

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
Speaker of the Council

Hon. Fernando Cabrera
Chair, Committee on Governmental Operations



Report of the Finance Division on the
Fiscal 2021 Preliminary Plan and the
Fiscal 2020 Preliminary Mayor's Management Report for the

Law Department

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Table of Contents

Law Department Overview.....	1
Fiscal 2021 Preliminary Budget Highlights	1
Financial Plan Summary.....	3
Contract Budget.....	5
Miscellaneous Revenue	6
Judgement & Claims	7
Criminal Justice Reform	7
Financial Plan Actions	8
Budget Issues	10
Units of Appropriation.....	10
Tort Division.....	10
Tort Division Fiscal 2020 PMMR Indicators	11
Family Court Division	12
Raise the Age	12
Family Court Division Fiscal 2020 PMMR Indicators	13
Appendices	14
A: Budget Actions in the November and the Preliminary Plans.....	14
B: LAW Overall Headcount	14
C: LAW Fiscal 2020 Personal Services (PS) Chart.....	15
D: LAW Contract Budget.....	16
E: LAW Miscellaneous Revenue.....	16
F: Judgement & Claims Detail.....	16
G: LAW Department Fiscal 2020 PMMR Indicators.....	17
G1: Tort Division PMMR Indicators.....	17
G2: Family Court Division PMMR Indicators	17

Law Department Overview

The Law Department (LAW or the Department) is responsible for the legal affairs of the City. The Department currently has a headcount of 1,914 employees across 16 legal divisions and four support divisions.

LAW's activities include:

- Represents the City, Mayor, other elected officials and other City agencies in all affirmative and defensive civil litigation;
- Represents the same entities in juvenile delinquency prosecutions brought in Family Court and Administrative Code enforcement proceedings; and
- Drafts and reviews local and State legislation, real estate leases, procurement contracts, and financial instruments for the sale of municipal bonds.

Fiscal 2021 Preliminary Budget Highlights

The Law Department's Fiscal 2021 Preliminary Budget totals \$252.6 million, including \$180.1 million in Personal Services (PS) funding to support 1,914 full-time positions. Approximately \$244 million, or 97 percent of the Department's budget is funded through City tax-levy sources, with Capital Inter-Fund Agreement (IFA) funding and Intra-City funding representing the majority of the remaining funding. The Law Department's operations are carried out by 16 legal divisions and four support units. However, the Department's budget is only broken out into two Units of Appropriation (U/As), which include one for Personal Services and Other than Personal Services (OTPS).¹

Figure 1

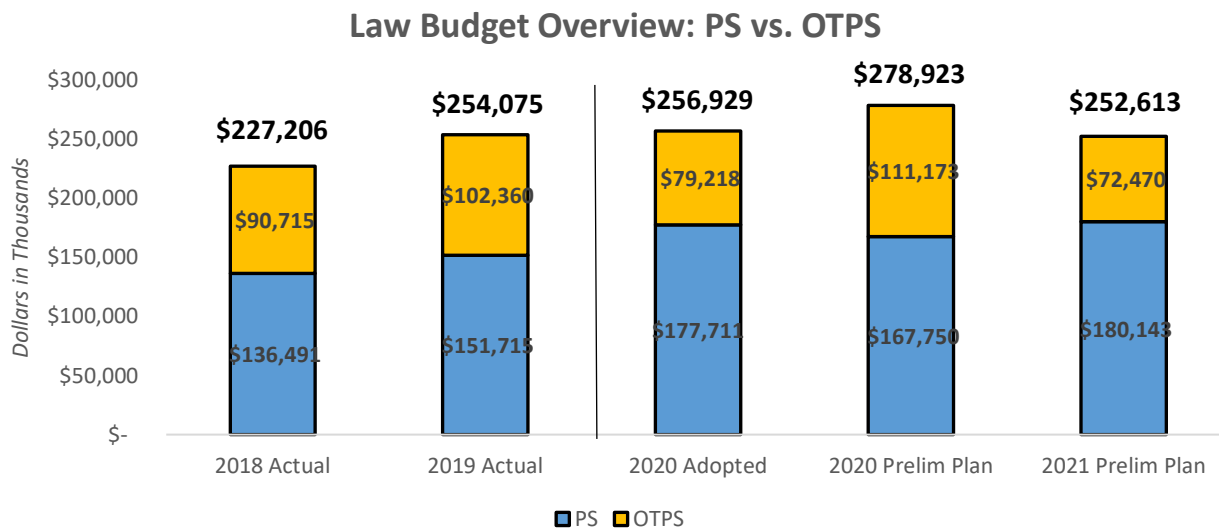


Figure 1 highlights the Law Department's actual expenditures in Fiscal 2018 and Fiscal 2019, its Fiscal 2020 Adopted Budget, its Fiscal 2020 Budget as of the Fiscal 2021 Preliminary Plan, and its Fiscal 2021 Preliminary Budget. Actual expenditures grew between Fiscal 2018 and Fiscal 2019 as the Department added funding in its Fiscal 2019 budget for case specific needs, for cases including Vulcan Society vs. NYC, Nunez vs. NYC, Gulino vs. Board of Education, Floyd vs. NYC, among others. This increase was also brought about by increases in funding that would cover monitoring and management consultant

¹ Units of Appropriation are the subdivisions of the City Expense Budget that the City Council votes upon.

costs related to the review of New York City Housing Authority (NYCHA) operations, and to engage in a non-conflict-of-interest law firm to investigate compliance with the whistleblower law.

Highlights of LAW's Fiscal 2021 Preliminary Budget

- **New Needs.** Since Adoption of the Fiscal 2020 Adopted Budget, the Law Department has identified \$22.6 million in new needs for Fiscal 2020, and baselined \$1.7 million beginning in Fiscal 2021. New needs includes \$16.3 million allocated in Fiscal 2020 for case specific needs, and \$1.2 million baselined beginning in Fiscal 2021 for to enhance the continued delivery of contractual services by outside collection firms.
- **Citywide Savings Program.** Since the November 2019 Plan, the Law Department has identified savings of \$15.9 million in Fiscal 2020 and \$84,000 for Fiscal 2021, the majority of which is from the generation of additional affirmative litigation revenue.
- **Miscellaneous Revenue.** The Financial Plan projects that the Law Department will generate Miscellaneous Revenue of \$30.3 million in Fiscal 2020 and \$21.3 million in Fiscal 2021. Revenue from Affirmative Litigation makes up 62.7 percent of the Law Department's Miscellaneous Revenue streams in Fiscal 2020 and 47 percent in Fiscal 2021.
- **Contract Budget.** The Law Department's Fiscal 2021 Contract Budget totals \$31.1 million for 429 contracts, accounting for 42.8 percent of the Department's OTPS budget for Fiscal 2021.
- **Judgement & Claims.** The Judgement and Claims Budget totals \$727.1 million for Fiscal 2021. Over the past five years, Judgement and Claims spending has averaged \$717.2 million annually.
- **Preliminary Mayor's Management Report (PMMR) Highlights.** Notable performance metrics reported by the Law Department in the Fiscal 2020 PMMR include the following.
 - ✓ Total cases commenced against the City increased from 8,219 in Fiscal 2018 to 8,598 in Fiscal 2019. During the first four months of Fiscal 2020, cases commenced in State Court increased by one percent, while cases pending in State Court increased nearly five percent, adversely impacted the Department's ability to devote resources to affirmative motion practices.
 - ✓ The Law Department's win rate on affirmative motions increased one percent, from 71 percent in Fiscal 2018 to 72 percent in Fiscal 2019, which is relatively low compared to the Department's win rate in Fiscal 2017 of 76 percent.
 - ✓ The percentage of juveniles successfully referred to a diversion program with no new delinquency referral within one year was 86 percent in Fiscal 2019 (same as the previous fiscal year), which is in line with previous fiscal years.

Financial Plan Summary

Table1

LAW Financial Summary						
	FY18	FY19	FY20	Preliminary Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2020	2021	2020-2021
Personal Services						
Additional Gross Pay	\$1,911	\$2,427	\$282	\$3,203	\$2,272	\$1,990
Full-Time Salaried - Civilian	120,357	141,080	174,130	156,267	169,798	(4,332)
Unsalaries & Other Salaried	5,291	5,850	3,298	5,940	5,942	2,644
Overtime & P.S. Other	1,184	2,358	0	2,340	2,131	2,131
SUBTOTAL	\$136,491	\$151,715	\$177,710	\$167,750	\$180,143	\$2,433
Other Than Personal Services						
Contractual Services	\$60,510	\$63,152	\$35,866	\$67,951	\$31,061	(\$4,805)
Fixed & Misc. Charges	54	31	18	88	18	0
Other Services & Charges	26,531	34,970	41,100	39,139	39,157	(1,943)
Property & Equipment	2,427	2,739	984	2,393	984	0
Supplies & Materials	1,193	1,468	1,251	1,602	1,250	(1)
SUBTOTAL	\$90,715	\$102,360	\$79,219	\$111,173	\$72,470	(\$6,749)
TOTAL	\$227,206	\$254,075	\$256,929	\$278,923	\$252,613	(\$4,316)
Funding						
City Funds			\$248,561	\$267,534	\$244,017	(\$4,544)
Other Categorical			417	617	417	0
Capital- IFA			4,017	4,017	4,059	42
Federal - Community Development			145	145	147	2
Intra-City			3,789	6,610	3,973	184
TOTAL	\$227,206	\$254,075	\$256,929	\$278,923	\$252,613	(\$4,316)
Budgeted Headcount						
Full-Time Positions - Civilian	1,581	1,714	1,906	1,916	1,914	8

*The difference of Fiscal 2020 Adopted Budget compared to Fiscal 2021 Preliminary Budget.

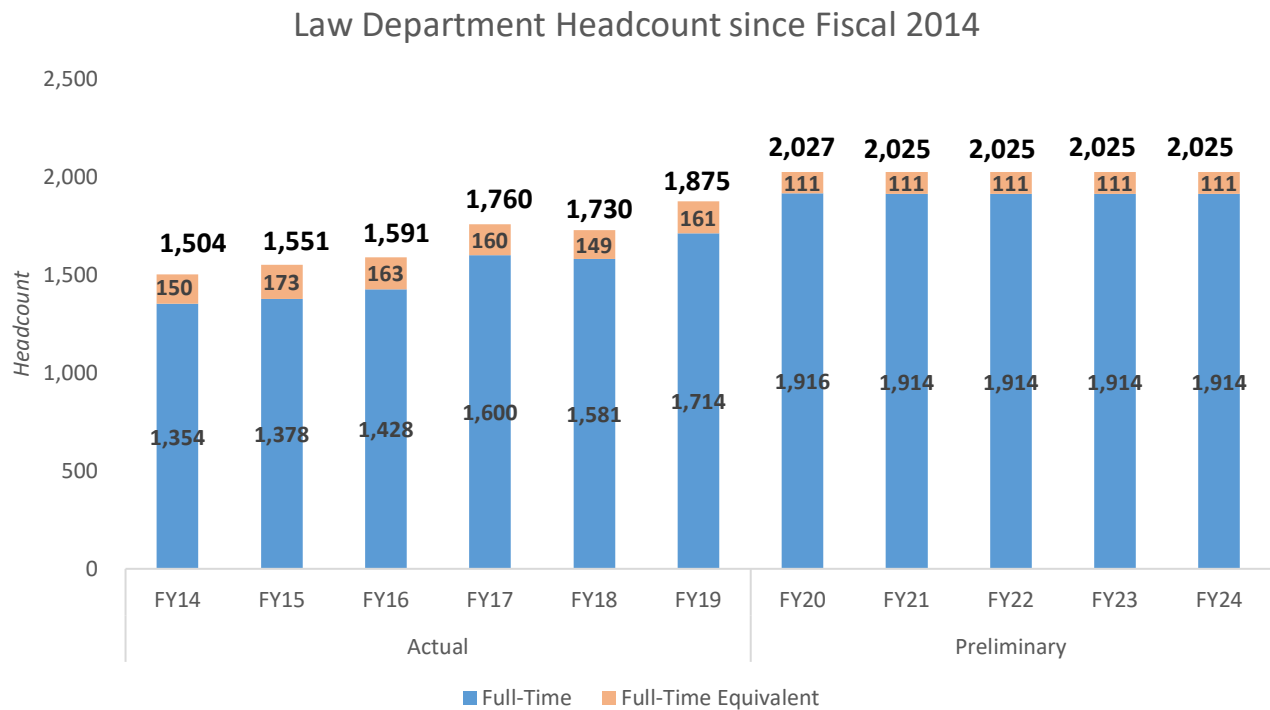
The Law Department's Fiscal 2021 Preliminary Budget is \$4.3 million less than its Fiscal 2020 Adopted Budget of \$256.9 million, primarily due to a decrease in the Contract Budget for Professional Development contracts. Estimates for contract expenditures are reviewed and adjusted on a rolling basis, as the Department's caseload changes from year to year. Contracts represent 42.8 percent of the Law Department's planned spending in Fiscal 2021. The majority of the Law Department's contracts are intended to provide legal and other support for the Department's litigation in areas in which its permanent staff has insufficient expertise.

Since Adoption of the Fiscal 2020 Budget, the Law Department has identified \$22.6 million in new needs for Fiscal 2020, and baselined \$1.7 million beginning in Fiscal 2021. Of the \$22.6 million added in Fiscal 2020, \$16.3 million was allocated for case specific needs, which include cases such as NYC vs. Gulino, NYC vs. Vulcan, and NYC vs. Hydro Project. This funding also includes \$9 million for costs associated with the New York City Housing Authority Monitor (NYCHA). The Law Department has baselined new needs funding of \$1.2 million beginning in Fiscal 2020 to enhance the continued delivery of contractual services by outside collection firms (i.e. Leopold Gross, Linebarger, and Wilson Elser), which are retained to make collections for penalties, fines, and fees on behalf of numerous City agencies, including the Department of Social Services (DSS), the Environmental Control Board (ECB), the Department of Small Business Services (SBS), amongst others. The Law Department has added \$4.7 million in new needs for Fiscal 2020 for the Gowanus Canal Remediation Trust, which will be used to address the design work of environmental consultants to participate in the clean-up of the Gowanus Canal. Lastly, in the November 2019 Plan, the Law Department adds \$328,438 in Fiscal 2020 and baselines \$487,488 beginning in Fiscal 2021, and baselines eight positions, for funding and

headcount associated with the NY State’s Criminal Justice Reform Act (CJRA) implementation, associated with the “Discovery” reform. Furthermore, the Law Department has added \$41,000 in Fiscal 2020 and baselines \$58,000 beginning in Fiscal 2021 for costs associated with collective bargaining adjustments within the Department, specifically with Local 237. Since Adoption of the Fiscal 2020 Budget, the Law Department has identified \$15.9 million in savings for Fiscal 2020 and \$84,000 in Fiscal 2021, the majority of which comes from the generational of additional revenue from affirmative litigation from one-time settlement payments with the National Union Fire Insurance, a cigarette settlement, and a settlement with the Roman Catholic Archdiocese.

Headcount

Figure 2



In the Fiscal 2021 Preliminary Plan, the Law Department’s Fiscal 2021 PS Budget provides for \$180.1 million to support a headcount of 1,914 full-time positions and 111 full-time equivalent positions. As of October 2019, the Department was operating with a full-time vacancy rate of 6.7 percent, equivalent to 128 vacant positions. Of these total, 119 full-time positions are City-funded vacancies.

The Law Department’s budgeted headcount has risen in recent years, as the Department has made efforts to reduce its reliance on outside counsel by hiring additional in-house lawyers. The Department has in recent years greatly expanded the number of staff in its Tort Division in an effort to better defend the City against lawsuits. Most notably, the Family Court Division expanded dramatically in Fiscal 2019, with \$32 million allocated for 254 positions to implement the first phase of Raise the Age. Please refer to Appendix B for more details regarding the Law Department’s headcount.

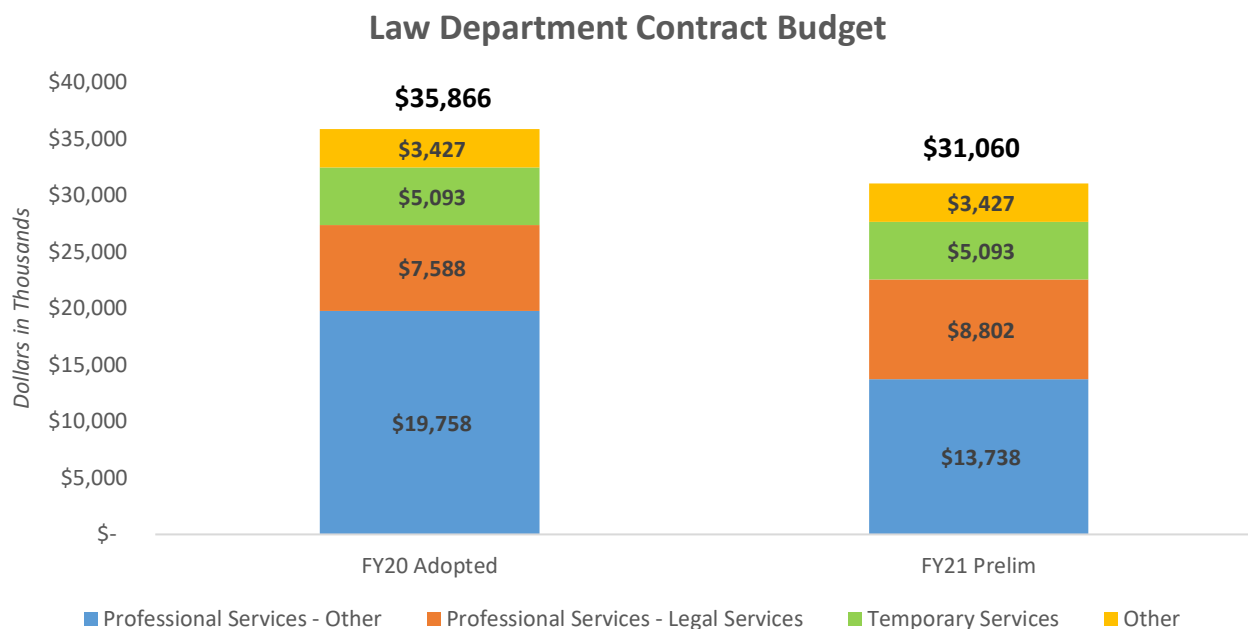
The Law Department’s Expense Budget is categorized into two Units of Appropriation (U/As), the units by which the City Council approves agency funding. The Department’s headcount and Personal Services funding are spread across several divisions. For additional information regarding the

headcount and Personal Services funding across the Law Department’s divisions in Fiscal 2020, please refer to Appendix C. Please refer to the “*Tort Division*” and “*Family Court Division*” sections of this report for more information regarding these divisions.

Contract Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personnel service provided to the City by means of a contract. The Contract Budget is a subset of the OTPS portion of the City’s Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. The Fiscal 2021 Preliminary Contract Budget totals \$16.9 billion for procurement expenditures across all agencies.

Figure 3

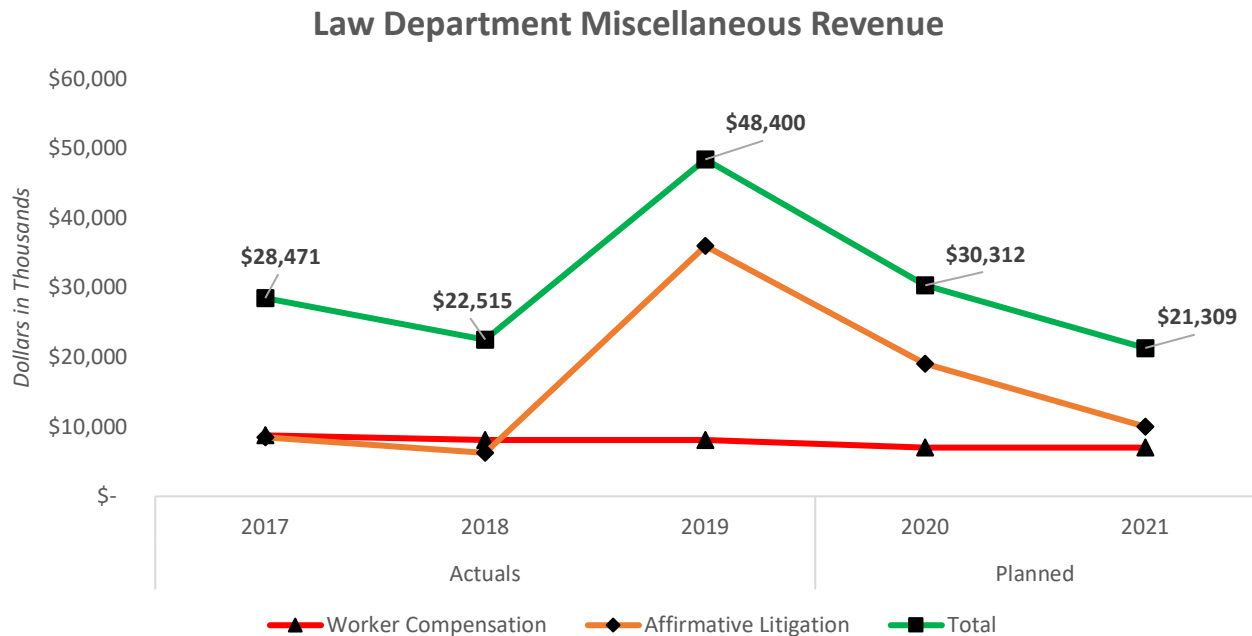


The Law Department’s Fiscal 2021 Contract Budget totals \$31.1 million for 429 contracts, accounting for 42.8 percent of the Department’s OTPS Budget. The Fiscal 2021 Preliminary Contract Budget is \$4.8 million less than its Fiscal 2020 Adopted Contract Budget of \$35.9 million, primarily brought about by underdeveloped contract budgeting for Other Professional Services, funding for which is increased over the course of the fiscal year as needs are identified. Legal and Other Professional Services comprise the largest shares of the Law Department’s Fiscal 2021 Contract Budget, which collectively equal to \$22.5 million, or 72.6 percent of the Law Department’s Contract Budget. These contracts primarily represent the hiring of outside legal counsel and other consultants to aid the Law Department in affirmative and defensive litigation and other legal action and consultation on behalf of the City. Temporary Services contracts, which account for \$5.1 million, or 16.4 percent of the Law Department’s Fiscal 2021 Preliminary Contract Budget, includes payments, fees and commissions for administrative and clerical support, court reporting and transcribing and other outside temporary services. For additional information regarding the Law Department’s Fiscal 2021 Preliminary Contract Budget, please refer to Appendix D.

Miscellaneous Revenue

The Law Department generates miscellaneous revenue from fines from violations to the City's administrative code, revenues for the sale of de-mapped small non-functional City roads, affirmative judgements and settlements in cases brought by the City, fees for OTPS costs associated with Freedom of Information Law (FOIL) requests, and reimbursements for worker compensation payouts. The Affirmative Litigation Division oversees the activities of the Department's collection contract. Attorneys in this Division represent the City as plaintiff on a wide range of issues, including restitution, breach of contract, and insurance.

Figure 4



The Preliminary Plan projects that the Law Department will generate miscellaneous revenue of \$21.3 million in Fiscal 2021. The vast majority of this revenue, 95.3 percent of the total, is projected to be generated through affirmative litigation, collection agency claims and reimbursements for worker compensation payouts. Major annual swings in the Law Department's generation of miscellaneous revenue are primarily driven by affirmative litigation. Since Adoption of the Fiscal 2020 Budget, the Law Department has generated \$9 million in additional revenue through affirmative litigation from one-time settlements with the National Union Fire Insurance Company, a cigarette settlement, a settlement with the Roman Catholic Archdiocese, and a settlement with the Brooklyn Warehouse 180 LLC and MICA Gabe Brooklyn LLC.² Additionally, in Fiscal 2019, the Law Department generated miscellaneous revenue of \$35.9 million through affirmative litigation, with cases associated with a one-time Federal Express (FedEx) cigarette settlement payment, among others. For additional information regarding the Law Department's miscellaneous revenue streams, please refer to Appendix E.

² This case involved an investigation into defendants' alleged failure to pay prevailing wages and supplemental benefits to building service employees.

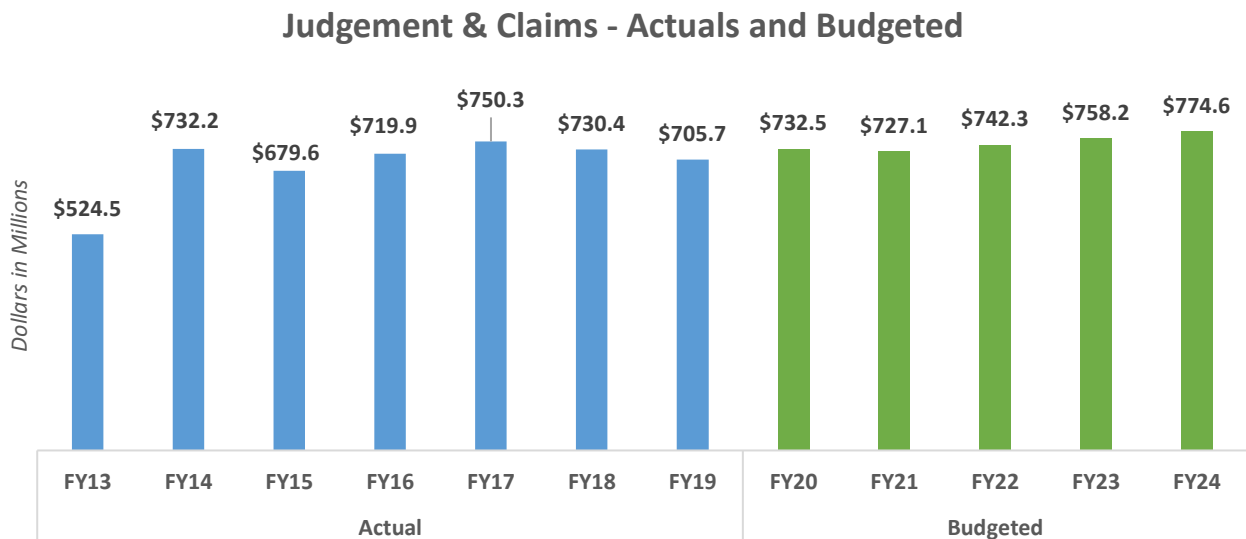
Judgement & Claims

The City's Judgment & Claims (J&C) Budget is a fund used to pay settlements resulting from judgements against the City. J&C payments include medical malpractice suits, contract suits, police suits, among other judgments.

While the Judgment & Claims Budget is part of the City's Miscellaneous Budget, and is not included in the Law Department's Budget, the Law Department's Tort Division defends the City against most J&C suits. The Law Department does not defend medical malpractice suits against the City, as Health and Hospitals (H+H) manages their own separate legal department. The Judgment & Claims Budget totals \$727.1 million for Fiscal 2021. Over the past five years, J&C actual spending has averaged \$717.2 million annually.

Payments for Judgment & Claims vary from year to year due to settlements for major cases. For example, J&C payments increased in Fiscal 2014 in large part due to the settlement of the Central Park Five case and the FDNY exam bias case. However, J&C expenditures have been larger in recent years due to the establishment of Conviction Integrity Units in New York City's District Attorney Offices. These units, which are tasked to reopen old cases in which an injustice may have occurred, have led to settlements that are often substantial in their payments. The Law Department has added additional resources to its Tort Division in recent years to help limit the growth of J&C expenses. For additional information regarding Judgment & Claims payments by agency, please refer to Appendix F.

Figure 5



Criminal Justice Reform

The State passed two major components of criminal justice reform this past spring, which include Discovery Reform and Bail Reform, which will each take effect in January 2020. Below is an explanation of each.

- 1) Discovery Reform.** Discovery Reform will accelerate the discovery timeline, requiring the prosecution to disclose all relevant evidence, automatically, within 15 days of arraignment for every case; and

- 2) **Bail Reform.** Bail Reform will eliminate money bail and pretrial detention in almost all misdemeanor and nonviolent felony cases.

This legislation was passed without State funding, consequently, the City had to make investments to support the implementation of the State mandated criminal justice reforms. These reforms represent over half of the Department’s new needs in the November 2019 Plan. This includes approximately \$75.3 million in PS and OTPS and 1,023 in additional headcount across seven different City Agencies including the District Attorneys (DA’s) and Special Narcotics Prosecutor, the New York Police Department (NYPD), the Law Department, the Fire Department (FDNY), the Department of Mental Health and Hygiene (DOHMH), the Mayor’s Office on Criminal Justice (MOCJ), and the public defense providers. The table below shows the various City Agencies impacted, the City investments made in FY20 and the outyears, as well as budgeted headcount.

2020 State Criminal Justice Reform Implementation Across Agencies								
Agency	FY20	HC	FY21	HC	FY22	HC	FY23	HC
District Attorneys	\$35,856,000	729	\$35,387,000	729	\$35,164,000	729	\$35,159,000	729
NYPD	24,731,030	250	20,696,460	250	20,451,515	250	20,478,938	250
Law Department	328,438	8	487,488	8	487,488	8	487,488	8
FDNY	537,945	9	856,780	10	726,780	9	616,780	8
DOHMH	3,519,693	27	2,897,224	27	2,840,442	27	2,320,907	20
MOCJ Contracts*	786,000	-	786,000	-	786,000	-	786,000	-
Public Defenders*	9,518,000	-	9,375,000	-	9,431,000	-	9,524,000	-
TOTAL	\$75,277,106	1,023	\$70,485,952	1,024	\$69,887,225	1,023	\$69,373,113	1,015

*Contracted headcount is not reflected in the Financial Plan

Financial Plan Actions

New Needs

Since Adoption of the Fiscal 2020 Adopted Budget, the Law Department includes \$22.5 million in Fiscal 2020 and baselines \$1.7 million beginning in Fiscal 2021. The following includes a breakdown of each new need added in the November 2019 Plan and the Fiscal 2021 Preliminary Plan.

- **Criminal Justice Reform Implementation.** In the November 2019 Plan, the Law Department added \$328,438 in Fiscal 2020 and baselines \$487,488 beginning in Fiscal 2021, and also baselines eight positions, for funding and headcount associated with the NY State’s Criminal Justice Reform Act (CJRA) implementation. According to the Law Department, this funding increase is associated with “Discovery” reform, in which the prosecution must share evidence with the defense counsel within 15 days of arraignment for cases related to police witness civil lawsuits. Additionally, the funding would be needed to help with Fire Department (FDNY) cases associated with failure to comply with criminal summonses given by the FDNY.
- **Case Specific Needs.** The Fiscal 2021 Preliminary Plan includes \$16.3 million in new needs for Fiscal 2020. These include cases such as NYC vs. Gulino (\$3 million), NYC vs. Vulcan (\$1.7 million), and NYC vs. Hydro Project (\$2.5 million). Additionally, this funding includes \$9 million to cover costs associated with the NYCHA monitor, in an agreement with the Federal government and the NYC Law Department, where the Department would cover monitoring and management consultant costs related to a review of NYCHA operations and to engage in a non-conflict-of-interest law firm to investigate compliance with the whistleblower law.

- **Collection Agencies.** The Fiscal 2021 Preliminary Plan baselines \$1.2 million in new needs beginning in Fiscal 2020 to enhance the continued delivery of contractual services by outside collection firms (i.e. Leopold Gross, Linebarger, and Wilson Elser), which are retained to make collections for penalties, fines, and fees on behalf of numerous City agencies, including the Department of Social Services (DSS), the Environmental Control Board (ECB), the Department of Small Business Services (SBS), amongst others.
- **Gowanus Canal Remediation Trust.** The Fiscal 2021 Preliminary Plan includes \$4.7 million in new needs in Fiscal 2020 for the Gowanus Canal Remediation Trust. This funding will be used to address the design work of environmental consultants, pursuant to an Order issued in May 2014 by the US Environmental Protection Agency (EPA) for NYC and other entities to cooperate and participate in the clean-up of the Gowanus Canal.

Citywide Savings

Since Adoption of the Fiscal 2020 Budget, the Law Department has identified budgetary savings of \$15.8 million in Fiscal 2020 and \$84,000 in Fiscal 2021. These include the following.

- **Telecommunication Savings.** The Law Department will realize one-time budgetary savings of \$84,000 in Fiscal 2021 through savings from deactivated telecommunication services that the Department no longer uses or needs.
- **Criminal Courts Revenue.** The Law Department will generate one-time savings of \$6.9 million in Fiscal 2020 through revenue from one-time criminal court collections payments. According to the Law Department, criminal court collections made by the collection firms retained by the Department were not being reflected as paid in the Criminal Court's system (and eventually in County Clerk records) until the Law Department remitted payment to the Criminal Court to clear the fines for full payments. As such, the Criminal Court was holding checks for long periods of time. Pursuant to an agreement, the Law Department held these funds in escrow. The Office of Court Administration (OCA) built a new summons look-up tool that provides basic information about the status of fines and a copy of the summons, to which the Law Department and the collection firms have access. With this new tool, the Law Department now has the ability to mark summonses as paid, and credit the collected funds to a specific revenue structure identified by the Office of Management and Budget (OMB). Thus, the Criminal Court collections made over the past few years have now been moved from the Department's escrow account to this structure.
- **Enhanced Space Management.** Although not included as a savings in the Department's Citywide Savings Program, the Department will generate projected savings of \$4.2 million in Fiscal 2020 and \$1.2 million in Fiscal 2021. The Space Management Program is an initiative that was launched by the Department of Citywide Administrative Services (DCAS) in the Fiscal 2018 Preliminary and Executive Budgets. The program, which is managed by DCAS' Division of Asset Management, establishes a more thorough review process of all City agencies' present and future space requests, with the aim of using the spaces the City owns and rents in a more efficient and less costly manner.
- **Agency Phone Plan Review.** Although not included as a savings in the Department's Citywide Savings Program, the Department will generate projected savings of \$50,000 in Fiscal 2020 and \$101,000 in Fiscal 2021, as the Department of Information Technology and

Telecommunications (DoITT) telecommunications resource team continues to review City agency spending by service type in order to identify a more cost-effective provider options.

Budget Issues

- **State Attorney General Suing City for Overpriced Taxi Medallions.** On February 20, 2020, the NY State Attorney General, Letitia James, filed a lawsuit against the City of New York for \$810 million for inflating the price of taxi medallions, which were marketed as a sure-fire investment before ride-hailing apps upended the industry.³ The suit alleges that the City auctioned off medallions at artificially high prices during 2004 – 2017, and “...continued to market the medallions at overhauled rates, even after internal reports raised warnings about inflated values”.⁴ The Law Department will enter into litigation to defend the City from the suit of the State Attorney General. This will most likely have an impact on the Law Department’s budget.

Units of Appropriation

The Law Department’s operations are carried out by 16 legal divisions and 4 support units. However, the Department’s budget is only broken out into two units of appropriation (U/As): Personal Services (PS) and Other Than Personal Services (OTPS). For the past several fiscal years, the Council has requested that the Law Department expand the number of U/As in its budget in order to improve the transparency of agency operations. The Law Department is not in favor of such a suggestion as they regularly transfer resources across divisions, many of which are very small, and the creation of additional U/As would make it difficult to do so.

Tort Division

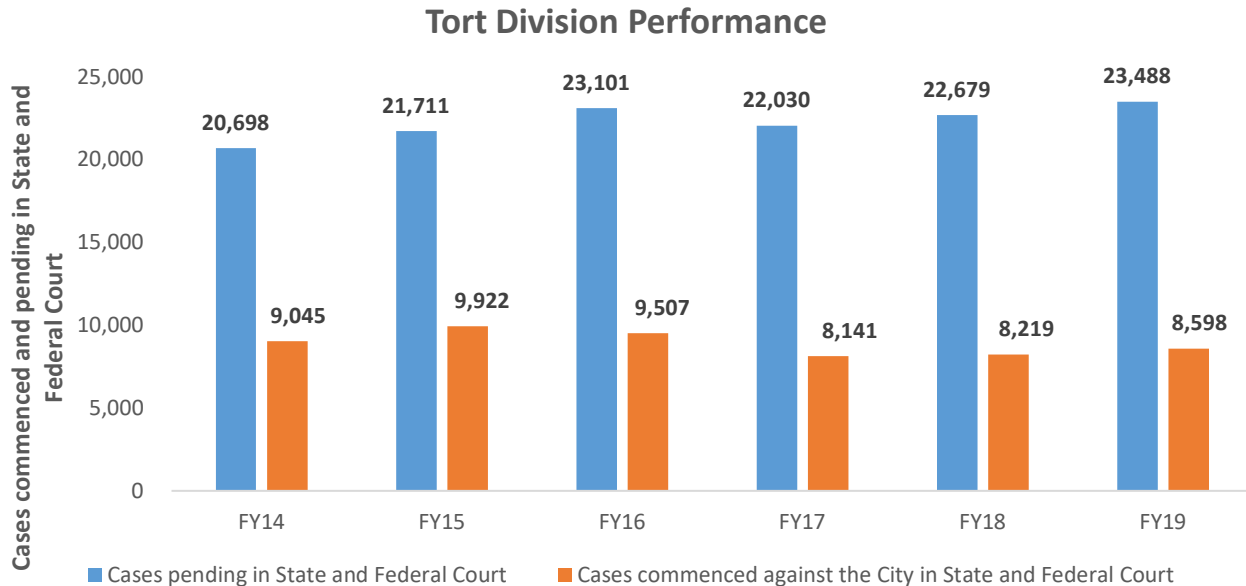
The Tort Division is the Law Department’s largest division, with a Fiscal 2021 budgeted headcount of 610 positions and a Personal Services Budget of \$53.2 million. The Division represents the City in all tort claims, and Health and Hospitals in all tort claims, with the exception of medical malpractice actions. The Division handles a caseload of approximately 8,000 new cases each year, with over 22,000 pending in State and Federal court.

³ NBC News, New York. “State Attorney General Plans to Sue NYC Over Taxi Medallions”. <https://www.nbcnewyork.com/news/local/state-attorney-general-plans-to-sue-nyc-over-taxi-medallions/2296481/>

⁴ Id.

Tort Division Fiscal 2020 PMMR Indicators

Figure 6



Additional resources have been allocated to the Law Department’s Tort Division in recent fiscal years to deal with the rise in cases pending against the City in State and Federal Courts, and to more aggressively defend the City against tort and contract claims in an effort to reduce Judgement & Claims payouts. For example, in the Fiscal 2017 Executive Plan, \$17.8 million was baselined to the Tort Division’s budget to fund 144 new positions to carry out vertical case handling for certain lawsuits brought against the Police Department. Generally, the Law Department employs horizontal case management, in which cases are passed on to different specialized attorneys through different stages of a case (i.e. discovery, settlement, trial, etc). However, the vertical case handling unit manages a select number of important police cases from start to finish, which is intended to lead to higher successful outcomes and deter frivolous lawsuits.

According to the Preliminary Mayor’s Management Report (PMMR), during the first four months of Fiscal 2020, cases commenced in State Court increased by one percent, while cases pending in State Court increased nearly five percent, which adversely impacted the Department’s ability to devote resources to affirmative motion practices. As a result, the Department made five percent fewer motions to dismiss or for summary judgement than in the same period of Fiscal 2019. Additionally, the Special Federal Litigation Division’s approach to motion practice and trials resulted in favorable verdicts, dismissals and discontinuances that were nearly one-fifth of all actions commenced in Federal Court in the first four months of Fiscal 2020. This approach resulted in a 13 percent decrease in City cases pending in Federal Court to 879 for the first four months of Fiscal 2020, compared to 1,006 for the same period in the previous fiscal year. These successful outcomes contributed to a 17 percent decrease in new Federal Court filings in the first four months of Fiscal 2020.⁵ For additional information regarding a complete list of the Tort Division’s Fiscal 2020 PMMR indicators, please refer to Appendix G1.

⁵ Fiscal 2020 Preliminary Mayor’s Management Report.

https://www1.nyc.gov/assets/operations/downloads/pdf/pmmr2020/2020_pmmr.pdf

Family Court Division

The Family Court Division is the Law Department's second largest division, with a Fiscal 2020 budgeted headcount of 359 positions and a Personal Services Budget of \$30.7 million. The Family Court Division is comprised of two units, which include the Interstate Child Support Unit and the Juvenile Delinquency Prosecution Unit. The Interstate Child Support Unit appears on behalf of out-of-state custodial parent petitioners who seek to establish paternity and obtain child support from New York City residents. In addition, a custodial parent who lives within New York City may seek the Unit's assistance in filing for child support from parents who live outside the State and the country. The Juvenile Delinquency Prosecution Unit investigates juvenile delinquency matters that are referred to the office and prosecutes the matters where appropriate. Juvenile delinquency matters involves youth ages 7 to 17⁶ who have been arrested for conduct that would constitute a crime if they were adults.

Raise the Age

"Raise the Age" legislation was signed into New York State Law on April 10th, 2017. This legislation had the effect of trying 16- and 17-year-olds, who were being tried as adults, as juveniles statewide. In certain violent cases, specific 16- and 17-year-olds will continue to be tried as adults. This legislation went into effect for 16-year-olds as of October 2018, and went into effect for 17-year-olds in October 2019. This legislation has expanded the Law Department's workload by shifting cases that are currently tried in criminal court to the Law Department's Family Court Division. Costs to other agencies include the transfer of all juveniles off Rikers Island and establishing special youth Criminal Courts for the 16- and 17-year-olds that continue to be tried as adults.

In the Fiscal 2019 Executive Plan, the Administration added \$113.4 million and 806 new budgeted positions for the implementation of the first stage of Raise the Age in the Fiscal 2019 Budgets for the Law Department, Police Department (NYPD), Administration for Children's Services (ACS), Department of Correction (DOC), and the Department of Probation (DOP). Of this total, \$32.2 million and 254 positions were allocated to the Law Department's Fiscal 2019 Budget. While overall funding for the implementation of Raise the Age rises to \$145.8 million in Fiscal 2020, funding for the Law Department falls to \$29.3 million.

The New York State Fiscal 2021 Executive Budget includes \$250 million for Raise the Age implementation Statewide, which is an increase of \$50 million from the previous fiscal year. However, it is unclear how much of this funding will be allocated to New York City.

⁶ It should be noted that the age of juvenile delinquency was raised from 16 years of age to 17 years of age on October 1, 2018, and subsequently increased from 17 years of age to 18 years of age on October 1, 2019.

Family Court Division Fiscal 2020 PMMR Indicators

Figure 7

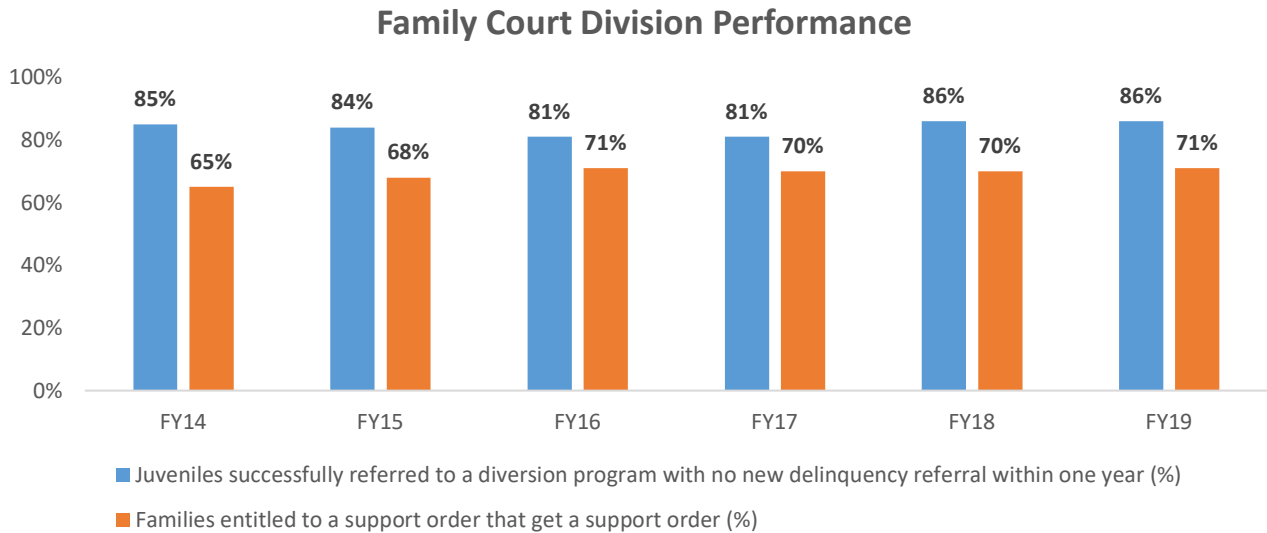


Figure 7 above highlights the Family Court Division’s performance metrics over the past several fiscal years. The Juvenile Delinquency Prosecution Unit strives to increase the share of arrested juveniles that are successfully referred to a delinquency program without further incident. According to the PMMR, juveniles successfully referred to a diversion program with no new delinquency referral within a year increased nine percent to 88 percent in the first four months of Fiscal 2020, up from 79 percent in the same period during last fiscal year. Additionally, the percentage of families entitled to a support order, that receive a support order, decreased by eight percent to 64 percent during the first four months of Fiscal 2020, from the same period last fiscal year. This is primarily due to resource limitations related to the facilitation of support orders.⁷ For additional information regarding a list of the Family Court Division’s Fiscal 2020 PMMR indicators, please refer to Appendix G2.

⁷ Fiscal 2020 Preliminary Mayor’s Management Report.
https://www1.nyc.gov/assets/operations/downloads/pdf/pmmr2020/2020_pmmr.pdf

Appendices

A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY20			FY21		
	City	Non-City	Total	City	Non-City	Total
LAW Budget as of the Adopted FY20 Budget	\$248,561	\$8,368	\$256,929	\$243,129	\$8,438	\$251,567
New Needs						
Criminal Justice Reform Implementation	\$328	\$0	\$328	\$487	\$0	\$487
Case Specific Needs	16,280	0	16,280	0	0	0
Collection Agencies	1,214	0	1,214	1,214	0	1,214
Gowanus Canal Remediation Trust	4,733	0	4,733	0	0	0
Subtotal, New Needs	\$22,555	\$0	\$22,555	\$1,701	\$0	\$1,701
Citywide Savings						
Telecommunication Savings	0	0	0	(84)	0	(84)
Subtotal, Citywide Savings	0	0	0	(84)	0	(84)
Other Adjustments						
Collective Bargaining	\$35	\$6	\$41	\$51	\$7	\$58
Enhanced Space Management	(4,187)	0	(4,187)	(1,232)	0	(1,232)
Lease Adjustment	105	0	105	0	0	0
Agency Phone Plan Review	(50)	0	(50)	(101)	0	(101)
Other City Adjustments	515	0	515	552	0	552
Other Categorical Adjustments	0	200	200	0	0	0
Other Intra-City Adjustments	0	2,815	2,815	0	150	150
Subtotal, Other Adjustments	(\$3,582)	\$3,021	(\$561)	(\$730)	\$157	(\$573)
TOTAL, All Changes	\$18,973	\$3,021	\$21,994	\$887	\$157	\$1,044
LAW Budget as of the Preliminary FY21 Budget	\$267,534	\$11,389	\$278,923	\$244,018	\$8,595	\$252,613

B: LAW Overall Headcount

	Actual						Budgeted - FY21 Prelim Plan				
	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Full-Time	1,354	1,378	1,428	1,600	1,581	1,714	1,916	1,914	1,914	1,914	1,914
Full-Time Equivalent	150	173	163	160	149	161	111	111	111	111	111
Total	1,504	1,551	1,591	1,760	1,730	1,875	2,027	2,025	2,025	2,025	2,025

C: LAW Fiscal 2020 Personal Services (PS) Chart

Law Program Areas		
<i>Dollars in Thousands</i>		
Program Area	Fiscal 2021 Funding	Budgeted Headcount
Administration Raise the Age	\$594	7
Administrative Services	14,601	74
Administrative Law	4,179	41
Affirmative Litigation	2,867	28
Appeals	5,885	57
Commercial Litigation	5,283	53
Contracting Department	1,174	9
Contracts and Real Estate	246	3
Economic Development	1,720	15
E-Discovery Department	1,898	11
Environmental Law	1,953	18
Executive	3,859	31
Family Court	30,722	359
General Litigation	3,254	29
Information Technology	2,546	27
IT Raise the Age	340	4
Labor and Employment Law	7,052	77
Legal Counsel	3,516	31
Litigation Support Unit	2,764	30
Municipal Finance	706	7
Office of Special Enforcement	1,179	15
Operations	4,549	74
Special Federal Litigation	12,700	136
Tax and Bankruptcy	5,839	71
Tort	53,185	610
Workers' Compensation	5,808	88
Other	1,724	9
Total	\$180,143	1,914

D: LAW Contract Budget

Law Department Fiscal 2021 Contract Budget				
<i>Dollars in Thousands</i>				
Category	FY20 Adopted	Number of Contracts	FY21 Preliminary	Number of Contracts
Contractual Services General	\$ 440	14	\$ 440	14
Maintenance & Repair General	1,501	17	1,501	17
Office Equipment Maintenance	160	9	160	9
Data Processing Equipment	701	8	701	8
Security Services	225	1	225	1
Temporary Services	5,093	15	5,093	15
Cleaning Services	15	1	15	1
Transportation Expenditures	50	1	50	1
Training Program for City Employees	105	24	105	24
Professional Svcs. Accounting & Auditing	100	1	100	1
Professional Svcs. Legal Services	7,588	31	8,802	31
Professional Svcs. Engineering & Architecture	130	28	130	28
Professional Svcs. Other	19,758	279	13,738	279
Total	\$ 35,866	429	\$ 31,060	429

E: LAW Miscellaneous Revenue

Law Department Miscellaneous Revenue - Fiscal 2021 Preliminary Plan					
Law Miscellaneous Revenue Sources	Actuals			Planned	
	2017	2018	2019	2020	2021
<i>Dollars in Thousands</i>					
Adm. Code Violations	\$ 657	\$ 1,615	\$ 648	\$ 650	\$ 650
Sale of Streets	8,051	1,363	275	275	275
Affirmative R/E Litigation	668	272	14,605	250	250
Affirmative Litigation	7,773	5,968	21,346	18,762	9,759
Vending, Xerox, Subpoena Fees	77	41	84	75	75
Collection Agency Claims	2,488	5,153	3,371	3,300	3,300
Worker Compensation	8,757	8,103	8,071	7,000	7,000
Total	\$ 28,471	\$ 22,515	\$ 48,400	\$ 30,312	\$ 21,309

F: Judgement & Claims Detail

Citywide Judgment and Claims Payouts							
<i>Dollars in Thousands</i>							
Agency	Actuals						
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Police	\$156,600	\$245,665	\$274,279	\$303,927	\$328,385	\$262,782	\$237,505
Fire	23,436	138,281	51,699	21,286	43,543	26,347	19,670
H+H	124,066	131,692	127,142	131,882	118,936	122,329	130,994
Transportation	75,764	73,291	54,389	70,155	81,847	84,066	55,319
Sanitation	34,544	41,107	34,149	50,468	58,957	81,259	73,370
Education	37,680	34,871	42,442	44,952	45,799	40,772	46,077
Environmental Protection	4,042	19,852	20,731	5,718	8,884	15,420	15,759
Parks	30,923	19,266	15,096	12,253	14,712	20,118	29,931
Corrections	12,127	18,522	42,284	44,326	36,173	41,650	45,728
All Other Payments	25,301	9,674	17,393	35,001	13,113	35,639	51,398
Total	\$524,483	\$732,221	\$679,604	\$719,968	\$750,349	\$730,382	\$705,751

G: LAW Department Fiscal 2020 PMMR Indicators

G1: Tort Division PMMR Indicators

Law Department Tort Division Indicators	Actual			Target		4-Month Actual	
	FY17	FY18	FY19	FY20	FY21	FY19	FY20
Total citywide payout for judgments and claims (\$000)	\$722,046	\$674,001	\$642,112	DOWN	DOWN	\$59,491	\$119,202
Total cases commenced against the City	8,141	8,219	8,598	*	*	2,793	2,783
– Cases commenced against the City in state court	7,132	7,367	7,816	7,600	7,600	2,523	2,558
– Cases commenced against the City in federal court	1,009	852	782	1,050	1,050	270	225
Cases pending in state court	20,667	21,630	22,611	23,700	23,700	21,784	22,799
– Cases pending on trial calendar	2,441	2,337	1,898	2,700	2,700	2,187	1,926
Affirmative motions to dismiss or for summary judgment	1,648	1,713	1,461	*	*	483	460
Win rate on affirmative motions (%)	76%	71%	72%	78%	78%	70%	75%
Cases pending in federal court	1,363	1,049	877	1,150	1,150	1,006	879
Dismissals and discontinuances	280	273	262	*	*	64	39

G2: Family Court Division PMMR Indicators

Law Department Family Court Division Indicators	Actual			Target		4-Month Actual	
	FY17	FY18	FY19	FY20	FY21	FY19	FY20
Referred cases filed for prosecution (%)	50%	44%	38%	55%	55%	34%	31%
Juvenile conviction rate (%)	75%	77%	73%	75%	75%	75%	72%
Juveniles successfully referred to a diversion program with no new delinquency referral within one year (%)	81%	86%	86%	75%	75%	79%	88%
Crime victims referred for community-based services (%)	46%	46%	57%	45%	45%	62%	71%
Filing of enforcement referrals within 60 days of referral (%)	96%	96%	99%	90%	90%	100%	88%
Families entitled to a support order that get a support order (%)	70%	70%	71%	65%	65%	72%	64%