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FOR IMMEDIATE RELEASE: June 30, 2021, 10:00 AM CONTACT: pressoffice@cityhall.nyc.gov, (212) 788-2958

# TRANSCRIPT: MAYOR DE BLASIO, SPEAKER JOHNSON HOLD MEDIA AVAILABILITY TO ANNOUNCE AGREEMENT ON A BALANCED BUDGET FOR FISCAL YEAR 2022

Mayor Bill de Blasio: Everybody, it is so good to be back together again, isn't it?

#### [Applause]

You all look marvelous, truly marvelous. Today, we are passing here at City Hall the Recovery Budget for New York City. This budget will take us forward. This budget will help us turn the corner. This is a Recovery Budget that will allow this city to come back strong. I want to thank my colleagues because there was absolute focus on helping working families. In fact, this is one of the greatest investments in working families in the history of New York City. We are sending resources to the communities that need it most. This is a radical investment in working families, and that's what we need right now to come out of this pandemic and move forward. I want to thank everyone on the Council, everyone on the City Hall team, OMB, everyone who brought this together. I'm here to formally announce that the City budget for Fiscal '22 will be \$98.7 billion. And that money will be crucial to our recovery.

To Speaker Corey Johnson, to Finance Chair Danny Dromm, to your whole team, thank you for a process over months where we work together in common cause. Thank you for the work you did to establish the Rainy Day Fund, which is absolutely crucial. We'll be talking about this now. Crucial part of protecting the city's future. Thank you for your response to our executive budget. I'm very proud to say we took a number of items from the City Council's response and put them into this adopted budget. So, this has been a case of great teamwork and common cause and a tremendous thanks to our Budget Director, Jacques Jiha, and the whole team at OMB. Thank you for your amazing work. Thank you to everyone in Intergovernmental Affairs and everyone at City Hall who did so much, the whole team that made this happen against a backdrop like none we've ever dealt with before. So, it's a Recovery Budget, which means laying a foundation for our future. We took the stimulus funds, we focused them on ways to create growth again in our economy, to move us forward, to create jobs, to bring this city back, and in the process create a lot more City revenue that will sustain our future. We know a Recovery Budget requires at the same time fiscal responsibility. And so, I'm very proud to say that working together, we have added a huge \$2.8 billion to the City's reserves. \$2.8 billion to make us safe for the future, including the first-time ever Rainy Day Fund.

What are we going to do with the funding in this budget? We're going to once and for all win the battle against COVID. That is job one. And then take the lessons learned and establish New York

City as the public health capital of the world. We're going to bring our economy back, bring our small businesses back, approaches like Business Quick Start to help businesses come back faster than ever, bring our tourists back. All the pieces that will build an economy strong in all five boroughs. We're going to bring our kids back to school in September and then help them overcome the learning loss experienced during COVID. We're going to close that COVID achievement gap. We're going to work on the academic needs of our kids, but also the emotional needs of our children who have been through so much. And we're going to make a major new push on literacy, including an innovative pilot. And I know this is something that the Council really believes in, putting two teachers in a single classroom in the neighborhoods that need it most at the youngest grades to help us win the battle, to ensure that every child can read and can move forward. This is a really important initiative, which I think is very, very promising for the future of the city. And, of course, we all know the way to recovery is through public safety. I keep saying it and I believe it. Recovery equals public safety, public safety equals recovery. And so historic investments in grassroots solutions to gun violence in the Cure Violence Movement, the Crisis Management System, and a whole host of other approaches that will make us safer from every neighborhood up.

We need a recovery for all of us. And this is an area where there has been extraordinary consensus. We need a recovery for all of us. I've talked to so many of my colleagues here. People do not just want to go back to January, 2020. We want to do something different and better as we bring this city forward. That's what this recovery budget is all about. With that, I want to turn to my colleague – and it's been a good four years together. And I have to say to Speaker Corey Johnson, thank you. Over the years, many times we've dealt with incredibly challenging issues. We did not know we'd be dealing with a global pandemic, but throughout it, we have stayed in constant communication. We've worked through the issues. Sometimes, guess what, we didn't agree all the time, but we always found a positive resolution for the people in this city. So, it has been my honor to work with you through his process and congratulations on this Recovery Budget, Speaker Johnson.

#### [...]

I just got to say, Corey, that was beautiful and heartfelt. And thank you because you – first of all, God bless your mom and I hope she's going to be okay. Give our best for all of us, please. Second you took some real challenges and you turned it into something very positive for a whole lot of other people. So, God bless you for that brother.

# [Applause]

Mr. Speaker, maybe it's time for a handshake. What do you say?

[Laughter]

[Mayor de Blasio and Speaker Johnson shake hands]

[Applause]

All right. I want to hear from several of our Council colleagues, then we'll take questions on the budget. First of all – and he deserves all the praise he got from the Speaker. He steered this process beautifully as Chair of the Finance Committee. My pleasure to introduce Council Member Danny Dromm.

[Applause]

[...]

You have the last budget glow. It's a good feeling. Someone who's fought with a great, great energy for what she believes in, and I always appreciate that. The Chair of the Subcommittee on Capital Budget of Finance, Council Member Helen Rosenthal.

[Applause]

[...]

Two more members I want to hear from. First, has worked with us on so many fronts. I want to particularly thank her for the work she's done with us on public safety over the years, which has been absolutely crucial. And look forward to great things ahead. Council Member Vanessa Gibson.

[Applause]

[...]

Finally, speaking of youth, perfect segue, Vanessa. Speaking of youth, someone who's devoted his career to our young people, particularly to educating them and made a really big imprint on this budget. And this is something we've been waiting for – you, for a long time, me, for a long time. We have been waiting for a budget like this. It is finally here. Council Member Mark Treyger.

[Applause]

[...]

I want to eat for breakfast whatever Mark Treyger's eating. Wow. Powerhouse. A few words in Spanish. Very brief.

[Mayor de Blasio speaks in Spanish]

Okay, what we're going to do now is eight journalists, as we do normally in the morning, eight journalists, two questions each, and we're going to do it on topic. Courtney?

**Question:** Sorry, okay. So, this is propped up by \$14.2 – approximately – billion in federal stimulus funding. Is there some concern that this is, you know, just a flood of money that you're

not going to be able to see next year, visibly saddling the next Mayor, whoever that may be, potentially with debt? Speaking of debt, what is the out-year gap [inaudible]?

**Mayor:** Okay, wait – that's – no, no, no, no, no. First one – my sister. Good try. Let's try and deal with your first large multi-part question before your second multi-part question. First of all, I find it fascinating you think it's a problem that there is a "flood of money coming into New York City". I think it's a great thing. I think the stimulus was amazing. I think the support we got from Albany was amazing. I think finally getting the Campaign for Fiscal Equity money after 20 years was amazing. I think that's all justice. I think we deserve that money and needed that money, especially after what we went through. But what's also clear, as we have built reserves intensely, almost back to the levels they were previously, and I'm very confident about a few things. The economy is coming back very strong. So, over the next two years, as we receive stimulus funding, and that's crucial to indicate, we have two full years of stimulus funding. There's a whole another year coming after this. I also expect infrastructure funding at the right things are going, on top of the stimulus funding, continuity with the CFE funding. These are all really important pieces of the equation, but I think it's going to happen as revenue's going to come back stronger and stronger as the economy grows at a very fast rate, that is documented. So, we feel very confident these pieces will come together. Number-two, go ahead.

**Question:** Well what is the gap for the out-year? But then also, can you, last year – comparing to what's going on now to last year, obviously such a big topic of conversation was the NYPD –

**Mayor:** Okay, yes – really two different things. Again, respect. I'm going to talk about the outyears – come on, come on, come on. We're going to go – everyone's getting a chance but I need like one question at a time, they're big, important questions. We'll obviously be putting out all the materials, everyone can go through, but here's the bottom line on out-year gaps, they are manageable. There's been a lot of work to make sure that we handled everything we could in the short-term to protect those out-year gaps from being too large. They're absolutely manageable, on top of which we really do expect an extraordinary rebound on revenue. Katie?

**Question:** I wanted to ask you [inaudible] the question you wouldn't let Courtney [inaudible] ask –

Mayor: It's not that I wouldn't let her ask. I want to keep things orderly and it's all yours now.

**Question:** Last year there was so much tension around the NYPD budget it appears that the NYPD budget has actually increased in this year's budget. Can you speak to that? I mean, there are some Council Members who wouldn't vote for the budget last year because of that, they seem to be here in support of it. Can you just talk about the changes and anything like that might've happened?

**Mayor:** Sure, and I'll keep answering and Speaker, obviously, and your team can join in anytime you want. The - look, first of all, what's happened in every instance is we listened to the concerns of communities, we paid attention to what was going on in the moment, we tried to make the right adjustments. Right now, we have essentially the same budget as last year. The growth is \$200 million, but what that comes down to is the police reform money from the March

agreement – and this is crucial – in March, the Council and the administration got together to create an unprecedented set of reforms for the NYPD. That included expenditures that went into the NYPD budget for civilian activities. A big piece of the increase is IT needs. We want to have the department be effective. We needed better technology to do it. The other piece, and I say it very openly, is we worked together on overtime. We reduced overtime a lot. We did not – were not able to reduce it quite as much as we wanted. That is a true statement, but we did reduce it quite a bit. So, we've put in a number that we now believe is the realistic overtime number for what we're going into for next year, but it's substantially less than what it was in previous years. Go ahead.

**Question:** And the second question I have, I guess, for the Speaker to talk about it, you know, the budget documents weren't online when there were supposed to. There was concern of your role and your involvement in the negotiations and the meetings during this. So, if you want to speak about your role this time around with the budget and -

Mayor: Let me start and then jump in as you wish. I just want to say -

**Question:** Yeah, we've heard from Council Members who said you were not as involved in this year's budget negotiation –

Unknown: [Inaudible] I can tell you that's false -

Unknown: He was at every budget negotiating team -

**Mayor:** Yeah let's – Okay, everyone, everyone. Let me jump in here. We had a very intensive budget process over months, the Speaker and I spoke regularly, we came to resolution obviously, which is wonderful. We had to navigate an election in the middle of it, which was a challenge, but we got the job done. And the proof is we're all here with a budget where there's real agreements. Go ahead.

Question: Just about budget, they weren't online. I don't know if that was like a -

**City Council Speaker Corey Johnson:** We were working on them. I mean, there's nothing more to say. We were working. We were doing this budget all weekend. B-and-T was meeting all weekend. I was on the phone with staff all weekend. I was on the phone with individual members all weekend. We were going through the capital list, the expense list, we were going until the last minute. And typically, last year, we did the budget on the final day of the month, but typically we don't do that. Typically, before last year and this year, the budget gets done the second week, the end of the second week, the beginning of the third week, and so there's time to prepare things, but because we're voting on it today and because we were spending much time, line item by line item, it took us time to get there. So, I'm sorry it got up there late. I apologize. But it was because we were working late on it. That's the only reason why.

**Mayor:** Okay. I'm going to stay on the left side here, and then I got to go over to the right side for a little bit. First, Julia, then I'm going over this side. Go ahead.

Question: First an easier one and then a harder one, Mr. Mayor.

Mayor: Oh, thank you. I like being warned.

**Question:** How much is the overtime exactly? You said \$200 million, but that included IT. So, what's just the overtime.

Mayor: The overtime addition, or adjustment we made, is \$166 million.

**Question:** Okay, and then maybe a tougher one, at the end of your release you mentioned mental health investments. So, can you be more specific about how much that is and is that going through your new Office of Community Mental Health before it was Thrive? Or is it going elsewhere? How much money going into Office of Community Health?

**Mayor:** We'll get you all that. It's a variety of things is the answer. Look, one of the biggest areas we're investing in terms of mental health is the mental health screenings for all kids, it's unprecedented. And then the work we have to do after that, as you can imagine, Delia, once we screen the kids, some kids are going to need additional support. Some will need it on one level, others might need on a higher level. So, we put in money in the budget for all of that. Obviously the crisis calls, which we're expanding, so that you'll have civilian response to mental health calls where there's no violence involved. That's the kind of thing that will be coordinated by the Community Mental Health office. It's a variety of pieces. We'll get you the whole outline of it. Okay, over here. Go ahead.

**Question:** So, I was wondering – another question about the out-year budget gaps. I'm curious, what's accounted for in these out-year budget gaps, if you feel like you're leaving a realistic picture for the next administration, for example, is the \$500 million rainy day in every out-year budget gap –

Speaker Johnson: [Inaudible] billion -

Mayor: Please, you want to start.

Question: You added [inaudible] is that reflected in every out-year -

**Speaker Johnson:** I don't know that, no [inaudible] it's one year, but future councils and administrations are going to have to decide on an annual basis what's going to go into the rainy-day fund, but this is a historic thing, a billion dollars in the rainy-day fund.

Question: I guess my question -

Speaker Johnson: It rolls over each year.

**Question:** [Inaudible]

**Speaker Johnson:** No, no – I'm not sure – Joe, I think what you're saying is – what's, what's not in the out years –

### **Question:** It's stays there.

**Speaker Johnson:** It stays there. I think you're asking it in a funny way. It's not about the out years. The reserves carry over, the reserves carry over. They're not spent, they carry over. So, next year there'll be a billion dollars in the rainy-day fund and the next mayor and the next city council will have a billion dollars in the rainy-day fund, and they'll decide if they want to add more money to that.

**Mayor:** Okay. Let me try that. Thank you and let me just say it another way I hope will be simple. When the money's not spent, it stays in reserve. When the money's not – it's real simple, when the money's not spent, it stays in reserve. So, now we brought up our reserves and I want to thank all the council – by the way I've been at this a long time, I've not met a group of people cared more about adding to reserves than this group here. I mean, seriously this is not –

# [Applause]

It's literally and I, you know a thing or two about politics. This is not Politics 101, that people say we really want to protect the future as consistently as this group has. So, now we're in a situation where we will not have to touch our reserves. They will stay stable. In fact, I expect they'll be added to, with each success of budget because we expect really good revenue to be coming in. So, I feel, to the bigger question, what are we leaving to the future? I feel that despite what we went through, we've almost restored the reserves to where they were. That's crucial. I feel very good about the revenue forecasts. I feel very good about the spending that's going to help us bring back revenue. I'm really thinking carefully. We don't know who's coming next, but I do want to say, I think what that handoff needs to be. I think about that a lot, and I feel very good that this is a good clean handoff with a fiscally strong budget.

**Question:** Along those lines, did you budget for labor wage earnings? I know [inaudible] that budgets for those back in [inaudible].

**Mayor:** So again, we've got – the contracts will all be up for negotiation. So, we're not presuming what the next administration is going to do. We've covered what we have to cover and then that's something that's got to be determined for the future, obviously.

**Director Jiha:** [Inaudible]

Mayor: Jacques, come speak to the -

**Director Jiha:** [Inaudible]

Mayor: No, come over here so they can hear you, Jacques. Come here and talk.

Director Jiha: No, it is '23 zero out and '22, okay. But in '24 we have one percent.

#### Mayor: Go ahead.

**Question:** So, speaking about labor, we saw [inaudible] DC 37 express some disappointment that there wasn't an early retirement incentive included in this budget. Wondering if you can speak to that?

**Mayor:** When the idea originally came up, we really looked at it intensely. We worked with labor, we worked with Albany. The final legislation gave us the choice, and when now we see COVID rapidly on the decline, but the need for recovery to be very, very intense, it's in the interest of the people in New York City to stick with what we've got now. We did not want to see a lot of veteran members of our workforce being actually incentivized to leave just when we need them. So, I understand people's feelings, but I think in the interest of the city, this is the right thing to do.

**Question:** And then just broadly. When you came in as mayor eight years ago, you had lots of expired labor contracts, et cetera. Can you just give a brief update – what is the situation for the next day? Are they going to have to negotiate everything anew or do you have contracts that are leading in to the next—

**Mayor:** It's a mix. I think the broad answer is a lot of contracts will have to be negotiated because they are expiring or will expire. But I think the atmosphere is about 180 degrees different than when I came in. When I came in and literally zero workers were under contract, and it was a very negative atmosphere and I will not name names. I will only say the previous administration did not respect municipal labor and created an atmosphere of distrust instead of partnership. I think we reversed that fundamentally. I think that's a good platform for the next mayor to work with, and one thing that we made very clear is we believe in pattern bargaining and we drew the line consistently there, and I think that's also a very important precedent. While we're all talking about fiscal responsibility, sticking to pattern bargaining and being resolute about it is in the long-term interest of the people of this city, and I think we're handing that off as well to the next mayor. Yes?

**Question:** Mr. Mayor, this is the largest budget in city history. It's about \$24 billion bigger than your first budget, and I'm wondering how do you respond to folks who have concerns about the way in which the budget has risen?

**Mayor:** I appreciate the question honestly, but I'd say it's about the outcomes. We made it a purpose to redistribute wealth to working people. It's as simple as that. I think in the end, when you look at what was accomplished Pre-K for All, soon to be 3-K for All totally universal, the affordable housing initiatives – so many efforts to help working people put money back in their pockets directly. I'm very comfortable that it worked, it helped the city to move forward, and it helped us address some of the sins of the past, and it's stable fiscally because we've added back to reserves. The rating agencies are recognizing that favorably, and we have the revenue to support it. That's the other thing to recognize. We have revenue to support it but we've also been addressing long-term pension issues, long-term reserve issues. I think we're striking the balance.

## **Question:** [Inaudible] property tax [inaudible]?

**Mayor:** So that – the Property Tax Commission, which has been, I think, an extraordinary effort, and I want to thank the Speaker for the great people he put on that Commission with us – that report is coming out shortly. That will go to Albany for action and we're going to work to see if we can get action this year, which I think is still a possibility. Okay, I've got two left. One, two.

**Question:** Mr. Mayor, could you give us an update on the other public safety agencies? Did Corrections get an increase? Did DA's across the city stay where they or lower?

**Mayor:** Jacques and his team will follow up on details? Yes. We've added resources to DA's. With Corrections, we did add some additional personnel because we were having a crisis in terms of shifts, and too many double shifts, sometimes triple shifts that was unacceptable. So, there are some investments, very targeted investments in both cases.

**Question:** And then specifically regarding school security agents, was a new class of 500-plus agents hired?

#### Mayor: No.

Question: Are agents being transferred to patrol DOE now?

**Mayor:** That will happen at the end of this coming school year, as planned, but no new additional hires at this point. We're trying to resolve the long-term needs, but that's not in this budget.

Question: [Inaudible] dollars put to mental health for anything specific—

**Mayor:** Everything was pooled. I mean, obviously there's a lot of new mental health investors – investments, I should say.

**Question:** Have you defined how a rainy-day fund would be used, and for what, and do you think a billion dollars is enough?

**Mayor:** I think the total reserves, now approaching their historic high, which was during my administration is absolutely enough. We just went through a global pandemic, Juliet. We went through – literally, if you want to pressure test our reserves, you just saw the worst-case scenario. The reserves sustained us. Now we're rebuilding them rapidly. I feel very good about the number. I also am absolutely convinced because of the speed of the economic growth we're seeing, and a whole other year of stimulus coming, and the infrastructure money coming, that we're going to be in good shape.

**Question:** So, how important is the fact that the ratings of [inaudible]?

**Mayor:** Very, very important to our future. First of all, when the rating agencies, after everything we've been through with the pandemic, the rating agencies actually say, "you guys are

now moving in the right direction," even after that, and we're affirming it to the world and we're telling people you can trust New York City. That's incredibly helpful. That's going to be another big piece of our recovery. Okay, everybody. Thank you very much.

[...]

Mayor: Are you not entertained? Joe?

**Question:** Mr. Mayor, I'm wondering if you could talk about the BOE mistake from last night. What is your take upon [inaudible]?

**Mayor:** It's what we call irony, Joe. Deeply disappointing and – deeply disappointing and indicative of the fact that the Board of Elections is broken, structurally broken, must be changed. Look, I don't know how many times we've had this conversation. We can no longer have a partisan Board of Elections, it does not work. It's not modern. It's not professional. We need to act. You know, the Legislature is coming back. I think it's time for them to bite the bullet and immediately professionalize the Board with the legislation that's available to them right now – the Krueger-Rozic bill. And then, I think the bigger work has to begin to totally take the partisan nature of the Board away, which, as we know, takes, unfortunately, a State constitutional amendment, but it can be done. But it's just broken, it's arcane, it's never going to be what it needs to be. Right now, we need a recanvass of the entire vote in a very transparent member – manner, I should say. A recanvass of the entire vote in a very transparent manner so people can have confidence in the outcome.

# Question: [Inaudible]

**Mayor:** It was several years ago, repeatedly. They literally – and again, this is a partisan Board with no accountability. They simply said they did not want to accept the terms that we offered. We asked for technological changes, training changes, a variety of things that would make them more effective. They refused \$20 million because they didn't want to act in a modern, transparent manner. It's appalling.

Question: So, you [inaudible] they didn't take it didn't want the make any changes -

**Mayor:** They didn't want to make any changes. They didn't like the idea of being accountable for anything. They're used to being, you know, a partisan entity from another time that can do what they want without accountability and that just has to end.

Question: Also, do you think voters can trust [inaudible]?

**Mayor:** I think this is why there has to be a full recanvass in a very transparent manner. We just went through a national election that when there had to be a review of ballots it was done out in the open in a very positive way that gave people confidence. We need to do that here.

Question: [Inaudible]

## Mayor: No.

## **Question:** [Inaudible]

**Mayor:** I don't think it spells the end of it, because we haven't even gotten through this process. Let's see how this goes with a recanvass and a transparent process and see what the results are in the end and how people feel about that. There are still real advantages. I do agree that it will lead to close examination. I'm not going to be shocked if some people say, hey, maybe this is not worth the trouble. But we haven't even seen the whole process yet. I think it's too early to judge.

## **Question:** [Inaudible]

**Mayor:** Well, what they're telling us is that they made a mistake in their process. I mean, that's what we're all hearing, right? That they literally just made a fundamental human error and I think if they were a modern, professional agency with accountability and transparency that probably wouldn't have happened. They're a relic from the past, they absolutely have to be changed.

#### **Question:** [Inaudible]

**Mayor:** Insane is the word, Courtney. But, in the meantime, the world keeps changing. The Legislature is a very different Legislature in many ways. Besides Democratic supermajorities, there's a lot more reformers and progressives who are not bought into the old way of doing things, so I do think it can change.

Question: Do you think they should [inaudible] stories on social media –

**Mayor:** Yeah, because they're not an accountable, transparent agency. I mean, you know, when you're built in a way that doesn't work, of course they're not going to show it to people, right? I mean, they're not going to show their mistakes because they're not required to. Right now, I think the Board of Elections should be really humble, they should be very transparent, they should proactively say we're going to recanvass in a way that everyone can see how it's done so there could be confidence. They have a chance at least to redeem themselves a little here with an honest, open, transparent process. But they can't be redeemed for the long-term, it's just a broken system that has to be changed.

Question: So, what do you say to New Yorkers now to restore confidence in this process?

**Mayor:** I'd say, thank God it was June primary, because there's time to get this result. Look, the result. Look, if the result is a few weeks away, there's still plenty of time for a full general election campaign and to vet the candidates and have real debate and everything else. If this were a September primary, we'd all be screwed right now is the truth. So, I'm very thankful that these two changes happened at once. But I really believe, you know, it's like the shame on me – fool me once, shame one me – that whole thing. How many times do we have to do it, to Courtney's

point. It's going to catch up with them. I really believe it's going to catch up with the Board. Okay, last call.

Okay. Thank you, everyone.

###