

THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007

FOR IMMEDIATE RELEASE: June 29, 2020, 7:00 PM

CONTACT: pressoffice@cityhall.nyc.gov, (212) 788-2958

TRANSCRIPT: MAYOR DE BLASIO APPEARS LIVE ON INSIDE CITY HALL

Errol Louis: Good evening. Welcome to Inside City Hall for Monday, June 20 May 9th, 2020. I'm Errol Louis. The City budget has often been referred to as a dollars and cents embodiment of values and principles, showing what is, or is not a priority for the elected officials who put it together. It's also very clearly a reflection of the condition of our city, both fiscally and socially. We're now a little more than 24 hours away from this year's City budget deadline, and it is proving to be a process unlike any we've seen in recent years as the Mayor's Office and the City Council are currently negotiating over the sudden need for billions of dollars more in savings than they expected, as well as a push to cut the NYPD budget, potentially by as much as \$1 billion. Joining me now to talk about that and more is Mayor de Blasio, coming to us live from the Blue Room inside City Hall. Good evening, Mr. Mayor. Good to see you.

Mayor Bill de Blasio: Hey, Errol. How are you doing?

Louis: Good. Good. I know you're probably going blind looking at numbers and going through these negotiations, but I've got to ask you about it. Where do things stand? How likely are we to have the budget on time? And are you satisfied with how the process has gone so far?

Mayor: Yeah. Errol, I'm hopeful. We are still negotiating. There's still work to be done. Time is tight, obviously, but I'm hopeful, and I think we've resolved a number of issues and I think we're going to get there. So, yeah, it's been a difficult process. You are absolutely right. You know, we're talking about a budget that is literally \$8 billion lower than what we proposed in February. It is not easy to find \$8 billion. And it did take a lot of, you know, difficult discussions, thoughtful discussions to work it through. But, you know, I think we've made a lot of progress.

Louis: Okay. On the other side of the break, I want to get into the particulars of taking a billion or a billion-and-a-half dollars out of the NYPD budget, but, prior to that, I did want to ask you about some things – the Municipal Labor Committee suggested they send out – they say that they sent a letter to you a month ago, suggesting buyout packages of the kind that the City has offered before to employees so that they can deal with the budget problem, I guess, in a smooth and easy way, taking early retirement, taking other incentives to lower the headcount. They say that they didn't get a response from you until the very last minute, that a month went by, that could have been used to negotiate those kinds of end of questions.

Mayor: Errol, we take that suggestion seriously and value the MLC a lot. In terms of the magnitude of what we're facing, I think that's a good suggestion and one that, you know, there might be a way to act on, but it's not, from everything I've ever heard, going to have an impact on

the kind of big numbers that we're really talking about here. So, we're going to look at it for sure. As I understand it, we'd have to get the State Legislature involved as well. But, you know, we've had to really focus on some very, very big moves from our agencies in the here and now – that's where our focus has been.

Louis: One of the suggestions that was hanging out there was canceling, deferring, or trying to bargain around the last \$1.5 billion in retroactive pay raises for City workers. We know that when you came into office in 2013, a lot of back pay was owed or at least a lot of expired contracts needed to have back pay as part of getting to a solution. On the other hand, we're in extraordinary times, did you ever consider going back to the unions and saying, listen, we, the City, does owe you money for work that you did five or even 10 years ago, but we've got an extraordinary situation and we may have to defer this last round of raises.

Mayor: Yeah. First of all, there's a legal reality that for the City is different than for the State. I think the State did a version of that, but we don't have the same legal dynamics here. We are definitely – we have been in conversations with the unions, but less on that front, more on where we're going on issues like furloughs or even, God forbid, potential layoffs, which, obviously, we're talking about a very, very big scale there. So, you know, of course we'll talk about anything and everything, but, so far, I think we've had to look at the even bigger challenge in terms of a really large number of personnel, and, again, last resort things like furloughs and layoffs.

Louis: Wasn't there a scenario where you could have done furloughs for certain categories of workers who were considered essential workers. Some of the federal bills that were passed out of Washington would have picked up basically a hundred percent of their salaries and that would have provided some budgetary relief for the City, right?

Mayor: I have not heard that, Errol. First of all, anything that's a furlough is a subject to collective bargaining. It's not something the City can just mandate. Ironically, layoffs can be mandated in the budget, but furloughs require a collective bargaining. I have not heard of any way to that directly use federal funding in the way that you're talking about, but on top of that would still have to be collectively bargained.

Louis: Got it. When it comes to layoffs, you've said that we could have to downsize the City workforce by as many as 22,000 positions, as soon as October, but your deadline is tomorrow, right? I mean, a promise or an expectation about what might happen in the fall was not going to do any good in these last 24 hours, right?

Mayor: You know, that's not – respectfully, that's not true. You know, we made very clear that unless we got some outside help from either Washington or Albany, we would have to put a billion dollars of labor savings into the budget, but specifically put a time delay in the hopes that we could get, particularly, the federal stimulus, which no one knows if, how, and when it's going to happen, but at least there's some talk of it happening in July. That would give us time if we could get that stimulus, hopefully – and it was enough – to avert any layoffs. Lord knows I do not want to see layoffs. I think they'd be horrible for this city. But, on the other hand, I've lost a massive amount of revenue and have to balance this budget. So, we have a billion dollars in labor savings that will be a part of this budget. We're going to work with the labor unions to see

if we can find alternatives. And, again, we will always have good dialogue with our workforce. But yeah, if nothing else came to fruition – if there was no federal funding, if we couldn't get to agreements with labor, then, on October 1st, we would have no choice.

Louis: The CUNY system where I work part-time and where hundreds of thousands of New Yorkers have really been sort of patched in and are using it as a path into the middle class, there's a lot of concern, because there's conversations coming out of City Hall that the ASAP program in particular, which won government innovation awards and has been sort of a Godsend and a national model for helping students in community college get everything done so that they can actually finish, get their associate's degree and move on with more skills and better earning potential. Is it true that that is on the chopping block?

Mayor: Errol, I'll just say again – we're in negotiation, so a lot of the final pieces are not yet set. I know that program well. I agreed to fund it from the beginning of my time as mayor and believe it's been really effective. I also have to tell you that a lot of really good initiatives are going to be affected by a budget where you lose \$8 billion – I mean, just by definition. And so, I think in some way, Errol, despite the fact that we're the epicenter of the coronavirus that people have been through so much – in terms of discussion of the budget, I think there's still – you know, in some ways there's a little bit too much of a business as usual feeling out there. And I think what's coming clear to all of us, as we get ready to really set this budget in place is, now a lot of tough choices have had to be made. So, I can't confirm anything specific cause we're still in negotiation. I can only say when the smoke clears, you know, a lot of good things will unfortunately be affected.

Louis: Okay. Let's take a short break here. I'll have more with Mayor de Blasio in just a minute. Stay with us.

[...]

Louis: Welcome back to Inside City Hall. I'm once again, joined by Mayor Blasio who is sitting inside City Hall. So, Mr. Mayor, I wanted to talk about this question that has driven a lot of the reporting, at least around the budget discussions, which is the idea of taking a billion dollars out of the police budget and reapplying it to other places. The billion-dollar figure itself is, you know, politics is not a dirty word on this show at least, but it essentially was kind of pulled out of the air, right? It's not like people said, we have a certain number of needs and we can only get there if we have a billion dollars, it was really more like a big round number that sounds like it means a lot, right?

Mayor: Errol, look there has been a movement that's developed in recent weeks, and I certainly understand why people feel so strongly the need for change. I think that the fact that a number gets decided upon yet, it could be lots of reasons for that. But I think the more central question is what's the right thing to do, and what's actually the thing that's going to work. So when I looked at this, I had three specific concerns. When I first heard the proposal and looked at all the details. It was, how are we going to keep the city safe? How are we going to maintain our patrol strength with NYPD? And of course, how are we going to get the maximum investment in youth

initiatives and other things that would redistribute resources to the communities that have been hit the hardest.

So, you know, throughout this process, and I was skeptical at times about how we could make the pieces fit, but we actually found a way to do it that makes sense. And I'm convinced, and I had a high bar for being convinced that the city would, you know, when we put all these pieces together would be as safe as it has been and that we could keep moving forward in the right way. And then we saw a way with the capital side to go even farther and take some capital money that was going to go to the NYPD for good things, but actually do something that I think even more pertinent to this moment, which is to address the needs of young people by investing in community and youth centers investing in public housing, and particularly elements of public housing that focus on young people. I think there's a human cry right now to address what young people have been through and to try and go at the root cause of a lot of the challenges in our society, which is a lack of investment in young people and we found a way to do that on the capital side too.

Louis: So, I have a concern which is that we may be laying a trap for some of the non-profits, right? The equation is supposed to be, we take some functions away from the police department, I think, you know, things like vendor enforcement, but there were other things that I know were under consideration and that we give them to violence interrupters, we give them to community organizations, youth and recreation programs and so forth. The trap that I see being set for them is that because there is such a grim budget outlook, those agencies are not going to get the funding that they need and then when the whole thing kind of falls apart, the blame is going to fall on them as well.

Mayor: It's a great question. I actually would disagree with part of your construct. I think it's a great question, but I don't assume the services go to non-profits or the requirements go the non-profits, I assume, for example, at vendor enforcement, we said, we're going to figure out which civilian agency takes that over. I would never want to see that responsibility fall to a non-profit. So, there's different things, you're absolutely right, things like Cure Violence are a really valuable part of what we do to stop gun violence, but it's certainly not the same thing as what the NYPD does. So, I think the non-profit piece of the equation really is important, but separate. I think when it comes to a government role, you're absolutely right, there's some things that have come up where the question has been, could a civilian agency do it more appropriately than the NYPD at this point in history? And the NYPD has been a part of that discussion too, saying where they think there are things that make sense for them and don't make sense for them going forward. So, that'll all be reflected in the final product.

Louis: Well, one of the big numbers of course that's talked about, and I usually hear the number \$300 million associated with it, is taking the school safety agents and returning them to where they were I guess over 20 years ago under the control of the Department of Education and not the NYPD. Is this a matter of the same people doing the same thing, but with a different patch on their uniform?

Mayor: It's a great question and no, I think we have to continue to improve school safety. First of all, I think we actually have come a really long way. Our schools, unfortunately, used to be a

lot less safe, a lot more violent, a lot more crime. A lot of progress has been made under school safety as part of the NYPD but more and more will recognizing that long-term safety comes with a focus on restorative justice, social, emotional learning, a deeper bond between school safety agents and families and kids. So, we're in – we've already been evolving towards a different approach, and there's been an agreement between Department of Education, NYPD over the last couple of years to change the approach. What we're saying is over the next few years, we would figure out what a transition looks like that is safe and effective, and it would have to be proven along the way that it would work. Now, again, detail's still being negotiated, but no, this is about ensuring that we actually continue to reform and improve the training, for example, of school safety agents, the strategy, a focus on safety, but a focus on what I might argue as a sort of more holistic approach, really trying to engage young people more deeply than we have previously.

Louis: You know, I got numbers from the Teamsters Local 237, which represents the school safety agents, it's the school incident reports from July 2018 to June 2019, and, you know, they're talking about they're – they compiled them, so I can't vouch for the accuracy of the numbers – but let's say they're accurate, 235 cases of grand larceny, 122 cases of felony assault, cases of menacing, criminal mischief, possession of controlled substances in the hundreds. This is not a small task, right? So, it is the Department of Education prepared to take full responsibility for that stuff?

Mayor: Another really important question, and Errol, great minds think alike. This is exactly the dialogue that I've been having over the last few weeks with the NYPD, with the DOE, and I came at it as a parent – as a parent with two kids who went through New York city public schools the whole way – and I had a lot of tough questions. I think, first of all, to do it right is going to take some time, a second to rigorously drill down what's going to not only keep the level of safety we have now, but get us safer. Those statistics are important to recognize. We still have safety issues to address in our schools. So again, do I like the notion of continued reform and a more sort of child centered approach to discipline and safety? Absolutely. I have to be convinced as we go along that it's always working and we have to make adjustments. I think it absolutely can be ultimately handled by DOE, but with careful preparation, careful training, and a lot of proof along the way that it's really working.

Louis: Wow, you don't necessarily have time to do all of that, right? I mean, we still don't have a plan on how and when, or whether the schools are going to open for business in September?

Mayor: Well, look what we're talking about, again, detail's still being resolved, but we're talking about a multiyear transition. So, there is time and that kind of process to see how things develop and make sure everything's safe. And again, I feel good that this is something that can be put together effectively, but we want it to be evidence based, obviously. Look, I think our schools are going to be largely up and running in a September. I'm knocking on wood as I say, it obviously has a lot to do with what happens to the coronavirus, what happens with vaccine. But I think it's fair to say that this next school year, you know, a lot of kids are going to be in school and we'll have an opportunity to keep working on these issues of school safety.

Louis: When it comes to it, I guess in our final minute, you've asked for borrowing authority that the state would have to approve. Is there any progress or any likelihood of them letting you get that done in order to smooth over some of these fiscal bumps?

Mayor: Yeah, unfortunately not right now. The State Assembly has been fantastic. They have stood up for New York City all along and been willing to help, and they were ready to go on borrowing. The State Senate was not, which certainly disappoints me and I think it's going to disappoint a lot of the constituents of the State Senators. This was something that had we gotten that authority would have been an alternative to putting the labor savings in the budget. Now we have to proceed with those labor savings and let us pray that doesn't turn into layoffs on October 1st.

Louis: Okay. We're going to leave it there for now. Best of luck in getting this done. We'll look and talk again after all the dust settles next week. Thanks very much for your time.

Mayor: Thank you, Errol.

###