

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

JOINT COMMITTEES ON CONSUMER AFFAIRS AND FINANCE

NEW YORK CITY FISCAL YEAR 2010 EXECUTIVE BUDGET
HEARINGS

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May 12, 2009

Start: xx:xx pm

Recess: xx:xx pm

HELD AT: Council Chambers
City Hall

B E F O R E:

DAVID I. WEPRIN
Chairperson, Finance

LEROY G. COMRIE, JR.
Chairperson, Consumer Affairs

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Maria Baez
Charles Barron
Gale A. Brewer
Elizabeth Crowley
Mathieu Eugene
Lewis A. Fidler
Alan J. Gerson
Vincent Ignizio

A P P E A R A N C E S [CONTINUED]

COUNCIL MEMBERS:

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Letitia James
Melinda R. Katz
Jessica S. Lappin
John C. Liu
Miguel Martinez
Rosie Mendez
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A P P E A R A N C E S [CONTINUED]

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[Gavel banging]

SERGEANT AT ARMS: Quiet please.

CHAIRPERSON WEPRIN: Good morning and welcome to the second day of the City Council's Hearing on the Mayor's Executive Budget for Fiscal Year 2010. I'm David Weprin. I chair the Finance Committee. This Committee will be responsible for recommending a budget to the full City Council in just a few short weeks.

Today we'll begin the hearing with the Department of Consumer Affairs Commissioner Jonathan Mintz. And then we'll hear from Commissioner Scoppetta from the New York City Fire Department, followed by the Department of Corrections, Criminal Justice Coordinator, Legal Aid and Department of Investigations.

Let's start with the Department of Consumer Affairs. Since the Fiscal 2009 budget was adopted in June, the Office of Management and Budget has asked agency heads to submit programs to eliminate the gap, PEG proposals, several times. In the first round in September the Office of Management and Budget sought PEG submissions equal to 5% of agencies City tax levy budgets for

1
2 Fiscal 2010, with a further 7% sought in December
3 and another 4% sought in April. DCA, whoever was
4 excluded from submitting PEG proposals until the
5 Executive Budget because it is a fee supported
6 agency.

7 In the Fiscal 2010 Executive Budget
8 DCA had a fleet reduction PEG. The Executive Plan
9 showed the fleet reduction savings of \$75,300 in
10 Fiscal 2010 and a vehicle maintenance savings of
11 \$9,300 in Fiscal 2011 and the out years. This
12 action would only reduce the agency's fleet by 3
13 vehicles. The total Executive Budget
14 appropriation for the Department of Consumer
15 Affairs is approximately \$20.1 million, a slight
16 increase from the amount of their budget last
17 June.

18 However the Fire Department who we
19 will hear from after Commissioner Mintz did not
20 go, fare as well as the Department of Consumer
21 Affairs under the Executive Budget. When compared
22 to the Fiscal 2009 Adopted Budget the personal
23 services spending in the Fiscal 2010 Executive
24 Budget increased by 7.8% to \$1.47 billion while
25 headcount decreased by 4.8% to 15,551 civilian and

uniform positions. Reduction in headcount is in large part due to the November and January plan budget proposals to eliminate 17 Fire Companies, reduce resources in the Bureau of Fire Investigation and eliminate 30 BLS ambulance tours.

In the Executive Budget the Fire Department sees a reduction and restructuring of EMS tours, reduction of Fire Marshals and elimination of inspection fee exemptions for certain not-for-profits.

We will hear shortly from Commissioner Scoppetta to hear more on the impact of the Executive Budget on the FDNY shortly. We also hope to hear more on the impact on their budget to a lower than planned fire fighter attrition.

I will now turn the mic over to my Co-Chair, the Chair of the Consumer Affairs Committee, Chair Leroy Comrie. We've also been joined by Tish James from Brooklyn, Miguel Martinez from Manhattan, Peter Vallone, Jr. from Queens. Chair Comrie.

CO-CHAIRPERSON COMRIE: Good

1 morning. Today we will hear testimony from the
2 Department of Consumer Affairs about their
3 Executive Budget actions and general agency
4 operations. The Department of Consumer Affairs
5 Fiscal 2010 Executive Budget is approximately
6 \$20.1 million, including all funds.
7

8 This is only slightly greater than
9 the Department of Consumer Affairs \$19.9 million
10 Fiscal 2010 Preliminary Budget. As a revenue
11 generating agency, DCA was exempt from the City's
12 earlier 5% and 7% PEG programs. However the
13 Executive Budget includes a PEG of \$75,000 which
14 is part of a citywide fleet reduction program
15 proposed by the City Council.

16 The Executive Budget includes
17 \$245,000 in other types of adjustments related to
18 collective bargaining and DCA's heat, light and
19 power budget. And with that I'd ask the room to
20 be quiet as we're going to turn it over to
21 Commissioner Mintz to make his presentation.
22 Thank you for being here Commissioner. I look
23 forward to hearing from you this morning.

24 COMMISSIONER JONATHAN MINTZ: Good
25 morning. Thank you. Now I know why Commissioner

Scoppetta offered to switch jobs earlier this morning.

Good morning Chairman Comrie, Chairman Weprin, members of the Consumer Affairs Committee and the Finances Committee. I'm Jonathan Mintz, Commissioner of the City's Department of Consumer Affairs. I'm joined here this morning on your left by Andy Eiler, our Legislative Director and on your right by Jed Herman, Deputy Commissioner for Administration and Technology.

I want to thank you for the opportunity to appear before you to focus on the Department's portion of the Mayor's Executive Budget for Fiscal 2010 as well as to highlight the Department's important work in our milestone 40th year, ensuring that consumers and businesses benefit from a fair and vibrant marketplace.

At hearings on the Preliminary Budget on March 30th, I presented a 275 page testimony that I decided not to read at that time. And I think I may this morning if that's all right with everybody.

CHAIRPERSON WEPRIN: Feel free.

COMMISSIONER MINTZ: If not, however, I--at that time we did talk about the Department's ability to get ahead of the curve. I talked about largely reinventing, I think, Consumer Affairs in order to make sure that we were meeting the financial challenges of people with low incomes. In the interest of time and the lack of popular appeal I have appended that testimony to this official submission.

In today's testimony I will highlight how the Department has been able to truly accomplish the oft cited more with less when it comes to serving the needs of consumers and businesses, enhancing and expanding the delivery of our core services, including implementing more efficient responses to consumer complaints and more efficient mediation efforts and settlements for consumers. Taking licensing services online and simultaneously speeding up the processing of applications and launching the groundbreaking array of financial empowerment programs and services that are well poised to implement the Mayor's priorities for addressing the current economic crisis.

The Department's Fiscal '10 budget projects expenses of \$20.1 million which includes \$15.1 million for personnel costs and another \$5 million or so for OTPS. That budget includes \$2.18 million budgeted for the Office of Financial Empowerment.

The Fiscal '10 Executive Budget projects revenues of \$18.9 million compared to the Fiscal '09 Executive Budget's project revenue of \$18.5 million. That slight deviation, as you'll recall, reflects the 2-year cycle of license renewals and what we're expecting from this cycle.

DCA will not only meet its Fiscal '09 budget projects but its increased revenue target of \$21.031 million as well. This \$2.5 million increase represents real growth in licensed sidewalk café consents.

Now some accomplishments behind and beyond those numbers, accomplishments that reflect efficient but aggressive protection efforts, innovative and far-reaching anti-poverty programs and sweeping technological upgrades.

Focusing on consumers, DCA developed and implemented new procedures that have

not only sped up the average processing time for consumer complaints from 117 days in Fiscal '07 down to 48 in Fiscal '08 and 26 days for the first six months of Fiscal '09. But they have simultaneously yielded record-breaking results garnering \$8.4 million in restitution in Fiscal '08 that is a 58% increase over the restitution we were able to bring back to New York consumers last year. At the same time our consumer services staff resolved a record 7,612 individual complaints during Fiscal '08.

We also streamlined and sped up the processing of holding administrative hearings for unresolved complaints, entirely eliminating the list of consumer complaints to be calendared. Among other forms of restitution and fair justice, these hearings resulted in disbursing over \$1.1 million from our Home Improvement Contractor Trust Fund. In keeping with the agency's nimble ability to be ahead of the curve when it comes to consumer protection, yesterday the Mayor and I announced the opening of three additional Financial Empowerment Centers and several mobile Financial Empowerment Centers throughout the City to be

administered by our Department's Office of Financial Empowerment.

These Centers provide the gold standard in financial counseling and coaching in both English and Spanish. It is free, one on one help, regarding money management issues, budgeting, financial planning, affordable banking services, negotiating with creditors, government benefits screening, service referrals, short and long term savings plannings, etcetera, etcetera, etcetera.

These citywide Centers which are available and accessible to all residents build on the success of our pilot Financial Empowerment Center which was located and is located still in Melrose in the Bronx. That was launched last May by Mayor Bloomberg and has really become a key component of the Mayor's five Borough Economic Revitalization Plan.

What we learned at our pilot site was that about just under 80% of consumers that seek out financial coaching and counseling do so specifically because of debt related issues. In addition 47% of them are there in order to get a

1
2 handle more broadly on their finances. 45% of
3 them are looking for help specifically regarding
4 inappropriate debt collection efforts.

5 Speaking of debt collectors, the
6 Department is planning an aggressive approach to
7 implementing the recently enacted Local Law 15
8 that you, Mr. Chairman, this Committee and
9 Council Member Garodnick shepherded through the
10 Council. That new law enhances the Department's
11 ability to prevent predatory and illegal debt
12 collectors from trying to intimidate struggling
13 consumers to pay debts they don't owe. We are
14 pleased to work closely with the Council to
15 provide New Yorkers with these additional
16 protections against these inappropriate debt
17 collection efforts.

18 One last update regarding our
19 consumer work, DCA in collaboration with the
20 Office of the Criminal Justice Coordinator and the
21 Departments of Sanitation and Parks, held the
22 City's Second Annual Shred-Fest on May 3rd. The
23 event is designed to increase public awareness
24 about identify theft prevention. It capped off a
25 month-long outreach campaign featuring posters on

1
2 the sides of all of our sanitation trucks and
3 mechanical sweepers as well as flyers that we
4 worked through the City's Community Boards, BIDS
5 and elected officials like yourselves to get the
6 word out.

7 We were very pleased, Mr.
8 Chairman, that you were able to join us for that
9 press conference in Union Square to launch the
10 event prior to the actual shredding. And that
11 same day we also co-hosted a workshop with the
12 Federal Trade Commission at Fordham. So that
13 businesses would know what they needed to do in
14 order to protect both their customers and their
15 employees.

16 Now despite stormy weather on the
17 day of the event nearly 1,000 New Yorkers brought
18 26 tons of paper containing personal information
19 to our 11 sites through all 5 Boroughs. That was
20 more than twice last year's figures and that's not
21 just counting the fact that it was heavier because
22 it rained.

23 Shredding services were provided
24 free by 4 major shredding companies and Staples
25 donated 55 personal shredders which were given out

to the first 5 participants at each of the 11 sites. All participants were also given departmental tips on how to proactively avoid becoming victims to the fastest growing crime in America. We also provide tips for businesses as well on our website and through our network partners.

When delivering services to businesses, DCA's goal is to make it as easy as possible for them to comply with relevant laws. Nowhere is our commitment and progress towards this goal more apparent than the Department's monumental leap forward in leading the local vanguard on online licensing. DCA's online new and renewal license applications have reduced the average licensing process time for most categories to just 3 days. As of this month, more than 80% of DCA's more than 70,000 licensed businesses can renew their licenses online and by the end of August, over 95% of them will be able to do so.

Starting this month, 7 additional industries will be able to submit applications for new licenses online bringing to 11 the number of industries which thus far can benefit from this

tremendous efficiency. This service reflects a dynamic partnership between the Department as well as the Department of Information Technology and Telecommunications and the Department of Small Business Services.

Finally our efforts to help businesses do the right thing have paid off in high compliance rates. In Fiscal '08 DCA conducted just under 52,000 field inspections and found that compliance remained stable with inspectors issuing about 11,600 violations. We continue to work with our Borough squads to ensure that their efforts are focused on priority issues identified in communities throughout the City.

Thank you for this opportunity to update you. I'm happy to answer any of your questions.

CHAIRPERSON WEPRIN: Thank you Commissioner. I'm just going to open up. We've been joined by some additional colleagues that we have Council Member Helen Sears from Queens; Council Member Jimmy Oddo from Staten Island and Brooklyn; Council Member Vincent Ignizio from Staten Island; Council Member Eric Gioia from

Queens; Council Member Diana Reyna from Brooklyn and Queens; and Council Member Charles Barron from Brooklyn.

Since you are a revenue producing agency, Commissioner Mintz, and I'm generally not an advocate for enforcement for the sake of revenue as opposed to enforcement purposes, but I know there are a number of enforcement, periodic visits that you do. And one of my pet projects and one of the areas I introduced legislation, was very involved in early on, was the outlawing of look-alike toy guns. And I know we made some changes to the original law and there is a law in effect. And it just seems to be kind of an annual or every couple of year exercise where all of a sudden, you know, you visit some of these larger retail outlets and find these illegal toy guns. There are fines issues. They temporarily disappear and then somehow they reappear again shortly thereafter.

Can you give us a status report of what's happening with the spot inspections of look-alike toy guns that are illegal and what's happening with the enforcement of that?

COMMISSIONER MINTZ: Yeah I appreciate the question. And I also appreciate your support on that issue. It's more than just a fair consumer market issue. It's obviously one of significant public safety. The Department actually takes that quite seriously and does more, much more than spot inspections. We do follow-up inspections with previous businesses that have been found guilty of selling these guns.

We have the strictest approach to settlements regarding any businesses that we catch. The fines are the steepest that, I believe, we are authorized to issue. I think it's like \$1,000 a gun at the moment. So it's--these are very significant fines.

We rely not only on our follow-up compliance inspections and our average every day spot inspections as you call them when we're walking the beat, but we also get referrals and follow up on those. I don't have our total numbers of fines in that category. I will be happy to get them. But one thing I can assure you is that they are actually quite significant. We take it very seriously.

CHAIRPERSON WEPRIN: And what about those kits that we introduced legislation and outlawing a couple of years ago, where you can actually color real guns and, you know, they're specifically marketed for that purpose. Is there inspection as to those as well?

COMMISSIONER MINTZ: Let me pull those numbers and I'll get them to you quickly.

CHAIRPERSON WEPRIN: Okay great. And I know there--and Council Member Vallone may bring it up because he's been a champion in fighting graffiti in our City but I know there have been a number of laws that we've passed about illegal graffiti instruments. Is that part of your regular inspections as well?

COMMISSIONER MINTZ: Part of--yes. Part of our inspection protocol includes making sure that those who sell, I believe it's spray paint and etching acid, are keeping proper records about making sure that they are selling it to people at the right age. We have--I can get you those numbers as well. I'd be happy to.

CHAIRPERSON WEPRIN: Okay. Good I'm going to turn the mic over to Chair Comrie.

CO-CHAIRPERSON COMRIE: Yes, good morning again Commissioner. I appreciate that you are here with us again this morning. The Fiscal 2010 budget included a PEG for some fleet related expense reductions. How do you envision this reduction of \$75,000 and 3 vehicles will affect DCA's operations?

COMMISSIONER MINTZ: I appreciate the question. Our reduction was about 10% of our fleet which amounted to 3 vehicles. And what we do with our cars is our Fleet Coordinator has these cars rotating through the different Borough squads. You may recall several years back we reorganized our Enforcement Division to create Borough specific squads. And those cars are being managed in a way that just makes sure that they are only being used when they need them. And, you know, our inspectors will make do. They'll be fine.

CO-CHAIRPERSON COMRIE: Do you do a joint maintenance fleet with other agencies or do you have--

COMMISSIONER MINTZ: [Interposing]
Say that again?

CO-CHAIRPERSON COMRIE: Do you do joint maintenance with other agencies or do you have your own maintenance section?

COMMISSIONER MINTZ: The maintenance contracts are organized through the Department of Citywide Administrative Services. And so we participate in that program.

CO-CHAIRPERSON COMRIE: Okay. And just a general question, you have an increase in your funding for \$127,000 for the Center of-- Mayor's Center for Economic Opportunity. And can you just explain what that's going to be used for?

COMMISSIONER MINTZ: For this last Fiscal Year, some funds, about \$127,000 as you say of funds, were shifted over to our Department in order to help us on a one-time basis; they are not going to be recurring next year, for our Debt Awareness Campaign. We needed to ramp up quickly our efforts to let New Yorkers know that we not only had an array of all the financial education and service providers in the City and we wanted to make sure, you may have seen the Debt Stress Campaign ads that were English, Spanish and Chinese around the City, but we also wanted to

1
2 make sure that people were aware of where they
3 could go for help to our Financial Empowerment
4 Centers to get the one on one coaching. So the
5 Center for Economic Opportunity took some money
6 that they had that they thought could be best
7 spent by ramping up that outreach campaign. As I
8 said yesterday in our press campaign, it's one
9 thing to provide services for those who need it,
10 unfortunately it's sometimes another thing to help
11 people actually take advantage of those services.

12 And when it comes to financial
13 education even financial counseling and coaching,
14 getting the word out, letting them know that
15 there's a trusted place that they can go to get
16 professional help, was a priority for the Center.

17 CO-CHAIRPERSON COMRIE: Okay. And
18 just as a follow-up, you talked also about
19 increasing your marketing and increasing the
20 amount of renewals for licenses. I just want to
21 say it's an impressive record that you're going to
22 be up to 95% by August of 2009. What is the one
23 group that you haven't been able to put online
24 yet?

25 COMMISSIONER MINTZ: There are a

couple--right there are a couple of categories. You know, moving services online to those of us not steeped in technology sounds relatively easy. To those who are actually doing it, it's quite complicated. We have a few categories that we license where there are literally less than a handful of licensees. And so we made the strategic decision not to invest in the technological resources that would be required to make that service online and, you know, it's cheaper frankly for me to go to their house--

CO-CHAIRPERSON COMRIE:

[Interposing] Okay.

COMMISSIONER MINTZ: --and hand them a form. So.

CO-CHAIRPERSON COMRIE: Right.

Okay.

COMMISSIONER MINTZ: I think--I think a booting company [off mic]. There are two particular booting companies for example--

CO-CHAIRPERSON COMRIE:

[Interposing] Right.

COMMISSIONER MINTZ: --yeah.

CO-CHAIRPERSON COMRIE: Okay,

great. I just want to introduce Council Member Liz Crowley from Queens who has joined us; Council Member Miguel Martinez from Manhattan. We have a question from Council Member Vincent Ignizio.

COUNCIL MEMBER IGNIZIO: Thank you very much. Commissioner, good morning.

COMMISSIONER MINTZ: Good morning.

COUNCIL MEMBER IGNIZIO: I have somewhat of an affinity for your agency as I was an intern there in unpaid 1995 I think it was.

COMMISSIONER MINTZ: How did we lose you? What happened?

COUNCIL MEMBER IGNIZIO: You know, Fred Carrillo came in and then I was thrown out, what can I tell you.

[Laughter]

COUNCIL MEMBER IGNIZIO: The question I have is regarding inspections in Staten Island. My understanding is it's a--I recognize geographically it's somewhat further away but is the overall inspections team are rotating by Borough and that incorporates all aspects and all parts of Staten Island, including the southern end which I represent?

COMMISSIONER MINTZ: Yes

absolutely. You are right that when we organize our Borough squads, we organize them into four, not five Borough squads--

COUNCIL MEMBER IGNIZIO:

[Interposing] Yes Sir.

COMMISSIONER MINTZ: --the idea being it was the most efficient way to do it. At first we had our Staten Island squad as part of our Brooklyn squad. About a year and a half or so ago we transferred it to Manhattan. We found from--based on our numbers, that was a more efficient way to get that coverage.

I would also be happy to pull numbers for you that can show you over the last number of years not only the number of inspections that we've done in what kinds of categories but the kinds of compliance that we're seeing from Staten Island businesses.

But I can assure you that those are specifically assigned, regularly covered beats.

COUNCIL MEMBER IGNIZIO: Well what I've been told anecdotally is that because of the connection to Manhattan, it makes it far easier to

1
2 conduct inspections in the northern tier of Staten
3 Island and the southern area which I represent
4 goes largely uncovered. So I would like to see
5 that.

6 And I want to, you know, I want to
7 throw out one that is a complete eyesore and a
8 problem for me in my District and if your staff
9 can take this down I would appreciate it. And
10 that's 3875 Amboy Road which is a consignment
11 nonprofit that decides to put his wares out on the
12 street and really creating an eyesore for the
13 community and there's nothing like it. And quite
14 frankly I'm working with the Fire Department as
15 well upon the storage of these.

16 And I would like the assets of your
17 agencies to see if you can help, be helpful. And
18 I, you know, look forward to if there is an issue
19 whereby it is a problem getting people in that, in
20 my District, that perhaps I could be helpful in
21 working with the Administration to achieving a
22 greater coverage for my Staten Island community.
23 Thank you very much. And thank you Mr. Chairman
24 for the time.

25 CO-CHAIRPERSON COMRIE: Thank you.

Council Member Tish James.

COMMISSIONER MINTZ: Good morning.

COUNCIL MEMBER JAMES: In my District, as you know, in downtown Brooklyn, a proliferation of clubs, and it's now with the... it's causing a conflict with the residential community because most of these clubs are opening on commercial strips which border brownstones. And so a number of them, as you know, stay open late and I'm getting--there's like six of them that I've attempted to mediate but unfortunately they violate the terms of the agreement.

And so my question to you is to what extent can you have an inspection, a team that frequents some of these nightclubs?

COMMISSIONER MINTZ: First I want you all to sign a piece of paper saying that I'm not harassing businesses when I walk away from here. Usually I hear the opposite.

I'd be happy to take that list. We work closely with the Mayor's Office of Criminal Justice which marshals the many resources of the City to make sure that those clubs first and foremost are safe and second are good neighbors.

So I'd be happy to do what we could do. Yeah.

CO-CHAIRPERSON COMRIE: Council Member Reyna.

COUNCIL MEMBER REYNA: Thank you Mr. Chair. Commissioner, good morning. I just wanted to take an opportunity to ask you a question concerning the vendor's license. The situation right now, we've been in various conversations concerning the vending license and legislation proposed in the City Council. There's a black market.

I don't know if you're aware, consciously aware of what that black market is doing to the City of New York, especially during these economic times when we can certainly start trying to develop some dialog that can bring about some resolution on this issue.

We have, you know, these vending licenses that have been capped at a certain amount being controlled by a very few population. And so I ask you, you know, have you taken a look at what the City's loss is when, in conversation to deal with the vending license cap, and raising that cap so that you have a measurable budget as far as

revenues are concerned to the City of New York versus where you're at now.

COMMISSIONER MINTZ: I appreciate the question. The cap in both general vending licenses and also in food permit licenses certainly has, as any cap would, engendered as you say, some black market activity. And sitting here talking revenue, it's a very interesting approach to think about monies that are not coming in as a result.

As you also I know are very well aware, there are lots of other factors that go into the politics and the laws surrounding those caps. The Administration continues to remain open to discussing alternatives. There are many alternatives on the table, some of which are complementary, some of which are diametrically opposed to each other. At our last hearing Council Member Barron was buttering me up for--

COUNCIL MEMBER REYNA:

[Interposing] [Laughing]

COMMISSIONER MINTZ: --a conversation. I'm buttered up but waiting for the conversation. You know, there are--this is a very

1
2 complicated issue. We are, what I can say, is
3 completely open to discussing as many alternatives
4 as possible to try to hit the right balance. And
5 at the end of the day, if we're being honest,
6 that's what it's going to come down to is what's
7 the right balance.

8 COUNCIL MEMBER REYNA: Um-hum.

9 COMMISSIONER MINTZ: So I am open
10 to it and I do appreciate your question.

11 COUNCIL MEMBER REYNA: Well I do
12 appreciate your openness to the--having the
13 dialog, especially because in the midst of trying
14 to prepare and balance a budget, it's important
15 that we don't miss out on the opportunity to raise
16 revenues where others are controlling that revenue
17 and not bringing back into the City. I know of
18 individuals that are paying--how much is the
19 current vending license right now with the
20 Department of?

21 COMMISSIONER MINTZ: For two years,
22 I believe it's in the neighborhood of \$100 for 2
23 years.

24 COUNCIL MEMBER REYNA: And
25 Commissioner, I know people that are paying almost

\$5,000.

COMMISSIONER MINTZ: For the food,
for the food one.

COUNCIL MEMBER REYNA: No, no, no.
For--

COMMISSIONER MINTZ: [Interposing]
For the general vending license?

COUNCIL MEMBER REYNA: Because the
person who controls the actual vending license,
paying \$100 for 2 years will share the rights to
that license by asking for \$5,000. And so there's
a market out there that the City is not open to
bringing the market to them so that they have
access as well. And so I look forward to calling
upon you to having a sit-down very soon and I hope
that the Chairman can join me. I know that
Melissa Mark-Viverito and I are trying to open
dialog. And I know that you can't open one
particular area without opening the whole City of
New York.

So I understand the internal
dynamics and elements that go into having this
dialog.

COMMISSIONER MINTZ: I'm also going

1
2 to need a promise that you're going to join me at
3 the Chamber of Commerce lunches where they yell at
4 me about the sidewalk vending.

5 COUNCIL MEMBER REYNA: You've got
6 it--

7 COMMISSIONER MINTZ: [Interposing]
8 Then we might have a deal.

9 COUNCIL MEMBER REYNA: Okay.

10 COMMISSIONER MINTZ: Okay. Good.

11 COUNCIL MEMBER REYNA: All right.

12 COMMISSIONER MINTZ: All right
13 [chuckling]

14 CO-CHAIRPERSON COMRIE: Council
15 Member Gioia, before Council Member Gioia, then
16 Council Member Martinez, then we're going to have
17 to close it down 'cause we're way behind schedule.
18 One question each from the members. I just want
19 to highlight what Council Member Reyna has said
20 about the opportunities to look at the whole
21 income provision, not just for new ones but
22 existing vendors 'cause if people are black
23 marketing licenses up to \$30,000, then we really
24 need to look at the whole system from top to
25 bottom.

'Cause clearly we're undervaluing what we put out there already. So I think we need to look at that also. But clearly that's an issue for another meeting and a lot of discussion needs to be had on that. And hopefully we can do that soon. Council Member Gioia.

COUNCIL MEMBER GIOIA: Thank you Mr. Chair. Good morning Commissioner.

COMMISSIONER MINTZ: Good morning.

COUNCIL MEMBER GIOIA: I just wanted an update on Rent-a-Centers. Last time I believe we spoke was about legislation that we could pass in this City. And there's some disagreement about whether or not we have the ability to do it without it being preempted. The City's position remains that we can pass this legislation?

COMMISSIONER MINTZ: We can do it.

COUNCIL MEMBER GIOIA: All right.

COMMISSIONER MINTZ: Let's do it.

COUNCIL MEMBER GIOIA: All right.

I'm with you--

COMMISSIONER MINTZ: [Interposing]

Good.

COUNCIL MEMBER GIOIA: --sounds good. If only everything was this easy.

[Laughter]

COUNCIL MEMBER GIOIA: Thank you.

COMMISSIONER MINTZ: You only got one question I thought we'd just...

CO-CHAIRPERSON COMRIE: Council Member Martinez.

COUNCIL MEMBER MARTINEZ: Thank you Mr. Chair. Commissioner, I just want to ask the position, in terms of the Department, there was a proposal proposed legislation in the State to fingerprint vendors, whether legal, licensed vendor or non-licensed vendor for violations. And my position at the time and I understand the legislation was taken back and not going to proceed, but however, I was concerned that I saw the Criminal Justice Coordinator standing next to the author of the bill.

And I think the problem is not issuing violation or fingerprint--excuse me, fingerprinting vendors as a criminal act for a violation or not having a license but rather looking at a plan, urban plan that deals with

1
2 vendors in the City of New York where both the
3 merchants and the vendors could survive in a city
4 as large as New York City if we planned
5 specifically where we issue licenses and where we
6 locate vendors.

7 My question is, is this the same
8 position of the Consumer Affairs, in terms of
9 fingerprinting vendors, whether licensed or
10 unlicensed, when a violation is issued?

11 COMMISSIONER MINTZ: On a personal
12 level I rarely defer to the Criminal Justice
13 Coordinator. Professionally, however, I would
14 leave it to his office to talk to you about that.
15 And I know he'll be here a little bit later this
16 morning. We do leave those enforcement issues to
17 frankly the experts. So I would just defer that
18 question until a little later--

19 COUNCIL MEMBER MARTINEZ:
20 [Interposing] But as Commissioner, don't you think
21 that we could resolve the issue of we really look
22 at raising the cap of how many licenses are issued
23 in the City of New York?

24 COMMISSIONER MINTZ: I think it is
25 literally true that if everybody could get a

license then there would be very little reason for people to operate unlicensed. That's not to say that that's the only issue. But of course that is the way to solve that single problem.

COUNCIL MEMBER MARTINEZ: Thank you.

COMMISSIONER MINTZ: Um-hum.

CO-CHAIRPERSON COMRIE: Thank you Commissioner for coming. We are running way behind schedule. I appreciate you being here.

[Audience reacting]

CO-CHAIRPERSON COMRIE: I don't see--I'm not looking on that side of the room.

[Laughter]

CO-CHAIRPERSON COMRIE: 'Cause I had to--

COMMISSIONER MINTZ: [Interposing]
I really have to go.

CO-CHAIRPERSON COMRIE: --we were doing the last--

COMMISSIONER MINTZ: [Interposing]
I'm very busy.

CO-CHAIRPERSON COMRIE: -- - - all ready.

COMMISSIONER MINTZ: [Interposing]

I'm very busy.

CO-CHAIRPERSON COMRIE: --but now

that I know the vendor issue came up, Council--and he complimented you earlier. I didn't think you needed a question.

[Audience reaction]

COMMISSIONER MINTZ: I didn't mean it if that helps.

[Laughter]

CO-CHAIRPERSON COMRIE: Council Member Barron.

COUNCIL MEMBER ODDO: You need a good attorney.

COUNCIL MEMBER BARRON: Don't even try it. That's right I've got my man Jimmy with me too. So you know we're in trouble now, me and Jimmy are on the same side.

No I just want to know about the regulating--what could we do about the Police Department and the towing, the \$185 that people have to be paid to be towed by the Police Department and that. That brings in competition with the private towing industry and I know

there's some legislation before us.

But there has to be some kind of regulation that doesn't allow that to get up--go off the hook, you know, 'cause then you've got the police, the Road-Tow and all those other and it's a lot of battling around towing. So have you given that some thought and ways that we can get?

COMMISSIONER MINTZ: You know, I haven't looked for a long time at what factors went into the police's assessment of their tow and storage fees. And I know that that came up as a sort of a fair market question--

COUNCIL MEMBER BARRON:
[Interposing] Right.

COMMISSIONER MINTZ: --in the context of private nonconsensual towing. I'd be happy to take a look at that. I have not seen it.

COUNCIL MEMBER BARRON: Okay.
That's a--usually I don't let people get off with a response like that but since they said you said something nice--

COMMISSIONER MINTZ: [Interposing]
[Laughing]

COUNCIL MEMBER BARRON: --about me.

I will check to see what it actually was so I can determine whether it was actually nice or not. But since you did do that, we'll look into that though. And I just want to reiterate what Council Member Martinez says about the vendors. That we've really, really got to look into that issue deeply.

And there's so many, a myriad of issues around there. I know they're having a pilot project that they're looking into in Sunset Park of how vending can happen. But we really need to look into that one 'cause that one is a major problem. Fulton Street, under 25th Street, in Harlem and other areas, so we've got to really look at that one. Thank you very much Mr. Chair. I know you've got a lot on the agenda.

CO-CHAIRPERSON COMRIE: Thank you. And we did send a letter to the Police Department to also the City Marshals and also to DOT after the towing hearing, I asked them why they--and how they came up with that \$185 number. So when they do come before us during budget hearings, we could bring it up and ask them directly if they don't get a response to us directly before that. But as

1
2 a result of the hearing that we had two weeks ago
3 we did send that letter.

4 With that, Commissioner, I want to
5 thank you for being here. And now we'll allow you
6 to leave and go back to your good work and see you
7 soon.

8 With that, this Committee Hearing
9 on Consumer Affairs is ended. And we'll move,
10 proceedingly to the next Committee Chair.

11 CHAIRPERSON WEPRIN: Okay. We're
12 going to be joined shortly with the Committee on
13 Fire and Criminal Justice, as soon as Chairman
14 Vacca gets here.

C E R T I F I C A T E

I, Laura L. Springate certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

A handwritten signature in cursive script that reads "Laura L. Springate". The signature is written in dark ink on a light-colored background.

Signature _____Laura L. Springate_____

Date _____June 7, 2009_____