

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON PUBLIC SAFETY

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June 29, 2009  
Start: 10:05am  
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HELD AT: Council Chambers  
City Hall

B E F O R E:  
PETER VALLONE  
Chairperson

COUNCIL MEMBERS:  
Daniel R. Garodnick  
(acting chair)  
Eric Martin Dilan  
James F. Gennaro  
Vincent J. Gentile  
Melinda R. Katz  
G. Oliver Koppell  
Domenic M. Recchia, Jr.  
David Yassky

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

Raymond Kelly  
Commissioner  
New York City Police Department

Jeremiah Quinlan  
Commanding Officer (Deputy Chief)  
Special Investigations Division

Michael Smith  
President and CEO  
New York Bankers Association

Roberta Kotkin  
General Counsel and Chief Operating Officer  
New York Bankers Association

Robert McCrie  
Professor  
Department of Protection Management, John Jay College  
of Criminal Justice

Greg Braca  
President  
TD Bank, Metro New York

Peter Meyer  
Regional Vice President  
TD Bank

Bob Dunlop  
SVP, Director of Corporate Security and Investigations  
TD Bank

Carl Hum  
President and CEO  
Brooklyn Chamber of Commerce

Jack Friedman  
Executive Vice President  
Queens Chamber of Commerce

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

John Schoolman  
Associate Director, Government Affairs  
Partnership for New York City

CHAIRPERSON GARODNICK: [gavel]

Good morning, everyone, welcome to the Public Safety Committee. Today's date is June 29<sup>th</sup> 2009. You are no imagining things, I am not Peter Vallone, Jr. My name is Dan Garodnick, and I am playing the role of Peter Vallone, Jr. for today only, as the temporary Chair of the Public Safety Committee, at the request of Speaker Quinn, to avoid any potential conflicts of interest. I want to thank Commissioner Kelly for being here today, and for all of you in expressing interest in the particular issue that we are exploring today, the subject of bandit barriers. The NYPD reports that crime in New York City is down in almost all categories; however, bank robberies are a consistent problem that appears to be getting worse. In 2008, banks were robbed 444 times in the City, more than one robbery for each day. That is a 57 percent increase over 2007. And in 2009, bank robberies through March 11<sup>th</sup> increased to 80 from 54 during the same period in 2008. Intro 960-A, which is the bill that we're considering today, is a bill that requires banks to install bullet resistant barriers that meet or

1  
2 exceed Underwriters Laboratories level two  
3 ballistics standards at all teller locations.  
4 Level two barriers are stronger than the level one  
5 barriers that most banks currently have, and can  
6 deflect shots fired from a machine gun. The idea  
7 behind the legislation is that bank barriers will  
8 keep the bank and those in the bank safer, and  
9 deter robbers from attempting bank robberies.  
10 There are of course some very reasonable questions  
11 about the necessity of the legislation, the cost  
12 it will impose on banks, the uniformity it  
13 mandates, and its likelihood to deter criminal  
14 acts. Exploring those issues is the purpose of  
15 the hearing today. The police department gives  
16 many reasons for the increase in bank robberies,  
17 and we'll hear from Commissioner Kelly in a  
18 moment. The lack of bulletproof resistant  
19 barriers, extension of daily and weekend banking  
20 hours, decrease in security guards, and even lack  
21 surveillance. Many banks, however, object to 960-  
22 A because they question the effectiveness of  
23 bandit barriers. For those banks that have them  
24 today, they don't believe that they should replace  
25 them with new level two barriers; and for banks

1  
2 without them, some claim that there is no evidence  
3 that banks without barriers are subject to more  
4 robberies. Airing these issues is the point of  
5 today's hearing, and I look forward to testimony  
6 from both sides, and to evaluating the evidence  
7 and concerns that each side presents. But now I  
8 am very honored to recognize my colleagues Oliver  
9 Koppell from The Bronx, and of course the Chair of  
10 this Committee, Peter Vallone, Jr., who are here  
11 with us today. And Commissioner Kelly, of course,  
12 it's an honor to have you, and whenever you are  
13 ready, please go right ahead.

14 COUNCIL MEMBER KOPPELL: Mr.  
15 Chairman, may I make a brief statement?

16 CHAIRPERSON GARODNICK: Go right  
17 ahead, I'm sorry, Council Member Koppell.

18 COUNCIL MEMBER KOPPELL: Thank you.  
19 While I'm not a member of the Committee, I am the  
20 lead sponsor on the bill, and I won't speak at  
21 length, Mr. Chairman. First of all I'm impressed,  
22 I've never been at a Committee meeting that  
23 started almost exactly on time in my seven years  
24 on the Council. [laughs]

25 CHAIRPERSON GARODNICK: Thank you,

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2 and in fairness to Chairman Vallone, the Public  
3 Safety Committee always does. I'm keeping in that  
4 tradition.

5 COUNCIL MEMBER KOPPELL: Well, I'm  
6 impressed. I appreciate very much Commissioner  
7 Kelly coming this morning. I have enormous regard  
8 for the Commissioner, not only because he supports  
9 my bill, but it was actually his suggestion that  
10 prompted the bill some years ago, as well as an  
11 incident where a staff member of mine, a friend of  
12 a staff member of mine, was--participated as a  
13 teller in a robbery where there was no bandit  
14 barrier, and she was terrified at being  
15 vulnerable. And it was actually that staff person  
16 who initiated my interest in this subject. I  
17 believe that the bandit barriers are a  
18 discouragement to, to robbery, and a significant  
19 protection, especially to bank staff. I'm  
20 interested to hear a comment this morning, I've  
21 had several discussions with people who oppose the  
22 bill. And I'll just mention one thing, 'cause I'd  
23 like to get the Commissioner's comment and his  
24 talk, and I would normally ask a question, but  
25 I'll mention it now, and that is some of the banks

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2 allege that if you put the barriers it puts  
3 customers at greater danger because the robber who  
4 cannot reach the tellers or other employees of the  
5 bank, it is alleged, are therefore likely to, or  
6 possibly to take hostages among customers or  
7 personnel of the bank that are not behind the  
8 barrier. I'd like to get the Commissioner's  
9 thoughts on that, because that's the major  
10 argument against the bill. I think most  
11 interesting to me is the fact that many, many of  
12 our banks, indeed while I haven't done a survey,  
13 an official survey, I've done a lot of observing.  
14 And my view is, or my observation is that most  
15 bank, banks in New York City now have bandit  
16 barriers. And that in fact while there are  
17 robberies in those banks, the largest number of  
18 robberies are actually in banks without the bandit  
19 barriers. I think the numbers show that. I don't  
20 want to prolong the discussion here myself, just  
21 to say as I'm absolutely convinced that this is a  
22 wise move that we make, I'm perfectly happy to  
23 discuss things like standards of the, you know, of  
24 the barrier. It may be that we've gone too far in  
25 that regard, I don't think so, but that's



1  
2 certainly something to be discussed but I am  
3 strongly in favor of requiring the barriers, and I  
4 appreciate the Committee holding this hearing.

5 CHAIRPERSON GARODNICK: Thank you,  
6 Council Member Koppell. And with that,  
7 Commissioner Kelly.

8 RAYMOND KELLY: Thank you, Council  
9 Member Garodnick, Council Member Koppell, Mr.  
10 Chairman. I'm accompanied by Chief Jeremiah  
11 Quinlan, who is the Commanding Officer of the  
12 Special Investigations Division. Six years ago,  
13 we had the opportunity to discuss a bill, very  
14 similar to the bill on the agenda today. Intro  
15 442 of 2003 would have mandated that banks install  
16 bullet resistant barriers at all teller windows.  
17 At that time, New York City had experienced a  
18 dramatic increase in bank robberies, from 249 in  
19 2002 to 408 in 2003. We examined the manner in  
20 which bank robberies were committed, primarily by  
21 unarmed individuals who presented tellers with  
22 notes demanding money, and developed a set of best  
23 practices to enhance bank security, deter  
24 robberies and assist in apprehension of  
25 perpetrators. To their credit, the New York

1 Bankers Association adopted the best practices,  
2 and disseminated them to their membership. The  
3 voluntary implementation of those practices,  
4 combined with the increased public attention to  
5 the issue and the intense focus we placed on  
6 responding to and investigating these crimes,  
7 resulted in the decrease in bank robberies over  
8 the next several years. In light of this  
9 decrease, and the cooperation demonstrated by most  
10 of the banks in New York City, we did not ask that  
11 the City Council approve the bill requiring  
12 universal installation of bullet resistant  
13 barriers. However, 2008 saw a striking resurgence  
14 in the commission of bank robberies with the total  
15 of 444 for the year, an increase of 57 percent,  
16 compared with the 283 bank robberies in 2007. We  
17 have taken several steps to address this  
18 disturbing increase, including convening a meeting  
19 of banking executives in January, to brief them on  
20 the key facts. We presented them with an updated  
21 set of the best practices, and a lesson plan  
22 intended to assist in training their employees in  
23 the proper actions to take during a bank robbery.  
24 We had hoped that this fresh focus on the steps  
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2 that banks can take to better protect their  
3 employees and customers would help to reduce the  
4 incidents of bank robbery. This meeting built  
5 upon the already strong partnership the police  
6 department has forged with most banks operating in  
7 New York City, whose participation in the NYPC  
8 Shield Program and constant contact with our major  
9 case squad, have resulted in better and more  
10 timely information sharing, especially regarding  
11 the identification of bank robbers. As a result  
12 of solid detective work and substantial  
13 cooperation from banks which have suffered  
14 robberies, we have made 125 bank robbery arrests  
15 so far this year, eleven percent more than during  
16 the same time last year, including some key  
17 arrests of the perpetrators of multiple bank  
18 robberies. We can report that starting in April  
19 of this year, the upward trend seems to have  
20 reversed, with 39 bank robberies from April  
21 through June 23<sup>rd</sup>, compared to 111 for the same  
22 period in 2008. Notwithstanding this welcome  
23 news, we must make permanent what could only be a  
24 temporary trend resulting from heightened  
25 attention to the need to strengthen bank security.

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2 Although crime in New York City has reached  
3 historic lows, with major felony crime having  
4 decreased another twelve percent this year. The  
5 continued incidents of bank robbery forces the  
6 contrary impression that crime is on the rise.  
7 Both successful and unsuccessful attempts to rob  
8 banks are classified as robberies. And many of  
9 these incidents are committed by petty criminals,  
10 substance abusers, or emotionally unstable  
11 individuals who take a chance, believing that  
12 passing a note will result in obtaining cash.  
13 Permissive practices by banks that do not use  
14 ballistic resistant barriers, or adhere to the  
15 other best practices, in fact encourage that  
16 belief. Another very important consequence of the  
17 commission of a bank robbery, whether attempted or  
18 completed, is the cost of police response. Bank  
19 robberies represent a major drain on scarce police  
20 resources. We have designed special response  
21 plans, tailored to specific locations, so that,  
22 for example, if a branch near multiple subway  
23 stations were to be robbed, officers would respond  
24 directly to each of those subway lines, in  
25 addition to streets and highways in the vicinity

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2 of the bank. Every bank robbery takes police  
3 officers and detective away from other crimes and  
4 quality of life conditions, both for the immediate  
5 response and for the sometimes complex and lengthy  
6 investigation that apprehending the perpetrator  
7 requires. Therefore, we recommend that the  
8 Council not only mandate the installation of  
9 ballistic resistant barriers, as required by Intro  
10 960-A, but also further strengthen bank security  
11 in a number of ways that we will discuss. It's  
12 been argued that the installation of ballistic  
13 resistant barriers is not a total solution, that  
14 banks with barriers continue to be robbed. We  
15 have always stressed that ballistic resistant  
16 barriers do not guarantee that a bank will not be  
17 robbed. Instead, they are essential ingredients  
18 in a comprehensive package of best practices that  
19 has proven to deter robberies in those banks that  
20 have adopted and adhered to all of them. Barriers  
21 hardened a bank as a target, and send a message  
22 that the bank is a secure location. The absence  
23 of barriers deprive bank tellers of the  
24 opportunity of safely walking away from unarmed  
25 robbers, and exposes tellers to even greater

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2 danger in the presence of armed robbers. We know  
3 that banks without ballistic resistant barriers  
4 are far more likely to be robbed than those with  
5 barriers. Note that in 2008 TD Bank, or Toronto  
6 Dominion Bank branches, none of which have  
7 barriers, were nearly three times more likely to  
8 be robbed than Chase branches, which all have  
9 barriers. The presence of barriers, allowing the  
10 bank to employ a walk away policy, results not  
11 only in the lower incident rate, but also a lower  
12 rate of successful bank robberies, where the  
13 perpetrator is actually able to flee with cash.

14 In response to our call for the use of ballistic  
15 resistant barriers in all banks, as part of the  
16 best practices, we have met with opposition from  
17 some banks. They take the position that the  
18 installation of barriers conflicts with their  
19 business plans, believing perhaps that they can  
20 gain a marked advantage over their competitors  
21 without them. For example, instead of installing  
22 barriers, Toronto Dominion Bank has hired NYPD  
23 paid detail police officers to guard their  
24 branches, a highly expensive option which is  
25 unsustainable over the long term. In fact, in

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2 2009, there have been four instances of Toronto  
3 Dominion Banks being robbed while the paid detail  
4 officer was at meal or on a personal break. The  
5 most recent occurring last Tuesday on Columbus  
6 Avenue in Manhattan, and another the Saturday  
7 before in midtown. In fact, in the course of  
8 attempting to apprehend the perpetrator of the  
9 midtown robbery, the sergeant who was working on  
10 paid detail at the bank was injured as he followed  
11 the offender. This illustrates another course  
12 attendant to bank robberies: the possibility of  
13 injury to active police officers, which may  
14 deplete the uniform force, as well as injury to  
15 other security personnel seeking the safeguard the  
16 facility. Ballistic resistant barriers are highly  
17 visible and ever present. They carry essentially  
18 a one time cost for installation, with minimal  
19 maintenance expense, rather than the millions of  
20 dollars which would be spent each by the bank for  
21 a paid detail police officer or armed guard in  
22 each branch during every hour of the business day.  
23 Note that when the 2003 surge in bank robberies  
24 occurred, TD Bank's predecessor, Commerce Bank,  
25 similarly responded not by installing ballistic

1 barriers, but by deploying paid detail officers.  
2  
3 When the public attention on the issue waned, the  
4 use of paid detail officers became sporadic at  
5 best, confirming our belief that it is unrealistic  
6 to expect the long term employment of paid detail  
7 officers as a substitute for ballistic resistant  
8 barriers. Because some banks have continued to  
9 reject this essential element of the best  
10 practices, we now support mandating the  
11 installation of ballistic resistant barriers,  
12 which meet Underwriters Laboratory ballistic  
13 standards. Based on the concerns that have been  
14 raised by the banking industry, we recommend that  
15 the bill be amended to remove the requirement that  
16 the barriers meet level two standards, in the hope  
17 and expectation that banks will take seriously  
18 their responsibility to ensure the safety of their  
19 personnel and the deterrence of this crime. We  
20 have some other suggestions regarding the specific  
21 language of Intro 960-A. The bill imposes a civil  
22 penalty for violation of the new requirement, but  
23 does not specify how the penalty should be  
24 enforced. We recommend amending the bill to allow  
25 enforcement personnel to issue summonses for



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2 violations, perhaps returnable to the  
3 environmental control board. We also recommend  
4 that the bill provide rulemaking authority to the  
5 police department, to assist in implementation of  
6 the law as needed. We would also like to  
7 recommend revising the exemption in the bill for  
8 banks where transactions are conducted primarily  
9 by cash dispensing machines, to ensure that the  
10 exemption applies only to ATM facilities and not  
11 to locations where bank employees are present.  
12 We'll be pleased to discuss these suggestions with  
13 you further. I'd like to thank Speaker Quinn and  
14 the Council for taking this timely action to  
15 create legislation that helps to prevent bank  
16 robberies and therefore to improve the security of  
17 the people of New York City. Beyond ballistic  
18 resistant barriers, however, there are some other  
19 vital components of the best practices that we  
20 believe should be mandated in New York City's  
21 banks. We welcome the opportunity to work with  
22 your staff on legislation that would incorporate  
23 five additional requirements: digital  
24 surveillance video systems properly placed and  
25 directed, security training for bank employees,

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2 the use of dye packs, the placement of obvious  
3 height markers, and conspicuous signage indicating  
4 that the premises are under video surveillance  
5 with recording. Taken alone, none of these  
6 elements will prevent bank robberies from  
7 occurring. Taken together, they form a powerful  
8 strategy to solidify our recent gains against bank  
9 robbery and to permanently enhance bank security  
10 for the safety of all New Yorkers. Thank you.

11 CHAIRPERSON GARODNICK: Thank you,  
12 Commissioner. Let me note that we have been  
13 joined by Council Member David Yassky and Council  
14 Member Melinda Katz, both members of the Public  
15 Safety Committee. There are ques--I'm sorry, and  
16 also Council Member Dilan, sorry Eric. I'm going  
17 to start us off with a few questions here. We  
18 thank you for your testimony and thank you for the  
19 additional suggestions to improve the bill and of  
20 course we are always willing and eager to work  
21 with you in ways to make New York City safer. I  
22 wanted to just start off by taking a look at one  
23 of the comments you made in your testimony about  
24 banks without barriers were far more likely to be  
25 robbed than those with barriers. And you cited

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the differential between TD Bank and Chase Bank, saying that TD Bank was three times more likely to be robbed than Chase Bank in a particular year. Let's just go through the numbers very quickly so we can use this as a formulation for our discussion today. In 2008, it's my understanding I think from your testimony that there were 444 bank robberies, and that was up from 283 in 2007. Of the 444, can you tell us how many of them took place in banks without barriers, as opposed to banks with barriers?

RAYMOND KELLY: You have that?

[off mic: I have 47 percent last year] 47 percent took place in the banks without barriers.

CHAIRPERSON GARODNICK: 47 percent, so 53 percent took place in banks with barriers.

RAYMOND KELLY: Right.

CHAIRPERSON GARODNICK: What is the overall percentage of banks with or without barriers in New York City? Just so that we can compare that.

RAYMOND KELLY: Go ahead - -

Alright, that--

CHAIRPERSON GARODNICK: Identify

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2 yourself before you--

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JEREMIAH QUINLAN: How you doing?

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I'm Deputy Chief Jeremiah Quinlan, I'm the

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Commanding Officer of the Special Investigations

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Division. And the Major Case and the Joint Bank

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Robbery Taskforce, which investigate both armed

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and unarmed bank robberies, report to me. I have

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stats for this year, but the last year, if it's

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'08, I really don't have the exact stats.

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CHAIRPERSON GARODNICK: So you have

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the stats for this year in terms of the number of

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overall banks that have barriers versus those that

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don't?

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JEREMIAH QUINLAN: No, not the

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exact. You know, the completion rate I have, the

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number of barriers.

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RAYMOND KELLY: We can tell you

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this: Chase has 275 branches, they all have

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bandit barriers; Citibank has I believe 136

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branches, they all have barriers; Bank of America

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has I believe 102 branches, they all have

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barriers. The major banks, and when I say

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"major," well-known names, have barriers.

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CHAIRPERSON GARODNICK: Okay, well,

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2 the question that I'm trying to get to, I'll tell  
3 you exactly what I'm trying to figure out here is,  
4 I want to figure out the overall balance in New  
5 York City of banks with or without, and then  
6 compare it, frankly, with the number of robberies  
7 which you gave as 53 percent with barriers and 47  
8 percent without barriers.

9           RAYMOND KELLY: Okay, I just want  
10 to point out a distinction, too, it's important,  
11 because when I said it in my prepared remarks,  
12 robberies and attempted robberies are all counted  
13 as robberies. So you have to look at the, at the  
14 success rate. I talked about Toronto Dominion  
15 Bank, they have 70 branches. This year, so far,  
16 they've had 14 robberies, I believe, 100 percent  
17 success rate. In the robberies that happen at  
18 Chase, there is a roughly 50 percent success rate.  
19 We'll get you the exact number, of the number in  
20 Chase. Obviously, they have many more branches.  
21 Citibank has a 22 percent success rate. So, you  
22 have to look at that, as I say, we consider  
23 attempted robberies and robberies all in the same  
24 category. So that it gets skewed somewhat when  
25 you look at, you know, when you look at the, if

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you don't look at the success rate.

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CHAIRPERSON GARODNICK: Okay, so the numbers that you gave on 2008, the 53 percent of the robberies took place in banks with barriers, 47 percent in banks without barriers-- that includes, as you just said, both attempts and success.

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RAYMOND KELLY: Correct, correct.

CHAIRPERSON GARODNICK: Now do you, are you able to break that down even further to show us the overall success rate in banks without barriers. Taking, putting TD Bank aside for a second, because I assume that there are other bank--

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RAYMOND KELLY: We have that number. It's here.

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CHAIRPERSON GARODNICK: Okay.

RAYMOND KELLY: Jerry?

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JEREMIAH QUINLAN: I--We looked at banks that don't have bandit barriers. This year Sovereign Bank had 16 bank robberies, 16 of them were successful, that's 100 percent completion rate. TD Bank had 14 bank robberies, every one of them was successful, that 100 percent completion

1 rate. And they don't have bandit barriers.  
2 Metropolitan National had four branches, four bank  
3 robberies, no bandit barriers at any of those four  
4 banks, 100 percent completion rate. WaMu had  
5 twelve bank robberies this year, eleven of 'em  
6 were complete, one was an attempt, so that's a 92  
7 percent success rate. We looked at Citibank, as  
8 the Commissioner said, Citibank has a larger  
9 number of branches, 136; when you look at their  
10 bank robberies, they had a total of nine this  
11 year, seven were attempts due to the walk-away  
12 policy, two were completed. Their success rate  
13 with bandit barriers was 22 percent. So you can  
14 see the difference in the banks that have bandit  
15 barriers versus the banks that don't.

17 CHAIRPERSON GARODNICK: Okay, well,  
18 the numbers that you give on the, the banks  
19 without the barriers, and the success rate is  
20 obviously an impressive number, the 100 percent  
21 rate at those banks. I guess the question here  
22 is, you've isolated Sovereign, TD, Metro and WaMu.  
23 My question, well I have several questions, one of  
24 which is, is that all of the banks without  
25 barriers? Or are there more banks without

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barriers other than those four that you said.

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RAYMOND KELLY: Oh, you know, for instance, WaMu, Washington Mutual, has been taken over by Chase, and they're in the process of putting, or refitting those banks with the barriers. So there's, you know, with all the takeovers, there's a process that's going forward. Sovereign Bank is looking to, I believe, move to that. And I apologize, we had discussions with them. Though, you know, you have the this takeover phenomena that's happening, so some banks don't have 'em, but are moving to get them.

CHAIRPERSON GARODNICK: Okay.

Well, the challenge that I have in trying to sort this all out is, I don't, it's hard for me to see the aggregate numbers here. I mean, you're giving some very significant examples, and those are, you know, rather compelling examples on the subject of the percentage of success rates in banks without the bandit barriers, but what's important for us, I think, is understanding in the context of the overall success rate for with and without. Now you gave 53 percent in 2008 for banks with barriers, and 47 percent without barriers, so



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2 that's attempts and completion. Let's just do the  
3 other years, just so we can compare them. What do  
4 you have for 2007 on with barriers and without  
5 barriers? And recognizing that this includes both  
6 the successes and the attempts.

7 JEREMIAH QUINLAN: Yeah, I don't  
8 have those stats with me, I'll be able to provide  
9 you with them at a later date.

10 CHAIRPERSON GARODNICK: Okay. we'd  
11 like to ask for those, because--

12 JEREMIAH QUINLAN: Sure.

13 CHAIRPERSON GARODNICK: --this is,  
14 these are important facts for us in determining  
15 what will be an argument that we're going to hear  
16 in a few moments from advocates and from people  
17 who object to this, that their view is that the  
18 banks without the barriers are not robbed in  
19 considerably greater degree than banks with the  
20 barriers. And it seems that on the success rate,  
21 that part is clear, from what you've said. But in  
22 terms of the overall numbers in attempts and  
23 completion, it's almost 50/50.

24 RAYMOND KELLY: Well one, again,  
25 the major benefit that we see in these barriers,

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and again this is not the panacea, we understand that. It's part of a comprehensive program. The major benefit is to give the teller the option to walk away. That's when you have the incomplete robberies, that's when they turn into attempted robberies. The teller has no option, because they have no cover, then you're going to have a successful robbery. And that just encourages more robberies. So, you know, that's why the completion rate is so significant. And that intuitively loss of a certain extent when you look at the total number of robberies because attempts are included in there.

CHAIRPERSON GARODNICK: Okay, let me go to that point that you just made, and then I'm going to turn to my colleagues. This is the question that Council Member Koppell had raised at the outset, which I think is an important one, about the walk away policy for tellers. How would you address the issue that some claim that walk-away policies increase the risk to customers in the bank?

RAYMOND KELLY: We haven't seen it. We haven't seen it. We've had over 2000

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2 robberies, bank robberies here since 2003, and we  
3 simply haven't seen it. I mean, you have Chase  
4 that's adopted the policy of having barriers and  
5 giving the option to tellers to walk away. And  
6 again, it's the tellers decision. It is a, you  
7 know, an informed decision with training. But we  
8 just haven't seen that. Now, I talked to the  
9 president of Toronto Dominion, I met with him, he  
10 mentioned something in an example, that he had in  
11 Canada several years ago. I'm not saying you  
12 can't find an example some place in history, we  
13 simply haven't seen it in the City.

14 CHAIRPERSON GARODNICK: Okay. Let-  
15 -Before I turn to colleagues, let me just  
16 understand one more thing you said in your  
17 testimony about the paid detail. You said that  
18 it's unsustainable, perhaps--Well, why don't you  
19 address why you believe--

20 RAYMOND KELLY: It's extremely  
21 expensive. And it's just simply, and it's one of  
22 the reasons why Commerce Bank did not carry  
23 through with it. It started it when the heat was  
24 put on Commerce Bank in 2003, and then when the  
25 attention shifted, they stopped doing it. It's a

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2 significant business expense, millions of dollars.  
3 Right now TD has I believe 70 or 74 branches,  
4 they're increasing the number of branches here.  
5 They're open 7:00 to 7:00 seven days a week. That  
6 is a very expensive undertaking that I would  
7 submit to you, about maybe \$30 million, is not  
8 sustainable.

9 CHAIRPERSON GARODNICK: But what if  
10 they are willing or even eager to sustain it.

11 RAYMOND KELLY: You can't guarantee  
12 it. Precisely what happened with Commerce Bank.  
13 We had essentially the same conversations with  
14 Commerce Bank, and by the way, Commerce Bank was  
15 taken over by TD Bank, and many of their managers  
16 certainly are still on board. The whole bank was  
17 subsumed by TD Bank. This position that they  
18 took, they deployed or asked us to deploy paid  
19 detail. And then when the attention shifted, as I  
20 said, they just stopped doing it.

21 CHAIRPERSON GARODNICK: Now--

22 RAYMOND KELLY: I mean, businesses  
23 want to reduce the cost of business, and this is a  
24 very expensive undertaking.

25 CHAIRPERSON GARODNICK: Now, did

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2 they stop--

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RAYMOND KELLY: Depending on the rank of the officer, they can charge, they cost \$40-\$50 an hour.

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CHAIRPERSON GARODNICK: Now, my understanding is that they did not stop hiring guards for banks in the entirety, they may have lightened up on the number of paid detail, but that they have uniformed individuals in the banks. I guess my question for you is, one is that, is that not your impression? And also, if they did have uniformed officers, whether they're paid detailed or not, does that not have the same level of crime deterrents that we're looking for here?

RAYMOND KELLY: It has a deterrent effect, if they're there for the 12 hours. I just told you two examples in the last week, the officers take a break, and they weren't there, and they were robbed during that break. But again, you know, there are no guarantees that this program is going to remain in place, it's a significant business expense. These barriers, in our opinion, coupled with the other recommendations that we've made, just make common

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CHAIRPERSON GARODNICK: Okay, let's put aside the fact that human beings take lunch breaks, and that they take other breaks, and things like that. If you were to have a uniformed officer, paid detail or not paid detail, for an entire period of time in which a bank branch was open, would that provide the necessary deterrent in your view?

RAYMOND KELLY: Probably, if that officer was there for 12 hours straight, and that there was a guarantee that it was going to continue ad infinitum. As opposed to what seems to me to be a fairly logical approach, a business expense that would be a finite expenditure of money, and I think based on everything we've seen, make a location significantly safer than one without. All these other best practices and these ballistic resistant barriers.

CHAIRPERSON GARODNICK: Is there any difference between having a uniformed guard who is armed, versus a uniformed guard who is unarmed in terms of its deterrent effect in your view?

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2 RAYMOND KELLY: Probably. You say  
3 uniformed guard, I'm not certain they ever had  
4 uniformed guards, I think they had blazers, people  
5 in blazers. And that's what you'll see these  
6 days, is, you know, I think there is an aversion  
7 in the industry to having people with sort of, you  
8 know, or I'll call traditional police type  
9 uniforms, you don't see them in, in banking  
10 facilities. But someone with a blazer, I don't  
11 know if you, if the individual knows they're armed  
12 or not, when they enter the location.

13 CHAIRPERSON GARODNICK: So, if I  
14 understand you correctly, if you had somebody who  
15 was in a uniform--

16 RAYMOND KELLY: Police uniform.

17 CHAIRPERSON GARODNICK: Police  
18 uniform, you think it creates a deterrent effect.  
19 What if it were a paid security guard, he's not a  
20 in a blazer, but rather has the appearance as  
21 private security guards frequently do, it's a  
22 uniform but it is not a police uniform.

23 RAYMOND KELLY: I don't think it  
24 necessarily identified by the universe of robbers  
25 that we see these days, they're fairly low level

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2 criminals, they may still go in and try to rob a  
3 bank. We don't want attempts to take place, you  
4 know, we don't want anybody to walk into a bank  
5 and think they can, you know, walk out with money  
6 as a result of a robbery. And I, to me, you know,  
7 the best practices that we put forward are the  
8 ones that are going to do it consistently.

9 CHAIRPERSON GARODNICK: Okay, well  
10 I'm going to defer to some of my colleagues, but  
11 first before I do I want to recognize we've been  
12 joined by Council Member Gennaro, Council Member  
13 Gentile, and Council Member Recchia. And, there  
14 he is, and I'm going to turn now to my Chairman,  
15 Peter Vallone, Jr.

16 COUNCIL MEMBER VALLONE: Thank you,  
17 Mr. Acting Chairman, and let me first say that  
18 it's very unusual for me to be sitting over here  
19 and watching the Committee go on, it's like giving  
20 up the keys to the Cadillac for the first time.  
21 But I can't think of a more responsible driver.  
22 And I want to thank you for stepping in at the  
23 behest of the Speaker. It's a lot of work to  
24 Chair a committee at the last minute, especially  
25 with such an esteemed panel of witnesses coming



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2 before you. So thank you for doing that, and  
3 you're doing it very well. Just to follow up on  
4 some of the Acting Chair's points, I think the  
5 point he was trying to make about the total amount  
6 of branches actually is going to help you, when it  
7 comes out, if almost half of the robberies are at  
8 banks without barriers. My research shows that  
9 about 90 percent of the banks do have barriers.  
10 So, is that a figure that you would agree with?  
11 90 percent of overall banks?

12 JEREMIAH QUINLAN: Yeah, what's  
13 going on now with the industry, is the banks that  
14 don't have barriers, as the Commissioner  
15 mentioned, are installing barriers. Wachovia is  
16 putting in barriers, Sovereign's looking at  
17 putting in barriers at I believe their 15  
18 Manhattan locations. So the industry trend is  
19 going towards the ballistic resistant barriers.

20 COUNCIL MEMBER VALLONE: So if over  
21 half the robberies are at banks without barriers,  
22 but 90 percent of the banks do have barriers, that  
23 does support your contention that it's a much more  
24 attractive target without the barriers. So, let's  
25 play devil's advocate and figure out first of all,

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2 the banks without the barriers that are the  
3 targets of these attempts and these robberies,  
4 have you also factored in other potential reasons  
5 they may be robbed, such as the fact that they are  
6 open 24 hours a day, 7:00 to 7:00, 24 hours, seven  
7 days a week, 7:00 to 7:00, or that they are nearer  
8 to public transportation and set in locations  
9 which, where there's a large amount of foot  
10 traffic. Has that been figured into the equation?

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JEREMIAH QUINLAN: Well, most of  
my, most of my bank robberies occur in the midtown  
area of Manhattan. The outer boroughs, the  
numbers are a lot less, primarily in the area from  
59<sup>th</sup> Street down to maybe 34<sup>th</sup> Street, that's the  
bulk of them. Also, Lower Manhattan. You have  
the transit system there, most of my bank robbers,  
as the Commissioner said, are substance abusers,  
petty criminals, they have drug histories, they  
even have, when we looked even further, they had  
fare beating summonses. They're not the Willie  
Suttons of the world. Most of the time, it's a  
note, probably 80 percent historically going back,  
I'm been doing this since 2001, my bank robberies  
are note jobs. In the armed jobs, it's not

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always, it's--if the teller believes that they have a weapon, a gun--this year we had 25 armed jobs so far, 24 of them the teller believed the saw a gun, either the gun was taken out and displayed, or the person pulled back their jacket to show a - - ; one was a knife. But most of them are note jobs, most of them are in Manhattan, near congested areas. The bank robber wants to get in as quick as possible, and leave as quick as possible, without causing a scene.

COUNCIL MEMBER VALLONE: Are most of the robberies of the banks without the bandit barriers also occurring in midtown?

JEREMIAH QUINLAN: Yes, correct.

COUNCIL MEMBER VALLONE: What percentage would that be, when you say most? Like 70 percent, eleven percent, what do you mean?

JEREMIAH QUINLAN: In the high 60s.

COUNCIL MEMBER VALLONE: 60s.

Okay. You discussed the fact that there was a huge increase in 2008, and then you did a lot of enforcement, and it's down in 2009. What's behind these robberies, is, was it certain individuals? Is it the economy? What do you think was behind

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2 that increase? And now this decrease?

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RAYMOND KELLY: I--the word is out that it's a relatively easy way to get money. There's very little resistance, and again that's why, you know, it--what it does is, this increase I think besmirches the reputation of the City. We know, and robberies are down this year, yes, robberies are down to record lows. But I don't want New York to be the safest big city in America with an asterisk, "except for bank robberies." These are, you know, the word in Riker's Island, and other environments where this type of thing is discussed, is that it is relatively easy to walk in with a note, - - unarmed, and walk out with money. So, I mean, there's no great, this is not necessarily reflection on the economy, this happened last year, you know, before the crisis was in full bloom last fall.

COUNCIL MEMBER VALLONE: Well, you mentioned that there, you made some key arrests of the perpetrators of multiple bank robberies. So we will hear, when you're finished, that it was those few individuals, and this is an overreactions to the actions of a few, who are now

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2 in jail. What would you say to that?

3 RAYMOND KELLY: Now that, in other  
4 words we've arrested the ones that--believe me,  
5 there's many more to take their place.

6 COUNCIL MEMBER VALLONE: I believe  
7 you. Now, if you assume that they work, and  
8 you've made some very good arguments that they do,  
9 this would obviously be at a huge cost to some  
10 private businesses. I have a meeting at 12:30  
11 which I have to leave for, and I'll be back,  
12 regarding roll down gates, and the reason the  
13 administration has had a problem, and it's been  
14 around almost as long as this bill, is because of  
15 the cost to private businesses. They're very  
16 small costs of putting these, eliminating the ones  
17 you can't see through with the ones you can see  
18 through. This is a huge cost. If this is a  
19 practice that works, what would you say to the  
20 argument that is a practice that should work also,  
21 say at bodegas, and other locations, which are the  
22 victims of a high percentage of robberies?

23 RAYMOND KELLY: Would you say the  
24 last part again?

25 COUNCIL MEMBER VALLONE: If this

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works, and let's assume it does.

RAYMOND KELLY: Yeah, right.

COUNCIL MEMBER VALLONE: So, would putting up a moat and alligators.

RAYMOND KELLY: Yeah.

COUNCIL MEMBER VALLONE: Let's assume it works. Why not have this at bodegas and other locations that are the victims of a high percentage of robberies?

RAYMOND KELLY: Well, you see locations in high crime areas doing precisely this, or a variation of it, they're using bullet resistant plexiglass, that sort of thing. But banks are known, their business is money, and traditionally they've been targeted by robbers. You know, since the beginning of banks. Sure, you can make an argument for other locations, as well, particularly in high crime areas. But the banks are, you know, multibillion dollar businesses. And they can afford to do it. We believe that it costs about \$5,000 per position, to harden a position with a, these ballistic barriers. We think it's well affordable for the bank, certainly banks that are willing to put in a paid detail

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2 regimen that, you know, costs several million  
3 dollars a month.

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COUNCIL MEMBER VALLONE: Well,  
5 let's go back to the paid detail. That's--if a  
6 bank decides to make a business decision that they  
7 would make more money with a paid detail than they  
8 would with bandit barriers, and we assume for a  
9 moment that they are of equal deterrent effect, I  
10 understand your concern with the fact that you had  
11 this agreement and apparently it wasn't lived up  
12 to. And you said there had to be some guarantee,  
13 what if the law was amended to make that a  
14 guarantee, to make it so that a bank would have a  
15 choice between a uniformed officer and a, or a  
16 bandit barrier, what would your position be?

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RAYMOND KELLY: Well, it might give  
18 banks who were well meaning, and started on the  
19 efforts to put in these barriers and adopt other  
20 best practices, a disadvantage, might put them at  
21 a disadvantage. That's something that will have  
22 to be factored in, to that determination in the  
23 law.

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COUNCIL MEMBER VALLONE: Yeah, it  
25 absolutely is, and it's something that we would

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2 have to consider as lawmakers, but as one of the  
3 foremost public safety experts in the world, if  
4 not the foremost, would there be, would that be  
5 sufficient from a public safety standpoint, to  
6 guarantee either uniformed officer or a bandit  
7 barrier?

8 RAYMOND KELLY: Well, you say  
9 uniformed guards, you know, we were talking here  
10 about paid detail. Uniformed guard depends what  
11 uniform it is, the public recognize it, having an  
12 armed person there, the question is what's the  
13 level of training? You know, things can happen  
14 when you have armed personnel who are not sworn  
15 police officers. So, I would not use the term  
16 "armed guard" or "uniformed police officer" as  
17 being interchangeable. We're talking here about  
18 paid detail. If somebody is willing to guarantee  
19 that they will put in a uniformed police officer,  
20 twelve hours a day, seven days a week, and pay  
21 that, pay the cost to do that, that's something to  
22 be seriously considered by the Council.

23 COUNCIL MEMBER VALLONE: I have a  
24 lot of questions, but I'll just ask one or two  
25 more because I know there's a lot of council



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2 members here. So, you've already, when it comes  
3 to amendments, and that's one that's being  
4 discussed, the other one you've already, are not,  
5 you've already eliminated the request for level  
6 two as opposed to level one, which I think is  
7 probably very good as it goes, as it relates to  
8 costs for businesses that already exist. The way  
9 you see this bill, would it give any cost to banks  
10 that already have bandit barriers? Are there any  
11 changes you're seeking in the bandit barriers that  
12 exist? Or--

13 RAYMOND KELLY: I think we should  
14 consider that, you know, grandfathering them in,  
15 if they have the barriers, I think they act as a  
16 sufficient deterrent, coupled with the other best  
17 practices that we urge them to adopt.

18 COUNCIL MEMBER VALLONE: Okay, as I  
19 said, I probably have more, so put me back on the  
20 list, but I'd rather defer to some of my fellow  
21 council members. Thank you, Mr. Commissioner.

22 CHAIRPERSON GARODNICK: Thank you,  
23 Chair Vallone. Now we'll turn to Council Member  
24 Yassky.

25 COUNCIL MEMBER YASSKY: Okay,

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2 thanks. I'll be very brief. I just would urge, I  
3 would ask the Department, too, as I guess both  
4 acting Chair Garodnick and permanent Chair Vallone  
5 asked about the percentage of overall banks that  
6 have barriers, I think that, unless we know that,  
7 we can't really tell if banks are more likely to  
8 be hit.

9 RAYMOND KELLY: We have, I'm sorry,  
10 but we have 15, there's 1,500 banks in New York  
11 City, there's a lot of banks. We did not go out  
12 and look at each bank. We know that all 275 Chase  
13 branches, they have the barriers; we know there's  
14 136 Citibank branches, they have the barriers; we  
15 know there's 102 Bank of America branches, they  
16 have the barriers. You know, we can give you in  
17 big gulps.

18 COUNCIL MEMBER YASSKY: I'm just  
19 saying it, it--right.

20 RAYMOND KELLY: And if you need  
21 that, we will get you a specific count. We'll  
22 send people out today and start counting. But  
23 there's different, you know, we used the major  
24 names.

25 COUNCIL MEMBER YASSKY: Well, since

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2 half the banks have, that are hit have barriers,  
3 and half don't--

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RAYMOND KELLY: Well, when you say  
5 "hit," again, I think it's important--

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COUNCIL MEMBER YASSKY: I took your  
7 point about success.

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RAYMOND KELLY: You got to look at  
9 the success rate, you got to factor that in.

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COUNCIL MEMBER YASSKY: Well, I  
11 guess I'm, you do have to factor it in, but you  
12 have to give it the proper weight as a factor.  
13 What I heard you say before was, since they're,  
14 bandits are more likely to be successful at a bank  
15 that has no barrier, than at a bank that does have  
16 a barrier, then you, what I think your exact words  
17 were, it stands to reason that people will go  
18 after banks without barriers more frequently.  
19 That may or may not be true, I mean, I--and the  
20 num--so the numbers will tell us, if indeed there  
21 are more incidents at stores with barriers, or  
22 without barriers, than at stores without barriers,  
23 with barriers.

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RAYMOND KELLY: It is true, it's  
25 based on, you know, proportion. Depends on number

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2 of branches you have. Obviously, we talked about-  
3 -let's say, the Toronto Dominion Bank has 70  
4 branches, Chase has 275 branches. I said in my  
5 prepared remarks, that based on the number of  
6 robberies that you have at TD Banks, it's three  
7 times more likely that they'll be robbed than  
8 Chase.

9 COUNCIL MEMBER YASSKY: It sounds  
10 like it's three times more likely that a TD Bank  
11 than a Chase bank, that I get. That may or may  
12 not be true for, you know, non-barrier versus  
13 barrier overall. I just don't know, it may turn  
14 out to be true.

15 RAYMOND KELLY: Right.

16 COUNCIL MEMBER YASSKY: I just, I  
17 don't want to base policy on it, on the claim that  
18 it makes you likely--you know, you're more likely  
19 to get hit if you don't have a barrier, without  
20 the data to back that up. So, I would ask for  
21 that, number one. And then my only real question  
22 for you is about why you think that banks are, the  
23 banks that are, I guess the fair word is  
24 "refusing," because you've given them, you know, I  
25 commend the Department for doing a best practices,

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2 you know, document, and helping the industry  
3 understand what the Department believes to be best  
4 practices, to prevent robberies. Okay, that's  
5 exactly what the Department should be doing,  
6 that's great. To go the next step and force them  
7 to do it, I think is an--that's a harder thing to  
8 do, and my general belief is that business, we  
9 shouldn't tell business what to do, how to run  
10 their business, without some clear reason to  
11 believe that they are not, that they are, you  
12 know, deliberately choosing not to do the thing  
13 that's smarter for them. And I guess my question,  
14 do you think that their attitude is, "We know what  
15 we're do--we know how to prevent robberies, and  
16 we're doing everything we think is smart to  
17 prevent robberies," or is their attitude, "It's  
18 okay if there's a robbery, and it's just, we'll  
19 treat it as a cost of doing business"?

20 RAYMOND KELLY: We don't want to  
21 tell anybody how to run their business, until it  
22 impacts on our business. And it does, it's a  
23 significant drain of resources. In the 19<sup>th</sup>  
24 Precinct, for instance, we have a very elaborate  
25 response plan, which I talked about in my prepared

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2 remarks. We have, when a bank robbery happens, we  
3 cover subway stations, we go to Central Park, we  
4 will go virtually every unit on patrol in that  
5 precinct is responding in some, way, shape or form  
6 to that robbery. Let's assume the robber gets  
7 away, then the Major Case Squad, we only have 30  
8 detectives in the Major Case Squad. They spend  
9 most of their time going after bank robbers. So,  
10 it is a major drain on our resources. You know,  
11 we're not in the position to tell businesses how  
12 to run their business, until it impacts on a  
13 police department that is down 5,000 police  
14 officers from where we were in 2001. So, every  
15 point, or every place where we are using our  
16 resources, we're taking a hard look at. And this  
17 is, this is one of 'em. This takes a lot of time,  
18 and a lot of effort. And we believe that adoption  
19 of these best practices, obviously centered on  
20 these ballistic barriers, will reduce bank  
21 robberies, and therefore reduce our response and  
22 our dedication of significant resources to  
23 investigate them, and try to arrest people after  
24 they happen.

25 COUNCIL MEMBER YASSKY: Okay.

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2 Alright, look, I'm not try--I don't want to put  
3 words in your mouth. I think that your--what I  
4 take from your testimony is, you're clear that in  
5 your opinion the barriers will prevent robbery,  
6 certainly attempt, at least completions and  
7 probably attempts, is your belief. And that the  
8 banks that are declining to do it, they must know  
9 that, I guess, in your opinion, but they  
10 nonetheless are choosing not to do it, 'cause  
11 it's, they think it has a, it hurts their business  
12 in other way--that's what I'm trying to figure out  
13 is, I don't want to be robbed either. I mean, as  
14 a, so I would think I would do everything, if I  
15 were a bank owner, I would do everything I could  
16 not to be robbed. I'm trying to understand why,  
17 you know, once they've given full information, why  
18 we think they're not capable of acting on that.

19 RAYMOND KELLY: The majority of  
20 banks in the City are moving to the adoption of  
21 these ballistic barriers. The small number have  
22 not. One bank in particular, which is here,  
23 lobbying and making an effort to prevent the  
24 enacting of this legislation. I don't question  
25 their motives, they have a business plan, they

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2 have a view of how to do business. An openness, a  
3 7:00 to 7:00, seven day a week operation, and  
4 that's fine. But as I said, it impacts on us. It  
5 impacts on our resources. So, I believe if you  
6 talk to other major banks, and the security  
7 personnel from those banks, they believe that  
8 these barriers are a major deterrent to bank  
9 robberies. And again, you have to look at the  
10 success rate. You know, it's important, yes, you  
11 might have an attempted robbery, but the  
12 individual runs out the door without any money,  
13 and the teller is safe, their employees are safe.  
14 Nobody has the ability to jump over a counter, for  
15 instance, with these barriers, if they're properly  
16 installed. So, for whatever reason, this one bank  
17 in particular, is resisting. I did meet with the  
18 CEO, and again I don't question their motives,  
19 they think it works for them, and it worked for  
20 them in Canada, apparently. This is New York.

21 COUNCIL MEMBER YASSKY: Thank you.

22 CHAIRPERSON GARODNICK: Thank you,  
23 Council Member Yassky. Now the sponsor, Council  
24 Member Koppell.

25 COUNCIL MEMBER KOPPELL: Thank you



1  
2 for your testimony. I think that while I'm  
3 convinced, and some numbers that Council Member  
4 Vallone mentioned, as many as 90 percent have  
5 barriers, but I think that because we use the  
6 statistic of 47 percent and 53 percent, it is, I  
7 think, significant to know exactly how many banks  
8 there are in New York City. You said about 1,500.  
9 And then it would be important to know what  
10 percentage of them have barriers, and what  
11 percentage do not. If the number 90 percent is  
12 true, then it's overwhelmingly clear that since 47  
13 percent of the robberies were in banks without  
14 barriers, if 90, if only ten percent of the banks  
15 have no barriers, then 47 percent of the robberies  
16 are in ten percent of the banks. And then as a  
17 sponsor of this bill, I say, you know, the  
18 argument's faded away. But since you're not sure,  
19 I realize that if you compare Chase and TD, that's  
20 a strong argument. But the strongest argument is  
21 if we knew the totals. So if you could get the  
22 totals to me or to us, I think it would be very,  
23 very useful. The other thing is, and again, this  
24 is the, you had said you have no experience that  
25 shows that these robbers would turn to hostage

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2 taking. Do you know any example in the last five  
3 years, say, where a hostage has been taken? In a  
4 bank, which has barriers?

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RAYMOND KELLY: Not, not here in  
6 New York City, not that I can recall. We haven't  
7 seen any in New York City.

8

COUNCIL MEMBER KOPPELL: Your  
9 colleague who handles bank robberies, I take it,  
10 do you recall any hostage taking in banks with  
11 barriers?

12

JEREMIAH QUINLAN: Not in the last  
13 ten years in New York City, no.

14

COUNCIL MEMBER KOPPELL: Thank you.

15

CHAIRPERSON GARODNICK: Thank you,  
16 Council Member Koppell. Council Member Katz.

17

COUNCIL MEMBER KATZ: Good morning,  
18 Commissioner. Just to follow up what Councilman  
19 Koppell was saying. I guess it begs the next  
20 question, when there is no barriers, is there  
21 injuries during the bank robberies?

22

JEREMIAH QUINLAN: Injury?

23

COUNCIL MEMBER KATZ: Injuries to  
24 the tellers, anyone on the floor. In other words,  
25 what's the distinction with barriers or not

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2 barriers as far as the injuries that happened  
3 during a robbery?

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5 JEREMIAH QUINLAN: We don't have,  
6 we don't see--

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8 COUNCIL MEMBER KATZ: You don't  
9 see-

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11 JEREMIAH QUINLAN: --I mean,  
12 injuries happening one way or the other. We're  
13 saying is, if you have a barrier, the teller is  
14 protected. If you have no barrier, obviously the  
15 potential for injury to a teller, certainly if the  
16 robber is armed, is greater.

17

18 COUNCIL MEMBER KATZ: No, I  
19 understand that, I guess the real question is, you  
20 know, on the one hand, we're talking about if  
21 there's barriers, the tellers will be safer, and  
22 the other side is going to come up and testify  
23 that that puts people in the lobby. The workers  
24 that are there, the administrative staff and the  
25 customers at risk. And then on the other side,  
26 your testimony is that if we have the barriers,  
27 the tellers are safe, and they can walk away. So  
28 I guess my question is, there doesn't seem to be a  
29 lot of stats on either side of it. It seems like

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2 in either case, there isn't injuries, at least in  
3 our city.

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JEREMIAH QUINLAN: That's right,  
5 there isn't. We have banks with barriers here,  
6 and we don't have that, that experience. But I  
7 think if you, common sense, in terms of protecting  
8 your employees, would argue that they're better  
9 protected if behind these ballistic shields.

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COUNCIL MEMBER KATZ: No, no, I'm  
11 just trying to like circumvent the argument that's  
12 going to come after you, basically it's going to  
13 be--

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JEREMIAH QUINLAN: We don't have  
15 the experience data.

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COUNCIL MEMBER KATZ: You don't  
17 have that experience data. Okay. Do me a favor,  
18 just, can you go through what exactly happens now,  
19 even with barriers, the tellers give over money  
20 with dye packs, or do you find that in general  
21 they just walk away now?

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JEREMIAH QUINLAN: Some do, some  
23 don't. It depends on the bank policy, as far as  
24 dye packs are concerned. It's one of the things  
25 that we recommend banks consider in our best

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practices.

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COUNCIL MEMBER KATZ: And then, what happens as far as the follow up and catching the robbers? Is there a different percentage with the barriers, without the barriers? Do you find that the experience is different with each?

JEREMIAH QUINLAN: It's not really, the barriers are not a factor, whether or not we arrest--we arrest people primarily based on cameras and pictures. And one of the recommendations that we make in the best practices is number one, we use, you know, digital cameras, that they be properly positioned. That, if possible, you take a picture of the queue, people waiting in line. Also, have a camera positioned where you take a picture of people exiting. And these are recommendations.

COUNCIL MEMBER KATZ: Right.

JEREMIAH QUINLAN: That we'd like the banks to take a serious look at. And many of them have.

COUNCIL MEMBER KATZ: The robberies that occur, do you find that it's a high recidivism rate, or do you find that it's

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different robbers throughout the years?

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RAYMOND KELLY: The recidivist rate is roughly around 16 percent, that's people that have been convicted and sentenced for bank robbery, and released and subsequently go back. Most of the people are, you know, the rest of that 80 plus percent are new people, a lot of them, like I said, are emotionally disturbed, they're low level drug users, substance abusers, gamblers. Somebody mentioned the economy, we have people that are gamblers, I haven't seen anything with the economy.

COUNCIL MEMBER KATZ: And I guess, I just want to get back to, I think it was Councilman Yassky, or someone has asked the same question, and I guess I'm a little unclear about it. If we require the police to be, or an armed guard to be in the bank, or we require the bandit barriers, I guess what you're saying is that's human nature, you're not always going to have an armed guard. But in general if there was one for the entire time that the bank was open, you think the percentages would be better or not?

RAYMOND KELLY: We want it to be a

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2 deterrent. We don't, we don't want people to walk  
3 in and think they can rob a bank. So, obviously,  
4 a uniformed police officer in a bank is that sort  
5 of deterrent. If you make the requirement or  
6 threshold an armed guard, I don't know the level  
7 of training--obviously we do have training here in  
8 New York State. Are they in uniform? Are they  
9 not in uniform? Are they wearing a blue blazer?  
10 Did the individual know that they're armed? What  
11 is the level of training? Banks are, I think,  
12 reluctant to have people who are armed, quite  
13 frankly. They'll often hire retired police  
14 officers, 'cause they assume they have, you know,  
15 they have the appropriate training. But something  
16 less than that, I think, they might be reluctant  
17 to do that. So, there are gradations of, you  
18 know, preventive measures, as far as personnel are  
19 concerned. That's why, to us, the ballistic  
20 barriers and the adoption of these best practices,  
21 makes sense. We want to see the numbers go down.  
22 And they did in fact go down when we, when there  
23 was attention paid to it, in 2003. And now, they  
24 seem to be going down again. But it, you know, it  
25 ebbs and flows. We want to see it consistently

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COUNCIL MEMBER KATZ: I guess the issue really becomes, you know, if the bank, I guess, again, not that I want to agree with Councilman Yassky so often, at least in this forum, I guess it's okay. But the question really becomes, no one wants to get robbed. So I guess the question becomes, is that if the money is turned over, and it's an expense of the bank's, I guess, it's not insured and it's not guaranteed by the government, and they know that the percentages are better with the barriers, I guess the question becomes, "Why do you think--" and you are the foremost expert, I think, in public safety in the country--

RAYMOND KELLY: Why do we care?

COUNCIL MEMBER KATZ: Why do you believe some of the banks don't want to do this?

RAYMOND KELLY: I think you have to ask them. You're going to be hearing from them. They're doing a, kind of a full court press here. So you have to ask them, as to why they--this is a business, this is, the bank that resists this is the second biggest bank in Canada: Toronto



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2 Dominion Bank. They took over Commerce Bank,  
3 which also resisted. So, they have branches in  
4 Florida and other states, here in the United  
5 States, and they're a big operation. So  
6 obviously, they have a philosophy and approach  
7 behind it. I'm sure you'll be hearing about it.  
8 This is New York City.

9 COUNCIL MEMBER KATZ: I've never  
10 known you not to have an opinion.

11 RAYMOND KELLY: This is New York  
12 City. Well, I--I think it's almost illogical.  
13 So, I don't know, it's adherence to apparently a  
14 philosophy that they think works for them, in  
15 other locations. We don't think it works for  
16 them, absent a full time, paid, uniformed police  
17 officer, twelve hours a day; which they have so  
18 far committed to. The question is, does that make  
19 business sense? I don't think so. And unless  
20 it's mandated, just like their predecessor bank,  
21 I'm concerned about the policy drifting.

22 COUNCIL MEMBER KATZ: And I know  
23 that that is one of the amendments that we are  
24 talking about in general on this Committee. So I  
25 thank you for your time.

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2 CHAIRPERSON GARODNICK: Thank you,  
3 Council Member Katz. Council Member Dilan.

4 COUNCIL MEMBER DILAN: Okay, thank  
5 you, Mr. Acting Chair. Good morning,  
6 Commissioner. I just have some, a few questions,  
7 I'll get right to them. First, I wanted to just  
8 ask if you know of any other local jurisdictions,  
9 or any other states, that have mandated this  
10 action.

11 RAYMOND KELLY: States?

12 COUNCIL MEMBER DILAN: Any states  
13 or other localities that have mandated bandit  
14 barriers.

15 RAYMOND KELLY: They--I'm not  
16 certain about the barriers. I know states mandate  
17 signs. One of their, one of the my best practice  
18 recommendations mandate signs. I'm not certain if  
19 they--I just don't know.

20 COUNCIL MEMBER DILAN: Yeah, we're  
21 only dealing with barriers here, so we're not  
22 dealing with signs. So you're not sure.

23 RAYMOND KELLY: Well, we are making  
24 recommendations that the bill, I think, perhaps  
25 have best practices in the bill.

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COUNCIL MEMBER DILAN: Okay. Okay.

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And, I guess just the--I need a little help

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understanding this paid detail, this paid detail

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program. How many banks currently use the paid

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detail program?

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RAYMOND KELLY: Well, right now--

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COUNCIL MEMBER DILAN: Right now.

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RAYMOND KELLY: --every TD branch

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uses the paid detail program. They're using

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virtually all of our paid detail program.

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COUNCIL MEMBER DILAN: So now this-

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RAYMOND KELLY: Paid detail is

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where a company is authorized, a company is

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vetted, and authorized by the Department to hire

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police officers off duty.

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COUNCIL MEMBER DILAN: Off duty.

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RAYMOND KELLY: And they pay them a

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certain rate based on, based on their rank.

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COUNCIL MEMBER DILAN: Do they pay

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the City or do they pay the officers directly?

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How does it work?

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RAYMOND KELLY: The City pays the

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officers, it's paid to the City.

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2 COUNCIL MEMBER DILAN: Okay, so  
3 that bank pays the City a certain amount, and  
4 then--

5 RAYMOND KELLY: Right.

6 COUNCIL MEMBER DILAN: --the  
7 Department then in turn pays the officers for  
8 their time.

9 RAYMOND KELLY: Right.

10 COUNCIL MEMBER DILAN: Okay, thank  
11 you. First, I just want to also check with,  
12 because I'm not sure, I've never seen an instance  
13 where this City or this legislature has ever had  
14 the authority to regulate banks, I thought that  
15 was a function of the State. And I would imagine  
16 that we had vetted that. But just for my purposes  
17 on this, 'cause I'm not sure which way I'm going  
18 to go on this bill, I'd like to know one, does  
19 this Committee and this Council have the authority  
20 to enact this regulation? I saw on the bill that  
21 the Police Department and the Buildings Department  
22 are responsible with enforcement. So if we're  
23 regulating the buildings, then I think the bill  
24 belongs in another committee, quite frankly. But  
25 that's for action behind the scenes. I'd like to-

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RAYMOND KELLY: I think that's an issue that the Bankers Association brought up. Is that correct? I think--this has been surfaced before.

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COUNCIL MEMBER DILAN: Honestly, I'm--

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RAYMOND KELLY: I think it's in their fact sheet, I think they point it out.

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COUNCIL MEMBER DILAN: Commissioner, I'm not--

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RAYMOND KELLY: Yeah.

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COUNCIL MEMBER DILAN: I'm not sure. I haven't spoke to the Bankers Association about this, I'm not sure I'm asking for our Council to do some internal work. Now, you state that 90 percent of the bandit barrier--90 percent of banks currently use--

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RAYMOND KELLY: We're going to give you a specific count. Okay? Because there are 1,500 banks in New York, and they don't have to report centrally on how many barriers. So we'd have to go count them.

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COUNCIL MEMBER DILAN: I would say,

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2 frankly, the more data, the better. Because I've  
3 sat here, and I've listened to data on bank  
4 robberies that you spewed out, and you had the  
5 number in your head from 2003 how many robberies  
6 occurred in the City. And then you gave clear  
7 numbers in terms of percentages for 2008, but you  
8 had no data for 2007, 2006, 2005, 2004. So, in my  
9 mind--

10 RAYMOND KELLY: We do have that  
11 data. We have that data in this book.

12 COUNCIL MEMBER DILAN: Well, we  
13 asked for--

14 RAYMOND KELLY: I have the data now  
15 in the book.

16 COUNCIL MEMBER DILAN: Well, when  
17 we asked--

18 RAYMOND KELLY: If you want it for  
19 every year, we'll give it to every year.

20 COUNCIL MEMBER DILAN:  
21 Commissioner, respectfully, when we asked for the  
22 data, the answer was we didn't have it. That's--  
23 that's what--

24 RAYMOND KELLY: Well, I'm not  
25 certain what--

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2 COUNCIL MEMBER DILAN: That was the  
3 answer.

4 RAYMOND KELLY: If you're talking  
5 about the total number of robberies--

6 COUNCIL MEMBER DILAN: No, not the  
7 total robberies, the total number of robberies  
8 segregated by banks with bandit barriers and banks  
9 without bandit barriers. I'd like the--

10 RAYMOND KELLY: Well, because it's  
11 a moving target, since 2003 on, some banks have  
12 adopted it, it's increased the number.

13 COUNCIL MEMBER DILAN: But I,  
14 frankly in all fairness, I think it'd be  
15 responsible for us to act on this legislation with  
16 more than one year's worth of data on the  
17 segregation here. If you cited a five year  
18 sample, I think a five year sample is fair in this  
19 instance.

20 RAYMOND KELLY: Well, we'll get it  
21 for you.

22 COUNCIL MEMBER DILAN: I would like  
23 to see that data before I move forward. I'm not  
24 sure that I could move forward, whether  
25 affirmatively or negatively, without seeing that

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2 data, because I--

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4 RAYMOND KELLY: Well, we'll get  
that data for you, sir.

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6 COUNCIL MEMBER DILAN: I don't know  
7 that I'm making a clear decision here, the right  
8 decision. I think the intent of this bill is well  
9 intentioned, I think that it does make it safer,  
10 but if 90 percent, again 90 percent of the banks  
11 that operate in the City currently use bandit  
12 barriers, why do we need to mandate this, if the  
13 trend is for the banks to do this on their own  
14 anyway?

14

15 RAYMOND KELLY: Because it's being  
16 resisted by certain banks. And as Councilman  
17 Koppell pointed out, a disproportionate, the  
18 robberies that occur in banks that don't have the  
19 barriers, versus those that do.

19

20 COUNCIL MEMBER DILAN: Okay, but  
21 you said based, and again this is based on your  
22 own data, that 53 percent of the banks with  
23 barriers have robberies, either attempted or  
successful. Doesn't that--

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25 RAYMOND KELLY: You have to look at  
success rate, too.



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COUNCIL MEMBER DILAN: Yeah, but--

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RAYMOND KELLY: Because as I say, attempted robberies is what--

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COUNCIL MEMBER DILAN: I heard the argument as well. But even an unsuccessful robbery, doesn't that impact on your business, as well?

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RAYMOND KELLY: Impacts on the data. Impacts on us, we have to respond to it.

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COUNCIL MEMBER DILAN: Sure. Whether it's successful or unsuccessful.

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RAYMOND KELLY: We respond to it. In other words, if there's an attempted robbery, takes place, and the person--

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COUNCIL MEMBER DILAN: You're required--

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RAYMOND KELLY: That's still a crime.

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COUNCIL MEMBER DILAN: You're required to respond to it.

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RAYMOND KELLY: And we respond, and we do the same deployment that I described to you before.

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COUNCIL MEMBER DILAN: Okay.

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2 RAYMOND KELLY: So, a robbery or an  
3 attempted robbery, is still a resource drainer for  
4 the police department.

5 COUNCIL MEMBER DILAN: Alright, so  
6 what we're talking about here is then essentially  
7 the success rates. That's really what we're  
8 talking about, 'cause--

9 RAYMOND KELLY: Well hope--Okay.

10 COUNCIL MEMBER DILAN: You just  
11 stated. Whether the, whether it's attempted, or  
12 whether it's successful with or without barriers,  
13 the Department still has to be respond, is that  
14 correct?

15 RAYMOND KELLY: Well, yeah, we're  
16 going to respond, but hopefully that, with the  
17 adoption of these best practices, and the  
18 barriers, that the numbers of robberies themselves  
19 will decrease.

20 COUNCIL MEMBER DILAN: Okay.

21 RAYMOND KELLY: The attempts will  
22 decrease.

23 COUNCIL MEMBER DILAN: And I, and I  
24 have no doubt that, that they will. I--I'd just  
25 like to say that banks, I personally bank at a

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2 bank, and for me it makes no difference whether  
3 the bank has a bandit barrier or not bandit  
4 barrier, but just for your information, I  
5 personally bank at a bank without bandit barriers,  
6 that use uniformed security personnel. It's not a  
7 paid detail, it's security guards, they still  
8 exist in this City, more in the mom-and-pop banks  
9 than the larger commercial banks. But I happen to  
10 like to use the small mom-and-pop bank, and I  
11 think it's, in my opinion, I think the Department  
12 has to clearly make a stronger argument at this  
13 time, and I'm again, I'm not influenced either  
14 way, but if we're going to move to mandate, I  
15 think the Department has to make a stronger  
16 argument as to why this is one, a drain on City  
17 resources, if you're responding to unsuccessful  
18 attempts anyway; and in terms of safety, I think  
19 it protects the teller, I think there's no doubt  
20 that it protects the teller, but there's nothing  
21 that can prevent say a robbery in progress, if  
22 they go after the customers, and maybe, you know,  
23 maybe the teller doesn't care, but they can also  
24 go after a loan officer who's a colleague of a  
25 teller that's not protected by a bandit barrier.

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So these are potential risks, I know a lot of them are scenarios, and they're scenarios that thankfully don't get played out often. But I think the need for more data before I act on this is necessary. Thank you, thank you, Mr. Chair.

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CHAIRPERSON GARODNICK: Thank you, Council Member Dilan. And let me just put some formality on what exactly I think would be useful in terms of the numbers that we're all clear. And I think Commissioner, you're hearing from a number of council members, and you were willing to bring this data to us, and we appreciate it. But the five year sample, the overall number of bank robberies during that five year period, and then within that category, the rob--the attempted robberies of banks without barriers, and the robberies with banks without barriers, and then the attempted robberies of banks with barriers and the successful robberies of banks with barriers. Right, so--

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RAYMOND KELLY: We got it. Okay.

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CHAIRPERSON GARODNICK: That's what I think would be useful, because then we can compare it to your overall numbers of 53 percent

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2 to 47 percent, and actually do it intelligently  
3 here, and I think that will instruct us  
4 significantly. Let me turn to Council Member Jim  
5 Gennaro.

6 COUNCIL MEMBER GENNARO: Thank you,  
7 Mr. Acting Chairman. Pleasure to see you,  
8 Commissioner. I was tempted not even to ask  
9 questions at this point. I'm really just going to  
10 reinforce some of the points that were made by  
11 Council Member Dilan, and the Acting Chairman.  
12 You know, regarding the need for data. And as I  
13 look at what has been put forward, based on what  
14 Council Member Koppell has said and what you had  
15 said, regarding 47 percent of the robberies,  
16 attempted or successful, taking place in what may  
17 only be, you know, ten percent of the branches,  
18 that seems very compelling. Yet, I have  
19 information about a survey in 2005, conducted by  
20 the New York Banking Association, stating that  
21 back in 2005, about 89 percent of bank robberies  
22 occurred in branches with bandit barriers, and I'd  
23 assume that four years ago less banks had bandit  
24 barriers. So that would be quite a number of  
25 robberies or attempted robberies taking place in

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banks that did have barriers. And I think that

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underscores the need for a multi-year stream of

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data, to let us see what's really going on. And I

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think--

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RAYMOND KELLY: Say that again,

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underscores what, sir?

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COUNCIL MEMBER GENNARO: I think

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that the fact that while the 2008 data seems quite

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compelling, the 2005 data sort of argues the other

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way, and I think this underscores the need for why

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we need to make an intelligent assessment of which

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way to go in. Because one of the things that

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we're also balancing here, Commissioner, is that

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notwithstanding the fact that there's a belief

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that barriers can make a very significant

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difference, right now there are lots of banks with

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barriers that people aren't shy about going in,

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and making an attempted robbery. It's your

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assessment that the overall robberies will

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decrease, but people are not afraid of walking

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into banks with barriers and passing notes. And

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so, I think we have to, you know, get all this

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body of data, in order for us to really make an

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intelligent assessment here. Would you care to

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respond to that, Commissioner?

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RAYMOND KELLY: I'm not sure what your question is.

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COUNCIL MEMBER GENNARO: Oh, I--

We've kind of, you know, laid out a case for, you know, why we need the data, to sort of go forward and in a thorough manner. And this is what I think we're seeing here today. Also, one thing that, let me just switch over a little bit, is that we're operating under the assumption, or at least you are certainly, and others who, we favor the bandit barriers, that once all the banks have barriers, there'll be a real decline in the, you know, total amount of attempts, that took place.

RAYMOND KELLY: With the other best practices, as well, yeah.

COUNCIL MEMBER GENNARO: Right. But, again, but this hearing's about barriers, and what we're looking to mandate is barriers. And we're working under an assumption that when all the banks have barriers, there'll be a lot fewer attempts on banks. we don't really have anything to kind of base that on, because right now, there's a lot of people who are willing to go into

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2 banks with barriers, and pass notes.

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4 RAYMOND KELLY: Well, we do have  
5 something, we do have the--people will go and do  
6 it, yes, but the teller is able to walk away in  
7 banks with barriers, so their success rate is  
8 less. And we think that will impact on people's  
9 willingness or desire to go in and to attempt to  
10 rob a bank. If they know that the, you know, that  
11 the teller is protected and they have a walk-away  
12 policy.

12

13 COUNCIL MEMBER GENNARO: Well, I  
14 wish once again to reinforce what's been put  
15 forward here about the, you know, need for the  
16 data stream, that the Acting Chairman has laid  
17 out. I think that'll be helpful to us, and we'd  
18 be most appreciative if that information could be  
19 provided, and I thank you for your willingness to  
20 do that.

20

RAYMOND KELLY: Okay, will do.

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22 COUNCIL MEMBER GENNARO: Thank you,  
23 Commissioner. Thank you, Mr. Acting Chairman.

23

24 RAYMOND KELLY: We'd like to see a  
25 copy of that 2005 survey? Because in my  
conversations with Bankers Association, they did



1  
2 not know how many banks had barriers and didn't  
3 have barriers. So, I'd like, we'd like to get a  
4 copy of that.

5 COUNCIL MEMBER GENNARO: Oh, sure,  
6 sure, I've got some information here. We'd be  
7 happy to make that available to you, Commissioner.

8 RAYMOND KELLY: Okay.

9 COUNCIL MEMBER GENNARO: We should  
10 help each other with information.

11 RAYMOND KELLY: Okay.

12 COUNCIL MEMBER GENNARO: Thank you.

13 CHAIRPERSON GARODNICK: Thank you,  
14 Council Member Gennaro. And in a moment I'm going  
15 to go to Council Member Gentile. Before I do, I  
16 wanted to just follow up, Commissioner, on the  
17 subject of the walk-away policy, something you've  
18 mentioned several times in your testimony in  
19 answers to questions, even if a bank were, if we  
20 were to mandate the inclusion of bandit barriers  
21 in every bank, we can't here mandate that they  
22 also include a walk-away policy, isn't that right?

23 RAYMOND KELLY: That's correct, and  
24 we have not proposed that at all. It's a decision  
25 that the teller has to make. Banks can train for

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2 it, certain banks do. But that's not something,  
3 that's a decision that an individual has to make,  
4 based on their own situation, their own comfort  
5 level.

6 CHAIRPERSON GARODNICK: So I guess  
7 the question could be that in those situations  
8 where banks which do not want to have a walk-away  
9 policy, but put in the barriers, they could still  
10 see the hundred percent success rate if they just  
11 decided instead of walking away, to actually turn  
12 over the money. Isn't that right?

13 RAYMOND KELLY: Sure.

14 CHAIRPERSON GARODNICK: Okay, so  
15 this is, we're assuming, we're assuming that along  
16 with bandit barriers, banks will also incorporate  
17 a walk-away policy. For this to be successful.

18 RAYMOND KELLY: To consider it,  
19 consider it.

20 CHAIRPERSON GARODNICK: I'm sorry,  
21 say that--

22 RAYMOND KELLY: Consider it. It  
23 depends on the individual situation. You can't,  
24 it can't be every time, we understand that.  
25 Depends on the circumstances. Now, I don't think

1

2 any bank has mandated it, that the employees do  
3 that. It's just a, a possibility for employees to  
4 do that.

5

CHAIRPERSON GARODNICK: Okay. You  
6 noted that TD Bank is using up, I think you  
7 might've even said, all of the City's available  
8 paid detail.

9

RAYMOND KELLY: A lot of it.

10

CHAIRPERSON GARODNICK: Okay, a lot  
11 of it. Are there other uses for the paid detail  
12 that are currently not being exercised because of  
13 the overwhelming demand by TD Bank? Or is--?

14

RAYMOND KELLY: No, not that I'm  
15 aware of.

16

CHAIRPERSON GARODNICK: Okay. So,  
17 if TD Bank were to suddenly, TD Bank and others  
18 were to suddenly put in bandit barriers and not  
19 use paid detail, would there be a use for the paid  
20 detail? I guess the question is, what happens to  
21 the, to this paid detail program? Would it not  
22 be--

23

RAYMOND KELLY: Would go on, it'd  
24 go on, it's a very healthy program. Sure.

25

CHAIRPERSON GARODNICK: But I guess

1

2 my question for you is, who needs the paid detail  
3 other than TD Bank? Who wants to pay--?

4

RAYMOND KELLY: Many, many  
5 businesses use them. Many businesses.

6

CHAIRPERSON GARODNICK: Okay, so is  
7 there like a waiting list for the paid detail?

8

RAYMOND KELLY: The what?

9

CHAIRPERSON GARODNICK: A waiting  
10 list for paid detail? I mean, what I'm getting at  
11 here is--

12

RAYMOND KELLY: Not a waiting list,  
13 there is a vetting process that goes forward in  
14 the Department, not every entity that wants to use  
15 paid detail is allowed to do it. We do a  
16 background check, a background examination, on the  
17 company itself, the mission of the business, and  
18 that sort of thing. But yeah, for instance,  
19 Barnes and Noble's a major user of the paid  
20 detail, and financial, world financial center  
21 offices of there, that, in the stock exchange.  
22 So, lots of locations.

23

CHAIRPERSON GARODNICK: I guess  
24 what I'm getting--

25

RAYMOND KELLY: You're concerned

1

2 about the, about officers not getting off duty  
3 employment?

4

CHAIRPERSON GARODNICK: What I'm  
5 concerned about is, you talked about the cost to  
6 the Department of having to respond to emergency  
7 bank robberies.

8

RAYMOND KELLY: Right.

9

CHAIRPERSON GARODNICK: And I'm  
10 just trying to figure out whether there is an  
11 additional cost to the Department, namely that  
12 there are other businesses around the City which  
13 may need a paid detail, but they're not getting it  
14 because--

15

RAYMOND KELLY: No. That's not the  
16 case.

17

CHAIRPERSON GARODNICK: Okay.

18

RAYMOND KELLY: Our costs are on  
19 duty officers responding to bank robberies or  
20 attempted bank robberies, and doing  
21 investigations. I understand your question, no.

22

CHAIRPERSON GARODNICK: Okay. No,  
23 and I'm not adding that as a cost to the  
24 Department, but really it could be a cost to  
25 public safety, potentially, if Barnes and Noble

1

2 can't get a paid detail--

3 RAYMOND KELLY: I see.

4 CHAIRPERSON GARODNICK: --where  
5 they want it--6 RAYMOND KELLY: To the best of my  
7 knowledge, that's not an issue.8 CHAIRPERSON GARODNICK: Okay,  
9 great. Council Member Gentile.10 COUNCIL MEMBER GENTILE: Thank you,  
11 Commissioner, thank you very much. You know, I,  
12 the statistics here really are battling each  
13 other, 'cause I think what Councilman Gennaro was  
14 referring to, was this letter that I think we all  
15 received from Michael Smith, of the New York  
16 Bankers Association, and I'll read you what he  
17 says, he said that "According to several member  
18 surveys which the NYBA has conducted, more than 70  
19 percent of the bank robberies which occurred in  
20 New York City over the last several years,  
21 occurred at banks that indeed did have bandit  
22 barriers." And therefore, "this bill, this Intro  
23 would not act as a deterrent." He goes on to say.  
24 So, he's saying that 70 percent of the bank  
25 robberies, which over the last several years, and

1

2 I don't know how many, we don't have the actual  
3 survey in front of us, occurred at banks that had  
4 bandit barriers. So, is this, is this something  
5 you're--

6 RAYMOND KELLY: The percentage has  
7 gone down. Let's assume that's a valid survey,  
8 the percentage has gone down, we said basically  
9 50/50 I think, 47/53 is what we talked about  
10 before. But we also think that the success rate  
11 is important. What they're talking, anybody who  
12 walks in, attempts to rob a bank, and is rebuffed,  
13 that's considered a bank robbery. So they may do  
14 that at a, at one of the locations, and the  
15 willingness of the teller to not comply is, we  
16 believe, directly related to the existence of a  
17 barrier. They can walk away, they can duck, they  
18 can do other things, maybe notify management. But  
19 if you have no barrier, you really have very  
20 little option but to, but to give all of the  
21 money.

22 COUNCIL MEMBER GENTILE: So you're  
23 saying that those are included in these  
24 statistics.

25 RAYMOND KELLY: Yes, yes, sir.

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COUNCIL MEMBER GENTILE: That gets  
it to--

3

4

RAYMOND KELLY: And we, we include  
attempted robberies and robberies as the same  
number.

5

6

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COUNCIL MEMBER GENTILE: I see.  
Okay, well, it would be interesting to see the  
actual survey, and what they were counting.

8

9

10

RAYMOND KELLY: We'll do it.

11

12

COUNCIL MEMBER GENTILE: I'm still  
really concerned about the issue of safety of the  
patrons, of the customers, of these banks. Who  
are on the other side of the barrier, not on the  
side of the barrier with the tellers. And you  
have seemed to have said here today, that there is  
no study showing, or not statistic showing that  
there is an increased risk. One of the material  
pieces, some of the material that we got here was  
from a, I guess an expert hired by New York  
Bankers Association. I'm not sure, but they  
indicate here that a London study found that while  
the frequency of robberies, and I guess of sub-  
post offices, which are in London, went down after  
existing window bars were converted to bullet

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resistant strength, the risk of injury to  
customers increased with the new design. And the  
risk was due to the percentage of robberies using  
guns, which rose substantially. Are you aware of  
that study?

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8

9

RAYMOND KELLY: We haven't seen  
that. What, is, there's a study, is this  
someone's opinion?

10

11

12

13

COUNCIL MEMBER GENTILE: Well this  
is a study, they're saying this is a London study,  
and it's, and it's cited here, and I guess they  
can get you that study.

14

15

RAYMOND KELLY: London, a London  
study?

16

17

COUNCIL MEMBER GENTILE: A London  
study, yes.

18

19

RAYMOND KELLY: Yeah, London is a  
totally different crime problem than New York has.

20

21

22

COUNCIL MEMBER GENTILE: But  
they're saying that, they're saying that the  
activity, the violent activity increased.

23

24

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RAYMOND KELLY: I'd like to, we'd  
like to see the study. And again, we don't have  
that--it has not happened here, let's put it that

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2

way.

3

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COUNCIL MEMBER GENTILE: Okay, well they, actually they do cite instances here in the City, that have happened, and I'll just point them out to you, and get your reaction.

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8

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COUNCIL MEMBER KOPPELL: And may interrupt you for a second, Mr. Chairman, I am the main sponsor, but I have to go next door to vote, so I'll be back.

11

12

CHAIRPERSON GARODNICK: We'll see you soon. Go ahead, Council Member Gentile.

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COUNCIL MEMBER GENTILE: Great. And they give the NYPD 61 numbers on these cases, too. On April 23<sup>rd</sup> of 2003, at a Chase Bank at 165-40 Baisley Boulevard, in Jamaica, a suspect walked into the bank that was equipped with bandit barriers. He put a knife to the neck of an elderly female customer, and then demanded money from the teller. The suspect was apprehended by Roachdale Security, a private security firm, that provides security for Roachdale Village, a nearby residential housing apartment complex. That was in 2003. Also, they mention in 2003, in May 12<sup>th</sup> of 2003, North Fork Bank at 145-15 243<sup>rd</sup> Street in

1  
2 Jamaica, at 3:10 p.m., two suspects entered the  
3 branch. One of the suspects approached the first  
4 teller window and held up a note announcing a  
5 robbery. The teller who was behind the bandit  
6 barrier locked her drawer and walked away, as we  
7 have talked about. The suspect approached the  
8 next teller window and the employee at that  
9 station hit the alarm and also walked away. The  
10 suspect then shouted, "Don't walk away, come back,  
11 I will kill somebody." He then took an elderly  
12 male, threw him to the ground, and the other  
13 suspect then placed his arm around a customer's  
14 neck and forcibly removed the customer's  
15 pocketbook. Both suspects fled the branch. And  
16 again they provide the 61 number for that  
17 incident. So, we have at least two incidents that  
18 happened within the last number of years here,  
19 both in Jamaica, that suggest that violence  
20 increases, and the risk of injury increases, if  
21 you have these bandit barriers.

22 RAYMOND KELLY: Look, we're a big  
23 city. I can't say that this would never happen,  
24 but we've had at least 2,000 bank robberies since  
25 that period of time. I mean, you follow that

1  
2 logic, then we'll take down all barriers. That  
3 they cause, they cause violence, is, you know.  
4 Whereas, major banks, Chase, Citibank, Bank of  
5 America, are moving in that direction. Chase is,  
6 when they took over Washington Mutual, which  
7 they're doing now, is installing these barriers in  
8 these banks. So these are people who do this for  
9 their business. So, can you find an example of,  
10 you know, in a City of now 8.4 million people?  
11 Yeah. You know. I don't dispute that. I don't  
12 know, I'm not familiar with that case. I don't  
13 dispute it. But, you know, anything is possible.  
14 We're playing percentages here. And we think that  
15 in terms of percentages, that these barriers will  
16 make both the public and the employees safer. And  
17 reduce the potential for bank robberies.

18 COUNCIL MEMBER GENTILE: But you  
19 can see, clearly you can see how a walk-away  
20 policy, being protected by bandit barriers, could  
21 infuriate the person who would otherwise just hand  
22 it to someone.

23 RAYMOND KELLY: You know, you could  
24 make any example, you know, and again, following  
25 that logic, we wouldn't have any of these

1

2 barriers, we'll take 'em down. I mean, I don't  
3 think you're proposing that. Major banks are  
4 moving in this direction, to install them. So,  
5 can you find an example of just about anything?  
6 Yes. Certainly in a city of this population.  
7 But--

8

COUNCIL MEMBER GENTILE: But what  
9 you're, what you're proposing is that by putting,  
10 by mandating them, we also potentially,  
11 potentially, put the public at risk, not the  
12 tellers, but the public. Potentially.

13

RAYMOND KELLY: You know, in the  
14 example you're giving, yes. But I think that is  
15 very, very small percentage. Don't forget, we've  
16 had lots of robberies in banks, as you said, 70  
17 percent, with the bandit barriers.

18

COUNCIL MEMBER GENTILE: Mhm.

19

RAYMOND KELLY: You know, we don't,  
20 we don't see this to any great extent. You went  
21 back to 2003 to get those examples.

22

COUNCIL MEMBER GENTILE: Well, I  
23 didn't get them, they were given to us.

24

25

RAYMOND KELLY: Well, I'm sure they  
did a lot of research.

1  
2 COUNCIL MEMBER GENTILE: Right,  
3 right.

4 RAYMOND KELLY: You know, they're  
5 paying a lot of money for their research.

6 COUNCIL MEMBER GENTILE: Well, I  
7 just point that out to you, because these are two  
8 examples of what we hope doesn't happen with the  
9 bandit barriers.

10 RAYMOND KELLY: And I'm sure you  
11 could find other examples, certainly in Canada,  
12 there'll be examples that the bank will put  
13 forward. We simply, as I say, are looking at the  
14 percentages. In our considered opinion, these  
15 barriers, when coupled with the best practices  
16 that we recommend, will make banks significantly  
17 safer, and reduce the number of bank robberies.

18 COUNCIL MEMBER GENTILE: And you,  
19 when you say "significantly safer," you're saying  
20 that in terms of the public.

21 RAYMOND KELLY: Yes, because it'll  
22 reduce the potential for bank robbery.

23 COUNCIL MEMBER GENTILE: Okay.  
24 Okay, well, let me just, I didn't hear your  
25 opening statement, but I just want to be clear,

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2

you are now proposing that the banks do not meet  
the level two standards? That's an amend--

3

4

RAYMOND KELLY: Yeah.

5

COUNCIL MEMBER GENTILE: --

6

suggesting that the level one standards are  
sufficient?

7

8

RAYMOND KELLY: We're suggesting

9

that they grandfather them in.

10

COUNCIL MEMBER GENTILE: If they

11

put up new--

12

RAYMOND KELLY: Yes, right.

13

COUNCIL MEMBER GENTILE: If they

14

put up new, they wouldn't have to take down the  
level one, the level one barriers.

15

16

RAYMOND KELLY: No, they would not.

17

COUNCIL MEMBER GENTILE: Would not

18

have to do so, okay.

19

RAYMOND KELLY: Right.

20

COUNCIL MEMBER GENTILE: Okay,

21

great. Thank you, Mr. Chairman.

22

CHAIRPERSON GARODNICK: Thank you,

23

Council Member. And just on that last point, so

24

in prior years, we have had the conversation about

25

the adequacy of the existing bandit barriers, the

1  
2 level one bandit barriers, and you have pointed  
3 out some of the issues with them, whether it's  
4 height or other elements. So just so we  
5 understand you today, at this point you feel that  
6 the level one existing barriers for banks that  
7 have them today, do not need to be changed.

8 RAYMOND KELLY: That's correct.

9 CHAIRPERSON GARODNICK: Okay, thank  
10 you. And I'm going to go back to our Chairman,  
11 Council Member Vallone.

12 COUNCIL MEMBER VALLONE: Thank you.  
13 Commissioner, just to be clear, when we bring up  
14 these arguments, and we ask you to address them,  
15 it doesn't mean we support 'em, just as you know,  
16 it means we've been given them, and we'd rather  
17 you address them now, than they not be addressed  
18 later on, and you don't have to come to all of our  
19 offices or anything. So when we ask you to  
20 address these arguments, we just, we think you,  
21 we're giving you a chance to do this now.

22 RAYMOND KELLY: Yeah, sure.

23 COUNCIL MEMBER VALLONE: Doesn't  
24 mean we agree with them, we're just doing our job.  
25 And the requested info that we request, we may



1  
2 just very well get that in a few minutes from the  
3 banking industry, and I believe, as I believed  
4 before, it's going to help you. A 50, 50-70  
5 percent of bank robberies, depending on what time  
6 period, occur in banks with barriers, and we get  
7 information that 90 percent of the banks have  
8 barriers, that's I think hugely in your favor. So  
9 these numbers, when we get them, I don't believe  
10 are going to hurt you. You mentioned a drain on  
11 resources of a bank robbery. And I had mentioned  
12 before about potentially doing this with bodegas,  
13 but I think the argument that I wanted to have  
14 fleshed out a little bit more is how different  
15 your response is to a bank robbery than it would  
16 be to some more, other sort of robbery.

17 RAYMOND KELLY: It depends on the  
18 type of robbery. You'll have a past robbery, if  
19 it's on the street, a, you know, one-on-one  
20 situation, radio car will respond and get a  
21 description, put it on the radio, and depending on  
22 the type of neighborhood it is, they may, officers  
23 may go to a subway station, they may go to a  
24 location where they think someone may fit that  
25 description. So it depends on the nature of the

1 robbery. And as far as bank robberies are  
2 concerned, because we certainly saw it as a, you  
3 know, a bigger problem, particularly when it went  
4 up 57 percent last year, we put in place a  
5 strategy, a very structured response. Certainly  
6 as Chief Quinlan said, in the areas of midtown  
7 Manhattan, and in the 19<sup>th</sup> Precinct on the East  
8 Side of Manhattan. So, there would be a response  
9 to subway stations, perhaps a, as I say, response  
10 to Central Park. Sometimes people will go into  
11 the park, the detectives will respond. The Major  
12 Case Squad will, if they're available, if they're  
13 out, they'll respond. So it's, it's more  
14 structured than to, let's say, a one-on-one  
15 robbery in the street.

17 COUNCIL MEMBER VALLONE: Okay. You  
18 mentioned best practices before. First, we'll  
19 just go back to a point the Chair made. Other  
20 than level one, level two, are there any changes  
21 you'd be requesting to banks that already have  
22 this system in place, or is every sort of bandit  
23 barrier grandfathered? Are you requesting any  
24 other changes? Height, anything like that?

25 RAYMOND KELLY: We are, we're

1  
2 relying on the good faith of the banks to protect  
3 their employees and their customers. And I think  
4 that's something that we can discuss with the, you  
5 know, with the Council.

6 COUNCIL MEMBER VALLONE: Okay.

7 RAYMOND KELLY: You know, common  
8 sense to prevail, if they have the barrier and  
9 they're working now, fine.

10 COUNCIL MEMBER VALLONE: And you  
11 mentioned best practices that you'd hope to see in  
12 this bill. They're not in there now. And since  
13 we have you here now, what would you recommend be  
14 placed on - -

15 RAYMOND KELLY: It was in my  
16 prepared remarks. What we said is, a, sort of  
17 comprehensive video program that incorporates  
18 digital cameras, believe it or not. Some banks,  
19 they still don't have digital cameras. Digital  
20 cameras, well focused, cameras that are not  
21 obstructed; cameras that also, as I said before,  
22 maybe we'll take pictures of the queue, of people  
23 lining up to get to the teller, exit cameras. We  
24 talked about height markers that are visible. We  
25 also talked about training, a four hour training

1

2 program. We put together a curriculum. They  
3 don't have to use that curriculum, but we'd like  
4 to see those, the principles incorporated in the  
5 training of their employees. Signage, signage  
6 that says that there are cameras operating, we  
7 believe that act as a deterrent. We also want  
8 banks to examine the possibility of using dye  
9 packs. We like them. It helps us identify people  
10 right after they've done a robbery.

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COUNCIL MEMBER VALLONE: Well, in  
your testimony, the only specific language  
suggestions are regarding the civil penalty and  
revising the exemption for bills, for banks where  
transactions are conducted primarily by cash  
dispensing machines. But you'd actually like the  
bill amended to include that by law, those best  
practices?

19

20

RAYMOND KELLY: Recommendations.  
Yeah.

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22

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24

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COUNCIL MEMBER VALLONE: Okay. And  
the last thing I have, I introduced a Reso, I  
think we worked together on it, back in, we passed  
it, the whole City Council, in 2003, I believe,  
which wanted to, which asked the State Legislature

1

2 to increase the penalties for bank robbery. Right  
3 now it's an E-felony, with a note, which means  
4 there's no mandatory jail time. And we asked for  
5 it to be a C-felony, I think you supported it  
6 then. Would that help?

7

RAYMOND KELLY: Sure. Absolutely.

8

COUNCIL MEMBER VALLONE: Thank you,

9

- - .

10

CHAIRPERSON GARODNICK: Thank you,

11

Chair Vallone. Just a couple of last questions

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from me, and then I think we're going to hear from

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the Banking Association. Commissioner, just to

14

understand, in response to the question from

15

Council Member Vallone, you said you thought that

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the best practices should be included in the bill,

17

but as a recommendation?

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RAYMOND KELLY: Yeah, we'd like to

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see them not mandated. Perhaps the camera, but

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believe it or not, as I say, you know, the state

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of personal cameras are much cheaper these days

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then they have been in the past. We'd like to see

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sort of state-of-the-art cameras in the, in all

24

banks, properly focused, you'd be amazed. You'll

25

see them in front of Christmas decorations and

1  
2 things that you simply just can't see, see the  
3 customers. We think attention has to be focused  
4 on that. But we would certainly be willing to  
5 have the best practices enumerated as  
6 recommendations, as opposed to be being mandated.

7 CHAIRPERSON GARODNICK: Okay. And  
8 as to the camera, that falls into the category of  
9 best practices that you would suggest, but not  
10 require.

11 RAYMOND KELLY: Yeah, right.

12 CHAIRPERSON GARODNICK: Okay, and  
13 then I just wanted to finish with just some  
14 clarification on the issue of what is floating  
15 around as potential amendment to the bill. The  
16 issue of whether we could require either a bullet  
17 resistant screen, the bandit barrier, as  
18 previously defined, or a security guard present  
19 during all hours in which a bank--

20 RAYMOND KELLY: Security guard?

21 CHAIRPERSON GARODNICK: Yeah,  
22 security guard, I want you to address that point.

23 RAYMOND KELLY: No, I--

24 CHAIRPERSON GARODNICK: During all  
25 those hours in which the bank's open for business.

1  
2 Explain what, which scenario you think would be  
3 appropriate there, and which one would not, if you  
4 had a security guard, and how would you define?

5 RAYMOND KELLY: I don't, this is  
6 the first time I've heard about this, the  
7 amendment might to be floating around the Council,  
8 but I haven't heard any proposal about a security  
9 guard. The paid detail is the alternative that is  
10 being used now, but TD Bank. So, security guard  
11 gets kind of fuzzy when you, you know, trying to  
12 define it and what level of training that  
13 individual has, whether or not that person is  
14 armed. If we're saying for all time, a bank is  
15 going to lock themselves in to having a paid  
16 detail, a uniformed police officer there, during  
17 the hours of operation, hey, that's something to  
18 be seriously considered by the Council. Anything  
19 short of that, I think it's too, it's too  
20 ephemeral, too fuzzy.

21 CHAIRPERSON GARODNICK: Is there  
22 nothing that we could set forth as a definition of  
23 a security guard, which would make it as powerful  
24 a deterrent as paid detail? In your opinion.

25 RAYMOND KELLY: Not in my mind.

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2

CHAIRPERSON GARODNICK: Okay.

3

Okay. With that, I see no other questions from my

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colleagues--

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COUNCIL MEMBER KOPPELL: Well,

6

could I ask one question, just before--

7

CHAIRPERSON GARODNICK: Sure,

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Council Member Koppell.

9

COUNCIL MEMBER KOPPELL: Just so I

10

understand. If you have even a paid detail in the

11

branch, and the robber without a guard, passes a

12

note to the teller, the teller would not at that

13

point have the option of walking away, even if

14

there was a police officer in the bank, would

15

they?

16

RAYMOND KELLY: Probably not. You

17

know, depends on where the police are--I mean,

18

there's a thousand different scenarios, but yeah.

19

I mean--

20

COUNCIL MEMBER KOPPELL: But in

21

other words, when there's a barrier there, the

22

teller can feel confident that they're not going

23

to get shot. If there's no barrier there, even if

24

there's a police officer there, the teller

25

couldn't walk away, she couldn't rely, the police



1  
2 officer might deter some robbers, but might not  
3 deter every robber from coming.

4 RAYMOND KELLY: Right.

5 COUNCIL MEMBER KOPPELL: But they,  
6 one thing is absolutely clear is that the absence  
7 of the barrier eliminates the walk away policy.  
8 Isn't that correct?

9 RAYMOND KELLY: I would say so,  
10 yes, sir.

11 COUNCIL MEMBER KOPPELL: Thank you.

12 CHAIRPERSON GARODNICK: One last  
13 one from Council Member Dilan.

14 COUNCIL MEMBER DILAN: Just  
15 briefly, I believe I asked Council the question,  
16 but I just want to get it just for myself, from  
17 your perspective, also on the record. Bank  
18 robbery is a state crime, is that correct?

19 RAYMOND KELLY: Is a what?

20 COUNCIL MEMBER DILAN: It's a state  
21 crime, it's not a federal crime. Is that correct?

22 RAYMOND KELLY: State crime, all  
23 crimes are state crimes.

24 COUNCIL MEMBER DILAN: State crime.  
25 Okay, but are there any instances then--

1  
2 RAYMOND KELLY: Crimes in the Penal  
3 Law, New York State Penal Law.

4 COUNCIL MEMBER DILAN: Okay, but  
5 are there instances within bank robberies where  
6 the FBI has to be notified?

7 RAYMOND KELLY: The FBI. We work  
8 with the FBI on a joint bank robbery task force  
9 here in New York.

10 COUNCIL MEMBER DILAN: Okay, does  
11 the FBI keep statistics on bank robberies and  
12 localities, to your knowledge?

13 RAYMOND KELLY: Yes.

14 COUNCIL MEMBER DILAN: They do?

15 RAYMOND KELLY: I'm assuming they  
16 do.

17 COUNCIL MEMBER DILAN: Okay. Thank  
18 you, thank you.

19 CHAIRPERSON GARODNICK: Thank you,  
20 Council Member Dilan, and Commissioner Kelly and  
21 Deputy Commissioner Quinlan, we thank you very  
22 much for your testimony today. And I think we  
23 will look forward to receiving those additional  
24 statistics. And I think if there's any question  
25 about what specifically we're looking for, it's

1  
2 what we went through earlier, but we appreciate  
3 your time today.

4 RAYMOND KELLY: Okay, very good.

5 CHAIRPERSON GARODNICK: Thank you  
6 very much.

7 RAYMOND KELLY: Thank you.

8 JEREMIAH QUINLAN: Thank you.

9 CHAIRPERSON GARODNICK: Next up is  
10 Michael Smith of the New York Bankers Association.  
11 Mr. Smith, whenever you're ready, come on down.

12 [background noise] Mr. Smith, welcome. Thank you  
13 for being here today, and--I believe, is this your  
14 testimony coming around to us? Great. Whenever  
15 you are ready, you can go ahead and get started.

16 MICHAEL SMITH: Thank you, Mr.  
17 Chairman, members of the Public Safety Committee.  
18 My name is Mike Smith, and I'm President and CEO  
19 for the New York Bankers Association. And with me  
20 is our General Counsel, and Chief Operating  
21 Officer Roberta--

22 CHAIRPERSON GARODNICK: Mr. Smith,  
23 let me interrupt you for one second. Let's make  
24 sure you mic is on, and if it's, if it is on,  
25 let's make sure it's pulled nice and close.

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MICHAEL SMITH: It's on now.

2

3

CHAIRPERSON GARODNICK: Ah, there you go. Even better. Why don't you start again?

4

5

MICHAEL SMITH: Good morning, Mr. Chairman, and members of the Committee. My name is Mike Smith, I am the President and CEO and of the New York Bankers Association. With me today is our General Counsel and Chief Operating Officer Roberta Kotkin. On behalf of the banking industry, and its more than 200,000 employees, we thank you for this opportunity to comment on Intro 960-A, a proposed ordinance which would mandate the installation of bandit barriers at all New York City bank branches. As we have said before, and will say again, security is a top priority for all the banks in New York. Our Association and its member banks have worked closely and cooperatively with the New York City Police Department and law enforcement in general to decrease bank robberies and the crime in general. We have a tremendous amount of respect for law enforcement in this area, and particularly the NYPD. Our collaboration has been successful in achieving a significant reduction in the number of

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1 bank robberies during 2009, without the imposition  
2 of one-size-fits-all approach to bank security,  
3 such as that set forth in proposed 960-A. Since  
4 the New York Bankers Association strongly supports  
5 allowing each bank the continued ability to best  
6 determine and implement security practices  
7 tailored to best achieve its security goals, we  
8 oppose this legislative proposal. Our association  
9 is comprised of all the commercial banks and  
10 thrift institutions that do business in New York  
11 State, or New York City, also. Might add that's  
12 approximately 50 banks, ranging in size probably  
13 from about \$100 million to over a trillion dollars  
14 in assets. And each of those institutions has  
15 very elaborate security procedures, but as was  
16 noted in the earlier statements, I might add, that  
17 this is a diverse industry here in the City of New  
18 York. It's, and one that takes obviously its  
19 duties very responsibly as it relates to bank  
20 security. In 2003, during the last economic  
21 downturn, and a corresponding increase in bank  
22 robberies, a similar bill was considered and  
23 tabled. We believe that the facts are even  
24 stronger today against imposing such a burden,  
25

1  
2 both because the number of robberies per branch  
3 has actually decreased since 2003, and because  
4 now, an even larger majority of New York City  
5 banks have bandit barriers. And yet these same  
6 bandit barrier locations continue to be the  
7 victims of a majority of the bank robberies.  
8 Although 2008 saw an uptick in bank robberies, the  
9 total number of bank robberies committed per  
10 branch was actually lower than the number  
11 committed in 2003, despite the fact that more than  
12 400 additional branches have opened in the City,  
13 since 2003. A total of 1,300 branches, over 1,300  
14 branches, were located in New York City in 2003,  
15 and a total of 400 bank robberies were committed  
16 that year. That's about, on a per branch basis,  
17 that's about a .31 percentage. In 2008, there  
18 were 1,707 branches. I know that's been  
19 discussed, and by the way I'd like to add that in  
20 banking, you've got the bank, and then the  
21 branches are part of the overall bank. And so  
22 we'll use branch, it could be Chase, for example,  
23 has over 400 branches with Washington Mutual  
24 acquisition. So, in 2008, there were 1,700, over  
25 1,700 branches, and 444 robberies in New York

1  
2 City, a per branch robbery rate of .26. To date  
3 in 2009, these statistics are down by another 30  
4 percent, which is this trend continues, means more  
5 than 100 fewer bank robberies in New York City in  
6 2009 than in 2008. And we certainly hope that  
7 trend continues. We believe this reduction in the  
8 rate of bank robberies is due at least in part to  
9 the arrest of several serial, note-passing bank  
10 robberies, which was the case in 2003, the case  
11 throughout all of our analysis, is we're dealing  
12 with serial, note-passing, non-violent crime, is  
13 the vast majority of the robberies. Moreover  
14 statistical data confirms that bandit barriers are  
15 not a panacea. According to several member  
16 surveys which we have conducted, more than 70  
17 percent of the bank robberies which occurred in  
18 New York City over the last several years occurred  
19 at banks that had bandit barriers. Our recent  
20 data just for this particular period of time, the  
21 five months of '09, shows that number at around  
22 two-thirds. But when you take into consideration  
23 that the--we have about 1,300 branches in our  
24 survey, of our banks, and we'll provide you the  
25 name of those banks, along with the number of

1  
2 branches, we'd be more than happy to provide that  
3 to the Committee. We feel that since the number  
4 of our banks reporting are so dramatic, that these  
5 numbers really will hold up to scrutiny. Thus the  
6 belief the passage of Intro 960-A would act as a  
7 significant additional--over the la--pardon me.  
8 That these robberies occurred over, two-thirds  
9 occurred, over the last several years, at bandit  
10 barriers, banks that had bandit barriers. Thus,  
11 as was stated, and in the questioning earlier, we  
12 do not believe that this will add a significant  
13 additional deterrent. We are, and our members  
14 are, committed to the bank safety of their  
15 customers and employees, and the citizens of the  
16 City of New York. And we are extremely pleased  
17 that vast majority of these crimes are nonviolent.  
18 We rely, our members rely on a broad array of bank  
19 security measures, all of which are set forth in  
20 the bank security best practices, which we  
21 developed in conjunction with the NYPD in 2003,  
22 and which is attached to the testimony. Since  
23 that time, we have maintained an ongoing,  
24 constructive dialogue not only with the NYPD, but  
25 also with the FBI, and with Nassau and Suffolk



1  
2 County Police Departments on bank robberies. In  
3 fact, in January 2009, we worked cooperatively  
4 with the New York Police Department to coordinate  
5 a bank security summit at police headquarters,  
6 which we, along with a number of our member banks,  
7 attended. However, we believe that banks should  
8 have the flexibility to differentiate their  
9 security measures based on their individual risk  
10 factors and business plans. The overall  
11 effectiveness of this strategy has been borne out  
12 through the years. As a result, we are strongly  
13 opposed to any legislative proposals, such as 960-  
14 A, in which specific security measures are  
15 mandated. We believe that the Introduction 960-A  
16 is particularly objectionable because it not only  
17 mandates one particular measure that may or may  
18 not be more effective than others, but also would  
19 require the expenses, expensive and unnecessary  
20 refurbishment of almost all New York City  
21 branches, including the vast majority of branches  
22 which hare already equipped with bandit barriers.  
23 Now I know that point has been, you've raised  
24 those question in your earlier testimony, and we  
25 recognize that there's interest in taking care of

1  
2 that particular problem. Stated before, most  
3 branches in New York City already have bandit  
4 barriers. And as a result, for example, the  
5 recent acquisition by JP Morgan Chase of  
6 Washington Mutual, many more branches are being  
7 retrofitted at the same time, at the very time,  
8 with bandit barriers. I might add that Chase now,  
9 JP Morgan Chase, I think will have about 410  
10 branches in this City of New York, post-merger.  
11 We believe that the specifications of this bill  
12 are such that they're clearly unnecessary with the  
13 trend line here, and I know that was noted earlier  
14 also. Moreover, the minority of branches in the  
15 City which do not rely on bandit barriers have an  
16 array of other effective security tools which we  
17 believe are equally effective at deterring crime.  
18 And I know you have witnesses following me. And  
19 it's more in keeping, and it may be more in  
20 keeping with the bank's own individual business  
21 plans. This - - appears to be well-founded as  
22 confirmed in the U.S. Justice Department  
23 publication, "Problem Oriented Guides for Police  
24 Problems" specific guide series, which is noted in  
25 the testimony. That guide states there is no

1  
2 evidence that every bank or branch needs to adopt  
3 the same rigorous and expensive crime prevention  
4 practices, practices that can sometimes make a  
5 branch look like a fortification. Instead,  
6 different branches face different robbery risks,  
7 even those are quite, even though they might be  
8 quite near to each other. Importantly, the  
9 burdensome provisions of Intro 960-A that require  
10 bandit barriers, not only to be installed in every  
11 branch, but also to meet specific underwriting  
12 laboratory levels, such as level two, and be  
13 constructed in such a manner to cause and prevent  
14 an individual from breaching the partition, would  
15 require the vast majority of our bank branch  
16 barriers, banking barriers, to be retrofitted.  
17 And I know that has been a part of your  
18 questioning. I submit that our arguments within  
19 our testimony as arguing that that not be the  
20 case, that there not be this level two  
21 implementation. It is our understanding that  
22 there has been no evidence to date in which the  
23 thickness and level and strength at the level one  
24 partitions, that they were proved ineffective.  
25 Yet, under this legislation as written, they would

1  
2 all have to be replaced. Moreover, the  
3 requirement that barriers be constructed to  
4 prevent breaches could be interpreted to require  
5 partitions that reach to the ceiling, resulting in  
6 new and costly ventilation systems, and the  
7 creation of possible conflicts with the New York  
8 City Code, Fire Code. Yet the presumed marginal  
9 additional safety benefits are at best  
10 speculative. Our Association, and its members  
11 believe that the most effective deterrents to bank  
12 robbery remain vigilant surveillance--over 90  
13 percent of our banks in our survey have digital  
14 cameras, and that is the, that is in the best  
15 practices and that was a subject matter of earlier  
16 questioning. Effective communication we believe  
17 is extraordinarily important because what we're  
18 dealing with here are serial robbers, which are  
19 going from branch to branch, using the mass  
20 transit system of the City of New York, and  
21 crisscrossing across the City, and we need to have  
22 effective communication. We had such with the  
23 Apple system that was put in post-2003; we need to  
24 work with NYPD to even, to upgrade that even  
25 further, where we could have total connection

1  
2 between NYPD and all of our banks and their  
3 branches. Aggressive investigation of bank crimes  
4 leading to the apprehension and conviction of  
5 perpetrators, and the reaffirmation and  
6 strengthening of criminal, current criminal  
7 robbery statutes, which I know, and I believe is  
8 not within the jurisdiction of the City Council,  
9 but we urge that we take a look at our criminal  
10 statutes. The fact that so many of the bank  
11 robberies are committed by serial robbers, clearly  
12 illustrates this point. During an April 5<sup>th</sup> 2009  
13 National Public Radio broadcast on NPR, both the  
14 New York Police Department and FBI asserted that  
15 three robbers were responsible for most of the  
16 bank robberies in New York City in 2008. These  
17 robberies were note passing, as they said,  
18 nonviolent, serial, in which fortunately no one  
19 was hurt, and I emphasize no one was hurt, and the  
20 only damage done was to the victimized banks, who  
21 by the way pay for this loss. Since the  
22 apprehension of several of these serial  
23 perpetrators, the bank robbery rate has dropped  
24 dramatically. However, unless the penalties for  
25 committing this crime are increased, so you do not

1  
2 have conversations among criminals as to this  
3 crime, all the bank security measures in the world  
4 will not deter criminals from attempting to rob  
5 banks in the future, particularly during times of  
6 stress. Bank robbery is a serious crime, which  
7 causes trauma for all the people involved in the  
8 branch, customers, and employees alike. It is an  
9 attack against commerce and finance, and the  
10 citizens of the neighborhoods of the City of New  
11 York, including seniors who rely greatly on their  
12 branches. At least five states have recognized  
13 this fact and passed tough new laws that identify  
14 bank robbery as a specific crime. We would urge  
15 that New York do the same, sending a strong  
16 message to would-be bank robbers, that there are  
17 serious consequences for those who attempt this  
18 crime. This action, we believe, would be far more  
19 meaningful, far more effective, than the mandating  
20 of bandit barriers or any other particular  
21 security measure. If the Council were determined  
22 to move ahead with 960-A, as been enacted, or as  
23 you are considering, we would urge that a number  
24 of modifications be made to incorporate the  
25 element of flexibility into barrier mandates:

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2 grandfathering of existing branches, which already  
3 have such barriers; use of uniformed guards and  
4 cash dispensing machines as an alternative to  
5 barriers; and a recognition that the penalties for  
6 this serious crime should be made stronger, so  
7 that punishment will be an effective deterrent.

8 In conclusion, we pledge to continue our work with  
9 the New York Police Department, the Mayor, and  
10 with you, the New York City Council and this  
11 Committee, to reduce the rate of robberies, bank  
12 robberies in this City. We would also urge that  
13 banks in New York City continue to be allowed to  
14 rely on flexible, multifaceted approach to  
15 security. This approach, along with effective  
16 communication between banks and law enforcement,  
17 and increased penalties, we believe, is the most  
18 effective means to ensure the continued decrease  
19 in 2009 in bank robberies, while protecting the  
20 safety of our customers and our employees. Thank  
21 you for this opportunity to testify today, and  
22 stand ready for questions and providing any  
23 further information.

24 CHAIRPERSON GARODNICK: Thank you  
25 very much, Mr. Smith, and we appreciate your

1  
2 testimony. Just to add an element of drama to the  
3 hearing, I will note that a bank was just held up  
4 on 89<sup>th</sup> Street, in my district, an HSBC Bank. I do  
5 not know whether it had bandit barriers or not.

6 MICHAEL SMITH: I think--

7 CHAIRPERSON GARODNICK: But--

8 MICHAEL SMITH: I think HS--I  
9 believe they do.

10 CHAIRPERSON GARODNICK: You believe  
11 that they are a bandit barrier bank.

12 MICHAEL SMITH: I said I believe  
13 that.

14 CHAIRPERSON GARODNICK: Okay.

15 MICHAEL SMITH: To my knowledge,  
16 but I won't--

17 CHAIRPERSON GARODNICK: Alright,  
18 well it's obviously, you know, one of the  
19 continuing concerns that we have about what's  
20 going on, regardless of what the numbers are  
21 showing at this particular moment in the year. On  
22 the subject of the level one versus level two, it  
23 sounds, most of your testimony sounds like, was  
24 the concern about making the retrofit or change to  
25 the existing barrier. So you must've been



1  
2 heartened by the Commissioner's comments that he  
3 felt that there should be a grandfathering of  
4 existing barriers in this legislation.

5 MICHAEL SMITH: Absolutely.

6 CHAIRPERSON GARODNICK: Okay. How  
7 many, are all of the 1,707 banks in New York City  
8 members of your association?

9 MICHAEL SMITH: A certain number  
10 are not, but the vast majority of banks and  
11 branches are. I believe ours, our number of  
12 branches represented in our survey is about 85  
13 percent of all the branches in the City of New  
14 York. So there would be a number of banks,  
15 wholesale banks, limited purpose trust companies,  
16 some foreign institutions, but on the retail side  
17 it's, our Association represents the vast majority  
18 of the banks.

19 CHAIRPERSON GARODNICK: Okay. So,  
20 we're trying to get a handle on some of the  
21 numbers that you heard us asking Commissioner  
22 Kelly about, on the subject of the number of banks  
23 that have barriers versus the number that don't.  
24 You noted in your testimony that I think you said  
25 the large majority of banks have bandit barriers

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2 today. We heard the number 90 percent thrown out  
3 there earlier. Is that, with some, if you can say  
4 it with specificity, great, if not, is that a fair  
5 approximation of the number, the percentage of  
6 banks?

7 MICHAEL SMITH: 90 percent of the  
8 branches.

9 CHAIRPERSON GARODNICK: Sorry, 90--

10 MICHAEL SMITH: Branches, branches.

11 CHAIRPERSON GARODNICK: 99 percent  
12 of the branches?

13 MICHAEL SMITH: No, over 90 percent  
14 of the branches, but there are like 50 banks, so  
15 you have to distinguish between the two.

16 CHAIRPERSON GARODNICK: Okay,  
17 let's, let's make sure we understand that, then,  
18 'cause I want to make sure I get the distinction  
19 between--

20 MICHAEL SMITH: Yeah, sure.

21 CHAIRPERSON GARODNICK: The  
22 branches and the banks and what we would commonly  
23 consider a bank, that you could walk into, and  
24 that could be subject to a robbery, what are we  
25 calling those? Are we calling those--

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ROBERTA KOTKIN: That's a branch.

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MICHAEL SMITH: That's a branch.

3

CHAIRPERSON GARODNICK: Branches?

4

Okay. So--

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MICHAEL SMITH: That's a branch, so when you--I think we should use the word branch--

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CHAIRPERSON GARODNICK: Good.

8

MICHAEL SMITH: --when talking about a robbery.

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CHAIRPERSON GARODNICK: Let's use branch, and then just for our own edification, when you say bank, as opposed to branch, we're talking about what?

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MICHAEL SMITH: We're talking about the bank that owns the branch, and the branch--so it would be, it's in the retail world, you could have Starbucks, or you could have McDonald's, but the branch, for example, JP Morgan Chase is the largest retail bank in the City of New York, and with the acquisition of Washington Mutual, they have 400 branches. So they own those branches, they operate those branches.

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CHAIRPERSON GARODNICK: Okay, so by bank, we're talking about corporate headquarters

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somewhere; branches we're talking about the retail experience that we are--

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MICHAEL SMITH: That's correct.

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CHAIRPERSON GARODNICK: Okay, so we're going to focus on branches. So, of the branches in New York City, it's your testimony that over 90 percent of them have bandit barriers today.

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MICHAEL SMITH: In our, in our surveys, that's--

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ROBERTA KOTKIN: Approximately 90 percent.

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CHAIRPERSON GARODNICK: Okay.

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MICHAEL SMITH: We call it the vast majority, but we'd be more than happy to provide the data to you.

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CHAIRPERSON GARODNICK: Okay, we, we would like that.

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MICHAEL SMITH: Sure.

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CHAIRPERSON GARODNICK: And as you can tell, we're trying to sift through what exactly is going on out there to be able to--

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MICHAEL SMITH: Sure.

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CHAIRPERSON GARODNICK: --have an

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intelligent view on this bill.

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MICHAEL SMITH: Absolutely.

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CHAIRPERSON GARODNICK: But okay, so we'll take your approximation of 90 percent for now. And your notation that 70 percent of the robberies took place in the last I think number of years, you said--

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MICHAEL SMITH: Number of years.

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CHAIRPERSON GARODNICK: --at banks with bandit barriers.

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MICHAEL SMITH: Correct.

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CHAIRPERSON GARODNICK: Do you dispute the statistic that the Police Department gave as to last year's numbers? And they only gave us for last year, and they said that 47 percent of the robberies and attempted robberies took place in banks, sorry, branches, without barriers, and 53 percent with. Does, is that consistent with your understanding for last year's numbers at least?

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MICHAEL SMITH: We just conducted a survey knowing there, that there was going to be a hearing. And also to going back to the beginning of this year. First of all, I'd like to state

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2 that, as I said at the outset, we represent in our  
3 survey about 1,300 of the 1,700 branches. And our  
4 statistics are holding. Now if you go back over  
5 several years, we used the number 70 percent, but  
6 currently we're at about 66 percent. Roberta  
7 conducts these surveys for us, with the banks, so  
8 we would hold at 66 percent today. Now, they,  
9 the, obviously the New York Police Department, and  
10 I know you've requested that information, and we  
11 would be more than happy to talk with them and  
12 with the Council about the, where we are in terms  
13 of the exact numbers, because we do not have the  
14 exact number of crimes. Both the FBI and the New  
15 York Police Department collect this data. And  
16 this is whether it's successful or not in terms of  
17 a robbery.

18 CHAIRPERSON GARODNICK: Right, the  
19 attempt versus the actual robbery.

20 MICHAEL SMITH: Exactly.

21 ROBERTA KOTKIN: I will say this.

22 CHAIRPERSON GARODNICK: Please  
23 identify yourself before you start.

24 ROBERTA KOTKIN: Oh, Roberta  
25 Kotkin, General Counsel and COO. In all of our

1  
2 surveys, and we pretty much represent, I think,  
3 all the banks that don't have bandit barriers.  
4 So, our numbers would be even larger on the banks  
5 that do have bandit barriers if you include non-  
6 members. But our surveys have consistently shown  
7 at 65-66 percent of the robberies have, were at  
8 bandit barrier. The only 53 percent we had was  
9 the first quarter of this year. And that has gone  
10 back up to--and that was 53 percent, so it did  
11 seem to be consistent with the Commissioner's  
12 numbers. But that was only a three or four month  
13 period. Annually, it's well over 60 percent, of  
14 our, of the, the surveys that we conduct.

15 CHAIRPERSON GARODNICK: Okay. That  
16 number 53 percent we had for the 2008 overall  
17 number, and you're saying you saw that number--

18 ROBERTA KOTKIN: Ours is, was--

19 CHAIRPERSON GARODNICK: For first  
20 quarter 2009.

21 ROBERTA KOTKIN: --was higher.  
22 That's correct.

23 MICHAEL SMITH: First quarter.

24 CHAIRPERSON GARODNICK: Okay, so--

25 MICHAEL SMITH: Then they went

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2 down.

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ROBERTA KOTKIN: And then it went up, back to where it usually is, right.

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CHAIRPERSON GARODNICK: So, let's just take your numbers for a second, whether it's 66 percent or 70 percent of the robberies, took place in banks with bandit barriers.

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ROBERTA KOTKIN: Right.

CHAIRPERSON GARODNICK: And the, also the number that 90 percent of the overall have bandit barriers. So then I guess it is suggesting that there is a, there is an additional number, or a higher percentage of banks without bandit barriers, that are getting robbed or attempted to be robbed. Is that fair?

MICHAEL SMITH: Well, they also, too, I think they, different banks are open different hours and different days, and have more days, but--

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ROBERTA KOTKIN: I think on a pure statistical basis, yes.

23

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MICHAEL SMITH: Yeah, sure, on a pure statistical basis, sure.

25

CHAIRPERSON GARODNICK: Oka, okay.



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2 And how do respond to the Police Commissioner and  
3 the Deputy Commissioner pointing out the success  
4 rates of the non-bandit barrier banks? They gave  
5 the following numbers: Sovereign Bank, 100  
6 percent success rate; TD Bank 100 percent success  
7 rate; WaMu 92 percent success rate; Metropolitan,  
8 100 percent success rate--and then contrasting  
9 that with Citibank where they said, as a bandit  
10 barrier bank at around 22 percent for success.  
11 How do you respond to--those numbers are--

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MICHAEL SMITH: I think--

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CHAIRPERSON GARODNICK: --

14 significant numbers to me. How does the Banking  
15 Association respond to that?

16

MICHAEL SMITH: Well, first of all  
17 we're dealing with rates as a percentage, the  
18 crimes as a percentage of the number of branches  
19 at each institution, so the num--you know, if you  
20 look at the net numbers of all the robberies, you  
21 have to splice out this rate issue. There was  
22 discussion of the walk-away policy, and the bandit  
23 barrier. I might add, which we have discussed  
24 with the Council even going back to 2003, that it  
25 is totally a discretionary policy. And it's a

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2 policy that it's discretionary whether the bank  
3 employs it or not, and they have that discretion,  
4 but number two at the employee level. And we do  
5 not advocate, and I believe the Commissioner  
6 joined in this, walk-away. So, that may be an  
7 element of it. I don't know, Roberta, if there's-  
8 -

9 ROBERTA KOTKIN: Well, I think the  
10 success is in those banks where, where it's not  
11 successful there has been a walk-away, because of  
12 the bandit barrier. However, there is tremendous  
13 disparity in our banks, and very strong feelings,  
14 there are some banks that say they would not  
15 exercise that policy under any circumstances,  
16 because they're concerned about the safety of the  
17 people on the other side of the bandit barrier,  
18 the customers and workers who aren't on the side  
19 where the teller has walked away.

20 CHAIRPERSON GARODNICK: But that's  
21 not even an option in the non-bandit barrier  
22 banks, correct?

23 ROBERTA KOTKIN: Oh, uh-huh.

24 CHAIRPERSON GARODNICK: Okay.

25 MICHAEL SMITH: Except there was a

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2 discussion, Mr. Chairman, and in the bill there is  
3 this alternative, and I know that may come up in  
4 further questioning, about cash-dispensing  
5 machines, and I know that the Commissioner  
6 mentioned this in his testimony, about making sure  
7 that that was just an ATM facility. It's my  
8 understanding that there are, you could, you know,  
9 very well use a cash dispensing machine that's not  
10 "an ATM" as an alternative. That's where the  
11 teller does not have actual access, except for  
12 that amount that's been approved by the debit card  
13 or by a code, to be actually dispersed to the  
14 customer. That's an example. Stepping back for a  
15 second to your original question--We, and to  
16 emphasize, we strongly suggest that mandates,  
17 specific mandates, be not imposed on an industry  
18 that clearly has the protection of its customers  
19 and its employees. And that there may be  
20 technological changes, there may be misallocation  
21 of resources where you're diverting attention away  
22 from a specific security procedure. And so we, we  
23 strongly would recommend, and we will, we are  
24 committed as an association, all of our members,  
25 to working with you and with the NYPD, on anything

1  
2 that is effective. And we do believe, and I think  
3 you will be hearing from a witness, from one of  
4 our banks, who's going to testify as to what  
5 they're doing where they do not have bandit  
6 barriers.

7 CHAIRPERSON GARODNICK: Last  
8 question from me before we go to my colleagues is,  
9 do you believe that bandit barriers are effective  
10 in deterring robberies?

11 MICHAEL SMITH: I--I think that  
12 that question, first of all, we do not profess  
13 ourselves, we are not criminologists or bank  
14 security. You will get a--there is not an  
15 agreement. It is one of the security measures  
16 that is employed by a number of banks obviously,  
17 and there are those who would argue that it is a  
18 deterrent. But we believe that it is clearly not  
19 a unanimous opinion. And number two is there are  
20 other alternatives to the bandit barrier. And I  
21 know that there was discussion about hostage  
22 taking and the possibility of a problem with  
23 people who are on the other side of the barrier.  
24 There are a significant number of bank employees  
25 and certainly customers on the other side of that

1  
2 barrier, who are conducting business. And so,  
3 that's a concern of everyone in our industry.

4 CHAIRPERSON GARODNICK: Okay.

5 Thank you for that. Chair Vallone.

6 COUNCIL MEMBER VALLONE: Thank you,  
7 again. I asked Police Commissioner Kelly to  
8 address your concerns, and now I'm going to ask  
9 you to address his, just as the Acting Chair did.  
10 You started off by talking about how much crime,  
11 how much bank robberies are down, all crime is  
12 down tremendously, so it's not all that indicative  
13 of anything. Ray Kelly said that, that there's a  
14 huge percentage of bank robberies which are  
15 occurring where there are no bandit barriers.  
16 Your testimony says, and even a large majority of  
17 New York City banks have bandit barriers, and yet  
18 they continue to be the victims of the majority of  
19 the bank robberies. Of course they do, because  
20 they completely outnumber the ones without the  
21 bandit barriers. So, how do you explain the fact  
22 that 90 percent of the banks have bandit barriers,  
23 but anywhere from 53 to 70 percent of the bank  
24 robberies are occurring at the banks that don't,  
25 which means that ten percent of the banks. How do

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you guys explain that?

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MICHAEL SMITH: I think that we have an element, a criminal element, that is going around the City and they see, they're looking, they have a specific objective in mind, and if it says bank or branch on it, they may be going into those facilities, irregardless of the existence of a bandit barrier. And that's why in our testimony, and I think it's been proven and the fact is, more than happy to share this with the Council, but there are a number of states that have specifically, we do not have, in our New York State law, to identify bank robbery as a specific crime. And the local police department has the onus of dealing with that crime. And we think that if this creates this kind of a situation where we are today, that we think that these individuals should not be spending less than a year, I don't even know what the numbers are, but we certainly anecdotally have heard of bank robbers being let out. Now, under federal statute it's my understanding, they cross a state line or engaging in this crime on an interstate basis, the penalty under federal law is pretty stiff.

1  
2 COUNCIL MEMBER VALLONE: Well, I  
3 don't disagree with you at all. We need much  
4 tougher laws up in Albany. I've been asking for  
5 it since 2003. Chances of Albany doing anything  
6 are remote, and albeit actually taking, making any  
7 sentence tougher. That's one of the toughest  
8 things we have ever come up against, having Albany  
9 make any crime tougher, because that's where all  
10 good criminal legislation goes to die. And I've  
11 sent a Reso up there calling for this. I think  
12 Ray Kelly and I are probably not all that hopeful  
13 of that happening, and therefore he's now moved to  
14 Plan B, let's call it that, since nothing, since  
15 we can't assume Albany will do anything good. But  
16 that is the best option, I agree with you. Let's  
17 put these guys in jail for a long time, and then  
18 we won't have these bank robberies, and you  
19 wouldn't have to, your industry wouldn't have to  
20 spend the money that it may have to spend under  
21 this bill. I know that you have made the argument  
22 that some of these banks were robbed more often  
23 because they're open more hours, or because their  
24 location. But Ray Kelly said that, or his Chief  
25 said that most of these robberies of all banks are

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2 occurring in midtown, which would sort of mitigate  
3 that argument. How do you respond to that?

4

MICHAEL SMITH: First of all, I  
5 don't believe we, our numbers break down the  
6 location of these robberies. So, we would  
7 certainly welcome seeing, you know, the  
8 demographics of the robbery. And it might go back  
9 to the fact, and I wouldn't want to conjecture on  
10 this, in terms of the location of branches and the  
11 mass transit system, etc., etc. I think it's,  
12 it'd be best, probably, to look at the data and be  
13 able to respond after that.

14

COUNCIL MEMBER VALLONE: Okay, we'd  
15 appreciate you doing that, and getting back to,  
16 I'm looking at, I guess you'd have to make that  
17 request. Getting back to this committee, which,  
18 with that information. One of the Commissioner's  
19 other main arguments was the success rate, which I  
20 wasn't aware of until today actually of robberies  
21 which occur at locations without bandit barriers  
22 as opposed to the ones that occur with bandit  
23 barriers. And he said, I think to quote him, the  
24 word is out on Riker's that these are easy marks.  
25 And he's not saying that 'cause he feels that way,



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he's saying that because he knows for a fact that the word is out on Riker's. How would you address that argument?

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MICHAEL SMITH: Really? I--we

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heard that five years ago. And our response, it

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would be the response today, that shouldn't be the

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word on Riker's. This should be a serious crime,

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in terms of, you know, the intimation is that this

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is an easy job. And it's a major crime, it has

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tremendous impact emotionally on everyone in that

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facility, and those on the street, and we think it

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should be held at that level, even though it's

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note passing, serial, a nonviolent crime, which we

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think is thankful. And that the downturn in

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crime, and the fact that it's nonviolent is

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something that we, we should say the local police,

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NYPD, and the banking system, should be regarded

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highly for that result. And the fact that the

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numbers are down, and just like they were down in

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2003 when we had our summit meeting and our best

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practices, they're down again this year, after our

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summit meeting and our discussion of best

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practices. And what can be done effectively to

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respond. And we've submitted not only our

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2 testimony against the specific features of 968,  
3 but also suggestions as to what could be done if  
4 you were to proceed.

5 COUNCIL MEMBER VALLONE: I don't  
6 disagree at all, again, that this should not be  
7 the case, that Albany should be taking action.  
8 They won't. But we'd be naïve to think that the  
9 policy of allowing the robbery to happen and the  
10 robber to walk out of the store, as bank policy,  
11 doesn't contribute to that notion on Riker's. And  
12 obviously that's something you're working with Ray  
13 Kelly on, and you have been in the past, but I  
14 think both of those things are leading to that  
15 notion being out there. We discussed the fact  
16 that Ray Kelly came in today, and I think he was  
17 very amenable to grandfathering in almost  
18 anything, I hope, that banks have at this point.  
19 Is there, other than level one or level two, are  
20 there any other concerns that, any other things  
21 that you want to make sure that the City Council  
22 grandfathers?

23 MICHAEL SMITH: Mmhm.

24 COUNCIL MEMBER VALLONE: While we,  
25 while you're here today, you can make that

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2 argument.

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4 MICHAEL SMITH: Well, as I  
5 understand the testimony of the Commissioner, he  
6 was seeing the other, the best practices as  
7 recommendations, but on his mandates, I think that  
8 was correct. We have suggested that for those who  
9 do not have bandit barriers, given we have, you  
10 know, the ballistic one grandfathering, that  
11 security--uniformed security guards, and cash  
12 dispensing machines, be allowed. We think that  
13 they make sense, and I certainly would defer to  
14 those banks, and I know you're going to be hearing  
15 from an, one of our members, on the use of  
16 security guards. But we think that uniformed  
17 security guards should be allowed--

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COUNCIL MEMBER VALLONE: Before--

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MICHAEL SMITH: And I heard the  
20 police--

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COUNCIL MEMBER VALLONE: Before we  
22 get to the amendments you want--

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MICHAEL SMITH: Right.

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COUNCIL MEMBER VALLONE: Let's  
25 stick to the grandfathering part first--

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MICHAEL SMITH: Okay.

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2 COUNCIL MEMBER VALLONE: --just so  
3 that I keep it straight in my head. Are there  
4 things that exist now, at banks, that have the  
5 bandit barriers, that you want to ensure are  
6 grandfathered in. Let's assume the Council  
7 doesn't--

8 MICHAEL SMITH: We think that all  
9 existing barriers, and I can't speak, because we'd  
10 have to go back, I can't speak to the ballistic  
11 one, and the--we know the ballistic two, which is  
12 assault rifle type, which there's no indication  
13 that we've had that kind of robbery in New York.  
14 But we would be looking for a grandfathering of  
15 all existing security measures as they relate to  
16 the bandit barriers. And I think that's in the  
17 testimony.

18 COUNCIL MEMBER VALLONE: Is there a  
19 height issue that's out there that you've been  
20 discussing, that I'm not aware of?

21 MICHAEL SMITH: Yes, the height  
22 issue would be created by the 960-A in its current  
23 form. We believe that crea--by the language of  
24 the proposal, you would have to deter someone  
25 vaulting the barrier, which would mean

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2 retrofitting and possibly violating fire codes,  
3 etc. Whether that was intended or not, but we  
4 would be extremely, you know, we would urge you  
5 clearly not to go in that direction.

6 COUNCIL MEMBER VALLONE: So, then  
7 you would want any bandit barrier grandfathered  
8 regardless of height.

9 MICHAEL SMITH: Right.

10 COUNCIL MEMBER VALLONE: That  
11 exists right now.

12 MICHAEL SMITH: Yes.

13 COUNCIL MEMBER VALLONE: Does  
14 something exist that's so small that you think the  
15 Commissioner might--

16 MICHAEL SMITH: I'm not aware of  
17 it.

18 COUNCIL MEMBER VALLONE: No, okay.  
19 I'm not either, I just don't know if there's very  
20 small--what about other types of locations? You  
21 see these things in drugstores, stuff like that.  
22 How is that, how are those affected?

23 MICHAEL SMITH: I can't comment on  
24 the general business. I know there's some  
25 business groups that'll be appearing, but I think

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2 that question was asked earlier today, and that  
3 issue is what about other establishments in the  
4 business community that provide cash, and that  
5 whether it be through an ATM, a non-bank ATM, half  
6 the ATMs in New York are not banks, bank owned.  
7 And we think that that's a very valid question.  
8 But that's something that we would defer to the  
9 business, general business community, and to you.

10 COUNCIL MEMBER VALLONE: This is  
11 your chance to give some guidance to the Committee  
12 as to how you would want the legislation drafted,  
13 because it just popped into my head, but I'm, I  
14 know I see some of these small, I don't think it's  
15 called a branch, but when you go into, I don't  
16 know, it's not Eckerd's any more, who bought it  
17 out, I don't know, RiteAid, it's one of those  
18 places, and they have little bank booths with a  
19 person actually in it, not an ATM, but an actual  
20 person in these little bank baby branches,  
21 whatever they're called.

22 MICHAEL SMITH: Well, I think the,  
23 what we've discussed internally, we would  
24 certainly want to come back and discuss further  
25 with you is, is exactly what the type of facility,

1  
2 the definition of facility we're talking about  
3 here. Because there are banks that have  
4 facilities within retail stores, but there are  
5 non-banks that are in retail stores, also. And  
6 you know, it's not a, it is a very diverse, very  
7 elaborate system out there, that everyone uses the  
8 word "bank" in a generic term, or those who are  
9 handling cash in a generic term, that they are a  
10 bank, that is not true. There are different  
11 entities operating in the general commerce area,  
12 whether they're licensed or not by the banking  
13 department, and that's discussion right now under  
14 legislation that's been proposed in Washington.  
15 And I might add that in the federal law, there is  
16 a federal bank protection act, which stipulates  
17 bank security plans, bank have a security officer,  
18 the plan has to be approved by the Board of  
19 Directors, and that the onus for security falls on  
20 the bank and they're examined for their compliance  
21 with that security program.

22 COUNCIL MEMBER VALLONE: Alright,  
23 we're going a little beyond my question, so let's,  
24 now let's get to what you wanted to speak about  
25 before, amendments. If this bill goes forward,

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2 Ray Kelly discussed, or was asked questions about  
3 an amendment regarding paid detail. And his  
4 position, I believe, and it was kind of tough to  
5 get it out of him, was that he was, he may support  
6 a paid detail, but nothing less than that. What's  
7 your position?

8 MICHAEL SMITH: We have pro--we  
9 would argue that it should be uniformed security  
10 guards with a proper definition attached to that.  
11 The industry historically as a group, has been  
12 opposed to armed guards over the years, and that  
13 excludes, by the way, paid detail. I'm not  
14 including that--that would change matters. But  
15 historically, with violence and security the  
16 number one priority inside the branch, we have  
17 not, as an industry, nor on a national basis,  
18 armed security guards as, is pretty much to my  
19 knowledge, out of practice. So we are in favor of  
20 an option of uniformed security guards, we think  
21 that that is reasonable, until proven otherwise.

22 COUNCIL MEMBER VALLONE: Okay. And  
23 obviously, you would support City Council's  
24 resolution to increase the level of felony on bank  
25 robbery at the state level from an E-felony to a



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2 C-felony.

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MICHAEL SMITH: Absolutely, and certainly in the case of multiple robberies.

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COUNCIL MEMBER VALLONE: Okay. I do have to apologize again, I'll be leaving very soon to go to a meeting with the Mayor. I'll try to get back, and any testimony I miss I'll make sure I read. Thank you.

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MICHAEL SMITH: Thank you very much.

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MICHAEL SMITH: Thank you, Chair Vallone. Council Member Koppell.

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COUNCIL MEMBER KOPPELL: Thank you, I'll be brief, partly because I don't want to be, take too much time, but also I also have a meeting at the Mayor's office. So, I just, first of all, are your surveys that you mention in your testimony available? Can we get copies of these surveys?

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22

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MICHAEL SMITH: They are internal at this point, but I would see no problem in making the available, because our interest is clearly to provide you with all the information.

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COUNCIL MEMBER KOPPELL: When you

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talk about branches, do you, are you including the just--as a branch, a location which is somewhat of a recent development, that just has ATM machines, is that a branch?

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MICHAEL SMITH: No, no it's not, it's a, to be considered a branch under the bank law, we're not including ATM machines. There's a significant number of ATM machines outside of the branch.

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COUNCIL MEMBER KOPPELL: Now your counsel said that the most recent statistics are that 66 percent of the robberies were in branches that had bank bandit barriers. Is that correct?

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MICHAEL SMITH: That's correct.

COUNCIL MEMBER KOPPELL: Alright, so then if I can state it the other way round, 34 percent of the robberies were in branches that did not have bandit barriers. Is that correct? In your recent survey.

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ROBERTA KOTKIN: Right.

MICHAEL SMITH: That's correct.

COUNCIL MEMBER KOPPELL: And that represented ten percent of the total number of branches surveyed.

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2 ROBERTA KOTKIN: That represents  
3 ten percent of all the banks in the City.

4 COUNCIL MEMBER KOPPELL: All the  
5 branches.

6 MICHAEL SMITH: Branches.

7 ROBERTA KOTKIN: Branches in the  
8 City, right.

9 COUNCIL MEMBER KOPPELL: So, and  
10 you're--so, if I--Just to make it clear now, 34  
11 percent of the robberies occurred in ten percent  
12 of the branches.

13 ROBERTA KOTKIN: Yes, yes.

14 MICHAEL SMITH: And that might have  
15 something to do with location that we talked  
16 about.

17 ROBERTA KOTKIN: Yes, location and  
18 hours.

19 COUNCIL MEMBER KOPPELL: So, but if  
20 it was, if it, but it, if it was proportional, one  
21 would think that 34 percent of the robbers would  
22 occur in 34 percent of the branches, roughly  
23 speaking. But it's much more.

24 MICHAEL SMITH: Right.

25 COUNCIL MEMBER KOPPELL: Even

1  
2 though a majority did occur in branches with  
3 barriers.

4 MICHAEL SMITH: Right.

5 ROBERTA KOTKIN: Yes, I mean, there  
6 is a statistically, yes, but as Mr. Smith said,  
7 many of the banks that do not have bandit  
8 barriers, happen to be open seven days a week, and  
9 longer, so I think that they will testify that  
10 that has a significant reduction on that actual  
11 statistic, and makes it much more benign.

12 COUNCIL MEMBER KOPPELL: I see.  
13 Well, unfortunately I have to leave, I'll come  
14 back, and I have, I leave a member of my staff  
15 here to hear that testimony. I don't want to  
16 ignore it. But I think that the bottom line is  
17 very significant to me. Thank you, Mr. Chair.

18 CHAIRPERSON GARODNICK: Thank you  
19 very much, Council Member Koppell. And we now  
20 have no additional questions from members of this  
21 Committee for you, so we thank you very much for  
22 your testimony, and we look forward to working  
23 with you on this and many other issues to come,  
24 so.

25 MICHAEL SMITH: Thank you.

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CHAIRPERSON GARODNICK: Thanks.

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MICHAEL SMITH: Thank you very

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much.

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CHAIRPERSON GARODNICK: Next up is

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Robert McCrie, of the Department of Protection

7

Management at John Jay College of Criminal

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Justice, and we welcome you Mr. McCrie, professor.

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[pause, background noise] Dr. McCrie, we welcome

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you. We have a copy of your extensive testimony

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here. We'd like to ask you to put it into a

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three-to-five minute discussion. We will

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certainly follow up with you with questions, but

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if there's a way to do that, we would be most

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appreciative.

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ROBERT MCCRIE: There is. Mr.

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Chairman, and I'd like to commend you and the

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members of the Committee for addressing this

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issue. I'm here in support of it. I have been a

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specialist in security management since 1970, and

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during this period of time, I've followed bank

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crime all along. In response to a question that

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somebody made earlier, there is a bank crime

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statistics report, which the FBI refers to, and I

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refer to it later in my report. My statement is

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2 organized around four points. First, how did  
3 bullet resistant barriers become a consideration  
4 for bank security? Next, do they have any  
5 utility? And is there any research about their  
6 use? Next, why does this measure have particular  
7 applicability for the City of New York? I'll try  
8 to shorten that. And finally, how may this  
9 proposed law be improved? A few moments ago, the,  
10 you learned that there was the Bank Protection Act  
11 of 1968 passed. And this law mandated that the  
12 control of the currency surveil banks to make sure  
13 that they would meet certain anti-robbery  
14 standards. And these included surveillance  
15 systems at the banks, robbery and burglar alarms,  
16 training on what bank employees should do during  
17 robbery, lighting of the vault after hours if it  
18 was visible from the outside, tamper resistant  
19 locks on doors and windows, and a security officer  
20 for each bank. Now, notice in this list of  
21 requirements by this federal act, which is still  
22 in effect, thought it's undergone a lot of change,  
23 there's no reference to these bullet resistant  
24 barriers. In fact, from the, despite the passage  
25 of this legislation, in the years 1973 to 1977,

1 the number of bank robberies in this country  
2 increased by 90 percent. So, many banks on their  
3 own turned to the use of bullet resistant  
4 glazings, or plastic partitions, as a means to  
5 protect tellers, and to reduce robbery. The  
6 materials for this weren't haphazardly chosen.  
7 Standards have been carefully developed by a  
8 venerable independent standard setting  
9 organization. UL, Underwriters Laboratories, had  
10 been interested in security since the 1920s,  
11 established its own security committee back then.  
12 In particular, the standards for bullet resistant  
13 materials is ANSI/UL 752, that prefix ANSI refers  
14 to America National Standards Institute. It means  
15 that this standard has been used for many years,  
16 it has been, undergone through a great vetting  
17 process, and is now established uncritically.  
18 Materials that meet UL 752 provide protection  
19 against attacks. Our discussion today only  
20 concerns the use of these barriers in banks, or  
21 bank branches. But utility also has been  
22 demonstrated in such establishments as check  
23 cashing businesses, ticket office, post offices,  
24 subway stations, bus terminals. And they're also  
25

1  
2 used in access control applications, in computer  
3 facilities, police stations, so-called  
4 correctional institutions, liquor stores and  
5 after-hours retailers, and hospital offices. In  
6 the years since the Bank Protection Act has been  
7 published and promulgated, physical and procedural  
8 measures have changed. And these reflect mostly  
9 the changes in technology. They allow banks lots  
10 of added, of latitude in operating their own  
11 businesses, and don't mandate particularly  
12 something rigid. Thousands of financial  
13 institutions on their own, in their own  
14 communities, across the nation, and other nations,  
15 have installed burglar resistant barriers without  
16 any legal requirement to do so. But are they, are  
17 they any good? What's the research on this? In  
18 1979, Virginia Commonwealth University and United  
19 Virginia Bank, jointly conducted research on this  
20 very topic. The FBI and the Security Commission  
21 of the Bank Administration Institute aided in this  
22 research, which was conducted by James Willis.  
23 And I provide a reference to this. This is one of  
24 the few printed, independent surveys on this  
25 topic. The survey studied crime banks in



1  
2 Virginia; also tellers were queried in banks, both  
3 which had barriers and which didn't have them.  
4 And the research also included a survey of 150  
5 bank customers. And the findings: first that  
6 bullet resistant barriers do serve as a valuable  
7 deterrent in the crime, to the crime of bank  
8 robbery, compared with those branches without the  
9 barriers. Next, that customer reaction to  
10 barriers is positive, and barriers posed no real  
11 problem affecting customer relations. Third,  
12 employees react favorably once they experience  
13 working behind barriers. To the statement "Your  
14 personal security is improved with the use of  
15 bullet resistant barriers," 91 percent of the  
16 respondents agree. Mr. Chair and Committee  
17 Members, there's a fourth point as well, that I  
18 didn't include in here, and that was concerning  
19 cost. And the study determined that bank, these  
20 bullet resistant barriers were much more  
21 economical than the use of private security  
22 guards. The banking industry could do a much  
23 better job of supporting research on this, and  
24 related issues, and make their finding readily  
25 available. But the Willis research shows that

1 such measures do deter bank crimes. Now, these  
2 bank barriers have not stopped bank robberies.  
3 Nobody would expect robberies of financial  
4 institutions to drop to the zero range, because of  
5 the installation of bullet resistant barriers.  
6 Tellers or cashiers have control over lots of  
7 cash. Therefore, inherent risk of victimization  
8 always is present. But incremental improvements  
9 that are not unduly costly or complicated to  
10 provide, are salutary and should be pursued as a  
11 public policy. Now why is this matter  
12 particularly important to us? The FBI defines  
13 robbery in a particular way, as I say in my  
14 statement, and robbery is the third most important  
15 of the eight index crimes that the FBI reports on  
16 a semiannual basis. On a national level, robbery  
17 has trended down over the past two decades, from a  
18 high of 680,000 in '91 to last year 445,000.  
19 That's surely positive. But look what's happened  
20 here in New York City: the scale of improvement  
21 has been prodigious in crime mitigation. Robbery  
22 has dropped precipitously, and I show that in my  
23 table here, going from 100,000 in 1990 to 22,000  
24 some for last year. This decline in serious  
25

1 robbery, in crime, including serious robbery, over  
2 an extended period of time, is a great human  
3 benefit. It's genuine, it has attracted global  
4 fascination, and the desire by countless law  
5 enforcement organizations elsewhere to replicate  
6 "the New York Miracle" in their communities. Yet  
7 bank robbery is only one out of many kinds of  
8 robberies. In fact, bank robberies have  
9 constituted only two percent or three percent of  
10 all robberies nationally, in recent years. It was  
11 2.1 percent last year. This crime, of course,  
12 obtains far more attention from the media,  
13 numerically, because of a number of reasons, that  
14 I won't go into, that are obvious. Table Two,  
15 that I include, shows that bank robberies have  
16 declined substantially in mutual savings banks and  
17 savings and loan associations since '91; they've  
18 been uneven in credit unions; we're here mostly  
19 because of our interest in commercial banks, and  
20 the pattern here has been uneven. In '08, it  
21 showed a national increase in bank robberies of  
22 1.1 percent; however, here in New York City, as  
23 you learned from the Commissioner earlier today,  
24 and you know from previous reports, that a 57

1  
2 percent increase in 2007, '08, that's in  
3 comparison with 1.1 percent nationally. New York  
4 City has about three percent of the nation's  
5 population, and it's the location for about eight  
6 percent of the nation's bank robberies.

7 Therefore, while we have driven crime down  
8 generally, robbery down generally, this component  
9 of robbery last year went the other way. In this  
10 circumstance, there needs to be a way of improving  
11 it. Now, how may this law be improved? Well, I'm  
12 a professor, so I've got to find some nits, and  
13 one is the use of bulletproof glass is dated and  
14 not appropriate, and I've understood that you've  
15 already addressed that. I'd like to note some  
16 complaints about this bill, however, from a major  
17 component, the New York Bankers Association. The  
18 president of this Association sent a measure, sent  
19 a letter to Christine C. Quinn on April 15, and  
20 was, it's available on the NYBA's website, and  
21 pretty much the same statement was heard in the  
22 preceding speaker. And here are the objections,  
23 first the problem isn't serious enough to merit  
24 the measure, because the number of bank branches  
25 is increasing, which actually decreases the

1 potential of an incident. Prior to the past 18  
2 months, the worst year was 2003, when 408 bank  
3 robberies occurred, or 0.31 robberies per branch.  
4 A number of changes were made and last year  
5 following the decline, it rose again to 444; but  
6 because the increase in the number of branches,  
7 that should be looked at as a success of the local  
8 economy. The incidents have dropped to 0.26  
9 robberies per bank. But this is a sophistic  
10 argument that overlooks the fact that the  
11 situation deteriorated so seriously last year.  
12 This crime can't be allowed to grow because of  
13 arguments that more bank branches equals fewer  
14 robberies per branch. The second objection is  
15 cost. And NYBA's statement argues that this would  
16 be an undue burden on the banking industry. Let  
17 me refer to what I mentioned a moment ago about  
18 that standard, UL 752. It has actually ten levels  
19 of bank resisting materials. The lowest, level  
20 one, protects against three shots from a nine  
21 millimeter, full metal copper jacket ammunition  
22 with lead core. And the highest, level ten,  
23 protects against a .50 caliber single rifle shot  
24 from ammunition filled with lead core. Big  
25

1  
2 variation. The proposed bill calls for UL level  
3 two. If some banks have already install eleven  
4 one in recent years, at the request of the Police  
5 Commissioner, the bill supporters might give them  
6 some reprieve, and the Commissioner came to the  
7 same conclusion early with his remarks. And  
8 that's because the differences between level one,  
9 level two, level three, level four, are shades of  
10 difference, and not consequential to the current  
11 risk. And finally, bandit barriers don't work  
12 because 70 percent of the robberies in such  
13 equipped facilities as it is, that was in the  
14 statement, this comes from "several member  
15 surveys" which NYBA has conducted over the last  
16 several years. I've not been able to find these  
17 surveys on the NYBA's website, or in a wider  
18 search of the web. I understand that they may be  
19 provided to us. In any case, they represent only  
20 the members of the NYBA. Nonetheless, no  
21 proponent of this measure is likely to argue that  
22 this measure will eliminate bank robberies  
23 entirely, only that it will reduce the incidents  
24 with the have-nots. By compelling them to have  
25 this low cost measure, coupled with the passage of

1  
2 this measure and other deterrent activities  
3 incidental to the bill, bank robberies in this  
4 City will be reduced. The banking industry has  
5 contributed so profoundly to our current recession  
6 through its support and sale of subprime mortgages  
7 and loans within the securitization of loans and  
8 credit derivatives, and the banking also has  
9 reduced the importance of security executives and  
10 managers in their daily operations since the  
11 1980s, I'll speak to that if you want to. And so  
12 they can't be turned to as credible authority for  
13 improving their own physical security. I'll  
14 answer any questions if--

15 CHAIRPERSON GARODNICK: Great,  
16 thank you very much. Thank you for your  
17 testimony. I have just a few questions for you,  
18 sir. You noted in your testimony that the number  
19 of bank robberies in New York City were up last  
20 year from its prior year by 57 percent, and that  
21 they were up only 1.1 percent nationally. You  
22 also cited the fact that New York has three  
23 percent of the overall population, but eight  
24 percent of the bank robberies. You want to just  
25 tell us what's going on here exactly? Is this a,

1

2

is there something particular about New York, or

3

is this something related to the absence of bandit

4

barriers? Is it the proximity to good

5

transportation options? Something we pride

6

ourselves on in this City? What's going on here?

7

ROBERT MCCRIE: It sounds as if

8

you've got good insight as to what those

9

explanations might be. We have a concentration of

10

opportunity for bank robberies to occur here

11

because of the large number of bank branches in

12

geographic area.

13

CHAIRPERSON GARODNICK: Okay. So

14

let's talk about the bandit barriers. As somebody

15

with knowledge of what is going on more broadly

16

than New York City, how prevalent are bandit

17

barriers in branches nationally? Is this

18

somewhere where we've heard statistics of that

19

vast majority of branches in New York City have

20

them, maybe 90 percent or more. Is that similarly

21

the case with branches nationally?

22

ROBERT MCCRIE: It is not. There

23

is no national standard as to what the

24

installation rate of the bandit barriers is

25

nationally. In some areas, local banking



1  
2 associations in Texas, for example, have noted a  
3 high level of installation there. But nobody  
4 knows what the figure is nationally. It's not  
5 collected by any organization I know of. I might  
6 say however I've just returned from Italy where I  
7 visit many banks and didn't see one without a bank  
8 barrier or something much more serious, a bandit  
9 barrier, so that a customer had to go in through a  
10 kind of a trap before being entered in to the bank  
11 itself.

12 CHAIRPERSON GARODNICK: And how are  
13 the numbers on bank robberies in Italy?

14 ROBERT MCCRIE: I don't know.

15 CHAIRPERSON GARODNICK: Okay.  
16 There is an alternative floating around out there,  
17 which would allow banks to either have a barrier,  
18 what we're calling a bandit barrier, but perhaps  
19 colloquially, and perhaps that's not the precise  
20 terminology; or to allow for there to be uniformed  
21 officer in the bank, from your level of expertise  
22 and your professional background here, do you  
23 believe that such an alternative would create the  
24 appropriate level of deterrent?

25 ROBERT MCCRIE: There's really no

1  
2 science to guide us here, but there's common  
3 sense. The common sense is that a uniformed  
4 security guard provides extra eyes and ears and a  
5 physical presence that would logically deter bank  
6 robbers. He or she would look at the customers as  
7 they come in; additionally presumably there would  
8 be cameras recording the presence of these  
9 customers as well. And perhaps give a friendly  
10 greeting and it would be enough to determine, to  
11 deter rather, people who had the intention of  
12 robbing that institution.

13 CHAIRPERSON GARODNICK: Do you see  
14 any distinction between a uniformed security  
15 guard, as you just termed it, and somebody who is  
16 an official representative of the New York City  
17 Police Department?

18 ROBERT MCCRIE: Considerable  
19 difference. Yes. And a considerable cost  
20 difference, as well, of course. The--

21 CHAIRPERSON GARODNICK: And what is  
22 the difference?

23 ROBERT MCCRIE: The uniformed  
24 police officer represents a much more serious risk  
25 for a note passer than simply a security guard

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2 does.

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CHAIRPERSON GARODNICK: Do you think that--So, let me just make sure I understand where you come down on the question of allowing a bank to have an option. Would you give them an option if they were going to bring in an NYPD paid detail for all of the hours that the bank is open?

ROBERT MCCRIE: I would, as long as there's no backsliding on that commitment, that they're, it doesn't mean that for one hour per shift there's nobody there because of lunch breaks or whatever.

CHAIRPERSON GARODNICK: Understood. Now how about if you were to give them the same option but not with paid detail, but rather a uniformed security guard?

ROBERT MCCRIE: Well, that would be a deterrent as well. Again, as I say, we've got no science to guide us.

CHAIRPERSON GARODNICK: Okay. But would you regard that as an appropriate deterrent to a bank robbery? I mean, we're considering an option here which would give an option, which would give an alternative to bank. Either put in

1  
2 the barrier or put in a uniformed guard. Do you  
3 believe that uniformed guard, putting aside having  
4 that guard as an official representative of the  
5 New York City Police Department, would provide an  
6 appropriate deterrent to a bank robbery.

7 ROBERT MCCRIE: I believe it would  
8 be an appropriate deterrent. I don't think it's  
9 an equivalent deterrent, but it's appropriate.

10 CHAIRPERSON GARODNICK: Okay.  
11 Would you use the word "satisfactory"? A  
12 satisfactory deterrent? Is it enough deterrent.

13 ROBERT MCCRIE: It's an  
14 improvement. The Committee has come up with a  
15 specific idea, I'm in favor of that idea, the  
16 security guard idea is an additional deterrent, as  
17 well, that's also worthy of consideration. But I  
18 think a more economical, cleaner kind of proposal  
19 is to have the bandit barriers, and additionally  
20 have uniformed security guards, or paid detail, if  
21 the bank chooses to.

22 CHAIRPERSON GARODNICK: Okay, two  
23 last questions, we, I realize that we're under a  
24 little bit of a timeframe here. The appropriate  
25 height for these barriers? Is there an

1

2 appropriate height in your view?

3

4 ROBERT MCCRIE: The height should  
5 be enough so that the, someone cannot scale the  
6 barrier easily.

6

7 CHAIRPERSON GARODNICK: Okay. And  
8 cost. Can you give an estimate on what the cost  
9 would be for, if there is such a thing, an average  
10 branch in New York City, for the installation of  
11 these barriers?

11

12 ROBERT MCCRIE: For a level  
13 one/level two, the cost is in the range of \$5,000  
14 per teller station.

14

15 CHAIRPERSON GARODNICK: Okay.  
16 That's what I suspected you were going to say.  
17 With that, we thank you very much for your  
18 testimony today, and appreciate your being here.

18

19 ROBERT MCCRIE: - -

19

20 CHAIRPERSON GARODNICK: Thank you.  
21 With that, I'm now going to call up  
22 representatives of TD Bank, Peter Meyer, Robert  
23 Dunlop, and Greg Braca. [pause, background noise]  
24 Gentlemen, welcome.

24

25 MALE VOICES: Good afternoon.

25

[pause, background noise]

1  
2 CHAIRPERSON GARODNICK: Gentlemen,  
3 thank you, we're passing around your prepared  
4 testimony. Before we go any further, I want to  
5 make a disclosure myself, in that I do have a bank  
6 account with TD Bank, for whatever it's worth.

7 MALE VOICE: That's terrific.

8 CHAIRPERSON GARODNICK: Since we're  
9 all in the spirit of disclosure these days, that  
10 obviously would not impact the way I evaluate this  
11 issue in any way, but I am a client. And whenever  
12 you're ready.

13 GREG BRACA: Good afternoon, my  
14 name is Greg Braca, and I am the President for  
15 Metro New York for TD Bank. We appreciate the  
16 opportunity to continue the discussion about 960-  
17 A, as well as the safety and wellbeing of our  
18 customers and all of our employees. Before I  
19 begin with my prepared testimony, though, I do  
20 want to make a couple of comments. Sitting  
21 through and hearing some of the dialogue, a lot of  
22 it's come down to percentages and effectiveness.  
23 And I want to add a couple things. Clearly TD  
24 Bank was raised a number of times, as far as the  
25 number of robberies, and I do want to make some

1  
2 distinctions. If we are talking about  
3 percentages, and clearly we look at this data very  
4 carefully, our hours of operation are open in many  
5 cases almost twice as much as many of our local  
6 competitors, and if we're looking at robberies per  
7 store, or per branch, wouldn't we then look at  
8 robberies per hour of operation? And in fact,  
9 given we have built all of our stores within the  
10 last seven or eight years, and we've built them in  
11 all high profile locations, not on side streets  
12 but all on corners, near easy transportation, it's  
13 a much more complicated issue than simply looking  
14 at how many times you were robbed per the number  
15 of stores you operate. It's a far more complex  
16 issue than that. So, with that being said, when  
17 we look at per store hours of operation, clearly  
18 our store hours swell in many cases from 73  
19 stores, if you're to look at comparable hour of  
20 operation, to nearly 150. Continuing with the  
21 testimony, a top priority we focus on every day is  
22 the wellbeing of our customers and our employees.  
23 In addition, no organization New York City is more  
24 interested in stopping bank robberies than we are.  
25 These are both very crucial issues, where the

1  
2 interests of TD are identical to those of the  
3 citizens and the government in New York City. So  
4 let me make three points. First, I'm proud to say  
5 that TD Bank has a perfect safety record in New  
6 York, where not one customer or employee has ever  
7 been injured or taken hostage at any TD Bank in  
8 New York City. Others may equal that record, but  
9 none can surpass it. Each of our offices provides  
10 about one million transactions a year, operating  
11 seven days a week in high volume locations.

12 Despite our business model, that makes New York  
13 City offices among the most active in the world,  
14 we have no evidence that it creates any risk to  
15 public safety, but there is evidence that if we  
16 have to install bandit barriers, it could increase  
17 the risk of hostage taking or injury to our  
18 customers. Second, as our consultant, University  
19 of Pennsylvania Criminologist, Dr. Lawrence  
20 Sherman, has advised us in 2002, there is no clear  
21 evidence that bandit barriers reduce the number of  
22 robberies. We have commissioned him to do a new  
23 study in Manhattan in 2005, which reached the same  
24 conclusions. Thus, two U.S. studies show that  
25 bandit barriers don't work. After a review of the



1  
2 complete evidence gathered by Dr. Sherman, I'm  
3 sure you will agree with the proposed legislation,  
4 does not meet the minimum legislative standards  
5 for a positive impact. Third, we believe there  
6 are far more effective ways to reduce the risk of  
7 robbery per transaction. The idea of bandit  
8 barriers, quite honestly, have been around as long  
9 as there've been bank robberies. Our own business  
10 model has cut the rate of robbery per bank office  
11 in half since 2003, largely by investing in these  
12 other measures. They include the use of uniformed  
13 security, which has better U.S. evidence of  
14 deterring bank robberies than bandit barriers.  
15 And that we therefore recommend the Committee, if  
16 it decides to adopt any bill on this issue, it  
17 would be in the public interest to allow banks to  
18 spend more money on guards than bandit barriers  
19 would ever cost, as an alternative to using bank  
20 barriers. We would also suggest that there are  
21 new and modern techniques to deal with bank  
22 robberies, such as cash dispensers, instead of  
23 tellers having access to the full amount of cash  
24 they're accustomed to using. These are all better  
25 solutions, in addition to what you'll be hearing

1  
2 shortly from us, is the investment in state-of-  
3 the-art cameras and digital cameras, that can  
4 provide police officers with real time information  
5 and real quality pictures on the robbers. Ed  
6 Clark, President and Chief Executive of our  
7 company, TD Bank, accepted the NYPD Commissioner  
8 Ray Kelly's invitation, and met with him earlier  
9 in 2009. Our Chairman promised that TD Bank full  
10 cooperation on this issue, and also ensured that  
11 TD Bank would be a positive outlier as far as  
12 robberies going forward. In fact, if you look at  
13 data from March on, with the full compliment of  
14 paid detail, cameras installed, and what we feel  
15 are the best practices, we've had two robberies in  
16 the last four month. One occurred where we caught  
17 the robber, who was a career criminal. Now, I'll  
18 ask our president, my president, Peter Meyer, to  
19 read a brief summary of the written testimony we  
20 submit to you by Dr. Lawrence Sherman.

21 PETER MEYER: Thank you, Greg.  
22 Ladies and Gentlemen, please let me make these  
23 four points in absentia. I have prepared  
24 extensive written testimony with data analyses  
25 that directly address these issues. These

1  
2 analyses may be summarized as follows. First, TD  
3 Bank has a perfect safety record in New York City,  
4 from using other security besides barriers.

5 Second, the rate of robberies per bank office has  
6 fallen by 50 percent since 2003, both citywide and  
7 at TD Bank offices. Third, bandit barriers may  
8 increase injury to and hostage taking of

9 customers. Fourth, there is no clear evidence  
10 that the bandit barriers reduce robberies. What I  
11 mean by clear evidence is a study that meets the  
12 standards the U.S. Department of Justice adopted  
13 in meeting its Congressional mandate to use  
14 rigorous scientific methods in assessing what  
15 works and what doesn't to prevent crime. The  
16 effect of bandit barriers has never been tested in  
17 a rigorous enough manner to meet those standards.

18 Even my own 2005 study, done at the request of TD  
19 Bank, fails to provide clear evidence on this  
20 question. What is 100 percent clear is that TD  
21 Bank has never had a customer or employee injured  
22 or taken hostage in a bank robbery. This perfect  
23 safety record spans the equivalent of 340 office  
24 years of doing business in New York since 2001,  
25 with 73 offices now operating. These offices are

1 safe despite the robberies that inevitably occur  
2 in big cities, largely because TD has made safety  
3 its top priority. The evidence from other  
4 countries that violence against customers  
5 increases after bandit barriers are installed, is  
6 a useful reminder that TD Bank has only one way to  
7 go in its safety record. In Germany, for example,  
8 there were no hostages taken in bank robberies in  
9 the six years prior to the widespread introductory  
10 of bandit barriers. In the next six years after  
11 bandit barriers were introduced, the percentage of  
12 robberies with which hostages were taken soared to  
13 seven percent, usually by taking customers or  
14 employees hostage the minute the robbers walked in  
15 the door. The occurrence of violence against  
16 customers in New York and elsewhere in the U.S.,  
17 in banks with bandit barriers, is also an  
18 important issue that should be researched  
19 carefully to avoid implementing security measures  
20 that increase hostage taking and injury. In  
21 preparing for your vote on this question, I would  
22 be happy to answer in writing any questions you  
23 may wish to pose to me. Let me conclude by saying  
24 that the best study of bank security done to date  
25

1  
2 has found that security guards reduce the  
3 likelihood of bank robberies, but bandit barriers  
4 do not. Thank you. I'd also like now to  
5 introduce Bob Dunlop, TD Bank Director of  
6 Corporate Security and Investigations.

7           ROBERT DUNLOP: Good afternoon, and  
8 thank you for allowing me the opportunity to  
9 address this Committee. My name is Bob Dunlop,  
10 I'm the Senior Vice President and Director of  
11 Security for TD Bank. Prior to joining Commerce  
12 Bank, now TD Bank, I was a member of the New  
13 Jersey State Police for 30 years. And prior to my  
14 retirement, I served as, joint roles as both the  
15 Executive Officer and the Deputy Superintendent of  
16 the New Jersey State Police. My bio's attached  
17 with my written testimony. Please let me expand,  
18 if you will, on Dr. Sherman's testimony, by  
19 describing what has happened in banks here in New  
20 York, in regards to bandit barriers, which was,  
21 which has never happened in New York City at any  
22 TD Bank. And at the risk of being redundant, this  
23 information was provided by Councilman Gentile  
24 earlier, but I think I'd like to reinforce it.  
25 This information, we gleaned from the New York

1  
2 City Police Department reports, as was stated  
3 earlier. Both incidents happened in Jamaica,  
4 Queens, and in both cases the banks had bandit  
5 barriers installed prior to the robberies. And in  
6 both cases, the criminals took customer hostages.  
7 This kind of even that I describe had not, to my  
8 knowledge, ever occurred at a TD Bank in New York  
9 City. Again, on April of 2003, in Jamaica, New  
10 York, a suspect walked into a bank that was  
11 equipped with bandit barriers, he put a knife to  
12 the neck of an elderly female customer, and then  
13 demanded money from the teller. The suspect  
14 eventually was apprehended by private security.  
15 In May of 2003, at another bank in Jamaica, New  
16 York, two suspects entered the branch, one of the  
17 suspects approached the first teller window and  
18 held up a note announcing a robbery. The teller  
19 who was behind the bandit barrier locked her  
20 drawer and walked away. The suspect approached  
21 the next teller window and the employee at that  
22 station activated the alarm and also walked away.  
23 The suspect then shouted, "Don't walk away, come  
24 back! I will kill somebody!" According to bank  
25 officials, he then took an elderly male and threw

1  
2 that gentleman to the ground. The second suspect  
3 then placed his arm around a customer's neck and  
4 forcibly removed the customer's pocketbook. Then  
5 the suspects fled. These incidents are not  
6 confined to New York. Thankfully, they are  
7 relatively infrequent in the United States,  
8 although not in Europe, where bandit barriers are  
9 far more common. Our search for incidents of  
10 hostage taking in the United States revealed  
11 several other events, which are recounted in full  
12 in the appendix to my testimony. In August of  
13 2008, two bank tellers were threatened with being  
14 shot at through bandit barriers at a San Francisco  
15 credit union. Two days later, the tellers were  
16 taken hostage as they approached the bank. They  
17 were then forced to open a vault and gave the  
18 robbers in excess of \$76,000. In July of 2008, at  
19 another location in Long Branch, at a different  
20 bank, a customer was held up at gunpoint and  
21 threatened with death, while telling, while  
22 tellers behind a bandit barrier gave the robber  
23 money, gave the robber money to avoid injuries.  
24 In November of 2007, a Milwaukee bank customer  
25 suffered a gun being pointed into his back by a

1  
2 robber demanding access to the area behind the  
3 bandit barriers. When admitted, a robber held a  
4 gun to the employee's neck and threatened to shoot  
5 her until he was given in excess of \$90,000. As a  
6 security officer, these are the kinds of incidents  
7 that I fear will happen in our own bank if we are  
8 forced to install bandit barriers in every branch.  
9 That is why I have worked closely with Dr. Sherman  
10 since 2002, to make sure that we're doing  
11 everything possible to protect our customers and  
12 employees. This included my commissioning Dr.  
13 Sherman to conduct the study regarding bandit  
14 barriers in Manhattan back in 2005. One of the  
15 concerns I have is that the customers are, you  
16 know, our branches, as you know, are very busy.  
17 We have more customers on the floor that are not  
18 behind bandit barriers, and employees, than we do  
19 behind the bandit barriers. I am fearful that if  
20 we resist, if we put up bandit barriers and we  
21 start to have our tellers resist the bank robbers'  
22 demands, that we are going to get into a situation  
23 which sooner or later, someone is going to be  
24 injured, taken hostage, and possibly killed. That  
25 is my fear with bandit barriers.



1  
2 CHAIRPERSON GARODNICK: Thank you  
3 very much, gentlemen. Let me just follow up with  
4 a couple of questions and recognize that we've  
5 been joined by Simcha Felder, Council Member from  
6 Brooklyn. You noted that you, that you've not  
7 seen any injuries to tellers or customers at a TD  
8 Bank, and that's a point of great pride. And I  
9 think we all recognize and appreciate that.  
10 Commissioner Kelly, when he was here, he was  
11 giving some statistics about the level of success  
12 of the robberies at various banks around the City.  
13 And he said at Sovereign Bank and WaMu and TD  
14 Bank, as several banks which have a 100 percent  
15 success rate for robbers who are going in, and  
16 trying to, and making an attempt, I guess he's  
17 saying, that they are making successful attempts  
18 at TD Bank 100 percent of the time. How would you  
19 respond to that?

20 ROBERT DUNLOP: Well, Chairman, as  
21 you know, you can do a lot with statistics.

22 CHAIRPERSON GARODNICK: Good, help  
23 us out.

24 ROBERT DUNLOP: Yes. So what he  
25 didn't tell you is that in 40 percent of the

1

2 robberies that we've had, our tellers have given  
3 out dye packs, and in many of those cases,  
4 resulted in the arrest of the robber. So I think  
5 that you have to take that into account, also.  
6 What, I think what the Commissioner was referring  
7 to was that when they do the walk-away policy,  
8 which I believe would put someone, customers at  
9 great risk, they consider that a success.

10

CHAIRPERSON GARODNICK: Correct, I  
11 think they do, because they gave the example of  
12 Citibank as having a 22 percent success rate when  
13 there's an attempted robbery. And that is  
14 presumably because of the walk-away policy,  
15 somebody hands the note, they walk away, and then-  
16 -

17

GREG BRACA: Yeah, but here--

18

CHAIRPERSON GARODNICK: I guess  
19 somebody just is, gives up, at that point.

20

GREG BRACA: Just to respond to  
21 that, and I've been in banking for 25 years, and  
22 you know, I've seen all sorts of measures tried.  
23 The problem with the walk-away policy, one, is  
24 generally that individual's going to continue, and  
25 we've seen in multiple cases where they didn't get

1  
2 it one branch, so they went in a store and tried  
3 the next bank. So what you have is you wind up  
4 having multiple incidents, rather than dye pack  
5 given out, the robber leaves, it explodes, and  
6 it's easy to catch the--So now what you have is  
7 you have multiple incidents in a given day from an  
8 individual trying to get the score they were  
9 looking for, one. The second problem from a  
10 management standpoint, of the walk-away policy, is  
11 it becomes very difficult when you have in many  
12 cases part-time employees, 18-19 year old students  
13 in some cases as tellers, and you're asking them  
14 to make the determination, "Is this a safe time to  
15 walk away? Is this a not safe time to walk away?"  
16 From our standpoint, we're never going to employ  
17 the walk-away procedure, because we don't want our  
18 local teller making that one-off decision, "Does  
19 this individual really mean business, or is this  
20 just a relatively harmless--" and I don't know if  
21 there's such a word--"not passer?"

22 CHAIRPERSON GARODNICK: Okay, so,  
23 if I understand you correctly, you would qualify  
24 that 100 percent "success rate" at the TD Bank  
25 branches by saying that of the 14 that took place,

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2 that was the number that Commissioner Kelly gave,  
3 I assume that was a 2008 number, 40 percent of  
4 those involved a dye pack that was added to  
5 whatever was handed over, and resulted in the  
6 apprehension of the robber? Is that what you're,  
7 is that what I'm hearing you say?

8 GREG BRACA: Well, 40 percent is  
9 the number of dye packs that were handed out. I  
10 think what we have to do is back to you and  
11 determine how many times that translated into rob-  
12 -into actual apprehension.

13 CHAIRPERSON GARODNICK: Okay, so,  
14 okay, then let me step back for one second then.  
15 So, of the 14, you got a dye pack in there in 40  
16 percent of the--so, let's say five or six times,  
17 and then what happened, we don't, we're not  
18 certain as to what happened after. Maybe they  
19 were apprehended, maybe they were not.

20 GREG BRACA: Right.

21 CHAIRPERSON GARODNICK: Okay.  
22 Alright, on the subject of hostages, because I--  
23 you all spent a fair amount of time on the point  
24 that if you have the barrier, you are potentially  
25 putting customers at risk because of the potential

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2 of hostages. You gave a couple of examples and we  
3 heard a couple of examples here. Sounded like  
4 those were hostage situations which took back,  
5 took place in 2003, at least in one or both cases,  
6 I don't remember. But how common is this? A  
7 hostage situation where there is a bandit barrier  
8 present? And let's just do this, you know,  
9 mechanically here. In 2008, of the robberies in  
10 bandit barrier banks, how many of them involved a  
11 hostage situation?

12 ROBERT DUNLOP: The problem with  
13 that term is this: banks don't publicize that.  
14 And if it's not called into the paper or if it's  
15 not brought out in a police report, you're not  
16 going to get that. I know another security  
17 director that I had talked to, just recently had,  
18 this is back in February I believe, had a armed  
19 suspect come into his store, had, or the branch,  
20 that had bandit barriers. The man immediately  
21 went up and grabbed the first person that was  
22 there, who happened to be an employee, outside the  
23 bandit barrier, took her with a gun and got behind  
24 the bandit barriers. So, this is, I can't give  
25 you statistics 'cause I think you're going to have

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2 a very tough time finding--

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GREG BRACA: Yeah, but let me jump on, just to qualify something. We don't have statistics on the hostage--or instances. But we do have NYPD's own statistics in 2008, that there were a higher percentage of armed robberies, which is reported, armed robberies, at branches with bandit barriers, than branches with not. And our concern is that, that is a trend that we would not want to see continue.

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CHAIRPERSON GARODNICK: Let--if you have those numbers, let's talk about the armed robberies at bandit barrier banks versus non-bandit barrier banks.

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GREG BRACA: We have that.

CHAIRPERSON GARODNICK: Okay. Do you--can you share that with us now?

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GREG BRACA: Do you have that?

ROBERT DUNLOP: Yeah, I do. First, let me say that, in regards to the number of robberies that occurred at branches with bandit barriers, you had asked several witnesses in regards to, the New York Police Department provided a document to the executives that

1  
2 Commissioner Kelly met with, which indicates that  
3 64 percent, in 2008, let me be very specific on  
4 this, on 2008, 64 percent of the bank robberies  
5 were at branches with bandit barriers. And I'd be  
6 willing to share with you that presentation for  
7 you.

8 CHAIRPERSON GARODNICK: That's  
9 fair, I think that's consistent with the testimony  
10 we heard from the Bank Association, as well.  
11 Although, Commissioner Kelly had 53 percent as his  
12 number, in fairness. But, okay, so we realize  
13 there's some differential there. But let's talk  
14 about the armed versus the non-armed at the bandit  
15 and the non-bandit banks.

16 ROBERT DUNLOP: Okay. So, let's  
17 take the 2008 numbers, which were provided to us  
18 by the Police Commissioner. So, in 2008, of the  
19 444 robberies, 64 of those were armed. And 380  
20 were unarmed.

21 CHAIRPERSON GARODNICK: Okay, and  
22 I'm sorry, so that's of the overall number, 444 in  
23 2008, 64 were armed and 380 were unarmed?

24 ROBERT DUNLOP: That's correct.

25 CHAIRPERSON GARODNICK: Okay. And

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2 break that down for us between bandit barrier and  
3 non-bandit barrier banks.

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ROBERT DUNLOP: Alright, I'm asking  
John McCluskey to find that for me. [pause,  
background noise] If you, if you could hold out,  
I'm, I'll ask John to keep looking if we can.

CHAIRPERSON GARODNICK: Okay, you  
look at that. And let me just go back to the  
earlier question, because I just want to make sure  
that we have a general understanding here, that we  
don't, we can't really point to the stats on the  
subject of hostages, for any conclusive  
determination here. I know that there's anecdotal  
evidence, but we don't really have a lot of stats  
that we can point to, to say that of the  
robberies, armed or not, in bandit barrier banks,  
we're seeing a higher number of hostages. Right?  
I mean, we don't even know how many hostages were  
taken in the last five years in banks with bandit  
barriers. Do we have that number? We don't,  
right? And so, this is an important one for us  
'cause we're, you know, you're making a reasonable  
point about the concern that we would all have  
about what happens if you have an armed individual



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2 on the outside of a bandit barrier, what are they  
3 going to do in that situation, but we don't have  
4 the stats to back up what exactly does happen in  
5 those situations.

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GREG BRACA: Well, I would answer  
that in a couple ways. You really don't get  
better than zero. We've been operating as a  
company for years--

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CHAIRPERSON GARODNICK: For you,  
for you, but you have no bandit barriers.

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GREG BRACA: No, but this is the  
argument I guess we're making, is that you don't  
get better than zero: no hostages, no employee,  
no customer has gotten injured. And from our  
standpoint, with all of the data that's been  
presented to us, there is no clear empirical data  
that bandit barriers actually solves the problem,  
one. Two, it's a solution that's been around for  
as long as there's been robberies. And three, we  
have no incident of violent action in any of our  
New York City branches. And that's a formula we  
think we don't want to mess with. We do think  
there are alternatives, and we think there's the  
guard, we do think there are technologies that we

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2 quite frankly as a company have just spent several  
3 million dollars, including upgrading to digital  
4 cameras in all of our stores, so we give real time  
5 data to the police on a real time basis, in a CD-  
6 ROM. So I mean, those are the sorts of things,  
7 there is no panacea or quick fix here with these  
8 situations. And I think what we're trying to say  
9 is we're trying to do it in a way where our  
10 customers and employees remain as safe as they've  
11 always been.

12 CHAIRPERSON GARODNICK: But, and  
13 this is my last question, and we're going to  
14 Council Member Koppell, but wouldn't you  
15 acknowledge that TD Banks and other non-barrier  
16 banks, are being, are seeing attempted robberies  
17 in higher percentage than in banks with the  
18 barriers. We looked at, we have statistics here  
19 which now tell us that 90 percent of the banks in  
20 New York approximately have the barriers, and that  
21 it's about 50/50 or so, between the banks that are  
22 being robbed with the barriers versus without the  
23 barriers. So, that would suggest to us that, you  
24 know, a considerably higher percentage of those  
25 without barriers are being pursued. Isn't that

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fair?

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GREG BRACA: Well, we might fundamentally disagree a little bit, because there's a sort of double counting going on. When we talk about 90 percent of the bandit barriers, of the banks have bandit barriers, that's all banks with any sort of bandit barrier. When you start talking about 53 percent of the banks that got robbed with bandit barriers, those were only bandit barriers that met a certain code or they were a certain height. Our--and our study, as well as the New York Bankers Association, would say that it's probably upwards of two-thirds of the total robberies occurred in branches with bandit barriers, that's number one. Number two, we do think, as remote as it may seem, given some recent statistics, this is about public safety, zero, we're zero, nobody's gotten injured, no one's gotten hurt, it's about getting the individual out of harm's way, and then finding the best possible way to track 'em down.

CHAIRPERSON GARODNICK: Okay, I, thank you for that, and I would just add the point which is that I think you're right, that

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2 individual safety is critically important here.  
3 We want to right, find the right balance, though,  
4 so that we're dealing with police resources and  
5 overall resources, to make sure that we're not  
6 inviting problems. And there are alternatives  
7 that we're looking at, obviously, and we know that  
8 TD Banks is interested in alternatives which would  
9 allow for you to have an option. But I'm not  
10 going to carry on any longer, I'm going to Council  
11 Member Koppell.

12 COUNCIL MEMBER KOPPELL: Thank you.  
13 And I apologize, but I have another Committee  
14 meeting, so I'm going to have to leave again, but  
15 just to, I heard you saying you have a zero injury  
16 rate, even though you don't have barriers. Now,  
17 you have how many, 76 branches now, in New York?

18 GREG BRACA: 73.

19 COUNCIL MEMBER KOPPELL: 73? Okay.  
20 Citibank has about 136 branches. Do you know how  
21 many injuries they've had to their customers or  
22 their staff from robberies? Citibank?

23 GREG BRACA: I do not.

24 ROBERT DUNLOP: I don't have that  
25 statistic.

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COUNCIL MEMBER KOPPELL: But

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there's no, you have no showing of any hostage

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taking at Citibank. You showed one hostage taking

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at Chase, but none at Citibank. So can we say

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that Citibank probably also has a zero record,

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just like you do?

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GREG BRACA: - - we don't know that

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information.

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COUNCIL MEMBER KOPPELL: You don't

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know. Now what about Bank of America? Do they

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also have a zero record?

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GREG BRACA: We don't know.

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COUNCIL MEMBER KOPPELL: Okay. But

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since we don't know whether there was any hostage

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taking there, we have no record of any, presumably

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they could come in and say the same thing, that

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you do. So they could say, "Look, we have bandit

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barriers, and we have a zero record. So that

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shows that our practice is good." And you say we

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don't have it. It seems to me that the absence of

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hostage taking doesn't prove very much, because

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the only way it would prove a lot if there was a

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lot of hostage taking at the banks with bandit

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barriers. Now there's one example of Chase, you

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2 gave one example, but they have 275 branches. You  
3 can't make too much of one hostage taking.

4 GREG BRACA: Isn't one too many?

5 COUNCIL MEMBER KOPPELL: Yeah, one  
6 is too many, but I would suspect that if you read  
7 your further narrative, you'll see that there were  
8 instances, banks with bandit barriers, your own  
9 narrative points out where there was a bandit  
10 barrier, they took a hostage to get around the  
11 bandit barrier. So, I don't know. It just  
12 doesn't seem to me, one example proves anything.  
13 And Citibank could come here and say the same  
14 thing you say. I just--

15 GREG BRACA: Councilman, if I may,  
16 could I just--

17 COUNCIL MEMBER KOPPELL: It doesn't  
18 prove one way or the other.

19 GREG BRACA: You missed the opening  
20 comments I made when you walked in, but I would  
21 just add though, that if you took our 73 stores,  
22 branches, that you refer to, we would make that  
23 argument that the only comparison, or only data  
24 being used, is number of branches per robbery. We  
25 would argue, isn't it really about hours of

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operation, and isn't it really about volumes of transactions, and what's the incident of robber based on transactions and hours of operations. And we would make the argument that in many cases our stores operate almost twice as many hours as many of our competitors, and we would also make the argument that our 73 probably operate the hours of about 140 plus stores of normally competitors.

COUNCIL MEMBER KOPPELL: Let me just ask you this, why do you think that 90 percent of the branches have bandit barriers? Could you speculate for me, why?

ROBERT DUNLOP: Because they, I think I can give a self--feeling, a feeling of confidence for the people that are behind the bandit barriers. And I think that that's done, some of these bandit barriers may have been put up for employees. When you get to a crowded operation like we have, where we have many, many customers on the floor, and also employees, and are not protected by the glass, then we're very concerned. And I think you have to look at some of these other banks and see what their

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transaction volume is, and ask them those questions as to why they decided to put it up.

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COUNCIL MEMBER KOPPELL: But that's a very interesting point, I think, and I appreciate your mentioning it. The, you have a 100 percent safety record, it's true, and that's good. But you also have a high percentage of instances where the robbery involved a credible threat to the teller. The teller is obviously the most likely object of the robber. And though that may not cause a physical injury, it may indeed cause a psychological injury, that doesn't exist at least to the same extent to a teller behind a bandit barrier. Now what's your answer to that?

ROBERT DUNLOP: I believe that the physical threat is accentuated when someone resists a robber. In all my career in law enforcement and before that, into the present day as far as I know, police officers train folks not to resist robbers, because they're, it could escalate into a violent situation. In this particular case, what we're saying is that our folks are trained to cooperate and get the robber out of the bank. We don't want anyone injured.



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2 And we--go ahead, I'm sorry.

3 COUNCIL MEMBER KOPPELL: No, go  
4 ahead. I'm sorry.

5 ROBERT DUNLOP: Part of it is, I  
6 think one of the main things that we do, is we  
7 have excellent, state-of-the-art camera systems,  
8 which will identify the facial features of the  
9 robber. We use the other, I'm not going to go  
10 into the safety measures that we do use, but we  
11 use enough safety measures that certainly can help  
12 law enforcement apprehend these robbers.

13 COUNCIL MEMBER KOPPELL: But you  
14 must admit, if you're a teller, and I don't care  
15 what age they are, but let's take a 21 year old  
16 young woman, who's standing behind a counter, and  
17 someone comes and passes a note and says, "I'm  
18 robbing the bank, give me the money or else,"  
19 that's pretty frightening situation, isn't it?

20 ROBERT DUNLOP: Yes, it is.

21 COUNCIL MEMBER KOPPELL: And if  
22 they had a gun, it's even more frightening, much  
23 more frightening, if they show a gun.

24 ROBERT DUNLOP: Yes.

25 COUNCIL MEMBER KOPPELL: But if

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2 they're behind a bulletproof barrier, it's not so  
3 frightening, is it?

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ROBERT DUNLOP: No, but here's the,  
5 here's the equation. The idea of the bulletproof  
6 barrier is, I think proponents of the barrier, say  
7 that goes hand-in-hand with a walk-away policy.  
8 Because if the robbers know there's no walk-away  
9 and you're going to get the money anyway, there is  
10 no absolute deterrent. Our view of that is, we  
11 are not, to your example, we're not going to put  
12 this 21 years old lady in the position of  
13 determining, "Is this a real bad guy, or is this  
14 just sort of a bad guy?" and we're going to  
15 determine whether that person's going to walk away  
16 or not.

17

COUNCIL MEMBER KOPPELL: But I  
18 don't think the police would recommend a walk-away  
19 policy unless there's a bandit barrier.

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ROBERT DUNLOP: Well, that's what  
21 we're talking about, though. The point is--

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COUNCIL MEMBER KOPPELL: But what  
23 I'm saying to you, first of all, if you--no,  
24 there's nothing in the bill that says, "If you  
25 install a bandit barrier that you have to do the

1  
2 walk-away." If you decide for your employees you  
3 don't want to do it, that's fine.

4 ROBERT DUNLOP: I think, I think  
5 the Commissioner, and I think the NYPD, would  
6 agree that the real deterrent, as far as actual  
7 numbers of robberies, walk-away goes hand-in-hand  
8 with bulletproof barriers. If you don't have a  
9 walk-away policy, quickly, I mean, they testified  
10 in the fact that the robbers know what's going on.  
11 They get together in prison, they talk about who's  
12 the easy victim. If there is no walk-away, what  
13 is the effectiveness on number of robberies,  
14 they're going to come in and get the cash, anyway.

15 COUNCIL MEMBER KOPPELL: All I can  
16 say is, I put myself in the place of the teller,  
17 and as far as I'm concerned, if I was a teller, I  
18 would be a lot happier working in a bank that had  
19 a bulletproof barrier.

20 GREG BRACA: What I'm trying to do  
21 is put myself in the place of, I've got branches  
22 in New York City that do 100,000 plus transactions  
23 a month. And I'm putting myself in the place of  
24 our customers and all of our employees. And I  
25 think what we're trying to focus on, there are

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2 best 21<sup>st</sup> Century practices that get at the heart  
3 of the issue. And I think if, when we have fully  
4 rolled out what we've done over the last four  
5 months, look at our results for the last four  
6 months, they're best in class in the entire  
7 industry. And we could talk about them over line,  
8 we're not going to talk about them in public here,  
9 but they're best in class practices, that have  
10 resulted in best in class performance over the  
11 last four months.

12 CHAIRPERSON GARODNICK: Thank you,  
13 Council Member Koppell. Council Member Gentile.

14 COUNCIL MEMBER GENTILE: Thank you,  
15 Mr. Chairman. It seemed to many of us here that  
16 the Commissioner, in speaking about the  
17 possibility of having uniformed duty, paid duty  
18 officers in the bank, which you do, I suppose, is  
19 a viable alternative. It seemed that he was  
20 suggesting that, but he also seemed to suggest  
21 that he couldn't be certain of the bank's  
22 commitment to continue to have those paid duty  
23 officers in place over the long period of time.  
24 So, it seems to me that that's a sticking point  
25 for the Commissioner in this case.

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2 GREG BRACA: I'd be happy to  
3 address that. And basically there's a couple  
4 things here. We are committed to best in class  
5 stats around bank robberies and best in class  
6 practices on a go forward basis, as long as we do  
7 business here. So that's number one. Number two,  
8 we, while we believe, we agree with the New York  
9 Bankers Association, that we don't believe this  
10 should be, get the industry through a legislated  
11 mandate on one particular way to deal with this  
12 issue, because we do believe it's a complex issue.  
13 And there are different issues, depending on  
14 different banks, and their operating models. But  
15 what we would be supportive, if some bill had to  
16 get passed, is that we do believe there should be  
17 and/or because bandit barriers are not going to  
18 be the final solution. I think we all agree  
19 there's going to be bank robberies with bandit  
20 barriers. We believe that there are better  
21 solutions, including uniformed guards, cash  
22 dispensers behind the tellers, where they don't  
23 have cash drawers. By the way, that gets out  
24 there pretty quickly, too, that there is no access  
25 to cash from the tellers. Best in class cameras

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2 that get digital photos, that we can really help  
3 the police catch these guys. We think there are  
4 best in class solutions that get to the real heart  
5 of the matter, not just bandit barriers.

6 COUNCIL MEMBER GENTILE: So are you  
7 suggesting that any amendment would expand on the  
8 alternative of having paid guards? And other best  
9 practices you're indicating?

10 GREG BRACA: Again, we believe that  
11 you can't legislate best practices, but if we were  
12 going to have a solution and a bill was going to  
13 get passed, you really need to look at an and/or  
14 and a menu of options because different banks have  
15 different issues. They really do. You have banks  
16 operating on the second floor, down in basements.  
17 You have 'em operating in super markets. You have  
18 a whole host of issues you're dealing with here,  
19 that aren't as simple as a one-size fits all  
20 approach. And we do believe, quite frankly, that  
21 uniformed guards are one of the best practices,  
22 and significantly cuts down not only on the  
23 occurrence, but helps with apprehension.

24 COUNCIL MEMBER GENTILE: See, but  
25 the argument has been, that has been made here

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2 several times this morning, is that the armed  
3 guards are so prohibitively expensive over a long  
4 period of time, that if you just made the  
5 investment in the barriers, one time investment,  
6 you'd have, you'd be, you'd have at least some  
7 security at that point. What's your reaction?

8 GREG BRACA: We heard that, too,  
9 but I think that's a business decision, each  
10 business is going to have to come to grips with  
11 and determine what's best for its own business.  
12 And clearly in our case, we've been willing to, at  
13 this point, spare no expense in making sure we  
14 have best in class stats. But we do think you  
15 need to give businesses the option of how to run  
16 their organization.

17 COUNCIL MEMBER GENTILE: Thank you,  
18 Mr. Chairman.

19 CHAIRPERSON GARODNICK: Thank you,  
20 Council Member Gentile. Now, Chair Vallone.

21 COUNCIL MEMBER VALLONE: Actually  
22 that last question was what I was going to ask  
23 about that. In your business decision, if you  
24 decided to do it that way, to spend the money  
25 because you thought you were making more money,

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2 and thereby employing more people, by using paid  
3 detail. But, so let me just ask one quick  
4 question, 'cause I know we have to get out of this  
5 room, actually, and I missed most of your  
6 testimony, so I don't want you to repeat it. But  
7 again, to address what Ray Kelly said, since I  
8 asked him to address what you would be saying.  
9 Let's assume you're correct, that the public is  
10 safer with--the public is safer with the bandit  
11 barriers, even though they'd be marginally safer  
12 because there's one hostage taking situation in  
13 ten years. But let's assume it's safer. Ray  
14 Kelly said the word is out that you're an easy  
15 mark, because you can walk into your bank, get the  
16 money, and your policy is "Let 'em leave." So, he  
17 says the public's not safer, because they now have  
18 to respond to more bank robberies, and that takes  
19 police away from the rest of their duties, even if  
20 those duties are trying to find the robber a week  
21 later by taking detectives off the case. So how  
22 would you respond to that?

23 GREG BRACA: I'd respond that I am  
24 supporting and paying to have 73 New York City  
25 police officers, in full uniform, at all of my



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2 stores throughout the five boroughs. My response  
3 to that is, I'm actually paying to have more cops  
4 on the street, not less. That's number one.  
5 Number two, my second response would be, is that  
6 we've had two robberies in four months with what  
7 we consider to be our fully implemented best  
8 practices. Two in four months translates to  
9 roughly whatever the number is on an annualized  
10 basis, you know, six over a twelve month period of  
11 time. And in one of those two incidents, we  
12 actually helped with our private security,  
13 apprehend a career criminal. So our answer is, to  
14 that question, is that we think that there are  
15 best practices, there is cash dispensers for the  
16 tellers, which limits the amount of cash that the  
17 crook can get. Two, we have uniformed security,  
18 and three, digital state-of-the-art cameras. I  
19 think that combination starts to really present a  
20 powerful--and we've seen it over the last four  
21 months. Best in class stats over the last, since  
22 been fully implemented.

23 COUNCIL MEMBER VALLONE: Well, I  
24 think it's a very good point. Just occurring to  
25 me now that these stats, for the most part,

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reflected a period of time before you started

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using paid detail. When did you start using paid

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detail?

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GREG BRACA: Paid detail wasn't

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fully rolled out until the first week of March.

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So we have almost four months of full data on

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either security or paid detail. That coupled with

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a several million dollar investment in digital

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cameras at all of our New York City stores, along

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with cash dispensers for all tellers.

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COUNCIL MEMBER VALLONE: So, how do

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the stats compare to the four months prior to paid

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detail, and the four--and your other improvements

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to the four months after?

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ROBERT DUNLOP: I'm sorry, I was--

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GREG BRACA: The four months prior.

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Well, we can significantly say we've seen a

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dramatic decrease in the number of attempts, and

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no matter how you measure 'em, attempts, success

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rates, in the immediate four months, or on an

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annualized - - . Dramatic, dramatic improvement.

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COUNCIL MEMBER VALLONE: I think

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we'd be interested in getting those statistics

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when you get a chance, because as we decide

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whether to amend the bill, that would be very

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helpful. And I've got a--you would also support

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my resolution to increase the level of felony for

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bank robbers, correct?

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GREG BRACA: Well, this is an

7

interesting comment, because even on our meetings

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with the Police Commissioner, I think we're all

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lockstep on the fact that if you just look at the

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2008 data over the 2007, that they'll say there

11

was a 57 percent increase in the amount of

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robberies year-over-year for the entire industry,

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the biggest percentage of that increase was repeat

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offenders. Repeat offenders. 62 percent I think

15

is the number where repeat offenders that

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accounted for the increase. So we think we need

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to change the sentencing.

18

CHAIRPERSON GARODNICK: Thank you,

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Chair Vallone. And with that, we're going to

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thank you all for your testimony. We appreciate

21

your presence here today. I think that there were

22

a couple of stats that we requested, including the

23

armed versus unarmed, so if you could provide

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those all to us as a Committee as a follow up,

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that would be most appreciated.

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2

GREG BRACA: We'll get them to all.

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Thank you.

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CHAIRPERSON GARODNICK: Thank you.

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Next up is Carl Hum from the Brooklyn Chamber of

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Commerce, Linda Baron from the Staten Island

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Chamber of Commerce, Jack Friedman from the Queens

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Chamber of Commerce, and John Schoolman from the

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Partnership for New York City. Let me apologize

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in advance, we have to put you guys on the clock

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because we are being pushed out of this room. So

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I hate to do that, but let me apologize in

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advance. And--whoever's ready can go right ahead

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and get started, so we can get it moving.

15

[off mic]

16

CARL HUM: Good morning, Acting

17

Chair Garodnick, Chair Vallone, and also the

18

distinguished members of the Committee on Public

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Safety. My name is Carl Hum, I am the President

20

and CEO of the Brooklyn Chamber of Commerce. To

21

my left is Linda Baron of the Staten Island

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Chamber of Commerce, and to my right is Jack

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Friedman from the Queens Chamber of Commerce.

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Lenny Caro of The Bronx Chamber of Commerce, and

25

Nancy Ploeger from the Manhattan Chamber of

1  
2 Commerce could not be here today, but have given  
3 their permission to associate their chambers with  
4 our testimony this afternoon. Together, our  
5 chambers represent the five borough chambers  
6 representing business communities in all five  
7 boroughs, and boast a combined membership of  
8 5,000, well over 5,000 dues paying members. Thank  
9 you for this opportunity to testify before the  
10 Committee on Intro 960-A. We appreciate and  
11 applaud the Committee's continuous efforts to make  
12 our City safer and to institute business practices  
13 to promote security for the wellbeing of employees  
14 and customers. On its face, Intro Number 960-A  
15 would seem to do such; however, as well  
16 intentioned as the bill may be, Intro Number 960-A  
17 does little to promote security, and rather  
18 represents a potential floodgate to government  
19 intrusion upon business practices that should be  
20 left to the discretion of that community.

21 Government's mandatory installation of certain  
22 business practices should only be required and  
23 made mandatory when preferred outcomes that  
24 benefit the public are produced. To be sure,  
25 preventing bank robberies and promoting the

1  
2 general public safety are worthy and laudable  
3 goals. However, it is worth highlighting that 90  
4 percent of the bank branches across the five  
5 boroughs already have some form of bandit  
6 barriers. Yet, as we heard this morning, despite  
7 this high rate of bandit barrier installation,  
8 robberies, although declining in frequency from  
9 this year compared to last, were still not  
10 prevented. With these facts in mind, one would  
11 have to conclude that the installation of bandit  
12 barriers to the remaining ten percent would do  
13 little to nothing to prevent further robberies;  
14 indeed, this morning, and part of this afternoon,  
15 we have heard no conclusive empirical evidence  
16 that bandit barriers would prevent any further  
17 robberies. Perhaps what would prevent future bank  
18 robberies is the required presence of uniformed  
19 security guards and lengthier sentences for those  
20 convicted of bank robberies. For the reasons  
21 stated, we believe Intro 960-A amounts to nothing  
22 more than unnecessary government intrusion upon  
23 our banking community's business practices. Bills  
24 like Intro 960-A are well intentioned, but carry  
25 the unintended consequence of adding operational

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2 burdens to our business community, which is  
3 already challenged by the myriad of rules,  
4 regulations and taxes imposed by government. At  
5 this particularly sensitive time for our business  
6 community, we must make sure, and I'll wrap up  
7 here, we do all we can to make sure that the  
8 business community thrives. It is no secret that  
9 our environment this time right now is considered  
10 as business unfriendly; in fact, New York State  
11 ranks almost dead last, 49 out of 50 states, for  
12 its business unfriendliness. An Intro like 960-A  
13 would only burnish our image as a unfriendly,  
14 business unfriendly region. Again, thank you for  
15 this opportunity to testify today, and we'd be  
16 happy to answer any questions that you may have.

17 CHAIRPERSON GARODNICK: Thank you,  
18 Mr. Hum, we'll go on to--do any of the other  
19 Chambers have specific testimony, or--? Okay, Mr.  
20 Friedman, go.

21 JACK FRIEDMAN: Rather than be  
22 repetitive, Queens Chamber represents dozens and  
23 dozens of banking members, and they're all in  
24 agreement on this issue. Just to echo a call,  
25 said it's not pro-business when government gets

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2 involved and starts dictating what the proper  
3 business model is for a bank. It just doesn't  
4 make a lot of sense. There are many, many, many  
5 security measures that have been used by banks,  
6 whether it's TD Bank or other banks, and these are  
7 experts, they want to protect their employees,  
8 they want to protect their customers, that's in  
9 the bank's best interest. So again, we would  
10 urge, please don't pick any one-size-fit-all  
11 solution, it's just never a good idea for  
12 government to do that.

13 CHAIRPERSON GARODNICK: Thank you.

14 Hi, I'm John Schoolman, with the  
15 Partnership for New York City. And not to echo  
16 what these guys have already said, we would also  
17 have the Council recommend that in the  
18 legislation, possibly mandating that the NYPD work  
19 with specific bank branches on their specific  
20 safety needs. Different neighborhoods, different  
21 places, with a lot of mass transit may need, you  
22 know, they may need certain types of features,  
23 where other ones that don't have a history of bank  
24 robberies, may not need certain things. This  
25 would I think allow the, kind of the best use of



1  
2 all of our technology, all of the best practices,  
3 to kind of go forward and kind of, you know,  
4 really tackle this issue effectively. Thanks.

5 CHAIRPERSON GARODNICK: Thank you  
6 very much. Seeing no questions from my colleagues  
7 here, I will just ask one, and then we're going to  
8 be done. Which is, the numbers that we heard were  
9 that 90 percent of the bank branches have the  
10 bandit barriers, and about 50 percent of the  
11 robberies take place in banks without them. Does  
12 that give any of you any pause about what we're  
13 inviting in the banks, without the barriers?

14 CARL HUM: First off, the, I think  
15 there was some dispute as to what the percentage  
16 is. So let's be clear--

17 CHAIRPERSON GARODNICK: Okay, at  
18 the highest it was 60, 60 or 66 percent, or--but  
19 either way, it should be in some parallel, right?  
20 66 percent of the--

21 CARL HUM: In either situation,  
22 though, both statistics cited said that over half  
23 of the robberies were done in branches that had  
24 bank, had bandit barriers.

25 CHAIRPERSON GARODNICK: That's

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correct, but it should be 90--right, if 90 percent of the branches have bandit barriers, then you would assume that if there's a fair distribution, 90 percent of the robberies would take place in those branches, and that ten percent would take place in the rest. You know, if the overall number of branches that have 'em is 90 percent, and there was a fair distribution among all branches, then you would see 90 percent of the robberies taking place in those branches.

CARL HUM: I would argue--

CHAIRPERSON GARODNICK: We saw that there's a higher number, as a percentage basis, of the branches without barriers. And my question for you all is, does that not give you any pause or concern?

CARL HUM: Well, I would argue the other way, in fact, in saying that if 90 percent of the branches are out there already have bandit barriers, and yet over half of these crimes are being perpetrated at places with bandit barriers, it would seem inconclusive to have any of the remaining branches to install bandit barriers to prevent any further robberies. I don't

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necessarily think that it should be proportional,  
3 but rather, but the fact that over half of these  
4 crimes are perpetrated in areas that already have  
5 bandit barriers, which seems to prove the point  
6 that it doesn't make any difference.

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CHAIRPERSON GARODNICK: Go ahead,

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yeah.

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JACK FRIEDMAN: I just wanted to

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throw one more thin in there. I wouldn't get too

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hung up over the 34 percent attempts into the

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branches, because we're not taking consideration

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several important factors. One is the new best

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practices that are being put in effect, which are

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not taken into account with these statistics. So,

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things that TD Bank are doing, for example, have

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resulted in tremendously lower number of robbery

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and robbery attempts. And that's not taking into

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account the statistics from 2008. And the second

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thing that TD Bank pointed out, where their

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branches are located, the hours that they're open,

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you can't look at these things equally. So, the

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34 percent attempt set number's just not a viable

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statistic when you take into the other things into

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consideration.

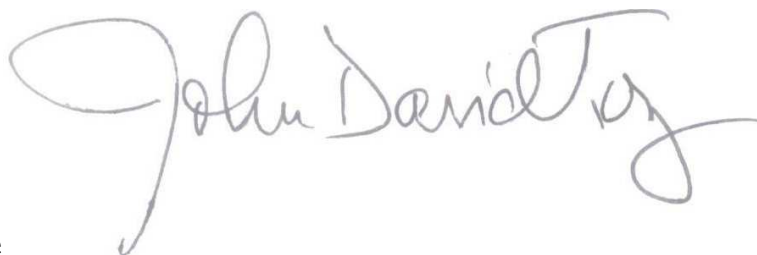
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CHAIRPERSON GARODNICK: Okay, we're going to let you have the last word, since we have to leave here. We thank you all very much for your testimony and for your presence. And with that, it was an honor to sub in for my Chairman today, and with that this Committee is adjourned.

[gavel, background noise]

C E R T I F I C A T E

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

A handwritten signature in cursive script that reads "John David Tong". The signature is written in a dark ink and is positioned above the printed word "Signature".

Signature

Date August 4, 2009