refer to here. So what this bill does is it allows the plaintiff to collect an unpaid judgment from a codefendant or third-party defendant who owes contribution or indemnification to the original defendant. So C owes B. And it permits the collection if the original defendant has a judgment for contribution or indemnity that remains unpaid after 30 days, like I already mentioned.

MS. WALSH: Yes.

MR. DINOWITZ: And this is very important: It lets the plaintiff take over and prosecute the defendant's contribution/indemnity claim if no judgment yet exists. And also, and just in case you were going to bring this up, it bars recovery against third-party defendants protected by Workers' Comp, such as the plaintiff's employer.

MS. WALSH: I -- I do wanna talk about Comp in a minute, but I wanna just be absolutely clear here. So under this bill,

regardless of the apportionment of fault, could the plaintiff recover more damages than the defendant is responsible for? Like, you had talk earlier about windfall and that you didn't believe there was any windfall possible here. But could the plaintiff recover 90 percent of damages even if the third-party defendant is only ten or 40 percent at fault?

MR. DINOWITZ: No. The -- the plaintiff can only recover from the third-party defendant if the person who has been impleaded into the case only to the extent that that person is responsible percentage-wise in the first place. So, no more. They can't get more than -- than the third-party defendant is responsible for.

MS. WALSH: What does this bill do in terms of the statute of limitations for tort actions?

MR. DINOWITZ: I don't think it does anything.

MS. WALSH: You don't think it does anything?

Okay.

MR. DINOWITZ: No.

MS. WALSH: No? Okay. All right. Okay.

So let's go to the veto message back from 2019 from the -- from the previous Governor. Governor Cuomo said, *I support -- this is in part, I'm not gonna read the whole thing -- I support the public policy of this bill which allows for injured plaintiffs to be made whole -- you know, as I do. However, the proposed legislation is not an effective nor practical means to that end. Numerous stakeholders, including the State Insurance Fund and Workers' Compensation*

Board raised concerns with this approach, with many stating that this change will significantly increase insurance premiums. Based on the foregoing reasons I am constrained to veto this bill. So -- and the bill hasn't changed. So isn't there a concern that this is going to significantly increase insurance premiums?

MR. DINOWITZ: No, they're wrong.

MS. WALSH: Oh. Okay. You -- do you have anything else to say about that other than they're just wrong?

MR. DINOWITZ: Why, are you confused? No -- I -- I -- why would you take everything they say at face value?

MS. WALSH: Oh, okay.

MR. DINOWITZ: And by the way, it was six years ago, so eve -- they're wrong and it's six years old that they're wrong.

MS. WALSH: And they're already paying more premiums so why should we care if it goes even higher, right?

MR. DINOWITZ: Well, they're -- they're wrong.

MS. WALSH: Yeah. All right. Well, MLMIC, the insurance company, in their opposition memo they say that, *This bill would establish a new CPLR Section 1405. In relevant part, the proposed new CPLR Section 1405 would permit a plaintiff to bypass the defendant that he or she initially sued to collect the money judgment directly from a third-party defendant that in turn had been sued by the original defendant for contribution or indemnification. The bill would permit this to occur even though the plaintiff had not sued or perhaps could not have sued the third-party defendant in the*

first instance.

Can you think of an example where a plaintiff would perhaps not have been able to sue the third-party defendant in the first instance?

MR. DINOWITZ: Who -- who wrote that?

MS. WALSH: MLMIC, M-L-M-I-C Insurance Company.

MR. DINOWITZ: No, but I mean, who is it from? Like, what entity?

MS. WALSH: MLMIC Insurance Company.

MR. DINOWITZ: Oh, an insurance company.

MS. WALSH: Yeah. A Berkshire Hathaway --

MR. DINOWITZ: An insurance company?

MR. WALSH: -- company. Yeah.

MR. DINOWITZ: You're gonna base anything on what an insurance company says? The insurance company never wants to allow anything to happen that they think might possibly interfere with their exorbitant profits. So I wouldn't take everything they say on face value at all.

MS. WALSH: Okay. So I can't believe what the Governor said when he -- in his veto message --

MR. DINOWITZ: I didn't say you can't believe what the Governor said.

MS. WALSH: -- and I can't believe the insurance company. So it's just what -- any opposition to your bill is just false;

is that right?

MR. DINOWITZ: Yeah.

(Laughter)

MS. WALSH: Yeah, pretty much. Pretty much. I see. I see where you're going. Okay.

But the -- the real question I was asking you -- and I -- I see that I'm about to expire my time, and due to the lively conversation we're having I will extend. So wouldn't it be a situation, in answer to my question, where a plaintiff could maybe not have sued the third-party defendant in the first instance. That made me think that in -- in some situations a plaintiff who was an employee could not directly sue their employer because they would be precluded from that and be required for their tort to go through Comp instead? Isn't that, like, an example?

MR. DINOWITZ: Why would they be precluded?

MS. WALSH: Because unless -- you can't -- you can't sue your employer directly if you're going to be going through Comp, if it's a Comp matter.

MR. DINOWITZ: Oh. But as -- as I said earlier, this is not really dealing with Workers' Comp issues in the first place.

MS. WALSH: Isn't it a back-door way, though, to get at the -- at the employer who might have more money?

MR. DINOWITZ: No. This bars recovery against third-party defendants protected by Workers' Comp. I mentioned that earlier.

MS. WALSH: Okay. Okie doke. All right. So --

MR. DINOWITZ: And -- and let me read from the bill just one line, just to emphasize that. It says, *This section shall not authorize direct recovery against a third-party defendant in those circumstances in which the third-party claim against that third-party defendant would have been barred by provisions by Section 11 of the Workers' Compensation Law, and does not otherwise permit a defendant -- a plaintiff to bring a cause of action against a third-party if such third-party was the plaintiff's employer at the time of the incident or injury.* So that answers that.

MS. WALSH: Okay. So that -- so maybe that was a bad example, then, to think about that, the plaintiff. I understand what you're saying about that section. So, okay. But there might be another situation I'm just not thinking of where the plaintiff could not sue directly Defendant C, but could, under this bill, go after Defendant C once there's this change in the law, no?

MR. DINOWITZ: Well, that -- that's only if Defendant B brought Defendant C into the case in the first place.

MS. WALSH: Okay.

MR. DINOWITZ: Otherwise there would be no Defendant C.

MS. WALSH: Well, what -- I mean, what wrong or what problem is the bill trying to correct?

MR. DINOWITZ: The problem the bill is trying to address is the fact that in certain cases the plaintiff's basically out of

luck after having won, and that's not something that I think any of us would like. That's my answer.

MS. WALSH: Could you -- I'm sorry, could you just repeat that? I didn't quite understand that.

MR. DINOWITZ: Yes. The -- the problem is that in some cases, although the plaintiff has won, there's not -- there's no recovery to be had because the defendant has no money, for example. So in certain cases it's not inappropriate for the plaintiff to be able to recover from a third-party defendant. I mean, anybody in this room could be a plaintiff, and we certainly want plaintiffs to be able to recover whatever it is that they should recover, and in some cases there's -- there's just no resources for that to happen.

MS. WALSH: Okay. Well, I appreciate the conversation very much, and I will just go on the bill at this point.

ACTING SPEAKER HUNTER: On the bill.

MR. DINOWITZ: Okay. Well, thank you. And I'm gonna miss you so much for the next six months.

(Laughter)

MS. WALSH: Awe, thank you. That's so nice. All right.

Well, anyway, Madam Speaker, on the bill. We're all getting a little bit punchy, I guess, at this point. And this is -- this is, I don't know, for lawyers or even for non-lawyers it's -- it is kind of a little bit of a trip. If you don't do a lot of -- you know, if you don't a lot of this kind of work, and it's been a while since I did, it -- it is kind

of hard to explain. But, I mean, basically, the way I understand it is that there's a lawsuit brought between a plaintiff and a defendant and there's an action by the defendant for contribution to a third-party, and what this bill would allow is for the plaintiff to bypass any judgment that they receive from the defendant and go directly to the third-party. There might be time limits and they might have to wait a little bit or try to make an effort to collect. I can't remember. But the problem with this is that we can take all the collection efforts that the plaintiff normally would be obligated to pursue against the defendant, and allows the plaintiff to bring a collection action; a collection action directly against a third-party who may have deep pockets. And sometimes that third-party is a municipality, those that are easiest to collect from. And so what it does is it makes it much easier for a plaintiff to collect not against the tortfeasor that they actually sued, but against a third-party.

And so for that reason there are many of us that will not think that that is a great idea, that it really does change traditional notions of contribution and indemnification. And so this essentially lines up support being from the trial lawyers who welcome such a change, and opposition from the insurers; the insurers who say that this bill changes the theories of contribution and indemnity into an apportionment paradigm even against parties the plaintiff never sued in the first place.

From the New York State Insurance Association:
Allows collusion between plaintiffs and defendants for reimbursement

from third-party defendants which in turn would harm New York State businesses and residents.

And American Property Casualty Insurance Association: *This bill materially collapses distinct theories of liability and would eliminate the need to establish a legal duty. This bill allows plaintiffs to untimely pursue third-party defendants, and it leaves defendants unnecessarily and unfairly subject to responsibility.*

And as I mentioned, this bill was vetoed back in 2019 with a concern being raised that, *In a conservative estimate -- this is quoting from the veto message -- the New York Compensation and Insurance Rating Board determined that the fiscal impact of this legislation would result in an increase of 150 million in annual losses, which translates to approximately an 11.2 percent increase in insurance premiums.*

And for all of those reasons I'll be voting in the negative and I would encourage my colleagues to do the same. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Ra.

MR. RA: Thank you, Mr. Speaker -- Madam Speaker. I'm sorry.

ACTING SPEAKER HUNTER: That's okay.

MR. RA: Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. DINOWITZ: I will.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. RA: Okay. So -- so I know you didn't wanna use the term "deep pockets", but let's say we have A, B and C, and A is an individual that gets injured in a park, maybe a New York City park, and it's through the negligence of somebody else in -- in that park. But there's a finding that, say -- let's say the City of New York is -- is C and there's a finding that maybe they're 45 percent at fault and B is 55 percent at fault. What would happen currently when A gets that judgment and how does it change under this?

MR. DINOWITZ: Who -- who exactly is B?

MR. RA: A, who got injured in the park.

MR. DINOWITZ: No -- no, but who is B?

MR. RA: B is somebody who, I don't know, maybe they -- maybe they attacked them, but also there was some dangerous condition and they -- and they fell in a hole or something.

MR. DINOWITZ: Oh, usually the City is B because most people sue the City. But okay, let's go with what you have there.

MR. RA: Well, I think that -- but I think that's what we're trying to get at here, that if -- that the likely scenario here is of course you're going to go after the City of New York because -- I know you didn't want to use the term "deep pockets", but they're the deep pocket here. So isn't that what we're --

MR. DINOWITZ: Well, I mean, there are -- there are three parties we're talking about here. One of the three has the deepest

pockets.

MR. RA: Right.

MR. DINOWITZ: Maybe that's the City, maybe it's not. The City's not so deep with their pockets lately.

MR. RA: Well, they're still gonna have a deeper pocket than most unless -- unless --

MR. DINOWITZ: Let's hope that continues next year.

MR. RA: We could all hope on that. So -- so how does that situation -- again, B may -- let's say B pushed the person but there was also some condition within the park that -- that -- and has now been found was 45 percent the cause of the injuries while the B who pushed the person is 55 percent.

MR. DINOWITZ: I -- I think if -- if after 30 days if they -- if the plaintiff can't -- can't get anything from B, the main defendant, they can try to go after C, the impleaded defendant. But it's still capped what they can get from them to the extent of the percent you mentioned, which I think was 45 percent?

MR. RA: Yes.

MR. DINOWITZ: Yes. So it's capped at 45 percent.

MR. RA: Okay. So that's under this -- this bill. As opposed -- as opposed to now, would it be -- what would the scenario be under existing law?

MR. DINOWITZ: I -- I think the real thing about this bill, to me, is that you can go after C after 30 days whereas now that's

not necessarily the case or easily done.

MR. RA: Well, that -- that's -- that's what I'm saying. How would you -- how would you get to C under current law?

MR. DINOWITZ: You'd -- you'd have to sue or -- or -- or you'd have to -- you'd have to sue C -- I mean -- I shouldn't -- let me take that back. B has brought in C, and you'd have to -- you have to go after C as well. But you can't do that easily right now.

MR. RA: Okay. Now, under existing law I -- I believe one of the pieces of that is that you would have to bring that third-party in within the -- the statute of limitations of the other underlying claim, correct?

MR. DINOWITZ: You'd have to bring it within the statute of limitations. And the -- the main defendant is the one who would really be suing -- in essence, suing C to get -- you know, to get money through them.

MR. RA: Okay. Now, how does this treat that statute of limitations? Say -- say C was not brought in in a timely manner under the statute of limitations. Does that change under this?

MR. DINOWITZ: No.

MR. RA: Okay. Thank you. So what -- what this does, then, is allows you go directly after C, but on those principles of -- of joint and severable liability in terms of apportionment remain in effect with regard to that third-party?

MR. DINOWITZ: Yes.

MR. RA: Thank you. Now, as was previously stated,

that prior veto talked about some concerns just in terms of -- of costs. We do certainly have an issue in New York State with -- with insurance costs. I know you dispute that it could lead to an increase in costs. But do you have any sense as to -- I mean, are there -- is there -- is there data out there in terms of what the additional amount plaintiffs would be able to recover under this that is going, I guess, unclaimed right now because -- because B in this scenario isn't able to pay the judgment?

MR. DINOWITZ: I -- I think anything regarding increased costs are -- are speculative. There's no way to know that. I don't have any data one way or another on that, but it's speculation. And any time anybody might potentially have to pay more, you know, they're -- they're gonna make claims to try to block that from happening. I mean, that's only natural. So do we know that -- that the -- the claims made in the veto message are correct? No. I mean, I guess at the time the then-Governor relied on what he was told, but what he was told was speculation. It wasn't fact. And I'd like to stick to facts like the former Governor did.

MR. RA: Are you suggesting the former Governor sometimes didn't follow facts?

MR. DINOWITZ: Not at all. The -- the former Governor, from what I've seen -- I watched all those shows every day -- did follow facts. But that doesn't mean -- I think -- but that doesn't mean that the agencies that he had mentioned followed the facts.

MR. RA: I'm not sure I ever saw him follow

somebody else's advice if he didn't want it to be his own. So I guess when -- when that veto was -- was done -- so you -- I -- I get that you dispute what he was raising as a concern. But if we now enact this you have, what, 30 days -- or if the judgment isn't paid in 30 days by B, you can go after C. Now, where -- where does that time frame come from? Why -- why 30 days? Is that enough time to make sure we've identified any assets that -- that B may have to pay the -- the judgment?

MR. DINOWITZ: That's the -- that's the amount of time we put in the bill.

MR. RA: But -- but why -- why 30 days or -- as opposed to 60 days?

MR. DINOWITZ: Because 30 days is less.

MR. RA: I understand 30 days is less, but --

MR. DINOWITZ: We -- we want -- we want there to be, I'll use the word "justice." The plaintiff is entitled to a certain amount of money, and if it's clear that the plaintiff will not be successful in getting that money within 30 days, they can then try to recover in other ways. Thirty days, 60 days, 90 days. Thirty days.

MR. RA: Okay. So -- but what if that's not sufficient time to identify any resources that might be there to pay the judgment?

MR. DINOWITZ: No, it doesn't have to be done by 30 days -- it -- it doesn't have to be done by 30 days, it can only be --

MR. RA: But -- but after 30 days --

MR. DINOWITZ: You can only bring in the -- the --

after 30 days. But there's already been a judgment.

MR. RA: Yes.

MR. DINOWITZ: It's already happened.

MR. RA: Okay. Now, the applicability of this.

Once it's signed into law it applies to all judgments entered on or after that date, correct?

MR. DINOWITZ: Yes.

MR. RA: So it's -- it's possible, if not likely, that there are cases that are working their way through the courts that may, let's say -- optimistically for yourself, let's say the Governor signs this in a week, and cases that are currently in litigation that then -- you know, and have never contemplated this change in the CPLR then will be subject to this, correct?

MR. DINOWITZ: They'll be subject to it after there is a judgment. Any time after this -- this -- after it's signed, then it takes effect. Any judgments after that time will be subject to the provisions of -- of this bill.

MR. RA: Okay. Thank you, Mr. Dinowitz.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. RA: Just quickly. I -- I do see the concerns here from the standpoint of we talk a lot about these different issues, and it could be in the medical liability space, it could be in property. It could be -- you know, it could be a hospital, it could be -- it could be in any different place we can be looking that oftentimes there is going

to be that -- whether we want to use the term or not -- the deep pocket. You know, the -- the huge hospital system, the -- the municipality. Whoever it is. And this really is going to create a scenario where it's -- it's really all about getting to that deeper pocket to -- to be able to get -- get a greater recovery. A lot of these areas have been screaming for reforms for years that would help make doing business -- whether you're a doctor, whether you're a, you know, an insurance professional, whether you're just a business that needs to have liability insurance for any reason -- to make it easier to operate in New York State, and I fear this could have a negative impact on that.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Fitzpatrick.

MR. FITZPATRICK: Thank you, Madam Speaker.

Would the sponsor yield for a couple of questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. DINOWITZ: Climate change is definitely real.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. FITZPATRICK: Yes. Thank you, Mr. Dinowitz. I -- I -- the -- the debate has been very interesting and I'm trying to -- help me understand something. You said before that this legislation would allow a defendant to -- if Defendant 1 -- you have the plaintiff, Defendant 1, say Defendant 2. Defendant 1 cannot fulfill that obligation, you know, that the jury gives to the defendant -- to the

plaintiff, rather. So you -- you said in certain circumstances this legislation would allow that -- that plaintiff to go after a third-party. But if I heard you correctly, you said this bill would not -- the -- the third-party, or the deep pocket -- and I prefer to use the term "deep pocket" because I think that's the term the lawyers use behind closed doors at their law firms. They don't use, you know, softer language. They go right for the -- you know, we know what this is all about. This is all about money. So -- so you -- I think you said that the -- Defendant Number 2 would not be on the hook for more than what they have been found liable for. You know, say, based on a percentage?

MR. DINOWITZ: Yes.

MR. FITZPATRICK: So if -- but you said except in certain circumstances. So what would those circum -- certain circumstances be? Would that be when there's an insurance company or a municipality involved that would be considered a deep pocket?

MR. DINOWITZ: I'm not sure I said it that way, and if I did --

MR. FITZPATRICK: That's how I heard it.

MR. DINOWITZ: Oh.

MR. FITZPATRICK: Verbatim.

MR. DINOWITZ: So you might have (indiscernible) that which I didn't imply. But let me just --

MR. FITZPATRICK: Okay.

MR. DINOWITZ: -- say it again. So the plaintiff

sues the defendant. A sues B, and the Defendant B sues C, brings C into the case because the Defendant B believes that C is partially or -- or entirely responsible for whatever happened.

MR. FITZPATRICK: Right.

MR. DINOWITZ: But A hasn't been suing C. A didn't have that -- A didn't have that connection in the case necessarily to C, B did. So A, under this, especially if -- if B doesn't have any money, A can still try to recover from C, that which -- which B would have been entitled to from C. So if it was determined that B, the main defendant, was 60 percent liable and C, the impleaded defendant, was responsible for 40 percent, the plaintiff could then go after C for the 40 percent.

MR. FITZPATRICK: Okay. So that -- okay. So the -- they can go after what -- but wouldn't C be on the hook for that 40 percent anyway, if -- let me just --

MR. DINOWITZ: Not to the plaintiff.

MR. FITZPATRICK: Let me use an example. I -- let's say there are two defendants, and Defendant 1 settles for \$60,000 and Defendant 2 chooses the equitable share option and the jury determines that the equitable share of liability for each is 50 percent and returns a verdict of 100,000. So under this scenario the plaintiff would receive 60,000 from Defendant 1 and then Defendant 2, 50,000. So the plaintiff gets a total of 110,000, which would be more than the \$100,000 verdict. Under current law the plaintiff cannot receive more than what the jury awards. So would this legislation

you're proposing change this?

MR. DINOWITZ: I -- I don't know that that's --

MR. FITZPATRICK: (Indiscernible/crosstalk) you would have a potential windfall by the plaintiff?

MR. DINOWITZ: Number one, I don't know if that's the case. But number two, no windfall. It's simply -- we're simply talking about a situation where the plaintiff will be able to recover from the third-party defendant, and that would be particularly important if the main -- if the B defendant can't pay. But because the plaintiff could not sue the third-party defendant, it was the defendant that sued the third-party defendant, this would -- we're talking about here where the plaintiff will be able to recover the money that they would be entitled to from the third-party defendant.

MR. FITZPATRICK: So what would happen if -- if Defendant 1 -- the plaintiff, Defendant 1 and Defendant 2 -- so let's say Defendant 1 is insolvent or can't fulfill that obligation, and let's say that Defendant 2 can't do that either. Now, what's the answer there?

MR. DINOWITZ: Well, then the plaintiff --

MR. FITZPATRICK: The attorney doesn't take the case.

MR. DINOWITZ: -- may be out of luck.

MR. FITZPATRICK: Yeah, exactly. And the attorney would say, *Sorry, I can't help you.* So --

MR. DINOWITZ: I mean, if somebody has money,

then --

(Indiscernible/cross-talk)

MR. FITZPATRICK: The attorney wants to take the case because there's a potential third-party that -- that has a deep pocket is what we're trying to get at here.

MR. DINOWITZ: I -- I mean, I can't put myself into the mind of an attorney who's taking the case. But I would say in a situation like this that most attorneys who would take such a case would believe that there's an opportunity to recover something, meaning that somebody has money.

MR. FITZPATRICK: See, when I -- when I served on the Town Council in my town, in Smithtown, we -- we had many executive sessions where we had discussions with the attorneys over these types of cases where the town is brought in as a deep-pocketed party to the lawsuit, all right? A tree falls on -- from private property onto a street, causes an accident. We end up paying a percentage of that. And we were always advised by the attorney that, *Well, the cost of litigation, et cetera, et cetera, just pay it.* So it's -- you know, even though we felt we have no responsibility in this case, we have no liability, we didn't cause anything; the street met specifications, the street was clean. There was no damage to the street, there was no reason for -- you know, no -- the street did not in any way cause --

MR. DINOWITZ: Right.

MR. FITZPATRICK: -- the car to swerve off the road. It was a tree that fell either on the car, in front of the car. The

car crashes into the tree, the town's got to pay. We paid a \$1 million judgment in one particular case. And we used to call it "lotto." You know, they win lotto. And of course the attorneys collect, what, about a third of that fee. So there's a real incentive here. They want more money, and that's what I think this legislation is all about.

MR. DINOWITZ: Well, I would say that your town made poor decisions in paying money that they didn't think they should have to pay because they didn't want to be bothered
(indiscernible/cross-talk) --

MR. FITZPATRICK: Well, I would say the Democrat Majority in our town made the poor decision --

MR. DINOWITZ: I don't know if it was Democrat or Republican --

(Indiscernible/cross-talk)

MR. FITZPATRICK: The Republicans wanted to fight, I want to fight but --

MR. DINOWITZ: (Indiscernible/cross-talk)
whatever. The point I'm trying to make is that they made a decision to pay even though they may have thought they weren't responsible. Maybe they were afraid that if they -- if they went to litigation that that would cost more money than if they just, you know --

MR. FITZPATRICK: Exactly.

MR. DINOWITZ: -- paid the (indiscernible). But the point is, I don't know if that has really much to do with this anyway.

MR. FITZPATRICK: Well, it -- I think it has a lot to do with it. But this is -- so I don't understand why there's a need for this, why we want to upset the current system in a -- in a sense. If Defendant 2 is only liable for a certain percentage, you can't get more from them. You're saying -- you -- if they're on the hook for, say, 40 percent, you cannot get more than that. But what you're saying, this legislation would allow defendant -- the plaintiff to go after Defendant 2 if Defendant 1 is insolvent if there's a deep pocket.

MR. DINOWITZ: The -- Defendant 2 -- it's not Defendant 2 because they're not equal defendants. Plaintiff, defendant, impleaded defendant that the defendant brought in, which is why I said A, B and C. Because every time you say Defendant 1 I'm thinking of w-o-n. So the -- the main defendant -- the -- the plaintiff has no relationship with the third-party defendant.

MR. FITZPATRICK: Right.

MR. DINOWITZ: It would be the defendant that would have the ability to recover from the third-party defendant. And what we're saying here is this would change that.

MR. FITZPATRICK: But why are -- but why are we changing it? If -- if I'm -- if I'm Defendant 2 and I'm -- you know, that \$100,000 judgment, I'm on the hook for 40 percent of that. Why would I -- why am I going to pay more than that 40 percent or \$40,000 of that judgment because the -- the primary defendant, you know, is insolvent or can't afford it? Why am I picking up the rest of that tab? There's a -- there's fundamental unfairness about that.

MR. DINOWITZ: No, you -- you -- you, the third-party defendant, have been found liable. That's not unfair.

MR. FITZPATRICK: No, I -- I accept the liability. I'm -- \$100,000 judgment, I'm 40 percent liable as Defendant 2. Defendant 1 is 60 percent liable. Defendant 1 can't pay that, but I'm gonna be asked to pay more than what I'm determined --

MR. DINOWITZ: I didn't say that.

MR. FITZPATRICK: -- determined to be my liability --

MR. DINOWITZ: Not at all.

MR. FITZPATRICK: -- by the jury?

(Conferencing)

MR. DINOWITZ: It doesn't -- it doesn't increase -- I -- I've said it in a few different ways --

MR. FITZPATRICK: Right.

MR. DINOWITZ: -- and I'm gonna say it this way. No, what you're saying is not correct. The plaintiff would not be ordinarily recovering from the third-party defendant. The third-party defendant has been judged to be 60 percent liable. That -- that would go to the -- to the defendant. But here, we're allowing the plaintiff to be able to recover the percentage from the third-party defendant that -- that to which they're liable.

MR. FITZPATRICK: (Indiscernible)

MR. DINOWITZ: They're not paying more than they would -- they would pay the same amount to the plaintiff that they

otherwise would pay to the defendant. It makes no difference to the third-party defendant whatsoever. None. Zero.

MR. FITZPATRICK: Okay. Again, using -- using -- it kind of goes back to what you originally said that, you know, the Defendant 2 would not have to pay any more than what they have been judged liable for by a jury. So -- but what you're advocating for, if I'm understanding you correctly, is that if I'm Defendant 2 and I'm found -- a \$100,000 judgment -- I'm Defendant 2. Defendant 1 is on the hook for 60 percent, \$60,000. I'm on the hook for 40 percent, \$40,000. Defendant 1 can't satisfy that judgment, is insolvent for whatever reason. Now I am -- I am now subject to pay more than that 40 percent?

MR. DINOWITZ: No.

MR. FITZPATRICK: I'm not?

MR. DINOWITZ: They would still pay the same 40 percent, but they would pay it to the plaintiff, not to the defendant.

MR. FITZPATRICK: So where does the third-party that -- where does that deep pocket come in? Where -- where -- except in certain circumstances. Where -- please go there. What do you mean by that? What does that mean?

MR. DINOWITZ: You're the one who's using the term deep pocket. Some -- not everybody has a deep pocket. And if your town decides -- I mean, if they're suckers and they decide to pay something that they don't have to pay, that their choice.

MR. FITZPATRICK: Right.

MR. DINOWITZ: But if the third-party defendant is 40 percent responsible and they have to pay the defendant or the plaintiff, it -- it makes no difference to the third-party defendant. The only question is to whom are they paying that amount.

MR. FITZPATRICK: Okay. So -- so I'm paying -- I'm paying -- excuse me -- I'm paying Defendant 1 my 40,000? Is that what you're -- what I'm on the hook for? Instead of paying the plaintiff, I am paying Defendant 1? Help -- help me understand this.

MR. DINOWITZ: I -- I -- let me repeat myself, even though I hate when people repeat themselves here, because people do it constantly. It allows the plaintiff to collect the -- the amount that the third-party defendant is liable for from the third-party defendant. That's all. That's it.

MR. FITZPATRICK: Okay. So if it's that simple -- why is this bill here 25 years if it's that simple?

MR. DINOWITZ: A lot of things are simple, people make it complicated. This -- it's part of the same action. It makes it -- it does make it simpler. It makes it more quicker [sic]. You don't have to institute a separate -- it's one thing. Plaintiff, judgment 40 -- whatever the number is, 60 percent from the defendant, 40 percent from the third-party defendant that was brought into the action by the defendant.

MR. FITZPATRICK: Right. By the defendant or the plaintiff?

(Cross-talk)

MR. DINOWITZ: What?

MR. FITZPATRICK: The -- the defendant brings the third-party in or the plaintiff --

MR. DINOWITZ: Yes. That's why they're -- yes.

MR. FITZPATRICK: Okay.

MR. DINOWITZ: If the plaintiff brought in that defendant then they would be basically like a codefendant, equal defendant. But we're not -- we're talking about plaintiff sues defendant. Defendant sues -- brings in the third-party defendant into the case in the hopes that the third-party defendant gets stuck with the bill.

MR. FITZPATRICK: So it's a separate action is what you're saying.

MR. DINOWITZ: It's one action. It's the same action. It's part of the same action.

MR. FITZPATRICK: Okay. Very good. All right. I thank you for helping me understand this. It's -- it's still a bit confusing to a non-lawyer, but I -- I -- I do have an uncomfortable feeling -- on the bill, Madam Speaker. Thank you, Mr. Dinowitz.

The bottom line is money. And when the trial bar is in favor of something it means it's a possibility or it's an opportunity to derive more money from a proceeding. That's the bottom line here. There is a concern if this bill has been vetoed once and has not made it to the finish line 24 other times, it means there's a problem. And it's going to increase Workers' Comp costs, it's gonna be more expensive

to do business in the State of New York. When something is around for 25 years and it can't make to the finish line, that tells you there's something not quite right with what this legislation is attempting to accomplish. So I just think it ought to go die again, quite frankly. And if, you know, the average person has difficulty understanding what's trying to happen -- well, no, a very simple understanding of it. It's about the trial bar trying to get more money out of -- out of a deep pocket, bottom line.

So I think this is not a good piece of legislation. If it were it would have passed 20 -- 25 years ago, and for that reason it ought to die again this year. Thank you, Mrs. -- Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The Republican Conference will be in the negative on this piece of legislation, but if anybody wishes to vote in the affirmative, they may do so now at their seats. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, the Majority Conference will be in favor of this piece of legislation.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 16, Rules Report No. 744, the Clerk will read.

THE CLERK: Senate S01099, Rules Report No. 744, Senator May (A07777, Simone, Otis, Levenberg, Lavine, McMahon, Clark, Slater, Morinello, Shrestha, Stirpe, Burdick, Meeks, Shimsky, Kelles, Hevesi, Epstein, Glick, Griffin, Kay, Reyes, Bores, Lunsford, Schiavoni, Woerner, De Los Santos, Lasher, Simon, Smith, Conrad, Solages, Paulin, Forrest, Magnarelli, Rosenthal, Kassay, Raga). An act to amend the Education Law, in relation to enacting the "Freedom to Read Act".

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Simone.

MR. SIMONE: The bill would direct the Commissioner of Education to establish policies ensuring that school libraries and library staff are empowered to develop collections that provide students access to the widest array of developmentally appropriate materials available to a district.

ACTING SPEAKER HUNTER: Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker.

Would the sponsor please yield for some questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. SIMONE: Of course I would.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. GANDOLFO: Thank you. So, thank you for the explanation which leads me right into my first question: In this legislation, is there a definition of developmentally appropriate as it pertains to materials?

MR. SIMONE: There is.

MR. GANDOLFO: There is? Okay, can you point me to that?

MR. SIMONE: Well, there's not in this current legislation.

MR. GANDOLFO: Okay. So the legislation is silent on what is developmentally appropriate. Do I have that correct?

MR. SIMONE: The Commissioner would -- develop that policy.

MR. GANDOLFO: So the Commissioner, okay. So it's not outlined in the bill. We're empowering -- or we're directing the NYSED Commissioner to determine what is developmentally appropriate. Okay.

Now, that would apply to every school district in the State? Whatever the NYSED Commissioner determines is developmentally appropriate?

(Conferencing)

MR. SIMONE: It would apply Statewide, but she would still refer to the school boards and local districts.

MR. GANDOLFO: Could the school boards -- what happens if the school boards disagree with what the Commissioner has deemed developmentally appropriate?

MR. SIMONE: There -- there is an appeal process. Local challenge in which material is challenged at the school level. This doesn't interfere if a parent says, *I don't want my kid reading a certain book*. It could also be brought forward to the district for review by a school board, can result in retention, restriction, removal of material and if the parent feels aggrieved by the district's decision, they have the ability to file a Section 310 appeal for review by the Commissioner.

MR. GANDOLFO: That was a Section 3010 appeal?

MR. SIMONE: Yep.

MR. GANDOLFO: Okay. Is -- so that is not outlined in this bill that a -- a -- an appeal process is -- remains because the New York State School Boards Association has -- had sent out a memo, not of opposition, just of concern that there's no language in here that directly speaks to the school board's involvement. So I'm just wondering, there would be no uniform -- is there a uniform process across all school districts if a -- if a parent decides that some content in the library is objectionable or inappropriate? What -- how does that process play out?

(Conferencing)

MR. SIMONE: I mean, it can vary district to district, but it could be challenged at the school level, embarked to the school boards and then Statewide before the Commissioner and an appeal process.

MR. GANDOLFO: I mean, my concern is that it's not specifically in black and white in the bill. The only language in the bill is -- references empowering the school library staff, the -- as content curators. So is there a reason why only the library staff is referenced in the bill and not school boards just to reassure that local control isn't being stripped away? That parents will still have a voice in this process through their duly-elected school board members?

MR. SIMONE: I mean, this bill simply empowers librarians who study library science. This doesn't override parents saying -- look, if a parent doesn't wanna learn about my family, about being gay, or -- or civil rights, they can tell -- tell -- tell them, *I don't want my kid reading the book*. It doesn't change of any that. It just empowers librarians to curate developmentally appropriate at age with different guidelines which most librarians have used to what age could they read and what they could be exposed to.

MR. GANDOLFO: Okay. So if -- if there's still, I guess, a potential battle over what content might be appropriate, is this -- I know this bill is kind of stemming from some of the controversies across different school districts with what is deemed appropriate and not appropriate. Does this solve that problem if there's still parents

able to challenge that and if it's -- it sounds like it would still be the same process that currently exists. So how are the library staff empowered in that matter?

MR. SIMONE: Well, the Commissioner would establish the -- the policy. But what it does is opens a wide array of material. Right now, we've gotten complaints across the State. There have been librarians who feel that they're self-censoring because there's been agenda on both sides of what should be in the library or not. This bill simply emphasizes a librarian who's educated in library science, can pick what books clearly without excluding parents or school boards. They're still included. This just empowers them to make sure they have a diverse amount of books and materials that students can be exposed to.

MR. GANDOLFO: Okay. Do they not currently have -- I guess my confusion is, are they not -- how are the books and the content currently curated in a school library if the library staff isn't currently empowered to do so?

(Conferencing)

MR. SIMONE: Well -- they're -- they're already empowered to do so, this just emphasizes their role. For instance, each school district is required to employ a certified school librarian and media specialist in accordance with 8 NRCRR. The bill also associates changes to Section 283 of the Education Law to allow similar provisions to the functions of school library systems.

MR. GANDOLFO: Okay. So, it sounds -- so a lot of

this is going to be left up to NYSED to promulgate the regulations. Does NYSED have the ability to remove any oversight of the school boards or remove parents from the process as they're promulgating these new regulations?

(Conferencing)

MR. SIMONE: The bill doesn't speak to that.

MR. GANDOLFO: Okay. All right. Thank you.

Madam Speaker, on the bill, please.

ACTING SPEAKER HUNTER: On the bill.

MR. GANDOLFO: Madam Speaker, like most people, I believe that schools should be free of distractions and high profile arguments over what should be and should not be in the school library. However, I'm a little concerned with the open-endedness of the bill and the vagueness of this bill and just the sheer power it's putting in the Commissioner of the Department of Education which quietly frankly, a lot of New Yorkers have lost trust in the Commissioner and the Department of Education over the past few years. The fact that there's nothing clearly outlining that parents and their duly-elected school board members still have a role in this process is a little concerning to me and I don't think it helps put parents at ease. It -- it -- I know we've heard a lot about the stress and how heated these arguments get with some library staff being threatened and if parents have a feeling that they are being removed from the process, which it seems, according to this bill, that it's possible that the Commissioner would remove them from the process.

I think that's only going to inflame tensions even worse to a place that they don't really need to be by removing that voice from the parents and by no longer having that outlet to challenge some of these things that might be objectionable.

I would really like to see an amendment to this bill similar to what the New York State School Boards Association has suggested, just clearly outlining that school boards across New York State still have a role to play in this process. They are elected by members of the community to provide oversight and for members of the community when they see something they don't like going on in their schools, they can go to their local council member who can provide that oversight and make sure their voices are being heard. Will they always get their way? No, I don't think so. But still, you need to make sure that there's a process for parents to play a role in their children's education.

So, I thank the sponsor for answering my questions and thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Thank you.

Mr. Bologna.

MR. BOLOGNA: Thank you, Madam Speaker.

Would the sponsor yield for a few quick questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. SIMONE: Yes, I would.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. BOLOGNA: Thank you, Mr. Simone. Okay, so does this just apply to New York State public schools?

MR. SIMONE: Yes.

MR. BOLOGNA: Okay. So are charter schools included in that?

MR. SIMONE: It's the school districts.

MR. BOLOGNA: Okay. But private schools, private institutions, they're not covered under this?

MR. SIMONE: They're not covered by this legislation.

MR. BOLOGNA: Okay. Thank you very much. Why -- why is that?

(Conferencing)

MR. SIMONE: Because the Commissioner only exercises power over the public schools.

MR. BOLOGNA: Okay. So the -- and just to kind of piggy-back off what my colleague said, so one of the concerns just in reading through this is that, again, noticing that there not necessarily was a definition of developmentally appropriate. So I just want to understand it correctly. We're leaving it up to State Ed to make a determination of what the definition of developmentally appropriate is, correct? At least in the context of this.

MR. SIMONE: That's not specifically in this legislation.

MR. BOLOGNA: Okay. So -- so how -- wait, how

are we ultimately going to arrive at what --

MR. SIMONE: Well, most -- most people -- all librarians who've studied library science follow a set guideline on what developmentally appropriate is. I can read it to you if you'd like.

MR. BOLOGNA: Yeah, yeah. That would be great. Actually, that would be perfect. Thank you.

MR. SIMONE: So in the context of libraries library collection, developmentally appropriate refers to selecting organizing materials that align with cognitive, emotional, social and physical developmental stages of the intended audience, mostly children and young adults. And they have a set of guidelines on picture books or more specific history.

MR. BOLOGNA: Okay. So specifically as this relates to -- thank -- actually, thank you because that actually really helps me here. So specifically as it relates to school libraries. Manhattan area you represent?

MR. SIMONE: West Side of Manhattan.

MR. BOLOGNA: Okay. So and I'm not sure if you guys have this in Manhattan; in my neck of the woods -- I'll give you an example. The Barker School District. Very, very small. K-12 is all in the same building. So everyone's using the same library. While something might be age and developmentally appropriate for maybe a senior in high school, something might not be -- the very same book very well may not be appropriate for a 6th, 7th or 8th grader. So how does this bill help that? Does -- does this do anything to alleviate any

of that or any of those concerns?

(Conferencing)

MR. SIMONE: I mean, it would still comply with age appropriate material. I mean, from all practicality, I worked in the school libraries. There would be a section for young adults, you know, younger and it's up to the librarians to curate and ensure that the material being distributed is age appropriate.

MR. BOLOGNA: Got it. And again, I -- I can remember Ms. Stansel (phonetic) my high school librarian, I loved her from -- she was not only a library specialist, she was a library resource specialist. So our library specialists do amazing things for students in terms of not only giving us books, but also, you know, teaching us how to learn and how to research.

But actually, I had a very interesting conversation with a teacher from the Starpoint School District in my district office actually talking about this specific bill. And a little bit different context, but basically her point was that people are human, humans make mistakes. While there may be some recommendations, not every library specialist can read every page of every book to know. She is an English teacher; she assigned a book to her class to read. The next day another teacher said, *oh, hey. Did you read chapter six here? We need --* it was very explicit. So they actually pulled the book. So I guess my question is, is there any safeguards that this would create that would kind of help oversight that? Or, is there a list of curriculum that -- that we're now giving schools? Like, what

exactly does this legislation do?

MR. SIMONE: It simply empowers librarians to pick the most diverse set of books for students that's developmentally appropriate.

MR. BOLOGNA: That's -- okay. That's fair. And again, I just -- what is State Ed and the Commissioner of Ed's role in this -- in the context of this? Anything?

MR. SIMONE: She would set the guidelines and the policy, or he.

MR. BOLOGNA: Okay. And how is the Commissioner of State Ed put there? How is she appointed?

MR. SIMONE: By the Government. No, the Board of Regents. I meant to say Board of Regents.

MR. BOLOGNA: Got it. And how is the Board of Regents appointed?

(Conferencing)

MR. SIMONE: They're elected by the Legislature.

MR. BOLOGNA: Got it. Okay. That's what I thought. Sorry, just hold on one second. I want to just make sure I have all my notes here. And -- oh, does the -- are we expecting the definition of -- and I know we don't necessarily have one, but -- well, you just wrote, or what you just read to me the, definition of developmentally appropriate. Does that -- is that meant to change and evolve over time? And I'll give you an example. When I was in 6th grade, the Harry Potter books were very controversial. Not so much

anymore. Is -- is this language -- do you interpret it as something that is meant to change and evolve as society evolves?

MR. SIMONE: I didn't study library science, but I trust our librarians.

MR. BOLOGNA: Fair enough. Thank -- Mr. Simone, thank you very much. I appreciate it.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. BOLOGNA: I think that we would -- can all agree and I want to be extremely appropriate when I'm saying this, I think we can all agree that having a wide array of opinions, backgrounds, you know, whether it's ethnic, sexual orientation, religious, information makes us better as people, better as a society. I -- I think that is really important, one of the driving things that make -- move our society forward. And, I mean, being in the State Assembly, it also, you know, helps educate our electorate as well. I do have concerns with the parental portion of this as my colleague pointed out. As a parent of small children, I know that I will be very active in terms of what -- what my kids are bringing home. But I -- I -- I'm not sure if everyone -- everyone's parents will be that way. So I -- I do want to make sure that we have a -- a -- a level of -- of parental oversight in terms of all this.

So, thank you very much, Madam Speaker and thank you, Mr. Simone for answering my questions.

ACTING SPEAKER HUNTER: Mr. Durso.

MR. DURSO: Thank you, Madam Speaker. Would the sponsor yield for some questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. SIMONE: Yes, I will.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. DURSO: Thank you, Mr. Simone. So, I'm gonna ask a couple of questions and they've probably been asked already, but I just kind of want to tie it together. So, when you said the Commissioner of Education is going to be empowered to develop policy, correct? Are they empowered to develop policy now?

MR. SIMONE: Yes.

MR. DURSO: So why do we need this?

MR. SIMONE: This is just to --

(Conferencing)

-- this is just to provide guidance to ensure that we have a diverse set of -- of books and access and the Commissioner will set a policy. But it doesn't eliminate school boards, it doesn't eliminate parent consent.

MR. DURSO: And I -- I appreciate that, but what I'm -- and again, because I'm trying to understand the bill language. The bill is literally empowering the Commissioner to develop that policy, but the Commissioner could do it currently now. What is the policy now when it comes to what books can or cannot be put in a school library that we need to put in a bill to say empower the Commissioner

to develop a policy? What is the current policy?

MR. SIMONE: Right now, it's on the district level. This -- this empowers her and directs her to give guidance. For instance, if a district they felt did not have developmentally appropriate and diverse material, she -- she or he could give guidance that the library should.

MR. DURSO: Got it. So as of -- the way it presently consuetude before this bill, it's really up to the district, correct?

MR. SIMONE: They have a say. They still have -- they still have a veto.

MR. DURSO: No, no, no. I'm sorry, I don't mean before your bill. I meant currently now, today, or yesterday. You're saying it's the -- the -- the power loss with the district on what the school librarian and superintendent and the school board all come up with what they deem appropriate, right?

MR. SIMONE: Yes.

MR. DURSO: Now what we're saying is, we're leaving it up to the Commissioner because you feel that -- or -- or maybe they feel that some schools are essentially not doing the right thing, so what we're doing is taking the power away from the districts, bringing it back to the Commissioner and the districts can advise essentially, or -- or make an appeal once the Commissioner comes down with their ruling, correct?

MR. SIMONE: It simply empowers our librarians.

MR. DURSO: No, understood, but as of right now --

so you're saying that it -- the -- the bill doesn't take away that essentially local control, right?

MR. SIMONE: It does not.

MR. DURSO: But, the control right now is with the local school districts. We're giving it to the Commissioner. So isn't that literally taking away the control locally?

MR. SIMONE: It's just for them to collaborate to ensure that there may be a book that's missing from their curriculum that students should have access to.

MR. DURSO: Right. So again, it's -- it's the current way the law is constituted is up to the district. We're now giving the Commissioner the power to create the policy that then the school district has to follow.

MR. SIMONE: Yeah. So the bill does a lot.

MR. DURSO: So we're taking the power away from the district?

MR. SIMONE: No. They still have the power. If --

MR. DURSO: What power do they have?

MR. SIMONE: Say -- say you're a parent --

MR. DURSO: Yes, sir.

MR. SIMONE: -- and you want to learn about racism

--

MR. DURSO: Sure.

MR. SIMONE: -- or -- or the fact that I fought for my civil rights to get married --

MR. DURSO: Sure.

MR. SIMONE: -- you can tell the -- as a parent, you can say, *I don't want that book being shown to my child.*

MR. DURSO: Right.

MR. SIMONE: A school board can weigh in. We feel this bill is necessary because right now what we're finding is some library (indiscernible) under assault and attack and some are being told that these books should not be there even though they're developmentally appropriate for a teenager. For instance, there was a case I believe in Syracuse where seahorses, it's a science book --

MR. DURSO: Yep.

MR. SIMONE: -- a male carries the baby from the female, even though the female gives birth and they felt that was inappropriate at a high school level. So the Commissioner can give guidance and say, no, that book should be allowed in that library.

MR. DURSO: Okay. Understood, and I agree because I think that's silly. But my point of this and -- and I understand the overarching point that you're trying to make, but my -- my point comes down to this; you're saying that the school -- okay so, let me back up. What is the mechanism once this bill goes into place if a parent and/or school district, school board has an issue with content that's in the library?

MR. SIMONE: As I said before, they could give a local -- they could do -- there's a process. They can have a local challenge with materials challenged at the school level --

MR. DURSO: Right.

MR. SIMONE: -- they can be brought forward to the district for review by the school board, which can result in retention, restriction, or removal of that material if they deem it developmentally inappropriate.

MR. DURSO: Okay.

MR. SIMONE: For instance, (cross-talk) violent books --

MR. DURSO: Sure. I dont -- I don't want to cut you off --

MR. SIMONE: (Cross-talk) how they can say that's not appropriate.

MR. DURSO: I apologize, sir. I don't want to cut -- I just want to go through the process with you, just so I'm understanding it. So, I'm a parent in a school district and my child comes home to me and says, *such and such books in there*. I as the parent go, *I don't feel that's appropriate*. I then as the parent, this is with your bill going in place, I as a parent then go to the school board, make a complaint. The school board then takes a vote, right and says, *we -- we agree this book should not be in the school*. The school board then has the power to tell the librarian to take that book out? Or does it then have to go to court?

MR. SIMONE: They do.

MR. DURSO: So the -- the school board, again just so I have this on the record: I'm a parent, I complain about a book

about seahorses. Again, I agree with you, sir, silly example. I would never complain about that. But I go to the school board as the parent, the school board votes to say, *we agree, we want to take that book out.* That's essentially the process, they then can tell the librarian, you're going to now remove that book from the school and that's it? Or, can the librarian then make a complaint to the Commissioner and have that book reinstated?

(Conferencing)

MR. SIMONE: It doesn't directly speak to that, but the school board can make a determination if they feel the book is inappropriate.

MR. DURSO: Well, you said they can make a determination. Does then it automatically get removed from the school, or is there a mechanism in place for that librarian, or the Commissioner, to say, *no, that's going to go back in the school?*

MR. SIMONE: Well, it's an appeal process. It would be case by case.

MR. DURSO: So, does each individual case automatically go to an appeal process with the Commissioner?

(Conferencing)

MR. SIMONE: No.

MR. DURSO: No.

MR. SIMONE: It would be depending on the appeal or -- or how the school board ruled, or -- I mean, every -- every district would be different like I said.

MR. DURSO: Well, of course, but I'm saying let's say the school board ruled that it's inappropriate for the age, right, or whatever -- whatever the complaint is. And you're saying that at that moment, once the school board makes that ruling, the librarian and the school gets that book removed. The appeal process, you're talking about this -- who's making that appeal? Who's asking for the appeal? Is it the librarian? And who do they make it to?

(Conferencing)

MR. SIMONE: It -- it -- it most likely would be the parent, and she -- and they can file, as I said earlier --

MR. DURSO: Right. They -- if they don't agree with the school board's ruling to take the book out.

MR. SIMONE: Right.

MR. DURSO: I'm saying if the school board says, *yes, we are going to take the book out.* And the librarian disagrees with the school board, what is the appeal process then? Does the librarian get to appeal to the Commissioner?

MR. SIMONE: We don't have the exact language of the appeal process.

MR. DURSO: We don't know how that works?

MR. SIMONE: No.

MR. DURSO: Isn't that part of the bill?

MR. SIMONE: I don't have the exact language to the appeal process.

MR. DURSO: But I'm saying that's kind of an

important part of the bill because my concern, or anybody's concern would be and -- and not in -- just in regards to this bill but in any bill, if we're empowering the school board to make that decision through a vote and then the librarian can appeal it, we don't understand what happens next. My question is, can the Commissioner just say, *no, you're wrong*. Does it have to go to a court? Like, there's got to be a next step in this process.

(Conferencing)

MR. SIMONE: Normally if there is an appeal, the -- the Commissioner can make the determination. Yeah.

MR. DURSO: So the Commissioner has all the power?

MR. SIMONE: Yes. In that regard, yes.

MR. DURSO: Right. So the school board really doesn't have the power because again, if a school board decides whether this book's inappropriate, right, the librarian can appeal to the Commissioner and the Commissioner can say, *put the school -- the -- the book back in the school*. Whatever the book is. And again, I'm not agreeing, disagreeing, I'm just trying to get a -- an understanding of how the bill's set. This essentially takes all the power away from the school board except for one process where they can rule, but then the Commissioner can overrule them at any time.

MR. SIMONE: I mean, it's a case by case scenario, but yes.

MR. DURSO: So we're giving the power to the

Commissioner?

MR. SIMONE: Some of the power.

MR. DURSO: Well, it sounds like all of it.

MR. SIMONE: Well, I think if a school board announced they wanted to remove something and the parents didn't want it there --

MR. DURSO: No. I'm saying if the parents wanted it removed and the school board said, *okay*. *We're going to remove it*. And the librarian says, *no*. *I'm the librarian, I feel it's age appropriate*. And they appeal to the Commissioner, the Commissioner could then overrule the school board at any time.

MR. SIMONE: They could.

MR. DURSO: Yes. So, we took the -- so just one final question --

MR. SIMONE: Because the bill does do something very important.

MR. DURSO: Yes -- yes. It takes power away from the school board.

MR. SIMONE: If the school board is wrong.

MR. DURSO: What if they're right?

MR. SIMONE: Well, it depends.

MR. DURSO: Well, I mean it doesn't just have to be a book, sir. And I agree with you; whether it's about learning about your family, as you said, which I have no problem with. There's learning about the seahorses, which I honestly think is -- is ridiculous.

But what if it is something that's violent? What if it is something that is -- it's -- it's anti-transgender? What if it is something that is pro-Nazi and they want it removed from the school? It's -- it works both ways and that's my concern. We're taking as we said in the beginning and now we kind of flushed it out, the school board has power, but not really because as you said, the -- the Commissioner makes the final decision even in an appeal.

MR. SIMONE: Right. We would hope if there's a pro-Nazi book that the school board would be against it --

MR. DURSO: I agree. I agree with you, sir.

MR. SIMONE: -- and the parents would agree and the Commissioner would agree.

MR. DURSO: Absolutely. I agree with you.

MR. SIMONE: Because most of us know that we're anti-Nazi.

MR. DURSO: Of course. I'm just using the complete opposite side of the coin example of how it could backfire on anybody. So again, Commissioner has all the power.

My final question was, can a librarian who refuses to remove a book file a wrongful termination lawsuit and get -- when they get fired for not complying?

(Conferencing)

MR. SIMONE: This legislation doesn't speak to that specific.

MR. DURSO: Okay. Thank you, Mr. Simone. I

appreciate you answering my questions.

MR. SIMONE: Thank you.

MR. DURSO: Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker.

The Republican Conference will generally be opposed to this piece of legislation; however, any members who wish to vote yes may do so at their desks right now.

ACTING SPEAKER HUNTER: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. The Majority Conference is going to be in favor of this piece of legislation. Period. People have access to books.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Simone to explain his vote.

MR. SIMONE: To explain to my vote. I wish legislation like this wasn't necessary in this day and age. But as we've seen across the country there's been thousands of attempts to ban

books throughout our nation. I want to give you a little personal story. So I grew up a closeted gay man in a very Catholic, middle-class, blue-collar family. My father who didn't mean to and my grandmother often said homophobic things in front of me, not realizing who I was. I worked in a library. I saw sought refuge before -- between the shelves. I read about other people like me, I read about LGBT history. It made me less scared, less nervous, it empowered me.

The purpose of this bill, Freedom to Read, is the freedom of ideas, it's the freedom to acknowledge other cultures. Right now with an assault from the White House and Washington down on what we should think, what we should read. Look, I want to push this bill because there should be no political agenda in our library system. I trust librarians, I trust our teachers, I trust our parents. If your parents don't want -- someone's parents don't want to read about being gay, or the fact that HIV AIDS exists, or the fact that this country has a history of racism, or the fact that there was fascism before and may even be happening -- actually, it is happening right now in the White House, you could tell the librarian that *I don't want my kid to read that book*. But what we've found out through history, whenever we've tried to ban books, more kids wanted to read it. In the Soviet Union when they tried to ban books about free-loving countries and democracy, more Soviets tried so hard to import those books. And right now what we're seeing across this nation, even in New York, over 46 attempts --

ACTING SPEAKER HUNTER: Thank you, Mr. Simone. How do you vote?

MR. SIMONE: -- 12 successful. So, I vote in the affirmative and proud to have -- make sure that we have the freedom to read.

ACTING SPEAKER HUNTER: Thank you.

Mr. Simone in the affirmative. Thank you.

Mr. Bologna to explain his vote.

MR. BOLOGNA: Thank you, Madam Speaker.

Again, with -- with as much sensitivity and appropriateness and respectfulness as possible, my -- my colleague here was able to kind of get to the crux of -- of why I'll be voting in the negative. And my biggest concern ultimately is that we're -- I feel we're giving too much power to the Commissioner of the New York State Board of Education. I remember years ago, everyone lost their minds over the whole Common Core thing. I remember showing to a number of things where the Commissioner of Education was -- was being -- was forcing a lot of stuff on our schools that parents and educators were not supporting and I don't like the idea of a local school board not having the ability to ultimately make the decision for what's happening in -- in their school. It's an elected body by a local community and as a parent of a student that is going to be in a public school, I trust my school board.

So, for that reason, that I believe in local control, not State control, I will be voting in the negative.

ACTING SPEAKER HUNTER: Mr. Bologna in the negative.

Mr. Durso to explain his vote.

MR. DURSO: Thank you, Madam Speaker, to explain my vote. I thank the sponsor for taking the questions and -- and hearing his story, I completely understand. And listen, I have -- I have two young girls, both school-aged, 13 and nine and I want them to read books and I don't believe books should be banned. And I think that kids -- and I know what me and my wife do with our children, we make sure our kids learn history and the real history and everybody's history and learn about all people and respect all people. That's what I do as a parent to make sure that my children grow up the way I feel that they should, which is accepting of everyone. But that wasn't my problem with the bill at all, actually. I wanted to vote yes. I -- I -- I wish Mr. Simone gave me a different answer when I said to him, *does all the power go back to the Commissioner?* And he reluctantly said yes, but he did say yes, so I appreciate it.

Again, our local school boards are elected for a reason. They're elected by the parents in our districts to protect our children and they're local elected officials and they are the closest elected officials to our children and to our schools and circumventing them with the Commissioner, I think is a problem and not -- and them not having a say. So again, it's -- it's -- it's really only about local control and giving all the power to one person to decide things for many.

So unfortunately and I wish Mr. Simone gave me a different answer, but I'll be voting in the negative.

ACTING SPEAKER HUNTER: Mr. Durso in the negative.

Mr. Fitzpatrick to explain his vote.

MR. FITZPATRICK: Yeah, thank you, Madam Speaker, to explain my vote. The -- my local library has been in the -- in the -- the hot seat with regard to this issue. And it is not about banning books. It is not. People, no matter what their persuasion, they're all taxpayers. They pay taxes, they're entitled to read what they want to read in a local library and by extension you have the school library for the children. But what the issue is really all about and it was -- this is what happened in my local library, is that the controversy arose about exposure to the children in the children's section of the library, the youngest children, the content of some of those books was deemed inappropriate by a majority of the parents and that's what started this controversy. And therefore -- so the opponents say, *oh, you're trying to ban a book*. No, put those books in the adult section and let the adult take that book out to show the child if they want to do that. No one is saying they can't.

So the issue is not about banning books, it's about limiting or not exposing very young children to very explicit sexual material in many of these books. And we all -- we've all heard the titles and we all -- we've all seen these pages, so you all know exactly what I'm talking about. That's what it's all about. It's not about

banning books, it's -- it's the freedom to read has always been there and always will be there. I'm sick and tired of the attacks on the President and what he's trying to tell us what to think, that's nonsense. Kids will learn -- I have no problem teaching them about your civil rights, no matter who or what you are. But if you're telling me that people of a certain -- whatever they are, feel it's okay to expose very young children to very sexually explicit material and if you believe that's okay, that's why we have a culture war over this issue. It's inappropriate no matter who or what you are to expose very young children to very sexually explicit material in a public library or in a school library. That's what it's all about and that's why I'm voting no.

ACTING SPEAKER HUNTER: Mr. Fitzpatrick in the negative.

Mr. Gandolfo to explain his vote.

MR. GANDOLFO: Thank you, Madam Speaker. And I do appreciate the sponsor's time in answering the question [sic] and sharing his story. Like my colleague behind me, I was really looking for a way to get to a yes vote here, but unfortunately, I do feel that too much power resides with the Commissioner and not with the local school boards.

But I -- we just have to talk about the term banning books. Determining that a book is not appropriate for children of a certain age due to a sexually explicit nature is not banning a book. You can still walk down to your local bookstore and buy the book, it's not banned. If a parent decides they do want to show that to their

child, they could order it on Amazon, they could go to their local bookstore. We had an issue in one of my school districts where one of the books that was found, even though a lot of kids didn't check it out, but one of the books that was found had very explicit depictions in it and quite frankly, if I left a copy of those pages on your desks, I would be appearing before the Ethics Committee. So it's not about banning books and trying to not teach history, I think the whole -- everyone's history should be taught. Whether it's a racial minority, whether it's the struggle for gay rights, but it -- when you get into the argument of developmentally appropriate, you have to include parents and school boards.

So for that reason, I will be voting no on this bill.
Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Mr. Gandolfo in the negative.

Ms. Shimsky to explain her vote.

MS. SHIMSKY: Thank you, Madam Speaker.

Words cannot describe my gratitude to the Speaker and to the bill sponsor for bringing this legislation forward. Democracy will not long survive without the intellectual discipline that is provided by reading books. And the books will not be read unless they engage the -- each and every individual student, whether they challenge them, whether speak to their life experience or not. In my studies of history throughout my life in graduate school and out, I can tell you that the more you restrict what is read in any context, the closer you get to

corroding not only the minds who are relying on those books but corroding the very basis of democracy.

Elected bodies don't have the right to restrict what should be read by adults. Certainly, that's a Constitutional right, that's the First Amendment. The way the First Amendment has been interpreted, it's up to legislatures to provide some parameters. But it's not up to a legislative body whether it's a school board or a state legislature to decide whether a book about farting, whether a book about sexual abuse of a teenager is appropriate or not and it's actually helpful to develop a young mind.

Madam Speaker, I am as proud of this vote as I've been for any in my time here. I vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Shimsky in the affirmative.

Ms. Glick to explain her vote.

MS. GLICK: Well, thank you, Ms. Speaker. I rise to thank the sponsor for the bill and to give a little context. You know, I'm -- I'm amazed when you think about what kids can see on TikTok, what kids can see on TV. My father would've had a heart attack if he'd see some of the ads that are on TV today. And whether it's the full body deodorant, which I think is a scam, but that's just me. My -- my father would have been so embarrassed, the TV would have been like, shut off and moved into another room. So I just want to say, I grew up at a time when I knew who I was, but that there were no other people like me. And the only refuge would have been books, but

there weren't any books for that, so you had to look in the dictionary. Like who am I? What am I? And there are kids all over this State, in small towns and big cities who are still going through the same thing. And just because parents have their knickers in a twist about it and are upset and concerned is no reason to condemn that child to the negative self-image that results from not being able to identify who you are and what you feel is actually okay.

I vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Glick in the affirmative.

Ms. Lunsford to explain her vote.

MS. LUNSFORD: Thank you, Madam Speaker.

This bill is about collections in a library, not what can be checked out by individual children. This bill isn't about whether somebody can say, *I don't want my child to read this book*. It's about whether someone can say, I don't want your child to read this book.

And that's why I vote in the affirmative.

ACTING SPEAKER HUNTER: Ms. Lunsford in the affirmative.

Mr. Wieder to explain his vote.

MR. WIEDER: Thank you, Madam Speaker. I want to take a moment to speak about Bill A777 and explain why I will be voting no, even though I believe this is a good bill on its merit. First, I want to sincerely thank the sponsor and the cosponsors of this bill for their work. It's clear that thoughtful effort went into crafting

legislation that aims to address important issues. The intent behind this bill is sound and the proposal with it could genuinely benefit New York students and families. I respect and appreciate that. That said, my opposition is not about the substance of the bill, it's about the -- it's about the trust I lack in the person who would be responsible for implementing it; the New York State Education Commissioner. I want to be clear, this is not personal, but I simply do not have confidence in her leadership. I've observed enough over time to conclude that I cannot rely on her to carry out this bill with the transparency, accountability and follow-through that such a meaningful piece of legislation deserves. No matter how strong a bill may be on paper, its success ultimately depends on who is entrusted to lead its execution. And in this case, I do not believe that trust is warranted.

So while I acknowledge the value of this bill and I applaud those who brought it forward, I cannot in good conscience support it under the current leadership at the State Education Department. For that reason and that reason alone, I will be voting no on A777.

ACTING SPEAKER HUNTER: Mr. Wieder in the negative.

Mrs. Peoples-Stokes to explain her vote.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker, for the opportunity to explain my vote. I have to honestly say that I'm -- I'm a tad bit disappointed. I have heard just from

watching the news around the country that not just in libraries, but in school districts and at colleges and universities and medical schools, people are wanting to take books out of the library. I -- it just shatters my whole heart to think that we will be here in this Chamber finding reasons to take books out of libraries. I literally just -- last year, I had this -- I got for Christmas a \$50 gift certificate from Border Books or Barns and Nobles [sic], and I took my two-year-old great-granddaughter. She was never so happy. She ran right to the section where Gabby [sic] Dollhouse was, she said, *Nana, it's my favorite*. Now, Gabby [sic] Dollhouse discusses all kind of topics. I'm not going to say, *you can't have this Gabby [sic] Dollhouse because they're talking about this*, or *you can't have this Gabby [sic] Dollhouse because they look like those people are a different color*. No. She likes Gabby [sic] Dollhouse. Gabby [sic] Dollhouse teaches her things. It teaches her principles and values and character. So I am disappointed that we're having this conversation here in 2025 when we should be on our way home, by the way.

But I'm going to be voting for this bill and I hope that we will get to the place in this society where somebody's little, small idea of something being wrong, doesn't grow up into a big idea where other people are actually believing it as well. Thank you to the sponsor for putting this out.

ACTING SPEAKER HUNTER: Mrs. Peoples-Stokes in the affirmative.

Mr. Chang to explain his vote.

MR. CHANG: Thank you, Madam Speaker. I believe in parental rights. As a parent, I want to make sure that the material is appropriate for my child because the parent is the ultimate decisionmaker to protect their child's interest. Not anybody else. Because, you know, we are responsible for the child no matter what. Whatever we do, the child does. We are, as parents, ultimately responsible. I want to preserve that parental right. I want to preserve that right for the parent to say, this is not right. This is not appropriate. Until that child turns 18, they can do whatever they want. But before that, it's the parent's right. Must regulate, must censor it for the child's best interest because the family's interest, the core value. So I believe in that and I vote no. Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Mr. Yeger in the -- excuse me. Mr. Chang in the negative.

Mr. Yeger to explain his vote.

MR. YEGER: Thank you, Madam Speaker. This -- this description as I'm about to give, it may not apply in New York City, but it applies everywhere else in the State. As a government, we give the parents all across the State the right to choose a school board. That school board then has the right to hire employees. The employees extensively at least on paper, answer to the school board and in every instance, the librarian, one of those employees, would be answering to the librarians' boss, the school board. Except in this one instance when it comes to formulating what material would or would not be in the library. Another speaker spoke earlier, some others did

alluding to the specific person who holds the current office of Commissioner of Education and I agree with those members. I'm not sure I want to trust the Commissioner of Education to usurp the authority of local school boards that are elected by the taxpaying parents who pay for the schools that the libraries are in, the librarians who themselves are also getting paychecks. This is not about banning books. Shouldn't be about banning books. It shouldn't be about banning anything. It should be about who's running the schools in the State. And I wish my city had local school boards running the schools in this and I think it would do a lot better in New York City if we had that. We don't, we used to. My father was elected to three terms on the school board. They were better then and today they're not. Those places in New York that still have school boards running your local schools, I'm incredibly jealous of the successes that you have that you're able to do notwithstanding a Commissioner of Education who's an abysmal failure. I vote no on this bill

ACTING SPEAKER HUNTER: Mr. Yeger in the negative.

Mr. Novakhov to explain his vote.

MR. NOVAKHOV: Thank you, Madam Speaker. You know, the sponsor mentioned Soviet Union where books were banned by the government to limit the influence from the West but people found a way to read them and the Soviet Union collapsed. Trust me, myself and my colleague, Alec Brook-Krasny, we know better about this than anyone else here. But we have a completely

opposite situation today in our country. Our children are being showed [sic] a world map without Israel being on it. Our children are being taught to support terrorists, such as Hamas, to change their sex without a reason and to hate our country. And we see all the consequences on the streets of our cities. We have to think and we have to choose very carefully what our children read and who this books are sponsored by.

Unfortunately, I cannot support this legislation.
Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: Mr. Novakhov in the negative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, I mentioned earlier in the day that we might have to have some additional floor work. I'm sorry to inform you that we do have some additional floor work. So we're gonna go now to Rules Report No. 882 by Ms. Romero, Rules Report No. 456 by Mr. Lavine, Rules Report No. 698 by Mr. Pretlow, Rules Report No. 690 by Ms. Walker, and Rules Report No. 791 by Ms. Lupardo, as well as Rules Report No. 850 by Ms. Giglio.

Thank you, Madam Speaker.

ACTING SPEAKER HUNTER: On the A-Calendar,

page 9, Rules Report No. 882, the Clerk will read.

THE CLERK: Senate No. S08411, Senator Skoufis -- Rules Report No. 882, Senator Skoufis (A08869, Romero). An act to amend the Public -- Public Officers Law, in relation to the denial of access to public records that relate to civil investigations; to amend the Executive Law, in relation to requiring the Superintendent of State Police to provide the Department of Law with direct, real-time access to the Criminal Gun Clearinghouse; to amend the Executive Law and the Civil Rights Law, relating to the enforcement powers of the Attorney General; to amend the Education Law, in relation to authorizing the Attorney General to enforce the provisions of the Education Law against covered entities who engage in discrimination and the powers and duties of State University trustees; and to amend the Public Health Law, in relation to the compromise of certain claims the State may have.

ACTING SPEAKER HUNTER: An explanation has been requested.

Ms. Romero.

MS. ROMERO: Thank you. This bill modernizes the Attorney General's enforcement tools across several critical areas. It authorizes the Attorney General to bring civil actions when unlawful discrimination is repeated or persistent, mirroring longstanding Federal powers. It protects children in public schools from systemic abuse or exclusion, supports gun violence investigations and streamlines outdated bureaucratic procedures

related to medical bill settlements.

These changes strengthen New York's civil rights enforcement and public safety infrastructure, ensuring that the State can effectively respond to systemic injustice, but most importantly, this legislation will ensure the efficient use of the Attorney General's resources by codifying the Office's existing authority in case law and save taxpayer dollars by streamlining resources and preventing, frankly, frivolous litigation.

ACTING SPEAKER HUNTER: Ms. Walsh.

MS. WALSH: Thank you very much, Madam Speaker. Will the sponsor yield for questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MS. ROMERO: Certainly.

ACTING SPEAKER HUNTER: The sponsor yields.

MS. WALSH: And I -- and I have a few. So -- because this is a very comprehensive bill, isn't it? It covers -- it makes changes to a number of our laws, including, let's see, the Public Officers Law, the Executive Law, the Education Law, the Civil Rights Law and the Public Health Law; is that correct? Did I miss any?

MS. ROMERO: It is comprehensive, yes.

MS. WALSH: Okay. And it -- it does make -- this bill will govern various aspects of all of those different laws. I had it marked into six different sections, so let's just take them one at a time.

MS. ROMERO: Sure.

MS. WALSH: Okay. So the first part has to do with FOIL. The grounds for denying a FOIL request are expanded for the Attorney General if they could disclose confidential information relating to a civil case or reveal sensitive civil investigative techniques. Currently, these requests can only be denied for criminal cases relating to confidential information and investigative techniques. But this bill expands it to include what additional records?

MS. ROMERO: So there are two very narrow categories that are covered under this. It would be specifically whistleblowing witnesses and unique investigative techniques.

MS. WALSH: And why -- why are those additional things being added to -- through this bill? Why -- why do we need to give the Attorney General additional authority to refuse to disclose pursuant to a -- or deny pursuant to a FOIL request?

MS. ROMERO: Well, they're forced already right now to go through great lengths to protect these very serious whistleblowing witnesses or unique techniques. So this would, like I said, streamline that process to allow for them to have a quicker and more efficient process in order to, you know, prevent the weaponization of FOIL in that way.

MS. WALSH: Well, the -- the efficiency is that the AG's Office can just deny it, right?

MS. ROMERO: Well --

MS. WALSH: I mean, I guess it's efficient -- it's streamlined because she just can say, *No, I'm not turning it over*,

right?

MS. ROMERO: But we -- wouldn't we want to protect witnesses that are coming forward with very important information that help ensure the protection of New York State civilians and also unique investigative techniques that are also assisting us with our enforcement powers?

MS. WALSH: I mean, I would say that we -- we have FOIL for a reason and we have a public policy objective to ensure that there is transparency of action unless it can be shown that this stuff shouldn't be disclosed. So, I mean, what -- what tremendous burden is the AG currently under to try to preserve those records?

MS. ROMERO: Well, I'll add that this -- this specific codification is in line with existing criminal practices, but it also is in line with the Federal enforcement practices. And I have the citation if you're interested. And it really allows the IG -- the Attorney General to respond to the importance of -- of protecting the important information that I just mentioned.

MS. WALSH: All right. Well, I mean, let's move on. I -- I just -- okay.

Let's just talk about the next thing. Criminal Gun Clearinghouse. The Superintendent of the State Police will be required to provide the Department of Law with direct real-time access to the Criminal Gun Clearinghouse. Why is that provision being added through this legislation?

MS. ROMERO: So, it improves the Attorney

General's ability to get access to this very specific database. And the central State database is a database that tracks the firearms that are seized by the State Police. This would allow the Attorney General's Office to get real-time direct access to that database itself.

MS. WALSH: And why does she need that?

MS. ROMERO: Like I said before, the true umbrella of this legislation is to increase government efficiency, cut red tape, and prevent, you know, wasting taxpayer dollars with whether it's forms, paperwork or time for government employees that they spend litigating these issues. They should have access. This law clarifies that they have the explicit standing to get access to this database.

MS. WALSH: Well, what --

MS. ROMERO: If I could, just really quick.

MS. WALSH: Oh, please. Go ahead.

MS. ROMERO: This database assists with the Attorney General addressing the iron -- you know, the Iron Pipeline of firearms that are coming from across different states in the United States. This database is able to assist in pinpointing where firearms are coming. And if the Attorney General is able to get better access to this database we can assist in the illegal trafficking of guns.

MS. WALSH: What is the Attorney General's current access to this information? How quickly -- I mean, is this in response to a particular problem that the AG's Office has had in obtaining this data through regular existing means?

(Conferencing)

MS. ROMERO: The process right now is that they have to work with ATF, they have to go through explicit requests with many different agencies. And right -- if -- if -- when -- if in -- if this legislation was to be passed they would -- they, themselves, the Attorney General's Office, would have direct access to this material themselves. They wouldn't have to put in requests or paperwork. They would be able to --they, themselves, have direct access to this material.

MS. WALSH: But -- okay. So but -- I don't understand what the many different agencies are that the AG is currently having to make requests to. If the Superintendent of the State Police already has this data, wouldn't the AG just be asking the Superintendent of State Police for it? And is this provision being put in because the Superintendent of State Police is inordinately delaying in -- in producing this information and that's why we're including this?

MS. ROMERO: What I can say in response to that is that a request and response is timely, it takes time. It wastes, like I said, taxpayer dollars. And the purpose of the Attorney General's Office in receiving direct access to this database is so that we can address the Iron Pipeline of illegal guns in the United States. So by New York State getting direct access to this database, we'll be able to directly assist in our investigations of the illegal gun trade. So I'm -- I'm not sure if I'm able to -- if I'm directly answering your question. This specific section of the bill assists the Attorney General's Office in cutting down days, weeks, you know, frivolous time where they have

to request information and then receive it when they could otherwise just receive that information themselves.

MS. WALSH: I guess for -- so -- and we have four more sections to get through, so I don't -- I don't wish to belabor this, I really don't. I just think that -- I mean, this is -- this is a program bill. This is a bill that you've been asked to carry --

MS. ROMERO: Correct.

MS. WALSH: -- and to push forward on behalf of the Attorney General's Office. The Attorney General is making this request. And I think it's fair for us as the Legislature to inquire as to why we're making all of these changes to all of these sections of law and streamlining, to use your term, but making changes. What -- I think it's fair to ask what the rationale is or if there's any data or information or background or proof that any of this is necessary. Because this is a -- these are substantial changes and we haven't even gotten to the bigger ones.

MS. ROMERO: I mean, this will give them access in real-time to the actual database. I can't speak on the State Police.

MS. WALSH: All right. Well, let's -- let's -- like I said, we -- I've only got so much time here and, you know, I know that this is an additional bill that we're taking up tonight so I don't want to drag things on. But on the other hand, these things have to be discussed as well.

The third thing is an authority to pursue repeated unlawful discriminatory practices. The AG will be allowed to bring

civil actions against repeated or persistent discriminatory practices by public or private entities. When the AG determines that an unlawful discriminatory practice is repeated or otherwise persistent, the AG is authorized to take proof, issue subpoenas and administer oaths when investigating whether an action should be filed. How does this section differ from what the Attorney General's current scope of authority is under the current law?

MS. ROMERO: So, Section 3 explicitly gives the Attorney General proactive authority to address the aforementioned parts that you mentioned. It will bring their enforcement authority in line with the other attorney general statutes in the way that they enforce their laws, as mentioned. But Section 3 is very similar to Section 4, and I think it's kind of helpful to -- to kind of mention those two in line with each other, if you don't mind. And Section 4 is also an additional codification that allows for additional enforcement of the Attorney General's powers, putting the -- adding civil enforcement power to the AG in line with other sections of the Attorney General's powers in other sections of law.

MS. WALSH: Yes, that section --

MS. ROMERO: It's okay to skip forward as well.

MS. WALSH: That section has to do with actions against depriving civil liberties.

MS. ROMERO: Correct.

MS. WALSH: This is Section 4 that we're talking about. So this bill will establish that it is unlawful for any political

subdivision within the State maintaining a police force to engage in a pattern or practice of conduct that deprives persons of rights, privileges or immunities secured or protected by the Constitution or laws of the United States or the State of New York. If the AG has reasonable cause to believe that a violation of this provision has occurred, the AG may bring a civil action and obtain all appropriate relief to eliminate the pattern or practice. These civil actions can only be brought about by the AG in New York County or Albany County. So is there any other section of this -- I'm gonna call it an omnibus bill, right -- that -- that determines the forum where these civil -- where these lawsuits can be brought? This picks only two counties where these can be brought.

MS. ROMERO: Well, I think to directly get to your point, Executive Law 296 prohibits discrimination, but enforcement typically comes from the Division of Human Rights or individuals. Like I mentioned before, this section gives the Attorney General proactive authority in systemic cases. So when the Attorney General is able to see repeated or persistent discrimination, they're able to take on systemic repeated or persistent discrimination.

MS. WALSH: Almost like a class action suit --

MS. ROMERO: Correct.

MS. WALSH: -- that she can bring proactively.

MS. ROMERO: And then just to clarify, it allows for them to have subpoenas -- it outlines, as you mentioned, the different ways for them to have that investigative authority that you mentioned.

(Indiscernible/cross-talk)

MS. WALSH: In these two counties in New York, why -- why is she -- why can these civil actions only be brought in New York County or Albany County? Is it because that's where her offices are maintained or for some other reason?

(Conferencing)

MS. ROMERO: They want to specifically create the jurisdiction to handle the cases where they have their offices, which are Albany County and New York County.

MS. WALSH: Okay. Very good.

The next section has to do with addressing repeated or persistent discrimination in education. And I will say, having taken a look at the opposition that has mounted against this bill, that this is the section that I think has most upset certain groups; the Association of School Business Officials, the Council -- I can't even read this because my eyes are killing me here -- New York State PTA, New York State School Boards Association, SANYS and the Conference of Big 5 School Districts. They strongly oppose this bill in its entirety, but really it's -- it's this section, and I'll -- I'll -- for the benefit of the group here I'll tell you what it's about. Addressing repeated or persistent discrimination in education. This bill grants the AG with the authority to enforce antidiscrimination provisions against public, elementary and secondary schools, school districts and charter schools engaging in repeated or persistent discriminatory conduct. This authority is not extended to private and religious educational

institutions. The AG can accept assurances of discontinuance or agreements to stop the practice from a covered school that this -- and I'd like to continue with my next 15, thank you -- that this unlawful behavior has stopped and violations of such assurances will become evidence in future proceedings. And then in the case that a school has broken this agreement, the AG must file any civil lawsuit within six years of the violation.

So I guess before I get into what the opposition is talking about with this section of the bill, I want to -- I want to ask you this: Just in the development of this bill, how -- how much did you, yourself, participate in the development of this bill?

MS. ROMERO: I did not participate in the development of the bill, but I was heavily briefed on -- on the development and -- and heard about the impetus and very excited to tell you about the memo that you just described.

MS. WALSH: Well, the reason I -- I ask that is because one of the things it says in the memo from all the groups I just read, it's -- it's like a joint memo that they've submitted, a Memorandum of Opposition, in which they say that they strongly oppose the above-referenced legislation. They're saying that in previous -- this is a quote -- *In previous discussions with the Attorney General's Office, many of their questions and concerns were raised by their groups, but they remain unaddressed and unanswered, and that in response to their concerns no language has been amended to address this and other complications.* So -- but you didn't participate

in the development of the bill. It sounds like the bill was perhaps negotiated or discussed with them, the stakeholders. But in response to concerns that they raised, there were no -- according to them, anyway -- there were no changes that were made or amendments made to the bill.

MS. ROMERO: Correct. And, you know, it's unfortunate that the school districts or the school boards are -- are stating that they do not want to be investigated or, you know, or having this -- this objection to this bill in this way. And, you know, if you don't mind I'm happy to go point-by-point on that memo really quickly.

MS. WALSH: You know, I -- why don't I -- why don't I (indiscernible) if that's okay.

MS. ROMERO: Yes.

MS. WALSH: So one of the things that they talk about is that throughout the bill the phrase, quote, "repeated or persistent discrimination", closed quote, is used. However, in all of the non-school district sections containing such language, both "repeated" and "persistent" are defined. For the section pertaining to educational settings, the Attorney General will be provided with near unrestricted authority to determine what qualifies as repeated or persistent. So they're arguing as far as the breadth of the language in the sections specifically pertaining to them. They're -- that they're overbroad and that they're conferring too much discretion and authority to the Attorney General's Office to make determinations as

far as what is repeated or persistent discrimination. So your -- your response to that, please.

MS. ROMERO: Yeah. I could see why they would think that at first glance. But any seasoned attorney, especially one that understands civil -- civil rights and especially Federal enforcement practices, would understand that this bill is simply just aligning and codifying what is already (indiscernible) in longstanding Federal enforcement practices. And frankly, the Attorney General's primary enforcement statute, which is New York State Executive Law § 63(12) already allows repeated and persistent violations of the law. Think about the Attorney General as a concept. They're not really, like, looking at things doot, doot, doot. They're already looking at repeated and persistent concepts. And so to think that they are looking at a extensively large, like, opening up the key is -- is just not real. They're looking at patterns. They're looking at repeated and persistent patterns. For example, one of the perfect examples of a repeated and persistent pattern and kind of locks into the next -- one of the next sections is the Niagara Wheatfield Central School District case -- we'll talk about it, I'm sure, in -- in the next section. But these -- these schools have repeated and persistent patterns of -- of sexual abuse or neglect that they're not looking at, and the Attorney General is -- is well-suited to take on these cases, identify repeated and persistent patterns, and then investigate and pursue it. This bill will codify that they have the ability to take on repeated and persistent patterns and then enforce them.

MS. WALSH: So --

MS. ROMERO: So when -- when you -- just to really quickly address -- when someone says, *Oh, this is too much, repeated or persistent*, you just look at existing case law and you look at the New York Executive Law 63-12, which is the literal all other enforcement actions of the New York State Attorney General. And so this is literally just putting it in line with all of the other enforcement actions that they do under 63-12, so it's really not that wild.

MS. WALSH: I think -- and -- and I don't want to put words in the mouths of the one, two, three, four -- the six groups that are collectively coming together to strongly oppose this legislation. However -- if you could just hold on -- however, I think that if I -- if I had to summarize it, I would say that they're concerned that the language that they're going to be held to is not well enough defined to fully apprise them of what their exposure is as far as what their conduct is. And that -- that has nothing to do with whether they are good attorneys or bad attorneys or attorneys that understand things as well as maybe the Attorney General's Office does. I think it has everything to do with the fact that good drafting -- and this was mentioned in an earlier debate this evening. I think it was actually on the other bill that the Attorney General's Office was putting forth tonight that we've taken up for the Attorney General's Office -- that it's important that we use precise language because that's the only fair way to do it. If we're not precise, if we don't use precise definitions and are very clear, then it's just not fair to the groups that are gonna be

held responsible if they lapse or if they're not meeting up their -- their end of what they're gonna be required to do. So I -- I would just offer that up as an explanation. But I see that my time, as lovely as it has been, is rapidly passing so I'd like to just move --

MS. ROMERO: Okay.

MS. WALSH: -- a little bit quickly through a little bit more, if we could, and then I -- and then I'll be going on the bill.

So the last section, I guess, because we did kind of just talk about the education section. So the last section has to do with State hospital payments subject to the Attorney General's approval. This bill clarifies situations in which the AG's Office needs to be consulted in the waiver or compromise of hospital bills for maintenance care and treatment of patients in cases where substantial justice will be served. Does the AG's Office currently -- do they currently need to be consulted or is that an additional right or authority that's being conferred on them through this legislation?

MS. ROMERO: Are you talking about 7 or 8 or 9?
Just to clarify because (indiscernible/cross-talk) --

MS. WALSH: The part about the State hospital payments being subject to the Attorney General's approval. Whatever section that might be. It's rather a long bill.

(Conferencing)

MS. ROMERO: Okay, so that would be Section 7, which is modifying the -- the Education Law regarding the SUNY medical bill compromises. Is that -- or are you talking about 8 or 9,

which modifies the Public Health Law as it relates to removing the requirement for the Attorney General to --

MS. WALSH: Eight or 9.

MS. ROMERO: Okay. Great. So that's the modification of the Public Health Law, and it removes the requirement for the Attorney General to sign off when the Department of Health seeks to waive or compromise hospital bills.

MS. WALSH: And is that -- is that a new ability that's being conferred on the AG, or is that something that the AG always had? Is it just codifying existing, in other words, or is it new?

MS. ROMERO: It's always had -- they're -- oh, sorry, to clarify, sorry, they're giving up their approval and they're letting the Comptroller handle that. Thank you for that clarification. But the Attorney General will still set the criteria, it just removes the case-by-case approvals.

MS. WALSH: Okay. So --

MS. ROMERO: I'm so glad I clarified that for you.

MS. WALSH: Yeah, because it's actually streamlining things by not involving the AG's Office anymore --

MS. ROMERO: Correct.

MS. WALSH: It's gonna involve the Comptroller.

MS. ROMERO: Correct. Thank you.

MS. WALSH: Very good. I appreciate that clarification. Okay.

Well, thank you -- thank you very much for

answering all those questions, and I appreciate it.

And Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MS. WALSH: So, before I get into the meat of the bill, which I appreciate having gone through with the sponsor, I just want to gripe for one quick second about what the problem is with having debate time cut in half a couple of years ago. This bill has got six separate sections in it that we needed to discuss just now, and I -- if I did not have a second 15 minutes I would have had 15 minutes to discuss basically six separate bills that had just been lumped together, almost like a budget bill. And it's ridiculous. Especially, you know, to have this kind of hit the desk with no notice, to have to get up and basically debate six separate things and only have a half-an-hour to do it.

So now I have four minutes left to try to explain to you why I think that I agree with the Memorandum of Opposition from all of the different school organizations who describe this as an overreach -- as an overreach by the Attorney General's Office. It -- it states, *As drafted, this bill lacks important definition and clarifications, is overly broad and represents a significant expansion of authority.*

So this is, as I said earlier, the second bill, really, that we're taking up tonight that expands the authority of the Attorney General's Office. So if you're fine with the Attorney General's Office taking on all of this additional authority, then I guess that's why the

bill is being brought forward and you can happily vote for it. I think there will be a number of us on my side of the aisle, if not all of us, who will say no. That this -- that the AG's Office has plenty of authority already, and has shown -- has shown quite a bit of, some would say, I would say, aggressive behavior in bringing -- bringing plenty of lawsuits out there; some good, maybe, some bad. Some overreaching.

So I -- I don't think that this bill is necessary. I think that it might be something -- certainly is something that the Attorney General wants, which is why they approached the sponsor to have her carry it. It doesn't sound to me from reading the Memorandum of Opposition that these groups, these school groups were even really listened to. You know, I -- I think it's unfortunate to have characterized them as being somehow uninformed or naive. I think that these are pretty big organizations that have gathered together to show opposition. So, you know, what they're saying is that they're concerned about the section particularly as it relates to the AG's new authority or expanded authority to enforce antidiscrimination provisions against public, elementary and secondary schools, school districts and charter schools from engaging in repeated or persistent discriminatory conduct. And which the -- the part about it being either repeated or persistent or repeated or persistent discriminatory conduct is going to be decided by the Attorney General's Office.

So this is gonna be our first vote on this omnibus bill, and I -- I would encourage a no vote on this. I don't -- I don't see the

need. I don't see the necessity. And I don't see the rush. I think that the Attorney General has shown an absolute willingness to very aggressively go after all kinds of entities, and -- and I say enough.

So I'll be voting in the negative and I would encourage my colleagues to do the same. Thank you.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The Minority Conference will be in the negative on this bill. If you'd like to vote yes, please do so now at your seats. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Ms. Hyndman.

MS. HYNDMAN: Thank you, Madam Speaker. The Majority Conference will be in the affirmative on this bill. Any members wishing to vote down may come to the Chamber and cast their vote. Thank you.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Steck to explain his vote.

MR. STECK: Madam -- thank you, Madam Speaker.

I'll be voting in the affirmative on this bill. I've been doing civil rights litigation against school districts for 40 years. I have never seen arrogance among any group of defendants such as these. This bill is completely justified, notwithstanding their opposition.

Thank you.

ACTING SPEAKER HUNTER: Mr. Steck in the affirmative.

Ms. Romero to explain her vote.

MS. ROMERO: Thank you. I want to start by thanking the Attorney General and their team for the incredible support in preparing this legislation and preparing for the debate; my Senate sponsor, the Speaker and others for bringing this to the floor.

I just really wanna clarify that we're not really giving the Attorney General any authority that isn't within the scope of their existing powers. This bill is about streamlining and getting rid of waste and making sure that we're not wasting taxpayer dollars. The reality is that in some counties they're quashing subpoenas, and the Attorney General is required to go to their Appellate authority in order to actually enforce their true investigative powers. That is a waste of taxpayer dollars.

I'm so proud to get through this legislation that will modernize, streamline and codify the Attorney General's enforcement powers. I look forward to making sure that our Attorney General has all the tools that they need to protect us, protect our schoolchildren and defend our civil liberties.

As an attorney, but most importantly as a litigator, I'm very proud to pass this legislation and I will be in the affirmative.

ACTING SPEAKER HUNTER: Ms. Romero in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

On the main Calendar, page 9, Rules Report No. 456, the Clerk will read.

THE CLERK: Senate No. S07416-A, Rules Report No. 456, Senator Hoyleman-Sigal (A07856-A, Lavine, Jackson, Sayegh, Shimsky, McMahon). An act to amend the Estates, Powers and Trusts Law and the State Technology Law, in relation to electronic wills.

ACTING SPEAKER HUNTER: An explanation has been requested.

Mr. Lavine.

MR. LAVINE: Certainly. This bill authorizes the creation, execution, filing and revocation of electronic wills. Electronic wills are used in more than a dozen states and the District of Columbia, and we'll see more states adopting this system in the days to come. It defines the key terms and allows wills to be signed and attested remotely. Now, the reason we want to do this is that today in New York, less than a third of New Yorkers have wills to begin with. Any -- any kind of will. And in the remote and rural and

underserved areas of the State, the statistics are much more severe.

And practically speaking, this is the way this works: Once someone has finalized their will, they will utilize an online notary platform to formally execute the will. The notary, along with the witnesses, will join in a secure video conference. Every one of them will be together. The trained notary will require multifactor authentication -- authentication, excuse me, and identification checks before being able to move forward with the process. The signing and notarization of that document will take place remotely in front of the notary and the witnesses, and a finalized document will be produced similar to DocuSign that is complete with Meta data showing the time, date, location of everyone involved in the signing ceremony.

ACTING SPEAKER HUNTER: Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. LAVINE: Of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MS. WALSH: And I really appreciate your explanation. I have a few more questions about exactly how this works with the parameters are first.

MR. LAVINE: Of course, Ms. Walsh.

MS. WALSH: Thank you very much. So the -- all of

the lead-up to the will -- the will being drafted, that I -- I have no issue with that being done virtually. If you have a -- an attorney and a client and you want to beat on Zoom and talk about what you want your will to be, what you want the provisions to be, I have no issues with that.

MR. LAVINE: Or that can be done in person between the testator and the -- and the attorney.

MS. WALSH: It could. But what this bill really gets to is the actual execution of that will once it's been prepared.

MR. LAVINE: Yes.

MS. WALSH: All right. So there are several different people who are involved in the -- the actual will signing. You have the testator -- the person who -- who -- whose will it is -- two witnesses and a notary. Right? So do the witnesses have to be with -- in the -- physically with the testator at the time of execution?

MR. LAVINE: No.

MS. WALSH: Okay. So I'm imagining -- and -- I'm just imagining like a Zoom, right, or --

MR. LAVINE: Yes.

MS. WALSH: -- Microsoft Teams or something like that. So you've got -- you might have a -- a witness that's -- and the witnesses don't even have to be in-state, correct? They can be anywhere.

MR. LAVINE: Well, yeah.

MS. WALSH: I mean, there's no requirement that they be actually in New York anywhere, right?

MR. LAVINE: They -- they just have to be residents or domiciliaries -- or domiciled in the United States of America.

MS. WALSH: Okay. All right. So let's say you've got one witness is in Colorado, one witness is in Connecticut. You've got the testator who's in New York, and then you've got a notary service that's -- that's in another square in the -- in the Zoom, correct?

MR. LAVINE: Yes.

MS. WALSH: Okay. So is it possible under this scenario that the testator could be all by themselves in wherever they are. Like in their home or -- I don't know, wherever they are. Nursing home, whatever.

MR. LAVINE: Of course.

MS. WALSH: Okay. So when I have executed a will before, not my own, but when I have participated in a -- a will ceremony, because that's how we always referred to it as a will ceremony, it would give me an opportunity as the attorney to be able to be face-to-face present with the testator to have a sense of -- I've generally met with that client before in order to ascertain their -- what they want their will to be. I usually would do a package where I'd do, you know, a healthcare proxy, maybe a living will, a power of attorney. We execute all those documents all together. So it would give me an opportunity when I actually physically am meeting with the client in the room, the opportunity to figure out is that person oriented to place and time? Do they know who the President is? Do they -- how do they look? Do they look like they know what's going

on? Do they -- are they making sense? How -- how -- don't we lose some of that when we're doing this virtually like this?

MR. LAVINE: Well, to begin with, this bill has nothing to do with the attorney-client relationship at all. And in most instances, the attorney is going to have some face-to-face interaction with the testator. The --

MS. WALSH: Does this bill require -- I'm sorry. Does bill require that, though?

MR. LAVINE: No. No. The bill does require that OCA-trained notaries who are going to inquire as to the competence of the testator. And I know that in -- in Committee you had expressed some concern because you had, as had I as a young attorney, been involved in preparation for a will for someone and you had grave second thoughts about that person's competence.

MS. WALSH: Correct.

MR. LAVINE: And you and I have shared that, have had that experience. But I -- I think that the worry that e-wills -- and here I'm gonna quote something from a brilliant article that was published. Some --

MS. WALSH: Did you write it?

MR. LAVINE: Some people -- wait, don't steal my thunder.

MS. WALSH: I'm sorry, spoiler. Sorry.

MR. LAVINE: Some -- I wrote it with two other people. Some worry that e-wills may enable fraud or foul play. That's

an understandable concern. And especially understandable because this is a relatively new concept. Although this is today's technology and it is the future of technology. So that's an understandable concern. So it's important to note that the proposed legislation includes numerous provisions to ensure the will's security. E-wills require all the same formalities and safeguards of traditional wills. It's just that everything happens online. E-wills, like their paper counterparts, must be prepared and electronically signed by someone quote, unquote, "of sound mind." They must also be electronically signed by two witnesses before a State-authorized remote online notary. In fact, e-wills do offer more antifraud protections than traditional wills, including an actual video depiction of the -- and portrayal of the testator, a timestamp audit trail, and a fraud evidence seal. So I -- I hope that deals with some of the real-life concerns that you and I have had with respect to the competence of testators.

MS. WALSH: I find it interesting because the -- that really is placing responsibilities on the notary that a notary really doesn't currently have. Do they -- usually the witnesses are the ones who are kind of there to figure out, you know --

MR. LAVINE: So, Ms. -- Ms. Walsh, I am glad that you asked that question because OCA was involved in the preparation of this particular bill. And this bill has been in preparation for two or three years at least. And OCA is going to train notaries. There will be a panel of notaries who have experienced education in recognizing whether testators are of sound mind or not, and will be asking

questions of the testators to establish that.

MS. WALSH: Okay.

MR. LAVINE: And there's also a provision in the bill that requires that the electronic will signing also contains a placard with 12-point font advising the testator of all the testator's rights.

MS. WALSH: Now, I -- and I like the fact -- I do like the fact that there will be -- the video recording of it will be electronically filed with the -- the bill requires the will to be electronically filed with the Surrogate's Court within 30 days of its execution. But isn't there also a provision that the -- the videotape -- and I know that that's an old term.

MR. LAVINE: Don't worry.

MS. WALSH: But, you know, that that will be maintained and could be subject to review at some later point if there's an issue? I -- I thought I saw that in the bill.

MR. LAVINE: The idea is that those electronic depictions or videos are going to be filed in the Surrogate's Courts.

MS. WALSH: Okay. And -- and so the Surrogate Court then will need to implement a system for storing these electronic wills?

MR. LAVINE: And that's why the effective date is a year-and-a-half off. And the courts -- OCA, along with any number of other involved entities, have prepared and helped in preparation of the bill and will continue to help in terms of gearing OCA and the courts

up to be able to handle this. And this is going to happen not only with wills; it's going to happen with a lot of -- for example, EBTs, examinations. Even trials. There will have to be a video capacity to hold onto those things and protect them.

MS. WALSH: And will they be held on to -- what will be the retention policy? Will they be held onto forever? Well, when can they be destroyed?

MR. LAVINE: I -- I would except that after -- after the testator goes elsewhere and the courts are administering the estate, that the courts will then figure out a way with respect to how long they should maintain those documents.

MS. WALSH: But the bill -- the bill is silent as to that?

MR. LAVINE: Yes. Yes.

MS. WALSH: Okay. Let's see. Is there any -- I wouldn't -- I -- I'm assuming that there's nothing in the bill that addresses any financial impact on the Surrogate Court system for having to develop and maybe -- I don't -- I don't know how they store this stuff. But, I mean, I would imagine they're gonna need some -- something to do that.

MR. LAVINE: There's -- there's nothing specific in the bill's language; however, OCA has been an active participant in the development of this particular bill, and I suspect when OCA comes to us with its budget that we will show OCA the same deference and respect that we have the last years.

MS. WALSH: I -- one last thing and then -- and then I will be very happy to just go on the bill and kind of express the rest of my concerns. But one question. Because you do know that I've had some -- some experience with this that has caused me some concern, and one of my biggest concerns is that there -- that when you're doing things virtually -- and we all have had this experience. I think most recently when we did endless Zoom meetings during, you know, COVID, during --

MR. LAVINE: Please don't remind me.

MS. WALSH: -- the pandemic -- I know, we all want to forget that. But when we think about that, we all got a glimpse into each other's world a little bit, and -- but you could only see what you could see on screen. You could see maybe what was directly in back of the person or maybe a little bit around them. But when we talk about things like undue influence or other issues, it's the -- it's what you can't see in that frame that worries me. Like, for example, I'll share that -- the experience that I had was I developed a will for an elderly lady, and come to find out it was her grandchildren who were really leaning on her quite hard. And she had real problems with dementia, and had I not been there personally and had an opportunity to see the grandchildren interacting with the grandparent, if they had been off-screen and I didn't know that they were there and I didn't realize the influence that they really were having over this lady, I -- I might not have been able -- I might not have prevented the signing of that will. And I -- so that's a worry for me and I'm wondering if you

have anything to say to maybe address that concern.

MR. LAVINE: Yes. What I have to say is that that can be the case whether there's an electronic will or a regular will. Good lawyers will watch for that. And in addition to that, notaries are going to be trained to monitor and move the videos so that we get a full perspective. But in the end, the essential ingredient here is always the assistance of a very competent lawyer.

MS. WALSH: Thank you very much, Mr. Lavine.

MR. LAVINE: Thank you, Ms. Walsh.

MS. WALSH: I appreciate it.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MS. WALSH: I -- I do appreciate that I'm perhaps a little bit old-fashioned in the way that I -- that I practice law, but I don't think that I'm alone. I'm not resistant to technology, I just think that when it comes to something like your will, I can't think of another document that you prepare -- I mean, you think about a real estate closing and how important it is when you buy your home or you buy a piece of property and how -- and how important that is. A will -- your -- your will is, I think, the most important thing that you develop and sign. It's the culmination of your -- your desires. It -- you may be executing other documents along with it that give medical directives. You -- I just can't think of anything that's more important. And I think that sometimes technology should not be embraced so readily when there really is no substitute for being face-to-face, having an attorney

and their client together in a room with witnesses and a notary who can -- who can evaluate and ascertain and make sure, *Is this really what you want? Do you know what's going on? Are you competent?* And -- and also, not for nothing, but when you're a -- a New York State attorney and you -- and you practice in this area, you know, I -- I think that there could be an unintended consequence by allowing this that, you know, you -- you might -- I don't know, I think you're losing something. You're losing something. You're losing some of that personal connection by doing something over Zoom. I think we all can relate to that because we all went through that. We all understand what it was like to be passing bills on Zoom. To be conducting this -- this Chamber's business for quite a bit of time on Zoom. We lost something during that time. And -- I'm just pausing because I see that my buzzer's gonna go off and I would like to continue and just finish my thought. I think that that idea, that concern that I have of what's going on just outside the camera angle is really important. And I think that if we put convenience ahead of just -- just making sure that it's right, I think -- I think we're gonna lose something here. And I think that -- I do appreciate the protections that are placed in the bill to actually keep a recording and have that filed along with the will with -- with the Surrogate's Court or with the clerk's office or however it's gonna be -- I don't know how that's gonna be done. I mean, that's a good part of the bill. I do like that. But I don't know, I just -- I don't -- I just don't -- I just don't -- I just don't like it. I think that the point that was made during the sponsor's explanation of the bill where he

said that there are so many people in New York State that don't have a will, that's true. But there are a lot of people that don't need one.

They -- they don't. They -- intestacy works just fine for some people because they know that if they pass away or when they pass away, if they're married it's gonna go to their spouse. If they -- their spouse is predeceased and they have children it's gonna go to the children in equal shares. And if that's all you want, you don't -- you don't need a will. Is it a good idea to have, you know, a healthcare proxy or a living will or a power of attorney? Sure. You might need those things. But intestacy is not -- not terrible. We don't need 100 percent of people in New York State to have wills.

So it is a noble goal to hope that the people that really do need them have access to them and can do them. But this is bread and butter for a lot of attorneys in the area in New York State. And I believe that there is sufficient access to practitioners, even in rural areas, to prepare wills. It's -- generally speaking, even in a small town you're gonna have somebody that does wills, you're gonna have somebody that can handle at least minor criminal matters and you're gonna have somebody that can do closings. I mean, that's just -- that's just bread and butter legal work. So I don't think that there's a real crisis in terms of access to these practitioners that would be a good argument for making this -- making this bill critically important to pass.

So I -- I think in -- in closing, I just -- I think that although this may be new technology, I think that -- that fraud and

undue influence is, unfortunately, as old as time. We've had this -- we've had concerns about that forever. And I think that before we pass bills like this, we have to consider that and we have to say, you know, it may be more convenient and it may even help a few more people decide to -- to create a will and to have a will, and maybe that has some social utility and we like that idea. But at what cost is that convenience? So I would err on the side of saying no to this bill, and I hope that my colleagues will also see some wisdom in that as well.

Thank you very much, Madam Speaker. A

ACTING SPEAKER HUNTER: Thank you.

Ms. Bailey.

MRS. BAILEY: Thank you, Madam Speaker.

Would the sponsor yield for a couple quick questions?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. LAVINE: Certainly.

ACTING SPEAKER HUNTER: The sponsor yields.

MRS. BAILEY: I -- I believe you had indicated both OCA and the Department of State if I am not mistaken; is that correct?

MR. LAVINE: May -- may I clarify? If --

MRS. BAILEY: Sure.

MR. LAVINE: -- if I said the Department of State, I misspoke. The -- the particular legislation we're talking about has been the product of years of collaboration led by the Trusts and the

State's section of the New York State Bar Association in partnership with the Office of Court Administration and the Surrogate Court's judges. And it also reflects input from a broad coalition of stakeholders, including AARP, MetLife Legal Plans and many, many others as -- as well.

MRS. BAILEY: Yep. I -- I saw there. And it -- more just questions and -- and I'll get to why I wish I heard the Department of State in just a second. But my -- I would assume that we would be looking at -- you've been working with OCA; so the NYSCEF system or the -- the system that they currently manage for Supreme Court records, as well as Surrogate Court, Criminal Court, Family Court. Is that the mechanism in which the conversation has taken places as how this will be uploaded into Surrogate's Court? Have you gotten into that granular detail or...

MR. LAVINE: Ms. Bailey, that's an interesting question, but that's going to be a question that's going to be determined by OCA and -- and its judges.

MRS. BAILEY: Okay. And the only reason why I ask because I know that Surrogate Court right now is all electronic through that system. So I was just wondering if it would take the same mechanism? Potential --

MR. LAVINE: I don't -- I don't know and I don't want to guess, but I think you and I both know that the future of our court systems includes a whole lot more in the days to come of electronic storage of all kinds of -- all kinds of material.

MRS. BAILEY: I -- I've worked closely with the folks at OCA over the last several years with that. So yes, I understand that. And the reason I bring up the Department of State is under Executive Law 135-C, which is the Electronic Notary, there are specific rules and regulations that electronic notaries need to follow. One of which is that they have to have a video of the acknowledgment as they're taking that and they must retain that for ten years. So I guess maybe I would just put out there that we -- if we have not, partnering with the Department of State as well, because if -- if we're uploading that video into OCA's system, the notary is now losing custody of that and that is discussion on the recordkeeping of the notary maintaining those files for the ten years and that's where we got into the journal keeping for regular notaries as well.

MR. LAVINE: That -- that is, as they say in court, a point well-taken.

MRS. BAILEY: So, I -- I just wanted to put that out there and I appreciate you taking my questions. Thank you.

MR. LAVINE: And likewise and thank you.

ACTING SPEAKER HUNTER: Thank you.

Mr. Ra.

MR. RA: Thank you, Madam Speaker. Will the sponsor yield?

ACTING SPEAKER HUNTER: Will the sponsor yield?

MR. LAVINE: Of course.

ACTING SPEAKER HUNTER: The sponsor yields.

MR. RA: Thank you, Mr. Lavine. So a couple of questions: Number one, under this if this is enacted, does an attorney who's preparing this will have to be in New York State? Or a New York State attorney?

MR. LAVINE: This -- this bill is not changing any existing laws with respect to which attorneys from which states are able or authorized to prepare wills for people.

MR. RA: Okay. And with regard to you talked earlier about, you know, a skilled attorney recognizing the individual that they're of sound mind. But what about the witnesses? If the witnesses -- are the witnesses potentially in a different location than the person whose will signing they're witnessing?

MR. LAVINE: They may be.

MR. RA: So I mean -- and are there [sic] signing basically that they witnessed that this person signing the will was of sound mind when they did so, correct?

MR. LAVINE: Well, they're witnessing the fact that the -- the person, the testator, has executed the will -- has signed -- signed the will. I mean, it happens very often that people who witness wills don't even know that -- that -- have no relationship with the testator.

MR. RA: Sure. Sure, but they -- they would need to recognize that the person is, you know, competent to sign a will.

MR. LAVINE: I suppose so in a way, but that's the

law. Whatever the law is now, is going to continue to be the -- the law governing electronic wills the same -- same --

MR. RA: My -- my point being --

MR. LAVINE: (Indiscernible)

MR. RA: I think that, you know, that same concern that was expressed by Ms. Walsh, that this person's on some type of electronic communication, you may not be able to fully see, you know, what's going on, whether there's anybody else there, if -- if they are fully with it because you're not physically in the same place as -- as the testator.

MR. LAVINE: The people who sign -- sign the will as the witnesses, are going to be in the same position as they are right now in terms of interaction with the -- the testator.

MR. RA: Okay. Thank you, Mr. Lavine.

Madam Speaker, on the bill.

ACTING SPEAKER HUNTER: On the bill.

MR. RA: I just want to point out quickly, while there are states who have enacted this, there's actually two states who have expressly forbid the use of electronic wills. I think that, you know, these types of things certainly can be helpful but we have to be very, very careful about this. Convenience is a great thing, but when you're doing something as important as signing a will, there are so many parts of this that could go awry and that -- let's face it, it's an unfortunate thing, but when a loved one passes away, sometimes assets become contentious between siblings or other heirs. It's an

unfortunate reality and I think we have to be very careful going down this road. Thank you.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect on the 545th day.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Ms. Walsh.

MS. WALSH: Thank you, Madam Speaker. The Republican Conference will generally be in the negative on this legislation. There may be a few people who want to vote yes and they can do so now at their seats. Thank you.

ACTING SPEAKER HUNTER: Thank you.

Ms. Hyndman.

MS. HYNDMAN: Thank you, Madam Speaker. The Majority Conference will be in the affirmative on this piece of legislation. Any member wishing to vote it down may come to the Chamber and do the business at the desk. Thank you.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Burdick to explain his vote.

MR. BURDICK: Thank you, Madam Speaker, for the opportunity to explain my vote. I wish to commend the sponsor

for this bill, having been through many will ceremonies. And I understand the concerns that have been raised; however, the legislation certainly provides strong procedural safeguards. And as the sponsor so rightly said, any will ceremony, whether in person or on Zoom, requires the oversight of the attorney to ensure the competence of the testator and that there exists no fraud, no undue influence. This bill clearly has been very thoroughly reviewed and vetted and of course this doesn't require that the will ceremonies be carried out by video conference. It simply offers an option. As the bill memo states, the -- this legislation would simply broaden existing statutes to allow for the electronic signature at the station and notarization of the wills.

I vote in the affirmative. Thank you.

ACTING SPEAKER HUNTER: Mr. Burdick in the affirmative.

Ms. Kay to explain her vote.

MS. KAY: Thank you, Madam Speaker. I too want to commend the sponsor of this very important legislation that as an attorney in private practice, I've handled these wills for years and we are giving an additional convenience perhaps for the elderly people with disabilities who cannot all get together in one place.

So again, I want to commend the sponsor for this important legislation.

ACTING SPEAKER HUNTER: Ms. Kay in the affirmative.

Mr. Lavine to explain his vote.

MR. LAVINE: This will be a method that will allow for a lot of people who might think it's just inconvenient to go to a lawyer to find witnesses. It's an expensive proposition. This will hopefully keep the cost down in the days and the years to come.

And -- and finally, just on a personal note. I lost a brother a couple of years ago and I only wish that before he died, I had asked him, did he have a will. I assumed he had a will. He did not have a will. And I only wish for the sake of his children that he would've had a will.

This is extremely important. Today, less than a third of New Yorkers have wills and it just helps tremendously in terms of family to make sure that family is provided for and this is one good way to do it. I withdraw my abstention and vote in the affirmative. Thank you.

ACTING SPEAKER HUNTER: Mr. Lavine in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 14, Rules Report No. 698, the Clerk will read.

THE CLERK: Senate No. S08413, Rules Report No. 698, Senator Gounardes (A08870, Pretlow). An act in relation to authorizing a loan from the State to the City of Dunkirk (Part A); and making an appropriation therefor (Part B).

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Ms. Walsh. Oh, Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker.

The Republican Conference will generally be opposed to this piece of legislation; however, any members who wish to vote in the affirmative may do so at their desks.

ACTING SPEAKER HUNTER: Thank you.

Ms. Hyndman.

MS. HYNDMAN: Thank you, Madam Speaker. The Majority Conference is in favor of this piece of legislation. Any member wishing to register their vote in the negative may come do it at their desk. Thank you.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Molitor to explain his vote.

MR. MOLITOR: Thank you, Madam Speaker. I'll be -- I'll be brief. I'm not going to repeat everything that I said last night, but I am going to give you some additional information that I received this morning. You know, the -- a majority of the City Council in the City of Dunkirk is opposed to this and I also received a

phone call from Bob Bankowski who's the -- who's the Chautauqua County legislator who represents District 2, one of two legislators who represents the City of Dunkirk. He's a Democrat and he called me to tell me that he is opposed to this legislation as well. So, there is bipartisan, I guess, opposition to this legislation within the city in my district. So I just wanted to share that as well.

I'll be in the negative, thank you.

ACTING SPEAKER HUNTER: Mr. Molitor in the negative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 14, Rules Report No. 690, the Clerk will read.

THE CLERK: Senate No. S08185, Rules Report No. 690, Senator Salazar (A08706, Walker). An act to amend the Civil Practice Law and Rules, in relation to prohibiting certain entities from negotiating any contracts or settlements releasing such entities from liability for a tortious or potentially tortious act within thirty days of such act.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: A Party vote has been requested.

Mr. Gandolfo.

MR. GANDOLFO: Thank you, Madam Speaker. The Republican Conference will generally be opposed to this bill; however, any members who wish to vote yes may do so at their desks.

ACTING SPEAKER HUNTER: Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you, Madam Speaker. The Majority Conference is going to be in favor of this piece of legislation; however, there may be a few that would desire to be an exception. They should feel free to do so at their seats.

ACTING SPEAKER HUNTER: Thank you.

The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 19, Rules Report No. 791, the Clerk will read.

THE CLERK: Senate No. S08091, Rules Report No. 791, Senator Cooney (A05496-A, Lupardo, Stirpe, Peoples-Stokes). An act to amend the Tax Law, in relation to the timeframe of distributors of cannabis products to file tax returns.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Page 19, Rules Report No. 850, the Clerk read.

THE CLERK: Assembly No. A08809-B, Rules Report No. 850, Giglio. An act to amend Chapter 495 of the Laws of 2011 relating to the conveyance of land formally used as an armory to the Town of Riverhead, County of Suffolk, in relation to the use of such property.

ACTING SPEAKER HUNTER: Home Rule

Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Ms. Giglio to explain her vote.

MS. GIGLIO: Thank you, Madam Speaker. This bill allows the town to lease the property known as the former Riverhead Armory to the YMCA of Long Island for a variety of uses, all centered and focused on expanding community benefit, improving accessibility and inclusivity, increasing operational efficiency and provide for cost savings that better align long-term community goals and provide for community integration opportunities with law enforcement for all

residents regardless of income and age, or background. Repurposing the Riverhead Armory for use by the YMCA represents a forward-thinking investment in the health, well-being and unity of our community. This change transforms a limited-use facility into a vibrant community hub serving thousands of residents annually and enhancing quality of life for generations across generations.

I'm ecstatic. I know it's late. I want to thank you to the great staff in the Assembly on both sides; very thorough, knowledgeable and helpful. Thank you to the Leader, the Speaker, the Governor's Office, the Town of Riverhead, the YMCA, the floor leaders, for realizing how important this bill is and for bringing the floor -- to the floor for a vote. The YMCA can now seek grant funding and they can start fundraising to transform this armory that has been dilapidated for over 20 years. So I'm looking forward to bringing the community together in this great facility and again, thank you to everybody who helped get this to the floor. Thank you.

ACTING SPEAKER HUNTER: Ms. Giglio in the affirmative.

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Madam Speaker, if we can now move to B- and C- Calendars and take them up immediately.

ACTING SPEAKER HUNTER: On consent, page 4

-- on Mrs. Peoples-Stokes' motion, we will be advancing the B- and C- Calendar.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Thank you. And we will begin on page 4. Thank you, ma'am.

ACTING SPEAKER HUNTER: Thank you. On consent, page 4, Rules Report No. 885, the Clerk will read.

THE CLERK: Assembly No. A00074, Rules Report No. 885, Pheffer Amato, Jones, Hunter, Woerner, McMahon, Conrad, Hyndman, Lupardo, Stern, Weprin, Lunsford, Lavine, Burdick, Davila, Meeks, Eachus, Raga, Barrett, Kay, Hevesi, P. Carroll, Bronson, Sayegh, Kassay, Schiavoni, McDonald, Braunstein, Griffin, Berger, Benedetto, Seawright, Anderson, Burroughs, O'Pharrow, Buttenschon, Brabenec, Otis. An act to amend the Real Property Tax Law, in relation to establishing a real property tax exemption for veterans who have a one hundred percent service connected disability.

ACTING SPEAKER HUNTER: On motion by Ms. Pheffer Amato, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A02341, Rules Report No. 886, Paulin, Hevesi, Tapia, Lunsford, Meeks, Reyes, Kelles, Rosenthal, Woerner, Taylor, McDonald, Levenberg, Lupardo, Seawright, Brabenec, Jensen, Chandler-Waterman, Sayegh, Griffin, Burke. An act to amend the Education Law, in relation to registered dental hygienists working without supervision but within a collaborative practice agreement with a licensed dentist.

ACTING SPEAKER HUNTER: On a motion by Ms. Paulin, the Senate bill is before the house. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 547th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A02595, Rules Report No. 887, Ra. An act in relation to authorizing the County of Nassau assessor to accept an application for a real property tax exemption from the Cathedral of the Incarnation in the Diocese of Long Island.

ACTING SPEAKER HUNTER: On a motion by Mr. Ra, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04136, Rules Report No. 888, Tague. An act to amend the Tax Law, in relation to extending the authorization for imposition of additional sales tax in the County of Schoharie.

ACTING SPEAKER HUNTER: On a motion by Mr. Tague, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04613-B, Rules Report No. 889, Pretlow, Rozic, Bronson, Paulin, Griffin, Kay, Berger, Eachus, Stirpe, Clark. An act to amend the Education Law, in relation to modernizing the scope of the practice of podiatry.

ACTING SPEAKER HUNTER: On motion by Mr. Pretlow, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect on the 545th day.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04842, Rules Report No. 890, Tague. An act to amend the Tax Law, in relation to extending the authorization for Otsego County to impose additional rates of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Tague, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04986, Rules Report No. 891, Tague. An act to amend the Tax Law, in relation to extending the authorization for imposition of additional sales and compensating use taxes in Greene County.

ACTING SPEAKER HUNTER: On a motion by Mr. Tague, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05007, Rules Report No. 892, Tague. An act to amend Chapter 218 of the Laws of 2009 amending the Tax Law relating to authorizing the County of Greene to impose an additional mortgage recording tax, in relation to extending

the effectiveness thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Tague, the Senate bill is before the house. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the result.)

The bill is passed.

THE CLERK: Assembly No. A05393, Rules Report No. 893, Ra, McDonough. An act granting retroactive membership with Tier IV status in the New York State and Local Employees' Retirement System to Dawn Ward.

ACTING SPEAKER HUNTER: On a motion by Mr. Ra, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05514, Rules Report No. 894, Blankenbush. An act to amend the Tax Law, in relation to extending authorization for the County of Lewis to impose an additional one percent of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Blankenbush, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05574, Rules Report No. 895, Barclay. An act to amend the County Law, in relation to reestablishing the Office of Coroner in the County of Oswego and removing the powers and duties of coroners from the District Attorney in such county and allowing Oswego County to appoint a coroner.

ACTING SPEAKER HUNTER: Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05621, Rules Report No. 896, Barclay. An act to amend the Tax Law, in relation to extending the authorization of the County of Oswego to impose an additional one percent of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Barclay, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A05832-B, Rules Report No. 897, Kelles, Rosenthal, Reyes, Epstein, Mamdani, Burdick, Simone, Colton, McMahon, Davila, Shrestha, Shimsky,

Forrest, Alvarez, Clark, González-Rojas, Raga, Romero, Griffin, Otis, Schiavoni, Stirpe, Lunsford, Jacobson, Seawright, Woerner, Dinowitz, Paulin, Levenberg, McDonald, Lasher, Simon, Bendett, Hevesi. An act to amend the Environmental Conservation Law, in relation to enacting the "PFAS Discharge Disclosure Act".

ACTING SPEAKER HUNTER: On a motion by Ms. Kelles, the Senate bill is before the House. The Senate bill is advanced.

This bill is laid aside.

THE CLERK: Assembly No. A06344, Rule Report No. 898, Ra. An act to amend the Tax Law, in relation to extending the authority of the County of Nassau to impose hotel and motel taxes in Nassau County; to amend Chapter 179 of the Laws of 2000 amending the Tax Law relating to hotel and motel taxes in Nassau County and a surcharge on tickets to places of entertainment in such county, in relation to extending certain provisions thereof; and to amend the Tax Law in relation to extending the authority of the County of Nassau to impose additional sales and compensating use taxes, and in relation to extending local government assistance programs in Nassau County.

ACTING SPEAKER HUNTER: On a motion by Mr. Ra, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06405, Rules Report No. 899, Palmesano. An act to amend the Criminal Procedure Law, in relation to granting peace officer status to animal control officers of the County of Schuyler.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the result.)

The bill is passed.

THE CLERK: Assembly No. A06450-C [sic], Rules Report No. 900, Bores, Cunningham, Kelles, Forrest, Chandler-Waterman, Torres, Otis. An act to amend the General Business Law, in relation to requiring synthetic content creation system providers to include provenance data on synthetic content produced or modified by a synthetic content creation system that the

synthetic content creations system provider makes available.

ACTING SPEAKER HUNTER: On a motion by Mr. Bores, the Senate bill is before the House. The Senate bill is advanced.

This bill is laid aside.

THE CLERK: Assembly No. A06614-A, Rules Report No. 901, Ra. An act in relation to authorizing the County of Nassau assessor to accept an application for a real property tax exemption from Chabad of West Hempstead.

ACTING SPEAKER HUNTER: On a motion by Mr. Ra, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06659, Rules Report No. 902, Palmesano, Bailey, Sempolinski. An act to amend Chapter 365 of the Laws of 2005, amending the Tax Law relating to the mortgage recording tax in the County of Steuben, in relation to extending the provisions of such chapter.

ACTING SPEAKER HUNTER: On a motion by Mr.

Palmesano, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06688, Rules Report No. 903, Blankenbush. An act to amend the Tax Law, in relation to authorizing the County of Jefferson to impose an additional sales tax.

ACTING SPEAKER HUNTER: On a motion by Mr. Blankenbush, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06820, Rules Report

No. 904, Tague. An act to amend the Tax Law, in relation to extending the authorization of the County of Delaware to impose an additional one percent of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Tague, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A06916-A, Rules Report No. 905, Hawley. An act authorizing the City of Batavia to alienate certain parklands for use as a municipal parking lot and to preserve the historic Brisbane Mansion.

ACTING SPEAKER HUNTER: On a motion by Mr. Hawley, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07452-B, Rules Report No. 906, Dipietro. An act to amend the Highway Law, in relation to dedicating a portion of the State Highway System to the Boston NY Fallen Firefighters.

ACTING SPEAKER HUNTER: On a motion by Mr. Dipietro, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07885, Rules Report No. 907, Palmesano. An act to amend the Town Law and the Public Officers Law, in relation to authorizing the town justice of the Town of Montour, County of Schuyler, to be a nonresident of such town.

ACTING SPEAKER HUNTER: On a motion by Mr. Palmesano, the Senate bill is before the House. The Senate bill is

advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07930-A, Rules Report No. 908, Barclay. An act to amend the Highway Law, in relation to dedicating a portion of the State Highway System to Lieutenant Donald R. Hill.

ACTING SPEAKER HUNTER: On a motion by Mr. Barclay, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A07968, Rules Report

No. 909, Maher. An act to amend Chapter 290 of the Laws of 2023, amending the Tax Law relating to authorizing the Village of Goshen to impose a hotel and motel tax, in relation to the effectiveness thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Maher, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08072, Rules Report No. 910, Barclay. An act to amend the Tax Law, in relation to extending the authorization of the City of Oswego to impose an additional one percent of sales and compensating use taxes.

ACTING SPEAKER HUNTER: On a motion by Mr. Barclay, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will

record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08079-A, Rules Report No. 911, Hawley. An act to amend Chapter 530 of the Laws of 2024 amending the Tax Law relating to authorizing an occupancy tax in the Village of Medina, in relation to the effectiveness thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Hawley, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08143-A, Rules Report No. 912, Barclay. An act to amend the Tax Law, in relation to permitting funds collected from the Oswego County Occupancy Tax to be used on making tourism related capital improvements.

ACTING SPEAKER HUNTER: Home Rule

Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08234-A, Rules Report No. 913, Hawley. An act to amend 220 of the Laws of 1976 incorporating the Brockport Exempt Fireman's Benevolent Association, Monroe County, New York, and providing for its powers and duties, in relation to its purpose and the use of foreign fire insurance premiums.

ACTING SPEAKER HUNTER: On a motion by Mr. Hawley, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08235, Rules Report No. 914, Hawley. An act to amend the Criminal Procedure Law, in relation to designating as peace officers dog control officers of the Village of Holley.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall -- shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08268, Rules Report No. 915, E. Brown. An act to amend Chapter 676 of the Laws of 1978, amending the Town Law relating to payment in lieu of taxes for certain property in the Town of Hempstead, in relation to extending the expiration thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Brown, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08290, Rules Report No. 916, Maher. An act to amend the Tax Law, in relation to extending authorization to impose certain taxes in the County of Sullivan.

ACTING SPEAKER HUNTER: On a motion by Mr. Maher, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08366, Rules Report No. 917, E. Brown. An act to amend Chapter 821 of the Laws of 1970 amending the Town Law relating to payment in lieu of taxes for property acquired for park or recreational purposes by the Town of

Hempstead, in relation to the term of effectiveness of such chapter.

ACTING SPEAKER HUNTER: On a motion by Mr. E. Brown, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08650, Rules Report No. 918, E. Brown. An act to amend Chapter 672 of the Laws of 1993, amending the Public Authorities Law relating to the construction and financing of facilities for certain public libraries, in relation to including the Island Park Public Library.

ACTING SPEAKER HUNTER: On a motion by Mr. E. Brown, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08776-A, Rules Report No. 919, Chludzinski. An act to amend the Tax Law, in relation to authorizing an occupancy tax in the Town of Cheektowaga; and providing for the repeal of such provisions upon expiration thereof.

ACTING SPEAKER HUNTER: On a motion by Mr. Chludzinski, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08777, Rules Report No. 920, Slater. An act to amend Chapter 339 of the Laws of 2023 amending the Tax Law relating to authorizing an occupancy tax in the Town of Putnam Valley, in Putnam County, in relation to extending the effectiveness thereof.

ACTING SPEAKER HUNTER: On a motion by Mr.

Slater, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08782-A, Rules Report No. 921, Kim, McDonald, Glick, Hunter, Bendett, Jones, Meeks. An act in relation to a feasibility study and report on the potential reestablishment of the Empire State Summer Games.

ACTING SPEAKER HUNTER: On a motion by Mr. Kim, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Mr. Bendett to explain his vote.

MR. BENDETT: Thank you, Madam Speaker, to explain my vote. This bill makes me very, very happy. I want to thank the sponsor. As somebody who participated in the Empire State

Games twice and medaled, my brother and my sister both participated.

The Empire State Games were started in 1978 by a man named Herbert Mols from Buffalo and it was the largest amateur event in the country. We were the first state to do it and after that other states followed. In 1983 when I was on the team as scholastic in the open division in wrestling, we had Olympic Gold Medalist Jeff Blatnick compete and other Olympians also. It's been a really wonderful experience for a lot of kids and I hope that next time we can come back and -- and put together a bill that will reestablish the Empire State Summer Games and validate all of the wonderful athletes that we have in our State. Thank you, Madam Speaker. I vote in the affirmative.

ACTING SPEAKER HUNTER: Mr. Bendett in the affirmative.

(Applause)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08794, Rules Report No. 922, E. Brown. An act to amend the Chapter 846 of the Laws of 1970, amending the County Law relating to payment in lieu of taxes for property acquired for park or recreational purposes, in relation to extending the term of effectiveness of such chapter.

ACTING SPEAKER HUNTER: Home Rule
Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: On a motion by Mr. E. Brown, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08906, Rules Report No. 923, Torres. An act to amend the General Business Law, in relation to requiring entities that access a consumer's consumer credit report to notify each consumer of their right to obtain a security freeze.

ACTING SPEAKER HUNTER: On a motion by Ms. Torres, the Senate bill is before the House. The Senate bill is advanced.

This bill is laid aside.

THE CLERK: Assembly No. A00070-A, Rules Report No. 924, R. Carroll, González-Rojas, Levenberg, Davila. An act to amend the General Business Law, in relation to requiring

third-party food delivery services maintain insurance through a group policy that covers bodily injury or death arising out of or resulting from qualifying accidents involving a delivery person.

ACTING SPEAKER HUNTER: On a motion by Mr. R. Carroll, the Senate bill is before the House. The Senate bill is advanced.

This bill is laid aside.

THE CLERK: Assembly No. A03347-A, Rules Report No. 925, Smith. An act to amend the Highway Law, in relation to dedicating a portion of the State Highway System to 9-11 Fall Firefighters.

ACTING SPEAKER HUNTER: On a motion by Mr. Smith, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A04915, Rules Report No. 926, Pheffer Amato, Stern. An act to amend the Retirement and Social Security Law, in relation to disability benefits for certain

individuals employed by the Nassau County Police Department.

ACTING SPEAKER HUNTER: On a motion by Ms. Pheffer Amato, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

THE CLERK: Assembly No. A08645-A, Rules Report No. 927, DeStefano, Stern. An act relating to Disability Retirement Benefits for Deputy Sheriff Richard Stueber, a participant in World Trade Center rescue, recovery, and cleanup operations.

ACTING SPEAKER HUNTER: On a motion by Mr. DeStefano, the Senate bill is before the House. The Senate bill is advanced. Home Rule Message is at the desk.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

On the C-Calendar, page 3, Rules Report No. 928, the Clerk will read.

THE CLERK: Assembly No. A08560-A, Rules Report No. 928, Kassay, Stern, Griffin, Schiavoni, Ramos. An act in relation to directing the Department of Transportation to grant a permanent access and construction easement to the Metropolitan Transportation Authority.

ACTING SPEAKER HUNTER: On a motion by Ms. Kassay, the Senate bill is before the House. The Senate bill is advanced.

Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The bill is passed.

On the B-Calendar, Resolutions, page 3, the Clerk will read.

THE CLERK: Assembly Resolution No. 820, Mr. Heastie.

Assembly Resolution establishing a plan setting forth

an itemized list of grantees for a certain appropriation for the 2025-2026 State Fiscal Year for grants in aid for services and expenses of the Education Department, human services organizations, criminal justice organizations and municipal entities, health and mental health programs and providers, public parks and recreational programs, veterans' organizations services, order adults programs, various not-for-profit entities, and Edward Byrne Memorial Grants.

ACTING SPEAKER HUNTER: Read the last section.

THE CLERK: This act shall take effect immediately.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

Are there any other votes? Announce the results.

(The Clerk announced the results.)

The resolution is passed -- is adopted.

THE CLERK: Assembly Resolution No. 821, Mr. Heastie.

Assembly Resolution amending Assembly Resolution R 2002 of 2008 establishing a plan setting forth an itemized list of grantees for the New York State Capital Assistance Program established pursuant to an appropriation in the 2008-2009 State Fiscal Year and in Part QQ of Chapter 57 of the Laws of 2008.

ACTING SPEAKER HUNTER: The Clerk will record the vote.

(The Clerk recorded the vote.)

SPEAKER HEASTIE: Are there any other votes?

Announce the results.

(The Clerk announced the results.)

The resolution is adopted.

Well, well, well. So, we came into this Session this year laser-focused on easing the financial burden on families and since January worked together to put money back in the pockets of hard-working New Yorkers, cutting taxes, securing inflation rebate checks. Our Assembly Majority has spearheaded the effort to pay off the unemployment insurance debt, a vital investment in the small businesses that sit at the heart of our communities. We also secured funding for programs vital to our families, making affordable housing more accessible, making childcare more affordable and reliable and putting Higher Education within reach for more students. But -- so none of this work would be possible without all of the hard work of our incredible members and I'll say that on both sides of the aisle and more importantly, the staff on both sides of the aisle that really do a lot of the work.

(Applause)

And of course, our amazing Majority Leader, Crystal Peoples-Stokes.

(Applause)

This year in October, I'm hosting the National Speakers Conference and sadly, the -- the former Speaker of

Minnesota would most probably would've attended it. But one of the events that when I -- when I go to the Speakers Conferences you do a -- a break-out session amongst the Speakers and part of that is a discussion about what is your relationship with your counterpart. And when I'm at the -- that meeting, whatever state it is, whether it's a Democratic Speaker or a Republican Speaker, they all complained about how it was like a blood feud with their counterpart. So I sat there with a smile on my face and I actually said, *I love my counterpart.* And -- and Will Barclay who's an amazing, good friend and leader.

(Applause)

And by the way, in --- in the spirit of that, I've asked Will to do the welcome with me at the Speakers Conference in October. So thank you, Will, for doing that.

(Applause)

So we had two newbies that took on two important responsibilities for this House and I just think they knocked it out of the park and that's our Speaker Pro Tem Pam Hunter.

(Applause)

And the other newbie who did a fantastic job and that's our Ways and Means Chair, Gary Pretlow.

(Applause)

And I'd say to the person who I actually think has the hardest job in the Assembly and that's Jen Best, who is our head of Program and Policy.

(Applause)

And to the -- and to our entire Program and Counsel staff, I do want to thank you and -- and I'll get to the Ways and Means staff, I want to really thank you all. You had to do overtime because we had a late budget and then you switched right into trying to get us through the rest of the Session. So I want to really thank you all for doing that.

(Applause)

And like, you know, probably the easiest job but -- but also he does an incredible job, Phil Fields and the entire Ways and Means staff.

(Applause)

Phil even found somebody to share with our Republican colleagues as well so...

(Applause)

So I had challenged Deb Miller to get us to at least 1,000 votes this Session. We did pass more than we did last year, but I told Deb she's an underachiever because we only got to 996.

(Laughter)

But no. I really want to thank Deb and -- and Mary-Anne and John Knight and the entire Legislative Services team for the job which you do for us.

(Applause)

To Becca Mudi, Howard Vargas and David DeCancio, I call them our Special Ops team. To Katie Bender,

Lauren Keating and our CIS team. I'm not done yet. Amy Metcalfe, Ed Harris and the Assembly maintenance team.

(Applause)

Josiel Estrella and the Intergovernmental staff.

Wendy Gallegos and my own staff here in Albany.

(Applause)

And -- and my district office in the Bronx and at 250 Broadway. And of course, the most beloved person in Albany, Mr. Wayne Jackson and our Chamber Sergeants.

(Applause)

And of course, our two wonderful receptionists, Anita Wilson and Kim Muller who's actually retiring.

(Applause)

Thank you, Kim, for everything you've done.

So I just want to thank you all for the work that you do and may God continue to -- to bless us all.

Mrs. Peoples-Stokes.

(Applause)

MRS. PEOPLES-STOKES: Mr. Speaker, members and staff, I love you all. It's been way too long for this Session. I got to go. Take care, be safe and stay blessed.

(Applause)

SPEAKER HEASTIE: Mr. Barclay.

MR. BARCLAY: Thank you, Mr. Speaker. Crystal, that was a great closing speech. Can I reclaim your time on that

speech because I have a lot I want -- just joking, just joking. 12:30, Mr. Speaker? 12:30, Mr. Speaker? Pretty good.

SPEAKER HEASTIE: Pretty good.

MR. BARCLAY: I think the last few years we were ending a lot later, so thank you for that closing. And I appreciate the fact that -- yeah, give him a round. He deserves that.

(Applause)

I think we all know this job can be a challenge, but we do it because we want to help our constituency, and I do it and I think most of the people in this Chamber do it because we love the people we work with. And I can say that on both sides of the aisle, too. Maybe a little bit more on the Republican side than the Democratic side.

But if you allow me, Mr. Speaker, I -- I want to -- I'd be remise if I didn't recognize a few of the people on our staff. Before I do that though, thank you, Mr. Speaker, for your friendship and your professionalism. I appreciate it. You're a guy that I can call and I know we can have a confidential conversation and I just appreciate that very much. So thank you. Please give the Speaker another round of applause.

(Applause)

Crystal, thank you for your friendship and your leadership on this floor. Pam Hunter, you've been great. My fellow Central New Yorker, you really know how to introduce those guests here, so thank you. And keeping the floor in order. So thank you for

doing that.

In our Conference, the Speaker mentioned a few newbies on his side, but we have a few newbies on this side. Mary Beth Walsh, our Floor Leader.

(Applause)

Jarett Gandolfo does a great job as Second Chair, thanks Jarett.

(Applause)

Our Ranker on Ways and Means we heard a lot from during the budget, but he hasn't stopped yet. He continues to carry our message here on the Floor, Ed Ra.

(Applause)

When Judy Skype, my former Chief-of-Staff, decided to retire last year, I didn't know what I was going to do. Obviously, it's a very key position. I was very nervous to replace her, but I was able to replace her with a great replacement, Lauren O'Hare does a tremendous job. Thank you, Lauren.

(Applause)

I suspect this person will get a big round of applause from my Conference, but Michelle Pellegrini does a great job as our Floor Counsel.

(Applause)

And you certainly know, Mr. Speaker, if you didn't have that team around you that work -- that you work with closest, you can't do what you want to do. So I'm very blessed and I just want

to introduce all these people and thank them and then we can give a round of applause at the end. But I have Tom Kraus, my Executive Director of our Conference.

(Applause)

We'll do it at the end.

(Laughter)

Jason Kehoe, Policy and Legislative Director; Adam Fusco, my General Counsel; Stephanie Herrick, my Senior Advisor; Dan Kearns (phonetic) who oversees our Regional Operations and Mike Fraser, my Director of Communications. Please give them a great round of applause.

(Applause)

And all -- all the -- all the Minority staff and the Majority staff, too. So thank you for all that you do. And then I'll just conclude, most of all, thank you to my Conference. I love what you guys do. I appreciate the trust that you put on me, it's a great honor for me to serve as your Leader. So thanks and give yourselves a round of applause.

(Applause)

So with that, everybody, have a great, safe summer and enjoy a little time off after this Session. Thank you, Mr. Speaker.

(Applause)

SPEAKER HEASTIE: Thank you.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: Mr. Speaker, if I follow

directions I've been given by the Honorable Wayne Jackson, I would ask everybody to open the desk -- their desk drawers right now and take out the candy, the crackers, the trash, take it all out now. And when you have it all out, you can close your drawers back and then we can close down Session. That's important. Are we done? Good deal.

Mr. Speaker, do you have any further housekeeping or resolutions?

SPEAKER HEASTIE: We have one resolution before the House.

All those in favor signify by saying aye; opposed, no. The resolution is adopted.

Mrs. Peoples-Stokes.

MRS. PEOPLES-STOKES: I now move that the Assembly stand adjourned until Wednesday, June the 18th, tomorrow being a Legislative day and that we reconvene at the call of you, Mr. Speaker.

SPEAKER HEASTIE: On Mrs. Peoples-Stokes' motion, the House stands adjourned.

(Whereupon, at 12:37 a.m., the House stood adjourned until Wednesday, June the 18th, that being a legislative day, and to reconvene at the call of the Speaker.)