

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CIVIL SERVICE AND LABOR

----- X

APRIL 29, 2021
Start: 9:00 A.M.
Recess: 9:15 A.M.

HELD AT: REMOTE HEARING VIRTUAL ROOM 1

B E F O R E: CHAIR I. Daneek Miller

COUNCIL MEMBERS: I. Daneek Miller
Ben Kallos
Francisco Moya
Farrah N. Louis
Adrienne E. Adams
Eric Dinowitz
Eric A. Ulrich
Helen Rosenthal

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

1 COMMITTEE ON CIVIL SERVICE AND LABOR

3

2

3 SGT. BRADLEY: PC recording is under way.

4 SGT. LEONARDO: Cloud recording is up.

5 SGT. MARTINEZ: Backup is rolling.

6 SGT. BRADLEY: Sergeant Leonardo, you may
7 begin with the opening.

8 SGT. LEONARDO: Good morning and welcome
9 to New York City Remote Council hearing for the
10 Committee on Civil Service and Labor. At this time,
11 we ask that all Council and staff turn on their video
12 for verification purposes. To minimize disruption,
13 please place all cell phone and electronic devices to
14 silent or vibrate. Thank you. Mr. Chair, we are
15 ready to begin.

16 CHAIR MILLER: Thank you, Sergeant. Good
17 morning. I'm Council Member I. Daneek Miller, Chair
18 of the Committee on Civil Service and Labor. Today,
19 we will be voting on two important pieces of
20 Legislation related to retirement, private retirement
21 savings plan, Proposed Intro 888 sponsored by Council
22 Member Kallos, would establish a retirement savings
23 program for self-employed individuals and employees
24 of private entities. Proposed Intro 901 introduced
25 by myself would establish a Retirement Savings Board

1 COMMITTEE ON CIVIL SERVICE AND LABOR

2 to oversee the city's retirement saving plan program
3 established in Intro 888. For these same employees
4 and individuals, together both of the Bills will go a
5 long way towards expanding retirement benefit
6 coverage for the city's private workforce.

7 Retirement savings plans are essential to the way
8 workers retain financial security when they exit the
9 workforce. These plans are most frequently joined as
10 part of individual employee benefits. They allow
11 employees to contribute and give an amount of their
12 income to a pension fund, then it becomes available
13 to them once they stop working. As of July 2019,
14 there are over 4 million private sector jobs in New
15 York City and a substantial number of them lack any
16 sort of retirement coverage. In fact, a 2016 report
17 found that one-third of all workers 25 to 64 in the
18 city of New York were participating in employer
19 sponsored work retirement plan at all. The two Bills
20 that we are hearing today would work to expand
21 retirement benefits for workers that are currently
22 lacking this regard. Proposed 888 would create a
23 mandatory auto-enrollment IRA program for employers
24 who have five or more employees and do not currently
25 offer a retirement savings program. My Bill, 901,

1 COMMITTEE ON CIVIL SERVICE AND LABOR

5

2 will create a three-person Board to oversee the
3 implementation of this program. The Board will
4 consist of three appointees who would be tasked with
5 responsibilities such as determining the date of the
6 program, entering into contract with financial
7 institutions and Administrators, establishing process
8 for employees to leave the program or individuals to
9 join the program, conducting an education and
10 outreach to employers and employees. The Board would
11 also work with the Council on investment strategies
12 and policies, although this Legislation would take
13 effect 90 days from the passage of the Bill, the
14 Board itself, would have to two years to implement
15 the Retirement Savings Program. While private sector
16 employees are usually automatically enrolled in
17 retirement programs as mandated by law, the same
18 protections do not extend to those in the private
19 workforce. So, it is important to note that these
20 Bills are not binding on workers, they merely grant
21 eligible employees and individuals an extra option to
22 participate in a flexible retirement savings program
23 while at work. As such Proposed Intro 888 and 901
24 attempt to cover a large gap in the cities workforce
25 who don't have an employee sponsored retirement

1 COMMITTEE ON CIVIL SERVICE AND LABOR

2 program. It's important to offer the city's private
3 employees this option to save for the future,
4 especially given the financial insecurities that we
5 are facing right now. I urge all my colleagues here,
6 both on Committee and in the general body to support
7 this Legislation. I'd like to thank my staff, Chief
8 of Staff Ali Desunajad (SP?), John Watty (SP?), Joe
9 Goldbloom (SP?), and Committee staff, Newsack (SP?)
10 Tom and Nevin (SP?). I'd also like to thank my
11 former Legislative Director, Brendon (SP?) for the
12 work that he's has done on this Legislation as well.
13 I'd like to recognize my colleagues that are here
14 today. Council Members Moya, Louis, Adams. I'd like
15 to welcome Council Member Dinowitz and Council Member
16 Ulrich is somewhere around. So, with that, and
17 Council Member Rosenthal, that I'd like to give the
18 sponsor of Intro 888. I see that Council Member
19 Kallos is onboard this morning, and I'd like to give
20 him an opportunity to speak to his Legislation.
21 Council Member Kallos.

22 CM KALLOS: Good morning. New Yorkers
23 should have a right to retire with 4 million workers
24 in New York City, one of the wealthiest cities in the
25 world with millionaires and billionaires, two-thirds

1 COMMITTEE ON CIVIL SERVICE AND LABOR

7

2 of our workers don't have access to retirement plan
3 through their employers. Passing these introductions
4 to create retirement security for all will do just
5 that and help between one and half million and 2
6 million New Yorkers have access to retirement.

7 Before I became a City Council Member, I worked as an
8 ERISA attorney dealing with employer retirement and
9 this is something I've been working on for quite a
10 while, long before I was a Council Member and one of
11 the reason I actually ran for office is because in
12 the Delphi Bankruptcy, GM spun off its failing auto
13 parts, paid it's Executives with golden parachutes in
14 the millions and then said they couldn't pay their
15 employees retirement accounts and that was the wrong
16 way to stabilize people's ability to retire, and so,
17 we've been working on this. Chair Daneek Miller
18 actually held the first hearing on this topic in this
19 City Council to do a study on the issue, and as they
20 did the study, we found that we could do this. He
21 did this working with our Public Advocate, Tish James
22 and Tish James actually authored both of these Bills
23 in concert with the City Council and when we lost her
24 to the Attorney General's office, we couldn't be
25 happier and the two of us have been working together

1 COMMITTEE ON CIVIL SERVICE AND LABOR

2

3 to carry this Legislation and to get it across the
4 finish line. I will tell you; it has been a long and
5 sorted trip. The ERISA regulations don't prevent
6 this. With that being said, we still had to work
7 with the Obama Administration to adopt regulations
8 which ended up just becoming guidance documents that
9 said we could, in fact, do this. This happened at
10 the end of the Obama Administration. We provided
11 testimony to the employee benefits, EBSA, and we're
12 able to get guidance on regulations. Unfortunately,
13 as everybody knows, we had a very rough four years,
14 and with Trump, we saw Steven Bannon in the White
15 House and from reporting, from Gotham Gazette, we
16 learned that the top ten list on Steve Bannon's
17 whiteboard was stopping New York City from offering
18 retirement to our low-wage workers, and so Trump and
19 Bannon and Congress literally took an act of
20 Congress, two of them, to stop New York City and they
21 passed House Joint Resolutions 66 and 67 by Wahlberg
22 and Rep Rooney in March 2017, signed by Trump in
23 April to try to stop States and Municipalities from
24 offering these protections. We've been fighting ever
25 since. When Mayor De Blasio ran for President, this
was Legislation that he actually ended up talking

1 COMMITTEE ON CIVIL SERVICE AND LABOR

2 a

3 about in the national arena, and that helped us get a
4 hearing on the Legislation. When we talk about
5 retirement, the National Institute of Retirement
6 Security estimates that the United States of America
7 is facing a 14 trillion-dollar retirement deficit.
8 That is the difference between how much senior have
9 and how much they need, and how much is likely to end
10 up being something that the public tax dollars are
11 going to have supplement, and so, today, as we move
12 forward, under the Biden Administration, I'm
13 incredibly excited. It's also worth noting that the
14 State had said they would do this back in 2018, three
15 years later, it still hasn't happened. The Board
16 still hasn't constituted, and in this case, the City
17 Council, as often, is leading the City, the State,
18 and the Nation by doing this. The great news here is
19 that other jurisdictions are doing this. When we had
20 the hearing, Oregon showed us the way in how they've
21 been able to do it. They've seen this program
22 explode with participation from particularly low-wage
23 workers and it's been a Godsend for them. They're
24 program's only growing with minimal risks to their
25 Municipality, and it's also been incredibly helpful
to workers who now have a mechanism for savings.

1 COMMITTEE ON CIVIL SERVICE AND LABOR

10

2 This will cost small businesses nothing. All they
3 have to do is auto-enroll the folks when they come
4 in. It will be deducted from the payroll
5 automatically and it should be something that can
6 help a lot of people save, and if they choose to
7 withdraw, Oregon presents an interesting model where
8 the first contributions are actually deposited into a
9 cash saving account so that it can be withdrawn
10 without any liability. So, I'm urging my colleagues
11 to vote yes on these two Bills which are working
12 together, and I just want to thank Chair Miller as a
13 labor leader and somebody who has fought for pensions
14 for his workers at his ATU local and for his
15 partnership and brotherhood in this Legislation and
16 so much else. Thank you.

17 CHAIR MILLER: Thank you Council Member
18 Kallos. Thank you for your leadership, your
19 relentness, and stick-to-it-ness on this one as well
20 and thank you for reminding us that we were joined by
21 our Public Advocate, now Attorney General in this
22 struggle to bring retirement savings to those who
23 aren't afforded those benefits at the current time.
24 So, thank you for your leadership. Well ...

25

1 COMMITTEE ON CIVIL SERVICE AND LABOR

11

2 LEGISLATIVE CLERK WILLIAM MARTIN: Yes,
3 sir, good morning.

4 CHAIR MILLER: Good morning, sir. Do any
5 Members have anything to add to the Legislation
6 before we take a vote? No hands raised. No
7 comments. With that, I ask that we take roll on the
8 vote.

9 LEGISLATIVE CLERK WILLIAM MARTIN: Sure.
10 William Martin, Committee Clerk, roll call vote
11 Committee on Civil Service and Labor Proposed
12 Introductions 888(A) AND 901(A). Both items are
13 coupled. Chair Miller.

14 CHAIR MILLER: Proudly vote I.

15 LEGISLATIVE CLERK WILLIAM MARTIN:
16 Rosenthal.

17 CM ROSENTHAL: I vote I. Thank you, I
18 vote I.

19 LEGISLATIVE CLERK WILLIAM MARTIN: Thank
20 you. Adam.

21 CM ADAMS: I vote I on all.

22 LEGISLATIVE CLERK WILLIAM MARTIN: Thank
23 you. Council Member Moya.

24 CM MOYA: I vote I.

25 LEGISLATIVE CLERK WILLIAM MARTIN: Louis.

1 COMMITTEE ON CIVIL SERVICE AND LABOR

12

2 CM LOUIS: I vote I.

3 LEGISLATIVE CLERK WILLIAM MARTIN:

4 Dinowitz.

5 CM DINOWITZ: I vote I.

6 LEGISLATIVE CLERK WILLIAM MARTIN:

7 Ulrich.

8 CM ULRICH: Good morning, and I vote I on

9 all.

10 LEGISLATIVE CLERK WILLIAM MARTIN: Thank
11 you. By a vote of seven in the affirmative, zero in
12 the negative, and no extensions, both items have been
13 adopted by the Committee and that is a full
14 Committee, Mr. Chair.

15 CHAIR MILLER: I thank you so much. I
16 want to thank the Committee for everyone for being
17 here so early to take this important vote. I know
18 that we all have very long days. Once again, I want
19 to welcome Council Member Dinowitz to the Committee.

20 CM DINOWITZ: Thank you.

21 CHAIR MILLER: We do important work on
22 behalf of our city's workforce here at the Committee,
23 and it is a pleasure to have you here to join us in
24 our struggle to support workers. This Legislation
25 will go along way to support our private sector

1 COMMITTEE ON CIVIL SERVICE AND LABOR

12

2 workforce and quite frankly, hopefully take some of
3 the burden off of supporting our future retirees
4 because this is afforded to them now. So, with that,
5 I thank everyone for being here. Once again, I thank
6 staff, Committee staff and my staff as well as
7 Council Member Kallos' staff. With that, I will call
8 this hearing is now adjourned.

9 JOHANNA CASTRO: The live has ended.

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

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 May 30, 2021