



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BRAD LANDER

September 16, 2022

Director Jacques Jiha, Ph.D.
Office of Management and Budget
255 Greenwich Street, 8th Floor
New York, NY 10007

Dear Director Jiha,

Given the uncertain economic winds facing the City of New York, I appreciate the Administration's efforts to proactively address the substantial outyear budget gaps identified by both the Office of Management and Budget and my office. In light of rising costs amidst inflation, stock market declines requiring increased pension fund contributions, expired labor contracts, new needs for public services, the possibility of an economic downturn, and the expiration of federal stimulus funds, the Program to Eliminate the Gap outlined in a letter to agencies dated September 12 is a prudent step given our projections of multibillion dollar gaps beginning in Fiscal Year 2024.

The Comptroller's Office will voluntarily conduct a PEG exercise, asking each of our bureaus to identify savings in FY23 and FY24.

I also appreciate your instruction to agencies that savings initiatives must not negatively impact services, and that savings targets cannot be reached through layoffs. Many of the economic factors that require this PEG exercise will also hit New Yorkers hard and require a City government that can robustly address those needs.

I am concerned, however, that your letter imposes an unnecessary and unwise hiring freeze on City agencies as they grapple with unprecedented vacancies and staffing challenges. Some of the agencies facing the highest fulltime vacancy rates include the Department of Buildings and the Department of Parks and Recreation (both at 23%), the Department of Health and Mental Hygiene (19%), the Department of Social Services and the Department of Transportation (both at 18%), and the Department of Housing Preservation and Development (17%). There are many reasons for these staffing challenges, from issues with competitive pay to lack of benefits like hybrid work schedules that are becoming the norm in the private sector, and we urgently need a thoughtful approach to addressing them.

While eliminating inefficiencies and adjusting programs based on current needs is a useful exercise for every Commissioner, finding needed savings must not come at the expense of the services and the programs our City needs to secure a durable and inclusive recovery. Imposing a hiring freeze at this time could put at risk critical programs that New Yorkers rely on.

I appreciate that your letter exempted positions that have an "immediate and direct impact on public health and safety." As our city continues to face not only the COVID-19 pandemic, but also outbreaks of Monkeypox and polio, and as concerns about public safety remain high, it is essential that our city have the staffing in place to keep New Yorkers safe and healthy. But the work of securing both public health

and public safety is not limited to frontline staff at agencies like the Department of Health and Mental Hygiene and the Police Department.

Will the Department of Buildings be able to fill vacancies that are affecting the enforcement of safety issues on active construction sites? Will the Department of Social Services be prohibited from filling vacancies or making new hires as they work to meet the needs of asylum seekers who are arriving in the city daily? Will the Department of Transportation have the staffing they need to implement critical safety programs to hold reckless drivers accountable and redesign dangerous intersections? Will the Department of Sanitation be able to fill vacancies that impact the frequency of trash pickups on our streets? Will the Department of Housing Preservation and Development be able to fill vacant positions that are currently impacting the City's ability to meet its affordable housing goals amidst a housing crisis?

I urge you to reconsider the announced hiring freeze and ask that you provide answers to the above questions to assure my office and New Yorkers that the PEG program will not impact staffing needed to provide key services.

As agencies begin to make plans to achieve the proposed PEGs, I and my team would be happy to discuss ideas for achieving savings that will not impact the delivery of services to New Yorkers.

Thank you,

A handwritten signature in black ink, appearing to read "Brad Lander". The signature is stylized and cursive.

Brad Lander
New York City Comptroller