

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONSUMER AFFAIRS
AND BUSINESS LICENSING

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April 19, 2021
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HELD AT: Remote Hearing, Virtual Room 2

B E F O R E: Diana Ayala
Chairperson

COUNCIL MEMBERS: Diana Ayala
Justin L. Brannan
Margaret S. Chin
Ben Kallos
Peter A. Koo
Karen Koslowitz
Brad S. Lander
Carlos Menchaca
Kalman Yeger
Helen K. Rosenthal

A P P E A R A N C E S (CONTINUED)

Lorelei Salas
Commissioner
Department of Consumer and Worker
Protection

Steven Ettannani
Executive Director of External Affairs
Department of Consumer and Worker
Protection

Carlos Ortiz
Director of Legislative Affairs
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Tamala Boyd
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Tierra Williams

Han Lu

Nibia Coyote

Bishop Mitchell Taylor

Jonathan Westin

Ryan Monell

Michael Negrón

John Simmons

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SERGEANT AT ARMS MARTINEZ: Recording to
the computer.

SERGEANT AT ARMS: Backup is rolling.

SERGEANT AT ARMS BRADLEY: Thank you. Ah,
Sergeant Lugo, you may begin with the opening.

SERGEANT AT ARMS LUGO: Good morning,
everyone. Welcome to today's remote New York City
hearing of the Committee on Consumer Affairs and
Business Licensing. At this time would all panelists
please turn on your video. To minimize disruption,
please place electronic devices to vibrate or silent.
If you wish to submit testimony, you may do so at
testimony@council.nyc.gov. Again, that's
testimony@council.nyc.gov. Thank you for your
cooperation. Chair Ayala, we are ready to begin.

CHAIRPERSON AYALA: Thank you. Good
morning, everyone. My name is Diana Ayala and I am
the chair of the Committee on Consumer Affairs and
Business Licensing. I would like to welcome you to
our oversight hearing on employment agencies and
other labor, um, placement businesses. I am joined
today by my colleagues on the committee, Council
Members Koslowitz, Koo, Kallos, Chin, and Lander.
Labor placement businesses connect New York's, ah,

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New Yorker seeking employment opportunities with employees, employers in need of workers. Some of the most common types of these labor businesses include employment agencies and temp agencies. Employment agencies generally find employment for job seekers for a fee, while temp agencies typically assign their own employees to work at job sites on a temporary or contract business, um, basis. In New York State temp agencies assign over 150,000 people to jobs on a temporary or contract basis each week and employ over 775,000 people. Temp agencies have expanded in recent years and another similar model has sprung up. Labor brokers also employ workers and assume many employment-related responsibilities. But they often recruit unskilled workers to perform manual labor for other companies. The labor broker model has become common in garment manufacturing, agriculture, and janitorial work. Labor brokers also become common in the construction industry, where brokers sometimes referred as body shops, supply workers to real estate developers. The oversight, this oversight hearing we will be holding today will look into a number of issues and concerns that have been raised by advocates about exploitation and abuse of workers

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through various workforce models, especially the labor brokers. Labor brokers, like body shops, target vulnerable city populations. Body shops rely on labor of justice-affected workers, whether recently released from prison, on parole, or with a criminal record. Justice-affected city residents typically have a difficult time finding steady employment and some parolees may require employment as a condition of their parole. New York City's multi-billion dollar real estate development industry relies on the exploited labor of these formerly incarcerated individuals. Undocumented city residents and guest workers who may lack documentation and deal with language access barrier are also vulnerable to exploitation by, ah, labor brokers. Although the labor broker model cuts across industry and salary brackets, it is predominantly people of color who are most negatively impacted. While there are a number of issues surrounding the practice of these labor brokers that agency groups have raised, I would like to briefly touch on issues surrounding pay equity, the health and safety of the workers and a lack of accountability for labor broker firms. Underpayment is a common occurrence for these

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employed, ah, for those employed by the labor
brokers. In the city, workers employed through the
labor brokering, ah, process report an hourly rate of
around \$15 an hour, while the labor broker is paid
around \$40 an hour for supplying those laborers. The
developer is still making a good deal. If they had
used union workers they would have to pay close to
\$70 per hour, plus benefits. There have also been
numerous reported stories of laborers working in
unsafe conditions. The cleaning company, LM Pro
Services, won a contract with the MTA to clean the
subway systems during the pandemic. The workers,
many of whom were immigrants, were undocumented,
reported that they were not given adequate protective
equipment, were given dirty cleaning supplies, and
were paid under the promised, ah, under the promised
\$20 an hour. Female employees of labor brokers have
faced sexual harassment on the job. The labor broker
trade, ah, trade-off a body shop that predominantly
employs formerly incarcerated individuals, settled a
sexual harassment suit in New York City, ah, with the
New York City attorney general after the attorney
general's investigation substantiated claims of
severe sexual harassment and related, ah, retaliation

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against 18 women, a majority of whom were women of color. A major concern that I have, given that these industries target vulnerable populations, is the lack of accountability that allows for these practices to continue. Although, as mentioned, the AG has prosecuted some of the most egregious behavior of body shops, but broader accountability has been more difficult. Labor, ah, brokers have been known to dissolve and reestablish their business under a new operating name and under the name of a family member to avoid scrutiny. Furthermore, as the National Employment Law, um, Project has reported, the distance from the traditional employer-employee relationship may allow a contracting company to avoid minimum wage, overtime, and other legal responsibilities applicable to employee, employers by characterizing the labor broker as the sole employer. The purpose of this oversight hearing today is to learn about those issues and understand the steps that this, this common, ah, must take to ensure that those model workplace exploitation cease in the city. I am ready to legislate and I look forward to a conversation with the administration today about how we can work together on this. I would now like to

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2 turn it over to the committee counsel to go over some
3 procedural items.

4 COMMITTEE COUNSEL: Thank you, Chair. I
5 am Stephanie Jones, counsel to the Committee on
6 Consumer Affairs and Business Licensing. And I will
7 be moderating this hearing. Before we begin, I'd
8 like to remind everyone that you will be on mute
9 until you are called on to testify, at which point
10 you will be unmuted, at which point you will be
11 unmuted by the host. During the hearing I will be
12 calling on panelists to testify. Please listen for
13 your name to be called, as I will periodically be
14 announcing who the next panelist will be. At this
15 hearing we will first be inviting testimony from the
16 Department of Consumer and Worker Protection,
17 followed by testimony from members of the public.
18 During the hearing if council members would like to
19 ask a question of the administration or a specific
20 panelist, please use the Zoom hand raise function and
21 I will call on you in order. We will be limiting
22 council member questions to five minutes, which
23 includes the time it takes to answer your questions.
24 For all panelists, when called on to testify please
25 state your name and the organization you represent,

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2 if any. We will now call representatives of the
3 administration to testify. We will be hearing
4 testimony from Lorelei Salas, commissioner of the
5 Department of Consumer and Worker Protection. We
6 will also be joined for questions by the following
7 representatives from DCWP: Steven Ettannani,
8 executive director of external affairs; Carlos Ortiz,
9 director of legislative affairs; Tamala Boyd, general
10 counsel; and Adam Blumenkrantz, associate general
11 counsel. At this time I will administer the
12 affirmation. Administration panelists, please raise
13 your right hands. Do you affirm to tell the truth,
14 the whole truth, and nothing but the truth before
15 this committee and to respond honestly to council
16 member questions? Commissioner Salas?

17 COMMISSIONER SALAS: I do.

18 COMMITTEE COUNSEL: Thank you. Executive
19 Director Ettannani?

20 EXECUTIVE DIRECTOR ETTANNANI: I do.

21 COMMITTEE COUNSEL: Thank you. Director
22 Ortiz?

23 DIRECTOR ORTIZ: I do.

24 COMMITTEE COUNSEL: Thanks. General
25 Counsel Boyd?

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2 GENERAL COUNSEL BOYD: I do.

3 COMMITTEE COUNSEL: Thank you. Associate
4 General Counsel Blumenkrantz?

5 ASSOCIATE GENERAL COUNSEL BLUMENKRANTZ:
6 I do.

7 COMMITTEE COUNSEL: Thank you. At this
8 time I'd like to invite Commissioner Salas to present
9 her testimony.

10 COMMISSIONER SALAS: Thank you. Good
11 afternoon, Chair Ayala and members of the committee.
12 Um, I'm Lorelei Salas, commissioner of the Department
13 of Consumer and Worker Protection, or DCWP. I am
14 joined today by my colleagues, Tamala Boyd, general
15 counsel, Adam Blumenkrantz, our associate general
16 counsel, Steve Ettannani, executive director of
17 external affairs, and Carlos Ortiz, our director of
18 legislative affairs. Thank you for the opportunity
19 to testify today before the committee. Presently
20 DCWP licenses more than 59,000 businesses and
21 individuals in more than 50 industries. We enforce
22 essential consumer protection, licensing, and
23 workplace laws that serve countless New Yorkers and
24 offer programming that increases access in our city
25 to high-quality financial services for New Yorkers.

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DCWP is designated under Article 11 of the New York State General Business Law as the licensing and enforcement agency for employment agencies in New York City. Employment agency laws and rules apply to businesses that for a fee help individuals find work or assist businesses in finding individuals to hire. There are approximately 240 licensed employment agencies in the city. Regulations governing employment agencies include requirements to post certain consumer disclosures, obligations to provide clients with contracts and receipts, and prohibitions from guaranteeing clients jobs, discriminating against a client on the basis of their age, race, or creed, or from charging illegal fees, such as for deposits or in advance of a job placement. DCWP takes its obligation under GBL seriously and the work begins with fostering a culture of compliance among licensees. DCWP voluntarily provides employment agencies, just as we would licensees governed by local law, a plain language inspection checklist. This checklist outlines, um, the legal requirements, ah, these agencies are subject to, and is a tool to help businesses or consumers identify and avoid violations before an inspection. The checklist is

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available on our website and is distributed by staff on educational business corridor [inaudible]. Under DCWP's visiting inspector program, new brick-and-mortar employment agencies that open in the city also receive a scheduled personal educational visit from a seasoned inspector to go over any questions ownership and/or staff may have about their obligations. New York State employment agency is nuanced with, for example, different licensee obligations, ah, to clients defending unemployment class and even a unique regulatory framework for theatrical employment agencies. DCWP voluntarily designs and makes available on its website templates for contracts, receipts, registers, and terms of conditions that licensees can use and feel confident in being compliant with the law. These templates are user-friendly, downloadable, and in some cases offered in multiple languages. Partnerships with stakeholders inform our compliance and education efforts. Most recently DCWP partnered with the Association for Talent Agencies, ATA, to create a unique plain language checklist for their industry. This document is a product of a long-standing dialogue with the ATA to ensure that their membership is informed about

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their obligations and recent amendments to the GBL that impacted their constituency. DCWP has actively lobbied the state legislature to modernize employment agency protections for consumers. In 2015 DCWP provided complaint data to New York State senators and Assembly members involved in the Justice for Job Seekers campaign. That data informed investigative reporting and eventually manifested into reforms adopted by Governor Cuomo. DCWP commended the state legislature for prohibiting advance fees and instituting stricter terms and conditions disclosures for consumers. Mayor de Blasio wrote, ah, the governor in October 2016, urging him to sign the measure into law, which the governor did. The 2016 reforms also allowed DCWP to require employment agencies to post the Job Hunter's Bill of Rights, which DCWP developed with New Immigrant Community Empowerment, or NICE, as a useful resource for consumers. Prior to this 2016 reform DCWP could mandate this important document be posted at an employment agency only after it was found to be in violation of the law, and even then only pursuant to a consent order with the employment agency. Concurrently with these recent amendments, DCWP

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2 engaged in continued outreach to communities on
3 consumer protections for job seekers. This included
4 developing consumer protection tips in over 10
5 languages. Since 2018 DCWP has conducted nearly 400
6 events educating New Yorkers on this topic.
7 Understanding the outsized impact of this fraud on
8 immigrant New Yorkers, DCWP also partnered with
9 stakeholders that work with immigration communities,
10 like Airicar, Chaya, CDC, and the Arab American
11 Association of New York to host a series of events
12 discussing issues of fraud and job seeker
13 protections. DCWP enforces employment agency laws
14 and rules through mediation, field inspections, on
15 patrol, or in response to complaints and actions
16 brought by the agency before the Office of
17 Administrative Trials and Hearings [inaudible]. In
18 the past three years we have received nearly 675
19 complaints, conducted 256 inspections, and issued 299
20 charges for violations of the employment agency laws
21 and rules. However, despite our enforcement efforts
22 we continue to face uphill challenges with so-called
23 fly-by-night employment agencies. These agencies
24 lure consumers in, rip them off, and disappear
25 shortly, ah, thereafter. Typically these unlicensed

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individuals or businesses sign short-term leases, use fake corporate names, or conduct outreach through informal networks that make locating them after a complaint extremely difficult. In ideal circumstances a criminal enforcement entity with tools at its disposal, such as search warrants and wire taps, would be better suited to capture the needed information to apprehend these individuals. Generally, though, DCWP may collaborate with appropriate enforcement agencies at the city, state, and federal level in a number of ways, including direct communications or through broader coalitions such as the Protecting Immigrant New Yorkers Task Force or the Queensboro president's Immigrant Task Force. As an example of this work, we have aided active investigations from the New York State Attorney General's Office by supplying additional complaints, affidavits, and even testimony from consumers that were harmed by deceptive practices. Regarding our own active cases, we expect to soon receive a decision from OATH on a theatrical employment agency that has been operating without a license. The initial complaints were brought to us by several musical artists and were seeking civil

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penalties for the businesses, ah, the business
unlicensed conduct. We hope that a successful
outcome will help deter future violations by other
businesses of their responsibilities and protect
consumer rights in our city. Especially in times of
crisis, such as we find ourselves today, it is
imperative that our businesses, our consumers, and
our communities in general understand that we must
support each other. We cannot accept as a matter of
course harm to our most vulnerable fellow New
Yorkers. At DCWP we continue to work on ensuring
that our consumers and workers have a voice within
city government, a resource for education, and a
shield from harmful business practices. In that work
we have always counted on and greatly appreciated the
support of advocates in the City Council. Thank you
again for the opportunity to testify today, and I
look forward to answering any questions you may have.

COMMITTEE COUNSEL: Thank you,
Commissioner. I will now turn it over to questions
from the chair. Panelists, please stay unmuted, if
possible, during this question and answer period.
Thank you. Chair Ayala?

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2 CHAIRPERSON AYALA: Thank you. And I
3 also want to recognize that we've been joined by
4 council members Brannan, Yeger, and Menchaca. Um, I
5 have a lot of questions, but since this is, this is
6 part of, the latter part of your testimony um, I, I,
7 while it's still fresh in my mind, I wonder these
8 fly-by-night, ah, organizations, I get that it's very
9 difficult to, to keep tabs on them, right, because
10 they're coming and going and, um, is there, is there
11 a mechanism? I mean, I'm, I'm assuming that they're
12 marketing themselves, ah, via newspapers or, how, how
13 are people, how would, how would I, right, as a job-
14 seeking, um, individual know that they exist, right?
15 How would I be redirected to them, and is that
16 something that, that, that, ah, your organization
17 has, your agency has the, the power, right, although
18 the, the manpower to really have oversight over.
19 Like are you paying to that? Like are you, are you
20 screening for, you know, these, these levels, these
21 types of advertisements to see who's out, what's,
22 what the market looks like?

23 COMMISSIONER SALAS: Um, yes. Thank you.
24 That is, ah, that is a really important question,
25 Chair Ayala. Um, you know, in the last year

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1 especially, right, during the pandemic, I think,
2 anecdotally I can tell you we've been hearing a lot
3 of, um, consumers who hear about these agencies via
4 very informal channels, like What's App or some
5 online advertisements, right? Um, we, what we
6 typically, ah, try to educate consumers is how
7 important it is to seek the services of a licensed
8 employment agency, right? A licensed, an, an agency
9 that's properly licensed will, ah, show up if you do
10 a search on our website, ah, by their name. You'll
11 be able to see that they are actually, um, that they
12 have the appropriate license to operate, um, and we
13 try to always remind consumers that in those cases,
14 ah, we're better able to enforce the law and make
15 sure that that agency is compliant with all of the
16 laws and rules that they're subject to. Now, um, we
17 do not have, you know, as you know, I've testified
18 before your, ah, committee before and we about 40
19 inspectors in the field, um, that enforce for the 50
20 different categories of licenses that we have. Now
21 in the past, um, I think, ah, we were, when we were
22 patrolling, um, and doing inspections in the field we
23 may sometimes have been able to like look into them,
24 right, like walked into a licensed, um, or an

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employment agency and make sure that they're compliant with all of the laws and rules. But more often we're hearing that, um, a lot of the, um, companies or business entities are operating more informally from either the back of a retail location that has different services being provided there, sometimes even from a, a residence, a personal residence, right? And so, um, even when we get complaints about a potential agency that may not be licensed or maybe conducting illegal activities, or just failing to comply with the law, I can tell you that about almost half of the situations in which we send an inspector out they do not find the location. The business already disappeared or, um, they, they had an address that was not, um, a real address, right? So, um, it is a very challenging industry. Um, we do try to spend a lot of more time doing education and outreach, ah, especially in our immigrant communities and what organizations that serve immigrants, um, because sometimes to actually try to get, um, appropriate remedies and resolutions from these entities is more complicated, um, especially if they do not have a brick-and-mortar location, right? Those are businesses that we can

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find, identify, sit down with them, right? Like give them all the tools they need to comply with the laws. So we do spend a lot of time, um, talking to consumers about how to protect themselves and why it's so important, again, that they use the services of a licensed agency. Um, so, um, that's what I can tell you. Um, I, I do not think that we spend, um, that we have the staffing to be always looking for, um, what is happening on social media or other informal channels.

CHAIRPERSON AYALA: I, I gotta, I mean, 50 industries seems like a lot, but I'm assuming that some of those industries are a little bit more problematic than others, right? And so I, I, I would wonder, right, how, how do you break up the, the, how do you divide the 40 inspectors in a way that adequately staffs, right, um, where you have the highest needs, the industries that require a little bit more, ah, attention, um, and oversight. So, ah, Commissioner, what, what does the, what does the, the consumer education, um, that you've referenced look like? Are you, are you working with, and, you know, specifically because so many of these individuals have, you know, have been impacted by, you know, by

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1 the justice system, um, are they, are you working
2 with maybe, you know, um, the Division of Parole, um,
3 or, you know, immigrant-based groups that are, you
4 know, that, that, that are in communication also,
5 right, that have the ties to, to this community so
6 that, you know, people are as informed as possible.
7 Because I, I think, you know, going, like I don't
8 usually refer to a website unless like something
9 happened, right, so that's kind of, you know, we, we
10 want to be proactive and not reactionary in this, in
11 this case. Um, so if you could share a little bit of
12 what that, that worker education looks like.

14 COMMISSIONER SALAS: So specifically with
15 respect to maybe workers that were formerly
16 incarcerated, right, we certainly collaborate with
17 other city agencies such as the Department of
18 Probation, um, and, ah, the, the Department of, um,
19 DYCD, Youth and Community Development. Um, but we
20 also have worked with the Fortune Society, with the
21 Abraham House, ah, the Urban Justice Center and CUNY
22 to target, ah, some of our outreach mitigation to the
23 people that they serve, right? So that's in addition
24 to the typical outreach that we've done in other,
25 more like, um, ah, I would say, um, where the

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audience is more like, were more like immigrants or individuals with limited English proficient, proficiency. So we have partnered. We do, ah, understand how important it is that we have a presence in our communities and we provide this information into as many languages as possible. Um, so, you know, some of the issues that you described, um, in your, your introduction, again, like they are not, you know, they're not always unique to the employment agencies. They're also pertaining to body shops and labor brokers, right? And other laws may be in place. But with respect to employment agencies, we have actually dedicated materials, um, that we publish that, ah, are available in up to 10 languages, and those are distributed widely. There are consumer protections for, ah, individuals who are job seekers, right, ah, and it tells you what are the things that you need to know once you walk into an employment agency. It tells you that you must, you know, you, you need to be asking for copies of, ah, receipts and contracts and make sure that you're not paying any fees in advance of getting placed in a job, right? Though, again, those materials are translated into different languages and we've

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2 conducted [inaudible] of actions together with the
3 Office of, um, New Americans, for instance, um, ONA,
4 and to, to spread the word about, ah, [inaudible]
5 worker protections and, and how to, if a person you
6 are actually the, the victim of, of fraud by one of
7 these agencies how to contact us.

8 CHAIRPERSON AYALA: Do you know, ah, can
9 you tell us how many of the 40 inspectors, um, are
10 assigned, ah, direct, um, oversight over this, this
11 specific industry? Is there [inaudible]?

12 COMMISSIONER SALAS: So we, um-hmm, yes.
13 Now we do not have any inspectors assigned
14 specifically to employment agency complaints, right.
15 Um, our inspectors either respond to complaints or
16 sometimes [inaudible] inspections. But they're not,
17 um, we don't have a team that is dedicated to this
18 work.

19 CHAIRPERSON AYALA: Do we know what the
20 number of complaints is annually?

21 COMMISSIONER SALAS: Um, so, yes, we do
22 have a breakdown. Um, I know that in the last, ah,
23 since 2018 we've had 700 complaints. Um, and the
24 complaints have been decreasing year after year. Um,
25 I'm just looking on my notes for that. Um, and I

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don't know if anyone on my team has it handy for last year what's the number of complaints.

CHAIRPERSON AYALA: Do you think that the number of complaints, that the reduction for last year may have been related to the, you know, to the, the COVID, ah, pandemic and the fact that, you know, many of these work sites were shut down?

COMMISSIONER SALAS: Yes, um, I think that's exactly right, ah, Chair Ayala. We did see, um, and, you know from testimony at previous hearings, um, a majority of the complaints that we were getting were related to price gouging and other business, reopening issues, right? Um, but I also have to say anecdotally, ah, last year I gave a lot of, um, interviews to ethnic media talking about the resurgence of, of these like online virtual, um, agencies or job placement companies, right? Ah, as you know, most of us moved to, to do business virtually and, and a lot of workers were actively trying to access services of companies online. So we spent a lot of time, tried to inform consumers about how to protect themselves when they were, um, looking to get the services from an online business.

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2 EXECUTIVE DIRECTOR ETTANNANI: So just
3 to, just for the yearly breakdown for, for
4 complaints, so in 2018 the number was 259, 2019 229,
5 and then, ah, 2020 187. Um, so the, so there is a
6 decrease there, but also a decrease that predates
7 COVID. Um, and I think a little bit of what the
8 commissioner has been alluding to, um, and it
9 actually corresponds with a decrease in just licenses
10 for employment agencies citywide over the past
11 several years, is that the nature of this business
12 has changed over time, and I think unfortunately a
13 lot of the, the tools that a civil enforcement agency
14 like DCWP would have is, are not necessarily,
15 regardless of resources or how many, for example,
16 theoretically inspectors we would, ah, dedicate to,
17 to a specific license category like this wouldn't
18 necessarily result in any tangible difference in kind
19 of, ah, enforcement or, or, or resolutions to cases,
20 just because the nature of, of the issues at hand,
21 ah, tend to, um, lend themselves to kind of informal
22 networks where, where, where folks are kind of
23 getting ripped off that way, ah, again, precluded a
24 civil enforcement agency that isn't able to like
25 wiretap or, or search residential apartments that may

2 be operating as employment agencies. Ah, for
3 example, we don't have those abilities and it kind of
4 lends itself, ah, to work that's outside of our, our
5 scope.

6 CHAIRPERSON AYALA: All right. I think,
7 so we, we, you know, we discussed the different
8 agencies that kind of fall in, you know, the
9 different models. What, what role does DCWP have in
10 terms of, you know, oversight, um, ah, of, of these
11 different, you know, employment models?

12 COMMISSIONER SALAS: So of, for
13 employment agencies, right, it's clearly we license
14 them in New York City, right and we do enforce, um,
15 those, the laws that are applicable to them. If
16 we're talking about temporary, ah, employment
17 agencies, right, you mentioned those and you also
18 mentioned body shops and labor brokers. Well,
19 temporary agencies are, um, again, they are also
20 employers, right? They are employers under the law,
21 and so the laws that we will, um, enforce in that
22 industry would be laws like basically, for instance,
23 a municipal workplace law, right? That is the kind
24 of issue that for which we have jurisdiction to
25 enforce. Um, these temporary employment agencies and

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body shops, as we understand the issues, um, around maybe wage theft or discrimination, those are, um, laws, ah, oftentimes state and federal laws that are not within our purview, and so in some cases if we get a complaint, let's say of an employment, ah, a temporary employment agency, um, that, ah, presents both, let's say, paid sick leave issues and maybe wage theft issues. We will investigate the issues that we can, like paid sick leave, and we will be referring out the wage theft issue to state enforcement agency. Um, there are cases in which we've worked together with the attorney generals' offices in, in pursuit, um, maybe violations by a particular employer, like in the home care industry, and we've both, um, litigated against these businesses together. But, again, there are municipal workplace laws for which we have jurisdiction and we enforce those laws and there are other issues that are, ah, fall within the purview of state and federal, ah, enforcement agencies.

CHAIRPERSON AYALA: One, one of my questions, you know, using the city's labor laws, right? Um, and the department's main focus, what can be done to help these workers? Would you say that

those laws that you're referencing and like is, are the municipal laws helpful and that's, are you attributing some of the reduction in complaints to those new, um, those policies?

COMMISSIONER SALAS: So, um, so if I understand your question well, um, we can, like if we got a complaint, right, about a worker employed in a body shop and it's about paid sick leave, that is certainly a complaint that we would be able to look into and enforce, right? Um, but I guess what I'm saying is that there are other issues that, ah, these workforces are alleging, ah, they're experiencing, ah, issues like retaliation, ah, and, and failure to get minimum and overtime wages and discrimination. And some of those issues are, um, the protections are under state and federal laws and so while we would not be able to investigate them, when workers come to us with those complaints we do our best to make sure that they know which agency they have to go to for those, um, to address those violations. Um, and the role that we've played, um, generally has been to do a lot of outreach and education. Like now materials that are, ah, our bill of rights for workers, for instance, translated into many languages, cover not

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2 just the municipal work, workplace laws, but also
3 some of the basic rights that workers have in the
4 workplace, like state and federal minimum wage and,
5 um, and, ah, and how to, you know, um, how to reach
6 out to those agencies that have that jurisdiction.

7 CHAIRPERSON AYALA: OK. Ah, do you, ah,
8 do you have any understanding of why employment
9 agencies have been licensed under the New York State
10 law, but temporary agencies and labor brokers have
11 not?

12 COMMISSIONER SALAS: So the main
13 restriction, distinction, as I understand it, right,
14 so the employment agencies laws are, ah, basically,
15 um, helping job seekers locate employment, right?
16 They refer them to employment opportunities, right,
17 and they can charge a fee for that. But they do not
18 have, there's no continuity of a relationship there,
19 right, and then when we're talking about temp
20 agencies or labor brokers they're actually the
21 employers of these workers, where they hire them,
22 they, ah, control the conditions of employment, they
23 often are the ones who are paying them, whether it's
24 cash or, or by check. They're still the ones
25 responsible for paying the workers, issuing W2s.

Therefore, they are subject to your labor laws under city, and state and federal law, right? So there are laws that are in place that protect these workers. The question is, um, you know, are there enough resources invested in the enforcement or the workers, these workers understand that they're protected by these laws, right? Um, I think that is, that is a role that we actually have played and continue to play in making sure that workers who are in New York City who are working for temp agencies or labor brokers understand that they are, they have the protection of these important laws and that, um, I dare, um, certainly a number of strong anti-retaliation protects in many of these laws, um, and again, some workers just are not aware of that and I think we can always do a better role, ah, educating them.

CHAIRPERSON AYALA: OK. Um, so we have, we have heard that other jurisdictions license, ah, labor brokers. Do you think that that could be a useful oversight, um, mechanism for DCWP?

COMMISSIONER SALAS: So I have not looked at, um, other licensing models, um, and I would be happy to learn more about that and the experience of

those localities licensing these types of, um, businesses. Um, ah, again, I think for us, we, we don't even know our licensing agency, we don't necessarily see licensing as always the best solution for every problem. Ah, but we'd be happy to look at other models and examine them and see whether that's something that's workable in the city. Um, you know, it's, um, it, it, yes, I, I don't know enough about how it has worked in other localities.

CHAIRPERSON AYALA: OK. I have one more question and then I'll, I'll turn it over to, ah, council members. And I also want to acknowledge that I see that we've been joined by Council Member Rosenthal. Um, so my office has been made aware that labor brokers specifically target vulnerable populations, such as immigrants, undocumented, ah, residents, or justice-affected workers, including folks who need a job as a part, ah, a part of their parole requirements. Um, we've also heard that labor brokers exploit these groups by withholding their pay and not providing workers with adequate safety training, um, and equipment. Is DCWP aware, um, I mean, obviously you are aware of the, of the rampant, but given the department's new focus on worker

2 protections, what actions do you think that the
3 agency can take, um, to provide stronger worker
4 protections to individuals employed by these labor
5 brokers?

6 COMMISSIONER SALAS: Um-hmm. So, um,
7 we've looked and we're not aware of having received a
8 complaint, um, from a worker employed with a body
9 shop or labor brokers specifically, right? But some
10 of, a lot of the issues that workers are complaining
11 about we see across other industry, obviously. That
12 is something that for us is top of mind thinking
13 about how to send a message that workers can come to
14 us, that they should not be afraid of losing their
15 jobs because they file a complaint. So it's very
16 important for us and we can continue to do this to
17 have, um, a strong, um, anti-retaliation response
18 once a worker files a complaint with us. Um, so I
19 think that for us, again, it's, it's a matter of
20 continuing to enforce the laws that we have
21 jurisdiction over, like paid sick leave, ah, and, and
22 other, depending on the industry, you know, Just
23 Cause protections, um, and/or Fair Work Week, ah,
24 protections. But with respect to other laws we are
25 still, ah, you know, subject to collaborating with

2 other enforcement agencies and, and to making sure
3 that, again, workers know about their rights and they
4 know where to go to, to enforce them. Um, so we will
5 be happy to continue to work with you, with the
6 council, and with the advocates to better understand
7 the issues these workers are facing and how, you
8 know, how the city can act, um, to help, um, to help
9 make sure that workers feel like they have, ah, jobs
10 that treat them well.

11 CHAIRPERSON AYALA: Is, could you, could
12 you commit to keeping your staff on, um, and I know
13 that you're usually really good about staying on for
14 a little while, um, after you have testified, but,
15 um, just because we're gonna be hearing from some,
16 ah, some folks that have direct experience with, um,
17 these labor practices and I, and I would really, I
18 think that we, you know, can learn from those, those,
19 those testimonies, right, um, and their experiences.
20 But it would be nice if, if you, you know, if your
21 staff or yourself, if you can hang around for a
22 little longer.

23 COMMISSIONER SALAS: Most certainly, yes.

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2 CHAIRPERSON AYALA: OK. Um, so I will
3 now turn it over to, ah, Stephanie to see if there is
4 anyone, any of the council members have questions?

5 COMMITTEE COUNSEL: Thank you, Chair.
6 I'll now call on other council members to ask their
7 questions in the order they have used the Zoom raise
8 hand function. If you would like to ask a question
9 and you have not yet used the Zoom hand raise
10 function please raise it now. Council members,
11 please keep your questions to five minutes. The
12 Sergeant at Arms will keep a timer and will let you
13 know when your time is up. You should begin once I
14 have called you and the sergeant has announced that
15 you may begin. Ah, first we'll hear from Council
16 Member Chin. Council Member?

17 SERGEANT AT ARMS: Time starts now.

18 COUNCIL MEMBER CHIN: OK. Thank you.
19 Um, thank you, Chair, um, and thank you,
20 Commissioner, for your testimony. I know that, um,
21 way back we worked on the licensing employment
22 agencies and getting material translated so all the
23 memories are coming back in terms of all the effort
24 that was made on that front. Um, in your testimony,
25 ah, you talked about, I think of the issues is pay

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equity. Um, so one of my question is that how do we ensure pay equity? I mean, is there a way to, um, get the employer, um, to show the amount of money that they're getting, ah, from the company they're contracting them. And I think that that's an issue we have to sort of look at how do we deal with these so-called, like, for example, the real estate companies? I mean, in the long run they're saving money, um, because they have to pay more for union labor. Um, but there's such a big gap in terms of like \$15 for the worker and \$40 go to, ah, the broker, um, labor broker. That's one thing. The other thing is that are we able, ah, or do we need legislation to mandate that these labor broker agencies or body shops, ah, that they also have to give, ah, the consumer bill of rights, like whoever is working, ah, for them or using their service or being hired by them, that they should know what their rights, that they are protected, ah, by all the, ah, laws, you know, state law, city law, um, that you talked about, ah, that Commissioner, you talked about earlier, so at least they know what their rights are and if they have a complaint, ah, they know where to

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2 go. Are we able to do that to mandate them? If not,
3 can we do it through legislation?

4 COMMISSIONER SALAS: So let me, let me,
5 hopefully I can answer your questions and, and my
6 team can help me if I forgot something or if I got
7 something wrong. Um, with respect pay equity, I just
8 want to make sure that it's Chair Ayala who should be
9 credited with mentioning in her testimony and, um,
10 there are two different things here. Um, if we're
11 talking about pay equity between union employees and
12 nonunion employees, um, you know, um, again, the
13 minimum wage obviously is, is mandated by the state,
14 right, it's not New York City that, um, that has the
15 authority to pass a minimum wage. So, um, it's state
16 law and I think, ah, as you know, state law will
17 require that at least the minimum wages are paid,
18 right? So for, um, um, a company, a business that
19 is, you know, privately hiring workers and employing
20 them, unless, I believe, there may be some, ah,
21 contracts with the state or the city in terms of
22 construction or other types of [inaudible] that
23 require a higher wage, I think the only requirement
24 will be that they pay at least a minimum wage and
25 then overtime wages for every hour after 40 that they

work. So I think that that's, um, that's just the difference between like when you talk about equity, you're talking about union versus nonunion, I think, um, there's gonna be that challenge that the minimum wage, again, will still be, ah, \$15, ah, across the state.

COUNCIL MEMBER CHIN: Is, is it possible to, to sort of kind of say that you, you can't, like the agency cannot, ah, get more than what they're paying a worker or there's a percentage. I mean, if you look at the example, right, if you're paying \$40, ah, to the labor broker and you're only paying, and they, they're only paying \$15, I mean, so they're taking in more than half of what they're getting from the company that's hiring them. So there's something unfair about that. So is there any way that we can, ah, regulate that, or to, sort of, you can't do more than a certain percentage.

COMMISSIONER SALAS: So I think that you are aware like at least in New York City, New York City, um, has a, um, a living wage statute, um, and for certain public works projects that's, you know, the city actually has some role where they can demand a higher wage. Like I, but I believe that hasn't

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2 been updated in a while. Um, so, but, and I also,
3 I'm not an expert in this issue so I don't want to
4 talk, you know, broadly about it, only to say that I
5 know that there's, that exists, um, New York City
6 living wage. Both the comptroller's office and our
7 agency have some jurisdiction to enforce that. Um,
8 but it needs to be updated. But then the other part
9 of your questions regarding can we force this force
10 these companies, these labor brokers, to actually,
11 um, give, give, I, I believe you said consumers to
12 give them certain notices, right? Um, so I just want
13 to make sure that we're clear that there's two
14 different things, right?

15 SERGEANT AT ARMS: Time expired.

16 COMMISSIONER SALAS: The employment
17 agency law, which is the one that we worked together
18 to make sure materials were available to consumer in
19 different languages. Those employment agencies are
20 not employers of those consumers, right? They're
21 just acting as a business entity, providing a service
22 to a consumer, and consumers have certain rights
23 there. But if we're talking about a temp agency or a
24 labor broker that is an actual employer of those
25

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2 individuals and those workers have other rights, not
3 as consumers but as employees...

4 COUNCIL MEMBER CHIN: OK, employees. So
5 can we mandate that the employer, as temp agency and
6 as labor broker that they give their worker, ah, the
7 bill of rights, like what, what they have in terms of
8 paid sick leave...

9 COMMISSIONER SALAS: Right.

10 COUNCIL MEMBER CHIN: ...um, overtime, so
11 that the, the people who are employed by them at
12 least know what their rights are and where they can
13 company if they know that they're being, you know,
14 [inaudible].

15 COMMISSIONER SALAS: Absolutely, and, and
16 actually those, those requirements are explicit in
17 several of the laws, right? Basically has its own
18 inclusion there that says businesses have to display
19 a poster and give every worker a notice that they're
20 covered by this law. Similarly, with state laws and
21 federal laws employers are required to post the signs
22 that say what the minimum wage is and where to go
23 file a complaint. The problem is going to be are the
24 businesses actually always posting these or not,
25 right? And in those cases it's, again, it's about

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2 enforcement, ah, do we have a presence there to make
3 sure that businesses are compliant with these laws or
4 not. It's a different question from like the
5 protections are in existence but how many businesses
6 are actually complying with that.

7 COUNCIL MEMBER CHIN: But do you have the
8 authority to go and inspect these businesses to see
9 if they are complying, let's say with, start with
10 just the paid sick leave law. Are they posting those
11 signs or...

12 COMMISSIONER SALAS: Yes.

13 COUNCIL MEMBER CHIN: ...giving out those
14 information.

15 COMMISSIONER SALAS: Yes. We do, for
16 municipal workplace laws, for paid sick leave, for
17 Fair Work Week, for Just Cause, for those laws we
18 can. We cannot issue a violation if we walk into a
19 business and we don't see a minimum wage poster
20 there. We cannot issue a violation. We may be able
21 to refer it to the Department of Labor, but we don't
22 have a jurisdiction to actually say to the employer,
23 you know, you're not compliant with the law, right?
24 So, um, so for our laws, yes. For municipal
25 workplace laws we can enforce and we do, and we try

to be creative, too, in certain cases, for instance with Starbucks. We recently investigated Starbucks for [inaudible] case for paid sick leave violations, and we required Starbucks to post, um, visible to the consumers, so that we take advantage of this free marketing for us, that paid sick leave is the law, so that workers and consumers know about that right. Um, and if you do see a Starbucks shop that does not have that posted let us know, because we'd like to check on that. So, yeah, but we're limited to the laws that city enforces.

EXECUTIVE DIRECTOR ETTANNANI: Yeah, and I, I would also just want to mention that just our, like the idea of body shops was like somewhat of a novel concept for us and we definitely did a little bit of research ahead of the hearing to find out a little bit more about this and what the, the issues are, and by and large it seems like the, primarily there are wage theft issues at play. And those are strictly in the jurisdiction of the state. So there is, so I think, as the commissioner mentioned, there may be and often is, for example, downstream issues. For example, if you're not paying someone a minimum wage you're probably not following paid safe and sick

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2 leave law pursuant to municipal workplace laws. So
3 we would be able to act on like the second or
4 tertiary issue at play, but typically if there is a
5 complaint or an issue raised it will be about pay.
6 I'm not getting paid the right amount. And that
7 would be something that does fall outside of our
8 jurisdiction.

9 COUNCIL MEMBER CHIN: OK. All right. I
10 guess we'll, we'll have to figure out how we can do
11 more, um, to offer more protection. Thank you.
12 Thank you, Chair.

13 CHAIRPERSON AYALA: Those were really
14 good questions. I actually want to piggy-back off of
15 that, 'cause how many, um, ah, Steven, how many, how
16 many, how often is DCWP then reporting wage theft,
17 you know, complaints to, um, the New York State
18 Department of Labor?

19 EXECUTIVE DIRECTOR ETTANNANI: I don't
20 know. Commissioner, if you want to characterize the
21 relationship?

22 COMMISSIONER SALAS: Yeah, we, we
23 certainly do track our referrals. I don't have
24 numbers right now, but we do track our referrals. As
25 you can imagine, ah, we get a lot of calls from

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2 workers with, you know, a diverse array of issues,
3 and so we then track, ah, what issues refer to which
4 agency, right? Ah, we can follow up after the
5 hearing to give you some numbers.

6 CHAIRPERSON AYALA: Yeah, we would, I, I
7 would appreciate that. Um, all right. I have just
8 one final question. Um, [inaudible] can you share,
9 do you foresee that there would be any potential
10 negative consequence to licensing labor brokers?

11 COMMISSIONER SALAS: I, I can't think of
12 a negative consequence to the [inaudible]. Again, I
13 would love to learn more about how other cities or
14 localities are looking at this issue, right, and I
15 also look forward to seeing, ah, to hearing the
16 testimony from, ah, advocates, ah, to continue to
17 think with you about potential solutions for these
18 problems.

19 CHAIRPERSON AYALA: I'm, I'm looking
20 forward to it as well. Um, OK. Ah, are there any
21 other members that have questions?

22 COMMITTEE COUNSEL: I see no further
23 hands raised, Chair. So seeing that there are no
24 hand raised we will now turn to public testimony. I
25 would like to remind everyone that, unlike our

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2 typical council hearings, we'll be calling
3 individuals one by one to testify. Each panelist
4 will be given three minutes to speak. Please begin
5 once the sergeant has started the time. Council
6 members who have questions for a particular panelist
7 should use the Zoom raise hand function and I will
8 call on you after the panelist has completed their
9 testimony. For panelists, once your name is called a
10 member of our staff will unmute you and the Sergeant
11 at Arms will give you the go-ahead to begin upon
12 setting the timer. Please wait for the sergeant to
13 announce that you may begin before you deliver your
14 testimony. I would like to now welcome Tierra
15 Williams to testify, followed by Han Lu, and then
16 Nibia Coyote. Tierra?

17 SERGEANT AT ARMS: Time starts now.

18 TIERRA WILLIAMS: Good morning. Um, my
19 name is Tierra Williams. I am intern at, with the
20 organizing department for labor, labor's Local 79,
21 and I want to thank the Chair Ayala for giving me
22 this opportunity today. I was one of the 18 women
23 that were, um, predominantly black, um, that, and
24 where we were survivors of sexual harassment and we
25 were part of the 1.5 million dollar lawsuit

1 settlement, um, settled by the AG's office, um,
2 [inaudible]. While being on that job we were
3 harassed constantly and, um, many of times our
4 complaints fell, fell on deaf ears. A lot of people
5 were, weren't heard none of the, our complaints were
6 addressed by our higher-ups, our supervisors. Um,
7 we, when I was employed there we were predominantly
8 black and brown or formerly incarcerated, and some
9 were immigrants and they preyed on that. Um, they
10 barely provided any, enough money for survival, even
11 anything above minimum wage didn't help. Even if we
12 got paid over \$15, 'cause at a point I was getting
13 paid \$20, at \$20 I was stripped of my medical, um,
14 and dental insurance and of the food stamps that I
15 needed at the time for me and my son. Um, and big
16 money firms like Trade Off, um, send these laborers
17 out to major development projects and, um, just rob
18 us, rob us of our wages. Um, making anything above
19 minimum wage wasn't the issue for me. It was more so
20 the benefits that I needed to provide for my son and
21 my family, you know, my home. It was a time where we
22 didn't have anything. I couldn't go to a doctor, I
23 couldn't go to the dentist. Um, it was time that my
24 son needed to be vaccinated for school and he wasn't
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able to, and I had to pay out of pocket, so the money that I was earning I wasn't able to completely take it home 'cause I had to pay for everything else. So the, the, the issue wasn't so much the pay, although wage is a major thing, it's more so, you know, being, me being, them caring about me being able to pay, I mean, provide for my family at home. So being stripped of healthcare and food stamps, sometimes my son is like in love with Oodles and Noodles now because that's all we ate a point. So it was really kind of rough. Um, three years ago when I joined the Laborers' Union, um, I was, I learned that many things went against my rights as a human being and, um, to keep from becoming victims of greed, um, we should be able to collectively bargain and organize these workers so it protects our dignity and it creates stability, not just for the individual, but for their families as well, because you lose a lot of self-respect working for them, thinking that this is your only way out and this is a one-stop job. Um, also, not only that, I've witnessed it from another angle. My fiancée is a, is formerly incarcerated. He worked with us as well. It was really hard for

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2 him, and he's been incarcerated twice after that from
3 losing his job. So at a point it's really rough.

4 SERGEANT AT ARMS: Time expired.

5 TIERRA WILLIAMS: You, you would hope
6 that, um, these big firms, like Trade Off would, you
7 know, open up their hearts to these people and, um,
8 so that they wouldn't have to struggle so much,
9 'cause my boyfriend is a really good person and my
10 son does, you know, deserve way more than I was able
11 to give him at that time. And thank you for your
12 time, Chair.

13 CHAIRPERSON AYALA: Thank you so much,
14 Tierra. Um, we usually, we usually will call on
15 everyone else on this panel and then I'll get back to
16 you with a question, OK?

17 TIERRA WILLIAMS: OK.

18 COMMITTEE COUNSEL: Thank you, Tierra.
19 Um, next up is Han Lu, followed by Nibia Coyote, and
20 then Bishop Mitchell Taylor. Han?

21 SERGEANT AT ARMS: Time starts now.

22 HAN LU: Good morning, Chair Ayala and
23 committee members. My name is Han Lu and I'm
24 testifying today on behalf of National Employment Law
25 Project, whose strong support of this committee

pursing greater reporting and transparency of
unregulated labor brokers, in this case so-called
body shops, that target New Yorkers who are on parole
and other forms of court-related surveillance. So
there's been two trends traditionally viewed as
separate that appear more and more to be the same.
The first is that over the last 40 years the US labor
market has shifted from long-term, relatively stable
jobs with high union rates to shorter-term,
increasingly unstable jobs with lower wages, fewer
benefits, and more obstacles to collective worker
action, and the second trend is mass incarceration or
criminalization, the unprecedented and sprawling
system of punishment and surveillance in the US that
targets black and brown people. Body shops in New
York exist at the intersection of these two trends
and are at the center of this history today. And my
submitted testimony details these points. I'm happy
to elaborate. Um, but in short, first labor brokers,
in this case body shops, hire workers for work a
third-party companies and profit by driving down the
costs of labor, the only cost that they control.
They're an engine of occupational segregation that
disproportionately sorts black and brown New Yorkers,

ah, into second-tier work status and other forms of bad work, in some of the most dangerous professions, including, um, in construction. The threat of poverty, second, faced by court-surveilled New Yorkers is real. It is racist impact. 60% of those who have been incarcerated remain unemployed a year after release, with those reporting any earnings whatsoever reporting a median barely exceeding \$10,000 annually, ah, estimated 52% less in income than those who were never arrested. The negative financial impact of an arrest or conviction record is radically anti-black. Both black people with and without a court record earn less annually and receive fewer call backs from prospective employers than white people with a record. Third and finally, the threat of reincarceration for New Yorkers on parole is real. It is also racist. A recent study by Columbia University found black and Latinx New Yorkers on parole are 12 and four times, respectively more likely to be reincarcerated for technical violations than similarly situated white New Yorkers. Technical violations means there's no allegation of a new criminal offense, but instead there's an allegation that a parole condition has been broken.

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2 These conditions regularly include "seeking and
3 maintaining employment." As you've heard or will
4 hear in testimony today, court-surveilled New Yorkers
5 face pressure from the parole system or other
6 "communities supervision programs" to accept lower
7 work standards. There's a desperation. Whether a
8 court-surveilled worker can reject or refuse an
9 unfair or unsafe job, or organize to improve...

10 SERGEANT AT ARMS: Time expired.

11 CHAIRPERSON AYALA: Go ahead, no, no, no,
12 go for your finish.

13 HAN LU: Is dramatically undercut by the
14 threat of jail, causing such workers to enter and
15 remain in jobs with depressed labor standards. Labor
16 brokers take advantage of this reality. So just to
17 sum up, requiring transparency, greater reporting
18 from what now are opaque and unregulated labor
19 brokers will be a good first step. And I thank you,
20 Chair, and the committee for your time today.

21 CHAIRPERSON AYALA: Thank you.

22 COMMITTEE COUNSEL: Thank you, Han. Next
23 up we have Nibia Coyote, followed by Bishop Mitchell
24 Taylor, and then Jonathan Westin. Nibia?

25 SERGEANT AT ARMS: Time starts now.

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2 NIBIA COYOTE: Good morning, everyone. I
3 just want to make sure one of our members, Fredy
4 Santiago, is on the list to testify.

5 COMMITTEE COUNSEL: Yes, Nibia, he is on
6 the list. He is a little further down on the list,
7 but he'll be coming on.

8 NIBIA COYOTE: All right. Thank you so
9 much.

10 COMMITTEE COUNSEL: Sure.

11 NIBIA COYOTE: Good morning, members of
12 the Consumer Affairs and Business Licensing
13 committee, and City Council members. On behalf of
14 the organization, New Immigrant Community
15 Empowerment, NICE, I thank you for the opportunity to
16 testify at today's hearing. My name is Nibia Coyote
17 and I'm the director of training and, and education
18 at NICE. I am here to speak on behalf of our
19 community members, such as Fredy, who you will listen
20 in a few minutes, who continued to be abused by
21 predatory practices by employment agencies due to the
22 lack of proper enforcement of the Justice for Job
23 Seekers bill passed in 2016. Employment agency fraud
24 is a systemic issue that NICE has seen for years.
25 Agencies take advantage of newly arrived immigrant

workers, especially undocumented workers, who have a hard time finding employment elsewhere. These predatory businesses are aware of how the pandemic crisis has affected immigrant workers and still continue to promote their services, promising jobs they will never deliver. Regardless of the passage of the Justice for Job Seekers bill in 2016 the pattern is always the same. Employment agencies charging an application fee to consumers for them placing workers in jobs that steal their wages, deny payment, and never allocate a job to the worker.

NICE has a history of tracking, researching, and denouncing these immoral practices. For years we let the Justice for Job Seekers campaign to fight for regulation of employment agencies and for a long period of time our own members [inaudible] hundreds of employment agencies to figure out what the practices were and collect data to show that this is a systemic problem that adversely affect our community. The result of our collective efforts was the release of an investigative report into employment agencies titled "Dreams and Schemes in Queens - Immigrant Struggles to Find Work and Get Status in the Face of Consumer Fraud." For our

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3 campaign NICE convened a statewide coalition of over
4 30 organizations and drafted legislation in
5 partnership with directly impacted community members,
6 community organizations, advocacy and policy groups,
7 and elected officials. In 2016 the New York State
8 Legislature passed the Justice for Job Seekers bill
9 to provide fair and meaningful protection to low-wage
10 immigrant workers as they look for work in the State
11 of New York. Our work was fundamental to understand
12 the systemic nature of consumer frauds committed
13 against immigrants. However, in 2021 we're still
14 seeing employment agency fraud all the time because
15 the law is rarely being enforced. With the COVID-19
16 crisis we see more than ever vulnerable workers...

17 SERGEANT AT ARMS: Time expired.

18 NIBIA COYOTE: ...with lost [inaudible]
19 and no income looking desperately for any work,
20 falling into these predatory practices from agencies
21 able to act with impunity because they still can.
22 For this we need the city and the Department of
23 Consumer and Worker Protection to step up and protect
24 workers by investigating and stopping employment
25 agency fraud. All too often unscrupulous employment
agencies, both licensed and unlicensed, are still

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2 exploiting job seekers by tailoring their process to
3 take advantage of loopholes in the current law, as
4 illustrated in the testimony of Fredy. We need the
5 city and the Department of Consumer and Worker
6 Protection to take complete steps in enforcing the
7 law with a clear dignifying process to denounce and
8 prevent cases like Fredy from occurring, so there are
9 immigrant workers are given the dignity entitled by
10 their invaluable work for New York City. Thank you
11 so much.

12 CHAIRPERSON AYALA: Nibia, what, what do,
13 what do you see as the impediment, um, to DCWP being
14 able to enforce existing worker protection laws?
15 What [inaudible] the disconnect?

16 NIBIA COYOTE: Thank you for, um, the
17 question. Ah, we know the Department of Consumers is
18 trying and, and, and I see the commissioner here. We
19 work, um, in educating our, our members, obviously,
20 about these practices. But we are still lacking
21 information on the process, how can people denounce,
22 what is the process to be able to provide the
23 information for the department, to be able to track
24 these, ah, supposed employment agencies, and do a
25 proper investigation. Ah, we believe as well that we

are in need of more inspectors to be able to go to these places, ah, that are basically not employment agencies to really investigate the cases and see their practices.

CHAIRPERSON AYALA: Yeah. It, it almost feels like, you know, like the, ah, the [inaudible] are very strategically looking for a specific, you know, um, workforce and, you know, I, I, um, this is really helpful information, so thank you, 'cause I think that we're all kind of learning about, you know, this different, um, industry, um, and it's, it's difficult. It's difficult to regulate, right, a, a ghost agency when they're coming and going and they kind of just disappear into the wind. Um, but the level of consistency with which they, you know, um, specifically, you know, target individuals, specifically, you know, in, in immigrant communities and, and people of color, um, I think, you know, should allow, you know, should allow us a better view, right, of like where they are, um, and so I'm, I'm, my wheels are turning a little bit here. So thank you for, you know, for your testimony and, um, I wanted to kind of, um, Tierra, um, want to just, is

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Tierra still with us? I don't see her, but I just wanted to say thank you, oh.

COMMITTEE COUNSEL: She's here, yeah.

TIERRA WILLIAMS: I'm here.

CHAIRPERSON AYALA: Yeah, I know. I, I wanted to, to, one, say thank you, um, for your bravery and, and for coming forward, because I think that, right, this is important, it is an important first step in, in terms of, one, helping us better understand legislatively how we could be helpful, ah, to ensure that worker protections are extended, right, to all of the individuals that are impacted, um, by this, this type of, of practice. Um, so thank you for that, 'cause you, you know, you, your are doing your city and, and, and your colleagues a great service by, by being here today and really acting as a voice for them. Um, I, I just wanted to know, like in your experience, um, did you, were you asked to sign some sort of, of, ah, of an employment contract when you, ah, were employed?

TIERRA WILLIAMS: No, we never signed it.

Um, I actual never even signed, what is it, a W4 form? They just ask you for like your social.

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2 CHAIRPERSON AYALA: And how did you learn
3 about the, about the job? Like was it advertised
4 somewhere? Was it by word of mouth?

5 TIERRA WILLIAMS: So it was from word of
6 mouth. Someone got me the job, um, another girl that
7 was also in the lawsuit, um, Ashley Foster. She was
8 a friend of mine then and she got me the job there.
9 Um, she told me that she would get me a job. She,
10 she told me my OSHA, I got my OSHA 10 online, and
11 then, um, that Monday I told my, I had my OSHA 10 and
12 that Wednesday I started working.

13 CHAIRPERSON AYALA: Do you have it, I, I
14 mean, I didn't read the, ah, the entire, I don't have
15 a lot [inaudible]. Do you have an idea without the,
16 without really sharing too much of your personal,
17 like what the average salary was for, for your
18 colleagues?

19 TIERRA WILLIAMS: So no one, um, other
20 than maybe the foremans made more than \$20 a hour.
21 Everyone made, when I first started work I started
22 making \$15 an hour. After a while I was making a, I,
23 I went up a \$1.16, and then they have like another
24 sector called Trade Off Plus, where we were supposed
25 to get healthcare benefits, where we were supposed to

2 get, um, a 401(k) for retirement or whatever the case
3 may be, which we never really received. Um, that's
4 when we started working on jobs with, um, um, other
5 contractors, Gildane and, um, big contractors like
6 that, that came from out of state. Um, but we never
7 really, we never really made over \$20 an hour. I
8 only know a forearm that made about \$28 the most, and
9 he no longer works for them. Um, and we never
10 received those benefits. I had, um, a miscarriage on
11 the job and when I had the miscarriage my health
12 insurance wasn't even active when I went there. So,
13 I had to say, I had to wait, I had the miscarriage
14 and then I had to wait four days because the sac was
15 still inside to get it extracted, because they had to
16 sign me for emergency Medicaid at the time.

17 CHAIRPERSON AYALA: I'm so sorry, I'm so
18 sorry to hear that. No one should have to go through
19 that. Um, was, was there, did you feel like while
20 you on the work site and were there, um, was there
21 like an HR department? Was there anyone that you,
22 ah, that you could company to?

23 TIERRA WILLIAMS: So that was the issue.
24 We made many complaints to the foremans and when I
25 had the issue that I had, um, it almost got physical

1 and, um, when I made the complaint they gave me a
2 phone number to call, saying that this was the HR,
3 and I called the number no one ever answered, and I
4 kept calling for months 'cause my situation happened
5 in April and I was complaining about until I got
6 fired in August. They fired me for being tired of my
7 complaints. I called HR at least twice a week from
8 April to August and when August came, no, the end of
9 July came I finally got an answer. They told me that
10 the woman was on, um, maternity leave, whoever was in
11 HR, so I asked them was there anyone else in place
12 to, you know, take on her role while she was out.
13 Come to find out she was never pregnant and there's
14 no real HR. They were operating out of a, ah, ah, a
15 office in Lynbrook. And they never, they never
16 really had any, um, you know, HR, wasn't really a
17 business. It, they, at the time they didn't have any
18 advertisements to even get the job. It was more so,
19 um, you know, if you knew someone that needed a job
20 they would, you would get a job there, or the
21 parolees that we got there, um, my boyfriend
22 included, came from CEO, which, um, is a, it's like
23 a, supposedly a training facility that really doesn't
24 train. Um, they get sent there straight from the
25

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2 parole office, um, for them to get jobs, and at the
3 time we weren't at \$15, but they were, some of them
4 were working for like \$8, \$9 dollars an hour and
5 Trade Off with, um, come pick them up from there and
6 say that they had a better opportunity for them and
7 they were getting paid \$15 an hour. Some of them
8 didn't even have equipment, boots, proper OSHA cards,
9 nothing.

10 CHAIRPERSON AYALA: You, you were let go
11 in August of last year?

12 TIERRA WILLIAMS: No, of 2017.

13 CHAIRPERSON AYALA: Oh, 2017. And your
14 boyfriend?

15 TIERRA WILLIAMS: Um, he, I got him into
16 a, I got him another job because the, the environment
17 was so hostile for him, um, and I know how the male
18 ego could be. I got him out of there and I got him
19 working with another company. Um, that same year, a
20 few months, maybe July, yeah, maybe June and July, I
21 think he left there in 2017.

22 CHAIRPERSON AYALA: 2017, OK, OK. Well,
23 thank you so much. This is really helpful.

24 TIERRA WILLIAMS: Thank you for letting
25 me, allowing me to speak.

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2 COMMITTEE COUNSEL: Thank you. Next we
3 have Bishop Mitchell Taylor, followed by Jonathan
4 Westin, and then Ryan Monell. Bishop Taylor?

5 SERGEANT AT ARMS: Time starts now.

6 BISHOP MITCHELL TAYLOR: OK. Ah, thank
7 you so much, Chair Ayala, and all of the other
8 council members on the committee, and to Commissioner
9 Salas, who, ah, I always enjoy sharing these types of
10 platforms with. Good afternoon. My name is Bishop
11 Mitchell Taylor. When I originally wrote this it was
12 morning, so forgive me. I'm the cofounder and CEO of
13 Urban Upbound, a direct service and advocacy
14 organization dedicated to breaking cycles of poverty
15 in public housing neighborhoods by giving residents
16 the tools and resources necessary for economic
17 mobility and self-sufficiency. Ah, we're located in
18 East Harlem, in Far Rockaway, Astoria, and our
19 flagship is in Long Island City. We do this through
20 six integrated program areas - business development,
21 workforce development, one-on-one financial
22 counseling, youth development, year-round tax prep,
23 and the Urban Upbound Federal Credit Union. There's
24 nothing novel about any of these as they stand alone,
25 but they become magical when you can comprehensively

integrate them on campuses, and that's what we do.

Thank you, Chair Diana Ayala, and council members present for holding this hearing on such an important topic. Urban Upbound supports the regulations of firms exploiting vulnerable reentry workers as the practices of these agencies are damaging to our community and individual workers. As our city and state move toward implementing criminal justice reforms it is improve legislators assist reentry workers in breaking down barriers to successful, or successfully reentering their communities as workers. One of these barriers is the scarcity of work open to those following their incarceration and the entities that use this to exploit the vulnerability of their current situation. Construction, of course, is one of the few industries welcoming formerly incarcerated individuals, prompting unscrupulous firms and employees to prey on them. Body shops have emerged, firms and agencies that are funneling reentry workers to nonunion firms, offering low wages, little to no benefits, and oftentimes poor safety conditions. These firms damage the financial health of our communities and keep these reentry, keep those in it reentry society in an impoverished state, not only

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2 financially but mentally. Body shops are nonunion
3 construction labor brokers that engage in exploitive
4 practices, preying on reentry workers and offering
5 poverty level wages. These firms are largely
6 unlicensed and profit from using mass incarceration
7 as a feeder system supplying the city's richest
8 developers with a cheap and vulnerable workforce.
9 Body shop contractors exploit reentry workers by
10 taking advantage of their restricted rights following
11 incarceration, affording them little to no
12 protections and low wages. Body shops foster cynical
13 poverty and must be regulated to end their abusive
14 practices. Those reentering...

15 SERGEANT AT ARMS: Time expired.

16 BISHOP MITCHELL TAYLOR: ...society
17 cannot, cannot thrive while these labor brokers
18 operate with little to no oversight. Regulating
19 these shops will be instrumental in protecting
20 reentry workers. Urban Upbound is in staunch support
21 of the regulatory body shops, regulating body shops
22 to protect our formerly incarcerated community
23 members. The City Council has an opportunity to act
24 to end these abuse practices and uplift those
25 reentering society. Thank you.

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2 CHAIRPERSON AYALA: Thank you, Bishop
3 Taylor. It's nice seeing you again.

4 BISHOP MITCHELL TAYLOR: Yeah, we're
5 following each other this week.

6 CHAIRPERSON AYALA: Yeah, I know
7 [laughs].

8 BISHOP MITCHELL TAYLOR: [laughs]

9 COMMITTEE COUNSEL: Thank you, Bishop
10 Taylor.

11 BISHOP MITCHELL TAYLOR: Thank you.

12 COMMITTEE COUNSEL: Thank you. Next we
13 have Jonathan Westin, followed by Ryan Monell, and
14 then Michael Negron. Jonathan?

15 SERGEANT AT ARMS: Time starts now.

16 JONATHAN WESTIN: Hi, good morning. Um,
17 I want to thank the Committee on Consumer Affairs,
18 ah, Chair Ayala, um, and for the opportunity to
19 testify today. My name is Jonathan Westin. I'm the
20 executive director of the New York Communities for
21 Change. We are one of the largest grassroots
22 community-based organizations in the city, ah, that
23 has thousands of members, um, and works with folks,
24 ah, that have been incarcerated, um, and, ah, you
25 know, coming out. And, ah, we have been on the front

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lines of efforts to reform the criminal justice system in New York. We're committed to fighting for fair housing for people on probation and parole. The demand that, ah, both job opportunities and job, jobs with dignity for workers returning from incarceration. We have partnered with, ah, Laborers Local 79 in demanding that New York City enact policies that ensure real affordability, real local hire, and real livable wages. Um, we have been hearing from our partners and from members about our new, a new exploitative employment model called body shops. Body shops take the labor justice, the, the labor of justice-affected workers and broker it at an astronomical markup, ah, to the city's richest developers. Body shops take advantage of the scarce job opportunities available to formerly incarcerated New Yorkers, barriers in housing, education, employment, and disenfranchisement and the political process creates desperate workers willing to do anything to avoid returning to prison. Ah, as a city we must step up to protect these workers. Um, we, we have to act now to protect justice-affected New Yorkers reentering our communities. The New York City Council has a responsibility to protect, ah, its

most vulnerable citizens against exploitative employers and dangerous working conditions. Ah, no contractor or developer should be allowed to condemn black and brown construction workers, ah, to economic imprisonment and bodily harm. Ah, that's resentencing, not real reentry. Um, so we, ah, we really urge the council to take action here and help regulate, ah, this industry which is taking advantage of so many. Ah, thank you.

CHAIRPERSON AYALA: Jonathan, are you, are you aware of any such entity where, ah, especially because you, you mentioned the, um, ah, formerly incarcerated individuals. Are you, are you aware of any such entity where they can report an abuse? Is that something that, um, that may be through Communities for Change? Like are you guys fielding any complaints? Like are you coming in contact with?

JONATHAN WESTIN: Not directly ourselves. I mean, you know, there's the Department of Labor, um, but, you know, we think we need more protections and more regulations in this industry as a whole and would love for the city to really take action here and investigate folks.

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2 CHAIRPERSON AYALA: Now this is a
3 question for either you or for Bishop Taylor. I,
4 are, are you hearing from, from folks about, ah,
5 specifically coming, you know, in a COVID, ah, world,
6 what the distribution, ah, personal protective
7 equipment looks like in, in these work sites and who,
8 you know, who, who's directly responsible for
9 ensuring that, that PPE is available to the workers?
10 I'm not sure if this is something that you've heard.
11 Any one of you.

12 JONATHAN WESTIN: I mean, I think, ah,
13 the, the main thing we hear is on unionized
14 construction sites that, um, they're doing a lot
15 better job of it. I think that's the main thing
16 we've been hearing.

17 CHAIRPERSON AYALA: Um, OK.

18 BISHOP MITCHELL TAYLOR: Um, I really
19 can't speak to, ah, maybe John may be able to, John
20 Simmons, who will be testifying a little later on,
21 will be able to speak to that. Ah, but I would, I
22 would, I would, I would probably assume that they're
23 underresourced as it relates to many of the safety
24 precautions, ah, that are needed pre-COVID. So I
25 think during COVID, ah, the protections that are laid

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2 on top of that, I would, I would, I would have no
3 confidence that they're providing the same kind of
4 protections that other, um, union sites are probably
5 offering.

6 CHAIRPERSON AYALA: Thank you. Thank
7 you, guys.

8 COMMITTEE COUNSEL: Thank you. Next we
9 have Ryan Monell, followed by Michael Negron, and
10 then John Simmons. Ryan?

11 SERGEANT AT ARMS: Time starts now.

12 RYAN MONELL: Well, thank you,
13 Councilwoman Chair Ayala, members of the committee.
14 My name is Ryan Monell. Ah, I'm with the Real Estate
15 Board of New York. Ah, appreciate the opportunity to
16 testify today. Ah, with construction jobs
17 anticipated to grow by tens of thousands over the
18 next few years, the construction industry provides an
19 opportunity for thousands of New Yorkers to obtain
20 good jobs and reach the middle class. With this in
21 mind, REBNY continues to work collaboratively with
22 the Building and Construction Trades Council,
23 Building Trades Employment Association, the New York
24 Building Congress, and others to highlight the
25 importance of the construction and development

industry for the future of New York City's economy.

Ah, REBNY believes strongly, as we've heard from many others on the call on the hearing today, ensuring that all opportunities in construction are safe and fair, basic principles particularly important to uphold for vulnerable New Yorkers who have been formerly incarcerated or otherwise have been historically disenfranchised. As with many industries, wage theft, unsafe conditions, and other issues have been documented in the construction industry. Among other instances of these practices, this includes allegations that so-called body shops prey on socioeconomically vulnerable, ah, workers, including people of color and particularly formerly incarcerated individuals. Addressing this issues merits the attention and action of policy-makers. To that end, REBNY recommends that council consider the following proposals. The council should increasing funding support, ah, DCWP and other agencies to better protect justice-involved and other vulnerable New Yorkers for wage theft. Um, if allegations of companies working as body shops are found to be true the strongest steps should be taken to ensure that all workers are afforded the full protections of law.

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The council should also consider proactive opportunities to grow the construction industry as an avenue for a more just and equitable workforce. Ah, REBNY recognizes that private sector union construction is essential to the development of New York City and our members access for most of union construction contracts. However, it is not practicable to contract union work for the entirety of all jobs. Um, moreover because of practical constraints in union membership there is a sizeable workers looking for jobs in construction need to find alternative paths. With that said, the council should consider legislation that would create an elevated minimum wage with benefits for construction projects to receive government assistance. Under this model, if a site receives government assistance workers on the site would be guaranteed to be paid a wage and benefit that exceeds the minimum wage. Such a policy should also include local hiring requirements, as well as reporting and disclosure requirements to provide transparency as to who is working on the job site. Ah, REBNY stands ready to work with the council to help create good jobs for

2 all workers, and we appreciate the opportunity to
3 testify today. Thank you, Chair Ayala.

4 CHAIRPERSON AYALA: Thank you, Ryan.
5 Ryan, do you have any idea, and I'm, I'm, forgive my
6 ignorance, but what responsibility, if any, does the,
7 the developer, ah, share in identifying this practice
8 is not happening on their work sites?

9 RYAN MONELL: Yeah, we appreciate the
10 question. Um, you know, from my knowledge we don't
11 have any members, at least with REBNY that, um, are
12 participating, ah, and utilizing labor from body
13 shops. Um, with that said, if it, it is something
14 that is found to be, um, occurring on job sites, ah,
15 we should work with the city and with the council in
16 particular to make sure that the protections of those
17 workers are upheld and that any illegal practices is,
18 um, is stomped out. Um, we think that we could also,
19 you know, potentially help, ah, in particular
20 formerly incarcerated individuals and, and those
21 from, um, you know, disenfranchised communities, ah,
22 to, to have an entrée into, um, construction, ah,
23 through other non-for-profits that are actual doing
24 very good work across the city. One is actual, has
25 been very successful in your district, that's

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Building Skills New York. Um, they've placed about 1000 individuals over the last two years in, in good construction jobs, ah, some that have led to, ah, opportunities in, in union, ah, trades, um, and we want to continue the work with the council, ah, to find, um, opportunities, um, for more and more individuals. So it's a matter of helping not only, ah, find opportunities for investigation into illegal practices, but also identifying, ah, those organizations in, in the city, as well as, ah, many of our members who are working to try to find opportunities for New Yorkers, um, to, to get into the construction fields.

CHAIRPERSON AYALA: Thank you

[inaudible], thank you.

COMMITTEE COUNSEL: Thank you, Ryan.

Next we have Michael Negron, followed by John Simmons, and then Fredy Santiago. Michael?

SERGEANT AT ARMS: Time starts now.

MICHAEL NEGRON: Good morning. Thank you for the opportunity to speak today. My name is Michael Negron, and I used to work for a body shop called SLG Construction. Body shops in New York City are targeting black workers with histories of

incarceration, people like me. These body shops offer us empty promises of gainful employment and chances of advancement. They are profiting off our labor and paying us less than the value of our work. Working for a body shop is like being held hostage to the pay and work conditions dictated to us. For many body shops, workers failing to be employed is a parole violation that can get you sent back to prison. That work requirement makes us especially vulnerable to exploitation by body shops. We are paid low wages while body shops get rich. SLG worked for some of the largest nonunion general contractors, including Gilbane, Triant, and TG Nichol. SLG charged nearly twice my pay rate for every hour I worked. My boss at SLG acted like he was doing me a favor by allowing me to work on dangerous construction sites, breaking my back at low wages. SLG's management constantly diminished us, even once trying to stop me from using the public bathroom. But SLG's management was leaving the clean rest room they directed me to use a dirty temporary facility. I felt like being told I was a separate and not equal. SLG knew how to hold my criminal history over my head. But my coworkers and I started to speak up

for ourselves. I knew there was a risk to me being fired, but I took it standing and tried to organize. I reached out to coworkers, attended organizing meetings, and helped run a petition drive to advocate for better wages for all SLG employees. SLG illegally demanded me to stop organizing. When I refused I was fired. Eventually with the help of Local 79 I filed charges with the National Labor Relations Board, which resulted in SLG paying my lost wages. My story is just one example, but it shows how willing, ah, body shops are to degrade black reentry workers. They do not care about our livelihoods, well-being, or rights. Forcing reentry workers into dead-end jobs and body shops is no different than hiding us away in prison. My problems do not disappear when we are forced into the shadows. Many thousands of black New Yorkers who served time in prison are trying to reenter the economy and make a positive contribution to the neighborhoods where we lived and [inaudible]. Nonunion construction is one the few industry where we can find jobs after incarceration. I would ask the City Council to bring accountability to body shops. People leaving prison face many obstacles, but you could take action to

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2 eliminate the exploitation of body shops as one of
3 them. Thank you.

4 CHAIRPERSON AYALA: Thank you so much,
5 Michael, and thank you for coming, um, to testify. I
6 know that this, you know, this is not easy and I'm,
7 and I'm sorry that, that you had to work [inaudible]
8 made to feel inferior to anyone, but I applaud the
9 fact that you didn't allow that to be your narrative
10 and that you took control of the situation and were
11 able to, um, you know, align yourself with such
12 great, you know, [inaudible] Local 79, um, and, you
13 know, I, I, I think fortunately the problem is, um,
14 you're probably the exception and not the rule, and
15 so many people would just give up because they just
16 wouldn't, right?

17 MICHAEL NEGRON: Yeah.

18 CHAIRPERSON AYALA: [inaudible] so much,
19 um, that you sometimes start to believe it, and I, I
20 appreciate your, you know, your ability to come, you
21 know, and, and testify before this body today, 'cause
22 I think, you know, as, as I mentioned before, um,
23 this is really helpful because I think that others
24 that are in, in similar situations will see this,
25 right, and, and feel empowered...

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2 MICHAEL NEGRON: Yeah.

3 CHAIRPERSON AYALA: ...[inaudible] you
4 know, not only were you able to get yourself out of
5 the situation, but you're creating, you know, a, an
6 environment, um, that tells others that it's OK to
7 speak up and that we shouldn't have to sit and take
8 it, um, and we're hoping that through, you know,
9 through, through legislation at the City Council that
10 we'll, we'll be able to work, you know,
11 collaboratively, ah, to make sure that what happened
12 to you, ah, and what happened to Tierra doesn't
13 continue to happen to anyone else. So thank you so
14 much for your testimony.

15 MICHAEL NEGRON: Yes, definitely, there's
16 a whole bunch of people that, you know, put in the
17 same position I'm put in and they're scared to speak
18 up 'cause, you know, they [inaudible]. You know,
19 people's living literally, if, if they can, paycheck
20 to paycheck, struggling, you know what I'm saying,
21 and I was one of them. And, um, I spoke up and, you
22 know, Local 79 helped me to the max.

23 CHAIRPERSON AYALA: Well, we're gonna on
24 that big mouth now, you gotta go and [inaudible] all
25 those work sites and educate...

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2 MICHAEL NEGRON: Yeah, definitely,
3 definitely [laughs].

4 CHAIRPERSON AYALA: [laughs] Thank you,
5 Michael.

6 MICHAEL NEGRON: All right, no problem.

7 CHAIRPERSON AYALA: I think John was
8 next.

9 COMMITTEE COUNSEL: Thank you, Michael.
10 Next, yes, next we have John Simmons, followed by
11 Fredy Santiago. John?

12 SERGEANT AT ARMS: Time starts now.

13 JOHN SIMMONS: Good morning. My name is
14 John Simmons. I'm sorry, I'm feeling a little
15 overwhelmed right now just to know there's so many
16 people that's fighting for someone like myself in
17 this situation. I'm a proud construction worker. I
18 want to follow and thank Chairsperson Diana Ayala and
19 the entire City Council for allowing me to, allowing
20 me this unplanned opportunity to shed light on the
21 most wickedest and unfair conditions in the
22 workplace, and that's called the body shops. My
23 story, my story is far from being unique.
24 Unfortunately, many people like myself share this
25 [inaudible] circumstance and pitfall by being

2 affected by the justice system. When we are released
3 from the penal system we all look forward to our
4 releases and becoming productive members of the
5 societies that we live within, only to be welcomed by
6 predatory employees who use our criminal background
7 to disadvantage us. The day I was released from
8 prison I made a personal commitment and promise to
9 myself to never return. I was hungry. I had
10 determination. I wanted success. It didn't take
11 long to realize that the system had something planned
12 for me that, that had something planned, planned for
13 me and those who are like me. I was unemployable in
14 the eyes of society because even though I paid my
15 debt to society, as most of us do, I was still judged
16 by society as being in that carceral state. There
17 weren't many opportunities for me other than low-wage
18 jobs that could not even cover the basics of survival
19 needs. I ended up going to a place called CEO,
20 Center for Employment Opportunities. This is where I
21 was introduced to this thing called the body shop,
22 where they already knew that it didn't matter what
23 type of job I took, as long it would help keep me out
24 of prison and keep my freedom. What is extremely
25 dangerous about these body shops is that they have

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2 very much awareness about our freedom and that it
3 revolves around them. The first stipulation that one
4 receives when he comes from parole, and about 99.5%
5 of people get this, is that you must seek, obtain,
6 and maintain employment. That is the first
7 stipulation. They are also aware that the power of
8 freedom lies in their hands, so they use this to
9 force us into working in unsafe, unhealthy, and
10 unsanitary conditions. They know that we are blocked
11 from working in many industries so they drive our
12 wages down and they deny the needed, they deny us the
13 needed benefits, such as health care. I came home
14 from prison and had a toothache for three years
15 working at body shop. Many of us know that we are
16 not being treated fairly...

17 SERGEANT AT ARMS: Time expired.

18 JOHN SIMMONS: ...but we remain, but we
19 remain quiet because we fear retaliation. And we
20 were, in some cases some of us were probably returned
21 prison on a parole violation. So we just constantly
22 keep quiet. Per New York State law, we cannot even
23 participate in labor protests. There is no real
24 freedom for us and these body shops are aware of this
25 formality. It wasn't until I was introduced to the

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unionized trades that I finally gained my freedom.
Local 79 changed my life. I am able to now be
financially secure. Body shops are a real threat to
people like me. I sincerely beg this town to today
to regulate them and protect these men and women who
only want that second chance at life and be able to
have a life being productive members of this society.
And I thank you so much in advance from Local 79
member, John Simmons.

CHAIRPERSON AYALA: John, we thank you
and, and, and we're looking to do just that, and,
and, and the reason that we're doing that is because
of your advocacy and, and your voice, because, you
know, quite frankly we don't have all of the answers
and we don't always know everything that's happening,
um, and all of the injustices that are being
committed against New Yorkers and, and the most, you
know, the, the, the impacted communities. Um, and so
I, you know, want to thank you from the bottom of my
heart for coming, you know, um, and testifying today,
and again for uniting your voice, um, with that of,
of, of your teamsters at the local, ah, to really
make this, bring this, you know, to, to, to our
attention, um, and, you know, forced us to look at it

2 and to prioritize it, because we want to make sure
3 that, you know, no one gets treated this way. Um,
4 there's no reason why you should have to fear, you
5 know, being incarcerated because, you know, people
6 are exploiting you, um, in, in that way. I'm happy
7 to hear that your situation has gotten better, um,
8 and I'm happy to hear that you are now a part of the,
9 ah, the Local, um, 79 team. Um, I think, you know,
10 the world of them and, and thank you, and we're here
11 and we have your back, so I, I want you to know that
12 you're not alone. Um, you have a lot of really great
13 council members on this body. Ah, Council Member
14 Chin has been with, you know, ah, Council Member
15 Yeager, um, who are here, ah, to be, to try to be
16 helpful and so your testimony today will help us to
17 kind of figure out what that help looks like and
18 what, you know, what we are able to do to help.
19 Thank you.

20 JOHN SIMMONS: Thank you so much.

21 COMMITTEE COUNSEL: Thank you, John.

22 Finally, we have Fredy Santiago next. He will be
23 giving his testimony in Spanish and after his
24 testimony an English translation will be provided.
25 Fredy, please begin.

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SERGEANT AT ARMS: Time starts now.

FREDY SANTIAGO: [speaking in Spanish]

SERGEANT AT ARMS: Time expired.

FREDY SANTIAGO: Thank you.

NIBIA COYOTE: Mucho gracias, Fredy. Um,

I'm gonna translate for him. Um, good afternoon,

members of the Committee on Consumer Affairs and

Business Licensing. My name is Fredy Santiago

Salvador. I'm an immigrant from Guatemala. I live

in Jackson Heights, Queens, and I'm a member of the

organization New Immigrant Community Empowerment,

NICE. I am grateful today to have the opportunity to

testify on employment agencies. These agencies,

whose abuses, services, and practices continue to

negatively affect us as consumer and as new

immigrants to New York City put many of us on the

brink of survival. As a consequence of the crisis

which was caused by the COVID-19 pandemic I lost my

job as a bus boy in a restaurant a year ago. At home

I was not the only one who lost a job. My nieces

haven't worked, either. We were all anxious about

how we were going to survive. So I began to look for

employment opportunities from whatever jobs were

available in cleaning or construction whenever an

immigrant can find work. In November of 2020 with the financial pressure of debt and desperation I found an add in the newspaper [speaking in Spanish] which indicated that they were looking for people to do cleaning work with a salary between \$18 and \$25 per hour. I was hopeful, so I called the numbers in [inaudible] and went to the address only to find employment. Once I arrived at the location I noticed the advertised agency was operating out of a gun store. At the moment I learned the name of the agency, Dynamic Safety Solutions Training, which is located at 4701 Van Dam Street, Long Island City. My two nieces and I communicated with the person in charge in Spanish and they promised us multiple jobs. For the cleaning job they asked to pay \$160 for a uniform in advance and additionally we had to pay for the OSHA course, an amount of \$140 in advance. Both my nieces and I paid the full amount of \$300 each one and we waited for a month for the OSHA class and for a call from the agency to place us in the cleaning job. In total we paid \$900 to the agency, and even though we received a handwritten receipt and a document with the description of the services to confirm our transaction, this employment agency never

found us a job, never trained us, and never gave us the uniforms we paid for in advance. They didn't follow through with any of their promises. On several occasions I went back to the agency to inquire, but found on one. What I did find were many other Latino immigrants in similar circumstances, desperately looking for work, affected by the economic crisis and the pandemic. None of them listened my warning, falling into the same networks of deception. When I called the police they told me they couldn't do anything. When I called 311 they couldn't help me either. The result is that we lost money and with it the hope of going back to work during these dire times. \$900 is a significant amount of money for us, especially after losing my job due to the pandemic. When I went to the agency I thought I supporting my nieces to find a dignifying job after months of without earning an income. The devastating reality, without knowing, is that I made them victims of this deception. Now I want to prevent more members of my community from falling into this trap and losing their money and their hopes. Members of NICE have fought for years to pass the law that prevent agencies from asking for fees

2 before are locating jobs. Today I come to demand the
3 enforcement of the Justice for Job Seekers bill and
4 that justice be served and no one more person to
5 suffer from these abuses. No one more immigrant
6 worker. Thank you very much.

7 CHAIRPERSON AYALA: [speaking in Spanish]

8 Um, I, I wanted just to say thank you to Fredy for
9 coming to testify. And I have a, a couple of
10 questions for him. But before we lose John, I think
11 that we lost Michael, um, I want, ah, John, are you
12 still, are you still with us? Can you hear us? I
13 know it seems like he was working. John? No, well,
14 we'll keep trying. Um, ah, Fredy [speaking in
15 Spanish]

16 FREDY SANTIAGO: [speaking in Spanish].

17 CHAIRPERSON AYALA: So the, the question
18 to Fredy was really, um, you know, he, he, ah, in his
19 testimony stated that he contacted 311, um, to file a
20 complaint, a formal complaint. Um, so I was asking
21 if by virtue of that call there, was any follow-up
22 from any city agencies and he did receive, um,
23 communication, um, or at least was referred to an
24 attorney, um, but he, he is saying that he also did
25 not hear back from them. [speaking in Spanish] So my

1 apologies to, to Fredy, um, you know, we're working
2 really hard through, through the committee, um, to
3 try to figure this out and come up with a
4 legislative, um, you know, remedy to this, um,
5 because, you know, no one should have to go through
6 that, but to have to, you know, further be victimized
7 in the midst of a pandemic when, you know, obviously,
8 you know, money is so scarce, um, it's, it's really
9 just is criminal, um, in nature is what it is. Um, I
10 happy that John, I see that John is back. John,
11 um...

13 JOHN SIMMONS: I, I was here. I just
14 couldn't answer. I'm, I'm still here.

15 CHAIRPERSON AYALA: Yeah, OK. I kind of
16 figured, we, I, I saw you. Um, so can you, can you,
17 since you were, um, recently employed, um, or not,
18 not that long ago, could you tell us, I'm sure it
19 probably predates the, the pandemic, but were any,
20 who provided, who on the worksite was responsible for
21 providing, um, the tools necessary for you to do the
22 job. Um, who was directing the work on the site?

23 JOHN SIMMONS: Um, as far the PPE,
24 personal protective equipment, um, the contractor is
25 supposed to provide us with everything except for

work boots. Um, you know, face masks, respiratory [inaudible] N95 masks. Um, that is supposed, um, supplied to us by the contractor. A lot of times, a lot of times, especially during the pandemic, they didn't have, it was hard to get, you know, like, um, masks and everything, ah, N95 masks. So, um, my company who I worked for at that time, which was a subcontractor to the body shop, um, Marin Laborers, um, they supplied us. They brought the masks out and everything else. Um, as far as the tools on the job all tools comes from your, um, contractor, GC, the general contractor. Um, basically, PPE, PPE, the only thing that you're responsible for is your steel toe boots. Um, everything else should be provided by, ah, for you by the contract.

CHAIRPERSON AYALA: OK.

JOHN SIMMONS: Ah, sometimes they say, you know, now, now, now being with the union, um, I know, you know, like my hard hats and everything else is provided by the company I work with. But before that I was responsible for my own hard hat as well.

CHAIRPERSON AYALA: Hmm. And who on the work site was, ah, was responsible for directing the to work on, on the site?

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2 JOHN SIMMONS: Um, well, we would, we
3 would come on the site and we would, I was, ah, I was
4 actually a foreman with the body shop. Um, I was
5 actually a foreman with the body shop, so I would go
6 on site and, um, I would actual take, um, my
7 directive from the supers, the project managers, ah,
8 the assistant supers, and then I would let the guys
9 know what we had to do for the day.

10 CHAIRPERSON AYALA: Are foremans trained
11 differently than, than regular workers?

12 JOHN SIMMONS: Um, well, well, to be
13 honest, I, I, um, I learned a lot of my skills. Um,
14 one thing about being incarcerated and being in
15 prison is when you're there they do have a lot of
16 trades in, in the prison system, and the female
17 system. So I took a lot of, um, you know, I took a
18 lot of like, you know, trades, um, in my years of
19 being incarcerated and, um, when I was released, ah,
20 you know, I had skills in the construction industry
21 just from, you know, doing the courses while I was
22 incarcerated. But actually when I went to the body
23 shop, when I went to the body shop they hired me with
24 no training at all. They didn't know if knew a flue
25 from a shovel. They didn't know if I knew a, a

1 hammer from a screwdriver. They, they, I went to see
2 the [inaudible], introduced me to the body shop.
3 They did some type of online, um, application, filled
4 it out, and I was working. Um, but, you know, as I
5 said, I, I had so much experience with working, you
6 know, [inaudible] instruction just by the trades and,
7 and knowing that I advanced pretty, pretty fast. But
8 even in advancement I was still, I was still
9 underpaid. Um, I was still being used. I was still
10 at a disadvantage. Um, but they, they hire guys with
11 no training at all, I mean, and, you know, as a
12 foreman, as a foreman [inaudible] when guys came to
13 work with me they didn't know anything about being on
14 a construction site and, and that's one thing I have
15 to say as well as with, ah, Local 79, I'm proud, I'm
16 happy, and I thank them so much. I'm so grateful
17 today because I know that they have apprenticeships
18 classes and they have, you know, [inaudible] and they
19 have everything else to train you before they put
20 you, you know, out in the field, because, you know,
21 [inaudible] police officers and the firemen, being a
22 construction worker, no matter what title you have on
23 the construction site, it's a dangerous job. It's
24 very, very dangerous. You know, you have a lot of,

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2 you have a lot of pitfalls on a construction site and
3 if you're not properly trained, I seen a lot of guys
4 get hurt when I was the body shop, and, and, you
5 know, I was so scared, I didn't mean to cry, I didn't
6 mean to...

7 CHAIRPERSON AYALA: No.

8 JOHN SIMMONS: Um, but that tested my
9 feelings. I'm, I'm very passionate and especially to
10 know that there's so many people out there trying to
11 help, you know, people like myself. Um, but I've
12 seen many people get hurt and the thing that hurt me
13 about, I even got hurt, you know, when I was with the
14 body shop and if it wasn't for, for me being such a
15 hard and good worker I would probably be in debt, you
16 know, like with medical bills right now, but the GC,
17 the general contractor, offered to pay all my medical
18 bills, or, you know, I didn't have insurance or
19 anything. So, you know, I even got hurt. So, you
20 know, it's, it's very pertinent, it's very pertinent,
21 very important that, that, you know, as I said
22 before, something be done about the situation of them
23 taking advantage of people like myself. It's,
24 it's...

25 CHAIRPERSON AYALA: Absolutely.

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JOHN SIMMONS: I mean, you know, I, I heard some of the people saying they heard about it. They, you know, I lived it, I lived it. I actually lived it and, and that's why I'm so passionate because people are trying to do something to make a difference. I lived it. And it's, it's unfair, it's unfair to, to so many people. It's, it's hard. It's, you know, I heard, I heard Tierra Williams say, you know, um, you know, about her son. You know, I, I, you know, I came home, you know, you come home from prison from doing 10, 15 years and you get a job making \$15 an hour. That, that 15 years you was gone everything, inflation, everything went up. You can't, you can't survive. You can't live no kind of a, thank you.

CHAIRPERSON AYALA: No, I, I appreciate that. Thank you so much, John. This is...

COMMITTEE COUNSEL: Chair, I see Tierra Williams has her hand up as well.

CHAIRPERSON AYALA: Thank you. Tierra, go ahead.

TIERRA WILLIAMS: Hi. I just wanted to real quick piggy-back up off of what John was saying. I worked on an open shop job when I got into the

union, first job I've ever had in a union, and I loved it. I learned a lot of stuff that I didn't know when I was nonunion. But you can definitely tell the, the major differences between the companies, because an open shop job is when you have union and nonunion contractors working on the same job 'cause they, um, you know, come to agreement to have certain trades that are union and nonunion work on the same job, right? I fell on the job and I was injured, um, to where my right leg went dead and there were two contractors on the job, one union and one nonunion. The nonunion job contracting prevailed over the union contract on the job, and if I wasn't a union worker I would have been completely screwed. So I fell down the steps on some ice, um, due to weather conditions, and, um, when I fell down the steps I could not walk. They had to carry me from the 62nd floor to the hoist all the way downstairs. They tried to make me walk from the nurse's office to a cab and I then found out that if I would have walked from there to the cab it would have limited the liability of the company, right, and they were just basically trying to cover themselves. But as a union member I have a business agent. At the time it

1 was Nicky and he came and he said Tierra, sit here,
2 we're gonna have a, they refused to call me an
3 ambulance. I had to, Nicky was there in less than 20
4 minutes, maybe less than 10, he got there really
5 fast. But if it wasn't for Nicky as my union
6 representative for me that day I wouldn't have known
7 what my rights were. You know what I mean. So I
8 would have walked there, I wouldn't have been able to
9 get on the ambulance, I wouldn't have be able to be
10 rushed into the hospital. If I would have went in a
11 cab I would have been sitting in the emergency room
12 for hours. You come in through the ambulance the, I
13 didn't know the company had to pay for it. If I
14 would have went in a cab I would have had to pay for
15 it through my own insurance, you know what I'm
16 saying. So there's a lot of things that people don't
17 know, and myself as a, um, intern with the organizing
18 department and it's my job now to educate them based
19 on the experiences that I have, based on all the
20 things that I'm, I'm learning. Um, I don't frown
21 upon people that work nonunion 'cause a job is a job
22 and you need it, you know what I mean? You need to
23 work for your family, you need to provide for
24 yourself. You need the work to stay free. I know
25

I've worked along a lot of people that although work in nonunion they still were committing other crimes or, or, um, doing other things for other incomes that weren't legal and were risking their freedom all over again. And even as a union we pay dues and stuff like that, too. It's not like they're robbing us, but we're paying for representation and know what are rights are, unlike these people who are taking half of our money, not representing us, and just putting us out there just to, you know, um, survive alone. It's lot like you didn't know different tools. I didn't know a nail from a screw at the time. Like I didn't learn anything working with Trade Off. And they just threw me out there and it's really, really dangerous, and if you don't know what you're supposed to be doing, you're supposed to have someone teaching you, and then when things happen you're supposed to have a representative and as a union that's what they provide for you. And, um, me learning that is pushing me to teach everyone else that I come encounter with that is nonunion, and I've met over, I've met almost 200 nonunion workers that I, I, I speak to on a regular basis and I show up at their jobs. Things happen. I let them know what, um, is

1 supposed to happen, what's not supposed to happen,
2 what things can be done, and I am very blessed to be
3 here, to be able to represent for them and to be able
4 to talk to them and teach them what they're supposed
5 to do, 'cause other than that there's not too many,
6 there's no one on their job to do that and I was
7 lucky enough that when I was nonunion I had 79 on the
8 job with me. Mike Battle was my first friend. Um,
9 he was a shop steward and he was the only one that
10 taught me. Um, I've never been a mason tender, but I
11 know how to tend the masons because he taught me
12 while we were working nonunion, and I've been blessed
13 to do so through my union. It's not that I, I don't,
14 I don't praise them because these are the people
15 that, um, pay me. I praise them 'cause these are,
16 these are my friends, these are my family. My, my
17 work is my family. My home is my family. And they
18 both coexist together. I've been able to provide for
19 them. I've been able to spend time with them when I
20 working nonunion. I was working 6:00 in the morning
21 to sometimes 10:00 p.m. at night. I didn't have a
22 real work schedule. They called me and whatever I
23 was working, Monday through Sunday. Some people
24 don't get to live a life, especially when they, they

1 come out of prison, so you want them to have the
2 available freedoms that there are, um, financially,
3 and, um, being able to sustain themselves, you know,
4 have some type of stability for their families, and a
5 lot of these formerly incarcerated people and women
6 with children and black and brown immigrants do not
7 have that. And through the unions we have that. So
8 I don't, honestly I'm baffled that this is a argument
9 anymore, like, um, I'm only 32 and I haven't been in
10 that long, but it's upsetting that this is still an
11 argument as to why these things are in place and why
12 they should be, why they are necessary.

14 CHAIRPERSON AYALA: Tierra, I'm gonna
15 assume that the answer is no, but did you ever see a
16 bill of rights posted, um, anywhere on these work
17 sites, or did maybe Michael [inaudible]?

18 TIERRA WILLIAMS: I've seen one, but it
19 was on a union site. Nonunion, no.

20 CHAIRPERSON AYALA: Thank you, OK.
21 That's helpful. Um, thank you so much for that. Ah,
22 Commissioner Salas, is there, is it possible for, ah,
23 someone to follow up with Fredy?

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2 COMMISSIONER SALAS: Yes, certainly. I
3 wrote down Dynamics, but I need a little more. So,
4 yes, we will follow up with Fredy and with NICE.

5 CHAIRPERSON AYALA: Fredy, um, [speaking
6 in Spanish] Thank you.

7 COMMITTEE COUNSEL: Chair, I also see
8 Council Member Chin has her hand raised to ask a
9 question.

10 CHAIRPERSON AYALA: All right. Ah,
11 Council Member Chin, nice to see you.

12 SERGEANT AT ARMS: Time starts now.

13 COUNCIL MEMBER CHIN: OK. Thank you,
14 Chair. Um, I really want to thank, um, um, all of
15 you for testifying today and really alerting, ah, to
16 this really important issue. Um, and I think in the
17 council we will find a way, ah, to really help
18 protect these workers. Um, I mean, the story it's
19 just heartbreaking, and I wanted to ask, um, I know
20 like, ah, who said, James, who testified before, ah,
21 Tierra, um...

22 CHAIRPERSON AYALA: John.

23 COUNCIL MEMBER CHIN: Oh, John? Yeah.

24 UNIDENTIFIED: Yes.
25

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2 COUNCIL MEMBER CHIN: Yeah, I, I guess
3 when you're working on the site, um, were that the
4 union that were there, were they sort of like, how,
5 how did they recruit you to really get you into the
6 union?

7 TIERRA WILLIAMS: So, um...

8 COUNCIL MEMBER CHIN: I know they, yeah,
9 and you work on a site that's union and nonunion.
10 How do you encounter them? Were they, did they have
11 the opportunity to really talk with you and get you
12 into the union or get you into a program in the
13 union?

14 TIERRA WILLIAMS: With me I was, Mike
15 Battle was the shop steward at the time and he worked
16 as an, kind of like an organizer there...

17 COUNCIL MEMBER CHIN: Oh, OK.

18 TIERRA WILLIAMS: ...but he was letting us
19 know, um, of all our rights. Right then and there
20 that's how I learned of the union. That's how I
21 learned of 79, and then, um, 79 has, they, they open
22 the doors, um, to get into every couple of months. I
23 think it was maybe once or twice a year at the time,
24 and he would let us know when to apply for the job.
25 And, um, I applied for it before and then after that

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2 I had an issue with, um, with, um, the nonunion
3 worker. Me and Mike spoke about it and he was just
4 educating me on how many unions there were and then
5 he introduced me to programs like New and now we just
6 started spreading the news. It was more so like a
7 word of mouth thing, nothing like oh come over to the
8 union. You can just get in. Ah, not like, you know,
9 there wasn't, he was just letting us know that there
10 was other routes. He didn't just drag us over. He
11 educated us.

12 COUNCIL MEMBER CHIN: That's good. Yeah,
13 'cause that's another group that, that the council
14 support, which is New. Ah, training for women,
15 especially, um, in the construction industry. Um, so
16 John, how did you get contact with the union?

17 JOHN SIMMONS: Um, I, I got in contact
18 with the union. I went through a apprenticeship
19 class for [inaudible]. Um, I, I actual went online
20 and I was one of the 2000 people that they were
21 bringing into the classroom, their apprenticeship
22 three-year program and, ah, that's how I actual, I
23 mean, I've always known about the union, you know,
24 um, for years and, um, you know, that's what I wanted
25 to be coming home. As I said, I came home determined

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not to return to, um, prison. I was hungry. I wanted to be successful. I wanted to remain free. I wanted to be a productive member of my society. And, um, so when they put the, ah, the Lotto pick out I, um, went straight, ah, I went down there, I, I filled out the application on line. They gave me a number. I went, I got in. Um, I did the classes, and I actual didn't come into the union after the classes because at that time I got a, I got a job working for another job as a foreman, ah, making 30-something dollars an hour with another construction company. And so I went there. But when I got there it just didn't work out. They didn't have the benefits there as well. I was making more money, but I had no, no coverage, I had no benefit. So, um, I just stayed in contact the people that I met in Local 79 and, you know, I guess they, they knew my heart. They knew my, my ways, and they believed in me and I, I'm grateful, and I just thank them so much. They're my family, as Tierra said. I, I love everyone in Local 79. You know, it's, it's not every man for himself, as everyone stands together, you know, and I love. It's just, nobody, nobody, nobody cares about, um, nobody cares about our past, you know, if you're

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2 willing to do something different and make it right,
3 they stand for you. And that's what reentry is all
4 about.

5 COUNCIL MEMBER CHIN: That's great.

6 John, when, when you were testifying you said that
7 you went to a group called CEO and then they referred
8 you to a body shop?

9 JOHN SIMMONS: Ah, that's...

10 COUNCIL MEMBER CHIN: What is the CEO,
11 which?

12 JOHN SIMMONS: CEO was Community
13 Employment Opportunity. Um, and I went there, and I
14 went there and I think I getting a check every day
15 for about \$50, or \$47 after taxes. Just enough, just
16 enough to get to work every day. Um, and, you know,
17 they was talking about getting everybody jobs and
18 from there I was introduced to the body shop, ah, for
19 a construction job.

20 COUNCIL MEMBER CHIN: And we should find
21 out...

22 SERGEANT AT ARMS: Time.

23 COUNCIL MEMBER CHIN: ...who, what CEO is.
24 I think, Commissioner, like what kind of organization
25 is that, that refer people to predatory employers? I

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2 mean, I think we should definitely take a look at
3 that, um, to make sure that there are legitimate, you
4 know, nonprofit organizations that could help people
5 with reentry and referring you to, um, good jobs, not
6 like referring you to these, ah, body shops.

7 COMMISSIONER SALAS: Certainly, and I,
8 and I think that we should probably like also work
9 together with MOCJ or, ah, Mayor's Office of Criminal
10 Justice, um, and, and, and think about this
11 strategically, yes.

12 CHAIRPERSON AYALA: Um, I'm looking at it
13 now, I mean and, um, and they're still advertising.
14 Um, I mean, their advertisement says 600,000
15 [inaudible] come home from prison every year. With a
16 job and support they have a chance to succeed. CEO
17 provides scalable solutions. It's pretty, you know,
18 attractive. I'm, I'm gonna assume if especially, um,
19 coming home and, you know, in desperate need of a
20 job.

21 COUNCIL MEMBER CHIN: But then I think,
22 ah, Chair Ayala, I just got a message from our
23 council staff that we need to check into whether City
24 Council give funding to CEO. If that is the case we
25 have to, ah, you know, call them in, what are you

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2 doing, why are you referring people, um, to this type
3 of employment. So we definitely will take a look at
4 that.

5 COMMITTEE COUNSEL: Ah, Council Member,
6 um, Nibia Coyote from NICE has her hand raised as
7 well. She may want to add to this discussion.
8 Nibia?

9 NIBIA COYOTE: Thank you so much. Ah,
10 yes, we wanted to add that, um, we also have several
11 more, several more cases from, ah, for this agency,
12 Commissioner Salas. We have all their information.
13 We have, ah, photos of the receipts and other
14 contracts from these Dynamic Safety, ah, Training
15 School and we also are aware about the CEO, how it,
16 it's run and, and it's, it's really, ah, a humungous
17 case. Um, but we would like to share that and, ah,
18 that we can share with you, ah, all this information
19 because we have been tracking the cases like Fredy
20 for this specific place and that NICE obviously is
21 mainly working with undocumented workers, providing
22 training and other workforce, um, development, ah,
23 services because this is a community that's also very
24 much affected by all these inequities in the
25 construction industry.

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2 CHAIRPERSON AYALA: Um, absolutely.

3 We'll, we'll take you upon that offer. Thank you so
4 much.

5 COMMITTEE COUNSEL: Thank you. Ah, if we
6 have inadvertently missed anyone who was registered
7 to testify today and is yet to be called please use
8 the Zoom raise hand function at this time and you
9 will be called on in the order that your hand was
10 raised. Seeing no hands raised, I will turn it over
11 to Chair Ayala to offer closing remarks. Chair?

12 CHAIRPERSON AYALA: Yeah, um, so I'll
13 brief. I just really wanted to just say thank you,
14 um, to all of you for coming and we really look
15 forward to working collaboratively to finding, um, a
16 solution to this together, um, and ending this, these
17 exploitive, ah, practices, ah, throughout the city.
18 Um, and with that, ah, this meeting is adjourned.

19 UNIDENTIFIED: Thank you, Chair Ayala.
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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 9, 2021