

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AND WORKER
PROTECTION

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February 23, 2026

Start: 1:07 p.m.

Recess: 2:33 p.m.

HELD AT: REMOTE HEARING (VIRTUAL HEARING
ROOM 1)

B E F O R E: Harvey D. Epstein, Chairperson

COUNCIL MEMBERS:

Shirley Aldebol

Joann Ariola

Chris Banks

Gale A. Brewer

Carmen N. De La Rosa

Kamillah M. Hanks

Chi A. Oss'e

OTHER COUNCIL MEMBERS ATTENDING:

Kevin C. Riley

A P P E A R A N C E S

Samuel Levine, Commissioner of New York City
Department of Consumer and Worker Protection

Michael Tiger, General Counsel of New York City
Department of Consumer and Worker Protection

Carlos Ortiz, Deputy Commissioner of New York City
Department of Consumer and Worker Protection

Carolyn Coffey, Director of Litigation for Economic
Justice at Mobilization for Justice

Winston Berkman-Breen, Legal Director at Protect
Borrowers

Isaac Goodman, Paralegal at New York Legal Assistance
Group

Jessica Walker, President and Chief Executive Officer
of the Manhattan Chamber of Commerce

Lindsay Vigoda, New York Director of Small Business
Majority

Anthony Pena, National President of the National
Supermarket Association

Christine Hines, Senior Policy Director at the
National Association of Consumer Advocates

Chuck Bell, Programs Director for Consumer Reports
Erik Krause, Stakeholder Engagement Manager of the
Education Debt Consumer Assistance Program at the
Community Service Society of New York

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

Joseph Rebella, Supervising Attorney in charge of
Foreclosure Prevention, Bronx office of the Legal Aid
Society

Benjamin Wolf, attorney at Whiteford, Taylor and
Preston, LLP

Eda Henries, the Founder and Management Principal of
Henries and Company

Andrew Winakor, ProHealth Connect

Christopher Leon Johnson, self

2 SERGEANT-AT-ARMS: Good afternoon, and
3 welcome to today's New York City Council Virtual
4 Hearing for the Committee on Consumer and Worker
5 Protection.

6 At this time, can all participants please
7 turn on their videos and silence all electronic
8 devices to minimize disruption?

9 Chair Epstein, we're ready to begin.

10 CHAIRPERSON EPSTEIN: Hi. Good afternoon,
11 everyone, and I hope you are taking care of yourself
12 during this snowstorm. I appreciate everyone joining
13 us virtually.

14 I'm the Chair of the Committee on
15 Consumer Worker Protection. So, I had to hold this
16 virtual hearing today just because this is an
17 important topic that we wanted to get through, and I
18 really do appreciate everyone's time. Let me thank
19 you for joining our oversight hearing on the Consumer
20 Protection Law, as well as the Introductions 177 and
21 410. I would like to acknowledge some of my
22 Colleagues who are with us today, Council Member
23 Aldebol, we have Council Member Riley as well as
24 Council Member Brewer and Council Member Banks and
25 Council Member Hanks who are with us right now. I'm

2 sure other Members will join us as we go on with the
3 day.

4 You know, the City's Landmark Consumer
5 Protection Law was enacted in 1969 to protect the
6 public from deceptive and predatory tactics. In 2021,
7 the Council updated the Consumer Protection Law
8 protecting New Yorkers from digital and electronic
9 trade practices, you know, really with the growth of
10 online commerce. At the same time, the federal
11 government has failed this responsibility to protect
12 vulnerable New Yorkers. This requires New York City
13 to step up and do more. Tens of thousands of New
14 Yorkers are being victims of deceptive practices and
15 impacts their ability to remain in New York. During
16 the hearing today, we'll examine the DCWP's
17 enforcement efforts to show that every business,
18 whether online, brick or mortar, complying with the
19 Consumer Protection Law, and that every New Yorker
20 across the boroughs have the tools they need to file
21 complaints with City agencies when they're victims of
deceptive and unconscionable business practices.
We'll also be hearing from consumer advocates, legal
service providers, business associations, and other
stakeholders about the emerging consumer protection

2 issues and how might the City Council address them.
3 Choices we make now impact the future affordability
4 of New York.

5 Also have two pieces of legislation we're
6 going to move forward. Intro. 177, which I've
7 sponsored myself, requires DCWP to create and run a
8 program to provide individualized counseling related
9 to federal and state student loan forgiveness, you
10 know, in consultation, Department of Citywide
11 Administration. Also, Council Member Riley's Bill 410
12 requires certain retail stores to accept flexible
13 benefit cards distributed by health insurance
14 providers. I know we heard this bill last year, but
15 we really look forward to a robust conversation from
16 the stakeholders on these two bills.

17 Now, I want to turn it over to Council
18 Member Riley. I know he wants to make an opening
19 statement about his bill, Intro. 410. Council Member
20 Riley.

21 COUNCIL MEMBER RILEY: Thank you, Chair
Epstein, and I just want to congratulate you for
Chairing your first Committee. I'm looking forward to
your leadership within the Committee on Consumer
Worker Protection.

1 Good afternoon, everyone, Chair and
2
3 Members of this Committee. I'm proud to speak on my
4 bill, Intro. 410, the Flex Benefits for All bill,
5 alongside my Colleagues, Council Member Marte, Louis,
6 and Narcisse. This legislation is straightforward. If
7 a grocery store or pharmacy accepts credit or debit
8 cards, it should also accept flexible benefits cards
9 for eligible items. For many seniors and people with
10 disabilities, these OTC cards are a lifeline. They
11 help cover fresh groceries, over-the-counter
12 medication, and other essential health products. Yet
13 too often these benefits aren't widely accepted,
14 forcing residents to travel outside their
15 neighborhoods just to use funds they already have
16 been given. And if they don't use it in time, those
17 dollars disappear. Intro. 410 removes the barrier,
18 expands access, supports our small businesses, and
19 keeps critical benefit dollars in our local
20 communities. As the cost of living continues to rise,
21 we have a dual responsibility to make benefits usable
 where people live. I respectfully urge my Colleagues
 to support this bill, and I'm looking forward to
 hearing from the Administration. I do have to jump
 off, but Commissioner, thank you so much for being

2 here. I'm looking forward to working with you and
3 looking forward to getting your perspective on this
4 bill as well. Thank you, Chair Epstein.

5 CHAIRPERSON EPSTEIN: Thank you, Council
6 Member Riley. I don't know if any other of my
7 Colleagues want to make open remarks before we get
8 started. I don't see any right away.

9 I'm going to thank the Commissioner for
10 being with us today. I'll call the representative
11 from the Administration to testify, you know, the
12 Commissioner Samuel Levine, who is a Commissioner of
13 DCWP. And I'll ask the Committee Counsel to
14 administer the affirmation.

15 Oh, Council Member Ariola, go ahead.

16 COUNCIL MEMBER ARIOLA: I'm here, and I
17 have been here.

18 CHAIRPERSON EPSTEIN: Well, I know. I
19 acknowledged you.

20 COUNCIL MEMBER ARIOLA: I didn't hear... I'm
21 sorry if I did not hear the acknowledgement.

CHAIRPERSON EPSTEIN: I did.

COUNCIL MEMBER ARIOLA: I'm sorry, Chair.

CHAIRPERSON EPSTEIN: That's all right.

All good.

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2 COUNCIL MEMBER ARIOLA: Thank you.

3 COMMITTEE COUNSEL: So, from the
4 Administration, you're all very small, but I believe
5 it is Samuel Levine, Michael Tiger, and Carlos Ortiz.
6 Is that accurate? Great.

7 POLICY ANALYST MELTZER: Do you affirm to
8 tell the truth, the whole truth, and nothing but the
9 truth before this Committee and to respond honestly
10 to Council Member questions?

11 COMMISSIONER LEVINE: I do.

12 DEPUTY COMMISSIONER ORTIZ: I do.

13 GENERAL COUNSEL TIGER: I do.

14 POLICY ANALYST MELTZER: All right. Noting
15 for the record that all witnesses responded in the
16 affirmative, you may begin.

17 COMMISSIONER LEVINE: Good afternoon,
18 Chair Epstein and Members of the Committee on
19 Consumer and Worker Protection. I'll start by asking,
20 can you all hear me okay? Wonderful.

21 My name is Samuel Levine, and I'm the
Commissioner of the Department of Consumer and Worker
Protection. I'm joined today by our General Counsel,
Michael Tiger, and Deputy Commissioner on External
Affairs, Carlos Ortiz. Thank you for the opportunity

2 to testify before the Committee today on enforcement
3 of the Consumer Protection Law and Introduction 177
4 and 410.

5 The New York City Department of Consumer
6 and Worker Protection is the nation's leading
7 municipal enforcement agency, charged with delivering
8 economic justice. We leverage our authority to bring
9 New Yorkers real economic relief and protect them
10 from predatory, deceptive, and unfair practices that
11 violate their rights as consumers and workers. This
12 includes pioneering cutting-edge protections such as
13 the City's Consumer Protection Law, Protected Time
14 Off Law, Fair Workweek Law, and delivery worker laws,
15 including the minimum pay rate for delivery workers.
16 Licensing more than 45,000 businesses across over 45
17 industries, DCWP ensures fair competition and a level
18 playing field for responsible small businesses that
19 are integral to New York City's vibrant communities.
20 DCWP also provides essential services such as free
21 tax preparation and financial counseling to ensure
New Yorkers keep more of what they earn and can plan
for their futures. DCWP is committed to making sure
New York City is a fairer and more affordable place
to live.

Over the last 6 weeks, we have turbocharged our efforts to deliver on this commitment. We filed three major lawsuits where we're aiming to recover tens of millions of dollars for consumers and workers targeted by junk fees, stolen wages, and exorbitant price hikes. We returned more than 5 million dollars to underpaid delivery workers, and we blew the whistle on a scheme by Uber and DoorDash to drive down workers' tips by more than 550 million dollars. We finalized a strongest-in-the-nation rule to crack down on hotel junk fees, which will save New Yorkers more than 45 million dollars every year. We stood alongside Members of this Committee to celebrate the passage of key laws expanding opportunities for street vendors, and protecting gig workers from arbitrary deactivations. And last week, we announced a new data-driven enforcement strategy for protected time off to ensure that no worker in New York City faces illegal restrictions or discipline when they take time off for childcare, health reasons, or other protected needs, including weather emergencies like New Yorkers are facing today. Thank goodness that law took effect yesterday. I am especially proud that

2 we're identifying new and innovative tools to drive
3 down costs for New Yorkers. This month, which we've
4 dubbed Fee-Free February, we are leveraging our
5 existing laws, including our licensing authority, to
6 make New York more affordable and to ensure that
7 honest businesses aren't undercut by companies that
8 cheat. For example, we have sent dozens of notices to
9 tax preparers warning them against illegal fees while
10 promoting New York's best-in-the-nation free tax prep
11 services alongside Mayor Mamdani and Chair Epstein.
12 We have deployed our inspectors throughout New York
13 City to ensure that grocery stores aren't
14 overcharging consumers and that employment agencies
15 aren't ripping off struggling New Yorkers. And just
16 last week, we sent notices to the largest gyms in the
17 city making clear that trapping New Yorkers in
18 memberships they can't cancel will not be tolerated
19 by this Administration.

20 Across the board, we are aiming to send a
21 clear message: the era of ripping off New Yorkers
with impunity is over. Whether you're a retiree
struggling to afford groceries on a fixed income, a
deliverista facing arbitrary deactivation, a recent
graduate looking for a job, or a freelance worker

2 waiting to get paid, we are here to fight for your
3 rights and deliver on the promise of a fairer
4 economy. And we could not do that without the broad
5 authority and steadfast support from this Committee
6 and this Council.

7 Turning to today's legislation, Intro.
8 177 requires the DCWP to create and run a program to
9 provide individualized counseling to individuals
10 about federal and state student loan forgiveness
11 programs in consultation with DCAS. We support this
12 legislation. I have worked on student loan
13 affordability for more than a decade, and I've seen
14 firsthand how student loan debt can drive families
15 into financial distress. DCWP is proud to provide
16 support for student loan borrowers across the city
17 through one-on-one financial counseling at our
18 financial empowerment centers. Our centers provide
19 free professional guidance and help clients address
20 savings, banking, credit, and debt. Including dealing
21 with student loan debt. We look forward to working
with the Council on this and other ways to support
student loan borrowers in New York City.

Turning to Intro. 410, which would
require retail stores that primarily sell food for

2 off-site consumption or that include a pharmacy to
3 accept flexible benefits cards distributed by health
4 insurance providers if the store already accepts
5 credit or debit card. We have previously testified in
6 support of the intent of this legislation. We worked
7 closely with Council throughout the legislative
8 process last year, and our understanding was that
9 there was still not full clarity on the potential
10 impacts this bill may have, including potentially
11 large cost implications for small businesses. We look
12 forward to hearing from stakeholders today to gain a
13 better understanding of how the flexible benefit
14 market operates so that, together with Council, we
15 can strike a balance between the intent and the
16 real-world implications that this bill may have on
17 small businesses in New York City.

18 Thank you for the opportunity to testify
19 before your Committee on our essential work uplifting
20 New Yorkers and on today's legislation. We look
21 forward to working with all of you to further our
efforts to protect the people of the city from harm
in the marketplace. I welcome any questions you may
have for further discussion. Thank you.

2 CHAIRPERSON EPSTEIN: Thank you,
3 Commissioner. And as for my Colleagues, when they
4 have questions, I would encourage them to raise their
5 hand and we'll just keep stack as we go through for
6 questions for the Commissioner.

7 Let me start out with a couple of
8 questions and then give my Colleagues some time to
9 jump in here when they're ready. So, Commissioner
10 Levine, can you tell us, you know, how many
11 complaints on average you get in 2024, 2025? How do
12 people report those complaints, and where do these
13 complaints come from?

14 COMMISSIONER LEVINE: Yeah. So, we
15 received about 27,000 complaints in 2025. Remind me,
16 Mike, how many we received in 2024?

17 GENERAL COUNSEL TIGER: Also about 27,000.

18 COMMISSIONER LEVINE: About 27,000
19 complaints the year before as well. And these
20 complaints come from all different sources. We hear
21 from consumers who call 3-1-1. We hear from folks who
go to nyc.gov/consumers or nyc.gov/dcwp. We also hear
directly from Council Members whose constituents
encounter problems. My philosophy is very much no
wrong doors. If New Yorkers fear they're being

2 cheated in the marketplace, we'll find a way to take
3 in their complaints. And I should mention, Council
4 Member, we accept complaints from all New Yorkers
5 regardless of their immigration status. We welcome
6 those complaints, and we also accept them across more
7 than a dozen languages.

8 GENERAL COUNSEL TIGER: Right. And you can
9 actually, also submit complaints anonymously, and
10 especially in this very difficult times for immigrant
11 New Yorkers, you know, you can have advocates submit
12 the complaints on your behalf, and the advocate can
13 act as the liaison with our agency as we try to sort
14 out the best way to resolve the complaint.

15 CHAIRPERSON EPSTEIN: And then, so when
16 you get these complaints, like, how are you
17 categorized? How are they recorded?

18 COMMISSIONER LEVINE: Yeah. Well, you
19 know, one of my priorities is making sure that we are
20 responsive to what's happening on the ground in the
21 city, that we're directing our resources to where
we're seeing the most problems. So the categorization
is very important. Mike, do you want to get into how
we crunch those numbers?

GENERAL COUNSEL TIGER: Oh, absolutely.

So, as the Commissioner alluded to, there's a variety of channels that you can submit complaints to the agency, but whatever channel that it is, whether through 3-1-1, our online website, or through our External Affairs Division, through Council Members' Staff, it eventually reaches our Consumer Services Unit, and they're the intake and mediation arm of our consumer protection work, and they will try, if possible, to mediate complaints and get money back into consumers' pockets without there even being lawyers involved as quickly as possible. And the great thing about having a robust Consumer Services Unit, it does allow us to get a lot of data and categorize it. So we, as the Commissioner alluded to, license 40-plus license categories. For each of those license categories, we can then take a run. We license used car dealerships famously. And so we can say, okay, what are the used car complaints of this period to this period? Who are the worst actors? What types of complaints have come in? That's just one example of how we can crunch the numbers. So, all those inputs that the Commissioner is alluding to end

2 up in this edifice of data that we can then mine to
3 see what's going on on the ground for New Yorkers.

4 CHAIRPERSON EPSTEIN: Then are staff
5 specialized in areas, or does everyone take in all
6 kinds of complaints and do the investigation?

7 GENERAL COUNSEL TIGER: I think our
8 mediators are generalists, and they try to resolve
9 any sort of complaint that comes in. Our attorneys
10 are also, I would say, generalists but, as is natural
11 when you're in a workplace and diving into consumer
12 protection works, you end up having subject matter
13 expertise in the cases that you work. So, we have
14 people that have worked on a bunch of used car cases
15 or home improvement contract cases or debt cases. But
16 generally, any of our attorneys can work on a variety
17 of matters at any given time.

18 CHAIRPERSON EPSTEIN: Right. And then are
19 you prioritizing certain cases over other cases,
20 things that take higher priority than lower priority?

21 COMMISSIONER LEVINE: My general view is
we want to prioritize where we're seeing the most
harm in the city. So, one of the patterns you may
have noticed over the last couple of weeks is we're
really trying to take on some really big cases. Our

2 case against Radiant Solar, for example, was the
3 largest solar home repair case the Department's ever
4 brought. Our case against Extra Space, this is a
5 large publicly traded company, so we're certainly
6 looking at the number of complaints we're getting,
7 and we're trying to then extrapolate how much harm
8 are these companies doing in New York City. What's
9 the fastest way we can put a stop to that harm? Do
10 you want to add anything in terms of our triage?

11 GENERAL COUNSEL TIGER: No. That's
12 absolutely... we're trying to actually make decisions.
13 I mean, Chair, you just, you know, asked very
14 saliently about how we crunch data. That's why it's
15 always like there's a top-down approach and there's,
16 of course, we're seeing this, we're on the subway, we
17 see things that are happening, but a real bulk of
18 what we do is a bottom-up approach. What is happening
19 to New Yorkers in real time? That really provides us
20 the data to make those triage decisions that the
21 Commissioner is alluding to.

22 CHAIRPERSON EPSTEIN: You know, I do
23 appreciate all the work you're doing in such a short
24 time. I'm wondering how you communicate with
25 complainants about the timeline, for like when they

2 initially file complaints, when are they hearing from
3 someone from the agency, when they know what the next
4 steps are looking like? How does that get
communicated to the public?

5 COMMISSIONER LEVINE: Yeah. We really try
6 to stay in regular touch with folks who file
7 complaints. Typically when they call, I don't think
8 it takes very long to get a hold of a mediator. Can
you remind me how long that would take?

9 GENERAL COUNSEL TIGER: I mean, it depends
10 on, like, whether we've gotten all the information
11 necessary for mediation. So, we have intake staff
12 that are going back and forth with the consumer to
13 make sure that there's enough that's actually within
14 our jurisdiction. We do get complaints that are
15 better handled by other agencies, and we try to make
16 a determination about that. Or we may not have the
17 receipts or contract necessary because we want the
18 mediator to be armed with everything that's necessary
19 for them to have a robust and helpful discussion with
20 the business. But we do try within a matter of days,
get to the consumer and talk to them. And we, I
21 think, believe within 90 days, 99 percent of
consumers, you know, are contacted and resolve with

2 our consumer services unit. And then for larger
3 cases, like the Commissioner alluded to, the Radiant
4 Solar, the Extra Space of the world that are
5 longer-term, larger attorney-driven investigations,
6 our attorneys do keep in touch with the consumers
7 that provide the complaints that generate the basis
8 for us to be investigating and make sure they're
9 aware that the case is going on and that when we do
10 actually plead the case and actually reach a
11 resolution, they will be made.

12 CHAIRPERSON EPSTEIN: Great. So, within a
13 few days, you're saying they'll get the initial
14 contact from filing a complaint. In theory, within 90
15 days of that initial contact, you think 99 percent of
16 those cases have been resolved in some mediation or
17 some form of way. That's kind of how you generally
18 operate?

19 COMMISSIONER LEVINE: Correct.

20 CHAIRPERSON EPSTEIN: That's really good
21 to know. And do you give that information upfront to
the consumer during that initial conversation?

COMMISSIONER LEVINE: I think we try. I
mean, each case is different. I think we try to be
realistic with consumers. If, for example, it's

2 another agency's jurisdiction, we're going to tell
3 the consumer that we have to refer it out. If we need
4 additional information to pursue the mediation of the
5 dispute, we're going to tell the consumer that, and
6 then it's going to be up to the consumer to, you
7 know, come up with that additional information. But I
8 certainly think we try to be upfront with people
9 about how long things are going to take.

10 GENERAL COUNSEL TIGER: Yeah, that's
11 right.

12 CHAIRPERSON EPSTEIN: And are those
13 determinations are done orally, in writing, both?

14 COMMISSIONER LEVINE: It's typically
15 orally, but yeah.

16 GENERAL COUNSEL TIGER: Yeah. I mean, also
17 in writing. I mean, our mediators communicate with
18 consumers and businesses in writing. There's set
19 correspondence that we send to businesses, especially
20 if they're licensees, because they're obligated to
21 respond. Licensees are obligated under our rules to
respond to consumer complaints or face a penalty. So,
there's definitely a written correspondence, but of
course we do what makes sense in that moment for that
situation. So sometimes, of course, a mediator gets

2 someone on the phone, they can get the business very
3 quickly on the phone. So sometimes it is an oral
4 communication.

5 CHAIRPERSON EPSTEIN: Great. I know I see
6 Council Member Banks and Brewer have their hand up,
7 and we'll go to another couple Members, then I can
8 come back for additional questions so we have time.

9 Council Member Banks, I don't know if
10 you're first or second. Natalie, who was first?

11 POLICY ANALYST MELTZER: Council Member
12 Banks was first, so I've just unmuted you.

13 COUNCIL MEMBER BANKS: Thank you. I was
14 having issues, but I noticed that it's... the muting is
15 being controlled by the Chair. Congratulations,
16 Chair, on your first Committee hearing.

17 And I just want to queue my questions up,
18 pertaining... Yeah, so when it comes to the
19 enforcement, I want to better understand, how
20 enforcement is playing out across the five boroughs
21 and how many consumer protection law violations have
been issued and which industries account for the
highest concentration of these particular violations?
And in particular, are these primary isolated
incidents or are we seeing repeated offenders when it

2 comes to these violations? And particularly in
3 certain sectors, are we consistently seeing the same
4 businesses being cited. And, you know, what are the
5 escalation measures that are in place to deter the
6 ongoing misconduct?

6 COMMISSIONER LEVINE: Yeah. That's a great
7 question, Council Member, and you're asking us to
8 slice the data in a number of different ways so we're
9 going to do our best, and if we miss anything we
10 welcome follow-up on it too.

10 So, in 2025, DCWP issued a total of
11 17,000 summonses. Just to give you an idea of the
12 borough-by-borough breakdown, about 4,600 in
13 Manhattan, 7,100 in the Bronx, 13,000 in Brooklyn,
14 almost 14,000 in Queens, and 589 in Staten Island. If
15 you look industry by industry, you know, there are
16 different ways to crunch the numbers, but I'll give
17 you just a few examples. So in 2025, we had about 554
18 carwash complaints, 358 tobacco retail dealer, 169
19 garage and parking lot. Another way to slice these
20 numbers is to look at kind of the categories which
21 cut across industries. The biggest complaint year
after year is around overcharging, which is why I
think our work is so much on the front line of

2 affordability. But we also get thousands of
3 complaints about misleading advertising, unlicensed
4 operators, non-delivery of goods that have been
5 ordered, so it really does run the gamut. I don't
6 know if either of my colleagues want to add to that
on industry by industry.

7 GENERAL COUNSEL TIGER: No. I think that's
8 a good overview. I think, yeah, as the Commissioner
9 said, Council Member, we're open to having follow-up
questions and certainly...

10 COUNCIL MEMBER BANKS: Okay.

11 GENERAL COUNSEL TIGER: And answering
12 anything.

13 COUNCIL MEMBER BANKS: Yeah. If you can
14 follow up with those other stats, I would appreciate
15 it. Also, I'm interested in the
16 complaint-to-enforcement pipeline. You know, of the
17 complaints received by the DCWP, what percentage
18 results in inspections? And, of those inspections,
19 how many lead to violations or penalties? You know,
20 what is the average time between when a complaint is
21 filed and when enforcement action is taken? And also
is there any delays? What are the root causes and how

1 can we improve the responsiveness when a consumer is
2 seeking relief?

3 COMMISSIONER LEVINE: Yeah. These are very
4 important questions. So let me just start by, in
5 terms of the sort of complaint to inspection ratio.
6 So last year we referred about 3,000 complaints to
7 inspection, and those inspections resulted in about
8 1,200 summonses. Now, you know, if you're all
9 following the math, you might be wondering why didn't
10 every complaint result in an inspection. And the
11 reality is there are a lot of reasons for this. We
12 might receive dozens of complaints about a single
13 business, which, you know, to my point with Chair
14 Epstein earlier, if we're receiving a lot of
15 complaints about a single business, that's a good
16 sign we need to follow up quickly. It's also possible
17 we get complaints about an industry that we don't
18 regulate or that's outside our jurisdiction. So, we
19 review every complaint to see if it's something we
20 can send out an inspector to address. If we have the
21 necessary information, it's within our jurisdiction,
we aim to send out an inspector within two to three
days because we think it's really important to show
the public that when you come to us, we will act on

2 your behalf so we try to do that as quickly as
3 possible.

4 DEPUTY COMMISSIONER ORTIZ: I would add as
5 well, Council Member, to your question earlier about
6 how I guess enforcement scales up. I would note that,
7 you know, over the years we've certainly tried to
8 certainly balance out our enforcement processes,
9 right-size our penalties. In many instances we have
10 zero-dollar penalties for the first violation that we
11 issue. That said, if we do visit a business and we
12 have found that they have repeatedly engaged in
13 violations of the law, those penalties do increase..

14 SERGEANT-AT-ARMS: Time expired.

15 DEPUTY COMMISSIONER ORTIZ: In that sense
16 So, I think, that's part of our practice to ensure
17 that there's a progressive discipline, but also one
18 that is education-focused too.

19 GENERAL COUNSEL TIGER: Yeah. And just...
20 I'm sorry.

21 COUNCIL MEMBER BANKS: No. I'm asking the
Chair, could he indulge me for one minute after the
panel answers the question finishes?

CHAIRPERSON EPSTEIN: Yeah. Yea. Council
Member Banks, happy to give you another minute. Now,

2 or do you want to wait till after Council Member
3 Brewer goes?

4 COUNCIL MEMBER BANKS: If I could just ask
5 this last question.

6 CHAIRPERSON EPSTEIN: Of course. Go ahead.

7 COUNCIL MEMBER BANKS: Okay. And this is
8 pertaining to the small mom-and-pop businesses. You
9 know, first and foremost, we have a host of those in
10 my District. And, you know, I believe that
11 enforcement should be firm but it should also be
12 fair. How does the agency validate complaints before
13 initiating action? And, you know, what safeguards
14 exist to ensure that the small family-owned
15 businesses you just talked about are not unfairly
16 penalized for, like, minor or, you know, good faith
17 errors?

18 COMMISSIONER LEVINE: Yeah. So, these are
19 exactly the concerns we wrestle with every day,
20 Council Member. So, in the first instance, when we
21 get a consumer complaint, you know, we act initially
on the assumption the consumer's telling the truth
but, of course, we want to verify it too. All the
time we find there might be misunderstandings that
are no fault of the business, no fault of the

1 consumer. It was just a misunderstanding. So,
2 certainly we don't just take the word of the consumer
3 and then go barging down people's doors. Quite the
4 opposite. We want to make sure that the complaint is
5 actually substantiated. That's why we often follow up
6 with consumers to ask for additional documentation.
7 We want to make sure that we're being responsive to
8 consumers but that we're also respecting the due
9 process rights for businesses. You also raised a very
10 important point, Council Member, about what about
11 mom-and-pop businesses. And one of the things I'm
12 very committed to is making sure that we are treating
13 them fairly. We know that mom-and-pop businesses in
14 your District and throughout New York City don't have
15 huge teams of lawyers reviewing all the DCWP and New
16 York City regulations. We know that the overwhelming
17 majority of these businesses want to follow the law,
18 want to do right by their workers and consumers. And
19 that's why our primary mission is not to play gotcha,
20 it's not to find violations, it's to make sure that
21 there's an understanding of what is needed to follow
the law. One of the things I'm very proud of that
this Department has long done and that I want to
double down on is our VIP inspection program, where

1 we send inspectors out into Districts like yours not
2 to play gotcha with businesses, but to educate people
3 about their obligations, make sure they understand
4 it. We don't issue summons on those visits. We don't
5 issue complaints. We're just there to help make sure
6 people know what they have to do to follow the law. I
7 would add to that, even when we do then follow up
8 with inspections, many of the violations we find, we
9 don't even issue fines. For example, you know, we
10 find a lot of companies, grocery stores for example,
11 that don't post their refund policies. But when we
12 find instances of groceries not posting refund
13 policies, we don't issue fines. What we do is it's
14 curable. We give them a chance to fix the problem. Of
15 course, when you see businesses, you know, repeatedly
16 ignoring warnings, certainly when you see businesses
17 systematically overcharging consumers, we're going to
18 take a different approach. But when we find mistakes
19 have been made, but consumers have not been harmed,
20 our first priority is to make sure businesses
21 understand their obligation and can come into
compliance. We're not trying to play a game of gotcha
with them. Do either of you want to add anything?

2 DEPUTY COMMISSIONER ORTIZ: No. I would
3 just add to the Commissioner's point year over year,
4 through VIP or other education initiatives, we
5 conduct thousands of one-on-one educational
6 inspections with small businesses to make sure that
7 we are not playing this game of gotcha. And along
8 those lines, our resources and materials that we make
9 available in multiple languages as well, itemizes for
10 each business the exact expectations that our laws
11 and rules have for them. So it's ultimately about
12 creating a culture of compliance with these
13 educational materials and ultimately to better serve
14 the marketplace, consumers, and workers.

15 GENERAL COUNSEL TIGER: And just one last
16 point. I think one of my colleagues may have
17 mentioned this before, but we've been enthusiastic
18 supporters of the Council's small business relief
19 efforts over the last couple years, and that has
20 increased the number of curable violations, the
21 number of violations that are for zero dollars
initially, where it's only after multiple violations
where there is a financial penalty attached to the
violation. And that's something we continue to engage
with, and we're always open to having additional

2 feedback from Members about violations that might be
3 happening in their District that are
4 disproportionately affecting mom-and-pops and need to
5 be considered about whether any right-sizing is
6 necessary.

7 CHAIRPERSON EPSTEIN: Thank you, Council
8 Member Banks and thank you, Commissioner. And Council
9 Member Banks, you have additional questions, we're
10 happy to take them later on as well if you need, but
11 I'll just turn it over to Council Member Brewer.

12 COUNCIL MEMBER BREWER: Thank you very
13 much. A couple of things. First of all, the current
14 Commissioner should know that it is thanks to your
15 Department that and to Carl Carlos Ortiz that the
16 illegal smoke shops closed. I closed 93 with his
17 assistance. I'm a Carlos Ortiz fan. I just want to
18 let you... you're okay but Carlos... I just want to let
19 you know that.

20 Next is just proactive because one of the
21 issues is a lot of the stores do not post their
22 prices. And I know in the past, all the way back to
23 Bess Meyerson (phonetic), that's how long I go back,
24 is that something that you have enough staff to do?
25 Something that you're going to focus on? Because it

1 is an issue. I think it's increasingly an issue. I
2 don't know that people complain because they just
3 sort of, you know, kind of... the norm is not to have
4 the prices. But I just didn't know if that's
5 something that you're focused on.

6 COMMISSIONER LEVINE: Well, you're
7 absolutely right. We don't always get a lot of
8 complaints about it, but it is something that we look
9 for proactively. So in the grocery sector, for
10 example, where we require prices to be posted, that
11 is the number two category of violations we find is
12 failure to post prices. And we're doing, you know,
13 resources always welcome, we can have that
14 conversation. But in terms of the volume of
15 inspections we do, I think it's quite striking. Among
16 grocery, supermarket, and megastore, for example, we
17 conducted more than 1,700 inspections between
18 November and earlier this month, I believe February
19 12th. So, we're sending inspectors to grocery stores
20 all over the city. We are making sure those prices
21 are being posted. That currently is a curable
violation and we want to make sure businesses come
into compliance, post those prices.

2 COUNCIL MEMBER BREWER: I don't have a
3 problem with it being cured.

4 Next question is, I'm the author of paid
5 sick days. People forget that. Well, the New York
6 Times remembered it this week. I was very pleased.
7 But my question is, with all of the different
8 amendments, which are good, do you feel that there's
9 enough information about people knowing about paid
10 sick days? Is there more that we could do, etc.?
11 Thank God we had it during the pandemic, but it still
12 needs, I think, more people to know about it. I want
13 to know your opinion.

14 COMMISSIONER LEVINE: Absolutely. You're
15 right. I'm grateful for your leadership on this and
16 grateful for the Council. I'm grateful for New York
17 City's leadership on this. No, we need to do a better
18 job getting the word out. Absolutely. So, with the
19 amendments to protected time off that took effect
20 yesterday, for example, we tried to do a big media
21 blitz to get a word to workers and the people of New
York City as much as we could. But we also sent
notices to 56,000 businesses making clear their
obligation to follow the law. We also introduced
something that is quite pioneering. I don't think any

1 city or any jurisdiction's ever done this before. We
2 introduced a new audit tool that businesses can use
3 themselves to see if they might have policy on paper.
4 This gives them a way of seeing whether people are
5 actually taking advantage of protected time off. I
6 have already heard from folks all over the country
7 who want to learn from this and want to adopt this
8 tool themselves. So, we welcome partnering with you,
9 partnering with the Council to get the word out, both
10 to businesses and workers about their rights and
11 about their obligations and rights under this law
12 because it's absolutely critical. These are just
13 words on a page unless workers understand their
14 rights and employers understand their obligations.

13 COUNCIL MEMBER BREWER: Okay. I don't
14 know how much this is you and how much is PD, but the
15 whole seniors get scammed all day long, it's like, I
16 can't believe it's like not number one on your list
17 because of the internet and social media and so on.
18 So my question is, how do you approach that? Does it
19 go back to, you know, Collo Gerard (phonetic) and
20 your old agency, or is it something that is able to
21 be dealt with locally? What are we going to do about
that, if there's anything, about the scamming, social

1 media, everybody gets scammed, but the seniors in
2 particular.

3 COMMISSIONER LEVINE: Well, I would love
4 to hire Collo if she's interested in moving to New
5 York City and working in City government, one of our
6 star fraud fighters at the FTC as you know, Council
7 Member. But no, you're absolutely right. We know that
8 there are a lot of predators out there and that
9 seniors in particular are targeted. One of the
10 biggest things driving these frauds is on social
11 media. And by the way, it's not only older people,
12 it's younger people too. And I know we've had
13 conversations about this, and we do a lot. We do
14 one-on-one financial empowerment counseling to
15 educate people about how to protect their finances.
16 We certainly do enforcement to target major frauds.
17 We do referrals to district attorneys when we bring
18 criminal enforcement. At the end of the day, Council
19 Member, I do believe, and I know I've shared this
20 with you, that the federal government needs to change
21 how it approaches social media. For decades now,
we've had a law that essentially immunizes companies
like Meta and TikTok and Google from the explosion of
fraud on their platform. There was reporting by

2 Reuters a couple of weeks ago that 10 percent of
3 Meta's revenue is coming from scam ads. These
4 companies are in the best position to take on these
5 frauds, yet the federal...

5 SERGEANT-AT-ARMS: Time expired.

6 COMMISSIONER LEVINE: Government is giving
7 them blanket immunity from prosecution. I think
8 that's a huge mistake from a federal policy level,
9 but we are certainly doing everything we can in New
10 York City through criminal referrals, prosecutions,
11 outreach and education to try to protect the people
12 of this city. Do either of you want to add to that?

11 COUNCIL MEMBER BREWER: Okay.

12 GENERAL COUNSEL TIGER: Amen to that.

13 COUNCIL MEMBER BREWER: Okay. The other
14 question I have is the... I think it's Finance, but I
15 did a report with IBO some years ago showing that
16 it's about 2.5 billion, and that was a few years ago,
17 uncollected, every year, not not just your fines and
18 fees, property tax and so on, but once you fine
19 somebody, it goes to OATH, I assume, most of the
20 time. And do you track to see if somebody is paying
21 up, or is that just done by the Department of Finance
and OATH?

2 COMMISSIONER LEVINE: Yeah. This is a
3 really important question, Council Member, and I'll
4 let our General Counsel get into what our procedures
5 are there.

6 GENERAL COUNSEL TIGER: Yeah. Once we get
7 a judgment, whether it be from an administrative
8 perspective, or we get it in court, or it's a result
9 of a settlement, then we work with actually the Law
10 Department, the Corp Counsel, who then also works
11 with law firms that actually go out and try to
12 collect on any past due judgments that we've
13 received. A couple years ago, we actually improved
14 our ability to more directly deal with administrative
15 judgments. We're allowed now to docket them directly
16 (INAUDIBLE) county judgment (INAUDIBLE). So, that was
17 an improvement that has made some difference. But
18 we're always thinking about how best can we, when we
19 actually issue violations and there are penalties,
20 how can we collect on those?

21 DEPUTY COMMISSIONER ORTIZ: I want to say
that's thanks to Chair Epstein as well from his time
in the Assembly. I would also note there's other
tools that we've leveraged.

2 CHAIRPERSON EPSTEIN: I'll take the
3 shoutout from my docketing bill so thank you.

4 DEPUTY COMMISSIONER ORTIZ: But, Council
5 Member, thinking about your point on the illegal
6 tobacco shops, I think about that as interesting
7 points of leverage that we were able to bring on
8 illegally operating businesses, and to be clear,
9 really, that Mike and our colleague James Hurston,
10 their teams were able to strategically redeploy our
11 resources to address that issue, close down over 200
12 illegal tobacco shops, and collect millions in
13 penalties as well by using those particular leverage
14 points and tools.

15 GENERAL COUNSEL TIGER: Yes. Yeah. Let me
16 just double down on what Carlos is saying. That was a
17 very meaningful difference that, one, affected people
18 in the real world, Council Member Brewer, as you were
19 saying before, like places that were illegally
20 selling to minors, we were able to shut down. But it
21 also was a point of leverage that ended up in
millions of dollars coming into the City's fisc.

COUNCIL MEMBER BREWER: Okay. The other
thing is that the Mayor, to his credit, has a task
force, I guess, to figure out fines and fees and so

2 on that are not necessary for the smaller businesses
3 in general. So are you part of that task force?
4 Because it seems to me you would be most
5 knowledgeable about who's getting fines that make no
6 sense, blah, blah, blah. So how are you relating to
7 that? How are you participating? How's it going? I
8 think this is an important issue.

9 COMMISSIONER LEVINE: Yeah. Council
10 Member, we are absolutely a part of it. We are taking
11 a careful look at every one of the fines. We assess
12 what the amounts are, you know, some areas we have
13 control, some areas we don't. We want to make sure
14 that small businesses aren't being penalized, aren't
15 being taxed essentially, and not only by fines and
16 fees directly, but also onerous regulations they
17 can't understand.

18 COUNCIL MEMBER BREWER: Exactly.

19 COMMISSIONER LEVINE: On the other hand,
20 we really want to be clear that for large corporate
21 entities that really have no excuse to not understand
what the law is, we're going to take a really tough
line. We're going to insist that when large corporate
actors rip off New Yorkers, that they not only pay
them back, but that they pay a civil penalty to the

2 City of New York. So, it's really about making sure
3 that small businesses aren't being beaten up through
4 taxes and fines and fees, but also making sure
5 there's real accountability when large corporate
6 actors make a conscious decision to break the law.

7 DEPUTY COMMISSIONER ORTIZ: I would just
8 add, I think this was referenced by my colleague,
9 Mike Tiger, earlier, but we have always taken a very
10 proactive stance on how we can reduce fines and fees,
11 even outside of executive orders. And I can think of
12 most recently toward the end of last session working
13 with Chairman at the time, now Speaker Menin, to
14 reform many of our license categories, removing
15 anachronistic license categories, removing certain
16 requirements to get a license that ultimately save
17 folks hundreds of thousands of dollars in fees.

18 COUNCIL MEMBER BREWER: Okay. And then
19 just finally, the issue of licensed versus unlicensed
20 industries. Do you break down the complaints that
21 way, or that's not something that you do?

22 COMMISSIONER LEVINE: This is a good
23 question, Council Member. It's not exactly how we
24 break it down, but we do have industry by industry.
25 You know, we do have a rough outline of industries

2 that are unlicensed where we get a number of
3 complaints. So for example, car wash is a big
4 category we get hundreds of complaints about, tobacco
5 retail dealer, another big category, electronic
6 cigarette dealer. And we, you know, are always open
7 to conversations with the Council about whether
8 licensing might be appropriate given the volume of
9 complaints we're receiving.

10 GENERAL COUNSEL TIGER: Yeah. And just to
11 be clear, there are two ways you can look at it, and
12 I just want for clarity. There is licensed, so say
13 tobacco retail dealers. There are charges that we
14 have under licensing law. You're a licensed tobacco
15 retail dealer, and we charge it. And then there are
16 tobacco retail dealers that are unlicensed. And then
17 there are non-licensed entities, entities that don't
18 require a license. So those are, like, the three
19 different buckets within. And as I said in response
20 to an earlier question, we're always willing to
21 engage with you and your staff to sort of carve up
the numbers in a way that you think would be helpful
to have a discussion.

COUNCIL MEMBER BREWER: Are there
industries as you're doing this that should be

2 licensed that are not licensed, or you don't really
3 have that kind of insight?

4 COMMISSIONER LEVINE: I think that's
5 something we want to get back to you on, but I could
6 give you an example of where that's been successful.
7 We were receiving, I think, hundreds of complaints
8 every year about self-storage. And then last year the
9 Council made self-storage a license category. We now
10 have a much better ability to stop abuses in that
11 field. I thought the problem was so bad, that was
12 what prompted us to bring a major lawsuit a couple
13 weeks ago against Extra Space. So, we're definitely
14 proactively looking for categories of complaints
15 where we're seeing major problems, and we'd be happy
16 to work with you to talk about where a licensing
17 regime might be appropriate.

18 COUNCIL MEMBER BREWER: One last question.

19 CHAIRPERSON EPSTEIN: Gale, can we...

20 COUNCIL MEMBER BREWER: I just want to ask
21 about newsstands quickly. They are no longer selling
22 newspapers. So down the line, I'd love to hear your
23 input as to what they should be doing because it's
24 not really fair for them to get a summons when

2 there's no newspaper that anybody's going to read. So
3 something to think about.

4 COMMISSIONER LEVINE: Yeah. And that's an
5 ongoing conversation we're having as well.

6 COUNCIL MEMBER BREWER: Okay. Thank you.

7 COMMISSIONER LEVINE: We see it every
8 day.

9 CHAIRPERSON EPSTEIN: Thanks.

10 I know Council Member Aldebol, Shirley,
11 do you have questions still, and then I'll do Council
12 Member Ossé after.

13 COUNCIL MEMBER ALDEBOL: Yes. I did have a
14 quick question about when you provide education to
15 small businesses, do you coordinate with other
16 agencies like Small Business Services, that, you
17 know, provide or even our Business Improvement
18 Districts, to provide information to the smaller
19 businesses.

20 COMMISSIONER LEVINE: Oh, absolutely,
21 Council Member. I'll say briefly, and I'll turn it
over to my colleague. We absolutely coordinate with
SBS and other agencies. I've already had meetings
with Business Improvement Districts where we've
started making plans to do business education pitches

2 in BIDs. We love having partners that help us get the
3 word out. And Carlos, you should add to that.

4 DEPUTY COMMISSIONER ORTIZ: Yeah. I think
5 the most discrete example we have perhaps is our
6 business education days outreach model where we go
7 and canvas corridors of small businesses with SBS,
8 with local BIDs to provide information one-on-one to
9 businesses. And we welcome doing those events as well
10 with the local Council Members. I think it's a great
11 way for us to engage as a team to educate small
12 businesses.

13 COUNCIL MEMBER ALDEBOL: Thank you.

14 CHAIRPERSON EPSTEIN: Thank you. And I
15 want to acknowledge also Council Member De La Rosa is
16 with us and Council Member Ossé, welcome, and yeah,
17 please go ahead.

18 COUNCIL MEMBER OSSÉ: (INAUDIBLE) we were
19 going to be able to ask a question after all of
20 Council Member Brewer's amazing questions, but I'm
21 glad I got an opportunity.

Good afternoon, Chair and Commissioner,
as well Carlos as well as the rest of the DCWP team.

I wanted to ask a question around
rideshare within the City of New York. You know, in

1 the past, there have been rules adopted under the
2 Consumer Protections Law that addressed price gouging
3 and hidden fees. I also know that the Mamdani
4 Administration is working to tackle the issue of junk
5 fees as a whole. And many New Yorkers are concerned
6 about price discrepancies and surcharges for
7 rideshares like Uber and Lyft. The same ride from one
8 destination to another can have a different price,
9 and there is no real transparency from such companies
10 on how these costs are calculated. In Chicago, it was
11 found that rideshare apps and delivery service apps
12 were overcharging users and we may be seeing the same
13 thing in New York City. What is DCWP's plan to tackle
14 surcharges and rideshare pricing, and how can the
15 agency ensure we end the use of surcharging as a
16 whole?

15 COMMISSIONER LEVINE: Yeah. I think this
16 is an outstanding question, Council Member. And I
17 think one of the reasons it's so important to get
18 this right is because what we are seeing in the
19 rideshare industry, what we've been seeing for years,
20 which is to say personalized pricing that's always
21 changing in unpredictable ways. The three of us could
all request certain rideshare right now to the same

1 spot and get three entirely different prices, and for
2 too long these companies have made these pricing
3 decisions in a block box without any transparency by
4 the public or by the public. But why this is so
5 important is because while the rideshare industry has
6 pioneered this work, it is spreading. We've already
7 great reporting of how Instacart, for example,
8 appears to be engaging in all forms of price
9 discrimination and price experimentation. We know
10 that the airlines have long been engaged in price
11 experimentation. And there's a big concern out there
12 that grocery stores, especially as they start to
13 incorporate electronic shelf labels, could start
14 using biometric surveillance and electronic shelf
15 labels to engage in their own kind of surgery pricing
16 and dynamic pricing. We are certainly looking every
17 day at where our existing authorities can tackle the
18 biggest harms. For example, if prices aren't being
19 clearly posted, if consumers are being deceived, if
20 they're being offered discounts that aren't real,
21 this is something we take very seriously. But we'd
also be very pleased to work with you and work with
the Council on more comprehensive legislation to
reign in these practices.

1
2 And I would identify at least two
3 practices that probably merit the Council's attention
4 because they are distinct. One is dynamic pricing,
5 when companies are constantly changing prices
6 throughout the day. That's often what leads to the
7 kind of price gouging I think you and most of us have
8 experienced out in the real world. We know that
9 Speaker Menin has spoken about this issue as well.

10 And the other is what the FTC, my former
11 agency, has called surveillance pricing, and that's
12 making pricing decisions based on an individual's
13 personal data, which raises both economic fairness
14 and privacy concerns.

15 I believe that addressing emerging forms
16 of pricing abuses requires addressing both of these,
17 dynamic pricing and surveillance pricing, and it's
18 something we're giving a lot of thought to, both
19 under our existing authority and we're giving thought
20 to how the Council might tackle this directly. So,
21 that should be an ongoing conversation I hope. We do
have some ideas on it, and we look forward to working
with you on it.

 COUNCIL MEMBER OSSÉ: I appreciate that.
And I definitely have some ideas around it too and

1 COMMITTEE ON CONSUMER AND WORKER PROTECTION 49
2 would love to get together offline to discuss how we
3 can hold some of these companies accountable.

4 COMMISSIONER LEVINE: Yes. Thank you.

5 CHAIRPERSON EPSTEIN: Thank you, Council
6 Member Ossé.

7 I assume that's it?

8 Okay. I dont see any more hands. If I
9 can, I'll dig in for a couple more questions for you.
10 When I say a couple, a few, if that's okay,
11 Commissioner?

12 COMMISSIONER LEVINE: Of course.

13 CHAIRPERSON EPSTEIN: I'd like to talk to
14 you about language capacity because, you know,
15 obviously New York is a multicultural city. Can you
16 break down the complaints, how many of them are from
17 English as first language speakers or non-English
18 first language speakers?

19 COMMISSIONER LEVINE: I am seeing if I
20 have those figures, Council Member, and while my
21 colleagues help me to see if we do, I can tell you
that we do accept complaints in complaints in about a
dozen languages, and for those languages we can't
support, we have additional tools that we deploy to
accept those complaints as well.

2 It looks like we don't have those at the
3 ready. I apologize, Mr. Chairman, but we're happy to
4 get you those.

5 CHAIRPERSON EPSTEIN: Yeah. It would be
6 great to know, like, who's complaining. Like, are we
7 getting older adults complaining, people under 30,
8 non-English speakers. It would be great to see who is
9 getting access to you and who is not, so the things
10 that we need to be doing to make your services
11 available to a population that might otherwise be
12 complaining but don't know. I think that would be
13 great for us to have that information.

14 COMMISSIONER LEVINE: I'm happy to do
15 that, Council Member. If I could just follow up very
16 briefly. When I was in Washington, we did do research
17 into this, and what we found is that folks who don't
18 speak English, folks who don't make as much money,
19 and people of color often are less likely to file
20 complaints. That is a big problem because what that
21 means is that the agencies aren't doing the necessary
enforcement to protect some of our most vulnerable
communities. So, one of my priorities as
Commissioner, and Carlos has been an outstanding
leader on this, is getting out. We're not just

2 sitting here in our office... today, we're just going
3 to be sitting here in our office... but most days we're
4 not just sitting here in our office waiting for
5 complaints to come in. We're doing about two events a
6 day is our goal this year all over New York City,
7 every borough, to try to hear from people directly
8 about what they're seeing on the ground, including
9 immigrant communities that might not feel comfortable
10 filing complaints themselves but can work with
11 partners to bring issues to our attention. So, we're
12 happy to get you whatever numbers we can, but I see
13 it as fundamental to our work to not just wait for
14 complaints to come in but to go out into communities
15 and hear from people directly.

16 CHAIRPERSON EPSTEIN: Yeah. And great to
17 know how we use our resources to do that, like hiring
18 non-profit partners who -

19 COMMISSIONER LEVINE: Yes.

20 CHAIRPERSON EPSTEIN: - have relationships
21 in communities, especially non-English-speaking
communities who would have language capacity to help
people understand the issues and demystify DCWP for
them as well. Let's see how much resources we're

1 spending there and if we need to put additional
2 resources into those communities.

3 DEPUTY COMMISSIONER ORTIZ: Chair, if I
4 could as well. I think language capacity, to the
5 Commissioner's point, has always been a major
6 priority for our agency in terms of the communities
7 that we need to reach. Within our outreach team
8 alone, we have team members that combined, we speak
9 seven or eight languages. The agency overall, if you
10 look at all of our staffers, we have close to 40
11 languages that are spoken. Half of the agency has the
12 ability to speak a language other than English as
13 well. I think it's something that we have long
14 prioritized at this agency because we know that's how
15 we engage with folks out there.

16 And in terms of our outreach model,
17 again, our goal is to be able to say we've hit two
18 outreach events per day throughout the year.

19 COMMISSIONER LEVINE: The weather's not
20 helped that.

21 DEPUTY COMMISSIONER ORTIZ: But a big part
of that model, for sure, is tapping into
organizations, community-based organizations, going
to their monthly meetings. Being accessible as much

2 as possible to make sure that we're reaching every
3 community we can.

4 CHAIRPERSON EPSTEIN: That'd be great, and
5 it'd be great to see what kind of outreach efforts
6 and how we, as a Council, could be helpful with those
7 outreach efforts. If there are things that we could
8 be doing, I'm happy to reach out to, you know, people
9 on our Committee and, you know, to help figure out
10 how we can do more events together to get to, you
11 know, hard to reach communities.

12 DEPUTY COMMISSIONER ORTIZ: Thank you,
13 Council Member. We would love to do that. And we
14 already greatly appreciate the work that you've done
15 to broadcast our free tax prep program now,
16 particularly as we're looking to cut down fees for
17 New Yorkers and make sure that they have trusted
18 available resources to them.

19 CHAIRPERSON EPSTEIN: Yeah. Sure. And can
20 I ask you, I know Council Member Brewer raised the
21 issue of complaints that are of licensed versus
unlicensed industries. Do you have a breakdown of how
much of the 27,000 complaints are coming from people
who are unlicensed or unlicensed vendors or
unlicensed industries.

2 COMMISSIONER LEVINE: Just to clarify,
3 because I think we're going to have to follow up. Do
4 you mean complaints about industries that should be
5 licensed but are, in fact, unlicensed, or complaints
6 from industries that are just outside our licensing
categories?

7 CHAIRPERSON EPSTEIN: Commissioner, I
8 would say both would be helpful, honestly -

9 COMMISSIONER LEVINE: Okay.

10 CHAIRPERSON EPSTEIN: - because if we see,
11 you know, I think we all read that article in The
12 City I think around the tow trucks, the unlicensed
13 tow trucks, right, so it's a licensed industry with a
14 lot of unlicensed people versus an industry that
15 might be an unlicensed industry where we're seeing a
lot of consumer complaints. I think both are really
going to be helpful for us.

16 COMMISSIONER LEVINE: Yeah. So, I think
17 the numbers I was referring to earlier were
18 industries that should be licensed but we're seeing a
19 lot of unlicensed. I think we need to follow up on
both of those, but we're happy to do that.

20 CHAIRPERSON EPSTEIN: Great. Thank you. I
21 appreciate that.

2 And so can we talk about restitution. You
3 mentioned that your goal is to get people
4 restitution. Do you have numbers for '24 and '25 of
5 how many of the 27,000 cases resulted in a
6 restitution for the complainant.

7 COMMISSIONER LEVINE: Well, I know in the
8 past four years, we've secured more than 28 million
9 dollars in restitution disbursements and debt relief.
10 I don't know, let me see if we have the numbers for
11 the last two years.

12 CHAIRPERSON EPSTEIN: Yeah. Or even what
13 percentage of the complaints got restitution. I mean
14 it would be great if everyone got restitution. I'm
15 sure it's kind of weighted on some of the bigger
16 cases got larger restitution, and maybe some people
17 got no restitution.

18 COMMISSIONER LEVINE: I don't know if we
19 track it by the number of complaints. I can tell you
20 in 2024 we secured 4.2 million in restitution, 2023,
21 1 million in restitution. One thing to keep in mind,
though, is that, you know, we do a lot of mediation
of complaints where we don't always track that number
in restitution as we would in enforcement.

1
2 GENERAL COUNSEL TIGER: I know our
3 consumer services mediators, I think last year got
4 between 300,000 and 400,000 dollars in restitution,
5 and that's incorporated into the total that the
6 Commissioner mentioned before, 4.2 million overall,
7 by the agency, whether it be through mediation or the
8 efforts of our attorneys through investigations.

9 CHAIRPERSON EPSTEIN: Yeah. I mean, that's
10 wonderful. It'd be great to know, if you can, what
11 percentages of the overall total resulted in
12 restitution or some kind of mediation with some
13 restitution for the individual. It's great for us to
14 kind of have that for that data as well. If of the
15 27,000, 20,000 people, through mediation or
16 litigation, got restitution, it's very different than
17 if 2,000 people did.

18 DEPUTY COMMISSIONER ORTIZ: We'll get
19 those numbers for you, Chair. And just so I can
20 clarify, last year, 2025, 3.1 million in restitution,
21 and 430,00 of that was through mediation.

CHAIRPERSON EPSTEIN: That's great
numbers. That's really a lot of money back to New
Yorkers so I do appreciate that.

2 And in '24 and '25, (INAUDIBLE) filed a
3 lot of requests to OATH. Do you have how many of
4 those applications went to OATH versus what you've
resolved through mediation.

5 COMMISSIONER LEVINE: I believe, how many
6 applications went to OATH. I believe, let's see, we
7 had 17,000 summons. Do you know the answer to that,
Mike?

8 GENERAL COUNSEL TIGER: How many summonses
9 went to OATH?

10 We had 17,000 summonses overall. All our
11 cases, except for the handful bigger investigations
12 that go to State court, they all are returnable to
OATH.

13 CHAIRPERSON EPSTEIN: So, 17,000 out of
14 the overall 27,000 went to OATH for some kind of
15 deliberation?

16 DEPUTY COMMISSIONER ORTIZ: No. There's
17 27,000 complaints the agency received last year. Last
18 year, we issued 17,000 summonses, and all of those
19 summonses are returnable to OATH, barring a handful
20 that my colleague mentioned that could go to other
21 venues as well.

2 GENERAL COUNSEL TIGER: But just to be
3 clear, there are Venn diagrams that are operating.
4 They are not one-to-one necessarily. Not every
5 complaint is something that would generate an
6 inspection, that would generate a summons. Depends on
7 what the consumer actually wants.

8 DEPUTY COMMISSIONER ORTIZ: I think that's
9 right. The substance of the complaint will lead to a
10 different pathway, depending on the needs of the
11 consumer.

12 GENERAL COUNSEL TIGER: And there are
13 summonses we issue that are not from consumer
14 complaints. So, again, that's why I say we can sort
15 of work with your Staff to dissect however way you
16 think it would be helpful for your and your team to
17 sort of engage, but I just want to set those
18 parameters that there's not just one pipeline.

19 CHAIRPERSON EPSTEIN: Yeah. At least for
20 me, I mean, it's great to know how many of these are
21 resolved through mediation then if you're handing it
22 off to OATH, how OATH is resolving these, and if
23 there's any bottleneck for the consumer who is trying
24 to get some resolve. It's really good to hear that
25 you're hearing something, came back within a short

2 period of time, and resolving most of it in 90 days.
3 But let's say it's getting stuck at OATH, that's also
4 important for us to hear as well.

5 COMMISSIONER LEVINE: And I can say,
6 Chair, that is certainly a priority for me as well. I
7 want to be sure that when we're committing resources
8 to enforcement that we can move relatively quickly. I
9 don't want, you know, one thing you've seen this
10 year, for example, is a willingness to file cases in
11 State court, like the action we just filed against
12 Extra Space. All options are on the table when it
13 comes to making sure we're resolving these cases as
14 quickly as possible, getting money back in the
15 consumers' pockets. I don't like to see cases drag on
16 for years.

17 DEPUTY COMMISSIONER ORTIZ: And, Chair,
18 just to confirm as well. Last year, we conducted
19 2,100 mediations. In addition, of complaints we
20 received last year, 3,000 were referred for
21 inspection that the Commissioner mentioned earlier.
22 So, that's kind of a little bit of the breakdown
23 right now that we have.

24 CHAIRPERSON EPSTEIN: That's good
25 information.

2 We've seen a lot in grocery retail, a lot
3 of complaints under the CPL. Do you have any sense of
4 why there's been such an increase in this category of
5 charges filed under the CPL for grocery retail
6 establishments?

7 COMMISSIONER LEVINE: My sense is that
8 people are getting really frustrated with what
9 they're dealing with at the grocery store. I mean,
10 obviously they're frustrated with the higher prices,
11 but what our inspectors are finding is a lot of
12 pretty serious violations at times. So, for example,
13 we've seen a lot of inspectors come back and tell us
14 that grocery stores are charging tax on non-taxable
15 items, like feminine hygiene products or
16 over-the-counter medicines. We've seen failure to
17 disclose credit card fees and credit card
18 limitations. We're seeing sale of expired medication.
19 So, you know, we get complaints for all sorts of
20 reasons, but our inspectors on their own are finding
21 that some of the core protections grocery shoppers
are entitled to are not being honored.

DEPUTY COMMISSIONER ORTIZ: I'd also
mention, Chair, that, you know, as we were
referencing earlier with Council Member Brewer's

2 questions, over the past few years we have had to
3 prioritize inspections of places that are selling
4 tobacco products. Oftentimes, these might overlap.
5 You know, a bodega, for example, with a grocery store
6 selling tobacco. It brings us to that place in the
7 first place and where we're also looking at other
8 violations that might be popping up during the course
9 of those inspections. So, I think it's part and
10 parcel informed by what's happening in the
11 marketplace, complaints we're receiving guiding our
12 enforcement efforts to certain places.

13 GENERAL COUNSEL TIGER: Just one other
14 point. Sorry. Boring data nerd. Flag here is that
15 over time, depending on sort of changes made to our
16 internal tracking databases, and other things, we may
17 be charging the statute, which is the CPL 20-700 of
18 the Administrative Code, but we've promulgated a ton
19 of rules including some of our core meat and potatoes
20 consumer protections, and sometimes, in some years we
21 charge the statute, sometimes we charge the rules,
and so that's, again, I just want to offer sort of
our services and work with your Staff to sort of dice
the numbers the way we think is best. Because I think
just a caution, we don't want to sort of overanalyze

2 just looking at these data in the first instance and
3 want to look underneath them to make sure they're
4 actually reflecting what we're, you know, what our
5 intuition is.

6 CHAIRPERSON EPSTEIN: Yeah. We'd love to
7 do that. I appreciate that offer. I look forward to
8 doing that with our teams.

9 Can I turn our attention to kind of
10 online deceptive practices? Obviously, this has been
11 a growing portion of your work. Can you tell us, you
12 know, how you've been addressing this issue? Do you
13 see, you know, increasing complaints, whether it's
14 cryptocurrency, online deceptive practices? Can you
15 tell us what you're seeing now?

16 COMMISSIONER LEVINE: Yeah. I mean, so
17 much fraud today is moving online, and so many of the
18 problems we see are driven by digital interface. So,
19 I'll just give you one example, Council Member, of
20 how we're trying to get ahead of that. One of the
21 initiatives the Mayor launched in, I believe, second
week, I think, was this executive order on
subscription traps. And, you know, subscription traps
is a name, it means different things to different
people, but where I've seen it is companies that

1 market themselves online, and they say, just click
2 here and you'll sign up for a subscription. There'll
3 be a three week, you know, free trial, and then
4 there's \$1.99 a month, and there's a little asterisk.
5 And then if you actually read the fine print, it says
6 we're going to start charging 40 dollars a month on
7 month two, month three, month four. One of the things
8 the Mayor said is directing DCWP to put an end to
9 that. You saw last week, he sent warnings to gyms
10 across the city. But we know that many of the
11 deceptive practices we see are not actually in the
12 gym, they're online. The Federal Trade Commission
13 just sued LA Fitness for using online deception to
14 trap people in subscriptions. You know, we see a
15 similar dynamic in our junk fee work. Digital pricing
16 has enabled a vast number of companies to engage in
17 what used to be called drip pricing, where companies
18 advertise one price, say on booking.com or Priceline,
19 and then you click through, you enter your credit
20 card information, you go through the whole process,
21 and 10 minutes later, you realize, oh, there's a
40-dollar resort fee on the back end. So, we
finalized, and you were there for this announcement
along with Council Member Brewer and the Mayor, on

1 the strongest in the nation hotel junk fee rule to
2 require upfront advertising of prices. So, we really
3 are, and I have a track record of this going back to
4 my work in D.C., working to make sure that our
5 consumer protection laws keep pace with technology.
6 At the end of the day, what's deceptive in person is
7 also deceptive online. I think what's really changed
8 is that companies have new techniques, new tricks
9 that they can use online to get people, and that's
10 why we're really trying to modernize our enforcement
11 and make sure that both our rules and our enforcement
12 reflect the reality of what consumers are
13 experiencing in the marketplace.

14
15 GENERAL COUNSEL TIGER: Just a couple
16 other specific instances that we've been working on
17 over the last couple of years and that the
18 Commissioner is really sort of taking the leadership
19 mantle to push us to do even more. We had a case that
20 we filed in state Supreme Court that's still pending
21 against Dorm2Dorm, a moving company that was
targeting students online for moving services, but
not giving them the benefit of their bargain. That's
a case that's still pending in state court. We have a
case against way.com. One thing that is really

1 interesting here is how online actors can supercharge
2 the deception of brick and mortar and smaller online
3 actors and say, oh, maybe I'd be skeptical if I was
4 just seeing this on the street, but with this patina
5 of credibility of this major website, then, oh, I
6 will actually go through and then consumers are very
7 prompt and we're very attuned to making sure that
8 websites are not supercharging and thinking
9 creatively how we can get around the federal laws
10 that the Commissioner was alluding to about 20
11 minutes ago with great vigor about the problem that's
12 happening with federal policy about online actors.
13 But we went after way.com because they were actually
14 acting as a booking agent for unlicensed garages, and
15 that's a real problem we've seen, especially in
16 Southeast Queens around JFK. And we've also had a lot
17 of enforcement around lithium-ion batteries. That was
18 something that we've worked with the Council a great
19 deal over the last couple of years, and that wasn't
20 just about brick and mortar locations, but also
21 online actors. So, we always have an eye to not just
what's going on on the streets, but what's also going
on the internet as far as deceiving New Yorkers.

2 CHAIRPERSON EPSTEIN: Thank you. Thank
3 you.

4 I also want to acknowledge that Council
5 Member Krishnan is here too. I want to thank him for
6 joining us.

7 I'm going to do two more questions and
8 I'll do other Council Members two questions. So,
9 we've heard a lot about small businesses, and do you
10 see a lot of small businesses who are victims of
11 abusive and deceptive practice, and what do you think
12 your role is in protecting those small businesses
13 from kind of larger business who are engaging in that
14 deception?

15 COMMISSIONER LEVINE: Yeah. Absolutely,
16 Chair. You know, the reality is that small businesses
17 are getting scammed just like ordinary people are
18 getting scammed. After all, small businesses are led
19 by people. We have scammers going door to door,
20 marketing payment systems to small businesses that
21 are often frauds. Small businesses get trapped in
subscriptions just like the rest of us do. Small
businesses have to deal with junk fees just like the
rest of us do. One thing I've heard a lot from small
businesses I've spoken with is that, you know, a

1 small business might be next to a Target or another
2 big box store and that small business pays more, say,
3 for Pepsi than the Target right next to them, and how
4 is that small business supposed to compete when these
5 big distributors are discriminating against them,
6 charging more than neighboring stores? So, I think
7 it's a huge problem. Unfortunately, our Consumer
8 Protection Law is limited to follow the CFPB standard
9 at the federal level, which is personal or household
10 use. That sometimes limits the types of cases we can
11 bring. But I absolutely believe there's a need for
12 greater accountability when small businesses are
13 targeted. We'd be delighted to work with you, to work
14 with the Council, to make sure that small businesses
15 actually have tools to fight back when they're being
16 scammed and to fight back against the kind of price
17 discrimination and other abuses that are driving far
18 too many businesses out of the city.

16 GENERAL COUNSEL TIGER: One case, you
17 know, the Commissioner alluded to sort of the
18 limitations of our current Consumer Protection Law
19 and that phrase, personal household or family goods.
20 I can give you one example of how we have helped
21 small businesses. Recently, a couple of years ago,

2 the Council passed a suite of regulations and a
3 licensing scheme for third-party food delivery
4 services. And we filed a case last year at OATH
5 against Hungry Panda, and the people who are being
6 protected there are small restaurants because they
7 were being charged above what the fee cap that this
8 Council passed permits, and that's a case that we
9 have pursued at OATH. So that's a case where we did
10 have a law and we were very vigorous in pursuing that
11 to protect small businesses.

12 CHAIRPERSON EPSTEIN: Thank you.

13 Council Member Aldebol.

14 COUNCIL MEMBER ALDEBOL: Yeah. In addition
15 to fines, what other ways can you deal with
16 violations, you know, consumer scams or price
17 gouging? Is there a requirement for someone who
18 violates the consumer's rights to post something in
19 their establishment or on their website, kind of
20 laying out what consumer's rights are?

21 COMMISSIONER LEVINE: Yeah. This is an
22 excellent question, and it's something I think about
23 a lot. Let's say we catch a company breaking the law,
24 ripping off consumers. How do we make sure it doesn't
25 happen again? You know, for a lot of these big

1 companies out there, they can pay 10,000 dollars.
2 Some companies can pay a billion dollars and not
3 think twice about it and go around, break the law
4 again the next day because it's not a big deal to
5 them. So, I think about a number of tools that we
6 have I think that we are already using to make sure
7 that companies are actually deterred from ripping off
8 New Yorkers. One thing that has been a big theme
9 throughout my enforcement career and that I'm very
10 much prioritizing here at DCWP is individual
11 accountability. You know, in my last job, we sued
12 Amazon for ripping people off and trapping people in
13 subscription, but Amazon can write a big check and
14 not care. That's why we named three Amazon executives
15 personally to make sure that they got the message
16 that ripping off the American people was off limits
17 and wouldn't be tolerated. I think that sends a
18 strong message to the industry. That's something
19 we're already doing here at DCWP, whether it's our
20 case against Radiant Solar, our case against
21 Motoclick. We are naming individuals when
appropriate, not only to make sure that the message
that's sent, that individuals can be liable for
cheating people, for cheating workers, but also

1 because to the point we were talking about earlier,
2 we want to make sure we can actually get money back
3 to consumers at the end of the day. That means that
4 if a CEO or an executive runs off with millions of
5 dollars of consumers' money, we want to be able to
6 get the judgment against that individual and get that
7 money back into consumers' pockets. You also raised,
8 Council Member, you know, what kind of other relief
9 can we require? Notices, injunctive relief. Another
10 thing that we are doing more and more at DCWP is
11 filing cases in State court instead of filing them at
12 OATH. What that allows us to do is ask the judge to
13 actually issue injunctions, order businesses
14 sometimes permanently to stop breaking the law, order
15 businesses sometime, I have seen this, to notify
16 customers about what happened and send them checks
17 for refunds. That's exactly the kind of relief we
18 have found. You know, when businesses actually have
19 to tell their customers, you got ripped off and now
20 we got sued, we're making you whole, that can send a
21 really important message to the public that New York
City has their back and to other businesses that they
shouldn't rip off the people of this city. So, we
would welcome the opportunity to work with your

2 office to think about the kind of remedies, the kind
3 of interventions that actually stop fraud and that
4 deter fraud, and that is one reason we're bringing
5 more cases in State court, naming more individuals.
6 We want the message to get out of the era of ripping
7 people off is over.

8 CHAIRPERSON EPSTEIN: Shirley, anything
9 else?

10 Okay. Great.

11 Can I turn my attention to Intro. 177?
12 Can you tell us, and I appreciate your support of
13 that Introduction, if this bill gets signed into law,
14 how would your agency use this? How could you
15 integrate it into City's financial empowerment
16 centers? Kind of how could this be an additional tool
17 for consumers around student loans?

18 COMMISSIONER LEVINE: Yeah. So, we're
19 excited about this law. And as you referenced,
20 there's a lot we're already doing for student loan
21 borrowers. We do our financial empowerment centers
where we provide one-on-one counseling to thousands
of New Yorkers every year, including on their student
loans. We have a pilot program with Summer where
we're offering both for New York City employees and

1 New Yorkers the opportunity to enroll in public
2 service loan forgiveness or income-driven repayment.
3 We do enforcement against predatory colleges, like we
4 brought a case against Berkeley College, recovering
5 more than 20 million dollars in debt relief for
6 students. We do outreach and education, including
7 when we thought that there was going to be student
8 loan garnishment at the beginning part of this year.
9 We're going to launch a major outreach effort. But I
10 think to your point, we need to align those efforts
11 to make sure we're serving as many New Yorkers as we
12 can. We know that between 1 and 1.4 New Yorkers are
13 burdened by student loans. We know that far too many
14 of those New Yorkers are likely facing default. So,
15 we really need a coordinated, all-hands-on-deck
16 effort, not only within DCWP, but coordinating with
17 outside partners to serve as many New Yorkers as we
18 can who are struggling with student loans. And I
19 think Intro. 177 would be the vehicle to do just
20 that, to make sure we're coordinating our efforts,
21 we're being strategic about reaching us. There's a
lot more people we need to reach, and I think this is
going to help turbocharge our efforts.

1 CHAIRPERSON EPSTEIN: Thank you,
2
3 Commissioner. And I appreciate on 410, really wanting
4 to figure out how we can make this work. I appreciate
5 Council Member Riley's bill here. Have you seen
6 complaints around this issue on flexible benefits
7 cards at retail establishments? Have you heard from
8 consumers at all?

9 COMMISSIONER LEVINE: No. I don't think
10 we've received formal complaints, but that might be
11 because people don't know to complain. I will say,
12 Chair, that I recognize this is a very real problem
13 that the Council Member is looking to address. We
14 know that people have these flex benefits, and at the
15 end of the year, they often lose their flex benefits
16 because they expire and people don't know where to
17 use them. So, I completely agree with the notion that
18 to make the city more affordable, let's make sure New
19 Yorkers can take advantage of the benefits they
20 already have, rather than just letting these benefits
21 line the profits of big insurance companies that have
 made billions of dollars off ripping off the people
 of New York City. I think the thing we want to make
 sure of, and we'd very much like to work with the
 Council on this, is this can be, we want to make sure

1 this doesn't impose a big cost on the small
2 businesses of the city. I have heard so many
3 complaints from small businesses, corner bodegas,
4 about sky-high processing fees, credit card fees,
5 they're already needing to pay. I want to make sure
6 that any requirement that flex cards, for example, be
7 accepted, doesn't impose undue burden on these small
8 businesses. But I do believe there's a path forward
9 that protects our small businesses while making sure
10 that consumers can actually spend the money they're
11 entitled to spend and not have it go line the pockets
12 of the insurance companies.

CHAIRPERSON EPSTEIN: Yeah. Thank you.

12 Thank you, Commissioner. I don't see any more
13 questions from any of my Colleagues here so I want to
14 respect everyone's time. If there are no more
15 questions, Commissioner, I look forward to further
16 conversations, and thank you for, you know, taking
17 the time to talk to us and there's a lot of followup
18 here. I look forward to meeting and getting those
19 follow-up questions answered.

COMMISSIONER LEVINE: Thank you, Chair.

20 And thanks for the opportunity to speak with the
21

2 Committee in spite of the snow. We really appreciate
3 it.

4 CHAIRPERSON EPSTEIN: Thank you.

5 DEPUTY COMMISSIONER ORTIZ: Chair, we'll
6 also make sure we have our team monitoring the rest
7 of the hearings so we can get the stakeholder
8 feedback as well.

9 CHAIRPERSON EPSTEIN: Wonderful. Thank
10 you. I appreciate that.

11 And now I want to just turn to our first
12 panel. Carolyn Coffey, Winston Berkman-Breen, and
13 Isaac Goodman, and we can just go in that order. And
14 so, Carolyn, you want to go first from MFJ?

15 CAROLYN COFFEY: Thank you, Chair Epstein.
16 That was all really interesting, and I hope to see
17 more that comes out of that dialogue there. So, thank
18 you for hosting this hearing today, and thank you to
19 all the Members of the New York City Council who are
20 participating. I'm Carolyn Coffey, and I'm Director
21 of Litigation for Economic Justice at Mobilization
for Justice, and I'm here today to talk a little bit
different than we've been covering so far, and that
is the need to improve consumer protection for New
Yorkers, and specifically and importantly, to discuss

the need for New York City to adopt a strong, privately enforceable ban on unfair, deceptive, and abusive business acts and practices known as UDAPs.

A strong New York City UDAP is a critical tool toward general enforcement of the Consumer Protection Law, enabling the Department of Consumer and Worker Protection to focus on reforming industry-wide practices like the ones that they discussed earlier. MFJ is a civil legal services organization whose mission is to achieve justice for all. MFJ prioritizes the needs of people with limited income who are disenfranchised or have disabilities as they struggle to overcome the effects of social injustice and systemic racism. MFJ's consumer rights, homeownership protection, and workplace justice projects provide advice, counsel, and representation to New Yorkers with limited and low incomes and who are regularly taken advantage of by entities that treat them unfairly. New Yorkers are regularly squeezed by rising costs and inadequate pay due to corporate greed. Desperate New Yorkers harmed by predatory businesses regularly contact MFJ and are referred by elected officials to MFJ for help with problems related to pretty much every aspect of the

2 marketplace, including, for example, junk fees, as we
3 discussed, mortgage lending, student loan servicing,
4 bank fraud, debt collection, credit reporting,
5 automobile sales and financing, door-to-door scams,
6 and employer malfeasance, among others. But New
7 York's existing laws do little to hold bad actors
8 accountable or to support honest businesses. New York
9 State's catch-all consumer protection law is one of
10 the worst in the country. It's riddled with gaps,
11 loopholes, and such paltry penalties that the
12 National Consumer Law Center has called it toothless
13 and ranks us behind 42 states and the District of
14 Columbia. But there is a solution. As a matter of
15 economic and racial justice, we call on our City
16 Council to give New Yorkers a robust and privately
17 enforceable ban on unfair and abusive business
18 practices with meaningful penalties and true access
19 to justice.

20 SERGEANT-AT-ARMS: Time has expired.

21 CHAIRPERSON EPSTEIN: Carolyn, are you
done or do you need another minute?

CAROLYN COFFEY: I just really thank you
for the opportunity to speak and really call for the
City to adopt a New York City UDAP.

2 CHAIRPERSON EPSTEIN: Thank you very much.
3 Winston.

4 WINSTON BERKMAN-BREEN: There we go. Can
5 you hear me? Great.

6 Chair Epstein, Members of the Council
7 Committee, thank you for the chance to testify. My
8 name is Winston Berkman-Breen, and I'm a Legal
9 Director at Protect Borrowers, formerly known as the
10 Student Borrow Protection Center. I'm going to talk
11 today about what's happening at the federal level in
12 terms of what needs to happen at the City level.

13 New York City has long been a leader in
14 consumer protection and financial empowerment, but
15 its existing laws and resources are insufficient to
16 address current needs. These needs are exacerbated by
17 the federal government's near complete abdication of
18 consumer protection responsibilities and by the
19 affordability crisis that is sweeping the nation. In
20 absence of federal oversight, New York residents and
21 small businesses are vulnerable to unlawful and
abusive business practices and to corporate power.
Federal law prohibits unfair, deceptive, and abusive
acts and practices. However, these protections are
primarily enforced by federal agencies, namely the

2 Federal Trade Commission and the Consumer Financial
3 Protection Bureau. Without these two agencies,
4 households and small businesses nationwide do not
5 actually benefit from these federal protections.

6 Under the Trump Administration, the FTC and CFPB are
7 not enforcing these laws, and New Yorkers are paying
8 the price. For example, the Administration is
9 actively trying to close the CFPB, firing nearly all
10 staff and attempting to cut all of its funding. At
11 the same time, the CFPB has dismissed or terminated
12 the majority of its enforcement actions, stopped
13 complying with at least 87 statutory mandates,
14 rescinded over a decade of guidance and interpretive
15 rules, and deprioritized its work related to certain
16 topics such as medical debt and student loans. Along
17 with Consumer Federation of America, Protect
18 Borrowers calculates that the cumulative effect of
19 these actions has caused an estimated 18 billion in
20 costs for working families across the country.

21 Available data make clear that this federal
application is affecting New Yorkers. Based on data
from the CFPB's Consumer Complaint Database, the
number of complaints filed by New York City residents
increased by 63 percent in 2025 relative to 2024,

2 totaling 184,830 complaints last year. The Bronx had
3 the greatest increase at 71 percent. At the same time
4 that the number of complaints to the CFPB increased
5 across the city, the number of complaints from New
6 York City that were resolved and included relief to
7 consumers fell by approximately 10 percentage points.
8 It's therefore clear from the federal government's
9 own announcements and data that it is not working to
10 protect the interests of households and small
11 businesses across the country or here in New York
12 City. The City can fill the oversight and
13 accountability void left by the federal government by
14 taking two steps. First, as my colleague, Carolyn
15 Coffey, just said, the City must enact a municipal
16 law equivalent to the FTC's and CFPB's protections
17 around unfairness, deception, and abuse and must make
18 this law privately enforceable. Second, the City must
19 adequately fund the Department of Consumer and Worker
20 Protections as we all just heard, they do phenomenal
21 work.

18 Again, thank you for the chance to
19 testify. I'd be happy to answer any questions.

20 ISAAC GOODMAN: I can go ahead now unless
21 there's any questions.

2 Good afternoon, Chair Epstein and members
3 of the City Council. I really appreciate the
4 opportunity to testify today. My name is Isaac
5 Goodman, and I'm a Paralegal at New York Legal
6 Assistance Group. Alongside our attorneys, I help
7 advise clients on student loan issues like payment
8 plans, possible federal and private loan discharges.

9 I want to speak today about Int. 0177 and
10 particularly why I think it's so important that New
11 Yorkers have a reliable source of guidance regarding
12 student loans. You know, there's kind of a crisis
13 right now in the city. According to Federal Student
14 Aid, New Yorkers owe about 100 million dollars spread
15 around roughly 2.4 million borrowers and, as I'm sure
16 you may have heard, around a quarter of these
17 borrowers are in danger of default or in default. HR1
18 or the big beautiful bill will exacerbate these dire
19 conditions. The bill limits payment options for all
20 federal borrowers, but especially anyone with
21 existing loans for a child who no longer have access
to cheaper payment plans. Students looking to take
out new federal loans will face stricter limits on
lending, increasingly leading them towards predatory
private loans. NYLAG's clients managing these debts

1
2 feel lost amidst the federal government's
3 ever-changing programs and regulations. The resources
4 on Federal Student Aid's website are limited and
5 often incorrect. Federal servicers regularly send
6 clients misleading and contradictory notices, and it
7 can take hours waiting on the phone to actually speak
8 with these servicers to clarify. Searching the
9 internet for help often will only turn New Yorkers
10 towards for-profit scams. The proposed student loan
11 counseling program would be invaluable in reducing
12 confusion and avoiding default. Having a safe and
13 personalized source of guidance would stop borrowers
14 from having to choose between paying their debt and
15 paying the rent. NYLAG strongly urges the City to
16 pass this law and grant millions of New Yorkers the
17 help they need to achieve financial security. Thanks
18 again for the opportunity. Appreciate it.

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CHAIRPERSON EPSTEIN: Thank you. I
appreciate that. Thank you for the panelists who have
testified.

I want to see if any of my Colleagues
have questions for any of them. I see no other hands
raised right now.

1 Let me go to the... I just want to talk a
2 little about the private right of action and why is
3 the private right of action important in this moment?
4 Now that we heard the DCWP's increase in enforcement,
5 why do we think a private right of action is an
6 important tool today? Anyone can answer. Carolyn, if
7 you want to do that.

8 CAROLYN COFFEY: Sure. I think, you know,
9 we heard some of the great work that the DCWP is
10 doing and other regulators in the State and that they
11 play a really important role in keeping businesses in
12 check, but there are not enough of them. They have
13 limited resources and there are so many issues that
14 just can't be addressed in a pattern and practice
15 type of situation, and so you really need to have
16 individuals who are empowered to bring cases, to
17 bring actions, to threaten to bring cases against
18 businesses that mistreat them. And so many of our
19 clients are people with limited income, people who
20 are people of color, from communities of color, who
21 are just mistreated and their businesses are taking
 advantage of the fact that no one is going to step in
 to help them. And so we really need to empower

2 individual New Yorkers to be able to bring, you know,
3 to level the playing field.

4 CHAIRPERSON EPSTEIN: Would the legal
5 services community itself have the resources to,
6 because obviously you have limited resources as well,
7 you just feel like it's just another tool in your
8 tool belt as an option?

9 CAROLYN COFFEY: It has to be. And, you
10 know, the legal services, I mean, MFJ and NYLAG, we
11 can bring affirmative litigation and sometimes that's
12 important to do that kind of impact work. But even
13 being able to send a letter to a business that has
14 mistreated one of our clients and threaten the legal
15 ramifications that could befall the company, that
16 sometimes they will just resolve an issue because
17 they know that the law is on our side, and so we
18 don't even have to go to court. And so there are ways
19 to utilize a strong Consumer Protection Law that
20 will, you know, again, empower individuals and just
21 really just put money back into their pocket, which
is what we're really only after here.

CHAIRPERSON EPSTEIN: Thank you.

WINSTON BERKMAN-BREEN: Chair Epstein, may
I add to that?

2 CHAIRPERSON EPSTEIN: Yeah. Please do.

3 WINSTON BERKMAN-BREEN: I think one
4 additional gloss I would just add is that our rights
5 as individuals, as New Yorkers, shouldn't rise and
6 fall based on, it shouldn't be enforceable or not
7 enforceable based on the position of the federal
8 government or the resources of the local government,
9 right, so New Yorkers should be able to have their
10 rights upheld and enforced regardless of who's in the
11 White House and regardless of whether we're on an
12 austerity budget or we have a budget surplus that can
13 make sure DCWP is adequately staffed. And I, again,
14 will reiterate that I think we should, you know, and
15 I think the Mayor has even called for doubling it,
16 whatever it is, we should give DCWP significantly
17 more resources for staffing and investigators, et
18 cetera. But even in the most robustly staffed agency,
19 and if we had someone in the White House who wanted
20 to enforce these federal laws, private enforcement is
21 complementary. It's very much sort of a three-legged
stool of public enforcement, public regulation and
private enforcement, and these fact patterns and
cases often end up being mutually reinforcing, and,
you know, a public enforcer might pick up a pattern

1 that's been litigated by a handful of plaintiffs. But
2 I would just, again, come back to the point of
3 resources is that we can't rely on public enforcement
4 just because there aren't always the resources there
5 to make sure our rights are enforced, and that's
6 where a private right of action is so important.

7 CHAIRPERSON EPSTEIN: I appreciate that.
8 I'm wondering, especially to immigrant communities
9 and non-English speaking communities, how your
10 organizations are able to access them versus kind of
11 DCWP's resources. Do you feel like you have a deeper
12 connection to those communities?

13 CAROLYN COFFEY: Well, MFJ provides
14 services in all five boroughs and we have language
15 capacity and we partner with community-based
16 organizations, and so while I think there's always
17 more work to be done and more people to reach, I
18 think that we are embedded in the communities and we
19 are hearing from immigrants. We are hearing from
20 non-English New Yorkers. We hear from small business
21 owners who are immigrants. We hear from everyone. And
then we also proactively go into the communities and
try and find out what their issues are.

CHAIRPERSON EPSTEIN: Right. And then just one last question. I'll ask someone else to answer that. But just Winston on 177, what kind of resources and support would be helpful to managing the student debt issues that we're seeing going on in the city?

WINSTON BERKMAN-BREEN: Well, I think I should say the City has done and as I work across the country, although I'm a New Yorker and the City is always leading the charge in terms of what local government can do so continuing to add to that and update to that is great and I really support that. I think making sure folks know that the City can provide, can be a trusted messenger because there is, as we heard from Isaac, there's so much misinformation, confusing information going out there. So, providing accurate resources. But then to your last question to Carolyn, really getting out. I mean, the resources and materials themselves, I don't think are the hard part. I think the hard part is making sure they get to the people who need them the most and doing outreach and making sure that outreach is accessible is important. I think the City also has an opportunity to, through its other points of contact with community members or through data and

1 looking through its Office of Financial Empowerment
2 and Outreach, really target certain communities for
3 directed outreach and not just sort of have a blanket
4 approach to how it gets student loan resources out
5 there.

6 CHAIRPERSON EPSTEIN: All right. Well,
7 thank you very much.

8 If there aren't any other questions for
9 this panel, I don't see any, I appreciate all the
10 panelists for being here, and I really want to thank
11 you for your dedication to the city. Thank you for
12 coming on this snowy day to join us, and I hope you
13 will stay on to listen to the rest of the panels.

14 I'm going to go to the second panel,
15 which is Jessica Walker, Lindsay Vigoda, sorry to
16 mess that up, and Anthony Pena.

17 And in that order, Jessica, you can go
18 first.

19 JESSICA WALKER: Thank you. Hi, Chair
20 Epstein and Members of the Committee. I'm Jessica
21 Walker, President and CEO of the Manhattan Chamber of
Commerce. I submitted long written comments, but here
are the highlights.

1 We support strong enforcement, but we
2 need a system that distinguishes between malice and
3 simple mistakes. Our recent data analysis reveals an
4 enforcement system that is penalizing paperwork over
5 fraud. 62 percent of resolved DCWP charges end in
6 default judgments, meaning the business wasn't
7 necessarily guilty. They simply did not respond. The
8 overwhelming majority of charges are for
9 administrative and signage infractions, such as
10 missing a "straws upon request" sign. Small
11 businesses are actively denied the opportunity to fix
12 these minor mistakes because environmental laws like
13 Skip the Stuff and the plastic straw ban lack
14 permanent right to cure provisions. Even when
15 violations are cure eligible, the system is broken.
16 55 percent of cure eligible charges have no recorded
17 outcome in DCWP's reporting. So, we really don't know
18 if the cure policy is actually working as intended or
19 not. We are also deeply concerned about DCWP's new
20 protected time off benchmarks report, relying on
21 national data to flag low sick leave usage risks,
 massive false alarms for small employers who may just
 have a healthy or seasonal workforce. We wish that

2 there was a comment period before this was adopted.

3 There's more in my testimony on that.

4 Regarding today's legislation, Intro. 410
5 risks becoming an unfunded operational and technology
6 mandate. If the City requires small retailers to
7 accept flex benefit cards, it must provide technology
8 assistance and/or small business exemptions.

9 We support Introduction 177 for student
10 loan counseling, but it must be resourced
11 independently so it doesn't drain DCWP's enforcement
12 capacity.

13 We urge you to build a smarter system,
14 mandate text message and email hearing notifications
15 to fix the unacceptable 62 percent default rate.
16 Create a mobile first portal to easily upload photos
17 to cure violations and amend recent environmental
18 mandates to include permanent cure periods. We must
19 build an enforcement system and build enforcement
20 systems that educate before they punish. Thank you.

21 CHAIRPERSON EPSTEIN: Thank you very much.

 I think Lindsay was next.

 LINDSAY VIGODA: Thank you, Chair Epstein
and Members of the Committee. My name is Lindsay
Vigoda and I'm the New York Director of Small

2 Business Majority. As a representative of the more
3 than 2.2 million small businesses in New York, thank
4 you for the opportunity to talk to you about unfair
and abusive practices for small businesses.

5 New York small businesses are at a near
6 breaking point between rising commercial rental
7 prices, rising healthcare costs, a decline in
8 traditional lending opportunities and the stripping
9 of many SBA or Small Business Administration lending
10 programs. Running a small business in the city is
11 extremely expensive and challenging. A survey we
12 released in November highlights the position small
13 business owners are currently in. Half of
14 entrepreneurs reported a decrease in revenue in the
15 last three months. In my work as a small business
16 advocate, I've seen time and time again how in
17 periods of economic uncertainty and turmoil like
18 this, small business owners frequently turn to
19 predatory lenders, often unknowingly, as a last
20 resort to save the business they have worked so hard
21 to build. With the decline in safe avenues of capital
and the rise in AI and quick technology, this trend
is only going to increase. While New York was once a
leader in enacting policy to protect small businesses

1 from bad loans, our neighboring states have now
2 passed laws to stop unfair and abusive behaviors from
3 those who target small businesses, while New York
4 City and New York has not. We continue to fall behind
5 on these commonsense protections. Often lenders prey
6 on vulnerable small business owners who have nowhere
7 else to go. With the latest SBA ruling, which bars
8 all non-U.S. citizens from accessing SBA loan
9 programs, predatory lenders will continue to fill the
10 space, putting New York's immigrant small business
11 owners at risk more now than ever before. It is
12 important to note that nearly half of our city's
13 entrepreneurs are immigrant-owned.

14 And while access to capital is a pressing
15 issue for New York's small business community, this
16 is just the tip of the iceberg. Small businesses are
17 increasingly facing more and more unfair practices.
18 I've heard all sorts of stories, even in the last
19 couple of weeks, from entrepreneurs in the city, from
20 abusive collections practices to a business
21 unknowingly without consent being signed up for an
energy service company that raised their utility bill
to a corporation stripping a small business's catalog
for their own use. In the city of endless

2 opportunities, it is far too easy for small
3 businesses to be taken advantage of and scammed.

4 So, I beg the question, what happens if
5 we don't act now? With predatory and unfair practices
6 taking over the small business landscape, it's time
7 for the City to step up again and defend our most
8 precious asset, our small business community. Thank
9 you very much.

10 CHAIRPERSON EPSTEIN: Thank you.

11 Go ahead, Anthony.

12 ANTHONY PENA: Hello? Yeah. Okay. Good.

13 Good afternoon, Chairman Epstein, Members
14 of this Committee. My name is Anthony Pena. I'm a
15 second-generation supermarket owner. I'm also the
16 National President of the National Supermarket
17 Association. And I'd just like to show you guys a
18 quick story in that my father, when he started in a
19 small bodega back in Yonkers in 1983, the bodega
20 became a market and the market then became a
21 supermarket. Today, we're more than glad and proud to
operate eight stores over four states, including here
in New York. And I'm proud to be in the business that
I'm here because independent grocers are the backbone
of New York City's food supplies. And we are under

1 serious threat. Over 80 percent of the groceries
2 serving New York City are independent. We operate in
3 every borough, in working class neighborhoods,
4 immigrant communities, in areas where large chains
5 dare not go and do not want to go. Our stores are not
6 cookie cutters. One of our stores serves prominent
7 Puerto Rican neighborhoods, and another serves
8 prominent Colombian families and neighbors. In other
9 stores, you will find different types of product from
10 all over the world, from Portuguese to Italian
11 products. So, that's how different and dynamic our
12 independent grocery stores are. We reflect the
13 communities in where we serve, but we are being
14 squeezed out, not because we fail consumers, but
15 because of how the wholesale market is structured.
16 But here's the reality. Dominant retailers like Stop
17 and Shop, the Walmarts of the world, the Amazons of
18 the world, the Costcos of the world, use their
19 massive buying power to squeeze suppliers for the
20 lowest possible prices and priority access to product
21 that we do not have access to. So, suppliers, they
make up the difference by charging the independent
groceries more. That means higher prices for New
Yorkers. In some cases, mega retailers can sell

1 identical products at retail for less than what I can
2 buy at wholesale. So let me repeat that. Their shelf
3 prices are lower than my wholesale costs. Sometimes
4 you don't see that in the retail costs because what
5 happens is when they buy at a significant savings,
6 they match our prices and then they make
7 significantly much more margins than what we do. But
8 that's not competition. That's structural economic
9 discrimination. During the supply chain disruptions,
10 I've had suppliers tell me there's no more product
11 available, yet I walk into these large super centers
12 and see the shelves fully stocked with the exact same
13 product I was told they didn't have any inventory
14 for. Delivery trucks literally pass by my stores to
15 make sure that the dominant retailers are stocked
16 first. When that happens, my costs rise, my inventory
17 shrinks, and my consumers, your constituents, pay
18 more. This is not an abstract economic theory. This
19 is New York City cost of living issue. When
20 independents are forced to pay inflated wholesale
21 prices, these costs are passed directly onto the
families where the consumers are. And there is
another side of the issue. When independent groceries

2 close, they're not replaced by Walmart. They're
3 replaced by nothing.

4 SERGEANT-AT-ARMS: Time is expired.

5 CHAIRPERSON EPSTEIN: Go ahead, Anthony.

6 Finish up. Go ahead.

7 ANTHONY PENA: Yeah. So, pretty much when
8 our independents close, nobody else goes in there to
9 replace them. And if this consolidation continues
10 unchecked, New Yorkers will have lower choices,
11 higher prices, and controlled by enormous
12 corporations. This is not the New York City we
13 believe. The city has always been defined by its
14 neighborhoods and independent businesses that serve
15 them. We are asking for a fair chance to keep serving
16 ours. Thank you for your time.

17 CHAIRPERSON EPSTEIN: Thank you.

18 I just have a couple of quick questions.
19 So, can I just ask around whether you think the CPL
20 should be applied to small businesses? Should we be
21 extending that statute to small businesses and get
the benefits of those kind of protections that
consumers are right now have under statute for fraud
misrepresentation that we're seeing happening across
the city and the country? And I'm happy to any of the

2 panelists to kind of, I don't know, Jessica, do you
3 want to go first?

4 JESSICA WALKER: Sure. I mean, the devil's
5 in the details, of course. Obviously, we want to
6 protect good actors. There's no question about that
7 to the extent that we can. Our concern is always, you
8 know, when we're passing laws that can be sweeping,
9 that we are pulling in the good actors in some way
10 and potentially harming them. That's really what, you
11 know, the big concern is. So yes, to the extent that
12 we can protect, we are all for it. But it's about
13 what those details look like and, you know, what that
14 actually means on the ground.

15 CHAIRPERSON EPSTEIN: I mean, can I just
16 follow up there? Because obviously, small businesses
17 are critical. We've all heard from everyone on this
18 panel how important our small business community is.
19 And what we're seeing with the Amazons, the Targets,
20 the Walmarts, not Walmart most of New York, but these
21 large stores, like how do we change the course? And
what do we actually have to do to ensure that fair
competition, if not help small businesses not be, you
know, hurt by, you know, by the larger businesses
trying to do things that are, you know, untoward?

2 Like, you know, obviously, deceptive practices
3 happen. And how do we prevent that from happening, if
4 not through expanding the CPL?

5 JESSICA WALKER: I can respond. So, here's
6 what I would say. Part of this, I mean, it starts
7 from the beginning, what is a deceptive practice?
8 There's been a lot of talk, for example, about the
9 food delivery apps and where they're placing tipping
10 and that sort of thing. That, I think it remains to
11 be seen. What does that mean? Is that illegal? Is it
12 unethical? Is it, you know, a business practice to
13 drive revenue, which is what businesses are trying to
14 do? So, I think that's what I'm trying to say is that
15 none of this is easy. It really does mean looking at
16 what are we talking about? What are the definitions
17 that we're using? And how is that actually applied?

18 CHAIRPERSON EPSTEIN: Okay. And then I
19 just want to, your other point around kind of making
20 sure businesses know these hearings are happening.
21 You think creating, you know, text messages, other
tools to do follow-up, that would be helpful for
businesses? Do you think you'd have a higher, lower
default rates if that happened?

2 JESSICA WALKER: I do. And part of it also
3 is to, you know, there's a whole education that needs
4 to happen. Most small businesses, I can tell you, in
5 New York City, most small businesses have no idea
6 about what is happening at the City Council today or
7 on any normal day. The laws, I don't think most small
8 businesses are aware of these laws. And that is a
9 problem. That's why the cure period is so important.
10 But right, if they don't know that there is a cure
11 period, if they don't know what that entails and how
12 they can take advantage of it, then it doesn't matter
13 that it exists. So, I think it's all about education.

14 CHAIRPERSON EPSTEIN: And do you think
15 that's through DCWP, through the Chambers, through
16 non-profits, all the above?

17 JESSICA WALKER: All the above and more.
18 Absolutely.

19 CHAIRPERSON EPSTEIN: Thank you.

20 Anthony, I don't know if you wanted to
21 add anything.

22 ANTHONY PENA: Yeah, I actually do. And it
23 also gives the businesses a chance, a fighting
24 chance. Because a lot of these small businesses, we
25 don't have big counsels. We don't have a lot of these

2 budgets that these national chains. For example, now
3 there's a big situation happening with Mondelez,
4 which is Nabisco, the Oreos, and the company that
5 delivers this to the retailers. Now they sent us a
6 letter just saying, you know what, we're not going to
7 service independents anymore, but they're going to
8 service the national chains. So, these types of, and
9 these companies are getting away with murder. They're
10 getting away with these things because they know that
11 we don't have the resources to fight them. So now if
12 there's a legal, something in place that we can say,
13 listen, we can document these things. We can say,
14 this is happening. We need help. Now they may think
15 twice before making decisions like Mondelez just did
16 for our independents, which is something which, it
17 doesn't even make economic sense. How can you have
18 1,080 grocery stores, 1,000 are independent, and only
19 decide to go with 80 grocery stores to service the
20 consumers on, you know, that's going to end up higher
21 cost for the product at retail level so I just don't
get some of these decisions. And then they know that
they can get away. Robinson-Patman Act hasn't been
enforced in God long how knows. So maybe with this in

2 place, we have a fighting chance, and that's kind of
3 what we're looking for.

4 CHAIRPERSON EPSTEIN: Thank you.

5 Go ahead, Lindsay.

6 LINDSAY VIGODA: Thanks, Chair. I would
7 echo a lot of what my colleagues said. Really, I
8 think when we're talking about small businesses,
9 we're talking about folks who, like Anthony said,
10 don't have HR teams, don't have legal teams, don't
11 have anything assembling that, especially in the
12 city. You know, as a small business owner, you're
13 wearing about a million and a half hats on any given
14 day. And I think oftentimes when we say business, we
15 have this umbrella term, and really, the distinction
16 is small business. And they need support, they need
17 resources, and they need protections. And I do agree
18 with what Jessica was saying that the right to cure
19 is so necessary. A lot of folks, there are a lot of
20 laws I can turn to that a lot of small businesses
21 don't know that they are not in compliance. And if we
extend any of these deceptive, unfair, abusive
practices and include small businesses in those,
making sure that small businesses have that right to
cure. But also, they often have the characteristics

1 of consumers. And like we have all talked about on
2 our panel, they tend to fall victim more than these
3 bigger corporations to predatory practices, and
4 that's where I think DCWP could be really helpful in
5 enforcing and protecting small businesses in the
6 city. And again, most of our city businesses are
7 small and they don't have resources so this is where
8 the Department can really step up. However, I will
9 say there should be a private right for small
10 businesses to act and be able to go after the folks
11 and predatory lenders and predatory actors that they
12 haven't been able to before and get more resources
13 that way as well.

14 CHAIRPERSON EPSTEIN: But you think the
15 private right instead of the extension of the CPL is
16 a better path?

17 LINDSAY VIGODA: You know, I will turn to
18 my amazing friends and advocates who are on the legal
19 team and who are actually lawyers, and I know we have
20 an amazing small business owner talking to that. But
21 to get into the nuances, just protections period and
ensuring that there is a way that we can change the
system, that we don't have to always go through City
or State offices to get justice and seek justice.

2 CHAIRPERSON EPSTEIN: That's helpful.

3 Thank you.

4 Any last words? I don't see any other of
5 my Colleagues who have questions so I want to respect
6 the panel's time.

7 JESSICA WALKER: Chair.

8 CHAIRPERSON EPSTEIN: Go ahead.

9 JESSICA WALKER: I just wanted to weigh in
10 on Council Member Riley's bill. I think that there
11 was some confusion. People wanted to understand why
12 there was some pushback on that because it sounds
13 like it's just an easy fix to make people take the
14 flex cards, but I just wanted to clarify that these
15 systems are actually regulated by the IRS. And it's
16 not just, you can't use the same system, the same
17 point of sale system at checkout that you would for a
18 credit card. It's not that easy. There is a whole
19 other hardware and software that businesses would
20 have to acquire in order to do that, and that's where
21 the new costs come in. And that can be between, I
think, between 1,200 and 3,000 dollars to get the
hardware upfront, and then there are ongoing fees.
You have to pay a monthly fee that can be about up to

2 3,000 dollars annually so I just wanted folks to
3 understand why we have concerns about that.

4 CHAIRPERSON EPSTEIN: So, it's a fiscal
5 concern more than anything else?

6 JESSICA WALKER: Absolutely.

7 CHAIRPERSON EPSTEIN: It's really helpful
8 to know. And if we can figure out ways to resolve the
9 fiscal issue, you know, structurally, you don't have
10 a problem with having access to these cards. You want
11 to make sure that your small businesses have to bear
12 the cost.

13 JESSICA WALKER: Absolutely. So, that's
14 why we recommend that either there be some funding
15 put aside so that businesses can fund that or
16 exempting the smallest of businesses.

17 CHAIRPERSON EPSTEIN: And what level of
18 exemption? When you say small, you know, everyone
19 defines small differently, you know?

20 JESSICA WALKER: Absolutely, yes.

21 CHAIRPERSON EPSTEIN: In the State, 99
employees is small, you know? It's like..

JESSICA WALKER: You're absolutely right
about that. In this instance, I would probably say 50
employees or below to exempt.

2 CHAIRPERSON EPSTEIN: Right. Very helpful.

3 JESSICA WALKER: Thank you.

4 CHAIRPERSON EPSTEIN: All right. Again,
5 unless there's any last comment from this panel, I
6 want to move on to panel three.

7 And if there are people who are here who
8 would like to testify, you should notify the Staff
9 here at the Council so we can add you. If you haven't
10 signed up beforehand, it's your opportunity for the
11 public. You know, obviously this is a public hearing
12 for public testimony. If you haven't signed up ahead
13 of time, we'd love to have you testify.

14 Next panel is Christine Hines, Chuck
15 Bell, and Erik Krause. And Christine, do you want to
16 go first?

17 CHRISTINE HINES: Yes. Thank you.

18 Good afternoon, Chair Epstein and Members
19 of the Committee on Consumer and Worker Protection.
20 My name is Christine Hines, and I am Senior Policy
21 Director at the National Association of Consumer
Advocates. I will submit written testimony, but here
are the highlights.

We appreciate this opportunity to appear
before you to share our views on the oversight and

2 enforcement of Consumer Protection Law in New York
3 City. As a global center for business and commerce,
4 New York City should also serve as a model for
5 protecting and empowering consumers, particularly the
6 most vulnerable among us in the marketplace. In
7 January 2025, as this Consumer Financial Protection
8 Bureau prepared to transition to the current
9 Administration's control, the agency issued a
10 recommendation to states to, quote, refresh their
11 decades-old consumer laws. In light of developments
12 on the federal level, New York's move to modernize
13 its laws and boost safeguards for working families
14 and small businesses is not only timely, but crucial.
15 For decades, State laws that prohibit unfair and
16 deceptive acts and practices have been key for
17 enabling State governments, individual consumers to
18 confront and stop harmful business practices that
19 affect consumers' everyday lives. UDAP covers a wide
20 variety of conduct, including insidious practices
21 such as hidden fees and charges without consumer
consent, unauthorized tracking and data collection,
bait and switch tactics, delayed or withheld
disclosures, and widespread financial misconduct such
as predatory lending and abusive debt collection

2 tactics. These days, consumers also face unfair and
3 deceptive schemes connected to artificial
4 intelligence and other evolving technology. The
5 State's newly updated law, which added prosecution of
6 unfair and abusive business practices for the
7 attorney general, signals a positive step for
8 consumer protection, but it leaves an unmistakable
9 enforcement gap that will obstruct its ability to
10 achieve its goals. The new State law failed to give
11 harmed consumers the power to act as private
12 attorneys general and to pursue remedies on their own
13 when they're harmed by abusive and unfair conduct.
14 Private enforcement provisions in consumer and civil
15 rights laws have long provided meaningful benefits to
16 individuals and the marketplace in general. First,
17 individuals bear the brunt of the costs when they're
18 harmed by a misconduct. When companies break the law
19 and individuals have a private right to seek
20 remedies, that ensures that at least a portion of the
21 cost of the misconduct will transfer back to the
wrongdoer when they compensate the victims.

Second, consumer-led enforcement...

SERGEANT-AT-ARMS: Your time has expired.

2 CHRISTINE HINES: Thank you. I would just
3 like to say that I hope that New York City has an
4 opportunity to implement proven techniques to
5 facilitate broad and vigorous enforcement of its laws
6 and to deter unlawful conduct. Thank you for
7 listening.

8 CHUCK BELL: Hi. Good afternoon, Chairman
9 Epstein and Members of the Committee. My name is
10 Chuck Bell. I'm Programs Director for Consumer
11 Reports based in Yonkers, New York. We're a national
12 consumer protection organization.

13 We are big fans of the Department of
14 Consumer and Worker Protection. We think they do
15 excellent work. We hope that they can be generously
16 funded because they have many statutory
17 responsibilities that are difficult to meet. We also
18 strongly support a very strong consumer protection
19 law and a strong consumer private right of action. I
20 have submitted a written statement where I have
21 outlined how we at Consumer Reports believe that New
York City has really lagged behind the rest of the
country in updating its consumer laws with respect to
unfairness and abusive practices, and these are not
just things that harm consumers on a one-off basis.

1 They are things that create a sort of ecosystem where
2 consumers are prone to lots of harm and it's really a
3 systemic problem. I put in the appendix a chart which
4 compares the consumer protection laws of our
5 neighboring states, Vermont, Connecticut, New Jersey,
6 Pennsylvania, and Massachusetts, and then I took a
7 look at some of the high-profile harms that consumers
8 are experiencing today in six or seven different
9 categories, such as payment app scams, loan servicing
10 abuses, credit reporting agency issues, auto finance
11 abuses, hidden fees and junk fees, supermarket and
12 consumer package goods harms such as shrinkflation
13 and dark pattern design on digital apps. So, those
14 are like seven really broad categories. In each of
15 those categories, our neighboring states have
16 significantly stronger laws than New York State and
17 New York City does. We as a polity have lagged behind
18 in updating our law, and so the situation we face
19 today is that we cannot protect consumers adequately
20 in New York State or New York City with a law that
21 hasn't been updated substantially since 1980. We
can't do it.

And so, I was going to mention that we
last summer worked with the county of Westchester,

2 updated their consumer protection law to add
3 unfairness and abusiveness. They did not create a
4 private right of action, which we would have liked to
5 see, and we hope that New York City will do. But they
6 also upped their fines up to 15,000 per single
7 violation. So, I think we would urge the City to
8 really strengthen the private right. We need the
9 private attorneys and individual consumers to help
10 enforce the law and create a strong deterrent against
11 unfair behavior. And working together with the strong
12 Commissioner and staff that we have at DCWP, that's
13 the key to this. But we have many, many different
14 areas where our laws are so weak that companies can
15 routinely violate consumer rights with impunity
16 without consequences.

17 SERGEANT-AT-ARMS: Your time expired.

18 CHUCK BELL: Thanks so much for having the
19 hearing, and I look forward to working with you.

20 CHAIRPERSON EPSTEIN: Thank you.

21 ERIK KRAUSE: Good afternoon, Chair and
Members of the Committee. My name is Erik Krause,
Stakeholder Engagement Manager with the Education
Debt Consumer Assistance Program, known as EDCAP, at

2 the Community Service Society of New York. Thank you
3 for the opportunity to testify.

4 For over 180 years, CSS has advocated for
5 low-income New Yorkers. In higher education, we see
6 the urgent need for stronger consumer protections
7 daily, especially for student loan borrowers. Today,
8 one in four federal borrowers is at risk of default.
9 Borrowers still face servicer failures, steering into
10 forbearance, misinformation and missing records,
11 while federal oversight has weakened, leaving little
12 recourse when errors occur.

13 A client's case shows the stakes. Rachel
14 qualified for public service loan forgiveness after
15 10 years of dedicated service, but servicer
16 mismanagement and the loss of over four years of
17 payment records delayed the relief. Despite multiple
18 complaints and records back to 2004, it took over two
19 years to fix her file and discharge her loans.

20 No one should lose relief because a
21 servicer can't keep accurate records. The situation
has worsened as court rulings pushed nearly 8 million
borrowers out of the SAVE plan into less affordable
options and higher delinquency risks. Instability
fuel scams.

1
2 Nadine was targeted by a document
3 processing company that seized her FSA account,
4 needlessly consolidated her loans, enrolled her in
5 auto debit, and charged her nearly 800 dollars
6 upfront, plus a monthly fee, an abusive scheme that
7 was very hard to stop.

8 This isn't administrative hiccup. It's a
9 consumer protection crisis. Borrowers need stronger
10 oversight, clear rules, and a way to enforce their
11 rights. A private right of action is essential.
12 Without it, borrowers remain powerless when servicers
13 or third-party companies cause harm.

14 We're also deeply concerned about the
15 shift towards private loans under the One Big
16 Beautiful Bill Act. The Century Foundation estimates
17 38 percent of consumers will struggle to qualify,
18 with even higher barriers in low-income communities
19 and communities of color. Families turn to private
20 loans out of desperation. John's family did. Both his
21 parents and grandfather all co-signed to keep him
enrolled in college. Now three generations face
financial insecurity.

As federal and private options constrict,
we expect more direct-to-school debt, balances owed

2 to colleges that block re-enrollment and lack
3 consumer protections. These debts go to collections
4 or trigger lawsuits, undermining New York's
5 investments through TAP, Excelsior, and public
6 universities. New York must be prepared. We urge DCWP
7 and City leadership to strengthen protections across
8 education-related debt, improve private lending
9 transparency, monitor emerging risks, partner with
10 community and legal services, and critically enact a
11 private right of action so harmed borrowers can seek
12 relief. New Yorkers deserve a financing system that
13 expands opportunity, not one that traps students and
14 families in debt. Stronger consumer protections are
15 essential to safeguarding our residents, workforce,
16 and economy. Thank you.

17 CHAIRPERSON EPSTEIN: Thank you all. And
18 sounds like there's some support here for the private
19 right of action, which is really good to hear.

20 Chuck, you mentioned other updates that
21 you've seen across the other jurisdictions besides
our private right of action. What would be your focus
here for New York City?

CHUCK BELL: Well, I think particularly
with the worker protection responsibilities that the

1 agency has, they do need more resources to be able to
2 meet their statutory responsibilities. But beyond
3 that, I think strengthening the law to clearly
4 prescribe unfair and abusive practices would give the
5 Commissioner substantial authority to go after really
6 large scale things. But I agree with what Erica said
7 and Carolyn and others that there are many smaller
8 scale incidents that crop up where consumers do not
9 have, you know, they can't wait for a regulator to
10 intervene on their behalf, and because New York has
11 the weakest law in the Northeast region, the
12 businesses that cannot, you know, promote deceptive
13 debt settlement scam, for example, in Massachusetts,
14 they can do it in New York. They can do it in New
15 York and they can do it in New York City. And so by
16 strengthening the standards, we can have a really
17 substantial deterrent effect. And like even without
18 using the courts, companies will have to, they will
19 realize that they can't practice things that are
20 unfair. And that would include things like the
21 digital apps with unfair design practices, where they
induce consumers to tip or they make it impossible
for it to turn down a subscription. Those types of
things are clearly unfair. There's a national federal

2 standard for it with the FTC and the CFPB. And
3 there's a State standard. And so we're just lagging
4 behind and updating the basic provisions that we
5 should have in our laws.

6 CHAIRPERSON EPSTEIN: Thank you.

7 I appreciate the updating laws and giving
8 more power to DCWP and giving more resources there.

9 I don't have any more questions for this
10 panel, unless someone else, another Committee Member
11 does.

12 All right. Well, I want to thank this
13 panel for being here and taking the time. I know on
14 the snowy days, there's a lot going on so I do
15 appreciate you all, and I look forward to follow-up
16 conversations with you all as things progress.

17 All right. So, I'll move on to the next
18 panel. Ariana Lindenmayer (phonetic), Joseph Ribella
19 and Benjamin Wolf.

20 Ariana.

21 POLICY ANALYST MELTZER: I'm not seeing
Ariana on so we'll go to Joseph.

CHAIRPERSON EPSTEIN: Thank you.

Hi, Joseph.

1 JOSEPH REBELLA: Great, can you hear me?
2
3 Wonderful.

4 Good afternoon, Chair Epstein and Members
5 of the Committee. My name is Joseph Rebella and I'm
6 the Supervising Attorney in charge of Foreclosure
7 Prevention at the Bronx office of the Legal Aid
8 Society. I offer this testimony along with some of
9 the other people you've heard from today in support
10 of a private right of action prohibiting unfair,
11 deceptive and abusive business acts and practices.
12 I'm limiting my testimony to specifically focus on
13 the areas of housing and homeownership because we see
14 these issues particularly keenly here. The major flaw
15 in the CPL is that it only prohibits deceptive
16 conduct, but many unsavory business practices do not
17 rely on deception per se. Instead, they're taking
18 advantage of the victim's lack of power and choice,
19 and we see that especially in homeownership.

20 So, in a recent example, there was a
21 mortgage servicer that illegally charged convenience
fees for homeowners to pay their mortgage online
instead of by mail, and these fees were unauthorized.
The homeowner didn't agree to pay for them. But the
servicer is not actually acting deceptively. They're

2 fully disclosing this fee. It's just an illegal fee.
3 What the servicer is relying on is not to fool the
4 borrower, but that the homeowner is going to make the
5 payment so they can stay current on their mortgage
6 and stay in their home and avoid foreclosure. We see
7 similar action in landlord-tenant situations where
8 landlords will improperly bring actions in Supreme
9 Court to avoid the legal safety net that's been set
10 up by universal access to counsel. And although such
11 action is legally defective, the tenant has no other
12 recourse but to defend themselves in Supreme Court,
13 which is the whole goal of the landlord in bringing
14 the case there. They think the tenant's less likely
15 to defend themselves. And just like a homeowner can't
16 select their mortgage servicer, a tenant has no
17 control over who owns their building. This lack of
18 control is true in a lot of areas of importance in
19 our lives. New Yorkers have no control over who
20 services their student loans, which debt collectors
21 purchase their debts, which credit bureaus and data
brokers have access to their personal information.
There are entire industries dedicated to extracting
wealth from New Yorkers in a predatory manner, and
they're able to do so without deception, which is why

1 we need a broader catch-all of unfair and abusive
2 practices as well. Thank you for the opportunity to
3 testify today, and I'll happily wait for any
4 questions you may have.

5 CHAIRPERSON EPSTEIN: Thank you, Joseph.

6 And I didn't realize that Ariana's sick
7 today, and so we're going to add on this panel Eda
8 Henries on this panel. So, I don't know between
9 Benjamin and Ida who wants to go, but you're both,
you know.

10 BENJAMIN WOLF: Chair Epstein, Members of
11 the Committee. My name is Ben Wolf. I am a resident
12 of the Upper East Side and counsel at the law firm of
13 Whiteford, Taylor and Preston, where part of my
14 practice includes representing victims of consumer
15 fraud here in New York and also New Jersey. I
16 specifically mentioned our neighbor to the west, not
17 by accident, but purposefully, because although it is
18 merely four or five miles from where we physically
19 are this minute, our State consumer protection laws
20 could not be more distant. While the New York State
21 Attorney General and the New York City Department of
Consumer Worker Protection, the DCWP, play a critical
role in protecting the city's residents, so do

1 private lawyers like me. Every week and sometimes
2 multiple times a day, New York City residents contact
3 my office looking for legal representation concerning
4 consumer fraud issues involving used car dealerships,
5 solar panel companies, debt collectors, health clubs,
6 home improvement contractors, some of the world's
7 foremost financial institutions, many headquartered
8 in this city and other bad actors. The fact patterns
9 are always the same, impermissible or extraneous
10 fees, unsigned contracts, forged signatures, yo-yo
11 scams, high pressure sales tactics, checking account
12 fraud, you name it. Most times I'm forced to
13 reluctantly turn these potential clients away from
14 suitable legal representation where the playing field
15 would be leveled against the bad actors hiring
16 gigantic law firms because New York's weak consumer
17 protection laws make it almost impossible for these
18 residents to assert their rights through the judicial
19 system with the benefit of a private law firm. In
20 short, New York's consumer protection laws obstruct
21 our residents' ability to receive justice and
monetary compensation. Conversely, when presented
with the same set of facts in New Jersey and at the
risk of hyperbole, I could probably draft a complaint

2 and file it with the court by tomorrow morning. As
3 this Committee considers the enforcement mechanisms
4 of the DCWP, it should also appreciate how private
5 lawyers like me can play an important role in helping
6 protect New York City residents from consumer fraud.
7 No matter what side of the political aisle you stand
8 on, we all know somebody who has had issues with a
9 student loan, a mortgage, credit card, motor vehicle,
10 bank account, health club membership or a home
11 improvement project, and we can all agree they should
12 be protected by comprehensive and strong consumer
13 protection laws through proper legal representation.
14 Thank you, Chair Epstein and to the Committee for
15 your time, and I welcome the opportunity to answer
16 any questions.

17 CHAIRPERSON EPSTEIN: Thank you very much.

18 Eda, go ahead.

19 EDA HENRIES: Thank you, Chair Epstein and
20 Members of the Committee. My name is Eda Henries, and
21 I'm the Founder and Management Principal of Henries
and Company. I'm also one of 85,000 small business
owners who is proud to be a member of the Small
Business Majority, a national non-profit organization

2 empowering America's diverse entrepreneurs to build a
3 thriving and equitable economy.

4 Today, I am pleased to submit testimony
5 for the Committee on Consumer and Worker Protection
6 emphasizing the need to protect small businesses from
7 unfair and abusive lending practices. I'm a proud
8 entrepreneur and operate a financial advisory firm
9 focused on small high growth companies. Most of my
10 clients generate between 5 million and 50 million
11 dollars in revenue. I work essentially as a broker
12 and an advisor who evaluates a business as it stands
13 today, gathers information about the business's
14 goals, and then develops a strategy to help that
15 business raise the growth capital it needs. Although
16 I work with highly successful small businesses,
17 nearly every one of my clients has had some
18 experience with predatory lenders. This happens
19 because traditional banks have by and large exited
20 the small business lending area, leading to a riskier
21 capital landscape and leaving the market to be
saturated with non-traditional lenders that often use
unfair and abusive loan terms. In the last year,
unpredictable tariff policies and rising commercial
rent rates have made the cost of small business

ownership in New York City unbearable for many.

Meanwhile, we are seeing unprecedented federal cuts and restrictions to small business funding and new regulations from the U.S. Small Business

Administration that bar non-U.S. citizens from

applying for SBA loans, severing many legal taxpaying residents of New York City and New York State from the safest and most affordable avenues to capital for small business owners. It is important to note that

nearly half of small business owners in this city are immigrants so the effects of this ruling have vast implications for our economy and our community. The impact of this policy is not abstract. It is

immediate and it is real. I'm currently working on an SBA loan application for a client who owns several restaurants here in New York City and employs over 100 people. My client was a lawful permanent resident and their spouse, a U.S.-born Army veteran. Their loan was scheduled to close at the end of March.

However, because of the recent restrictions, barring green card holders from receiving federally-backed small business loans and an arbitrary March 1 cutoff, their lender is now scrambling to salvage the transaction. If this deal falls through, the

2 consequences will not be limited to one business
3 owner. They will ripple outward to business partners,
4 more than 100 employees, their families, and the
5 vendors and suppliers who depend on these
6 restaurants. Not to mention the millions of
7 foreign-born small business owners across New York --

8 SERGEANT-AT-ARMS: Time has expired.

9 CHAIRPERSON EPSTEIN: Just finish up. Go
10 ahead. You're good.

11 EDA HENRIES: -- whose lifetime savings
12 and generational wealth sits now in businesses that
13 can no longer be reasonably financed. There's no
14 threshold for ownership, even less than 1 percent
15 foreign ownership bars you from an affordable SBA
16 loan. These issues compounded leave small business
17 owners desperate for cash and more vulnerable than
18 ever to abusive schemes. For example, a small medical
19 practice in Harlem faced severe consequences when it
20 was strapped for cash and accepted a predatory loan
21 that eventually led to the lender seizing insurance
reimbursement payments from a practice that serves
cancer patients. This story is not unusual. And what
my client had experienced wasn't illegal in New York.
These often confusing lending arrangements skirt

2 around traditional regulations to trap entrepreneurs
3 into a debt cycle with little ability to break free.
4 The lack of disclosures, enormous payments
5 requirements and unclear contracts can easily result
6 in instances where a loan for less than 200,000
7 dollars leads to daily payments of 1,000 dollars. New
8 York has been a leading state when it comes to
9 protect the small business for predatory loans, but
10 the work is not complete. We must go further. We must
11 not allow bad actors in the lending space to act
12 without guardrails or in abusive but unfair ways. To
13 continue to help to ensure our small business
14 community can grow and thrive, we must provide it
15 with meaningful protections from abusive practices by
16 these lenders, vendors and other predatory
17 businesses. Thank you so much for allowing me to
18 testify today.

19 CHAIRPERSON EPSTEIN: Yeah. Thank you all.

20 And just on the CPL to extend to small
21 businesses, is that in support of allowing the CPL
to, like we heard earlier, maybe businesses under a
certain number of employees, is that something that
your group supports?

2 EDA HENRIES: I'm in the market. I'll let
3 the lawyers opine on which they think is the best.
4 Lindsay Vigoda, she speaks for Small Business
5 Majority and the attorneys that I believe are
6 supporting the Small Business Majority. We support
7 whatever path they think is best legally.

8 CHAIRPERSON EPSTEIN: Yeah. I know we
9 talked to Lindsay earlier and maybe we can talk
10 offline about that then.

11 EDA HENRIES: Yeah. Thank you.

12 CHAIRPERSON EPSTEIN: You're welcome.

13 And Ben, it's basically the most
14 important thing is the private right of action in
15 your mind?

16 BENJAMIN WOLF: I do. I'm going to tell
17 you right now, Chair Epstein, that we're coming to
18 the end of the month, which means that most people's
19 vehicle leases are up and I'm going to be sure that
20 I'm going to be inundated with calls next week from
21 people who've gone last minute, probably this weekend
to purchase a car because they need it Monday morning
for work, and I can tell you that you need a lawyer
or you get a lawyer in criminal court here in the
city and sometimes in housing court. And I believe,

1 and again, this isn't hyperbole, you should have a
2 lawyer when you buy a used car. I'm going to get a
3 lot of people calling me about that. Solar's a big
4 issue. And there's just only so many tools that I
5 have in my tool belt. When you work for a law firm,
6 unfortunately there's a bottom line. And if someone
7 purchases a used car that let's say costs 16,000
8 dollars and there's an issue, I just can't take that
9 case on a contingency fee. That would be different
10 than where I also practice in New Jersey where under
11 their Consumer Fraud Act, it's not as difficult. Then
12 I could easily file a complaint based on a number of
13 fact patterns. And I just think that we need to level
14 the playing field. I believe that my friend Carolyn
15 Coffey mentioned that. And just on the UDAP statute
16 chair, I know Ariana isn't here, but she has an
17 incredible map that just shows the kind of dichotomy
18 between this State's UDAP statutes and all the other
19 states in the union, and you'd be shocked at the risk
20 of sounding like an obnoxious New Yorker, you'd be
21 shocked at some of the states that have better UDAP
statutes than New York.

2 CHAIRPERSON EPSTEIN: Yeah. Thank you. I
3 appreciate that. I appreciate your work and thank you
4 for all your testimony.

5 Seeing no questions from my Colleagues,
6 I'll go to the next panel, Kevin Jones, Andrew
7 Winakor, and Christopher Leon Johnson.

8 And if there's anyone else here who does
9 want to testify, let the Sergeant know, but we're
10 onto this next panel.

11 And Kevin, do you want to go first?

12 POLICY ANALYST MELTZER: I'm not seeing
13 Kevin here so I'll go to Andrew next.

14 CHAIRPERSON EPSTEIN: Okay. Go ahead,
15 Andrew.

16 ANDREW WINAKOR: Okay. Thank you, Chair
17 Epstein and Members of the City Council for allowing
18 us to testify. This is in reference to the health
19 benefits, mandatory participation for business owners
20 accepting credit card benefits. I submitted written
21 testimony, but there are actually a couple of things
which have been referenced in earlier testimonies
that I'd like to respond to. I believe the President
for the Manhattan City Council expressed her concern,
Manhattan Chamber of Commerce, I apologize, expressed

1 her concern about costs around participation in the
2 program. That might be the case for a select number
3 of instances and structures as it pertains to POS
4 systems, but there are a number of almost virtually
5 free options available for participation by small and
6 medium-sized businesses where that, again, in POS
7 integration costs may be obstacles. I probably should
8 have started out by saying we're a technology
9 platform that supports exclusively independent
10 retailers in their ability to transact and accept OTC
11 and grocery benefits across the United States. And so
12 we have a virtually cost-free solution that retailers
13 can access that we think would be tremendously
14 valuable should the legislation go through in New
15 York City.

14 And another point of reference, I think
15 it was Jose Rojas from the NSA talking about his
16 supermarkets, basically the challenges in big box and
17 national chains versus independent community-based
18 retailers. Acceptance of OTC grocery benefits is
19 actually perhaps one of the very few places where
20 there could be a level playing field as independent
21 community-based retailers face challenges from big
22 box and chain stores. Your ability to accept those

2 benefits are on par. The members get the same amount
3 of dollars whether they use them at a big box chain
4 or local independent community-based retailers. And
5 we think this is sort of a situation by pursuing this
6 legislation and sort of like helping independent
7 retailers to help themselves. Many of them are
8 unaware that these benefits exist and unaware that
9 there are billions, that's with a B, of dollars that
10 are eligible out in the community for people to come
11 and shop in their stores, and so, you know, the
12 ability to have on par access to national big box
13 chains is I think unprecedented. And I will sort of
14 give it a pause there. The rest of my testimony
15 really just talked about opening access for food
16 insecurity and lack of access and access to
17 culturally relevant foods which overall help produce
18 a lot of health conditions. Thank you.

16 CHAIRPERSON EPSTEIN: Thank you, Andrew.
17 And thank you for sharing that, and I would love to
18 see kind of a lower cost option so I hope you reach
19 out to me and the Council Staff so we can see more
20 about that.

20 ANDREW WINAKOR: Absolutely.

2 CHAIRPERSON EPSTEIN: And Christopher Leon
3 Johnson, you're next.

4 CHRISTOPHER LEON JOHNSON: Yeah. Hello,
5 Mr. Chair Epstein. My name is Christopher Leon
6 Johnson. I'm in the snow right now. But I want to
7 make this clear that I support your bills, both the
8 student loan bills and so like that. I support that.
9 I got student loans so I understand where everybody's
10 coming. That's more federal. Federal, they don't care
11 because the pockets with the Congress, so they're not
12 going to do anything about it. But I want to make
13 this clear that I think that, I know we're pretty
14 much talking, that's in March, it's going to be up.
15 I'm going to be talking about this more when it comes
16 to many of the consumer protection and transportation
17 that the City Council, I know that you had nothing to
18 do with it, Mr. Epstein and Mr. Mamdani and Mr. Sam
19 Levine had nothing to do with this. But it all falls
20 on Sandy Nurse, Justin Brannan, former Comptroller
21 Brad Lander, then-Council Member Brad Lander, and
Ligia Guallpa, that they need to start allocating
some money like at least (INAUDIBLE) money to really
help these guys and gals who's about to be laid off
from Relay (phonetic) or when it comes to try to

1 train them for OSHA trainings. This is my suggestion
2 when it comes to this. Look, I'll make this clear
3 that when it comes to this Relay, they leaving town.
4 I think that this is foul. I mean, I think that the
5 City Council should come in and really step up to the
6 plate and help these guys and gals out when it comes
7 to making sure these guys and gals stay employed,
8 have a job or able to get a job somewhere else
9 because Relay is where you went, where you got the
10 FBA from DoorDash and Uber. And I think that this is
11 up to you, Mr. Epstein. I know you're a small member,
12 but you should be helping leading the charge and make
13 sure that these guys and gals are protected after
14 April 1st, 2026, when Relay leaves town. I'll make
15 this clear that, look, that's my advice. That's my
16 advice, Mr. Epstein. I know that you just came into
17 City Council. You had nothing to do with this stuff.
18 It doesn't fall on you, but you're a Member right
19 now, and it's your duty to step up to the plate and
20 make this like a little initiation starting in the
21 City Council to help these guys and gals out. Most of
these guys here are migrants. Most of these guys here
are immigrants that need to work. And if these guys
be out of a job, what are they going to do? And I

2 don't want to be looking at the paper that some of
3 these guys committed heinous crimes. So, this is my
4 advice. When it comes to the customer, the City
5 Council need to be transparent and make sure that the
6 customers are protected when it comes to the new,
7 assuming more growth from DoorDash and Uber, when it
8 comes to these apps growing after the law initiated,
9 when it comes to Intro. 1332, that will protect
10 deliveristas that actually commit more like heinous
11 stuff from the customer. And there's a lot of
12 concerns about domestic violence and stalking and
13 harassment from these deliveristas after this bill
14 becomes local law. But I'll make this clear. I know,
15 like I said, pre-budget talk, this would be my target
16 for pre-budget. That City Council need to allocate
17 some money with conjunction to Worker's Justice
18 Project and the NYIC to make sure these guys who got
19 laid off of Relay on April 1st, 2026, start getting
20 prioritized trainings for driver placement, like OSHA
21 trains and stuff like that. So, thank you so much and
enjoy your day. Thank you.

19 CHAIRPERSON EPSTEIN: Thank you. Thank you
20 for this last panel.
21

2 Is there anyone else who hasn't had the
3 opportunity to testify who would like to either raise
4 your hand or let the Sergeant-at-Arms know? If not,
5 we'll conclude this hearing. I'll just give it one
6 more second if anyone else wanted the opportunity to
testify but didn't have it.

7 I want to thank the Council Staff. I want
8 to thank our Sergeants here. I want to thank everyone
9 who testified today. There's such an interesting
10 conversation around overall consumer protection and
11 what we need to do here in New York City to
12 strengthen the hands of small businesses and
13 consumers, and I really do look forward to next steps
14 on all the legislation and all the ideas we had
15 today.

16 And with that, this hearing is adjourned.
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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 April 23, 2026