

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON RULES, PRIVILEGES, AND ELECTIONS

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January 30, 2014
Start: 10:45 a.m.
Recess: 01:40 p.m.

HELD AT: Committee Rm - City Hall

B E F O R E:

BRAD S. LANDER
Chairperson

COUNCIL MEMBERS:

MARGARET S. CHIN
INEZ E. DICKENS
RAFAEL L. ESPINAL, JR.
DANIEL R. GARODNICK
VINCENT IGNIZIO
MARKLEVINE
MELISSA MARK-VIVERITO
YDANIS A. RODRIGUEZ
DEBORAH L. ROSE
JUMAANE D. WILLIAMS

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

2 [gavel]

3 CHAIRPERSON LANDER: Good... Thank you.

4 Good morning and welcome to the Committee on Rules,
5 Privileges, and Elections. I'm City Council Member
6 Brad Lander and I'm honored to chair this
7 committee. It's nice to see so many people in the
8 audience though I know we're not quite as well
9 attended as we were at our last meeting. But it's
10 wonderful to have you all here. Before we begin I'd
11 like reduce, introduce the other council members
12 who are present at the meeting this morning. Let me
13 first introduce members of the Rules Committee and
14 then other who are here. We're very pleased to be
15 joined by our Speaker Melissa Mark-Viverito as a
16 member of the Rules Committee as well as Council
17 Member Inez Dickens of Manhattan, Margaret Chin of
18 Manhattan, Dan Garodnick of Manhattan, the Minority
19 Leader Vinny Ignizio from Staten Island, Mark Levin
20 from Manhattan, Ydanis Rodriguez from Manhattan and
21 Rafael Espinal from Brooklyn. There's also a couple
22 of members here who are not on the committee. I
23 want to not we're joined by Deputy Leader Vinny
24 Ignizio who chairs the Oversight and Investigations
25 Committee, Vinny Gentile thank you who chairs the

2 Oversight and Investigations Committee which has an
3 ongoing relationship with the Department of
4 Investigation, and we are also joined by Council
5 Member Rory Lancman of Queens. Thanks to you guys
6 for attending. And Council Member Rose is up behind
7 us in the Captain America Chair.

8 [laughter]

9 CHAIRPERSON LANDER: And Council Member
10 Rose is also a member of this committee. I'd like
11 to acknowledge the hard work to prepare for this
12 hearing. You can see there's been a lot of, of good
13 work to get ready for today's meeting by our
14 Council Amatullah Booth and thank her Chuck Davis,
15 Nadir Joshua for organizing the hearing as well as
16 Alex Pustilnik and Rob Newman in the legislative
17 division for helping us to prepare for this
18 hearing. And I also want to thank Michael Freedman-
19 Schnapp from, from my staff. The Mayor Bill de
20 Blasio formally submitted Mark Peters to the
21 Council for his advice and consent regarding his
22 appointment as the Commissioner of the New York
23 City Department of Investigation. Welcome Mr.
24 Peters. Today the Council will consider whether to
25 give that advice and consent for this candidate

2 before a vote next week. We won't be voting in
3 Committee today. We'll vote next week before our
4 meeting on Tuesday. If the Council gives its advice
5 and consent from Mr. Peters he will serve an
6 indefinite term in this position. Before I say a
7 little bit more about what the charter says about
8 the Department of Investigation Commissioner
9 position, I would like to recognize Speaker Mark-
10 Viverito for an opening statement.

11 SPEAKER MARK-VIVERITO: Thank you Chair
12 Lander and I want to say good morning to all my
13 colleagues and all those who are here. The
14 Department of Investigation plays an important role
15 in our city. Through its investigatory powers DOI
16 guards against corruption, waste, and fraud. DOI
17 ensures that city agencies, city contractors and
18 public officials are working to further the
19 interest of the city, not to benefit themselves.
20 Accordingly the Commissioner of DOI has brought
21 authority to investigate allegations of wrong doing
22 to audit the operations of city agencies and to
23 make appointments for various positions responsible
24 for overseeing the operations of the city.
25 Similarly DOI has a responsibility of reporting its

2 findings to the Council which can inform some of
3 the actions the Council will take to reform city
4 government. Fulfillment of DOI's mission is
5 important in assuring faith in government. Every
6 time the Department of, identifies and punishes
7 those who seek to misuse their city position,
8 power, or authority it sends the message that this
9 type of behavior will be sought out and eliminated.
10 This year with the passage of Local Law 70 which I
11 was extremely proud to support and I want to thank
12 the leadership of the colleagues that sponsored it,
13 the next DOI Commissioner will take another
14 important step in increasing New Yorkers' faith in
15 government. The Commissioner will appoint the first
16 NYPD Inspector General by or before April 1st,
17 2014. We expect the Commissioner and the IG to work
18 closely and diligently to improve relations between
19 New York City police officers and the communities
20 they serve. We'll recognize that as important as it
21 is to eliminate crime and corruption it is equally
22 important to ensure that innocent New Yorkers are
23 not subject to harassment and abuse by the
24 government that has been put in place to protect
25 and serve them. This is no less true when the abuse

2 is the misuse of power or position by an elected
3 official that when it is unwarranted and baseless
4 stop and frisk by a police officer. In performing
5 these essential functions it is imperative that DOI
6 is independent, that it is not the hold into any
7 political figure, including the Mayor or outside
8 interests. It is equally important that DOI can
9 separate itself from agencies with which it works
10 closely to ensure that it can review their
11 practices and procedures with the same scrutiny
12 that it applies to other city agencies. This cannot
13 be more important than it is with the New York City
14 Police Department. DOI must at all times work
15 exclusively on behalf of the citizens of New York
16 City. This independence starts with its
17 Commissioner and it is important to the integrity
18 of DOI's investigations and related findings. The
19 Council is committed to using its oversight powers
20 to review the implementation of DOI's
21 recommendations and enforcement actions of city
22 agencies. Similarly the Council will work with the
23 Department to identify complaints for investigation
24 as appropriate as to provide useful information and
25 recommendations to address community concerns about

2 the operations of the city's government. So given
3 the importance of DOI's role in city government we
4 take the appointment of the DOI Commissioner very
5 seriously. We look forward to having a full public
6 discussion about Mr. Peter's candidacy and we will
7 review it very closely. So I want to thank you Mr.
8 Peters for appearing before us today. I'd like to
9 thank everyone who is in attendance for your
10 presence and contributions to this discussion which
11 will ensure that this will be a transparent
12 process. And I want to thank the leadership of our
13 Chair Brad Lander. Thank you very much.

14 CHAIRPERSON LANDER: Thank you very much
15 Madam Speaker. I, in addition to those very helpful
16 opening comments, want to just for the record flag
17 that pursuant to both Chapter 34 and Section 31 of
18 the New York City Charter the Mayor appoints the
19 Commissioner of the Department of Investigation
20 with the advice and consent of the New York City
21 Council after a public hearing which we are having
22 today. The Commissioner is required to be a member
23 in good standing with the bar of the state of New
24 York and to have at least five years of law
25 enforcement experience. Currently the annually

2 salary for the DOI Commissioner is 205,180 dollars.

3 Per Chapter 34 of the Charter DOI has jurisdiction

4 over any agency, officer, or employee of the city,

5 any person or entity doing business with the city,

6 any person or entity that is paid or receives money

7 from or through the city, and agency of the city.

8 And I'll flag that that includes the New York City

9 Council so we are having an advising consent

10 hearing both with someone who will be our partner

11 in, in conducting investigations and making sure

12 that all the things that the Speaker discussed

13 waste, fraud, and abuse are rooted out, but also

14 someone who has responsibility for the same, the

15 same responsibility in relationship to the Council

16 itself which is appropriate and provided for by the

17 Charter. DOI also has a complaint bureau which

18 receives complaints from the public. The DOI

19 Commissioner is responsible for approving the

20 appointment of all New York City Agency Inspectors

21 General and promulgating the associated standards

22 of conduct for such appointed positions. The DOI

23 Commissioner monitors and evaluates the activities

24 of these IGs to ensure uniformity of their

25 activities and the IGs report directly to the DOI

2 Commissioner. As the Speaker mentioned, as a result
3 of Local Law 70 of 2013, and I want to flag we've
4 been joined by the lead sponsor of Local Law 70 of
5 2013 and a member of this committee, Council Member
6 Jumaane Williams of Brooklyn, the DOI Commissioner
7 will also have the duty of appointing an individual
8 who will serve as the first Inspector General of
9 the New York City Police Department. And pro Local
10 Law 70 this appointment must be made no later than
11 April 1st, 2014. The duties of this IG will include
12 investigating, reviewing, studying, auditing, and
13 making recommendations relating to the operations,
14 policies, programs, and practices of the New York
15 City Police Department on an ongoing basis with a
16 goal of enhancing the effectiveness of the
17 Department, increasing public safety, protecting
18 civil liberties and civil rights, and increasing
19 the public's confidence in the police force thus
20 building stronger police community relations. These
21 investigations, reviews, studies, audits, and
22 recommendations will also address NYPD's ongoing
23 partnership with other law enforcement agencies.
24 The NYPD IG will also report directly to the DOI
25 Commissioner and the Commissioner will be required

2 to report to the Council the identity and
3 qualifications the individual selected to perform
4 these duties no later than 90 days after the
5 effective date of the law. In just a moment we'll
6 welcome Mr. Peters and, and have him swear in and
7 give an opening statement. After that there will be
8 questions from the Council Members beginning with
9 the Speaker, myself, members of the committee, and
10 then other Council Members who are here. After that
11 if there are members of the public who wish to
12 testify they should fill out a card and sign in
13 with the clerk and we'll make that opportunity
14 available as well.

15 Mr. Peters welcome we're happy to have
16 you hear this morning. We appreciate your coming
17 and we would ask that you raise your right hand and
18 the Committee Council will swear you in.

19 COMMITTEE COUNCIL: Do you swear or
20 affirm to tell the truth, the whole truth, nothing
21 but the truth so help you?

22 MARK PETERS: I do.

23 COMMITTEE COUNCIL: Thank you.

24

25

2 CHAIRPERSON LANDER: If you'd proceed to
3 go ahead and give your opening statement and then
4 we'll move to questions. Thank you.

5 MARK PETERS: Thank you Chairman Lander.
6 Thank you Speaker Mark-Viverito, and thank you
7 members of the Rules Committee and other Council
8 Members. I'm...[interpose]

9 CHAIRPERSON LANDER: Mr. Peters, I'm,
10 I'm sorry are there, oh. Let me just, I want to
11 call attention to the members that they have copies
12 of your opening statement in the, in the red
13 binders that are available so they can follow
14 along.

15 MARK PETERS: Great.

16 CHAIRPERSON LANDER: Proceed, I'm sorry.

17 MARK PETERS: Thank you. I'm honored to
18 appear here today as Mayor de Blasio's nominee for
19 Commissioner of the Department of Investigation.
20 And I'd like to thank, begin by thanking you Mr.
21 Chairman along with Speaker Mark-Viverito and the
22 members of the Committee for allowing me to speak
23 about my background and the future of DOI. The
24 importance of a strong, independent DOI cannot be
25 overstated. If you believe as I do, as I know all

2 of you do, as I know Mayor de Blasio does that
3 government can serves as a powerful force to
4 improve the lives of all New Yorkers. Then first we
5 must make sure that government operates in an
6 honest, efficient, and ethical manner. I've spent
7 the majority of my professional life enforcing such
8 integrity in our state and city institutions. I
9 served as the Chief Public Corruption Prosecutor
10 for the Attorney General prosecuting government
11 officials who stole Aids funds to use for political
12 campaigns and investigating abusive police
13 practices. Before that I served as Deputy Chief of
14 the Civil Right Bureau drafting the first of its
15 kind report on the overuse of stop and frisk by the
16 NYPD. And before that I served as the Senior
17 Council on the Investigation and Litigation that
18 led to the overhaul of this city's foster care
19 system in the wake of a series of horrific deaths
20 in the 1990s.

21 Before discussing the specifics of how
22 I think DOI can provide the independent oversight
23 that we all agree is necessary, I would like to
24 tell a story about an obscure state agency that I
25 once ran, the New York Liquidation Bureau. I think

2 it will shed light on my approach to fighting fraud
3 and corruption and to preventing it. The

4 Liquidation Bureau is big agency. It takes over all
5 of the failed, essential bankrupt, insurance

6 companies in New York and make sure that individual
7 insureds get the payments to which they're

8 entitled. The bureau has about 400 staff members, a
9 100 million dollar budget and about three billion

10 dollars in assets. In early 2007 the governor asked
11 me to take over the bureau at a moment of turmoil.

12 My predecessor had been indicted for bid rigging
13 and no audit of the agency's books existed. Given

14 my background investigating and informing troubled
15 institutions I was asked to clean house. We did. We

16 immediately called in auditors who for the first

17 time reviewed the bureau's financial procedures and
18 performed a groundbreaking audit of its internal

19 control processes. Because the first step in every
20 oversight mission, whether it's the Liquidation

21 Bureau, or ACS, or the NYPD, is to have all of the
22 facts in a clear unbiased way laid out before you.

23 The financial auditors found that the Bureau had
24 multiple bank accounts with money moving through

25 them without proper oversight. They found IT

2 systems vulnerable to attack. They found hundreds
3 of millions of dollars in funds owed to the Bureau
4 uncollected. In all they found 84 separate internal
5 control deficiencies, as the auditors call them
6 that made the Bureau vulnerable to fraud and abuse.
7 One year later there were none. One year later we
8 had collected a record 150 million dollars that
9 could be distributed to injured New Yorkers whose
10 insurance companies had collapsed. One year later
11 we had proper controls on spending, on procurement,
12 on hiring, to make sure that bid rigging and other
13 misconduct could never occur again. One particular
14 reform is worth noting. The Bureau hired numerous
15 law firms to do insurance defense work and in the
16 past many of those firms were active political
17 donors to the party in power. We changed that
18 straight away. To make sure there was no
19 possibility of political influence we implemented a
20 walled off procurement process for outside law
21 firms so that the Bureau staff who hired private
22 firms to do insurance defense work had no contact
23 of any sort with the Governor's Office or any other
24 political entity. In this way we eliminated any
25 possible political consideration in the hiring of

2 law firms. And finally in our reforms of the
3 Bureau, while most organizations consider their
4 internal control audits to be top secret, a
5 discussion of their innermost flaws not to be
6 shared with the world, one year later we made our
7 internal control audit available on the web. I
8 think there are several lessons here that will
9 guide me in running DOI. First, get the facts, get
10 all of them, get them right. Second, go wherever
11 the facts take you, go quickly, and thoroughly
12 clean up whatever mess you may find. Third, be
13 entirely transparent about what you found and how
14 you fixed it. As Justice Brandeis once observed and
15 his career public corruption prosecutors have
16 repeated as a talisman for over a century; sunlight
17 is the greatest disinfectant. And forth, don't just
18 fix old problems, be vigorous in implementing
19 internal controls that prevent opportunities for
20 corruption in the future. I believe that a similar
21 focus on these rules will allow DOI to carry out
22 its full mission to act as a watchdog for city
23 government rooting out corruption, waste, fraud,
24 and abuse wherever it may be and putting vigorous

1 internal controls in place to prevent the
2 opportunity for corruption in the future.

3
4 Before concluding, I want to talk
5 briefly about an issue that I know is of great
6 interest to the Council and to the city generally.
7 The Council's groundbreaking legislation that
8 creates the city's first Independent Police
9 Inspector General. If appointed I will immediately
10 begin the search for the right person to take on
11 this task. I believe strongly that we need someone
12 with deep experience in prosecutions and
13 investigations. Ideally the candidate will have a
14 background in New York Law Enforcement and
15 experience applicable to the NYPD. Regardless of
16 the candidate's professional background he or she
17 must possess the strength to act with independence
18 from the Police Department while at the same time
19 commanding the Department's respect and attention.
20 And the person must also have a deep understanding
21 of the city and its diverse communities. I look
22 forward to discussing this matter with the Council
23 in greater detail when we present our nominee for
24 IG in the next 60 days.

2 My desire to become DOI Commissioner is
3 a direct outgrowth of a career spent working on
4 behalf of the public and fighting corruption. It
5 would be deeply gratifying to me to have the
6 opportunity to continue that work in the city in
7 which I grew up and where my wife and I are now
8 raising our children. I'd be deeply grateful for
9 the opportunity to serve the city of New York and
10 Mayor de Blasio at this moment in history. And with
11 that I'll gladly answer any questions you may have.

12 CHAIRPERSON LANDER: Thank you very much
13 Mr. Peters. I'm going to first recognize the
14 Speaker to ask questions.

15 SPEAKER MARK-VIVERITO: Thank you Mr.
16 Peters I, I really want to again also thank the
17 staff for the documents that they've provided for
18 us. We have a, a lot of background information on
19 you. And obviously this hearing and your
20 appointment has, has received some attention and I
21 guess the first question that easily would come to
22 mind is the issue of, of independence.

23 MARK PETERS: Mm-hmm.

24 SPEAKER MARK-VIVERITO: Of you in this
25 position in light of your relationship with the

2 Mayor and the important role that this position has
3 in relationship to ensuring the public trust in
4 terms of oversight and investigation of any
5 corruption or fraud in government is, is a really
6 important one and we take that obviously very
7 seriously. So understanding that there is, if you
8 could explain a little bit of the history and the
9 relationship that you have with the current Mayor
10 and how you feel that you can fully exercise fully
11 independence and fulfill the responsibilities of,
12 that this position calls for.

13 MARK PETERS: Sure, and thank you for
14 the opportunity to talk about this. Obviously I
15 have known the Mayor for many years. We served
16 together on a community school board in the late
17 90s. And I served as the treasurer for his mayoral
18 campaign for several years. I do not believe that
19 that will in any way impact my ability to be
20 independent. Speaker Mark-Viverito I have spent
21 virtually my entire adult life in law enforcement
22 and good government work. And one of the first
23 things that you learn in law enforcement is that
24 you go where the facts take you, the facts are what
25 they are and that you go where they take you. And

2 early on you actually learn if you can't separate
3 out your personal feelings from where the facts are
4 going to take you, you're not cut out for law
5 enforcement and you get out of it early. And I
6 think that my, in my career I have been able to do
7 that and indeed this is not the first time that I
8 have been appointed to a position where I needed to
9 oversee somebody with whom I had a personal
10 relationship. Several years ago I was appointed by
11 Governor Patterson to serve on the state's Public
12 Integrity Commission and at the time I had known
13 Governor Patterson for over 20 years. I had
14 actually been a full time staffer on his first
15 state senate campaign. I had danced at his wedding.
16 I, he had been a friend for 20 years. Less than a
17 year after Governor Patterson appointed me to the
18 Public Integrity Commission I was part of the
19 Commission and part of the group in the Commission
20 that levied the single largest fine in the history
21 of the state on a sitting Governor when he, when he
22 had improperly taken baseball tickets. I couldn't
23 let, I didn't let my personal relationship with the
24 Governor stand in the way of doing what was right
25 then. The second example I'd like to give,

2 something I alluded to in my opening remarks. When
3 I took over the New York Liquidation Bureau we had
4 a situation in which millions of dollars were being
5 spent on outside law firms and to put it politely
6 there was a significant overlap between politically
7 connected law firms on the one hand and law firms
8 who were on the panel to get business from the
9 Liquidation Bureau on the other hand. And we put an
10 immediate end to that. I designated several senior
11 attorneys at the Liquidation Bureau to put together
12 a new panel of law firms solely based on
13 qualifications and then I walled off those people
14 from any interaction with the Governor's Office or
15 any other political entity so that there was
16 absolutely no way that politics could influence
17 that choice. And so I think that those stories are
18 example of the staff that on several occasions I've
19 been called on to do this kind of work, to do this
20 kind of work with people who I've known, in the
21 case of Governor Patterson, even longer than I've
22 known the Mayor and that I've been able to set my
23 personal feelings aside.

24 SPEAKER MARK-VIVERITO: Well I
25 appreciate those examples. I think one's

2 trajectories is important in being able to identify
3 how they will conduct themselves in any particular
4 position. So those examples I, I appreciate that
5 you shared them. So maybe just one additional
6 question and then I'll, I'll move on is just the
7 issue of obviously in terms of oversight and
8 investigation authority of your position if you are
9 named to that position is investigating the Mayor's
10 Office as well.

11 MARK PETERS: Mm-hmm.

12 SPEAKER MARK-VIVERITO: So in terms of
13 the circumstances in which you would find yourself
14 right at, at a point where you would be over,
15 investigating the Mayor's Office if you could give
16 us kind of an idea of how, how you would go about
17 that if it came to be that, if... [interpose]

18 MARK PETERS: Sure.

19 SPEAKER MARK-VIVERITO: ...came to that
20 point.

21 MARK PETERS: Sure. I think that's a
22 good question. To start off with I would
23 investigate the Mayor's Office [coughs]. Excuse me.
24 I would investigate the Mayor's Office under the
25 same circumstances that I would investigate any

2 other agency. I would investigate the Mayor and his
3 staff under the same circumstances that I would
4 investigate any other city employee. Which is any
5 time there was a credible allegation of corruption,
6 waste, fraud, or abuse, anytime there were any
7 facts unearthed by some other investigation or by
8 routine exams that there was the possibility of
9 corruption, waste, fraud, or abuse, and lastly any
10 time in my judgment based on 20 years of doing this
11 kind of work that I thought there was the
12 possibility or even a control weakness that
13 suggested that there could be corruption, waste,
14 fraud, or abuse. My feeling is the standards are
15 entirely the same whether you're dealing with the
16 Mayor's Office or whether you're dealing with any
17 other agency.

18 SPEAKER MARK-VIVERITO: I appreciate the
19 responses to those two questions. I'll allow other
20 colleagues to ask questions. Thank you.

21 CHAIRPERSON LANDER: So I'll just ask
22 one or two questions now and then I'll ask other
23 Council Member go ahead and the other Council
24 Members will ask questions and then I may come back
25 and have some at the end. I want to follow up on

2 one thing that you talked about in your testimony
3 which I thought was interesting and that people
4 don't necessary... I think people think of DOI as
5 coming in when there has been corruption or some
6 reason to investigate some fraud or allegation and
7 you spoke to being more proactive in having the
8 office work to attend to agency's integrity
9 controls and seek to increase them on the front
10 ends in order to prevent wrongdoing from happening.

11 MARK PETERS: Mm-hmm.

12 CHAIRPERSON LANDER: Do you see that as
13 a, in some ways a departure from what the agency
14 has done. Will that take some new tools, talents,
15 practices at DOI to set that up? And just say a
16 little more about how you, how you see doing that
17 because I think it's something at least most people
18 don't automatically think of as what DOI is and
19 does.

20 MARK PETERS: Sure, thank you. I
21 appreciate it. I'm, I'm happy to talk about this. I
22 think, and let me go to the basic concept first, I
23 think it is very, very important with any Inspector
24 General or any watchdog agency to not only be
25 vigorous in rooting out the problems that exist but

2 to be putting internal controls in place to prevent
3 the opportunities for corruption at the outset. And
4 indeed good work on the front end to try and
5 prevent corruption can save the city both money and
6 save city programs that could otherwise be derailed
7 by preventing corruption later on. So I think it's
8 very important. I don't know that I would say this
9 is a departure from what DOI has done because DOI
10 certainly has spent time dealing with these
11 corruption programs. They delivered I believe
12 something like a 5,000 corruption prevention
13 lectures over the last decade. I do think that some
14 of the work that I did at the Liquidation Bureau
15 doing the kinds of deep dive internal controls
16 audits are the kinds of things that we need to be
17 doing, and to some extent have been done, but that
18 we need to continue doing, going forward at every
19 agency. Because, what that means is you go and you
20 look at the agency and you say let me see the whole
21 process. How would things work, not only how money
22 flows, how decisions are made, how hiring works,
23 let me make sure that there's no point in that
24 process where we think something could go wrong,
25 not that something is wrong, but that something

2 could go wrong. And once we've done that then let's
3 talk with the agency about how do we fix it so
4 something can't go wrong being mindful of the fact
5 that agencies also have work to do. And I think
6 part of the balance one needs to strike is, and,
7 and I've spent 20 years doing this, the balance
8 between putting all the controls in place to
9 prevent problems while still allowing the agency to
10 get its business done.

11 CHAIRPERSON LANDER: That's great. Thank
12 you. I think, I know other members will probably
13 ask about the relationship with, with the Mayor and
14 the administration and agencies that the, that the
15 speaker started so I want to ask a question about
16 how you see your relationship with the Council. You
17 know that Charter provides for these two
18 interesting and quite different roles. On the one
19 hand the Charter provides our ability, we're
20 partners essentially, part of the reason why we
21 have advice and consent on this position is you're
22 our Commission, you know Investigations
23 Commissioner as well and if there are
24 investigations that Council believes is necessary
25 the Charter provides that power to us and Chair

2 Gentile will be working with you. And then of
3 course as I mentioned the outset in a half joking
4 but, but, but fully serious way, you know you also
5 have the responsibility of making sure that there's
6 no corruption in the City Council. And so I just
7 wonder how you see your relationship with the
8 Council.

9 MARK PETERS: Sure I, I should tell you
10 that I very much look forward to working with the
11 Council, to working with Chairman Gentile, to
12 working with you Chairman Lander, to working with
13 the entire Council. Yes, there are, there are two
14 roles, and this happens a lot in law enforcement
15 that you need to both work with people who you also
16 have to be looking at and it's one of the tricky
17 balancing acts that prosecutors for a hundred
18 years, probably longer, have had to carry out.
19 Obviously the Charter says that the Council may
20 require DOI to carry out an investigation and I
21 take that very seriously. Frankly any instance in
22 which a Council Member called me up or wrote to me
23 or said to me in any way "X" just happened and I'm
24 concerned about "X", "X" just became a concern of
25 mine as well. So beyond the formal process which is

2 there in which we, you know which is important
3 clearly the Council, where the Council has
4 concerns, those, those concerns become my concerns
5 and we need to collectively get to the bottom of
6 it. The Council because it is an elected body
7 because it has great oversight and the ability to
8 see government as a whole, DOI because it's gotten
9 a staff of trained investigators who can actually
10 then go figure out what it is that's concerning now
11 us. Obviously yes, there is an oversight function
12 spent involved in the Council as well and as I said
13 that's one of those balances that we have to work
14 through and make sure we get it right. And I'm very
15 comfortable and confident that we will.

16 CHAIRPERSON LANDER: Thank you. And my
17 last question will, for now, will relate to Local
18 Law 70 the establishing the NYPD Inspector General
19 and I suspect other members will ask more detailed
20 questions about this but your predecessor in the
21 process of our advocacy for and development of and
22 passage of this bill wrote a fairly detailed letter
23 outlining reasons why she was concerned that DOI
24 wouldn't be the appropriate place for an NYPD
25 Inspector General. From your opening statement it

2 sounds like you fully support the bill and believe
3 it is an appropriate place but I just want to
4 confirm that. You, you see, you know... [interpose]

5 MARK PETERS: Sure.

6 CHAIRPERSON LANDER: ...you know you, you
7 believe that it's an appropriate place for, for
8 this... [interpose]

9 MARK PETERS: Absolutely. I think it's
10 actually the most appropriate place. Let me state,
11 if it needs to be stated, you know let me just
12 confirm yes, I think Local Law 70 is an excellent
13 idea. I fully support it. I fully supported it when
14 it happened and I hopefully support it now and I
15 look forward to working with the Council to
16 implement it. I think DOI is exactly the right
17 place to put the Police Inspector General for
18 several reasons. One, DOI already has a long
19 history of overseeing governmental agencies. Two,
20 the Commissioner of DOI reports directly to the
21 Mayor and to the City Council. And I think it is
22 going to be important for the Police IG in order
23 for him or her to have the independence and the
24 resources and the respect needed to do the job to
25 be part of an entity and reporting to a

2 Commissioner who him or herself is reporting
3 directly to the Mayor and the Council. So I think
4 it's exactly the right place to be.

5 CHAIRPERSON LANDER: Thank you. We'll
6 now go to questions from members and I may come
7 back at the end if there's some that haven't been
8 asked. For new members I'll flag the way that we do
9 this and then some members who are renewing already
10 knew this and came and spoke to our Committee
11 Council Amatullah Booth. So please come let her
12 know that you'd like to get on the questions list
13 and everyone will get their turns to ask questions.
14 And after today that Veterans advantage will, will
15 disappear but today we have a, we have a list
16 already. So please come up the first Council Member
17 to ask, that signed up to ask questions is Council
18 Member Dickens.

19 COUNCIL MEMBER DICKENS: Thank you so
20 much Mr. Chair and thank you Madam Speaker and good
21 morning Mr. Peters. You have a very impressive
22 resume.

23 MARK PETERS: Thank you.

24 COUNCIL MEMBER DICKENS: And I see that
25 you served on the community board... [interpose]

2 MARK PETERS: Mm-hmm.

3 COUNCIL MEMBER DICKENS: ...in your
4 community which is actually great to... [interpose]

5 MARK PETERS: Thank you.

6 COUNCIL MEMBER DICKENS: ...volunteer in
7 a, in a, in a, with the community board. I'm, I
8 just got one or two questions to ask because it's
9 very troubling to me. Sometimes Council Members are
10 nervous about asking questions of the Commissioners
11 of DOI for fear of retaliation. So I, I'm stating
12 that up front. But you've been listed as the
13 Mayor's Campaign Treasurer and head of the
14 Transition Team for the, the Mayor and that you
15 resigned January 6th, 2014 is that correct, from
16 those two positions?

17 MARK PETERS: I resigned as Treasurer
18 for both the Mayor's Campaign and the Transition. I
19 was not actually head of his Transition.

20 COUNCIL MEMBER DICKENS: But you
21 resigned off the Transition?

22 MARK PETERS: I resigned as Treasurer of
23 both the Transition... [interpose]

24 COUNCIL MEMBER DICKENS: January 6th?

25 MARK PETERS: Yes.

2 COUNCIL MEMBER DICKENS: 2014? Because
3 that's in the, the testimony.

4 MARK PETERS: Sure.

5 COUNCIL MEMBER DICKENS: What was your
6 reason for resigning?

7 MARK PETERS: On January 6th I had had
8 conversations by then with the Mayor. The Mayor had
9 indicated to me that he wanted me to join the
10 administration. Obviously city law precludes
11 someone who is a member of, who is an employee of
12 the City of New York from being the Treasurer of a
13 political committee. I also thought it would be
14 inappropriate for me to, even if the law had not
15 required it, I thought it would be inappropriate of
16 me to be on a political committee at the same time
17 that I was working for the city of New York.

18 COUNCIL MEMBER DICKENS: Alright thank
19 you. And also I, I see that you served formally as
20 the Chairperson of the New York Community
21 Organizing Fund which is an arm of New York
22 Communities for Change.

23 MARK PETERS: Mm-hmm.

24 COUNCIL MEMBER DICKENS: You, have you
25 resigned from that organization? I know you're no

2 longer the Chairperson but have you resigned as a
3 member?

4 MARK PETERS: I did. I resigned last
5 week, I guess now two weeks ago. I did resign as,
6 from that board as well. I resigned from, I have
7 resigned from all of the boards that I was a member
8 of and assuming that I am confirmed and appointed I
9 will also of course withdrawal from the law firm
10 that I am a member of and will have no further ties
11 with that firm or with any board.

12 COUNCIL MEMBER DICKENS: Alright because
13 that was a concern if you were still a member
14 because the New York Communities for Change and
15 their association with ACORN raised some issues. My
16 last question concerns an article that is written
17 in City and State January 29th, '14 that's, that
18 raises the issue shadow of a doubt of your capacity
19 to be able to truly be independent when you do have
20 a personal relationship with Mayor de Blasio and
21 anyone that would be the Chair, be the Commissioner
22 of DOI, having a personal relationship with, could
23 be with the members of the City Council or could be
24 with the Speaker or in this case with the Mayor
25 does raise serious issues. And this article raises

2 some very specific issues. Have you read this
3 article?

4 MARK PETERS: Yes I have.

5 COUNCIL MEMBER DICKENS: And do you have
6 anything... [interpose]

7 MARK PETERS: Briefly, but only briefly.

8 COUNCIL MEMBER DICKENS: Do you have
9 anything to say in regards to some of the
10 allegations that is in this article, that
11 possibilities I should say?

12 MARK PETERS: Without speaking
13 specifically to the article which I read but I have
14 to confess only briefly. I think that in terms of
15 the public perception, as I mentioned, I have been
16 called on, on many times in my career to oversee
17 people with whom I had either a working or personal
18 relationship. I think the examples that, I hope the
19 examples that I gave you put to, put to rest any
20 doubts but I, I believe I have a demonstrated
21 record of independence. I believe that this council
22 hearing has given me a chance to amplify on it and
23 is giving this Council a chance to probe that
24 record. And I would not that after the Mayor
25 announced my appointment there were comments made

2 by a number of people who were very, who were
3 senior veterans in the Law Enforcement Community
4 and also a number of comments made by people who
5 were well known in the good government community
6 and without exception each and every one of them
7 said this would be a good choice and had a great
8 deal of praise for the Mayor's choice. So I believe
9 that the combination of all that should give
10 everyone assurance that I can and I will be
11 completely independent.

12 COUNCIL MEMBER DICKENS: Thank you. Now
13 the last question Mr. Chair if you'll allow me
14 concerns your service as it relates to, to the New
15 York City Police Department. Did you have any
16 relationship at all with the New York City Police
17 Department?

18 MARK PETERS: I've never served in the
19 New York City Police Department and have no
20 relationship with them.

21 COUNCIL MEMBER DICKENS: Did you have
22 any, anything at all to do with either the, the
23 present or past, most recently past Commissioner of
24 the Police Department or any relationship with
25 that. And this is concerning of the, the

2 Independent Inspector General as it relates to the
3 NYPD.

4 MARK PETERS: Sure, I've had no
5 relationship with either Commissioner Kelly or
6 Commissioner Bratton. I've certainly investigated
7 the New York Police Department when I was the
8 Deputy Chief of the Civil Rights Bureau. I co-
9 authored what was then a ground breaking study of
10 the overuse of stop and frisk, and I led the field
11 investigation of that report. So I've certainly
12 investigated the NYPD but other than that I've had
13 no relationship with them.

14 COUNCIL MEMBER DICKENS: Alright well
15 in, as part of that investigation is particularly
16 since it relates to stop and frisk and as it
17 relates to the Independent Inspector General...
18 [interpose]

19 MARK PETERS: Mm-hmm.

20 COUNCIL MEMBER DICKENS: ...do you see
21 that you would have any problem, particularly since
22 you have a personal relationship with the Mayor
23 and, and I would, a, a good working relationship I
24 resume with the current Commissioner Bratton, would
25 you be able to, or how would you choose the

2 Inspector General? What are the, one or two of the
3 qualifications that would tantamount to the best
4 possible candidate to be independent serving as
5 what would be the investigator for the NYPD's stop
6 and frisk policy.. [interpose]

7 MARK PETERS: Sure.. [interpose]

8 COUNCIL MEMBER DICKENS: ...which was
9 written by the Commissioner Bratton by the way.

10 MARK PETERS: Sure. I think and, and I
11 want to say at the outset that I think we need to
12 be careful not to have, not to get locked into any
13 particular qualification. So while there are some
14 qualifications that I think are highly important I
15 would like us all to be flexible enough so that if
16 we find the exactly right person to do this we
17 don't then reject them simply because one of the
18 things I mentioned here today doesn't work out
19 perfectly. But with that sort of overly lawyerly
20 caveat I think we need to select somebody who has a
21 long history in law enforcement either as a, you
22 know presumably as a prosecutor, somebody who has a
23 long history doing investigations and monitoring, a
24 long history in New York law enforcement, and
25 lastly we need somebody, because part of the reason

2 for this Independent Police IG is not merely to
3 watch the Police Department, but it comes out of a
4 history of concerns about the interaction between
5 the Police Department and the communities they
6 serve, and so we lastly need a Police IG with a
7 deep understanding of the needs of those
8 communities and a deep understanding of how the
9 interaction between the Police Department affects
10 not just the Police Department but those
11 communities. And so those are the characteristics
12 that I would be looking for in the Independent
13 Police Inspector General.

14 COUNCIL MEMBER DICKENS: Alright, well
15 thank you so much. I, I just had those concerns
16 because the DOI Commissioner works closely with
17 NYPD.

18 MARK PETERS: Mm-hmm.

19 COUNCIL MEMBER DICKENS: And the, and
20 the new Independent Inspector General would be in,
21 doing investigation of the NYPD. And so I had some
22 serious issues as to the ability of not just you
23 but the office...

24 MARK PETERS: Mm-hmm.

25

2 COUNCIL MEMBER DICKENS: ...to be able to,
3 to conduct and to hire the best person that would
4 be investigating the Police Department when in fact
5 your office and that office would be working
6 closely with the Police Department as it relates to
7 our negligence and abuse. And I did have some
8 concerns about some of your answers. I don't want
9 to take up anymore of, of the committee's time but
10 I did have some serious issues as it relates to, to
11 some of your answers to some of the questions that
12 have, is put in your testimony. So thank you.

13 MARK PETERS: Thank you.

14 CHAIRPERSON LANDER: Thank you Council
15 Member Dickens. I'll note that the writer of the
16 article that you mentioned is here in the audience
17 with us today so perhaps he'll, he'll testify and
18 elucidate those issues later, or perhaps not. Let's
19 move on to the Minority Leader, Council Member
20 Ignizio.

21 COUNCIL MEMBER IGNIZIO: Thank you very
22 much Mr. Chairman and Madam Speaker. Mr. Peters,
23 welcome.

24 MARK PETERS: Thank you.

2 COUNCIL MEMBER IGNIZIO: The agency with
3 which we're discussing here today is probably,
4 probably one of the most powerful in the city and,
5 and one that like all of who watch cartoons when we
6 were young could be used for good or could be used
7 for evil.

8 [laughter]

9 COUNCIL MEMBER IGNIZIO: In this day and
10 age we hear a lot of talk about retribution. And I
11 just want to hear your comments or regards to your
12 relationship with the Mayor... [interpose]

13 MARK PETERS: Mm-hmm.

14 COUNCIL MEMBER IGNIZIO: ...and potentially
15 a political opponent or a civil opponent or
16 somebody he disagrees with and you know any comment
17 to you of maybe we should look into this person.
18 I'm not saying that that would occur, I want to be
19 very clear.

20 MARK PETERS: Mm-hmm.

21 COUNCIL MEMBER IGNIZIO: I just want to,
22 to probe more deeply into the relationship factor
23 in regards to the powers of your office, as I could
24 be used for good and could used for evil. There are
25 really 300 thousand people who work in this city

2 that reputations who I would imagine are very
3 important to them which you potentially could hold
4 in their hand through the form of leaks or, or
5 investigating or looking into this. Can just you,
6 I'm sure you get the point of what I'm trying to
7 say... [interpose]

8 MARK PETERS: Mm-hmm.

9 COUNCIL MEMBER IGNIZIO: Can you give us
10 a few minutes on that more, it wasn't a question
11 really, that commentary that I just said to you.

12 MARK PETERS: Sure, and I think it's a,
13 I think it's an excellent point to raise. First of
14 all there is absolutely no place at DOI or at any
15 law enforcement entity, at any city entity for
16 consideration of politics or retribution in
17 investigations period, full stop. There just cannot
18 be, I would immediately discipline any employee who
19 engaged in such things. Right, there, that's,
20 that's one of those absolute rules. As I, you know
21 I, I think talked about the fact that I've been in
22 situations where I've had to be independent from
23 people who I've dealt with politically. I feel very
24 comfortable about the ability to do it.

25 COUNCIL MEMBER IGNIZIO: Sure.

2 MARK PETERS: I will actually say that
3 if, and by the way I also consider this to be
4 remote or even, I need a stronger term for, then
5 remote, whatever is even more remote than remote,
6 while I consider it essentially impossible in my
7 mind that any member of the administration would
8 ever come to me and say to me we think you should
9 investigate so and so... [interpose]

10 COUNCIL MEMBER IGNIZIO: For the record
11 I do as well. I just, this is a oversight hearing
12 so we're here to talk about... [interpose]

13 MARK PETERS: Absolutely, I just, I
14 think, I consider it highly improbable that any
15 member of the administration would ever come to me
16 and say we think we should, you should investigate
17 so and so for political reasons or alternately we
18 think you shouldn't investigate. Not only would
19 that have absolutely no impact on anything I or my
20 agency did but bluntly I would consider even that
21 request to be improper and I would have to give
22 strong consideration to opening an investigation
23 into any member of the administration who made that
24 request.

2 COUNCIL MEMBER IGNIZIO: Okay, can, can
3 you speak to the office leaking situation? Very
4 often there are people that are under investigation
5 that make their ways into the Newspapers and
6 ultimately there's no charges ever brought so that
7 he or she's reputation was sullied or, or
8 besmirched for, for no reason in that it, there was
9 never any charges brought against that person. Can
10 you speak to that some?

11 MARK PETERS: Yeah the, that is
12 completely inappropriate and I think that for
13 people who've grown up in law enforcement and I
14 know there's some members of the Committee who
15 have, what goes on in investigations is absolutely
16 never to be divulged until it is ready to made
17 public. Obviously much of it is grand jury
18 material.

19 COUNCIL MEMBER IGNIZIO: Sure.

20 MARK PETERS: It is a felony to leak
21 grand jury material. That's just completely
22 unacceptable. If you can prove that somebody has
23 committed a crime you go to a grand jury or you
24 work with it, a prosecutor to go to a grand jury.
25 You charge them with the crime, the grand jury

2 votes an indictment, you unseal the indictment, and
3 they then have the ability to defend themselves in
4 a court of law.

5 COUNCIL MEMBER IGNIZIO: Thank you.

6 MARK PETERS: If you can't prove they've
7 committed a crime you don't get to talk about it.

8 COUNCIL MEMBER IGNIZIO: Thank you. I
9 have many questions. I'm going to move quickly as
10 in, and I'm a New Yorker so I talk quickly so
11 please bear with me. Previously the Department of
12 Investigation led an investigation into municipal
13 elections to root out voter fraud.

14 MARK PETERS: Mm-hmm.

15 COUNCIL MEMBER IGNIZIO: The practices
16 they used have been called into question. Some have
17 said that the practices they use by actually
18 violated the law in, in terms of casting and
19 signing the book. Albeit they did not vote for a
20 real candidate it's none the less what they did was
21 you know by some was written up as, is not proper,
22 I, for lack of a better word. I personally think
23 the investigation rooted out some great information
24 that we, the city and state government need to get
25 to the bottom of. But to the topic of undercover

2 investigations do you intend on utilizing these
3 tactics or similar tactics to investigate the
4 agencies in the city of New York.

5 MARK PETERS: Broadly do I intend to use
6 undercover investigations? Absolutely, undercover
7 investigations are a very major fundamental tool...
8 [interpose]

9 COUNCIL MEMBER IGNIZIO: Can I jump in?
10 Would you seek though a court, a court, I'm not,
11 I'm sorry, I'm not an attorney so I'm actually a,
12 know, little, like a court to be, a court monitor I
13 believe it's called of something that potentially
14 could rise into the level of do we have the
15 authority to do this or not.

16 MARK PETERS: Okay sure. Well first of
17 all, the New York state law is actually very clear
18 about the use of undercover investigations and
19 there are a whole set of legal rules in the penal
20 code governing that. Which by the way, among other
21 things, make clear what the legal boundaries are.
22 So one, we need to operate within all of those
23 legal boundaries, and we will. There are certain
24 instances in which you... So there are certain things
25 that you may do as an undercover investigation

2 without court oversight. There are other things
3 that you may do in an undercover investigation but
4 only with court oversight. Then there are some
5 things you just can't do. The things we can do
6 without court oversight we will do and we will
7 actually do vigorously because I think that's part
8 of doing the job. The things that require court
9 oversight we will, or the other law enforcement
10 entities we work with will go to court to get
11 appropriate court oversight. And it goes without
12 saying the things we're not allowed to do we won't
13 be doing.

14 COUNCIL MEMBER IGNIZIO: Okay, finally
15 with regards to the Police Independent
16 Investigator...

17 MARK PETERS: Mm-hmm.

18 COUNCIL MEMBER IGNIZIO: How do you
19 envision the role of this investigator working with
20 you...

21 MARK PETERS: Mm-hmm.

22 COUNCIL MEMBER IGNIZIO: ...and with
23 working with the Police Commissioner or Internal
24 Affairs. Do you, what would the structure be in
25 terms of communicating to each of them, the,

2 initially communicating to you which I, I guess
3 would be unfettered and then ultimately to the
4 administration and to potentially police officers.

5 MARK PETERS: Sure, well obviously the
6 Independent Police Inspector General will, assuming
7 that I'm confirmed, the Independent Police
8 Inspector General will report directly to me and I
9 expect that they will be reporting to me on a very
10 regular, quite frankly probably daily, basis. I
11 will then make determinations as to when issues
12 that have come up warrant either talking to the
13 Police Commissioner or to the Mayor. Obviously
14 there are certain instances when it's appropriate
15 to go see the Police Commissioner or the Mayor to
16 say we found the following problems and the
17 following things need to be fixed. Those are
18 decisions that I will make after consulting with
19 the Independent Police Inspector General. The law
20 that this Council passed actually requires that IAB
21 report to DOI on certain issues. And my feeling is
22 that is in fact a very helpful use of information
23 because we need to see what they're seeing because
24 that will give us some information on where we need
25 to be looking.

2 COUNCIL MEMBER IGNIZIO: Very fair. And
3 I know I said final but I, I lied, just, this is
4 the final one.

5 [laughter]

6 COUNCIL MEMBER IGNIZIO: My colleague
7 raised...

8 MARK PETERS: I'm here at your
9 convenience all day.

10 [laughter]

11 COUNCIL MEMBER IGNIZIO: Thank you. My
12 colleague raised the ACORN comment but it's my
13 understanding you were brought in to actually clean
14 up the organization. Is that, I mean can you expand
15 on that like it, there, there was issues and you
16 were brought in to actually create a new direction
17 if you will and to you know, you know migrate that
18 into, into something else. Can you just touch upon
19 that. And that's my final question and thank you
20 Mr. Chairman and Madam Speaker.

21 MARK PETERS: Sure. As you know in late
22 2000, I guess late, mid-late 2009 there were a
23 series of issues with ACORN. I would not
24 parenthetically that subsequent investigations have
25 actually demonstrated that most of those were

1 overstated but leave that to the side for the
2 moment. The result of which is that ACORN ceased to
3 be a viable organization. But a number of the
4 people who had been doing what I believe to have
5 been important work helping, helping poor people,
6 people of color, to demand their rights, determine
7 that there was a need both to create organizations
8 that could do that work but also to do that work in
9 a professional responsible way which could not be
10 questioned and was completely above reproach. Some
11 of those folks asked me if I would because I had
12 been the Chief Public Corruption Prosecutor for the
13 state if I would get involved to help think through
14 how do you do that work and do it in a way that is
15 above reproach. The result of that was the creation
16 of two organizations. One of which was NYCOFI.
17 NYCOFI was created after ACORN ceased to exist. I
18 was asked then if I would serve as the NYCOFI's
19 first board share to make sure that the reforms
20 that I and some others had suggested got
21 implemented and that it was run in a way completely
22 above reproach. I agreed to do so and did so for
23 three years.
24

2 CHAIRPERSON LANDER: Thank you Minority
3 Leader Ignizio. I will now go to Council Member
4 Williams who will be followed by Council Member
5 Rodriguez and then Council Member Garodnick.

6 COUNCIL MEMBER WILLIAMS: Thank you Mr.
7 Chair. Thank you Mr. Peters for coming in. I kept
8 checking to see if there was a time clock and there
9 isn't so I'll try to respectful of my colleagues
10 and hopefully the chair will give me some latitude
11 particularly on questions that I was a sponsor of
12 yeah?

13 CHAIRPERSON LANDER: Yes, I mean I think
14 if we, you know we've got a... [interpose]

15 COUNCIL MEMBER WILLIAMS: I'll try.

16 CHAIRPERSON LANDER: ...got a list but
17 let's let, I, it's nice to be off the clock and if
18 you can, if people have, you have so many that you
19 want to come around for a second shot... [interpose]

20 COUNCIL MEMBER WILLIAMS: Sure.

21 CHAIRPERSON LANDER: ...on the list we'll
22 put you back up.

23 COUNCIL MEMBER WILLIAMS: I'm, I'm sure
24 you'll let me know when I've reached... [interpose]

25 CHAIRPERSON LANDER: Very good.

2 COUNCIL MEMBER WILLIAMS: ...that point.
3 First, first question... I have two kind of sets of
4 questions. First I want to talk about Inspector
5 General. What is your interpretation of Local Law
6 70, the meaning behind it?

7 MARK PETERS: Sure. Local Law 70, as
8 everyone in this chamber I assume knows was enacted
9 as a result of I think legitimate concerns about
10 the way in which the police department was
11 interacting with many different communities in the
12 city including communities of color. I think those
13 concerns were legitimate and there was a concern
14 that there was need for an Independent Inspector
15 General to be looking at those systemic issues. And
16 so Local Law 70 was enacted and I think what we
17 need to do is to pick an Independent Police
18 Inspector General and a top flight staff who can
19 begin to look at those issues and look particularly
20 in a systemic way to make sure that we implement
21 reforms that are needed and that those reforms stay
22 implemented.

23 COUNCIL MEMBER WILLIAMS: I, I think
24 that's good. I would just add actually to do
25 periodic reviews of policy and practice of NYPD on

2 a regular basis. But I'm glad you mentioned
3 independent part. I had, I saw something today
4 actually in the New York Times just a while that
5 concerned me and when you asked about the Inspector
6 General and I think you said obviously this is a
7 choice that I expect the Mayor is involved. So I
8 wanted to fester that a little bit more. How much
9 do you think the Mayor should be involved and
10 maintain the impence of the IG.

11 MARK PETERS: Sure. Choosing the first
12 Police, Independent Police Inspector General is an
13 incredibly important decision and the Mayor has
14 been very very, when the Mayor was a forceful
15 supporter of Local Law 70, he has been extremely
16 clear since then about how important he considers
17 this to be. So I think that it is important that
18 the Mayor be involved in the choice of this person
19 because this person will, I will, I want to make
20 sure, assuming that I'm confirmed, I want to make
21 sure that this is a person who has the full support
22 not only of me but of the Mayor and of everybody
23 else we need to get the work done. That said this
24 person also needs to be, like the Commissioner of
25 DOI, completely independent. And this needs to be

2 somebody that we can all have confidence, is
3 looking at these issues, looking at these systemic
4 issues, doing the reviews that you just referred
5 to, doing them without regard to where the facts
6 take him or her. Because not only is it important
7 for this Inspector General to do the work and to
8 push for the reforms but it is important that the
9 entire city come to be comfortable with this, and
10 come to be comfortable so that we can in fact have
11 the kind of police community relations that are
12 absolutely vital in the city.

13 COUNCIL MEMBER WILLIAMS: And I'm going
14 to say, I may jump in sometime just to push us
15 forward because of times. I'm not trying to be
16 rude. I just want to say excuse me if I do that.
17 But, but I just want to understand clearly, is the
18 Mayor input supersede others? Is he on par with
19 other people who'll be asking. Will you be talking
20 to Council Members? What, how was his input in
21 comparison to other people you'll be talking to
22 about who the appointment of the IG should be?

23 MARK PETERS: Sure. Well I certainly
24 intend to be talking with Council Members about
25 this. I think my, my view of the process is that

2 the first step in this process is to put together
3 the best, most talented, most diverse pool of
4 potential candidates and one of the ways that I
5 think it's essential to do that is to not only get
6 community input but to get input from this Council.
7 This Council is the elected embodiment of the will
8 of the people and has probably..

9 COUNCIL MEMBER WILLIAMS: Sorry, just to
10 push forward a little bit. How, how much would the
11 Mayor's input weigh on other people that you'd be
12 talking to? I appreciate that you'd be talking to
13 the council.

14 MARK PETERS: Mm-hmm.

15 COUNCIL MEMBER WILLIAMS: How much would
16 the Mayor's input be considered in the appointment
17 of the Inspector General.

18 MARK PETERS: I think the Mayor will
19 have significant input. I think it is important for
20 whoever gets this job to have the support of the
21 Mayor because they will need that support behind
22 them to push through reforms. So yes, I think that
23 the Mayor will have significant in, will have
24 significant input in what is an important decision.
25 I think that it is important for this person to

2 have the support of the Mayor going forward. But
3 this is also a Mayor who has been very outspoken
4 about the need for an Independent Police IG.

5 COUNCIL MEMBER WILLIAMS: Would you
6 support a push to have the, the executive order to
7 have the IG actually outside of the DOI?

8 MARK PETERS: I actually, well that
9 would actually, I believe, require a change in the
10 law as opposed to just an executive order. I would
11 think that it's probably not a good idea for a
12 couple of reasons. DOI has, first of all, DOI
13 already has a history of doing these kinds of
14 investigations and I think that the independent
15 NYPD IG will be able to do a better job and have
16 greater force behind his or her work with an
17 Independent DOI Commissioner who reports both to
18 the Mayor and this Council and that's, there are
19 very few people who have that reporting obligation.
20 I think that, that gives that independent IG
21 greater force to do his or her work. So I actually
22 think the Council, and, and Council Member in your
23 legislation you got it right by placing it within
24 DOI and I would think that it would be a mistake to
25 move it out.

2 COUNCIL MEMBER WILLIAMS: Well we had no
3 choice but to place it in the DOI. We actually
4 wanted it outside. But I, I just would say I, I, I
5 don't, I'm not troubled by someone saying that the
6 Mayor would have input. I am troubled by someone
7 saying the Mayor will have significant input. My
8 hope is that the DOI Commissioner obviously job was
9 to have the most significant input and would make
10 the final decision and listen to everyone's
11 opinions and voices. So I just want to flag that,
12 that that's a slight concern that the Mayor will
13 have significant input on who the Independent
14 Inspector General would be.

15 MARK PETERS: I, I appreciate that.
16 Obviously the law gives the DOI Commissioner,
17 requires the DOI Commissioner to make the final
18 decision. I will do all of that work in an
19 independent way. I don't want to put too much
20 emphasis on, on my choice of word significant
21 versus other things. I think it is important for
22 the Mayor to be involved just as I think it's
23 important for the Council to be involved. I think
24 that it is important for the Mayor to be fully
25 supportive with this choice because we will need

2 the Mayor's support just as we'll need the
3 Council's support to get the work done.

4 COUNCIL MEMBER WILLIAMS: And I'm going
5 to ask you two questions in once just in an effort
6 of trying to move this forward. Thank you for your
7 pre, pre-question answers. I think actually a lot
8 of them dealt with the firewall and how you'd
9 separate which I, I very much appreciate. There
10 were a couple I think weren't fully addressed and,
11 but one of them had to do with the community input.
12 I wasn't sure how much community input. What's your
13 plan to have community input and the other one it
14 just got talked about. I think you said you would
15 provide adequate resources to the Inspector General
16 which is great. How much do you think that would be
17 and what would happen if you didn't get all those
18 resources? How would you provide the same amount of
19 strength to that IG position?

20 MARK PETERS: Sure. In terms of
21 community input, assuming that I'm confirmed I
22 expect to meet with, in addition to the Council,
23 various community groups to get their input, as I
24 said the first step is to get a pool of super,
25 super talented diverse pool of candidates from

2 which we can choose. In terms of resources, I think
3 the best way to think about this is to think about
4 what is it that we need to get the job done.

5 Clearly there need to be several people at an
6 executive level who can oversee this agency.

7 Clearly there need to be a group of lawyers both
8 former prosecutors and former civil rights lawyers
9 who can evaluate the information in direct day to
10 day investigations. Clearly there needs to be a
11 Complaint Bureau to receive complaints from the
12 public. Clearly there needs to be a series of data
13 analysts. Because as we know a lot of law
14 enforcement in the modern world is data driven,
15 sometimes wisely, sometimes not so. But we can't
16 ignore the existence and we need to be able to
17 understand what it means. And Lastly we need a
18 whole series of investigators, boots on the ground
19 as prosecutors call them, to do the investigations.
20 Exactly how many people and what amount of money
21 that comes to I can't say sitting here right now
22 but that should give you a sense of, of what I
23 think we need. And I have every confidence that the
24 Mayor will propose and this Council will approve a
25 budget that allows us to do that.

2 COUNCIL MEMBER WILLIAMS: Well I hope
3 that the, obviously the Council and the community
4 will have a, not just input but significant input
5 as well.

6 MARK PETERS: They, I, I will, I will
7 promise you sitting here right now that the Council
8 and community will have significant input.

9 COUNCIL MEMBER WILLIAMS: I know it's
10 hard to answer but the last question I'm not,
11 without a number I was trying to figure out well
12 how would you go about doing it if you don't have
13 the proper resources...

14 MARK PETERS: Mm-hmm.

15 COUNCIL MEMBER WILLIAMS: ...if, if you
16 can expand on them a little bit more. I mean you
17 gave a pretty good outlay but if you don't have the
18 resources for all those positions do you still
19 think you can get it as strong as you need to do
20 the job.

21 MARK PETERS: Well, with the caveat I
22 suppose that I have never met a Commissioner of an
23 agency who thought he had all the money he or she
24 needed... If the question is what would one do if you
25 didn't have quite as much money as you needed... Well

2 you need to figure out ways to be more efficient.
3 You need to find ways to be more targeted in what
4 you're doing and you need to triage your problems.
5 If your question is what would I do if the Mayor
6 and the Council said to me you can have three staff
7 I don't believe that would, The answer is you can't
8 do the job with three staff but I don't believe
9 that anybody would seriously suggest that. A
10 slightly more limited staff we will then deal with
11 triaging it. But I think it's hard to do that in
12 the, it's hard to discuss that in the abstract. I
13 think, for the moment, what I'm thinking about is
14 here's what I think we need so that I and I'm, as I
15 said I am confident that both the Mayor and the
16 Council will provide us with the resources that we
17 need.

18 COUNCIL MEMBER WILLIAMS: I have two
19 more questions. I'm going to skip some and maybe
20 come back later but there were a couple of
21 questions that I guess you invoked. The
22 Commissioner Gill Hearn declined to answer in
23 previous hearings but... And they roughly, they
24 generally seem to be around what agencies do you
25 believe currently require creased attention. Would

2 you continue recent high profile efforts the DOI
3 has like, like the board of elections which I think
4 is very important. There was some questions about...
5 Do you think it's appropriate for DOI to review
6 following stop and frisk, Muslim surveillance,
7 homicide detectives, I understand the answer and it
8 makes sense but it's hard to gage but, what you're
9 thinking is of some of these things if you can't
10 illuminate at all whether you think these things
11 are worthy of further investigation.

12 MARK PETERS: Sure. I mean it, turning
13 to the second part of the question first, the, the
14 list that was in the questions that the Council
15 submitted to me earlier which listed a series of
16 different NYPD issues including stop and frisk,
17 Muslim surveillance, homicide detectives. I think
18 it's clear and I thought I had said this in my
19 answer but if not I appreciate the chance to
20 correct the record. Clearly those are all important
21 issues that we need to grapple with. I, I think
22 that's obvious and as I said that but if I didn't I
23 appreciate the chance to make that clear. What I
24 would request is Council giving me the option to
25 not deal with it in detail now is exactly how we're

2 going to tackle all those issues, which ones we're
3 going to do first, where we're going to put the
4 boots on the ground as I used it. In part because I
5 haven't started the job yet and, and have not yet
6 had a chance and this is especially true with
7 ongoing DOI investigations, to meet with the staff
8 to learn all of the things that are not on the
9 newspapers but that are clearly going to be
10 important to making decisions about where to go
11 next. And so I think it, it's impossible with that
12 to make specific decisions about where do you go
13 next, what do you target? But there is no doubt
14 that that list that was in the Council's question
15 are all issues that are important and all issues
16 that we need to think about.

17 COUNCIL MEMBER WILLIAMS: And for
18 instance, for what you know of, the Board of
19 Elections and the investigation that was done
20 there, is that something that you believe or should
21 be continued to look at.

22 MARK PETERS: I've obviously read the
23 DOI report. I thought the DOI report was well done.
24 I thought the in particular the issues surrounding
25 hiring were very troubling. I think there is no

2 doubt that there needs to be follow up to make sure
3 that the problems identified there get fixed. How
4 much follow up is necessary and what form that
5 follow up needs to take is something that in the
6 first instance I need to sit with the investigators
7 who did that report. I have a bunch of questions
8 for them about things that I suspect are not in the
9 report for various reasons including security
10 reasons. Once I've got those answers for them then
11 we can and then I will be prepared to come back
12 and, and testify before the Council about what the
13 next, the specific next steps are. But clearly
14 there was troubling stuff in there especially
15 around hiring. Clearly that's got to get fixed. The
16 question is what's the best implementation process,
17 how do we triage that and that's something that I
18 need to first talk to the staff about.

19 COUNCIL MEMBER WILLIAMS: Last, my last
20 question. This is around some of the things that
21 have been brought up already. Obviously New York
22 Times had you listed as the, in Bill de Blasio's
23 circle of power you are in some pretty high profile
24 positions. It, with de Blasio less than 30 days
25 from this hearing. My concern and I think actually,

2 your resume and what you done actually match up I
3 believe very well in terms of particularly the
4 investigations that you've done before match up. My
5 concern is, maybe you can help me, what do I tell
6 my constituents about the appearance of partiality
7 with someone who hasn't even been gone for 30 days
8 from some pretty high level positions in the de
9 Blasio Administration? How does that bode as a
10 marker for Mayors who will come later who we may
11 not agree with as much and may not have as much
12 faith in the people that they propose if it was
13 done now and it may be done in the future time
14 where it's a Mayor that we don't agree with?

15 MARK PETERS: Mm-hmm. Well I think that,
16 I think that you say, I think that we say because
17 obviously I'm happy to come and meet with lots of
18 different groups, but I think that we say one, this
19 is somebody with a demonstrated record of
20 independence. This is somebody who in the past
21 levied the largest fine on a sitting governor, a
22 governor who less than a year earlier had appointed
23 him to the investigative body and with whom he'd
24 had a 20 year friendship. I think we say this is
25 somebody who in fact cleaned up a bunch of

2 organizations who to use your words whose
3 qualifications line up exactly properly with the
4 job. And let's... we say that when the announcement
5 was made there were a lot of people both in the
6 prosecution community and the good government
7 community, very senior serious people who are asked
8 about this, who commented on this and uniformly
9 without exception, every single one of them said
10 this is a great choice. I think that's what we say
11 and that, and that kind of background demonstrated
12 record of independence and support in both the good
13 government and prosecution community is what we
14 demand from future mayors as well.

15 COUNCIL MEMBER WILLIAMS: Thank you Mr.
16 Peters and thank you Mr. Chair. I just, I do want
17 to say that I appreciate all the answers and I'm,
18 I'm still grappling with that because let's even go
19 still further and say you were the absolute best
20 person that should take this position. It's hard
21 for me to explain within 30 days of leaving pretty
22 high ranking position that it doesn't look like
23 there may be a chance for partiality. So I'm still
24 grappling with that. I just wanted to make sure I
25 made that clear. Thank you.

2 CHAIRPERSON LANDER: Thank you Council
3 Member Williams. Next up is council Member
4 Rodriguez, followed by Council Member Garodnick,
5 and then Council Member Chin.

6 COUNCIL MEMBER RODRIGUEZ: Thank you
7 Jim. And first of all congratulation Mark for you
8 nomination a... [interpose]

9 MARK PETERS: Thank you.

10 COUNCIL MEMBER RODRIGUEZ: ...no doubt
11 after reading your resume. You are like a great
12 strong candidate for this position. And as a father
13 of two daughters, to girls a, and as a former
14 teacher how I, even one of my former student boys
15 sitting here getting ready to go to law school in
16 November. And I would like to see all the children
17 in the city raise in a society based on honesty and
18 transparency. And one of my first question that I
19 have for you is like how seriously is a problem of
20 corruption in your point of view in our today's
21 society?

22 MARK PETERS: That's a, it's a great
23 question. And to start with the easy part. Even one
24 instance of corruption is a serious problem. I
25 obviously have not started at DOI yet. I have not

2 yet met with the investigators. I have not yet been
3 made privy to the secret grand jury material to the
4 undercover investigations that I, that are no doubt
5 going on as we speak. So I'm a little hard pressed
6 to tell you exactly how serious it is. That said
7 even if there are not huge pressing problems now
8 and I just can't speak to that, that does not
9 diminish the need every single day for DOI to be
10 deeply vigilant about checking internal controls,
11 checking processes, making sure that the
12 opportunities for corruption never occur. I too am
13 the, I too am raising two children and I too want
14 to make sure they grow up in a transparent society.
15 And I think by the way transparency, the word you
16 used is a really great word and it's one that folks
17 in that, that folks in the good government
18 community use a lot. Because there is nothing like
19 transparency into government to keep government
20 honest.

21 COUNCIL MEMBER RODRIGUEZ: Okay, how,
22 what lesson do you think we as a city could learn
23 from how the city handling the CityTime scandal and
24 the slush fund scandal?

25 MARK PETERS: Mm-hmm.

2 COUNCIL MEMBER RODRIGUEZ: And I would
3 like to bring those two particular examples in as,
4 as you know there's many New Yorkers who believe
5 that in the case of the CityTime or the slush fund
6 scandal a, we didn't go deep to all the fact.

7 MARK PETERS: Mm-hmm.

8 COUNCIL MEMBER RODRIGUEZ: But we only
9 touch it like in some cases. And the same thing
10 with the CityTime scandal. People believe that we
11 didn't go deep to the men responsible for those
12 two. So if we want to build you know that image
13 where people, where we can rebuild trust and the
14 DOI is going to be very important on a, a, on
15 guarantee you know every single money is spent
16 where it should be for it to be more school to
17 provide art and music. What do you think we as a
18 city learn handling those two scandals?

19 MARK PETERS: Mm-hmm. I should tell you
20 I've been very very troubled reading, you know as
21 have you, reading about those scandals. And one of
22 the first things that I would like to do, assuming
23 this Council confirms me as DOI Commissioner is to
24 do a deep dive, an internal controls audit into
25 those two issues so that we can, much as did with

2 the Liquidation Bureau. The first step is we need
3 to get all the facts laid out in front of us. Now
4 some of those facts may exist at DOI already. I
5 don't know because I'm not there yet. But the first
6 step is we need to do a deep dive into that. We
7 need to get all the facts laid out in front of us
8 without going in with preconceptions. Because we
9 don't, until we have those facts we don't know
10 exactly went, what went wrong. I have some
11 suspicions but we don't know until we have the
12 facts. We need to lay those fact, do a deep dive,
13 lay those facts out in a transparent way. We need
14 to come back and say here's what went wrong. Here's
15 where the internal controls broke down you know to
16 use CityTime as an example, was this a problem, you
17 know clearly there was some problem with
18 contracting. Was the problem with the assignment of
19 contracts from one vendor to another, was it with
20 the way in which the oversight mechanisms worked?
21 I, sitting here now I do not know the answers but
22 trust me I'm going to know the answers and when I
23 know the answers you're going to know the answers.
24 And once we know that then we can okay what

2 additional controls do we need so that we never
3 ever have that happen again?

4 COUNCIL MEMBER RODRIGUEZ: What about,
5 on my last question, my last question is about
6 agencies such as, let's say DOE...

7 MARK PETERS: Mm-hmm.

8 COUNCIL MEMBER RODRIGUEZ: We have a
9 school construction and they final the project. The
10 school is done. There's a new school, we spended
11 35, 40 million dollars...

12 MARK PETERS: Mm-hmm.

13 COUCIL MEMBER RODRIGUEZ: ...two months
14 after we see that there's a lot of work that the
15 project contractor, he got the money, he or she got
16 the money but the work was not properly done. Like
17 how much are you looking to do the investigation to
18 be sure that every private contractor that benefit
19 from our tax dollar money really complete their
20 jobs.

21 MARK PETERS: Right, that, that's a very
22 important issue. And I think again it gets back to
23 the idea of working this stuff out and doing
24 controls on the front end. Clearly we need a set of
25 controls that makes it impossible, make sure that

2 we do not make final payments to contract,
3 obviously you pay contractors as you go. We need a
4 system, and I can't comment on the state of that
5 system now because I just, I'm not there yet. But
6 there needs to be a system that makes sure that
7 we're not paying contractors their final payments
8 until we've all walked in and kicked the tires on
9 the building so to speak and to mix two bad
10 metaphors right? We need to make sure we've got a
11 system, we don't make those final payments until
12 we've checked out the buildings, we know all the
13 work is done. And one of the things that I will
14 look at and once I know, you'll know is do we have
15 those systems in place? Obviously if you've got
16 experiences with schools where that didn't work out
17 then we don't have the systems in place perfectly.
18 So the question is how do we fix those systems to
19 make sure we get it right?

20 COUNCIL MEMBER RODRIGUEZ: Thank you.

21 MARK PETERS: Thank you.

22 CHAIRPERSON LANDER: Thank you Council
23 Member Rodriguez and I just want to make a note
24 here. So, certainly, as chair, and I think this
25 goes for all the Council Members; we embrace the

2 role that you have keeping us honest, making sure
3 that the Council's systems and all of us
4 individually are complying with the law and on the
5 up and up. I do want to note for the Council as an
6 institution in regard specifically to the Slush
7 Fund scandal of the past that the Council's been
8 cleared by DOI and the US Attorney's office in
9 relationship to that set of scandals and that we
10 worked closely with DOI to adopt and put in place a
11 set of reforms and additional internal controls. So
12 that's not to say when things happen in the future
13 you won't have a responsibility to investigate but
14 I, I... [interpose]

15 MARK PETERS: Sure, and I, I certainly
16 didn't mean to suggest...

17 CHAIRPERSON LANDER: No, no, no you
18 didn't, I'm just... Okay now where were we? Trying to
19 be clear when we, you know when we, that is a
20 situation where there were issues raised, DOI did
21 its job you know and the Council worked with DOI to
22 put new systems in place precisely as you outlined
23 in your opening testimony and your answers to
24 Council Member Rodriguez so...

25 MARK PETERS: Mm-hmm.

2 CHAIRPERSON LANDER: Thank you for... [off
3 mic] Member, now Council Member Garodnick followed
4 by Council Member Chin and then Rose.

5 COUNCIL MEMBER GARODNICK: Thank you
6 very much Chair Lander and I also want to thank you
7 for the opportunity for us to consider the
8 testimony today before voting. I think that's an
9 important precedent and, and it's much appreciated.
10 Mr. Peters thank you, you have an incredibly
11 impressive record and I think it leads you
12 naturally to this job and I think that's very
13 important. I think that the main issue here and
14 that you've heard from a number of our colleagues
15 is the question of closeness to the Mayor, being a
16 Campaign Treasurer of the person who appointed you.
17 And you know for those of us who are in elective
18 office our Campaign Treasurer is a very important
19 person to us. It's, for me it was the best man at
20 my wedding. It's somebody who is a very trusted and
21 close person. And I think that, that the question
22 that this Committee has to grapple with is how
23 close is too close here if, if such a thing exists.
24 And, but most importantly your testimony has been
25 clear about your, your goals and priorities about

2 pursuing issues as you find them. So I just want
3 probe a little deeper on a couple of them. You
4 noted in your testimony that you have no problem
5 pursuing the facts of a case no matter where they,
6 they lead you. Is there any circumstance that you
7 can imagine which the facts might lead you in a
8 place which would be too close to the Mayor to be
9 able to investigate?

10 MARK PERTERS: No. I, no. No matter what
11 I and DOI will go wherever the facts go.

12 COUNCIL MEMBER GARODNICK: Do you, is
13 there any circumstance in which you felt, you feel
14 like you might need to recuse yourself in a DOI
15 matter as it relates to the Mayor.

16 MARK PETERS: Sitting here now I can't
17 think of an instance where I, obviously, where I
18 would need to recuse myself from a matter involving
19 the Mayor. Obviously recusal decisions that are A,
20 very fact specific and B, things that I would take
21 very seriously. If there was an instance in which
22 an investigation suggested that I had some kind of
23 conflict, and sitting here now I cannot think of
24 what it would be, then, I mean, then yes I would
25 recuse myself but the mere fact that the

2 investigation involved the Mayor himself, and by
3 the way I have not only no reason to believe that
4 the Mayor would ever engage in unethical conduct I
5 am very confident the mayor would not engage in
6 unethical conduct. So let me, the word... [interpose]

7 COUNCIL MEMBER GARODNICK: I'm with you
8 and I certainly didn't mean... [interpose]

9 MARK PETERS: Right.

10 COUNCIL MEMBER GARODNICK: ...to suggest
11 anything to the contrary... [interpose]

12 MARK PETERS: But... [interpose]

13 COUNCIL MEMBER GARODNICK: The only, the
14 only circumstance I can think of as I sit here
15 talking to the former Campaign Treasurer is one in
16 which the city's Campaign Finance Board reviews the
17 activities of the campaign and were to refer the
18 matter to the Department of Investigation where you
19 as the Treasurer, even the former Treasurer...
20 [interpose]

21 MARK PETERS: Mm-hmm.

22 COUNCIL MEMBER GARODNICK: ...might have
23 some even personal responsibility for it. That's
24 the only circumstance that I can think of right
25 now. I don't know if that's one...

2 MARK PETERS: Fair, yeah I hadn't, fair
3 point. I hadn't thought of that sitting here. Yes,
4 I suppose if the campaign finance board and I can
5 tell you sitting here now I am as confident as I
6 can be of anything in this world that there is
7 absolutely no possibility that the Campaign Finance
8 Board could find anything involved in this campaign
9 but since we're dealing with hypotheticals, yes. If
10 the Campaign Finance Board were to make a referral
11 to DOI involving the Mayor's 2013 mayoral campaign
12 then yes, for that I would recuse myself.

13 COUNCIL MEMBER GARODNICK: If you were
14 sitting in our shoes here, and I think really the
15 question is very much along the lines of what
16 Council Member Williams was getting at which is
17 that it's clear that you have the background
18 experience, the ability to do this job, and to do
19 it well. Then really the only question that remains
20 is from a public perspective how we can give
21 confidence that there is that level of independence
22 there. Is there any candidate that you think that
23 we could sit across from in this, in this
24 environment which would be too close to a Mayor for
25

2 us to have any pause in making that appointment, at
3 least from a public perspective.

4 MARK PETERS: Sure. Obviously somebody
5 who had a profession, an ongoing professional
6 relationship with the Mayor. For example somebody
7 who was, I can't quite think of how you make the,
8 the structure work out. But clearly whoever is the
9 Commissioner of DOI cannot, you know if the Mayor
10 were also the Chairman of the board of a charity
11 and the DOI Commissioner were the Executive
12 Director of the charity and intended to continue as
13 the Executive Director of the charity. If the
14 person were you know the brother-and-law of the
15 Mayor. But the fact that a Commissioner of DOI has
16 a professional relationship with the Mayor doesn't
17 strike me as anything close to that. In the same
18 way that not only was there no problem with the
19 Governor appointing me to the Commissioner on
20 Public Integrity despite the fact that I had worked
21 for him, despite the fact that we'd been friends
22 for 20 years and indeed several months later that
23 proved out exactly right when we levied the largest
24 fine in the state's history on him which is I think
25 good proof that this is not, this is not an issue

2 and indeed the reaction from the prosecution
3 community and the good government community I think
4 is further proof that it is not an issue because
5 the very folks who would normal, who normally are
6 quick to complain about conflicts had no issue here
7 at all.

8 COUNCIL MEMBER GARODNICK: I certainly
9 have taken note of that too. And in fact there's
10 some circumstances in which closeness might
11 actually serve to be an asset. When, considering
12 the issue of internal controls which is something
13 that you've talked about a lot this morning. Let's
14 just talk about that for a moment. You noted that
15 when you were at the Liquidation Bureau there were
16 84 internal control deficiencies that were
17 identified and that you came in, cleaned them up,
18 and dealt with them. Do you have any sense sitting
19 here now as to where we stand in city agencies in
20 terms of that specific, like the internal control
21 deficiencies and whether that is something which
22 you have already given some thought as to how you
23 might address when it comes to a variety of
24 different agencies doing a variety of different
25 things.

2 MARK PETERS: Sure. That, that is in
3 fact the question that keeps me up most nights. I
4 don't know the answer because I'm not, I'm not
5 there yet. You know when we identified, when the
6 auditors identified 84 internal control
7 deficiencies it's not as though we hired them on
8 day one and on day two they said here it is. We
9 hired them on day one and they spent six months you
10 know reviewing, I can literally tell you there were
11 days when they had to get tape, backup tapes of
12 financial documents and tapes were crumbling on
13 them as they were pulling them out. And they were
14 finding financial, you know bank statements that
15 had never even been opened. So this is exactly the
16 work that we will need to do in the first six
17 months agency by agency assuming it has not been
18 done. I mean I, I want to be very fair and clear
19 her. The Department of Investigation has done some
20 great work in the past. It has some tremendous
21 great professionals there. I have no reason to
22 believe that they are not doing their jobs well and
23 capably and so a lot of this may be stuff that they
24 have. But clearly that's what we need to do is go
25 in there and agency by agency including City Hall

2 itself and figure out what in, I mean in a city of
3 300 thousand employees the, of this size, the
4 possibility that there are not internal control
5 deficiencies strikes me as statistically
6 improbable. The question is not, are there any, the
7 question is can we find them and can we fix them.
8 And by the way when new ones come up, as they will,
9 a city this big I guarantee you new ones will come
10 up, can we be ahead of the curve constantly finding
11 them and fixing them before they cause problems.

12 COUNCIL MEMBER GARODNICK: What's the,
13 what is the natural relationship, to the extent
14 that there is one between the audits that are done
15 by the city Controller... [interpose]

16 MARK PETERS: Mm-hmm.

17 COUNCIL MEMBER GARODNICK: ...and the
18 audits that could uncover the control deficiencies.
19 Or is those very audits that actually will be doing
20 that?

21 MARK PETERS: They're actually slightly
22 different. And, I'll, I'll try to do this without
23 getting completely sort of law enforcement wonky
24 here. The controller's office is doing financial,
25 they're doing very good, very important financial

2 audits that are looking at how money is being
3 spent, whether the money is being spent properly.
4 Internal, internal control audits are somewhat, I
5 mean and those audits by the way are enormously
6 helpful in helping inform DOI as to what it should
7 be looking at and DOI and the controller need to
8 work closely and I expect, assuming I'm confirmed
9 to work very closely with the controller. Internal
10 control audits are slightly different because what
11 internal control audits say is not let me look at
12 the specific money that was spent yesterday but let
13 me look at the process by which the decision got
14 made to spend the money and the process by which
15 the, we went from the decision to spend it to the
16 money out the door. To see is there any point in
17 there where somebody could do something they
18 shouldn't. So it's a slightly different emphasis
19 but clearly they touch on many similar things and
20 you want coordination there. Does that help?

21 COUNCIL MEMBER GARODNICK: It does. And,
22 and really I only have one, one additional question
23 which is you've given us a sense of your, your own
24 perspective on the job and how you would approach
25

2 it. But in terms of the conversations that you have
3 had with the Mayor...

4 MARK PETERS: Mm-hmm.

5 COUNCIL MEMBER GARODNICK: ...on this in
6 terms of his vision for, for the department as it
7 relates to yours or ways that you will have work,
8 resolve to work together should this you know be
9 affirmed here. Can you or are you willing to share
10 with us what that looks like and what you all have
11 discussed in terms of how you would, would plan to
12 operate?

13 MARK PETERS: Sure. And, and... Let me
14 actually back that up by telling you what he also
15 said to me when he asked me to be his treasurer
16 because I think it's relevant and somewhat similar.
17 A number of years ago he came to me and he said you
18 know I'd like you to be my treasurer for my mayoral
19 campaign. It is vitally important that the
20 campaign's finances be run in a completely proper,
21 lawful, ethical, above board way and I can't think
22 of anybody better to enforce that than a former
23 corruption prosecutor. So I want you to do this and
24 if you ever see us doing anything, if you ever see
25 a contribution or anything that bothers you, you

2 know you pull the rip cord and everything stops.
3 Similarly when he asked me to be his DOI
4 Commissioner he said to me; I want to make sure
5 that this government acts in a completely above
6 board ethical way. I want to make sure that we
7 identify problems before they get out of hand. I
8 want to make sure everything is done right and
9 there's nobody better to do that than you given
10 your experience and your job is to figure out what
11 could be going wrong, to stop it before it does,
12 and to fix it when it does go wrong. I was, he was
13 very clear he wanted the stuff done the right way
14 and he wanted me to make sure I did it in the right
15 way. And that's the only thing he ever asked.

16 COUNCIL MEMBER GARODNICK: Thank you
17 very much. I appreciate your testimony.

18 CHAIRPERSON LANDER: Thank you Council
19 Member Garodnick. Next up is Council Member Chin.

20 COUNCIL MEMBER CHIN: Thank you Chair.
21 Good morning Mr. Peters... [interpose]

22 MARK PETERS: Good morning.

23 COUNCIL MEMBER CHIN: It's a pleasure
24 meeting you. And I wanted to focus my question on
25 agency oversight. Especially for my constituents, a

2 lot of them are immigrants and I think also
3 throughout the city and we have heard a lot about
4 the way agency operates and how they feel like
5 they're being mistreated or their might be
6 incidents of abuse. And as you, as I look at your
7 answer to the question about looking at the, the
8 mission and the responsibility of DOI that, that
9 you have to do this in two fold. One is to root
10 out, you know the objective is to root out
11 corruption, fraudulent, wasteful, and abusive
12 practices. And second is to put in opportunity to
13 really, to, to put in some measures and procedure
14 to eliminate that. So I just want to give an
15 example. Two agency; the Health Department for
16 their inspections of restaurants and Department of
17 Consumer Affair for their inspections of small
18 businesses. So within the immigrant community
19 there's been a lot of complaining about how they've
20 been treated. So in these incidents how, with the
21 Department of Investigation really reach out and
22 let the community know that they can come to you,
23 come to your agency to file a complaint or, or just
24 as alert you that they feel something is not right.
25 And how would your, yourself, how would you take

2 these complaints seriously and really do something
3 about it and to help put in some procedures and
4 measures. That would really help eliminate how
5 people perceive government.

6 MARK PETERS: Sure. I mean there is, as
7 I think I alluded to in my opening remarks, if
8 we're going to use government as a progressive
9 force to improve people's lives there's just
10 nothing more important than making sure people have
11 faith in government. That's got to be just goal
12 number one. I think there are several things.
13 Obviously a very big part of DOI and on this point
14 I will actually give some praise to the prior
15 Commissioner Gill Hearn. They did a lot of
16 outreach. I think we need to do even more. We need
17 to be doing outreach to every community so that
18 they understand the DOI is there, that DOI, and
19 that DOI can genuinely you know hear and deal with
20 their complaints. There is obviously a complaint
21 intake procedure but we need to do everything we
22 can. I would envision meeting with members of the
23 Council, meeting with community groups. Council
24 Member if you came to me and said there are these
25 community groups in my community that have issues

2 with these agencies and they don't feel they're
3 being listened to then my first reaction is well
4 let's go meet with those groups. I would like a
5 chance to come before them to talk with them, to
6 meet with them, to hear what they're saying, not
7 just to take in the complaints but so that they
8 understand that there is an agency there that not
9 only can hear the complaints but wants to hear
10 their complaints so that we can go and take a good
11 hard look at what's going on and make sure that
12 these agencies are doing what they should be doing.

13 COUNCIL MEMBER CHIN: So in terms of
14 your staffing, I mean are you going to have
15 designated staff that's going to be responsible for
16 really doing the outreach and let people know that
17 the agency exists and that it is a way for people
18 to file complaints and, and offer you know
19 suggestions and ideas and to really help solve some
20 of the problem. Like for example just give, let's
21 just give you an example recently.. [interpose]

22 MARK PETERS: Mm-hmm.

23 COUNCIL MEMBER CHIN: ...with the
24 Department of Health. A very popular restaurant
25 came to my office and we helped them out and they

2 actually went down and got the judge to dismiss one
3 of the violation. A year later here comes an
4 inspector again and same violation. And this is
5 around, you know traditionally how you prepare this
6 certain food. And the, the, the owner showed the
7 inspector look the judge dismissed this violation
8 saying that it was okay. Inspector say go see the
9 judge you're still getting the violation. So there
10 are a lot of things is happening where people don't
11 feel that they're being treated fairly. So
12 hopefully I mean your agency can help, try to
13 resolve some of these issue and help put in some
14 procedure that measure when people do feel that
15 they're being treated fairly by government, that
16 they're not being taking advantage of or that the
17 government is not just making money, you know out
18 of all these fines that they get.

19 MARK PETERS: Mm-hmm. Absolutely and,
20 and yes there must be outreach that there is now
21 and there must be not only outreach staff but a
22 real emphasis on having a good strong outreach
23 staff who are doing this and if confirmed I would
24 look forward to meet, hearing from you and from
25 your constituents about whatever concerns they have

2 about whatever government agency because there's no
3 other for DOI to its, well not, no other way,
4 there, the best was for DOI to do its work is to be
5 getting complaints from the community which gives
6 us a sense of things we need to be looking at.

7 COUNCIL MEMBER CHIN: And my final
8 question Chair is on whistle blower. I guess that's
9 also relate to city employees who see something
10 happening in the agency where it's problematic,
11 where they will feel comfortable in, or know that
12 they, the DOI will take them seriously overly work
13 with them. A same thing we've heard from unions who
14 have you know gather informations from their
15 members and hopefully like how would you work with
16 city employees and, and unions and also again
17 relating to that is also the new law that the City
18 Council Passed, Local Law 33 which expanded the
19 whistleblower protection to employees of city
20 contractors... So how do you, sort of view working
21 with whistleblowers?

22 MARK PETERS: Sure. And, and the Council
23 is really to be commended by the way for passing
24 Local Law 33 which I think really strengthens
25 whistleblower protections by adding contractors

2 onto that. That's a huge source of, of complaints.
3 And I think it was a, it was desperately needed law
4 and so the Council is to be commended for passing
5 it. And that will make my job, assuming I'm
6 confirmed, that will make my job a much easier job.
7 We need to and I, I think the DOI in the past done
8 a good job of, we need to make whistleblowers feel
9 comfortable that when they come forward they report
10 waste, or corruption, or fraud or abuse that they
11 are going to be protected. That, I mean everybody
12 in law enforcement and every aspect of law
13 enforcement knows you need to protect
14 whistleblowers. I think the Council did a great job
15 in extending those protections and we will enforce
16 them vigorously.

17 COUNCIL MEMBER CHIN: So how will you
18 get that message out? And also getting the message
19 out to employees of contracts, that they have this
20 right and they can come forward... [interpose]

21 MARK PETERS: Mm-hmm.

22 COUNCIL MEMBER CHIN: ...and they will be
23 protected. I, I think there's, there's three parts
24 to that. The first is as the law says there are
25 certain formal notifications that have to go out

2 and we will make sure that's done. Two, as you and
3 I talked about it is important for DOI to have an
4 outreach staff and for that outreach staff to be
5 informally, not through the formal notifications
6 making sure that employees at government contracted
7 sights know about DOI, know that it's there,
8 understand that it will protect them as
9 whistleblowers. And I think DOI has done some of
10 that with the ad campaigns we've seen in the
11 subways and otherwise but we, we can and we'll even
12 continue to do more. And then lastly to some extent
13 this is a function of action speaking louder than
14 words. When we begin to do our work and we begin to
15 follow up on, as DOI already has, but when we
16 continue to do our work, follow up on whistleblower
17 complaints, get good results for the city and
18 protect the whistleblowers. Every time we do that
19 it's going to be easier for the next person to come
20 along.

21 COUNCIL MEMBER CHIN: Okay, thank you.

22 MARK PETERS: Thank you.

23 COUNCIL MEMBER CHIN: Thank you Chair.

24 CHAIRPERSON LANDER: I'm saving most of
25 my additional questions for the end but I actually

2 want to build off Council Member Chin's first
3 question which spoke to the concern that immigrant
4 small businesses in particular... [interpose]

5 MARK PETERS: Mm-hmm.

6 CHAIRPERSON LANDER: ...might have with
7 the Department of Health or Department of Consumer
8 Affairs. A typical DOI investigation might relate
9 to concerns about kickbacks or fraud or corruption.
10 But I think this opens up an interesting
11 possibility that you know a particular subset of
12 business people might perceive that agency, either
13 of those agencies was targeting them either
14 willfully in a discriminatory way or incidentally
15 as a result of the fact that inspectors weren't
16 prepared to deal with immigrant communities,
17 language practices, so we're now bordering on
18 essentially a civil rights type issue where you
19 might get complaints of harassment and what you
20 might see was a, a pattern that suggested immigrant
21 small businesses were being defectively
22 discriminated against whether intentionally or
23 unintentionally. Now, in the case of the NYPD IG in
24 Local Law 70 we specifically assign responsibility
25 to the Inspector General to attend to civil rights

2 and civil liberties investigations. But you know
3 this is, this is Department of Health or Department
4 of Consumer Affairs. Would you see that potentially
5 as something appropriate for investigation by DOI?

6 MARK PETERS: Sure. I mean as a, as a
7 former civil rights attorney I take this stuff very
8 seriously. And you know the executive order of
9 defining DOI's responsibilities talks about waste,
10 fraud, and abuse. And I think that last phrase is
11 every bit as important as the first two. And
12 clearly where an agency, I'm not, obviously I can't
13 speak to the specifics of any... [interpose]

14 CHAIRPERSON LANDER: Sure.

15 MARK PETERS: ...example but where...
16 [interpose]

17 CHAIRPERSON LANDER: I meant it as a
18 hypothetical... [interpose]

19 MARK PETERS: Right, but as a
20 hypothetical, but as a hypothetical matter where an
21 inspector of any agency is targeting people without
22 cause that's not appropriate. And while certainly
23 to some extent DOI is not dealing with individual
24 one off instances that there... where there is a
25 pattern of abuse acts by an inspector at any agency

2 targeting a community, right, including targeted
3 immigrant community. That's something we need to
4 think about. And then the second piece of it is
5 we're, then the second thing you need to think
6 about is why is this going on and how do we fix it.
7 But there is no doubt in my mind that where an, and
8 a group of inspectors in an agency is targeting a
9 community fairly, that falls under the abuse column
10 and that's something that we need to and we will
11 look into.

12 CHAIRPERSON LANDER: Thank you. Thank
13 you Council Member Chin. Next up is Council Member
14 Levine followed by Council Member Espinal.

15 COUNCIL MEMBER LEVINE: Good afternoon
16 Mr. Peters.

17 MARK PETERS: Good afternoon.

18 COUNCIL MEMBER LEVINE: It is afternoon
19 now. I had...

20 MARK PETERS: Oh, so it is.

21 COUNCIL MEMBER LEVINE: I have two
22 related points that I'll ask together. First is
23 among previous commissioners at DOI. There's been a
24 very wide range of approaches to communication with
25 the Mayor. Some have met regularly, have briefed

2 and communicated directly with the Mayor in an
3 ongoing basis. Others have deliberately attempted
4 to limit that communication even almost to zero and
5 I wonder what you would see as the pros and cons of
6 those different approaches and where you'd put
7 yourself on the, on the spectrum. And how do you
8 think your preexisting relationship with the Mayor
9 might impact your approach. This, my second point
10 which is related so I'll throw it out now is how
11 you would assess the tenor of your immediate
12 predecessor Rose Gill Hearn whether there are
13 lessons you draw, aspects to her tenor that you'd
14 like to emulate or change perhaps.

15 MARK PETERS: Sure, as to the first I
16 think there is a appropriate middle ground between
17 the meeting with Mayor all the time and then not
18 meeting with the Mayor at all. And I think neither
19 of the extremes is the modes that I would look for.
20 On the one hand the DOI Commissioner needs to be
21 independent. That means the DOI Commissioner is not
22 going over to City Hall every day or every week
23 telling the Mayor everything he or she is doing.
24 That invites interference that a, that can be
25 harmful to independence that doesn't work. On the

2 other hand we've talked a lot at this hearing about
3 the need to proactively prevent problems before
4 they occur. If you're not talking with the Mayor,
5 if you're not saying to the Mayor we've looked at
6 X,Y, and Z and nothing's wrong yet but we see a
7 potential problem then you're not doing that part
8 of your job. So that, not talking to the Mayor at
9 all is, I think every bit as problematic as talking
10 to the Mayor all the time. And you know to go to
11 and, to your point about my relationship with the
12 mayor, part of the job of DOI is rooting out
13 corruption where we find it and we will do that.
14 But another part of DOI is seeing problems before
15 they occur and getting them fixed. And I think
16 frankly somebody who has the mayor's trust, and who
17 has the ability to go and see the mayor and say
18 look this is a, this is going to be a problem.
19 Nothing's gone wrong yet but I know what I'm
20 talking about and you know I know what I'm talking
21 about. We got to fix this and it's got to get done
22 now. And I think somebody who the Mayor knows and
23 trusts is going to be more effective in doing that.
24 And I think that's actually important because what
25 we want to root out corruption and shine a spot

2 light on corruption when we find it. We also want
3 to prevent problems before they occur.

4 COUNCIL MEMBER LEVINE: And, and your
5 assessment of uh Commissioner Gill Hearn's tenor.

6 MARK PETERS: Oh yes. I think in fact
7 Commissioner Gill Hearn did, did many, many good
8 things. I think she professionalized the office in
9 many ways. I think that a lot of the out, we talked
10 about outreach earlier. I think she actually,
11 dramatically increased DOI's outreach which I think
12 is a good thing. Are there things I would do
13 differently? I, I, answers of course. Obviously
14 Commissioner Gill Hearn and I disagreed on the
15 Independent Police IG and so one thing is I think
16 that is, the Independent Police IG is deeply
17 important. It's something that I intend to spend a
18 great, assuming I'm confirmed, a great deal of my
19 time thinking about. Are there other things that o
20 would do differently? I'm sure that there are but a
21 lot of that I think also to wait until I've had a
22 chance to talk with the staff because I think it's
23 always a bad idea to go into law enforcement
24 scenarios with a bunch of preconditions as to what
25 you want to do before you got the facts.

2 COUNCIL MEMBER LEVINE: Alright, thank
3 you very much.

4 MARK PETERS: Thank you.

5 CHAIRPERSON LANDER: Thank you Council
6 Member. Council Member Espinal.

7 COUNCIL MEMBER ESPINAL: Thank you Brad.
8 It's a pleasure meeting you execs [phonetic]. It's
9 great to put the faces and name and I have to say
10 you have a very impressive resume and I'm very
11 pleased by the answers you gave Dan Garodnick
12 earlier and just now to Mark Levine. It did ease
13 some of my concerns that I had in regards to your
14 connection with the Mayor. I want to talk about,
15 more about the IG. I do represent the precinct with
16 the highest, or had the highest amounts of stop and
17 frisks in the entire city. So it, it's very
18 important to the people in my district how
19 important do you think it is to have someone who
20 has law enforcement, well let's say, let's say
21 experience with the NYPD or working with NYPD. The
22 NYPD is already a big agency as we know. And
23 there's a lot of inner workings that me, myself
24 working government for almost seven years still
25 don't quite understand. Do you, you think that it's

2 important we have someone who has the experience of
3 working NYPD. If not do you think it's important
4 the IG appoints somebody to his staff that, that
5 has worked with NYPD?

6 MARK PETERS: Sure. I think it is
7 absolutely essential that the IG have law
8 enforcement experience. I mean this is in the, this
9 is a law, we are enforcing the law, this is a law
10 enforcement position. Yes, it's essential they have
11 law enforcement experience. I think it is certainly
12 preferable that it be somebody who's had experience
13 with the NYPD which is different from working for
14 the NYPD but experience with the NYPD because as
15 you said correctly it is a vast and complicated
16 organization. And somebody who knows nothing about
17 is then going to end up spending their first year
18 trying to learn where things fit in as opposed to
19 doing the work, looking at the stop and, at, at the
20 issue of stop and frisk. So absolutely law
21 enforcement experience, very much I think it's
22 important that they have experience with the NYPD.
23 I would not say that having actually worked inside
24 the NYPD is, would preclude somebody. In other
25 words I'm not suggesting sitting here now that

2 anybody who ever worked for the NYPD would be
3 precluded. I don't think that's appropriate. I
4 think there are plenty of people, first of all the
5 NYPD is in many ways a very big organization, does
6 many, many good professional things. There are many
7 great professionals at the NYPD. So I would not say
8 who works for the NYPD would be precluded but
9 obviously we need to make sure that whoever this
10 person is can be fully independent if somebody
11 worked at the NYPD we would have to doubly think
12 about that before moving forward. But I don't want
13 to, I, I'd rather not lay down a hard and fast
14 ground rule on that because we need to get the best
15 possible person.

16 COUNCIL MEMBER ESPINAL: Thank you.

17 CHAIRPERSON LANDER: Thank you so that's
18 all the members of the Committee that had
19 questions. I want to thank Council Members Lancman
20 and Gentile for sticking with us through that and
21 that's good. Council Member Lancman followed by
22 Council Member Gentile to ask their questions.

23 COUNCIL MEMBER LANCMAN: Thank you. Good
24 afternoon.

25 MARK PETERS: Good afternoon.

2 COUNCIL MEMBER LANCMAN: So you
3 certainly have outstanding credentials and, and a
4 long history in, in law enforcement in the legal
5 profession. And I, I don't have any question or
6 doubt at all that you're someone who certainly
7 should be in government. But the question is as
8 others have, have raised whether or not your
9 closeness to the Mayor creates a conflict of
10 interest or in my mind, and I think this is what
11 Councilman Williams was, was getting at. At least
12 enough of an appearance of a conflict of interest,
13 that maybe there, there isn't a, a better place in
14 government for you. I find that the example you
15 give of your appointment to, by, by governor
16 Patterson to Commission, I guess as a Commissioner
17 on Public Integrity at the time... [interpose]

18 MARK PETERS: Mm-hmm.

19 COUNCIL MEMBER LANCMAN: ...and then, and
20 then levying a fine to be really unsatisfactory in,
21 in that it, it doesn't quite capture the, the
22 closeness that you have to this Mayor. And I don't
23 mean your personal closeness but you were his
24 Campaign Treasurer. That is as others have, have,
25 have stated a very important and intimate

2 relationship. You were very heavily invested in
3 this Mayor. This, this Mayor as, as a candidate
4 succeeding and, and, in the election and, and, and
5 winning. And I, and I just wonder if you've
6 considered whether or not you're prepared every
7 time that you conduct an investigation or come to a
8 conclusion or, or raise an allegation that in the
9 mind of the, the, the press and the mind of the,
10 the public that perhaps that closeness creates a
11 thumb on the scale so to speak in, in favor of the
12 mayor and whether or not you're, would be able to
13 give a satisfactory answer to someone who's accuses
14 of, of, of wrong doing that the Commissioner of
15 Investigation is, is just doing the Mayor's
16 bidding.

17 MARK PETERS: I, I think there are a
18 bunch of answers to this and I've thought about it
19 and, and bluntly if I didn't feel that I could
20 comfortably answer the question I would have
21 thanked the Mayor for the honor and declined the
22 nomination. First off, as I said I think that for
23 the last 20 years I have built a record of
24 independence. I told the story about Governor
25 Patterson to make that point. And I think that in

2 fact when people in the business of doing what, if
3 confirmed, I will be doing, do career prosecutors
4 including you know for the former US, the former US
5 attorney for the Eastern District, the former Chief
6 of the Southern Districts public Corruption Unit,
7 the former Deputy Executive Attorney, Attorney
8 General. And people in the good government world
9 including former you know Richard Emery who was on
10 the Public Integrity Commission, former NYCLU
11 staffer dictate the others. All of those people
12 have uniformly when asked said we think this is
13 not, we have concerns but we think this is a great
14 idea. We think this is somebody who is qualified,
15 who knows how to do the job, who will do a very
16 good job. So I think, I, first off I feel that I
17 can do it. Second off I think that all of the
18 people in the worlds who do this stuff have pretty
19 uniformly said the same thing and I think that
20 matters. Lastly is it conceivable that somebody we
21 prosecute will you know then blame the prosecutor?
22 Sure, although one of the lessons you learn when
23 you're a prosecutor is whenever, and whenever you
24 indict somebody and they complain that the
25 investigation was unfair. It's a pretty good sign

2 they don't have a better defense. You know
3 sometime, you know yes people complain about
4 prosecutors but...

5 COUNCIL MEMBER LANCMAN: But sometimes
6 prosecution is unfair.

7 MARK PETERS: Prosecutions haven't be unfair
8 and you... [interpose]

9 COUNCIL MEMBER LANCMAN: You're, you're,
10 you're a lawyer with a long background and...
11 [interpose]

12 MARK PETERS: Mm-hmm.

13 COUNCIL MEMBER LANCMAN: ... I'm a lawyer
14 maybe we'll just. A less illustrious background.
15 But I understand the concept that the appearance of
16 conflict sometimes dictates that we remove
17 ourselves from a situation even though there is in
18 fact on close examination no actual conflict and,
19 and I'm... I respect the fact that members of the,
20 the, the profession and members of the, the club
21 support your, your, your nomination. And I very,
22 may very well come to the conclusion that I
23 supported his as well but my concern is, is the
24 public's perception and public's trust. They don'
25 have the opportunity to, to sit at this hearing and

2 they'd have, really have an opportunity to review
3 your, your, your long record and they don't know
4 who Richard Emery is or anyone else. What they're
5 going to know is that the Mayor has appointed his
6 campaign treasurer to be the Commissioner of in, of
7 in, of investigation. And that's, that's what I'm
8 examining. But, but let me... I don't want to cut
9 you off, if you want to continue.

10 MARK PETERS: ...I mean I, as I said I
11 believe that balanced against that is a fairly long
12 demonstrated history of doing of exactly not having
13 this as a problem. I'm, you know I should say that
14 not only are people in the prosecution going to be
15 a good government community have been, the, the
16 people who you would expect to wonder about it
17 having said to them. I'm not sort of aware of a
18 perception frankly that this is a problem or that
19 somebody who worked for the Mayor in one capacity
20 can't then judge the Mayor in another. But again I
21 think that there's a long record of having done..
22 [interpose]

23 COUNCIL MEMBER LANCMAN: That was three
24 weeks ago not once were, that's, that suggests a
25 distant relationship. But let me ask you a

2 different, let me move on to a different subject
3 and that's the range of, of circumstances where you
4 might find yourself con, conflicted out.

5 MARK PETERS: Mm-hmm.

6 COUNCIL MEMBER LANCMAN: I would imagine
7 that an argument could be made that you would be
8 conflicted out of any investigation involving any
9 of the donors to Mayor de Blasio's mayoral
10 campaign, any of the donor's who's checks you
11 accepted or vetted or, or, or processed. I don't
12 know if you would... Well first, before I ask you
13 about the scenarios where that may come up, how
14 would you define the, the, the scope of your
15 potential conflict there when the subject of a
16 potential investigation is someone who was a
17 contributor to the campaign that you were Treasurer
18 of?

19 MARK PETERS: I should tell you that
20 sitting here now I, I honestly couldn't possibly
21 tell you the identities of most of the people who
22 contributed to the campaign. You know I wouldn't...
23 [interpose]

24 COUNCIL MEMBER LANCMAN: I didn't hear
25 you I'm sorry.

2 MARK PETERS: I'm sorry. I could not,
3 sitting here now, honestly tell you that I even
4 know the identities of most of the people who
5 contributed to the campaign. You know I did not, I
6 did not as treasurer sort of sit there and you know
7 personally process all the checks. So first off I
8 don't know that I would even know that somebody, if
9 we were investigating somebody I don't know that I
10 even have any way of knowing that that person was a
11 contributor to the campaign unless they were for
12 some reason a close personal friend of mine and
13 then I would consider recusing myself... [interpose]

14 COUNCIL MEMBER LANCMAN: Do you, do you
15 think that's something that you should check before
16 you conduct an investigation of whether or not they
17 contributed to the, to the campaign?

18 MARK PETERS: Actually I, I think
19 exactly, I think probably the opposite which is I
20 don't know who, I mean there are some people I know
21 contributed to the campaign because they're also
22 personal friends of mine. Sort of that I don't
23 actually know the identities of all people who
24 contributed to the Campaign. I think it would be
25 if, anything inappropriate for me to start checking

2 that kind of thing. There's no place at DOI for us
3 caring one way or the other about what somebody,
4 about somebody's political affiliations. And so I
5 don't believe that I would need to recuse myself if
6 there was an investigation of somebody who
7 contributed. Do remember that thousands of people
8 contributed to this campaign. I don't know...

9 [interpose]

10 COUNCIL MEMBER LANCMAN: Is, is there
11 some threshold where a, a contributor to the
12 campaign either because the amount that they
13 contributed or the amount that they, they, they
14 bundled would create a conflict or at least enough
15 of an appearance of, of a conflict that you should
16 recuse yourself from that investigation?

17 MARK PETERS: If...

18 COUNCIL MEMBER LANCMAN: Or, I'm sorry,
19 or is it, is it your position and maybe you haven't
20 thought this one through and, and that's fine, or
21 is it your position that the status of a person's,
22 as a donor to the, to the Mayor's campaign would
23 not in any circumstance trigger the need for you
24 to, to, to recuse yourself?

25

2 MARK PETERS: The status of somebody as
3 a donor to the Mayor's campaign would not trigger a
4 need for me to recuse myself. In most cases I
5 wouldn't even know.

6 COUNCIL MEMBER LANCMAN: But eventually
7 it's going to come out. You do an investigation
8 and, and maybe there are findings, or maybe in the
9 course of it the, the press gets winds of it or we
10 get, get wind of it and then, and it turns out that
11 the person being investigated was a, was a major
12 contributor to the de Blasio campaign. And now
13 you're question in the public's mind about whether
14 or not this investigation is going to proceed
15 fairly. Now it might be your position that merely
16 contributing to the de Blasio campaign of which you
17 were the treasurer is not grounds for recusal in
18 any circumstance. There may be other grounds for
19 recusal but...

20 MARK PETERS: Mm-hmm.

21 COUNCIL MEMBER LANCMAN: ...merely being a
22 contributor, no matter how significant a
23 contributor, is never going to be grounds for
24 recusal. And, and some of these investigations, I
25

2 imagine many of them, we hope, end with a finding
3 that nothing was done...

4 MARK PETERS: Right.

5 COUNCIL MEMBER LANCMAN: ...wrong. And the
6 public has to have confidence in that as well.

7 MARK PETERS: Sure. Two, two thoughts.
8 One is I don't believe so and by analogy I don't
9 believe, I haven't checked this recently, but I
10 don't believe that any of the five District
11 Attorneys in the city or the Attorney General of
12 the state of New York lists as a grounds for
13 recusal of any investigation they do, the fact that
14 somebody contributed to their campaigns. Obviously
15 they all have thousands of donors. I don't believe
16 that any of them has a rule that says that if
17 somebody donated to their campaign the, as District
18 Attorney or Attorney General recuse themselves. So
19 I think that that's a fairly good model to look at.
20 Obviously there are rules that preclude donations
21 above 400 dollars for anybody who does business
22 with the city. So anybody who made a significant
23 donation to the campaign by definition is not doing
24 business with the city and therefore is unlikely to
25 sort of float across our purview. I'm not saying

2 it's a perfect system but it's highly unlikely
3 they're going to float across our purview because
4 if they're doing business with the city they're
5 limited to 400 dollar... [interpose]

6 COUNCIL MEMBER LANCMAN: You...

7 MARK PETERS: ...expressly so as to avoid
8 these kinds of conflicts.

9 COUNCIL MEMBER LANCMAN: Alright but,
10 but you know that there are many movers and shakers
11 in this city in the real estate industry and the
12 tax industry etcetera who have significant dealings
13 with the City of New York who somehow figure out a
14 way to make very, very significant contributions
15 to, to campaigns so that's...

16 MARK PETERS: As I said, if you are
17 doing business with the city you cannot be making
18 contributions over 400. You can't be in... There
19 really are rules precluding this. We were in fact
20 very vigorous in, in enforcing them in our
21 campaign.

22 COUNCIL MEMBER LANCMAN: Alright, I have
23 no doubt that the campaign was in complete
24 compliance with the Campaign Finance Board Rules.
25 Are you concerned that the situation might arise

2 where you're investigating let's say a real estate
3 deal or let's say a, a proposed appointment or, or,
4 you know some regulation or how something came
5 about in the, the Taxi and Limousine Commission
6 process where the person who might be the subject
7 of, of, of an investigation is someone who was a
8 significant contributor to either the mayoral
9 campaign or the transition campaign for which you
10 were, were treasurer and then that might create an
11 appearance of, of favoritism.

12 MARK PETERS: I mean, as I think I said
13 before recusal decisions are very, very fact
14 specific. And so there's sort of no way sitting
15 here to sort of hypothetically describe every
16 circumstance and I take those decisions remarkably
17 seriously. And so I will say to you there is
18 clearly no doubt that if there were ever an
19 investigation of somebody where their relationship
20 to me was such that somebody could think I couldn't
21 do this right then I'd have to recuse myself. I
22 take those seriously on two ends. One is you
23 clearly need to recuse yourself when it's
24 appropriate but you also, and this is something
25 everybody knows in law enforcement, need to not

2 over recuse yourself because then you don't get
3 anything done. There's a reason to have a
4 Commissioner overseeing this stuff. And if you
5 recuse yourself you know in every instance then
6 you're also not getting things done. But I don't
7 believe that the mere fact that somebody
8 contributed to the mayor, and that I was the
9 treasurer of the mayor's campaign in and of itself
10 would justify recusal in the same way that the five
11 District Attorneys in the city and the Attorney
12 General of the state have, as I understand it, have
13 the position that the mere fact that you
14 contributed to their campaign does not, not require
15 them to recuse themselves absent something else.
16 And I think that those, those are good models to
17 follow.

18 COUNCIL MEMBER LANCMAN: Yeah, well in,
19 in, in that vein if you end up being confirmed, I
20 may end up voting for you. It's something I have to
21 give a lot of thought to though. If at some point
22 early in your tenor you were able to think through
23 those issues and come up with a, a, a policy that
24 the office could be consistently and uniformly
25

2 guided by I think that would be, be very very
3 helpful... [interpose]

4 MARK PETERS: I, I... [interpose]

5 COUNCIL MEMBER LANCMAN: And it may
6 simply be adopting whatever...

7 MARK PETERS: Right.

8 COUNCIL MEMBER LANCMAN: ...ethical
9 guidelines or rules the District Attorneys follow,
10 or the Attorney General follows.

11 MARK PETERS: I, I believe there are in
12 fact a set of rule, I believe there are a set of
13 rules in place. If there aren't it, there is no
14 doubt there needs to be a set of those guidelines.
15 If they aren't in place they will be you know
16 shortly after I get there assuming that you and
17 your colleagues choose to confirm me.

18 CHAIRPERSON LANDER: Thank you Council
19 Member. I want to say a special thank you to
20 Council Member Gentile for waiting so patiently
21 especially given that oversight and investigations
22 is his committee and that in future hearings if you
23 are confirmed you'll be seeing a lot more of him
24 than of, then me and...

25 [background comments]

2 CHAIRPERSON LANDER: Yes, exactly. So
3 you'll have a lot of opportunities to, to question
4 Mr. Peters should we move forward to approve his
5 nomination. But anyway thank you for being patient
6 and Council Member Gentile.

7 COUNCIL MEMBER GENTILE: Thank, thank
8 you Mr. Chairman for inviting me. And
9 congratulations on your chairmanship also.
10 Absolutely. Mr. Peters good afternoon and certainly
11 I think you've been well vetted this morning so
12 I'll be very brief and it's almost going on three
13 hours so I will, I'll be brief. But I just wanted
14 to maybe explore a little bit more about the role
15 of the IGs. We've heard a lot about the Police IG..
16 [interpose]

17 MARK PETERS: Mm-hmm.

18 COUNCIL MEMBER GENTILE: ...but I'm, I'm
19 curious about the role of the IGs in general given
20 the fact that they have their separate staff.

21 MARK PETERS: Mm-hmm.

22 COUNCIL MEMBER GENTILE: You have your
23 staff and they have their separate staffs. And
24 obviously you do law enforcement corruption but I'm
25 curious how that interacts with, with the role of

2 the IGs in general. Are there, are, are, are they
3 mainly focused on policy and practice and you do
4 the corruption or what is the interaction there
5 between your staff and your office in regard to the
6 IGs.

7 MARK PETERS: Sure. Remember there is an
8 independent IG for every city agency and, and now
9 after Local Law 70 I can say for every city agency.
10 All of those IGs report to, would report to me,
11 assuming I'm confirmed. They would report, they
12 would report to the Commissioner of the, of the
13 Department of investigation. And the point of those
14 IGs separate from the more central staff is so that
15 there are several people you know focusing on each
16 agency. And I think they do both parts. They
17 clearly need to look at policy and practice to make
18 sure that things are being done efficiently, that
19 there are no opportunities for fraud and that where
20 there are we correct them. But they also need to be
21 following up on specific complaints and concerns
22 within that agency. And the central staff and, and
23 my job if confirmed is to one, make sure they're
24 doing this and doing it vigorously. Two, to
25 determine when something they see is of sufficient

2 importance to elevate it such that I need to get
3 involved, I need to talk with the Commissioner, I
4 need to talk with the Mayor and say hey wait a
5 minute we've got a problem here. When do I need to
6 talk to other law enforcement entities to say you
7 know what, to go to the Queens DA, just, you know
8 the Queens DA or the Eastern District US Attorney or
9 whomever and say you know what, I've now got
10 evidence, you know I now have evidence of illegal
11 activities. We need to sit down and talk about how
12 to prosecute these folks. So I think it's all, I
13 think all of that is part of it.

14 COUNCIL MEMBER GENTILE: Okay, so it
15 really funnels back to you?

16 MARK PETERS: Yes.

17 COUNCIL MEMBER GENTILE: and, and... Now
18 I'm, I'm curious about the, the special schools
19 investigator who's... [interpose]

20 MARK PETERS: Mm-hmm.

21 COUNCIL MEMBER GENTILE: ...the IG for the
22 DOE. Is there, is that a special role with, or do
23 you see a different vision for the DOE
24 investigator. I think that in some ways it's the
25 same role. It is, it actually has its own

2 independent staff which grows out of a bunch of
3 different issues. And obviously DOE is, even in a
4 city with a number of very large agencies DOE is a
5 uniquely large, uniquely complicated agency. And so
6 I think it's fitting given the size and frankly
7 given the importance of DOE's mission and given the
8 huge interaction that agency has with the public
9 and with our children that it, the Inspector
10 General there have his own staff and have a
11 dedicated mission. But in many ways it's the same
12 concept. This is somebody who is looking at the
13 Department of Education on a regular, on an
14 everyday basis, making sure things don't go wrong,
15 when they are bringing them to me so that I can
16 decide to elevate this by going to the Brooklyn
17 DA's office and saying we need to prosecute, going
18 to the Chancellor and saying we need to put a
19 control in place.

20 COUNCIL MEMBER GENTILE: So you don't
21 have a particular mandate for the schools
22 investigator apart from the other IGs?

23 MARK PETERS: I'm, I'm sorry?

24 COUNCIL MEMBER GENTILE: A different
25 mandate or a different vision for... [interpose]

2 MARK PETERS: No, it, I mean I think
3 that clearly it is, you, clearly they have a
4 separate staff and greater, and frankly greater
5 resources than many other IGs so there's the
6 ability to perhaps think a little more broadly, a
7 little more systemically. But at the end of the day
8 it is the same mandate which is make sure that we
9 are acting, you know that make sure we're acting in
10 a completely ethical way. Make sure everybody's
11 doing what they should. Prosecute the wrong doers
12 and put controls in place to prevent problems in
13 the future.

14 COUNCIL MEMBER GENTILE: Okay great.
15 Great. Just one other issue I just want to cover
16 briefly. Here at the Council our oversight is
17 usually on policy or management, whether it's
18 school capital dollars or parks capital money... You
19 know we focus on policy and management perspective
20 and that's our, our broad mandate as an oversight
21 of the City Council. And yours is somewhat broader
22 in that you have law enforcement and, and
23 corruption issues that, which may ultimately come
24 to light in what we do but that's your mandate. Do
25 you see both sides of it; the policy and management

2 and the corruption issue as something of equal
3 value in terms of what you do? And, and, and the
4 collaboration that leased on the policy management
5 then would be, would be the collaboration between
6 the council and my committee and..

7 MARK PETERS: Mm-hmm.

8 COUNCIL MEMBER GENTILE: ...and what DOI
9 does.

10 MARK PETERS: Right, absolutely. What
11 the Council... And, and I think it's an it, you've,
12 you've put it exactly correctly. The Council who
13 are elected representatives who have a very broad
14 vision of the city and policy need, you know is
15 thinking about policy. The DOI investigator is not
16 him or herself, the Commissioner is not him or
17 herself a policy maker. The Council policy, you
18 know the Mayor's a policy maker, the Council is a
19 policy maker. The DOI Commissioner's obligation is
20 once you've made that policy to make sure that it's
21 carried out in an efficient honest way. And so I
22 think the two pieces complement each other
23 perfectly. The, you know the Council is thinking
24 about are these agencies running the way they
25 should? Are the, are they doing what we believe

2 they need to be doing aided by DOI who can help say
3 we've now gone and kicked the tires to make sure
4 that the day to day operations are working the way
5 you want them to be working.

6 COUNCIL MEMBER GENTILE: Great. I, I
7 think that's, I think we're on the same page on
8 that issue and I...

9 MARK PETERS: Mm-hmm.

10 COUNCIL MEMBER GENTILE: ...and I, and I
11 really do look forward to working with you upon
12 your confirmation which I hope will happen but
13 we'll see. But thank you, I appreciate and I look
14 forward to working with you.

15 MARK PETERS: Great, thank you. I look
16 forward to working with you as well.

17 CHAIRPERSON LANDER: Thank you Chair
18 Ignizio. Council Member Rose had to step out but
19 she's now back and then I have a few more and I
20 think Council Williams, Council Member Williams may
21 have a few more.

22 COUNCIL MEMBER ROSE: Good afternoon.

23 MARK PETERS: Good afternoon.

24 COUNCIL MEMBER ROSE: It is after noon
25 now.

2 MARK PETERS: Yeah.

3 COUNCIL MEMBER ROSE: We started in the
4 morning. And I'd like to thank you to my
5 colleagues. This is our first Rules meeting and
6 it's been quite intense. So I have an, a question
7 and I hope that you'll bear with me in case it was
8 asked in my absence. But DOI's mandate with respect
9 to NYPD is quite broad. And something we heard
10 quite frequently while we were discussing stop
11 question and frisk was that we were in fact, that
12 DOI would in fact go after individual officers when
13 in fact we know that that was not true that the new
14 IG would be responsible for an overview of policy.
15 So being that your mandate is quite broad we have a
16 new position that will be working specifically with
17 NYPD. How do you, do you see any overlap in, in the
18 two organizations responsibilities and how in fact
19 will you handle that? And will you include
20 protecting civil liberties and civil rights as a
21 part of what the NYPD IG should do?

22 MARK PETERS: The second part of that
23 question is the easiest and quickest to answer.
24 Absolutely.

25 COUNCIL MEMBER ROSE: Okay.

2 MARK PETERS: There are several... I mean
3 the, the interesting thing is of course there are
4 several different entities looking at the Police
5 Department. The CCRB is looking at individual
6 complaints about individual officers. IAB is
7 looking at individual instances usually of
8 corruption. I envision, and both of those as, the
9 law that you impose, the law that you passed saying
10 that both of those entities then report to the DOI
11 Commissioner about their findings. And I think that
12 that's an important step because those individual
13 findings allow the Independent Police IG and
14 ultimately the DOI Commissioner to begin to look at
15 patterns. Right, as you correctly pointed out DOI
16 is not looking to individual cases, it's looking to
17 see are there patterns, are there places where
18 citizen's civil rights are systemically not being
19 enforced. Are there places way in the nexus between
20 the Police Department in the Community where they
21 meet. Are there places where that's going wrong as
22 a pattern and then secondly how do we fix it and
23 third, and I think this can't be over emphasized,
24 making sure it stays fixed. Because I take very
25 seriously not just the obligation to fix the

2 problem today but to make sure it stays fixed
3 tomorrow and next year.

4 COUNCIL MEMBER ROSE: Information that
5 the NYPD IG gathers, could that drive a DOI
6 investigation?

7 MARK PETERS: Yes absolutely, no the,
8 that could, I think, well in two ways. First of all
9 if the NYPD IG who reports to the DOI Commissioner
10 if he or she uncovers information about another
11 agency in the course of doing the police
12 investigation then clearly that piece will go over
13 to the relevant part of DOI that does that. I think
14 it's actually important that we have a separate,
15 and a separate staff and budget for the Independent
16 IG separate from the rest of DOI because the rest
17 of DOI has to work with the Police Department. So I
18 think that separation of the two is important so
19 the IG can remain independent while DOI works with
20 them. But certainly so issues that the Independent
21 IG finds with the Police Department. The
22 Independent IG will have sufficient staff to follow
23 up on that. They will ultimately report to me and
24 then I will determine how to elevate that further
25 whether that means meeting with the Police

2 Commissioner, meeting with the Mayor, referring to
3 the right, relevant prosecution agencies. And then
4 separately non-Police things would be handled by
5 the rest of DOI.

6 COUNCIL MEMBER ROSE: And my last
7 question is during the stop question and frisk
8 hearing there were officers who, who talked about
9 the fear of retaliation and, and believed that if
10 in fact they came public with a statements that
11 there would be retaliation within the department.
12 Will you, if confirmed, how would you protect these
13 officers that are considered whistleblowers or can
14 cooperate with the IG?

15 MARK PETERS: Right, that's, I mean
16 fundamental to doing good law enforcement is
17 protecting your sources. And we now have a strong
18 whistleblower statute which you know thanks to this
19 council has in fact been expanded and strengthened.
20 We need first of all if there is ever evidence that
21 an officer at the NYPD who came forward is the
22 victim of retaliation that is something that I as
23 Commissioner of DOI would immediately investigate
24 and take all forceful action on. Because you
25 cannot, we, we cannot deal with issues with the

2 NYPD or frankly issues in any city agency. If
3 people are afraid that when they come to DOI that
4 they can be penalized for it.

5 COUNCIL MEMBER ROSE: Even if this is
6 the high level, coming from a high level source?

7 MARK PETERS: Yes.

8 COUNCIL MEMBER ROSE: The retaliation.

9 MARK PETERS: Retaliation is
10 retaliation. If you do it it's against the law and
11 we will stop it.

12 COUNCIL MEMBER ROSE: Thank you. Thank
13 you Mr. Chair.

14 CHAIRPERSON LANDER: Thank you Council
15 Member Rose. Mr. Peters I have some more questions
16 and I think Council Member Williams does but I want
17 to thank you for your time and patience. This has
18 become a long hearing. At, at future Rules
19 Committee Hearings we may put members on the, on
20 the clock but I thought for this one, given the
21 seriousness of the position it was important to let
22 everyone ask their questions and... [interpose]

23 MARK PETERS: Absolutely and I, I
24 actually want to, want to thank the Council for
25

2 giving me the time to talk about what I think are
3 some incredibly serious issues so I appreciate it.

4 CHAIRPERSON LANDER: All of my remaining
5 questions really focus on the NYPD Inspector
6 General which I have the honor of being the co-
7 sponsor on with Council Member Williams and it's
8 great to hear what you've said so far about it. I
9 have a few more questions. It sounds like, well you
10 just said that you thought it needed to have a
11 separate, its own separate budget.

12 MARK PETERS: Mm-hmm.

13 CHAIRPERSON LANDER: Will you as part of
14 your presentation of the, of the budget when you
15 get there provide that separate budget information
16 or budget request to the Council as part of your,
17 your budgets mission?

18 MARK PETERS: Yes, absolutely. It, let,
19 let's be clear. We need a separate independent
20 budget so that they can be independent from the
21 rest of DOI that needs to work with the NYPD. I
22 anticipate that on April, assuming that I'm
23 confirmed, I anticipate on April 1st coming to the
24 council with both the name and qualifications of
25 the new Independent IG who will report to me but

2 also with at least a broad outline for what the
3 staffing and budget needs to look like. I, I don't
4 want to commit to a penny by penny budget since as,
5 as you all well know better than I do city
6 budgeting is a complex thing. But I anticipate we
7 will come with a broad outline of what we believe
8 is the staffing necessary. And I think I gave you a
9 sort of a sense of what I think that will be and
10 that will be better fleshed out by April 1st.

11 CHAIRPERSON LANDER: So thank you and I
12 should have prevised my question by saying assuming
13 that you're, that you're confirmed. I appreciate
14 your clarifying that. And I will just say I'm
15 encouraged to hear that answer. One of the things
16 that we would have liked to put in the bill and
17 that this goes for the Council in general is to get
18 more detailed units of appropriation as part of
19 agency submissions in the, in the budget and
20 there's a debate about whether we have the...

21 MARK PETERS: Mm-hmm.

22 CHAIRPERSON LANDER: ...you know the
23 authority under the charter to require it or not.
24 But providing that information to us so that we can
25 see it, if you're confirmed, would go a, a long way

2 to helping us have that, that confidence. I think
3 it's implied in what you said but I just want to
4 ask it because as you noted the NYPD is you know
5 appropriately involved in DOI and serve subpoena
6 and that there are NYPD's officers who are part of
7 the DOI staff. Would you establish a firewall or a
8 set of rules and criteria for those interactions so
9 that the IG could, you know the I, the NYPD IG
10 staff didn't have to worry about you know the
11 possibility that information that being seen by
12 NYPD officers?

13 MARK PETERS: Sure. I think that's very
14 important. The first step obviously is that the
15 NYPD Inspector General needs his or her own staff.
16 In other words they shouldn't be sharing staff.
17 They, the Independent IG's office will need its own
18 space because we shouldn't be worried about if I'm
19 talking to somebody or, or somebody is coming in
20 and talking to me that NYPD officers legitimately
21 working with DOI over here are watching what we're
22 doing. So I think the most important thing we do is
23 separate staff, separate space. Ultimately the NYPD
24 IG will report directly to me, assuming that I'm
25 confirmed, so that they will have, they will not be

2 reporting to anybody else at DOI other than me. And
3 I think that those firewalls will allow them to
4 operate independently without worry about what
5 their colleagues and the rest of DOI are doing with
6 the NYPD and vice versa.

7 CHAIRPERSON LANDER: Good, thank you.
8 Somewhat similar question but Local Law 70 gives
9 the Mayor in consultation with DOI and the NYPD the
10 ability to determine how sensitive NYPD information
11 provided to DOI as part of an investigation would
12 be treated. In your opinion what are the types of
13 information that would qualify as sensitive and do
14 you have some initial thoughts on how such
15 information should be treated under the law?

16 MARK PETERS: Sure. Obviously it is very
17 important that sensitive information be kept
18 confidential. I have not, you know and, and I will,
19 and one of the first things we will need to do is
20 begin to draft those guidelines in consultation
21 with the Mayor. Clearly there are, and on any given
22 moment numerous undercover investigations going on.
23 Not only at DOI but obviously at the NYPD. Some of
24 these I suspect but not being part of the NYPD I'm
25 not privy to their undercover investigations now.

2 Obviously I will be to some extent if confirmed.
3 Some of those are undercover investigations
4 involving really dangerous people. Some of them are
5 information about dangerous people and undercover
6 officers and that's the kind of thing that you need
7 to be incredibly careful about so that we don't get
8 people killed, not to put too fine a point on it.
9 That's the kind of stuff that we need to be very
10 careful about. We need protocols for that and we'll
11 take that very, very seriously. And it's among the
12 first tasks of the DOI Commissioner and the new
13 NYPD Inspector General and then the staff of the
14 Mayor's office to make sure those protocols are in
15 place because frankly not only is it important to
16 keep people safe but if you want to investigate the
17 NYPD, if you want to be overseeing the NYPD they
18 too need to feel as though they can tell us things
19 without compromising public safety. This works both
20 ways.

21 CHAIRPERSON LANDER: As we were drafting
22 the law we concluded that we couldn't give, it
23 would you know would be, it wasn't appropriate to
24 give the Council a legal role in the process that
25 that guidelines here to be developed between the

2 Mayor, DOI, and NYPD. But obviously it's very
3 important to the Council both that those guidelines
4 be strong to protect people's identities and not
5 put anyone in harm's way but also that they not
6 provide cover that could be used to prevent
7 investigations or information. Would you agree
8 though it's not in the law to include the Council
9 as you're developing those guidelines and seek our
10 input so that we could have confidence that it
11 would... [interpose]

12 MARK PETERS: Yes I absolute...
13 [interpose]

14 CHAIRPERSON LANDER: ...provide, provide
15 protections on both sides.

16 MARK PETERS: Sure. I, yes, I, I think
17 it is important and I certainly will meet with the
18 Council's input on these guidelines. I think you
19 raise an important point. While we need to be
20 vigilant to make sure that appropriately
21 confidential information stays confidential it can,
22 that can never be an excuse for not talking with
23 things we should. As I mentioned in my opening
24 statement when we did our internal controls report
25 and found a bunch of problems at the Liquidation

2 Bureau everybody's initial reaction was well people
3 don't make these things public. And my reaction was
4 well if there is particular sensitive information,
5 people's social security numbers, redact it, but
6 the rest of it is going to get put up on web. So we
7 need to be careful and we need to be extremely
8 careful. I cannot overstate it to make sure that
9 sensitive information does not become public that
10 people are not put in jeopardy. But we can never
11 use that as a way to avoid the transparency that is
12 absolutely essential.

13 CHAIRPERSON LANDER: Thank you. I want
14 to, I guess this is in the same vein of how to
15 balance what information might be considered
16 sensitive with thorough investigations. And so I
17 want to raise the, I'll raise it as a hypothetical
18 the question of a potential investigation into NYPD
19 surveillance and the intelligence operation. And
20 you know I think you, you discussed not talking
21 about specifically in what order or how you would
22 do things. You acknowledged that this was an
23 appropriate area for consideration but just as a
24 hypothetical and well I mean I'm on the record
25 saying that you know I think it's important that we

2 do look into that and that the issues raised in the
3 AP reports and a number of other news reports you
4 know raised concerns that are appropriate for
5 investigation. So assuming that you did move
6 forward with such an investigation and that there
7 was concern that you saw fit to investigate around
8 whether surveillance has, has been alleged
9 specifically targeted Muslim communities in an
10 appropriate way or in violation of the Handschu
11 Consent Decree. I could imagine that the, the NYPD
12 would say you know we don't want to give you that
13 information because it relates to ongoing kind of
14 terrorism investigations, that information is too
15 sensitive and so I guess, I just wonder if you can
16 walk through how you would handle that situation
17 you know and, and how you would proceed.

18 MARK PETERS: Sure and, and let me be
19 clear I don't want to prejudge or suggest, I'm not
20 in a position to prejudge or suggest that there
21 either are or are not problems in the, in this area
22 and, and that, that awaits doing the investigation.
23 Or that, that awaits the position. As to the first
24 question what happens when the NYPD says this is
25 too sensitive to tell you Independent Police

2 Inspector General you, Commissioner of DOI, that's
3 not something they get to say. So that's easy. They
4 don't get to say that. Do they get to say we need
5 any number of protocols to keep this information
6 within a small circle to make sure people don't get
7 killed? Not only do they get to say that, they
8 should say that, I want them to say that, and I
9 take that incredibly seriously. But they don't get
10 to say you don't get to know about this. That's the
11 whole point of an Independent Police IG with
12 subpoena authority. As to the second question of
13 what do you then do the, you know this is a common
14 issue in law enforcement which is what do you do
15 when you see something's wrong but it, it involves
16 sensitive information in ongoing investigations.
17 And it's a balancing act. It's hard to sort of talk
18 about in the abstract but I've never known a
19 situation, I never personally encountered a
20 situation in which there wasn't a way to talk, to
21 alert the public to problems in a way that made
22 sure the public understood what public servants
23 were doing while at the same time protecting law
24 enforcement investigations. It's a balancing act.
25 It's got to be done very carefully. I take it

2 incredibly seriously but that, that's sort of the
3 whole purpose in having an independent IG and
4 having somebody with serious law, and you wrote
5 into the law that the, well the DOI Commissioner
6 must have law enforcement experience, I've said
7 here I believe that the NYPD IG must have law
8 enforcement experience. It's precisely because you
9 need that experience to do that balancing act in a
10 way that is both effective and safe.

11 CHAIRPERSON LANDER: And I'll ask, I
12 have a few more. I'll ask one more then I'll turn
13 it over to Council Member Williams and, and come
14 back and, and may ask a couple of final questions.
15 But this issue around surveillance in particular
16 also raises a question about partnerships that the
17 NYPD engages in. Some of those were concerns around
18 the CIA or FBI. You know the NYPD Inspector
19 General's Authority doesn't extend to the CIA or
20 the FBI but, but I believe that it does extend to
21 NYPD officer engaging in partnerships with other
22 law enforcement agencies...

23 MARK PETERS: Mm-hmm.

24 CHAIRPERSON LANDER: ...and that, I just
25 want to make sure but do you agree that, that that

2 would be an appropriate area for investigation
3 should, should a need arise?

4 MARK PETERS: Yes, and I think the law
5 makes that clear. Obviously where the NYPD has
6 partnerships with other entities such as the FBI
7 and the CIA there are going to be any number of
8 security concerns. I think we need to be incredibly
9 careful in how we approach so that we do not
10 compromise the safety of law enforcement officers.
11 But the law I think is very clear that NYPD
12 officers who are working with other agencies, that
13 work is covered within the scope of the bill if,
14 if, when necessary, yes.

15 CHAIRPERSON Lander: Thank you very
16 much. Alright Council Member Williams and then I
17 may come back for a last couple questions.

18 COUNCIL MEMBER WILLIAMS: Thank you very
19 much and thank you for staying here for quite some
20 time.

21 MARK PETERS: As I said I, I have
22 planned the whole day around, I planned the whole
23 day to be here.

24

25

2 COUNCIL MEMBER WILLIAMS: My assumption
3 is that you are really interested in being a
4 Commissioner... [interpose]

5 MARK PETERS: I, I am, I am... Yes, I am
6 really interested and I, I hope that at the end of
7 this you are similarly interested in my being the
8 Commissioner.

9 COUNCIL MEMBER WILLIAMS: Just a couple
10 more question but one, what is your understanding
11 regarding a duty, and this, if this was asked
12 please let me know, I may have stepped out
13 regarding the duties related to Police Corruption
14 Commission.

15 MARK PETERS: Sure. I don't believe it
16 was asked. The Police Corruption Commission will be
17 reports to the Commissioner of the Department of
18 Investigation. It is and, and when I gave my answer
19 about IAB and the CCRB I should have included that
20 in as well. So actually this is a nice opportunity
21 to, to supplement that. The Police Corruption
22 Commission reports to the Department, to the
23 Commissioner of Investigation. It is separate from
24 the Police IG and I view it in many ways the same
25 way that I would view the CCRB and A, IAB which is

2 these are all entities that have somewhat focused
3 obligations. The Police Corruption Commissioner is
4 just looking at police corruption which is
5 important but hardly the only thing that the Police
6 IG needs to look at. And so I view all of these
7 entities as entities that have more focused
8 missions that will be reporting in on what they're
9 finding which then allows the Police IG to look at
10 all this and try to take a broader more systemic
11 view of the issues and see where are their patterns
12 from these individual facts we're getting and where
13 do those patterns suggest that we need to do
14 further work.

15 COUNCIL MEMBER WILLIAMS: And what is
16 your understanding regarding your duties related to
17 the interagency group associated with ACS?

18 MARK PETERS: My duties with regard to
19 the interagency group associated with ACS?

20 COUNCIL MEMBER WILLIAMS: Yeah.

21 MARK PETERS: Obviously ACS as a whole
22 is, has an IG and the interagency group along with
23 every other part of ACS is going to be supervised.
24 ACS is an agency with which I have some fair
25 familiarity having served as the Senior Council on

2 the Marisol Litigation which is in fact the
3 litigation that functionally spawned the creation
4 of ACS and some of the reforms of child welfare
5 systems in the late 90s. But all of that is
6 something that needs to be looked at by the
7 Department of Investigation.

8 COUNCIL MEMBER WILLIAMS: Would you
9 require that your appointee undertake an initial
10 review of NYP, NYPD policies and practices and
11 report back findings within the first six months of
12 their appointment.

13 MARK PETERS: My appointee as the...
14 [interpose]

15 COUNCIL MEMBER WILLIAMS: IG, I'm sorry.

16 MARK PETERS: Yes.

17 COUNCIL MEMBER WILLIAMS: Okay, and then
18 just to get back to some of the other questions I
19 had about the impartiality. So I, I heard part of
20 Council Member Garodnick asking about would there
21 be a, a nominee that will be too close. And I think
22 you said someone with an ongoing relationship with...
23 Which I was a little confused because I'm not, when
24 does an ongoing relationship end? Does it end at
25 the point of, that you've no, that you've resigned

2 from a position and that's a little... I'm trying to
3 figure out the time frame because January 6th is
4 less than a month. Would that constitute still a
5 ongoing relationship, does it end at January 6th?
6 Or do, or do you include yourself in that? How does
7 that work?

8 MARK PETERS: No, I, I, I do, I, no I,
9 the answer is an ongoing relationship is just, is,
10 is I think just that. I resigned as the treasurer
11 of the Mayor's campaign on January 6th. From that
12 point onward I don't have an ongoing relationship.
13 You know we have a whole serious of you know city
14 rules and bar ethics rules that say you know, you
15 should, you know that talk about how to deal with
16 people who you previously were dealing with and the
17 rules are pretty clear that, that, you know when
18 you resign then it's a previous relationship.

19 COUNCIL MEMBER WILLIAMS: So then, in,
20 in your mind there would be no ongoing relationship
21 that would cause concern as long as they resign
22 prior to being nominated?

23 MARK PETERS: If the only point of
24 relationship was, well with, with two caveats. One,
25 that assumes that the only point of relationship

2 was whatever the person resigned from. And it also
3 presumes that the new entity isn't going to be
4 looking at what the ongoing relationship was. For
5 example I think that there would be, if I was here
6 as the nominee to be the Chairman of the Campaign
7 Finance Board I think that even though I had
8 resigned as the treasurer for the campaign I think
9 there would legitimate question about could I be
10 looking at campaign finance issues. And in fact I
11 think I said, I said to Council Member Garodnick,
12 yes, if for some reason the Campaign Finance Board
13 were to make a referral to DOI involving the
14 Mayor's, you know the mayoralty campaign but yes,
15 for that I would recuse myself. But my, you know my
16 relationship with the Mayor extended to the
17 campaign. Yes, if the CC, you know if the C, the
18 Campaign Finance Board wanted to refer something
19 about the campaign which I cannot imagine happening
20 given the long hours I spent making sure everything
21 was run above board I would have to recuse myself.
22 But other than that there isn't, there is not
23 either a past or present relationship that requires
24 recusal I don't believe. Although as I said,

2 recusal decisions need to get made on a case by
3 case basis.

4 COUNCIL MEMBER WILLIAMS: So is there,
5 would, if you were appointed, would there be cases
6 that you would recuse yourself if it concerns the
7 Mayor?

8 MARK PETERS: If, well if a case was
9 referred to DOI by the Campaign Finance Board
10 involving the Mayor's campaign finances I would
11 recuse myself. I cannot, sitting here now, think of
12 another instance involving the Mayor where I would
13 need to recuse myself. You know as I said these
14 things are made on a case by case basis but other
15 than that I don't believe there is a need to recuse
16 myself. I think that the fact that I've known and
17 worked with the Mayor for some time doesn't require
18 recusal. There are obviously lots of people that I
19 or frankly anybody who holds the, you know who is
20 the Commissioner of Investigation is going to know
21 for some time and generally under, you know basic
22 rules of recusal the fact that you've known and
23 worked with somebody is not a reason to recuse
24 yourself as a prosecutor.

2 COUNCIL MEMBER WILLIAMS: I'm also
3 concerned about you know trickling down and like
4 the... Do you think there might be employees who
5 might uncover something and think twice about
6 bringing it to you because of the relationship that
7 the perceive you had or have with the Mayor?

8 MARK PETERS: Not after they've met me
9 once.

10 COUNCIL MEMBER WILLIAMS: Okay.

11 MARK PETERS: No, I, I, believe me there
12 will be absolutely no doubt in any employee's mind
13 that whatever they find is where they go and I will
14 make that beyond clear. Nobody who meets me twice
15 will have that question.

16 COUNCIL MEMBER WILLIAMS: Okay I am
17 still grappling with this again, not with your
18 qualifications or whether you're the right person
19 for this but such a close proximity to resigning to
20 then being appointed just, I'm just really trying
21 to understand. The public I think expects the
22 Council to be a, a counterweight and expects us to
23 make sure we're appointing people that don't even
24 have the appearance in partiality. It's, it's
25 different, It's difficult when I think anybody

2 involved in this game is going to have
3 relationships with people so that's to be expected.
4 But the proximity of the resigning is, is what
5 still troubles me a little bit. But thank you for,
6 for taking my questions and hopefully helping me
7 think through this a little bit.

8 MARK PETERS: Thank you.

9 CHAIRPERSON LANDER: Alright, so I just
10 have two more questions and then we'll let you, we
11 do have two people signed up to testify and so I'll
12 hope you'll stick around and hear their testimony
13 but they won't be asking you questions.

14 MARK PETERS: Okay.

15 CHAIRPERSON LANDER: In the time that
16 we've been sitting here the, the situation has on
17 policing in, in the city has evolved even yet a
18 little further. The, the mayor announced a, a
19 little while ago a, a settlement, an agreement
20 essentially in the, in the Floyd lawsuit that
21 involves some clarification about the role of the
22 Federal Monitor. In particular putting a three year
23 time frame on the, on the monitor. So I just wanted
24 to ask one of the things that also came up during
25 the debate around the bill once the Floyd ruling

2 came down was about the relationship between the
3 NYPD Inspector General and the Federal Monitor and
4 I just wanted to get your thoughts on that
5 question.

6 MARK PETERS: Sure. Obviously I...

7 CHAIRPERSON LANDER: You have not... I
8 appreciate that you haven't been watching your
9 twitter feed... [interpose]

10 MARK PETERS: I, I have... [interpose]

11 CHAIRPERSON LANDER: ...sitting on the
12 witness... [interpose]

13 [laughter]

14 MARK PETERS: Sadly I have to confess I,
15 I both don't have a twitter feed until... [interpose]

16 CHAIRPERSON LANDER: ...take my word...
17 [interpose]

18 MARK PETERS: ...I figured out how to use
19 it my daughter keeps offering to explain and I keep
20 not letting her. I think that the monitor in the
21 Floyd case is different from the Police IG in two
22 very important ways. The Monitor in the Floyd case
23 is specifically looking at stop and frisk and it's
24 got, you said a three year time... I mean Monitors
25 always have a time horizon, so a three year time

2 horizon. The Police IG is looking at a much broader
3 set of issues and is going to be looking at them
4 forever. So what we need to do is make sure that
5 the Police IG is working with the Monitor so that
6 they are looking at stop and frisk together. So
7 that what the Monitor sets up is a way to look at
8 stop and frisk is something that the IG embraces
9 because, so that in three, so that overtime, my
10 vision of it would be that overtime the Independent
11 IG begins to more and more and more look at stop
12 and frisk as the Monitor approaching the end of
13 three years begins to phase out. And if we do our
14 work correctly on, in year four nobody will notice
15 that the work's now being done by the IG and not
16 the Monitor because it will have been so seamless.

17 CHAIRPERSON LANDER: Thank you. And my
18 last question is sort of similar. You talked before
19 about the importance of making sure things stay
20 fixed and...

21 MARK PETERS: Mm-hmm.

22 CHAIRPERSON LANDER: ...what ongoing
23 attention means. And I want to ask, I mean I, this
24 summer while we were having the debate over the IG
25 the NYPD actually released what I thought was a

2 quite good external report that they had
3 commissioned on the allegations around crime
4 statistics downgrading. And I actually thought it
5 was the kind of report... I hope that the, your, the
6 Inspector General that would be picked in the
7 future would, would produce. And whether or not
8 you've had a chance to, to look at that report
9 specifically it outlined a series of
10 recommendations. Commissioner Kelly said that he
11 would put all of the recommendations in that report
12 into effect. Is something like that making, you
13 know following back up and making sure those
14 controls are in place, the kind of thing that you
15 see as an appropriate role for the NYPD Inspector
16 General?

17 MARK PETERS: Absolutely and I think, I
18 think it was in response to a question from Council
19 Member Williams but it was certainly in response to
20 a question and I talked about what I saw as the,
21 the important components of the IG. And one of the
22 things I talked about, so this is really, this,
23 this helps to reinforce it, is the idea of data
24 staff who know how to pull apart and look at
25 numbers. And this is precisely why you know for

2 better or worse there's a lot of statistics here.
3 We need people who know how to do that. So yes,
4 absolutely, that's the kind of thing we need to do.

5 CHAIRPERSON LANDER: Super. Thank you.
6 Thank you again for your, your time and your
7 thorough answers. I think it was valuable for
8 Council Members to get to ask these questions and,
9 and really have a, a thorough dialogue with you. So
10 I want to appreciate all the time you spent. I note
11 that in the materials you gave us you also did
12 identify, and you named a few of them in your
13 testimony individuals that we might check in with
14 if we want... [interpose]

15 MARK PETERS: Mm-hmm.

16 CHAIRPERSON LANDER: ...to sort of, as
17 we're deliberating over the next few days.

18 MARK PETERS: Mm-hmm.

19 CHAIRPERSON LANDER: So I just want to
20 flag we may check in with a few of them. But, so I
21 want to thank you for your testimony and your
22 thorough answers and all your time and dismiss you
23 from the, the hot seat so to speak. And then we
24 have two, three individuals I guess in two groups
25

2 signed up to testify. So can you stick around and
3 hear their testimony?

4 MARK PETERS: Absolutely.

5 CHAIRPERSON LANDER: Fantastic. Well
6 thank you very much so we'll let you step down from
7 the stand and I'll call up first to testify Dick
8 Datey and Alex Camarda from Citizen's Union.

9 MARK PETERS: And let me say thank you
10 again to all the Council Members for giving this
11 all of this thought which is helpful. Thank you.

12 [background conversations]

13 CHAIRPERSON LANDER: Welcome, if you
14 guys can just go ahead and... [interpose]

15 DICK DATEY: Good afternoon... [interpose]

16 CHAIRPERSON LANDER: ...state your name
17 for the record and then go ahead.

18 DICK DATEY: ...Chair Lander and members
19 of the Rules Committee. My name is Dick Datey. I'm
20 the Executive Director of Citizens Union. I'm
21 joined here by my colleague Alex Camarda. Citizens
22 Union believes that Mark Peters is qualified to
23 serve as the Commissioner of DOI having previously
24 served as Chief of the Political Corruption Unit
25 and as, as his experience as a Commissioner on the

2 state Ethics body, then the Commission on Public
3 Integrity. We expect Mr. Peters to continue the
4 offices reputation for independence and integrity
5 that he was, that he was known for under his
6 predecessor. Mr. Peters' role in the campaign of
7 Mayor de Blasio as his treasurer is well known and
8 will undoubtedly bring additional scrutiny to his
9 leadership and decisions at the DOI as it should.
10 Citizens Union believes that city employees should
11 be hired based on what they know not who they know,
12 that Mr. Peters has a close relationship with the
13 Mayor does not disqualify him given his
14 credentials, experience, and qualifications.
15 However the additional scrutiny because he knows
16 the Mayor well should be welcomed by Mr. Peters as
17 he establishes his office and the integrity it
18 needs to continue to have the public trust. We
19 trust that Mr. Peters will follow the facts
20 wherever they lead in an investigation regardless
21 of the nature or target of any probe and that the
22 close relationship with the Mayor will not affect
23 his independence and professional judgment. Should
24 he be confirmed by the council we urge him to
25 robustly continue an effort that began nine months

2 ago at the DOI. With the establishment of an IG
3 office devoted to monitoring the Board of Elections
4 and rooting out any ways to fraud or unethical
5 conduct there. This new office created by the
6 previous administration was also advocated for, by
7 Council Members Oddo and Ulrich at the time, at, as
8 part of a larger effort to improve election
9 administration at the City Board. The IG made a
10 valuable contribution into advancing election
11 reform in New York City and state by releasing a
12 report in December that inventoried, that
13 inventoried the many policy administrative issues
14 facing the City Board and made over 40
15 recommendations to improve the agency. See you met
16 then with the previous Commissioner and her staff
17 regarding issues at the Board and we hope the
18 collaborative reproach of the IG unit led by Andrew
19 Braunstein continues under Mr. Peters should he be
20 confirmed as Commissioner. We encourage Council
21 Members to read the IG's report examining the Board
22 of Elections. One of the most important findings in
23 that report that Citizens Union brought to the
24 DOI's attention is on page one. The, DOI states in
25 the report based on an informal opinion of the

2 State Attorney General's office that the BOE is
3 local rather than a state agency. The BOE is funded
4 by New York City and its employees are city
5 employees. This means that, and there's been some
6 confusion over this. This means that not only does
7 the DOI have the jurisdiction to investigate the
8 Board of Elections but that the Council has the
9 jurisdiction to pass laws to improve the Board of
10 Elections operations as well as provide oversight
11 like any other city agency. We urge the Council to
12 take full advantage of that authority and enforce
13 existing laws that require the City Board of
14 Elections to report to the Mayor's Management
15 Report, a bill that you Mr. Chair sponsor and
16 webcast its weekly meetings of its Commissioners in
17 addition to passing New Laws incentivizing city
18 workers to serve as poll workers so we can improve
19 election administration. Working hand in hand when
20 the eventual Commissioner of DOI, the City Council
21 can exercise its authority to address these
22 inherent problems at the Board of Elections
23 highlighted by this DOI investigation. We thank you
24 for the opportunity to present the CU's views on
25 the nomination of Mr. Peters and the DOI IG unit

2 focused on the City Board of Elections. And let me
3 just add too that this oversight hearing has been
4 exceptional. I congratulate you as the new chair of
5 Council Rules and the questions that have been
6 asked by each and every member of the City Council
7 today shows that the public interest is truly being
8 served by this new City Council. And I congratulate
9 all of you on that.

10 CHAIREPRSON LANDER: Thank you very
11 much. Really appreciate that and we'll certainly,
12 you know I'll know we'll speak both with Chair
13 Gentile...

14 DICK DATEY: Right.

15 CHAIRPERSON LANDER: ...in his role at
16 Oversight and Investigations and also the new Chair
17 of Government Operations Ben Kallos who I know has
18 actually focused already on the I, I, the IGs
19 report and work around the Board of Elections.

20 DICK DATEY: Right.

21 CHAIRPERSON LANDER: We look forward to
22 working with Citizens Union...

23 DICK DATEY: Right.

24

25

2 CHAIRPERSON LANDER: ...to continue
3 pushing forward Board of Elections reform so thank
4 you.

5 DICK DATEY: Thank you.

6 CHAIRPERSON LANDER: Any questions or
7 comments? Yeah, Council Member Williams.

8 COUNCIL MEMBER WILLIAMS: Thank you so
9 much for the testimony and of course for the work
10 that you and the organization does. I just wanted
11 to know your thoughts. I mean obviously I saw it
12 here. But your thoughts on the appearance of, of
13 problems with partiality particularly from the
14 timeframe when Mr. Peters actually resigned and
15 what that says to the public going forward.

16 DICK DATEY: Council Member I think
17 that's a very legitimate issue that has been
18 thoughtfully raised by the Council here today.
19 There is an appearance of conflict by the very
20 nature of the relationship and the short time that
21 has elapsed since Mr. Peters stepped down as
22 treasurer that it has been brought so publically to
23 light and addressed during this hearing I think
24 it's a very good thing. It will be up to the
25 Council going forward to hold Mr. Peters and the,

2 and the Department of Investigation accountable to
3 ensure that the laws are enforced and the
4 investigations are allowed to go forward
5 unfettered. You know I think that if Mr. Peters had
6 not had the kind of record working in the, in, in
7 the offices that he has had there would be greater
8 reason to be skeptical about that potential
9 conflict but the, he has went, given the
10 opportunity, shown independence as he is, as he
11 spoke about earlier today gives us comfort. But I
12 think you are rightfully justified in expressing
13 concern and skepticism. But I think the testimony
14 today went far in addressing those issues. I just
15 want, you know I think it's, it's going to be up to
16 you all to really hold him accountable given the
17 close relationship. And this is not the only
18 opportunity that you will have. But that, you know
19 that, that simply he'd, because he has such a close
20 relationship with the Mayor should not disqualify
21 him by, in and of itself.

22 COUNCIL MEMBER WILLIAMS: Thank you. It
23 might, I actually don't mind the, I mean the close
24 relationship is, is part of it, but the biggest
25 part is for me is just the proximity in which the

2 resignation happened, less than 30 days. Thank you
3 for the answer. I think obviously we will try our
4 best to hold the Commissioner accountable it is and
5 if it happens to be Mr. Peters. But I think most of
6 our power lies in the before and not in the after
7 which is why I think we really have to take it very
8 seriously.

9 DICK DATEY: Sure.

10 CHAIRPERSON LANDER: Thank you very
11 much.

12 DICK DATEY: Thank you very much...

13 [interpose]

14 CHAIRPERSON LANDER: Alright, we have
15 one more person signed up to testify, George
16 Airday. Mr. Airday are you here? Thank you Citizens
17 Union for your testimony.

18 [pause]

19 GEORGE AIRDAY: Good afternoon. My name
20 is George Airday. I live in the Bronx. Until
21 recently I've been a City Marshal spanning four
22 administrations. This is no prepared statement,
23 it's on the cuff. I've, during that time I've been
24 a witness for two major scandals involving Parking
25 Violations Bureau. I have, I believe that the, the

2 Department of Investigation's role has been passive
3 in both of these scandals. One, during Mayor Koch's
4 time and another one during the time of Mayor
5 Dinkins. And we know that corruption can take many
6 forms. I've worked in both criminal and civil law
7 enforcement. Prior to my time as a marshal I worked
8 as a probation and parole officer in city, states,
9 and federal governments. The silence in recent
10 times involving a contract given to a New Jersey
11 based company called PayLock which has taken over
12 the Scofflaw Enforcement Program that's worth
13 perhaps half a billion dollars annually. That
14 appeared from where I am to have been in no bid
15 contract. No copies of this proposed contract were
16 available even on a personal request. I know this
17 myself. And the role of the Marshal's Bureau which
18 is closely involved in monitoring the enforcement
19 program for the Marshals and over time in a
20 sporadic way with the city Sheriff's office is also
21 questionable from my perspective. I think that the
22 issue of retribution and possibly favoritism come
23 up and should be looked at. I think that I would
24 just say in conclusion that I am prepared to
25 cooperate in any questions or investigations that

2 the City Council or the new Commissioner of DOI,
3 Mr. Peters would have. I think that looking at the
4 field work is respective, is necessary in order to
5 really uncover events that have transpired. And
6 I'm, I'm available thank you... [interpose]

7 CHAIRPERON LANDER: Thank you.

8 GEORGE AIRDAY: ...Thank you for allowing
9 me to speak.

10 CHAIRPERSON LANDER: Thank you very much
11 Mr. Airday for taking the time to come down and
12 testify and your patience in this hearing as I
13 think you head Mr. Peter spoke about council
14 legislation protecting whistleblowers and he
15 reflected the, the goal that the DOI has and the
16 Council has. The people come forward and present
17 concerns and that they'll be you know considered
18 and investigated should he be confirmed. So I guess
19 I would encourage you also to you know write up a
20 version of what you said and submit it to the
21 Complaints Bureau but for today I want to just
22 thank you very much for... [interpose]

23 GEORGE AIRDAY: I have a, a letter that...

24 CHAIRPERSON LANDER: Right.

25 GEORGE AIRDAY: ...open letter that I...

2 CHAIRPERSON LANDER: Super.

3 GEORGE AIRDAY: ...am giving to, to you,
4 and also to Commissioner Peters.

5 CHAIRPERSON LANDER: Well let me
6 encourage you. Today you can give it to us because
7 we're in the City Council. I guess I would
8 encourage you to wait and see whether Mr. Peters is
9 confirmed and then submit it formally to the
10 Department of Investigation. At any case he
11 certainly he can't commence... [interpose]

12 GEORGE AIRDAY: Alright

13 CHAIRPERSON LANDER: ...investigations
14 today so... But thank you. I really do appreciate
15 your time. I want to appreciate all of the Council
16 Members who stayed till the end. So I give special
17 shout outs to Council Members Dickens and Chin and
18 again, hand on one sec, mm-hmm, and Williams stayed
19 'till wow alright, the guy... Alright very good. And
20 again thank the staff. The Sargent in Arms will
21 take the, take the papers. And again thank our
22 Council Amatullah Booth and Chuck Davis and Michael
23 Freedman-Schnapp, the other staff who worked on
24 this hearing. As I mentioned we're not voting
25 today. We will, hang on we got to adjourn this

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2 hearing before everyone... We will reconvene Tuesday
3 morning at 10:30 to deliberate and vote on this
4 matter and with that this meeting of the Committee
5 on Rules, Privileges, and Elections is adjourned.

6 [gavel]

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