



THE COUNCIL OF THE CITY OF NEW YORK

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FOR IMMEDIATE RELEASE

November 15, 2007

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Release # 110-2007

CITY COUNCIL VOTES TO REFORM RULES ON COUNCIL MEMBER ADVERTISING

Also votes to extend the J-51 tax benefit program, encouraging building owners to make upgrades and renovations to their property, preserving community character and sustaining affordability

City Hall, November 15, 2007 – The City Council will vote to reform rules on Council Member advertising at today's Stated meeting. The new rules will strictly limit Council Members' use of taxpayer dollars to advertising that informs about a public service or event. The Council will also vote on legislation to:

- Preserve existing housing stock and sustain affordability by extending the J-51 tax benefit program;
- Promote economic development in Southeast Queens by authorizing the designation of a Queens-based airport food supply company as a Regionally Significant Project (RSP) under the State Empire Zones Program; and
- Create an Office of Administrative Tax Appeals (OATA), consolidating the offices of the Tax Appeals Tribunal and the Tax Commission.

The Council will also vote on a resolution supporting the filing of an amicus brief in a lawsuit brought by several states, including New York, against the Federal Department of Health and Human Services for restricting state discretion to provide children with health care through the Children's Health Insurance Program (SCHIP) program.

REFORMING RULES ON COUNCIL MEMBER ADVERTISING

As part of the Council's effort to increase transparency and accountability in government, the City Council will vote on internal rules reform that will establish restrictions on advertising placements made by Council Members. These proposed changes will protect taxpayer dollars while also allowing essential communication between constituents and Council Members about community events or forums on important community issues.

Specifically, the reforms will:

- Prohibit holiday and congratulatory advertisements;
- Prohibit advertisements from being published in organization newsletters, journals, or bulletins; and
- Restrict advertisements to announcements of town-hall meetings or government-sponsored events.

"These new rule changes send clear message that we are committed to responsible, open government," said **Council Speaker Christine C. Quinn**. "If we are going to inspire confidence in our constituents, we must make the way we spend their hard-earned tax dollars beyond reproach. I want to thank my colleagues in the Council for their dedication in making this body more accountable and transparent."

"I support Speaker Quinn's decision to reform these rules, and I share her commitment to greater transparency and accountability in City government," said **Standards and Ethics Committee Chair Inez Dickens**.

EXTENDING TAX BENEFITS TO PRESERVE EXISTING HOUSING

The Council will vote on two bills to extend the J-51 tax benefit program which is designed to encourage building owners to maintain the City's existing housing stock by providing a reduction in real property tax increases in exchange for upgrades to the building. The measures being voted on today will maintain the quality of affordable housing by reducing potential rent increases for tenants based on upgrades they make to their buildings. Furthermore, these measures will help preserve existing housing and neighborhood character by encouraging building owners to make improvements to their property.

Additionally, one of the bills specifically addresses benefits for single room occupancy buildings, a type of housing that many consider to be a vital asset in combating homelessness. Examples of improvements to dwellings that are eligible for J-51 tax benefits include the installation and/or replacement of heating, plumbing or roofing systems, wiring, windows and elevators. Under this legislation, the J-51 program, which has been in place for over 50 years, will be extended to the year 2011.

“For over 50 years, the J-51 tax benefit program has been a valuable tool in preserving the character of our communities,” said **Speaker Quinn**. “In extending this program, we are striking the right balance between the wave of development that is occurring in every borough with the need to preserve the character and history that make our neighborhoods unique places to live and work.”

“One of the best ways we can preserve our housing stock is to encourage building owners to rehabilitate existing residences,” said **Housing and Building Committee Chair Erik Martin Dilan**. “Extending the J-51 program will allow homeowners to make significant improvements to their properties, without the tax burden that comes along with improvements. As long as it is in place, this program will continue to be a common sense way of protecting our neighborhoods.”

AUTHORIZATION OF QUEENS BUSINESS AS A REGIONALLY SIGNIFICANT PROJECT

Promoting economic development in Southeast Queens and encouraging local businesses to stay in New York City, the Council will vote to authorize the designation of Bimmy's LLC, a Queens-based airport food supply company, as a Regionally Significant Project (RSP) under the State Empire Zones Program. A Regionally Significant Project is a business enterprise that is eligible for Empire Zone benefits although it may not be physically located within an Empire Zone. Empire Zones are designated areas throughout the State that offer economic incentives to certified businesses. Such incentives include tax credits for hiring new employees as well as state sales tax refunds.

In order to qualify as an RSP, businesses are required to create a certain minimum net number of new jobs and to make significant capital investments in their physical plant. In December 2006, the South Jamaica Empire Zone approved the request to designate Bimmy's LLC as an RSP and in January 2007, the Empire State Development also preliminarily approved its eligibility. In order to finalize its designation and receive Empire Zone benefits, the City Council must enact legislation permitting the business to submit a formal application to the State.

“I am proud to be sponsoring legislation to create a Regionally Significant Project in Queens. The project will provide the benefits of an empire empowerment zone to a local business which is currently not located in the zone's boundaries, but whose work will result in the creation of a significant of jobs in my borough,” said sponsoring **Council Member Leory Comrie**. “I want to applaud the work of the Speaker and my Council colleagues in supporting the passage of this bill. Additionally, I want to congratulate Bimmys LLC for their commitment to providing much-needed jobs for Queens' residents and to the South Jamaica Zone Administrative Board for recognizing the economic need for this project. It is my hope that this designation will help to assist the economic future of Queens.”

CREATION OF THE OFFICE OF ADMINISTRATIVE TAX APPEALS

The Council will vote to create an Office of Administrative Tax Appeals (OATA), consolidating the offices of the Tax Appeals Tribunal and the Tax Commission. Bringing these bodies under the umbrella of a single agency will more properly reflect the independence of the Tribunal from the Department of Finance and permit economical use of the resources of both bodies. In addition, the bill will broaden the categories of individuals whom the President of the Commission could designate to conduct hearings on applications.

STATE CHILDREN'S HEALTH INSURANCE PROGRAM RESOLUTION

The Council will also vote on a resolution supporting the filing of an amicus brief in a lawsuit brought by several states, including New York, against the Federal Department of Health and Human Services for restricting state discretion to provide children with health care through the Children's Health Insurance Program (SCHIP) program.

Congress enacted SCHIP in 1997 to create a partnership between state and federal governments to provide health insurance coverage to low-income children who are not eligible for Medicaid. On August 17, 2007, the Centers for Medicare and Medicaid Services, the branch of HHS that administers the SCHIP program, issued a letter imposing stringent income caps for families receiving insurance for their children through the program. The lawsuit challenges the letter as improper rulemaking. Over 160,000 children in New York City alone are at risk of losing this federally provided health insurance are currently enrolled in the state's SCHIP program.

“The day the SCHIP bill was vetoed, thousands of children in New York were denied basic health coverage,” **Health Committee Chair Joel Rivera**. “This program is critical to the well-being of our children and their families. Unfortunately, our President has failed to protect these families. Our children deserve better so I applaud the actions being taken in order to ensure that they get nothing less.”

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The following groups have offered their support of the State Children's Health Insurance Program (SCHIP) resolution:

"The federal government's rejection of New York State's SCHIP expansion waiver will result in 70,000 children statewide going without health insurance coverage," said **Acting Executive Director of the Citizens' Committee for Children of New York, Inc. Jennifer March-Joly**. "Children with health insurance coverage have much better access to preventive and primary health care than uninsured children. Citizens' Committee for Children of New York, Inc. supports Governor Spitzer's and Speaker Quinn's efforts to challenge and overturn the federal decision and ensure that universal health care coverage is provided to all children in New York State."

Emma Jordan-Simpson, Executive Director of the Children's Defense Fund-New York said, "The Children's Defense Fund - New York applauds Council Speaker Christine Quinn's decision to file an amicus brief on behalf of the New York City Council and in support of New York's litigation against the federal Health and Human Services. As a result of the unlawful federal rules limiting States' child health expansion plans, thousands of New York children - and hundreds of thousands of children around the country - will suffer needlessly. The arbitrary rules curtailed New York's Child Health Plus B expansion plan which would have provided coverage to almost every uninsured child in New York. The children who are being hurt live in families who work hard and play by the rules but still cannot afford the high cost of private insurance. We are pleased to see that the New York City Council is not giving up on these children. We support New York State for bringing the lawsuit against the federal government and we are grateful that the New York City Council is continuing to stand up on behalf of New York's children."

Ronald Soloway, UJA-Federation of New York Managing Director of Government and External Relations said, "UJA-Federation of New York and our network agencies serve 1.4 million New Yorkers, many of them children. We are concerned about the impact that the new federal restriction on healthcare coverage for children whose family incomes are above 250 percent of the federal poverty level will have on the ability of our agencies to serve children in need. We share Speaker Quinn and the New York City Council's desire to protect families and children in need and applaud their action."

"SCHIP represents an important part of the safety-net for children, particularly children of working families. We know that lack of access to insurance can lead to lack of access to care. We are, therefore, hopeful that this vital program can be reauthorized," said **Cynthia N. Sparer, Executive Director of The Morgan Stanley Children's Hospital of New York-Presbyterian and Senior Vice President and Chief Operating Officer, New York Presbyterian Hospital**.

"Children are our most valuable resource and we need to ensure that they grow up healthy. An important step in ensuring healthy children is easing their access to health insurance coverage. The Child Health Plus program in New York has made a significant difference. The President's veto of the federal SCHIP bill threatens the continued viability of the program in New York," said **Judy Wessler, Director of the Commission on the Public's Health System**.