



111 WASHINGTON AVE, SUITE 501
ALBANY, NEW YORK 12207

WWW.FWC-LAW.COM

PHONE: (518) 436-0786
FAX: (518) 427-0452

The Week That Was

03-08-19

1. Building a Budget

Our Spin:

With state budget negotiations between Governor Cuomo and the Legislature breaking down over the weekend, the Governor decided to pack his bags and get a change of scenery mid-week. Cuomo and members of his team headed south on Wednesday to the Sunshine state for a trip to the Building & Construction Trades Council Winter Conference. When the news broke, calls were made for Cuomo “to stop sipping mimosas” and instead “return to New York and offer solutions to a sluggish economy and fleeing population.” To the Governor’s credit, it was a quick 24 hour trip... but when it’s 10 degrees outside and there is still snow on the ground in New York, he had to know the trip would be criticized. Will the trip prove to be the “topping off” ceremony needed for a budget agreement?!

The Story:

Governor Andrew Cuomo made a rare out-of-state trip to Florida this week to attend a labor union convention. Cuomo attended the winter conference of the Building & Construction Trades Council in Hollywood, Florida. He left New York on Wednesday and returned home Thursday.

Speaking on public radio before the trip, Cuomo noted his administration’s involvement in several big construction projects, including new bridges, airports and train stations. “The building trades are very important and I need their help in this budget. “This is a tough budget as you know” Cuomo said. “A big part of the budget for me is the construction component. The roads, the bridges, the

capital construction. It is one of the best things that I think we’ve done in this state.”

Now, with a revenue projection set, Cuomo and the leaders will negotiate how to spend the 2019-20 budget. Traditionally, the legislature increases spending over the governors’ budget by 1 percent or more. But the tight revenue projected amid declining state tax collections — \$2 billion less in state income tax revenue in December alone — means funding constraints. That will likely mean less of an increase in funding for education and health care, the two largest spending items in the budget.

[The Wall Street Journal](#)

2. “Pied a Terre” Now, Could “Cinq a Sept” be Next?

Our Spin:

When America needed help during the revolution, France sent the Marquis de Lafayette riding to the rescue. Now it appears a French idea may be rescuing the riders. Governor Cuomo has said the “pied-a-terre” (a small living unit located in a large city some distance away from an individual’s primary residence) tax is “the least objectionable tax” to support MTA funding. Here at FWC we would note that a small surcharge on that other famous French institution, the “cinq a sept”, in a city the size of New York could do wonders for funding.

The Story:

A proposal to impose a tax on luxury homes that don’t serve as a primary residence is gaining steam as politicians search for revenue to fund the city’s crumbling subway

system. One day after Gov. Andrew Cuomo reluctantly endorsed the idea, calling it “the least objectionable tax,” Mayor Bill de Blasio got on board.

The mayor rode the subway Thursday to chat with passengers about a congestion pricing proposal, his second such ride in recent weeks. In a talk with reporters afterward, he referred to taxing high-priced second homes, known as pied-à-terre, as “a great idea.” Last month he was much cooler toward the notion, saying it should take a back seat to a so-called millionaire's tax — an income tax hike on top earners that he has long pushed, despite a consistently lackluster response in Albany.

“Right now my focus is on fixing the MTA and I still believe the millionaire's tax could be a part of that,” he said after testifying in Albany in February. “I think it is hard for the Legislature to entertain multiple ideas like that simultaneously. And I don’t blame them for that.” Asked about his change of heart, the mayor replied, “everyone worked together to find the truth. The truth is I believe we need to tax the wealthy more.”

Cuomo had originally proposed using revenue from legalizing recreational marijuana on the dilapidated public transportation system, but acknowledged this week time is running out. “If you don’t have marijuana — I’m not confident they’re going to do it after the budget — you’re going to need another funding source,” Cuomo said during a radio interview Wednesday. “In a perfect world, in the environment we’re in, you wouldn’t raise taxes. Having said that, we do need to fund the MTA. If you don’t have marijuana done, a pied-à-terre tax ... is the least objectionable tax.”

[Politico Pro](#)

3. Adult Life

Our Spin:

As many of you know, we love open dialogue here at FWC and this week we find ourselves pondering, at what age do you really become an adult? Or matter of fact, is there really a set age? Generally speaking, 18 is the legal age of adulthood. That's when a person can join the military, sign a mortgage, take out a loan, get a tattoo, and simply put... make other life-changing decisions. However, this week legislation was passed in the State Assembly to raise the legal age to purchase tobacco and e-cigarettes from 18 to 21. So theoretically, a member of the Assembly could be old enough to vote to raise the age but not old enough to inhale? The next question is will the Senate act next or could the Assembly just be blowing smoke?

The Story:

Lawmakers in the New York state Assembly have voted to raise the smoking age from 18 to 21. The legislation, which passed the Democrat-led chamber on Wednesday, prohibits the sale of tobacco, as well as electronic cigarettes, to anyone under 21.

The proposal, which is also being advanced in Governor Cuomo's budget proposal, is aimed at reducing the number of young New Yorkers who take up smoking each year. The companion legislation in the state Senate is still in the committee process. The bill is sponsored by Assemblywoman Linda Rosenthal of Manhattan and Senator Diane Savino of Staten Island, both Democrats.

“The lifelong health effects and human misery caused by tobacco use cannot be understated and New York needs to do everything in its power to keep tobacco products out of the hands of our young people. That's why I made raising the age of tobacco sales to 21 one of the first proposals of my Justice Agenda and I applaud the Assembly and particularly Assembly Member Rosenthal for taking action on this very important issue today. I urge the Senate to follow suit and help make this a stronger and healthier New York for all,” Governor Cuomo said.

An American Public Health Association study of New York City's 2014 measure raising the minimum age “did not accelerate reductions in youth tobacco use any more rapidly than declines observed in comparison sites.” Since 2016, six states, including Massachusetts and New Jersey, have raised the sales age to 21, according to the National Conference of State Legislatures. Some municipalities in New York, including New York City and Albany County, have already raised the age as well.

Elizabeth Hamlin, the director of advocacy with the American Lung Association, said the popularity of e-cigarettes with teenagers is making this legislation more urgent. She said raising the age even just a few years would create an age gap between kids and people who can smoke. “Right now, people who are 18 are more likely to have access to teenagers and younger people, as opposed to someone who’s 21,” Hamlin said. “Their peers are a lot older.”

It’s important to note that some tobacco and e-cigarette manufactures have supported raising the legal age of purchase.

[WSKG](#)

