CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AND WORKER PROTECTION

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September 19, 2022 Start: 10:16 A.M. Recess: 11:41 A.M.

HELD AT: 250 Broadway-Committee Room 16<sup>th</sup> Fl.

B E F O R E: Marjorie Velázquez

Chairperson

COUNCIL MEMBERS:

Shaun Abreu
Erik D. Bottcher
Gale A. Brewer
Amanda Farías
Shekar Krishnan
Julie Menin
Chi A. Ossé
Julie Won

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

Elizabeth Wagoner Acting Deputy Commissioner of Office of Labor Policy and Standards

Carlos Ortiz Senior Advisor for Policy and Intergovernmental Affairs

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John Tritt SEIU 32BJ

Teofila Guadalupe Chipotle Employee

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Gabriel Martinez Chipotle Employee

Ashley Sevalla Chipotle Employee

Paloma Nunez Chipotle Employee

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

Lucia Pacheco Chipotle Employee 2 SERGEANT AT ARMS: Good morning everyone.

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Welcome to today's hybrid New York City Council

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hearing of the Committee on Consumer and Worker

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Protection. Everyone, please place all electronic

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devices to vibrate or silent mode. If you wish to

submit testimony, you may send it to

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testimony@counil.nyc.gov. Again, that's

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testimony@council.gov-- sorry, excuse me-- .nyc.gov.

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Thank you for your cooperation. Chairs, we're ready

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to begin.

12 CHAIRPERSON VELÁZQUEZ: Good morning.

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Committee on Consumer and Worker Protection. Id' like

name is Marjorie Velázquez, and I'm a Chair of the

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to thank everyone for joining us today on proposed

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Intro. 613 and proposed Intro. 640. Research

17 18 indicates a widespread problem with work schedule

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instability in the fast-food industry which can

threaten the wellbeing of workers. Schedule

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unpredictability is not without its consequences, and

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it's linked to negative impacts on workers' health

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and wellbeing, including more reports of

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psychological distress, poor sleep quality, and

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higher rates of unhappiness, more employee turnover,

and less household and economic security. Workers of

COMMITTEE ON CONSUMER AND WORKER PROTECTION color, especially women of color shoulder this burden the most, as do the children of these workers. The legislation we are hearing today is a means to help remedy these issues. Today, we are hearing proposed Intro 613 sponsored by Council Member De La Rosa which if passed would increase civil penalties and prohibit an issuance of the food service establishment permit for outstanding penalties for violations of the Fair Work Week Law. We are also hearing Intro. 640 which requires the Department of Consumer and Worker Protection to provide workers protected by the Fair Work Week Law with a training on city employment laws. Knowledge truly is power, and I believe that arming workers with the knowledge of their rights will not only empower them, but also help keep employers accountable. As a prime sponsor of this bill I look forward to the feedback we will receive today on how it could impact the lives of fast-food workers across the City. And I'd like to thank the Legislation Division staff for their hard work on this hearing, as well as my own staff. also like to thank my colleagues, Council Member Chi Ossé, Council Member Menin, that have joined us hear this important legislation and testimony. I'll turn

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 6
it now over to Council Member De La Rosa for some
opening remarks on her bill.

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COUNCIL MEMBER DE LA ROSA: Thank you so Good morning and thank you Chair Velázquez for engaging in this vital discussion around worker protection. I would like to also express my solidarity with fast-food workers and organized labor, especially 32BJ for their leadership in bringing the issues we will listen to today to the forefront. As the Chair of the Civil Service and Labor Committee and the Councilwoman for Washington Heights, Inwood, and Marble Hill, I am committed to standing up for working families. As we approach the 10<sup>th</sup> anniversary of New York's first fast food strike, workers are determined more than ever to transform fast-food jobs into well-paying, stable, family sustaining jobs. With today's hearing and legislation -- with today's hearing and legislation, Council Member Velázquez and I are introducing, these bills will further strengthen the rights of fast-food Intro 613, in summary, will increase the civil penalties and prohibit the issuance of food service establish permit for outstanding penalties and evaluations to the Fair Work Week, because

COMMITTEE ON CONSUMER AND WORKER PROTECTION employers who violate the Fair Work Week Law should not continue to act with impunity in exploiting our workers. The increased penalties are a statement that the City of New York does not take worker protections lightly while serving as an opportunity to correct the harm from repeat offenders to workers through compensation. We have already seen the positive impacts of increased worker protections with this law applied. We say that in the 20 million Chipotle settlement affecting 13,000 workers earlier this year, which is a demonstration that with enforcement and workers' rights education, we are able to curb, if not correct, violations under this law. The basis of the Fair Work Week and Earned Safe and Sick Time Law acts as the ability for workers to take charge of their lives again, instead of being take advantage of by employers. The unpredictability of worker schedules, as we heard Chair Velázquez mention in her statement, and the desire to seek medical attention without fear of losing your livelihood should not dictate your lives as workers, especially with the understanding that workers most impacted by these violations are the one deemed essential and were deemed essential during the height

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1 COMMITTEE ON CONSUMER AND WORKER PROTECTION 2 of this pandemic. We need to stand behind our 3 workers and ensure them the proper justice can be sought for employers who continually and egregiously 4 5 violate the Fair Work Week Laws. Thank you so much for having me, and I'm looking forward to seeing the 6 7 passage of this legislation in the near future. 8 Thank you. CHAIRPERSON VELÁZOUEZ: I'll now turn it over to Wiam Diory [sp?] who will moderate today's 10 11 hearing. 12 COMMITTEE COUNSEL: Before we begin 13 testimony, I will administer the oath to all members 14 of the Administration who will be offering testimony 15 or will be available for questions, please raise your 16 right hands. Do you swear or affirm to tell the 17 truth, the whole truth, and nothing but the truth 18 before this committee and respond honestly to Council 19 Member questions? 20 I do 21 I do. 2.2 COMMITTEE COUNSEL: Alright. You may 2.3 begin. DEPUTY COMMISSIONER WAGONER: 24 Good

morning, Chair Velázquez and members of the

COMMITTEE ON CONSUMER AND WORKER PROTECTION Committee. My name is Elizabeth Wagoner. I'm Acting Deputy Commissioner with the Office of Labor Policy and Standards in the Department of Consumer and Worker protection. I'm joined here today by Carlos Ortiz, Senior Advisor for Policy and Intergovernmental Affairs. Thank you for the opportunity to testify today on Introduction 613 and 640 relating to penalties for violations of the Fair Work Week Law and trainings for fast-food workers. I'll start today with some background. In 2017, Council passed the first of its kind legislation to provide fair scheduling protections to workers in the retail and fast-food industries. In 2020, Council passed legislation to amend and strengthen the Fair Work Week Law adding protections to provide greater job stability for fast-food workers. For today's discussion, I'm going to be focusing primarily on fast-food provisions in the Fair Work Week Law, since that's the industry that's the subject of these introductions. The Fair Work Week Law give fast-food workers scheduling stability and an opportunity to move into fulltime work. These rights include a stable, regular scheduled that does not change significantly from week to week, 14 days advance

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COMMITTEE ON CONSUMER AND WORKER PROTECTION notice of each weekly work scheduled, the opportunity to say no to working extra time, premium pay for schedule changes, premium pay and an opportunity to say no to clopening [sic] shifts, the opportunity to work more regular hours before new employees are hired, and protections against arbitrary termination of loss of hours. In New York City there are more than 67,000 workers who are employed in the fast-food industry. In our enforcement work we've heard from thousands of these workers about their need for the regular predictable schedules that the Fair Work Week Law provides. Many of the New Yorkers covered by this law are parents with young children to take to school in the morning and pick up in the evening. Some fast-food workers are working towards high school or college degrees and need to be able to leave work on time to get to class or to get a good night's sleep. Some are active in religious organizations and need predictable scheduling to attend their community services. Since the Fair Work Week Law went into effect, in the fast-food industry alone, DCWP has received over 300 complaints, has launched more than 150 investigations, has recovered approximately 22 million dollars in restitution for

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COMMITTEE ON CONSUMER AND WORKER PROTECTION over 16,000 workers, and has recovered almost 1.3 million dollars in civil penalties. We're very proud of these recoveries, not only because they put money back in workers' pockets, but also because they create a real deterrent effect that increasingly is making companies take a hard look at their compliance practices to ensure they're doing right by their workers and complying with the law. I'd like to give you a picture of what the enforcement process behind those numbers look like. When we receive complaint about a violation of the Fair Work Week Law, the first thing we do is make a determination about the appropriate scope of an investigation. investigators conduct detailed interviews with complaints to make that assessment, and tailor the investigation to the scope of the violations the complainant is reporting. For example, a worker may report that their employer usually posts work scheduled one week in advance, not 14 days in advance, and does not post or email available open shifts at all. These are violations that would typically effect all workers in that workplace and not just that complainant. So with a complaint like that, we'd open an investigation covering all workers

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COMMITTEE ON CONSUMER AND WORKER PROTECTION affected by unlawful conduct and not just the complainant. If the restaurant employing that complainant has other locations, we'll also look into an appropriate geographic scope. Sometimes a complainant has worked at multiple locations under the same corporate umbrella or knows workers in other locations, or has other information indicating that the alleged unlawful conduct is company-wide and limited to a single location. When that happens, our investigation will cover multiple business locations under the same corporate umbrella. During our investigations we obtain records from the company about their compliance practices which are teams of investigators, data scientists, and attorneys work together to analyze. We also reach out to workers broadly across the workforce by text message and email using survey tools to gather information from them about their experiences with predictable scheduling. Putting all this information together, we identify violations and the workers affected, and we present our findings to the company. Under the law, violations are counted on a per-worker and perinstance basis. Worker relief for most violations is either 200 or 300 dollars per instance of a

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COMMITTEE ON CONSUMER AND WORKER PROTECTION violation. Civil penalties are 500 dollars per instance of a violation. For companies with poor levels of compliance, there can be multiple violations per worker, per work week, and the totals in relief and penalties can go into the millions of dollars. We generally give companies an opportunity to resolve our investigation through settlement negotiation, and if that's successful it results in a consent order with us that requires the company to come into compliance, pay monetary relief to workers in specific amounts, and pay civil penalties to the City. Most of our cases are resolved in this way. We settle cases because our enforcement priorities are swift monetary relief for affected workers and compliance going forward. If a company does not want to enter into a consent order to resolve an investigation, then we'll file a petition at the Office of Administrative Trials and Hearings and try the case. DCWP does not have adjudicatory power to find violations on its own. To provide a recent example of the effectiveness of this process, I'd like to highlight our settlement last month with Chipotle for violations of the Fair Work Week and Paid Safe and sick Leave Laws. This agreement will

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COMMITTEE ON CONSUMER AND WORKER PROTECTION deliver up to 20 million dollars in compensation to approximately 13,000 workers. It is the largest worker protection settlement in New York City history and the largest Fair Work Week settlement in the Country. DCWP also pairs its strong enforcement with proactive outreach. In partnership with communitybased organizations, workers' rights groups, and restaurant trade associations, our outreach team seeks to ensure that both workers and employers understand the details of the Fair Work Week Law. Since 2020, DCWP has conducted 60 events highlighting the Fair Work Week Law connecting with more 4,000 workers. Today's hearing concerns legislation that seeks to amend the Fair Work Week Law. Introduction 613 would double civil penalties for second and subsequent violations of the law and double the allowable civil penalty from 15,000 to 30,000 dollars for a pattern of practice violations. Also, certain businesses that violate the Fair Work Week or Paid Safe and Sick Leave Laws could have their Food Service Establishment permit suspended or revoked by the Health Department at DCWP's discretion. Introduction 640 would require DCWP to develop a training on municipal workplace laws for fast-food

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COMMITTEE ON CONSUMER AND WORKER PROTECTION DCWP would have discretion over when to require an employer to make their employees available for training. DCWP could also designate an outside organization to conduct the training. We are always happy to work with the Council on legislation that promotes a culture of compliance of municipal workplace laws. To that end, we are encouraged that these bills can work in concert to further that goal. Education is a cornerstone of compliance so that workers know when a violation is occurring and how to report that violation to us. We look forward to working with Council to ensure that any training program is accessible, accurately provides information to worker, and effectively accomplishes the goal of the legislation. However, with respect to civil penalties in the Fair Work Week Law, we do feel that the current civil penalty amounts are appropriate and effective tools already to deter noncompliance. Increasing civil penalty amounts payable to the City would not be in line with our enforcement priorities which are to ensure that workers are getting monetary relief over payment of civil penalties to the City. To wrap up, I'd like to thank the Council for today's hearing and its commitment to

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addressing problems impacting workers in the fastfood industry. DCWP is proud of its work enforcing
the Fair Work Week Law and other municipal workplace
protections, and we welcome continued collaboration
with industry stakeholders, worker advocates, and the
Council to create stronger protections for New York
City's workers and ensure that workers know their
rights and are made whole for violations of the law.
I look forward to our discussion today and any
questions that you may have. Thank you.

CHAIRPERSON VELÁZQUEZ: Hi, and good morning. Thank you for that. Couple of quick questions for you. How many violations has DCWP issued for Fair Work Week violations and to how many different food service establishments?

DEPUTY COMMISSIONER WAGONER: So, I've got-- what I have are yearly totals. Yeah, what I have are investigations opened and investigations closed. We don't typically-- or at least I don't have it in front of me, the number of violations each year, but what I can tell you is that we've gotten a total of 312 complaints, opened over 150 investigations, and closed over 118 investigations.

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1	COMMITTEE ON CONSUMER AND WORKER PROTECTION 17
2	CHAIRPERSON VELÁZQUEZ: So, just to go
3	over that, you had 312 open, 150 closed,
4	SENIOR ADVISOR ORTIZ: 150 opened
5	investigations.
6	CHAIRPERSON VELÁZQUEZ: Open
7	investigations.
8	SENIOR ADVISOR ORTIZ: And about 120
9	closed. And those resulted in over 22 million
10	dollars in restitution, and about close to 1.4 in
11	civil penalties.
12	DEPUTY COMMISSIONER WAGONER: And to
13	clarify the complaints, sometimes we'll get a
14	complaint, multiple complaints about the same
15	business, right? So you wouldn't expect to a
16	complaint number matching investigations opened for
17	that reason.
18	CHAIRPERSON VELÁZQUEZ: When did
19	enforcement of Fair Work Week begin?
20	DEPUTY COMMISSIONER WAGONER: It began in
21	late 2017 when the law passed, or when the law became
22	effective, rather.
23	CHAIRPERSON VELÁZQUEZ: Does DCWP keep
24	track of employers with multiple violations?

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DEPUTY COMMISSIONER WAGONER: We do, yes, it is part of our standard investigations protocol to look to see when we get a new complaint whether we

5 have previously investigated that company.

CHAIRPERSON VELÁZQUEZ: How do you-- how do violations typically come to the Department's attention, and are most actions taken based on employee complaints?

DEPUTY COMMISSIONER WAGONER: Most of the time it is through employee complaints, and that is the most effective way to ensure we're targeting our resources to companies where there may be problems.

CHAIRPERSON VELÁZQUEZ: So, how is-- just the first question, how does it come to you, phone? [inaudible]

DEPUTY COMMISSIONER WAGONER: Yeah, we try to make it very easy for workers to file complaints with us. So many of our complaints come in by phone though 311. We also get many complaints by email to our email address, and then we also get them through our outreach.

CHAIRPERSON VELÁZQUEZ: Can you provide us with that email address just for folks?

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DEPUTY COMMISSIONER WAGONER: Yes. It's

OLPS@dcwp.nyc.gov.

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CHAIRPERSON VELÁZQUEZ: Thank you. What type of outreach and education has DCWP done to help businesses with compliance?

DEPUTY COMMISSIONER WAGONER: I'll turn that over to Carlos who handles that aspect of our work.

SENIOR ADVISOR ORTIZ: Thank you. that typically, our outreach both works with workers and worker advocates and industry associations and employer's as well. Typically, we can set up presentations with them. We can come in and do oneon-one trainings with managers, or one-on-one outreach with managers, I should say. Something that we've leveraged in the past is our business education day model, which is where we visit a dense business corridor and go into each business and just speak with the manager and local staff one-on-one to let them know about the protections or about the responsibilities under the Fair Work Week Law. should also mention that we've recently put up a paid media campaign as well to help educate New Yorkers on Fair Work Week. You might see that in some of the

committee on consumer and worker protection 20 neighborhoods across the City, on bus shelters, and high-visibility street furniture [sic]. So we really try and take a comprehensive approach to outreach whether that's in-person, online, or with paid campaigns.

CHAIRPERSON VELÁZQUEZ: So, how often do you provide these trainings, and how many have you had so far since the introduction of Fair Work Week?

SENIOR ADVISOR ORTIZ: Since 2017, we've had about 1,700 events focused on our workplace laws. Those have-- you know, those facilitated tens of thousands of New Yorkers to receive education on not just Fair Work Week, but also Paid Safe and Sick Leave and other responsibilities under the law.

CHAIRPERSON VELÁZQUEZ: And the paid media, how is it targeted?

SENIOR ADVISOR ORTIZ: So, we work—— I would say we work with Liz's team and we work with other folks in our Communications Department to address those zip codes sometimes where the paid campaign would do the most bang for its buck, so to speak, and make sure that the folks who need it get that information—— have visibility on it.

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1 COMMITTEE ON CONSUMER AND WORKER PROTECTION 2 CHAIRPERSON VELÁZQUEZ: Also, with this 3 paid media, is it available in different languages? 4 SENIOR ADVISOR ORTIZ: Yes, I would say paid-- I mean, all outreach, whether that's in-person 5 with our outreach team or whether that's paid media 6 7 or social media. Language compliance is a [inaudible] concern for us to ensure that we're 8 reaching every type of workers' language bank, so to 10 speak. CHAIRPERSON VELÁZQUEZ: Does DCWP 11 anticipate any need for additional resources to 12 enforce Intro. 613 and/or Intro. 640? 13 14 SENIOR ADVISOR ORTIZ: I think, you know, 15 with any new mandate we always -- there could be new 16 resource needs. For that reason we work closely with 17 our partners at OMB to identify those needs and how 18 we can address them, but certainly resources can 19 always contribute to more enforcement for us. CHAIRPERSON VELÁZQUEZ: Do you have an 20 idea of about how much would it be? 21 SENIOR ADVISOR ORTIZ: I don't have a-- I 2.2 2.3 don't have a specific number right now, but I think, you know, as the legislation moves in the process 24

we'll be putting together those numbers to ensure

COMMITTEE ON CONSUMER AND WORKER PROTECTION 22 that we present those to our partners at OMB and make sure that the needs can be discussed and addressed.

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CHAIRPERSON VELÁZQUEZ: So, what channels of interagency communication exist between DCWP and the Department of Health and Mental Hygiene regarding the activities of food service establishments or other businesses where there's dual regulation?

DEPUTY COMMISSIONER WAGONER: We are in regular touch with them on this introduction specifically, and we'll be working with them through the process to ensure that we can come up with something workable.

CHAIRPERSON VELÁZQUEZ: Does--

SENIOR ADVISOR ORTIZ: [interposing] I would just add to that point, you know, I think we do see-- we understand the policy goals behind a possible permit revocation or prohibiting issuance of a permit. I think, you know, as an agency that licenses its own categories of businesses we understand how that can be an effective deterrent. So in particularly while we see necessarily that increase in penalties is not-- we consider the penalties right now to be appropriate. We can see that, you know, we like to explore with the Council

COMMITTEE ON CONSUMER AND WORKER PROTECTION 23 about permit revocation and how that could help deter businesses from violating these laws that are significant for our New York City workers.

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CHAIRPERSON VELÁZQUEZ: Does DCWP produce training materials for businesses to support compliance with other Local Laws the Department enforces?

a number of materials to ensure that employers ae aware of their obligations. That includes the training that Carlos described. It also includes things like FAQ's with detailed questions and answers, detailed scenarios about compliance, scenarios that commonly come up in the fast-food context. We recently did rule-making to clarify employer obligations under the law and try to put as much information, as much detail out there as we can to ensure that employers know exactly what to do and how to do it.

SENIOR ADVISOR ORTIZ: And I would also add that employers do have requirements as well to place posters in their workplaces that are visible to managers, that are visible to workers, so that these rights are properly disclosed.

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CHAIRPERSON VELÁZQUEZ: What possible challenges, if any, does DCWP anticipate with regards to the enforcement of 613 and 640?

DEPUTY COMMISSIONER WAGONER: I don't know that there are necessarily enforcement challenges. I think we think that training is critical for workers and are looking forward to crafting a program that will give workers the information they need and ensure they know their rights. I think we do, though, think that the penalty structure is currently adequate, and don't see a need in terms of deterrence to increase it.

CHAIRPERSON VELÁZQUEZ: This is my final question before I pass it on to Chair De La Rosa. Do you agree that despite all your honest efforts, there's still many workers who need to learn about the law?

DEPUTY COMMISSIONER WAGONER: I think that's right. I think that there are workers who are unfamiliar with the protections of these laws. I think we're doing a lot of work to expand knowledge and reach those workers in the different ways that workers can be reached. But, you know, we do hear

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 25 from workers who don't about their rights under this law.

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CHAIRPERSON VELÁZQUEZ: Thank you. I want to recognize Council Member Brewer for joining us.

Carmen?

much. Thank you for being here and for answering our questions. We're certainly excited about the possibility of strengthening these laws, and so we look forward to working with you. One of the questions that I had was around the tracking. So, when complaints are coming in, is the agency also tracking like if there's multiple complaints in one? So if it's the Fair Work Week violation versus the Paid Sick Time and Sick Leave, is that being tracked?

DEPUTY COMMISSIONER WAGONER: Yes, we do.

we record that information, both what the worker is

reporting, and then later after there's a full

interview with the worker, we issue spot-- often, you

know, workers don't know all of the issues, right?

So we may identify other issues, and then we record

that information as well.

COUNCIL MEMBER DE LA ROSA: And once the investigations are finalized, is the agency back in

COMMITTEE ON CONSUMER AND WORKER PROTECTION 26 touch with the workers to say this was the outcome of the investigation?

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DEPUTY COMMISSIONER WAGONER: Yes, we do do that, yes.

COUNCIL MEMBER DE LA ROSA: Okay, great.

it's part of our protocols to tell workers what the result of the investigation was. Often, there's monetary relief to the worker and we want to make sure the worker is acutely receiving that money, you know, the correct address, that kind of thing. And then we also survey workers after our investigations about their experiences working with us.

COUNCIL MEMBER DE LA ROSA: Great. And then for the repeat offenders, the employers who continue to violate the law, what does that system look like as far as your first outreach to them to say, you know, is it the=-- is it after the investigation that the outreach happens or before the investigation where you say we've received a number of complaints, please fix your practices-- what-- can you paint us a picture of what that looks like?

DEPUTY COMMISSIONER WAGONER: Sure. It's different in every case, but you know, we would do an

investigation to understand what's going on. And so we would do detailed interviews with the workers to understand the issues. You know, if the workers are reporting workplace wide— ongoing workplace—wide violations, we would send the company a document request. Under most of our consent orders there is an abbreviated time period to respond to that, and so that part is a little bit different because they've already agreed to produce— maintain and produce information in a certain format and get that to us quickly, and then we would investigate to determine what's going on.

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not all businesses are created equally, right? We have the smaller businesses, mom and pop businesses, and we have some corporate giants. Is the treatment different, or is there a different process if the—it's a smaller businesses that maybe needs some guidance on like the new laws versus someone who's repeatedly created a culture of violating the law?

DEPUTY COMMISSIONER WAGONER: I would say every investigation, you know, is a little bit different. I wouldn't say that there is a particular protocol around sort of big versus small, you know,

COMMITTEE ON CONSUMER AND WORKER PROTECTION 28 but we are— our goal in every case is to ensure that the resolution is bringing the company into compliance and tailored to that goal.

COUNCIL MEMBER DE LA ROSA: Great. And then my final question is—— you mentioned that the agency is more interesting in getting money directly to the workers rather than the civil penalty model. Can you explain what the difference is in the agency's point of view?

mean, the workers are the ones who are most affected by violations. The works are the ones who couldn't pick up their kids in the evening. You know, the workers who aren't getting fulltime work. You know, they're the ones who are really suffering when a company is not complying with the Fair Work Week Law. And so in our resolutions, it is most important to us to ensure that workers are compensated. And in our settlement negotiations and our sort of settlement frameworks that is what we're prioritizing, is ensuring that workers are getting that compensation at adequate levels to make them whole for what they experienced.

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COUNCIL MEMBER MENIN: Great, thank you. First of all, I really want to thank the Chairs, Chair Velázquez and Chair De La Rosa for these two pieces of legislation. I think they're fantastic. strongly support them, and I think they're really needed to bring teeth to this issue. I have two concerns with the testimony that I heard today. First, I was frankly-- and I served as DCWP Commissioner starting in 2014 when we launched the Paid Sick Leave Law. I was surprised in your testimony that you're silent on the permit revocation. I know you made comments on it, but I hope we can get you here on the record supporting that, because this is an existing power the Commissioner has to revoke or suspend a record. what this legislation basically does is codifies it, which is incredibly important. So I hope that we can get your confirmation that you are in favor of that.

looking forward to working with Council on ideas for boosting deterrence for noncompliance and to the extent a possible revocation could accomplish that

DEPUTY COMMISSIONER WAGONER:

committee on consumer and worker protection 30 goal, we're happy to explore that further. You know, we do want to be able to coordinate with the Law Department and the Health Department to ensure that the framework is workable. We think it's a very interesting idea and are looking forward to working on it.

COUNCIL MEMBER MENIN: Okay, so I take that as a positive, only because that's an existing power the Commissioner has, it's one of the biggest powers the commissioner has to suspend or revoke. So this codification is incredibly important. hope we're going to get more details from you soon. So, that was the first point. Secondly on the penalties. So I want to build upon what my colleague Chair De La Rosa said, so when you speak about obviously prioritizing restitution for the workers, it's not mutual exclusive from the civil penalties. So, I don't understand why the agency wouldn't look at that. You talk about how you think it won't have a deterrent effect. You have 300 complaints already, on Fair Work Week, so I would argue the civil penalty structure isn't enough, and it's not mutually exclusive, it's not taking away from the very

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 31 important restitution to the workers. It seems like it should be something that the agencies support.

DEPUTY COMMISSIONER WAGONER: We do think it's adequate based on how strong the law is already. The law already provides for 500 dollars per employee per instance of a violation. And for the reasons I described in my testimony, we will often see multiple violations per employee per work week, and you know, that can add up to a great deal of money. We do have concerns about broadening the gulf between the worker relief number and the civil penalty number. know, situation where a worker might be entitled to 200 dollars for a violation, but then the City is entitled to 750 per violation. And so our-- you know, would be more in support of a framework that was increasing work relief since the workers are the ones who are experiencing violations.

COUNCIL MEMBER MENIN: Okay. And then last question. How low is it taking the agency to quote-- you mentioned you have 300 complaints. I believe it was a 150 investigations. So for those 150 investigation, how-- what is the average time it's taking the agency to close the investigation.

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## COMMITTEE ON CONSUMER AND WORKER PROTECTION 32

DEPUTY COMMISSIONER WAGONER: So, I don't have that average number in front of me, but what I can say is that, you know, it's going to depend on the scope. You know, some of these are Just Cause investigations where there's an individual worker who was terminated, and we try to rocket through those as quickly as we can to get that person back to work. In contrast, where we're looking at a workplace-wide potentially multiple location Fair Work Week investigation covering a number of different types of violations of the Fair Work Week Law, you know, to work that case up with the breadth of it is going to take a little bit longer. So, I think you'll see kind of a wide span in terms of how long it takes.

COUNCIL MEMBER MENIN: Okay, if we could get that information--

SENIOR ADVISOR ORTIZ: [interposing] Yes, Council Member.

COUNCIL MEMBER MENIN: to the committee would be great.

SENIOR ADVISOR ORTIZ: We're happy to provide you the average median numbers as well to make sure that the committee has all that data.

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 33

COUNCIL MEMBER MENIN: Great. Thank you

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so much. Thank you.

CHAIRPERSON VELÁZQUEZ: Now, to-- you're good with guestions? Now to Council Member Brewer.

COUNCIL MEMBER BREWER: Thank you very much. And certainly I have to give not only you, but also 32 BJ credit for the work that they did on Chipotle, because I think I went to more demonstrations than I can remember. But one if the issues is, if you don't have 32 BJ, you don't have that kind of organization, because I do believe as hard as you work have worked without them, might not have been able to document some of the challenges, be I was there when I saw challenges personally. So, my question is, is there something else we can do with some of these national chains so that people don't have experience of not picking up their kids, etcetera, etcetera. In other words, how more proactive can you be with some of these national chains. Chipotle is a national chain.

DEPUTY COMMISSIONER WAGONER: I think, you know, we are finding that as we publicize the results of our investigations, you know, when media reports on these things we do tend to get workers

1 COMMITTEE ON CONSUMER AND WORKER PROTECTION 2 filing new complaints and maybe hearing about it for 3 the first time. I think our paid media campaign is 4 really important in that regard, I think this training bill is important in that regard. 5 COUNCIL MEMBER BREWER: Okay, so it 6 7 doesn't make sense literally do-- you know, look at 8 the list of the chains that are here, go meet with the corporate folks and say, listen, these are the laws, and just in case you think that they're not 10 11 going to be enforced, they are. Is there-- is that 12 not proactive in some way, shape, or form? DEPUTY COMMISSIONER WAGONER: I think we 13 14 certainly are having those conversations with the 15 companies as well. 16 COUNCIL MEMBER BREWER: You're doing it 17 on a regular basis? Their companies that come to New 18 York, you're having those kinds of conversations? 19 DEPUTY COMMISSIONER WAGONER: 20 been, yes. 21 COUNCIL MEMBER BREWER: Can we get a list 2.2 of who you met with in terms of those companies? 2.3 DEPUTY COMMISSIONER WAGONER: I think we could look into that and try to provide that to 24

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2 COUNCIL MEMBER BREWER: Also, my

3 understanding is there are state laws. How do you coordinate with the state laws? There's some new 4 state laws that also support fast-food workers. How

do you coordinate with those, if at all? 6

DEPUTY COMMISSIONER WAGONER: I think I'd need to know more specifics about the laws you're referring to. The Fair Work Week Law is a City law only. There isn't--

COUNCIL MEMBER BREWER: [interposing] Oh, I know.

DEPUTY COMMISSIONER WAGONER: a state law corollary.

SENIOR ADVISOR ORTIZ: There is a state law because I was there when it was tested at the Chipotle on 72<sup>nd</sup> Broadway.

SENIOR ADVISOR ORTIZ: Council Member, I think if we could have more details on that particular law, we can write some more, maybe more detailed answer for you. But I can say generally we do coordinate with the state, Office of Attorney General, Department of Labor. For example, in the past we've had investigations in the homecare industry where we are able to partner on

committee on consumer and worker protection 36 investigations after we identified through our Paid Safe and Sick Leave investigation. We identified wage and hour issues, and by coordinating with the state, we were able to also be able to recover and secure restitution for workers in those situations, too. I think generally as a city agency, we want to be a central hub or resource for worker rights. So, even if it's a particular law that we don't enforce, we want to make sure that he workers are getting connected appropriately.

COUNCIL MEMBER BREWER: Alright, thank you. I will get you the name of the State Law. 32 BJ is sitting right there. They know exactly what I'm talking about. Thank you.

SENIOR ADVISOR ORTIZ: Thank you. And I do want to echo you're point, Council Member, that 32 BJ and other worker advocacy organizations are key partners for our agency. You know, as you can see in the room today, all these worker here who are committed to workplace protections and rights, and it's very encouraging for the City.

COUNCIL MEMBER BREWER: Thank you.

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CHAIRPERSON VELÁZQUEZ: Thank you, Council Member Brewer. Now over to Council Member

COUNCIL MEMBER OSSÉ: Thank you so much, Chair Velázquez and De La Rosa. A question that I have pertains to youth. There's a lot of young fastfood worker, obviously here in New York City, a lot of them, you know, working there while also being students here in New York. And the question that I had is what does outreach look like for that specific demographic of people? Is there a social media campaign, things of that nature that engage the young workers that may not be aware of the legal ease or the bill as it exists?

SENIOR ADVISOR ORTIZ: Yes, thank you, Council Member. Social media is definitely an essential component for our outreach and definitely a way that we can reach more New Yorkers, particularly youth who might access social media more often, whether that's the various platforms that we're all familiar with. Our commissioner now, Commissioner Mayuga, I know she has had a particular dedication to ensuring that we're reaching you and that means working with local community dev-- sorry, local youth

1 COMMITTEE ON CONSUMER AND WORKER PROTECTION organizations or local -- is it cornerstone? Yeah, 2 3 it's cornerstone. Thank you. Like for exam-- and 4 also agencies like DYCD to ensure we're reaching 5 youth with our information. COUNCIL MEMBER OSSÉ: Thank you. 6 7 CHAIRPERSON VELÁZQUEZ: Alright, so I 8 have one more question for you all. Does DCWP oppose an increase to both penalties for individual violations and increased pattern-- penalties for 10 11 patterns and practice? 12 DEPUTY COMMISSIONER WAGONER: I think our 13 concern is primarily with the per instance. 14 Increasing the pattern of practice piece is not 15 something that we oppose. Thank you for 16 CHAIRPERSON VELÁZQUEZ: 17 that. Okay, thank you for showing up today. 18 DEPUTY COMMISSIONER WAGONER: Thank you. 19 CHAIRPERSON VELÁZQUEZ: Next panel up 20 we're going to call up Charles Du, John Tritt, and Teofila Guadalupe, and Jeremy Espinal who will 21 interpret. Charles, would you like to begin? 2.2 2.3 CHARLES DU: Thank you. Thank you Chair Velázquez and members of the committee. My name is 24

Charles Du I'm an Associate General Counsel at SEIU

COMMITTEE ON CONSUMER AND WORKER PROTECTION Our union has 175,000 members across Local 32 BJ. the east coast and many other states. We're proud to have been a leader in the fight for \$15 movement since it started 10 years ago. Fast-food worker have been at the forefront of struggles for economic and racial justice, and we've archived so many success in partnership with this City Council. We're here today to keep pushing this fight forward and toe ensure that New York City continues to support its essential workers. New York City's 3,000 fast-food locations employ more than 67,000 people, two-thirds of whom are women, two-thirds immigrants, 88 percent of people of color. The Fair Work Week and Just Cause laws which apply only to chain restaurants with 30 or establishments nationally, are meant to create stability for fast-food workers by requiring large chains to provide stable, regular schedules, and to offer open shifts to current workers before hiring new workers. They also require restaurants to engage in a progressive discipline process before firing Together, these laws envision an industry that schedules its workers for constituent fulltime work that allows them to plan their lives and to make enough to live in the City. Unfortunately, in the

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COMMITTEE ON CONSUMER AND WORKER PROTECTION years since the laws' passage, we've seen employers ignore and violate them systematically. DCWP recently settled a complaint against Chipotle in which the company agreed to pay 21 million dollars to workers, and yet throughout this time, even after the case was brought against it, Chipotle continued to systematically violate the law. We recently filed complaints on behalf of workers at over a dozen Chipotle locations, alleging unlawful reductions in their work schedule. Chipotle and other fast-food employers flout labor standard law because they may calculate that the benefit of continuing their current labor practices outweighs the chance and the severity of enforcement. Most violations go undetected because the burden of reporting violations falls on fast-food workers themselves, and workers may not know what their rights are or how to report violations, and they may face retaliation including hours cuts and fired for reporting violations. DCWP's limited resources may constrict its ability to conduct broad outreach throughout the City, proactively investigate worksites in the absence of a pending complaint, and promptly respond to every complaint field. So we're here today to tell the

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COMMITTEE ON CONSUMER AND WORKER PROTECTION industry that we won't let this behavior slide. The biggest, most-profitable corporations in the fastfood industry must follow the rules, and the rules are very simple: provide regular schedules and offer open shifts to current workers. These are no unreasonable demands. The two bills before us today address this problem in two ways, through enhanced penalties and through worker training. Intro 613 gives DCWP the ability to seek the suspension, revocation, or denial of a fast-food employer's Food Service Establishment Permit in three specific circumstances. First, if the employer fails to pay outstanding fines or penalties for violations. Second, if a court finds that the employer has engaged in a pattern or practice of violations. And third, if the employer has been ordered to pay 500,000 dollars in penalties and fines in the last three years. This gives the City the ability to take enhanced enforcement action against the worst offending employers, the ones that have engaged in systematic violations of the law. We believe that this will have a deterrent effect and will help to ensure compliance with Fair Work Week and Just Cause.

Incorporating a mechanism to suspend or revoke

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COMMITTEE ON CONSUMER AND WORKER PROTECTION licenses for labor violations is a common sense policy with longstanding precedent. Laws conditioning business licenses on compliance with the labor standards has precedent in other jurisdictions including Seattle, Chicago, Somerville, Massachusetts, New Brunswick, Princeton, New Jersey, Westchester County. These are just of the jurisdictions that have passed local laws that take action on permits of businesses with a history of wage theft violations. Intro 640 gives DCWP the ability to conduct trainings on city employment laws, including Fair Work Week and Just Cause, and would require the employer to pay employees for the time sent in these trainings. The bill would also allow DCWP to work with the workers' rights organization to provide trainings. In our experience, speaking with hundreds of fast-food workers throughout the city, most-- you know, almost all are not aware of their rights. Usually we're the first ones to inform them that in fact, they have the right to the regular schedule, and they have a right to be offered shifts before the restaurant hires new workers. workers do not know about these rights. And while

DCWP has taken a robust public education outreach

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 43
effort, workers just lack in many workers lack
accurate information on the rights and how to enforce
them. And even when they do know what their rights
are and have identified a violation, they may be
reluctant to report it because they fear retaliation.
Trainings and workshops conducted by well-trained
agency staff or community partners, can go a long way
towards getting key information to workers and giving
them some assurance that they can safely report
violations. New York already partners closely with
community organizations to play this role. The City
contracts with several worker centers and legal
service providers to conduct outreach and education,
and to reprints low wage and immigrant workers in
wage theft and other cases. These efforts reach
thousands of workers per year and have returned
millions of dollars in unpaid wages to working
families. Continuing to engage in similar
partnerships to train faceted workers about Fair Work
Week and other productions would be an enormously
helpful tool in preventing and combatting violations.
Thank you for the opportunity to testify today.

CHAIRPERSON VELÁZQUEZ: Thank you. John?

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Hello and good morning, Chair Velázquez and Council Members De La Rosa and the members of the committee. I'm actually hopping up here to testify because one of the workers, fast-food workers, who very much wanted their story to be told was unable to come at the last moment, which is often the case with folks in the industry. The reason that, you know, 32 BJ has fought hard for the legislation that regulates scheduling and regulates Just Cause is because of the fact that it's very difficult, if not impossible in some cases, to play your life around your job, and that's frankly unacceptable and oen of the reasons why we continue after 10 years of the first fast-food workers strike to continue to advocate for our city's workers. Just very briefly on a personal, you know, note, before I started doing political work I did organizing with non-union workers and was at the first fast-food strike 10 years ago. And you know, a lot of folks in labor movement love to fight, but we do ultimately want to get to a point where workers are treated fairly and not just continue the fight into perpetuity. So we're very much here to say that the industry should be basically following the law and that's what these laws are designed to do, to

COMMITTEE ON CONSUMER AND WORKER PROTECTION actually ensure that the laws that are already on the books that are good and fair workers are actually enforced. So we appreciate the time. But juts in brief, this is on behalf of Alyssa Roman [sp?], a current Chipotle worker, "Hello, good morning, Chair Velázquez and committee members. My name is Alyssa Roman and I'm a Chipotle worker and soon to be I started working at Chipotle as a means of mother. asserting my independence as a young person. I work hard and want to do everything in my power to provide for my baby. Recently, I had to pick up another job in order to make enough money to save up for an apartment. I believe that fast-food jobs can be the kind of the jobs that I can raise on a family on in the city if they have the will to enforce the laws that have already been passed, but it is difficult when my manager repeatedly cuts my hours or assigns me tasks that endanger my pregnancy. I'm here today to ask the members of the committee to help protect fast-food workers like me. My story is not uncommon as you will hear from many of my coworkers testify this morning. Our employers need to know that we are worthy of dignity, respect, and safety on the job, and if they break the law, they will have to suffer

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1 COMMITTEE ON CONSUMER AND WORKER PROTECTION 2 the consequences. I urge the committee to support 3 Intro 613 and Intro 640 to help regulate an industry 4 that treats their workers as disposable. I ask that you support this legislation and stand with us as we 5 ask the Council to pass these laws. Thank you." 6 7 CHAIRPERSON VELÁZQUEZ: Thank you for 8 sharing. Teofila and Jeremy. Thank you. TEOFILA GUADALUPE: [speaking Spanish] JEREMY: Good morning. Good morning 10 11 Chair Velázquez and committee members. My name is Teofila Guadalupe, and I've worked at Chipotle for 12 13 about five years. 14 TEOFILA GUADALUPE: [speaking Spanish] 15 JEREMY: My store is located in 774 16 Broadway. I like working there because it is close to 17 my children's school. I am proud to work and support 18 my family, but Chipotle's scheduling practices have 19 and continue to be a problem for me. 20 TEOFILA GUADALUPE: [speaking Spanish] JEREMY: I know that the Council has 21 previously passed legislation to help bring stability 2.2 2.3 to fast-food workers' schedules. For that, I am grateful. It is good to know that fast-food workers 24

have allies in the City Council.

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place to protect workers like me, I have experienced issues with scheduling my hours. My manager has not always scheduled me for the hours that I'm supposed to get according to my regular schedule. If they do not follow the regular schedule, then what's the point of the law? I need stability to plan my life and raise my family. I filed a complaint with DCWP in July to get the money I'm owned, but I would prefer if the laws were followed in the first place.

TEOFILA GUADALUPE: [speaking Spanish]

JEREMY: Fast-food workers who depend on their income to support their families need stable schedules. Our employers need to know they cannot violate our rights or the law. I ask you please to support these bills.

CHAIRPERSON VELÁZQUEZ: Thank you for sharing. I'm going to start off asking a question.

I'll do it in Spanish and then I'll translate myself.

[speaking Spanish]

23 TEOFILA GUADALUPE: [SERGEANT AT ARMS:

24 CHAIRPERSON VELÁZQUEZ: [speaking

25 | Spanish] Let me do this all in English, y'all.

1 COMMITTEE ON CONSUMER AND WORKER PROTECTION 2 Chipotle just reached a big 20 million dollar 3 settlement agreement with DCWP and that this 4 agreement covers violations of the Fair Work Week Law 5 up to April 30 of 2022. Are you saying that even after this agreement, Chipotle is still violating the 6 7 law? [speaking Spanish] TEOFILA GUADALUPE: [speaking Spanish] 8 9 She says, yes, they are JEREMY: 10 continuing to break the law. They continue to bring 11 in new workers and cut current workers' hours. 12 cut my hours. They cut my hours-- they cut two days 13 from my regular schedule. I'm now getting 22 hours, 14 and I have a family and kids to take care of. 15 she's been there for five years. 16 TEOFILA GUADALUPE: [speaking Spanish] 17 CHAIRPERSON VELÁZQUEZ: Sorry, in 18 English. What reasons did they give when they cut 19 your hours? 20 TEOFILA GUADALUPE: [speaking Spanish] 21 In July, my daughter is off of JEREMY: school, so -- and she doesn't -- I don't have a 2.2 2.3 babysitter to cover Monday or Fridays. So I asked my manager to take me off of the schedule for those days 24

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for the time.

So, she asked for this time off

TEOFILA GUADALUPE: [speaking Spanish]

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4 for six weeks. So, on September  $5^{th}$ , she knows that

Fridays included, and on September 5<sup>th--</sup> she was

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her daughter was going back to school, so she wanted

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to start her schedule back up with Mondays and

JEREMY:

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promised that day she was given these hours, and when

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September 5<sup>th</sup> came by, she asked her general manager

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to give her these hours and the general manager told  $% \left( 1\right) =\left( 1\right) \left( 1\right)$ 

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her that she could not give her those hours, that she

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had a lot of people to be giving hours to, and that

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she could find another store to work at.

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Wait, wait. Now let me translate myself. It's

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always so funny. Does Chipotle help you secure hours

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at other stores that they may own?

TEOFILA GUADALUPE: [speaking Spanish]

CHAIRPERSON VELÁZQUEZ: [speaking Spanish]

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19 JEREMY: Her-- the divisional [sic]

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manager to tells her to look for another, so she does

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not offer her-- offer to help looking for the store,

and instead offers her hours to work on Sunday, but

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Teofila cannot work Sunday and lets her know that she

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can't work because she can't a baby sitter for that

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day.

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CHAIRPERSON VELÁZQUEZ: Your managers know that you have a child? [speaking Spanish] TEOFILA GUADALUPE: Si.

CHAIRPERSON VELÁZQUEZ: Okay--

JEREMY: Her managers do know that she has a child.

CHAIRPERSON VELÁZQUEZ: Gracias. Carmen? Okay. Oh, sorry. I wnt to recognizes Council Member Farías, and I know she also wants to ask a couple of questions.

COUNCIL MEMBER FARÍAS: Sure. Good morning everyone. I'll only do this is in English so it's easier for you to just translate next to her. I'm Council Member Amanda Farías. Thank you Chairs for hosting this today. Just a little background on me, I actually worked in fast-food my entire young adult life. So, I went from being a host to a hostess and a bar tender and a server. I did banquet and a little bit valet, because I know how to drive stick when I was younger and I was one of the few that did. So this is actually really, really important to me. I initially didn't make it here quite in time to ask the agency, but I will make sure I get that offline from them. But it sounds like we

COMMITTEE ON CONSUMER AND WORKER PROTECTION obviously have a repeat offender which is Chipotle, and obviously there needs to be more stringent penalties to them, and since they are not following any of the rules and regulations and laws that we put in place. For me, and I'd love to hear just from the worker perspective. I've been in the situation where I've need amendments or changing to my scheduling before the Fair Work Week was available. So I was getting my schedule Sunday in the middle of my shift for the next week, right? Like that's how it used to And sometimes I was getting it at one in the morning when I was wrapping my silverware. happens. But looking at some of these penalties it worries me just quite a bit because they're very high. Maybe not -- maybe the right amount for the repeat offender like we have at Chipotle, but maybe not for other businesses. So, I would love to hear your perspective on-- would workers be-- or even 32 BJ itself thinking from the union perspective. there be a flexibility around allowing the -- looking at restarting the two-week timeframe if a worker says, actually I need amendments and that clock kind of stops in that moment until the manager actually makes the amendments and then their two week notice.

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 52
Because the way the law is written seems a little
vague to me around the clock is still going for
them and providing a two-week schedules when
amendments are still requested. So, when I read it,
I look at it as, okay, well, if I got my schedule for
the next two weeks and I saw I needed changes,
technically they're not abiding by the law once I
request the changes and they give it. Well, would
that would you folks be amenable to seeing any
changes in terms of the time clock for the manager?
Because realistically it's not like the head of
Chipotle that's making these decisions, right, or the
head of Applebee's. It is the bar manager or the
floor manager or your back of the house manager
that's then having to go back and say, "Oh, okay, you
need Tuesdays and Fridays? Great, I have to change
that, but like, you know, screaming out back door
because you're running out with a plate of food. So,
have you thought about this or has there been any
dialogue around what does that clock look like, and
making sure that we're still in compliance for the
businesses?

CHARLES DU: I can answer this.

COUNCIL MEMBER FARÍAS: Sure.

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CHARLES DU: I believe that the current law as it is already provides that flexibility, because the structure of the law is really based on worker consent. And so if it's the worker that is initiating the schedule change, if the worker is saying I can't work this shift, can you switch me, or something like that. The employer is not penalized for that kind of thing. As long as the employer actually obtains that consent. What we normally see mist in the industry is that, you know, like you're saying these frontline managers, they're kind of like trying to figure out their schedule. They don't really-- you know. And they will just make changes without asking. That's more of what we see. But if a worker is the one initiating the change that is not a violation of the law as it currently stands.

COUNCIL MEMBER FARÍAS: So, in this law right now, the way it's written, I didn't see anything on like written consent or needing a formalized process of saying you need to-- are we just expecting each businesses independently to have their own process of how we want to keep records of when an amendment to a schedule is changed, and what's approved and what's not approved?

COMMITTEE ON CONSUMER AND WORKER PROTECTION 54

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CHARLES DU: So, these bills themselves, the bills, the current bills don't contain any of that because these two bills do not-- they don't modify the requirements of Fair Work Week at all.

COUNCIL MEMBER FARIAS: Right, but they are modifying the penalties.

CHARLES DU: Yes, they just modify the penalties, but they don't modify the rules of Fair Work Week. And then in the municipal code as it stands, it lays out and also the municipal code as it stands, it lays out— and also the agency's rules that they adopted a few months ago, it lays out all the procedures when a business needs to get advanced written consent. You know, what happens if an employee—

COUNCIL MEMBER FARÍAS: Okay.

CHARLES DU: doesn't want to ask for a change.

COUNCIL MEMBER FARÍAS: So, we should probably look into amending those, because if it's a two-week schedule and advance written request, and you don't get yours. You know, there's like a lot of-- I don't know. For those that have worked in the restaurant I'm sure what I'm saying makes a lot more

COMMITTEE ON CONSUMER AND WORKER PROTECTION sense, because like advance in a two-week schedule and making amendments when you got your own kids calendar for the school year. Like all of those things don't actually speak to one another sometimes, so we should look into amending the Fair Work Week package that has the list of issues if we wanted to make sure it's in compliance with this two weeks. I mean, again, we can always talk offline too, obviously. You folks have my number. I'm just speaking from my own personal experience of like a decade in the industry and looking at these penalties, per say, and how they're obviously not-it's still not working for some of our workers. There still probably needs to be some flexibility on Thank you for answering. the other end. CHAIRPERSON VELÁZQUEZ: Council Member

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CHAIRPERSON VELÁZQUEZ: Council Member Menin?

COUNCIL MEMBER MENIN: Great. Thank you.

I have to say, like, I am incredibly troubled by the testimony today, and I cannot believe that the agency, I don't believe that they're here to hear the worker testimony. I mean this is really unfortunate.

I-- again, your testimony was incredibly compelling and I think it's even more justification for why we

need this permit revocation, so there truly is a deterrent to this behavior. Also, if I could, want to make a suggestion to the Chairs, that I think that the Committee should be writing a letter to the DCWP Commissioner about this testimony to talk about—because to me, it sounds like it's retaliation, which is a flagrant abuse of the law. The fact that your hours were being cut, the fact you're being told to go to a different store, the fact that they're saying that new employees are getting these hours all speak to retaliation, and I think we need to alert the Commissioner to that immediately.

CHAIRPERSON VELÁZQUEZ: Thank you, Julie.

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CHAIRPERSON VELÁZQUEZ: Thank you, Julie.
Council Member Bottcher?

COUNCIL MEMBER BOTTCHER: How are the other chains, too, like McDonald's, Wendy's, Popeye's? Are they all adhering to the law?

JOHN TRITT: Yeah, I'd say-- I'd say-well, broadly, I can't overstate this. Whenever we
have contact with workers at any major chain across
the five boroughs, we are constantly running into
workers who have this problem. And so, you know, I
think to Council Member Brewer's point earlier, you
know, we have-- as a union, we have a-- you know,

COMMITTEE ON CONSUMER AND WORKER PROTECTION 57 we're a well-resourced union with hardworking dedicated organizers, but we can only go so far and have so many contacts with so many workers, and so we know as we have had-- you know, we've been talking to workers at Chipotle and other establishments. know this a widespread, rampant problem, and everywhere we turn we run into workers that have these problems, but for me to be able to sit here today and kind of go over like the big picture of what's happened at the other chains, it's a little difficult to do personally, except I can say with, you know, a high degree of confidence that everywhere we turn we are running into workers that are having this problem and don't know about these laws. agency, you know, give them -- we give them a lot of credit for the hard work they're doing to try to get the word out. They said they've done training to get -- you know, so far they've connected with about 4,000 workers in the industry. That's been a couple of years of that effort, and even then I wouldn't call it a drop in the bucket, but I'd say, you know, there's many, many, many thousands of workers to go. So these laws are strong laws. They're good laws,

but again, in all the big companies we're running

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 58 into this when we talk to workers, and you know, so that's why we think this additional deterrence is important.

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COUNCIL MEMBER BOTTCHER: To your knowledge, is the-- is the agency following up on the complaints with the other chains as it has with Chipotle? How is the agency been with-- you know, we've seen them be aggressive with Chipotle. How are they with other complaints from other--

Well, it's-- yeah, it's a JOHN TRITT: I mean, I think I kind of think of it good question. in two ways. One, we know, you know, there's a lot of hardworking dedicated folks there. They are-- you know, the laws are-- haven't been around for many years, but we know they're trying. I think we personally, I think 32BJ would love to kind of understand and always learn more about their metrics and try to kind of understand how that's all going. Look, as worker advocates, one of the reasons that we know that there's, you know, follow-through with complaints around Chipotle is very much because of the efforts of our organization. But again, we-this is not just about oen sector of the workforce. We understand this is a problem across the city, and

we are— we have limits to how much outreach we can possibly do as an organization. So, I can't— I don't know for sure, and I'd actually be— it's too bad they're not here to kind of say a little bit more about that. We know they're working hard on the industry as a whole, but you know, we know that through our advocacy, we can kind of speak to that, but yeah, we know it's a problem across the board.

COUNCIL MEMBER DE LA ROSA: Anybody else have any more questions, Council Members?

COUNCIL MEMBER BREWER: Yeah.

COUNCIL MEMBER DE LA ROSA: Council Member Brewer?

COUNCIL MEMBER BREWER: I think just to follow up, it's what I was sort of saying earlier, which is that the agency has to quantify for us what kind of specific outreach they're doing to see if there is some kind of relationship between those companies and complaints. Because we don't know. We don't have any metrics along those lines. So, thank you. And then later on, that State Law. I remember that State Law, 77nd Street. So let me know what it is so that I can bring it to the attention of the

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COMMITTEE ON CONSUMER AND WORKER PROTECTION 60 agency. I'd have to go to the manager in that specific situation. Thank you.

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COUNCIL MEMBER DE LA ROSA: Thank you all for coming and 32BJ for your leadership and the workers. Gracias por su testimonio. Thank you so much.

CHARLES DU: Appreciate it. Thank you.

COUNCIL MEMBER DE LA ROSA: Okay, so the next panel is Kevin Dugan, Gabriel Martinez [sp?], and Melanie Kruvelis. And Kevin is remote joining us on Zoom. Kevin, if you could turn on your camera.

KEVIN DUGAN: Hey, can you guys see me or hear me okay?

COUNCIL MEMBER DE LA ROSA: Yes, yes, we can. You may begin.

KEVIN DUGAN: Fantastic, and thanks folks for having me today. Good morning. My name is Kevin Dugan, and I'm the Government Affairs Director for the New York State Restaurant Association. We're a trade association representing food and beverage businesses across the entirety of New York State. We're the largest hospitality trade association in the state, and we have advocated on behalf of our members for over eight years. Our members represent a

COMMITTEE ON CONSUMER AND WORKER PROTECTION large and widely regulated constituency in New York City, and our industry continues to be disproportionately hurt by lingering impacts in losses of the COVID-19 pandemic. We recognize the goals of the Fair Work Week legislation the City Council has previously passed and we also understand that publicizing one-off cases of non-compliance may send the wrong message about quick-service restaurants are treating their obligations. The real underlying picture is that the vast majority of our operators are engaged in good faith efforts to comply with the existing Fair Work Week legislation, even though the law poses more compliance challenges than any other similar legislation around the country. We're here today to address both Intro 640 and 613 and to make the following suggestions about how to move forward with the strong intention of both protecting workers and being fair and reasonable to operators. I do ask please do not double the fines associated with the Fair Work Week enforcement, and instead help us create a more robust and thorough set of training materials so that operators and staff can abide by the Fair Work Week rules. Intro 613 would double the fines for businesses found in violation of

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SERGEANT AT ARMS: [interposing] Time

25 expired.

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KEVIN DUGAN: [inaudible] that would only be exacerbated by harsher fines. To shed more light on the specifics, we recently have a survey data to—we recently released survey data to explain the landscape of restaurants that are facing—the economic landscape restaurants are facing, and these are some of the key findings that we found: 85 percent of operators—

COUNCIL MEMBER DE LA ROSA: [interposing]

Please wrap up. Please wrap up your comments. Your

time has expired, but please wrap up.

KEVIN DUGAN: Oh, yeah, will do. I'll just briefly summarize our feelings on 640. Would be required to— the Intro 640 would require the city to send their employees off—site to train on Fair Work Week Laws at a time and place dictated to them and by an entity outside of their employer. We share the Councils respect for training as an important component to the law, and we take perspective that rather than an inconvenient off—site training, that some of this training could be taken in—house as there's a number of opportunities that employers are constantly being trained in all sorts of things, including food handlers, mandatory sexual harassment

COMMITTEE ON CONSUMER AND WORKER PROTECTION prevention training, that this additional training could be very well worked into the law. Be happy to work with DCWP on what this training may or may not look like, but it may make more sense just for everybody's schedule to happen in-house if at all possible. Again, I'll wrap up. We appreciate the Council's intentions to protect workers and prevent bad actors from intentionally breaching the Fair Work Week regulations and we do share those goals. Just hope that we can work forward together on education materials that make sense, and hopefully work towards a more equitable fine structure instead of the oen proposed here in the rules. So at that, I will leave it there, and thank you again for allowing me to testify today.

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COUNCIL MEMBER DE LA ROSA: Thank you.

You may begin, and please identify yourself as well
so we can make sure to check you off.

MELANIE KRUVELIS: Okay, thank you. Good morning members of the committee on Consumer and Worker Protection. I'm Melanie Kruvelis. I'm a Research Associate at the CUNY Urban Food Policy Institute at the School of Public Health and a graduate student at the CUNY School of Flavor and

COMMITTEE ON CONSUMER AND WORKER PROTECTION Urban Studies. Today I speak on behalf of the CUNY Urban Food Policy Institute to express our support for Intro 613 and 640 for the purposes of the health and educational benefits of New York City's workingclass students. While the passage of these two bills would bring benefits to fast-food workers across the City, our testimony today will focus on their impact on the 40,000 CUNY students who work in the food industry while in college. An April 2021 survey found that 17 percent of CUNY students work in the food sector, making it the largest single employment sector for our students. CUNY also trains more people to work in the food sector than any other university in the country. Our institute is conducting a study of CUNY students who work in the food industry while in school. As part of that project, our team recently interviewed 20 CUNY students who are also food workers. These in-depth interviews identified several ways that working in food and specifically fast-food makes it harder to focus on school, make progress on the degree and graduate. First, violations of the City's Fair Work Week Law, as discussed earlier today in the testimonies, force students to miss class, fall

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COMMITTEE ON CONSUMER AND WORKER PROTECTION behind on assignments or give up on school work Students we spoke with reported that their entirely. employers would change schedules at the last minute either to close the store at the end of the day or replace an absent worker. One student explained how an erratic work schedule led to them dropping to part-time enrollment in school. Research shows that part-time students are much less likely to complete their degree than those enrolled fulltime. Other students told us about the many physical and psychological health challenges they face in their food jobs. These includes requirements for heavy lifting and adequate protection against kitchen injuries or burns, repetitive strain and injuries, sexual harassment and adequate access to PPE, as well as customer harassment in response to COVID-19. students noted the lack of safety, education, or any information about their rights as worker, endangering workers, colleagues, and customers. For these reasons we support both bills today in front of the Council. Passing this legislation will ensure that CUNY students who are food workers will be educated about their rights and better able to protect themselves against the threats to healthy they

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1	COMMITTEE ON CONSUMER AND WORKER PROTECTION 67
2	encounter in the workplace. In addition to these
3	bills, we also encourage the Committee to fight for
4	things like more funding at DCWP to ensure the agency
5	is equipped to handle additional complaints that may
6	result from increased worker education. Thank you
7	again for the opportunity to testify today about the
8	impact these bills would have on working-class
9	students, and we look forward to working with you on
10	this legislation.
11	COUNCIL MEMBER DE LA ROSA: Thank you so
12	much.
13	GABRIEL MARTINEZ: [speaking Spanish]
14	TRANSLATOR: Good morning, Chair
15	Velázquez and Committee Members. I work at 4009
16	Broadway and I have worked there for many years. My
17	name is Jim [inaudible].
18	GABRIEL MARTINEZ: [speaking Spanish]
19	TRANSLATOR: I'm happy to hear about the
20	recent settlement the City reached with Chipotle,
21	because I have experienced numerous reductions in
22	hours to my schedule which is a violation of the Fair
23	Work Week Law. Many of my co-workers who you've

GABRIEL MARTINEZ: [speaking Spanish]

heard speak today shared similar experiences.

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TRANSLATOR: Fast-food workers everywhere are at the mercies of capricious [sic] managers. We know this because despite the City Council passing Fair Work Week and Just Cause protections, companies like Chipotle continue to break the law at our expense.

GABRIEL MARTINEZ: [speaking Spanish]

TRANSLATOR: I'm here today to ask the members of this committee to take a stand with fast-food workers and increase the penalties for violating Fair Work Week protection. Employers who repeatedly break the law should not be allowed to do business in New York City. I urge you to support Intro 0613 and pass it into law.

Gracias. Do any of the colleagues have questions for this panel? Oh, and I want to recognize Council Member Krishnan has joined us. Questions? No? [speaking Spanish] There's no questions. Thank you so much for testifying. Up next we have Lucia Pacheco [sp?], Ashely Sevalla [sp?], and Paloma Nunez [sp?]. If you're here you can come up. If you're virtual—all these people are in-person. Lucia Pacheco, Ashley Sevalla, and Paloma Nunez. We can

COMMITTEE ON CONSUMER AND WORKER PROTECTION 69 start. When you're comfortable, please begin. Thank you.

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ASHLEY SEVALLA: Good morning Chair
Velázquez and Committee Members. My name is Ashley
Sevalla, and I work as a Service Manager at the
Chipotle location 404 Broadway.

COUNCIL MEMBER BREWER: Pull the mic closer to you.

ASHLEY SEVALLA: Oh, sorry. As an expecting mother, I'm depending on my ability to work to provide for my family. Working in the food service can get stressful especially when the store is busy during a lunch or peak rush. Combined with short staffing, it can be easy to make mistakes, and those mistakes can be dangerous, especially since we're preparing hot food. I've personally experienced a lot of injuries while working at Chipotle. I often feel over-worked as a result of understaffing when I work-- sorry. When I talk to my co-workers, some of whom are here today, I feel confused, because a lot of them want to work more hours. I too have expressed that I would like to work more hours in order to prepare for my baby. Staffing and scheduling issues have larger impacts on fast-food workers like me, and

committee on consumer and worker protection 70 until our employers follow the law, we need additional protections that can help regulate harmful practices. It's not fair that Chipotle can keep violating the law and still be allowed to do business in New York City. I ask each of you to please support this legislation and help pass it into law. Thank you.

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COUNCIL MEMBER DE LA ROSA: Thank you.

PALOMA NUNEZ: Good morning, Chair Velázquez and Committee Members. My name is Paloma Nunez and I work at the Chipotle located in 404 Broadway. Pretty soon after I started working at Chipotle, I met an organizer from 32BJ. I was really happy we met because I learned a lot about my rights as a worker, which I didn't know before. That's how I became aware my manager was unlawfully reducing my hours repeatedly. I filed a complaint challenging this in July. I want to help organize my coworkers and teach them everything I learned, especially because our managers were breaking the very laws meant to protect us. I've seen many of my workers come and go because they couldn't maintain their lives while responding to unstable scheduling and I don't blame them. It shouldn't be this way. While I

was lucky enough to learn from an organizer, many fast-food workers are still ignorant about their rights. Into 0640 expands the City's ability to conduct worker rights training that would ensure that employees are empowered with the knowledge to identify when they're being taken advantage of. It's important to me that this bill passes because I believe every worker should know their rights as granted to them by the law. That's why I'm asking the committee to please support this legislation. Thank you.

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COUNCIL MEMBER DE LA ROSA: Thank you so much.

Velázquez and Commit [sic] members. My name is Lucia Pacheco and I work at Chipotle store located at Riverdale Crossing. I'm here today to ask your support [inaudible] 13 and Intro 640 that will be harder [sic] protect fast-food workers like me from unstable schedule, ensure that every fast-food worker [inaudible] work at Chipotle to support myself and my baby. Inconsistent schedule and reduction in hours make it difficult for me to plan my life outside of work. It also makes it hard to save money or plan

COMMITTEE ON CONSUMER AND WORKER PROTECTION 72 for my family future. And I file a complaint with the DCWP because Chipotle cut my hours unlawfully, and I'm already struggling to keep up with my cost of living. I cannot afford to lose the hours I depend on. Chipotle needs to know this is not oaky. It needs to follow the law in New York City. Commit [sic] Members, I ask you to support this legalation [sic] and stand with us as we ask the Council to pass into the law. Thank you.

COUNCIL MEMBER DE LA ROSA: Thank you so much. Colleagues, any questions for this panel? No? Thank you so much for coming out and for sharing your experiences and your stories.

LUCIA PACHECO: Thank you.

COMMITTEE COUNSEL: At the time, if you wish to testify and have not been called on, please stand up and submit a witness slip. Seeing that nobody is looking to testify, [inaudible].

COUNCIL MEMBER DE LA ROSA: Well, on behalf of Chair Velázquez, and the entire Committee, thank you all so much for being here. We look forward to seeing this legislation progress and continuing the conversation. Thank you to 32BJ and all the

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1	COMMITTEE ON CONSUMER AND WORKER PROTECTION 73
2	workers that came out today and everyone who
3	testified. So, with that, the hearing is adjourned.
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World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date September 27, 2022