

City Council Committee on Finance
Hearing on the Department of Finance
FY 2027 Executive Budget

Testimony of
Commissioner Richard Lee
June 9, 2026

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

My name is Richard Lee, and I am the commissioner of the New York City Department of Finance. Thank you for the opportunity to testify today on DOF's Fiscal Year 2027 Executive Budget.

I am joined today by First Deputy Commissioner Jeffrey Shear and Jacqueline James, our chief financial officer and deputy commissioner for administration and planning. I am grateful for their leadership and for their deep commitment to this agency.

This is my first opportunity to appear before you as commissioner. I am honored to lead an agency that plays such a central role in the life of the city. The Department of Finance collects the revenue that makes city government possible. We assess more than one million properties, administer tax benefits and relief programs, collect taxes and other charges, adjudicate parking summonses, record property documents, and provide services that touch homeowners, renters, small businesses, and many others. DOF collected more than \$50 billion in taxes and other revenues in Fiscal Year 2025 alone.

Since joining DOF, I have been struck by the expertise and dedication of the people who work here. I have also been clear with our agency staff about the values I want to guide our work: fairness, customer service, clarity, and accuracy. Most New Yorkers interact with DOF because they have an obligation, a question, or a problem that they might find unpleasant. Our duty is to ensure that those interactions are as helpful and efficient as possible.

Since our preliminary budget testimony in March, DOF has advanced several important priorities for the administration.

First, we completed a comprehensive review of the City's collection of Environmental Control Board debt. ECB debt includes unresolved violations issued by several agencies that have become judgments and been referred to DOF for collection. Following that review, the City successfully recovered more than \$9 million from Amazon for unpaid vehicle idling violations — an important example of what it means to enforce the City's laws fairly and effectively.

Just as important, this review has given us a clearer understanding of how we can strengthen collections going forward. That includes improving coordination across agencies, using data more effectively, and identifying cases where enforcement can produce meaningful results. We will continue to build on this work, including through an ECB amnesty program in Fiscal Year 2027, upon authorization by the Council.

Second, DOF has identified and implemented both operational and tax expenditure savings totaling more than \$22 million in the current fiscal year and \$29 million in Fiscal Year 2027. At a time of significant fiscal pressure, DOF remains focused on protecting the City's revenue base and ensuring that public dollars are used as intended.

Third, DOF issued the final property tax roll, reflecting the valuation of more than 1.2 million properties and supporting the City's single largest source of revenue. This work is highly technical, but it underpins the property tax system and the services New Yorkers rely on every day.

We have also supported several major administration priorities since March. Mayor Mamdani established the Mayor's Office of Deed Theft Prevention, led by Peter White, the City's first office dedicated to coordinating prevention, outreach, enforcement, and victim support, related to deed theft. The new office will coordinate the work of the City Records Office, the Sheriff's Office, and various other DOF divisions while also providing new services and resources to vulnerable homeowners. We look forward to continuing our partnership with City Hall, law enforcement, the courts, elected officials, and community partners.

The administration has also brought on new DOF leadership. Ahmer Qadeer has been appointed to lead the Mayor's Office of Pensions and Investments (MOPI). Mayor Mamdani has also appointed Edwin Raymond to serve as the new sheriff of New York City. The Sheriff's Office carries out critical civil and judicial enforcement responsibilities, and we are grateful for Sheriff Raymond as he assumes leadership of the office.

Looking ahead, we have several priorities for the coming year.

The first, as always, is the efficiency of our own operations. DOF's Fiscal Year 2027 Executive Budget is \$373.85 million. This is a slight change from the preliminary budget and reflects the savings that I referenced earlier.

We are in the process of onboarding 50 auditors to strengthen tax enforcement and ensure that the City's tax laws are administered with fairness and accountability. An effective Tax Audit & Enforcement Division is central to our mission, and this investment underscores the administration's commitment to efficient revenue collection. As a result of this initiative, as well as better retention of existing auditors, the projection for audit revenue has been increased by \$50 million in Fiscal Year 27.

We will continue working with the Council on the creation of a land bank and on a new, shared vision for property tax enforcement. As the Council knows, the mayor paused the tax lien sale for 2026 to allow for a comprehensive review of next steps. That pause gives us an opportunity to think carefully about the tools the City should have to resolve delinquency, protect homeowners, and support neighborhood stability.

We will also take the lead in implementing the proposed pied-à-terre surcharge, which was included in the recently passed New York State budget, to close the City's budget gap while protecting core services.

And finally, we will continue to improve how we communicate with and serve New Yorkers. Whether someone is applying for a property tax exemption, making a payment, contesting a parking ticket, recording a deed, or trying to resolve debt, they deserve a process that is clear, accurate, accessible, and respectful.

In closing, I want to thank the Council for your partnership and oversight. I know you share our commitment to administering the City's tax and revenue laws fairly, collecting what is owed, connecting New Yorkers to help when they need it, and improving the experience of every New Yorker who comes to their city government for assistance.

Thank you. I would be happy to answer any questions.