



## **Department of Finance**

### **Testimony on the Fiscal Year 2026 Preliminary Budget**

#### **Introduction**

Good afternoon, Chair Brannan, members of the Finance Committee, and members of the City Council.

My name is Preston Niblack, and I am the commissioner of the New York City Department of Finance.

Thank you for the opportunity to testify today on our fiscal year 2026 Preliminary Budget.

I'm joined by Jeffrey Shear, the first deputy commissioner and Jacqueline James, our chief financial officer and deputy commissioner for administration and planning.

The Department of Finance plays a fundamental role for the City of New York, collecting over \$50 billion dollars in taxes and other revenues, which accounts for over 60 percent of City funds.

In this upcoming fiscal year, the agency's direction remains clear: to continue to administer the City's tax laws and perform our other responsibilities fairly, effectively, and with our customers — New Yorkers — squarely in mind at all times.

#### **DOF Budget and Staffing**

To begin, I'd like to give you a brief overview of the Department of Finance's proposed budget for the coming fiscal year.

Our preliminary budget for fiscal year 2026 is \$358.5 million, split between \$200.5 million for personal services (PS) and \$158 million for other than personal services (OTPS).

As you are aware, DOF continues to operate below our total authorized headcount of 1,993 positions. I am happy to report that we have recently onboarded our largest-ever class of deputy sheriffs, totaling 87, who started their training on February 24.

We continue to work on filling our other vacant positions as rapidly as we can within the constraints of City hiring rules and procedures. Our Office of Employee Services, led by Associate Commissioner Corinne Dickey, has been working with DCAS to schedule open competitive exams, establish civil service lists, and hold hiring pools for our most-used titles, including auditors, assessors, principal administrative associates, and clerical associates.

In the meantime, DOF staff continue to perform their jobs with professionalism and dedication, and I cannot thank them enough for all that they do every day in the service of our mission.

## **Accomplishments**

The last time I sat before this committee, it was to discuss a significant joint accomplishment with the Council — the passage of Local Law 82. Thanks to the partnership of the Council, with special thanks to Chairs Brannan and Nurse, we enacted the most sweeping reforms to the tax lien sale since its inception almost 30 years ago.

Our goal is simple: to ensure that property owners who can pay, do, and to assist homeowners who are struggling to pay to get the help they need to resolve their outstanding debt.

Thanks to our outreach teams, we are engaged in an intensive effort to reach property owners who have fallen behind on their taxes — especially homeowners in low-income communities and communities of color — to make them aware of what they owe and of the options available to them, including exemptions and targeted payment plans.

I want to thank the DOF External Affairs Outreach team, the Office of the Taxpayer Advocate, our Personal Exemptions Unit, and the staff at our business centers, as well as all our external partners in our outreach efforts: our sister agencies, HPD and DEP, the Center for New York City Neighborhoods, the Mayor's Public Engagement Unit, and the City Council. This has been an unprecedented level of outreach, and we hope to reduce even further the number of property owners whose liens are ultimately sold.

Throughout our agency, we continue to focus on adopting modern technology and customer service best practices to make the public's interaction with us easier.

This year our Personal Exemptions Unit, which is led by Assistant Commissioner Pierre Dejean and processes tens of thousands of applications every year, implemented a new Coop and Condo Abatement system. The new system is designed to streamline and simplify the application process for managing agents and buildings. We road-tested this system during development, working alongside managing agents, which was incredibly helpful in the design, and we appreciate their continued partnership.

We have also implemented electronic signatures for more documents, including property tax payment plans, making it much easier to fully complete transactions online, without the need to visit a business center in person or send documents in the mail.

I'd be remiss if I did not briefly discuss the important work that the Sheriff's Office has been conducting over the past year.

Last year, the Sheriff's Office was given enforcement authority over the sale of unlicensed cannabis. Since May of last year, the Sheriff's Office, working with the NYPD, DCWP, and the Law Department, has completed 5,700 inspections and closed 1,300 stores. We have all seen the results of Operation Padlock to Protect firsthand in our neighborhoods.

Lastly, I'm happy to report that we received a grade of A+ from the Mayor's Office of Minority and Women's Business Enterprises for fiscal year 2024. Our team, led by CFO James, our ACCO

Roman Shpolyansky, and our M/WBE program director Christine Chin, has put in a great deal of effort to ensure that we are doing our part to meet the Administration's M/WBE procurement goals, and we're very pleased and proud to be recognized for those efforts.

## **Plans for the coming year**

Now let's turn to the upcoming year.

This spring, we are aiming to introduce a property tax reform bill in the state legislature. It is time to reform the system and make the burden of paying property taxes fairer. We look forward to the Council's support in this important endeavor.

In fiscal year 2026, we will kick off the replacement of our 30-year-old system for tracking parking violations, STARS, with a new modern system. Parking and camera violations in New York City account for a billion dollars in revenue. We will be replacing an outdated mainframe-based system to provide better service to the millions of motorists who interact with DOF and the parking violations bureau.

Right now, the Department of Finance is in the middle of the exemption application season. We are looking to build on last year's success in increasing enrollment in the Senior Citizen Homeowners' Exemption (SCHE) program. Last year, we mailed SCHE applications to over 19,000 households, and this year we mailed to 42,000 households. Our focus remains the same, and it is to find every eligible New Yorker and encourage them to apply for one of our personal exemptions.

Finally, we are constantly striving to meet our customers where they are and make interactions with us as smooth as possible. Led by Deputy Commissioner for Customer Operations Annette Hill, we have simplified access for our business and parking customers by combining platforms for multiple account types into one easily accessible system, enabled self-service payment plans, launched a chatbot, and begun cross training our call center staff to address the full range of inquiries we receive. As these improvements continue, we are exploring ways to better communicate with our customers via email and text.

## **Closing**

It is a point of pride for us that the 311 Resolution Satisfaction Dashboard ranks DOF as the top agency in customer satisfaction, and we plan to stay there. We remain committed to providing the best customer service in all of city government.

We are grateful for the many DOF initiatives you have supported in the past and know that we can continue to count on your support in the future.

Our door is always open to assist you with any needs that your constituents might have.

Thank you for the opportunity to testify today, and I will be happy to answer any questions.