

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONSUMER AFFAIRS

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December 14, 2012  
Start: 11:10 a.m.  
Recess: 11:22 a.m.

HELD AT: 250 Broadway  
Committee Room - 14<sup>th</sup> Floor

B E F O R E:  
DANIEL R. GARODNICK  
Chairperson

COUNCIL MEMBERS:  
Leroy G. Comrie, Jr.  
Julissa Ferreras  
Lewis A. Fidler  
David G. Greenfield  
Letitia James  
Karen Koslowitz  
Michael C. Nelson

## A P P E A R A N C E S

Jeffrey Frediani  
Legislative Analyst  
AAA New York

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2 CHAIRPERSON GARODNICK: Today is  
3 Friday, December 14<sup>th</sup>, I have the privilege of  
4 chairing this Committee. I'm joined today by  
5 Council Members Lew Fidler, Leroy Comrie and David  
6 Greenfield, and we are today considering two, one  
7 of them which has had a prior hearing and one of  
8 them which has not, the first is Intro 702. In  
9 September, 2012 this Committee held a hearing on  
10 Intro 702, a bill that would help insure that when  
11 ... that whether motorists use cash or credit to pay  
12 at the pump, they would know the price explicitly  
13 for each payment. Intro 702 has since been  
14 amended to not only require that gas stations post  
15 both cash and credit card prices on their street-  
16 level signs for each grade of gasoline, but also  
17 to require that all gas stations have street-level  
18 signs. Council Member Fidler is the sponsor of  
19 702A, I'm going to turn the floor over to him, and  
20 also note that we had a very interesting and  
21 robust conversation at the last hearing on the  
22 subject of surcharges and discounts, and certainly  
23 this Committee now has a better understanding of  
24 that distinction under the law, and Council Member  
25 Fidler, we thank you for bringing these issues to

1  
2 the attention of this Committee. The floor is  
3 yours.

4 COUNCIL MEMBER FIDLER: Thank you,  
5 Chairman Garodnick, and I want to thank you for  
6 not only holding this issue, this hearing, but  
7 moving this legislation forward in its amended and  
8 improved state. Good morning to my county leader  
9 who just walked in, Frank Seddio, Mike Nelson.  
10 You know, every now and then you get the  
11 opportunity to do something about a problem that  
12 gnaws at the innards of New Yorkers. I know that  
13 this is one of them, because it gnawed at mine.  
14 The bait and switch of pulling up to the pump,  
15 seeing an already-exorbitant price, and then  
16 finding out that if I want to use my credit card,  
17 it was going to cost me 10 or 15 cents a gallon  
18 more, drove me nuts. I know it drives a lot of  
19 New Yorkers nuts. It's just, you know, the  
20 loophole that is the size of a truck that the  
21 state law has left, whereby you can't charge more  
22 for credit card, but you can charge less for cash.  
23 It is one of the most absurd things I've ever  
24 heard in my life, and that's been the state of  
25 state law for quite a while. So doing what we can

1  
2 do here, which is to make sure that people know  
3 what the price is, the amendment to this bill,  
4 which came out of our last hearing, where it  
5 became clear that gas stations would just take  
6 their signs down rather than comply, has been  
7 fixed, and now every gas station has to have a  
8 sign. It's good for consumers, it's transparent,  
9 it may even cause a little competition for the  
10 price of a gallon of gasoline in the City of New  
11 York, and I can't see how that wouldn't be a good  
12 thing. So I thank you again, Mr. Chairman, I want  
13 to thank the Speaker as well, the Committee staff,  
14 the legislative staff, my counsel, Brad Reid, who  
15 is sitting here in the front row, for all the work  
16 that's been done on this, and I look forward to  
17 bringing this to a vote in the near future, both  
18 in the Committee and on the floor of the Council.

19 CHAIRPERSON GARODNICK: Thank you,  
20 Council Member Fidler. We have been joined also  
21 by Council Member Mike Nelson, and we're now going  
22 to introduce the second bill that is on the agenda  
23 at today's hearing, which is Intro 939A, which  
24 covers stoop line stands. Now I'm sure that  
25 everyone in this room has seen one of the city's

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2 more than 2,100 licensed stoop line stands on the  
3 sidewalk in front of one store or another, even if  
4 you did not know that that display is actually  
5 referred to as a stoop line stand, it's usually  
6 selling fruits or vegetables or flowers or  
7 something of that nature. This bill, 939A, would  
8 allow for stoop line stands measuring up to ten  
9 feet in length by ten feet in width on sidewalks  
10 that are at least 21 feet in width, as long as  
11 there is a sufficiently wide pathway in front of  
12 the stand to allow for pedestrian traffic. David  
13 Greenfield, the Council Member from Brooklyn, is  
14 the sponsor of Intro 939A, and I will turn the  
15 floor over to him to make some introductory  
16 remarks.

17 COUNCIL MEMBER GREENFIELD: Thank  
18 you, Mr. Chairman, I appreciate it, and I too  
19 recognize the Chair of my Brooklyn Democratic  
20 Party, good to see you here today. I will say ...  
21 what's that? Well see, thank you very much, and  
22 we also have the support of the Brooklyn Chamber  
23 of Commerce and the Mayor's Office as well. I  
24 will say that this bill, similar to the bill that  
25 my colleague, Council Member Lew Fidler, is

1 talking about today, is a commonsense bill. And  
2 as you know, Mr. Chairman, I am very fond of  
3 commonsense bills. What this bill does is it  
4 basically codifies a couple of things. The first  
5 thing is that right now on the stoop line stands  
6 the owners of these stoop lines are not supposed  
7 to sell cigars, cigarettes or tobacco items, and  
8 the reason for this actually is a pretty  
9 commonsense reason, and that is that those items  
10 are not supposed to be sold to youth under the age  
11 of 18, and by law those items need to be  
12 supervised, and there's no way to supervise  
13 something when it is outside. And so we're simply  
14 codifying something that should be the law  
15 already, and is the interpretation as understood  
16 by the Department of Consumer Affairs, but we're  
17 simply clarifying that. The second thing which  
18 actually is something that is very important is  
19 that currently under the law the maximum width,  
20 the width being how far you can go into the  
21 sidewalk, is five feet. And five feet is allowed  
22 when you have a total of 16 feet on the sidewalk,  
23 meaning that you will have 11 feet left over to  
24 walk. What we are doing with this legislation is  
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1  
2 that we are saying that existing facilities in M-  
3 1, M-2 and M-3 manufacturing zones, so these are  
4 neighborhoods where already there is  
5 significantly-less traffic because less people are  
6 traversing through these streets, in those  
7 particular areas a stand can go up to ten feet,  
8 provided that the sidewalk is 21 feet. And the  
9 reason this is so much commonsense is, because if  
10 you have more room on the sidewalk, then you  
11 should be able to have a larger stoop line. And  
12 so this bill actually would maintain the same 11-  
13 feet requirement, because if you have 21 feet and  
14 you have a ten-foot stoop line, you still would  
15 have 11 feet to walk through the sidewalk. So two  
16 minor but significant changes that will codify  
17 some commonsense rules regarding stoop lines.  
18 Thank you, Mr. Chairman.

19 CHAIRPERSON GARODNICK: Thank you,  
20 Council Member Greenfield, and I want to note  
21 we've been joined by Council Member Karen  
22 Koslowitz. And Council Member Greenfield, of  
23 course we know that you have trademarked the  
24 commonsense legislation, we appreciate that, and  
25 certainly this is no aberration. Mr. Chairman,



1  
2 welcome to the Committee. And let me just note  
3 that on that bill, before we turn to the one  
4 witness who is scheduled to testify today, and  
5 that is on Intro 702A, as to the stoop line stands  
6 we have letters in our possession from the New  
7 York City Department of Consumer Affairs dated  
8 December 12<sup>th</sup>, re Intro 939A, addressed to me,  
9 which says, "Thank you for the opportunity to  
10 comment on this bill. The New York City  
11 Department of Consumer Affairs has no objection to  
12 939A", Signed by Fran Freedman, the Deputy  
13 Commissioner of External Affairs of DCA. Also  
14 from the Brooklyn Chamber of Commerce writing --  
15 Carlo Scisurra, President & CEO -- writing to  
16 express the Chamber's support of 939A, and asks  
17 that this letter be made part of the record as  
18 part of the hearing today. So both will be  
19 entered into the record, and that's what we have  
20 on stoop line stands. Now, we have one witness  
21 who is interested in testifying on the subject of  
22 702A, which is the gas station bill, and we'd like  
23 to welcome back Jeffrey Frediani from AAA New  
24 York. Welcome back, it's good to see you. Come  
25 on and have a seat, and as soon as you're ready,

1  
2 you can introduce yourself and get started.

3 MR. FREDIANI: Okay, good morning,  
4 my name is Jeffrey Frediani, I'm a legislative  
5 analyst with AAA New York, which serves more than  
6 1.6 million members residing in the City of New  
7 York and adjacent counties of New York State, and  
8 we support Intro 702A. With gasoline prices at  
9 increased and steady levels, many consumers are  
10 coping with the reality of higher prices. One  
11 year ago, the average price for a gallon of  
12 regular in New York City was \$3.66, today it  
13 averages \$3.89. Since fuel prices now seem to be  
14 significantly higher with each passing year, many  
15 consumers now believe that increased gasoline  
16 costs have become a permanent fixture in their  
17 lives. They are rightly concerned with these  
18 higher gasoline costs because like most other  
19 consumer goods, costs have been rising steadily  
20 for some time now. The difference with gasoline,  
21 however, is that many consumers do not have an  
22 alternative option to driving. To some, mass  
23 transit is simply not an option, often because of  
24 an individual's business or profession. When  
25 purchasing other goods, consumers can typically

1  
2 opt to purchase a similar product at a lower  
3 price. Purchasing fuel for their vehicles is  
4 different altogether. Consumers have to pay what  
5 the market dictates in order to go about their  
6 daily lives. With that reality in mind, it is  
7 easier to understand why sharp and steady  
8 increases in fuel prices are a significant  
9 financial setback for many citizens, and why  
10 consumers need more protection from misleading  
11 prices at gas stations. Unfortunately, some gas  
12 stations are engaging in a deceptive advertising  
13 practice, whereby they post the lower, cheaper  
14 prices for cash sales on the marquee signage near  
15 the road, only to charge a driver a much higher  
16 price for using a credit card once they pull into  
17 the station. In 2008, AAA in New York partnered  
18 with then-attorney general Andrew Cuomo in a fight  
19 against this practice and the attorney general's  
20 investigation revealed that approximately 1/3 of  
21 gas stations in the Long Island region were  
22 engaging in this deceptive practice. This  
23 legislation, by requiring more prominent street-  
24 side advertising of cash versus credit prices,  
25 will allow drivers to see the advertised price of

1  
2 gasoline from the road more easily and help stop  
3 this deceptive bait-and-switch tactic.

4 Accordingly, we strongly support enactment of  
5 Intro 702A as a welcome aid to drivers who  
6 desperately need relief at the gas pump. Thank  
7 you.

8 CHAIRPERSON GARODNICK: Thank you  
9 very much for your testimony, and I will see if  
10 there are any questions from the panel. There is,  
11 Council Member Fidler.

12 COUNCIL MEMBER FIDLER: Not a  
13 question, just a quick comment. I paid AAA dues  
14 for 37 years, and I just want to say that I see  
15 that they're being very well-spent.

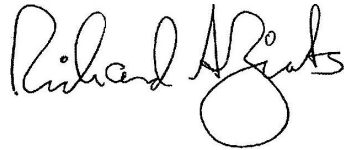
16 MR. FREDIANI: Great, we definitely  
17 like hearing that.

18 CHAIRPERSON GARODNICK: Thank you,  
19 Council Member Fidler. I want to note we've been  
20 joined by Council Member Ferreras, Council Member  
21 James, and I also will note that we have letters  
22 on the subject of Intro 702A from the Department  
23 of Consumer Affairs, again Fran Freedman, Deputy  
24 Commissioner of External Affairs, writes that "DCA  
25 supports 702A, believing that such signage will

1  
2 make it easier for consumers to ascertain the cost  
3 of fuel before pulling into gas stations". We  
4 also have a letter that will also be entered into  
5 the record from Garry Brown, Assistant Attorney  
6 General in charge of the Westchester Regional  
7 Office of the Office of the Attorney General of  
8 the State of New York, the letter is addressed to  
9 Gary Altman, our legislative counsel here at the  
10 New York City Council, and expresses the Attorney  
11 General's support for 702A. I will not read the  
12 two-and-a-half page letter, that will be submitted  
13 into the record, I will spare you all, but  
14 needless to say, it is supportive of 702A. If  
15 there are any other comments from the panel,  
16 otherwise we're going to close this hearing and  
17 thank everybody for their participation today.  
18 We'll call it one of the fastest in history, and  
19 with that we're adjourned.

C E R T I F I C A T E

I, Richard A. Ziats, 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.



Signature \_\_\_\_\_

Date \_\_\_\_\_ December 21, 2012 \_\_\_\_\_