

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AFFAIRS

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March 10, 2014
Start: 1:05 p.m.
Recess: 1:20 p.m.

HELD AT: 250 Broadway - Committee Room
16th Floor

B E F O R E: RAFAEL L. ESPINAL
Chairperson

COUNCIL MEMBERS:
Vincent J. Gentile
Julissa Ferreras
Karen Koslowitz
Rory I. Lancman

2 [sound check, pause]

3 CHAIRPERSON ESPINAL: Good afternoon,
4 everyone and welcome to today's Consumer Affairs
5 Committee hearing. My name is Rafael Espinal. I'm
6 the Chairman of the Committee. Today, we'll be
7 voting on Proposed Intro 458-A, a measure, which
8 proactively seeks to educate and connect young people
9 with some of the tools they need to become savvy
10 customers. Statistics suggests there is a need for
11 financial education targeted to young adults. As
12 much as 12% of them are unbanked; 43% have used non-
13 bank methods of borrowing; and 34% have engaged in
14 three or more costly credit card behaviors.
15 Furthermore, the average student loan debt held by
16 New York City's borrowers is \$34,100, which is almost
17 25% higher than the national average. This rising
18 debt burden has the potential to hamper and delay
19 young adults as they seek to establish themselves.

20 Intro 458-A would require the Department
21 of Consumer Affairs to provide young adults between
22 the ages of 16 and 24 with outreach and education
23 regarding consumer protection issues. Topics would
24 include, but are not limited to, credit card debt,
25 student loans, and leasing and purchasing a motor

2 vehicle. The agency would also include information
3 from DCA's Office of Financial Empowerment and its
4 financial empowerment centers where personalized one-
5 on-one financial counseling is available.

6 Educational materials developed pursuant to this law
7 will be posted to DCA's website in multiple languages
8 and submitted to the Chancellor of the--of the New
9 York Department of Education and the Chancellor of
10 the City University of New York no later than
11 September 1, 2015. The materials will be updated and
12 resubmitted on an annual basis.

13 The committee believes this is an
14 important step towards improving financial literacy
15 for younger New Yorkers. The committee looks forward
16 to the passage of this bill, and working with both
17 the Agency and the Administration towards the goal of
18 financially empowering a new generation of consumers
19 and the future leaders of our city and its
20 communities.

21 I would like to thank Mark Treyger for
22 his role and leadership in introducing this bill, and
23 getting it passed through this committee. I look
24 forward to my colleagues supporting this bill. Thank
25 you.

2 [pause]

3 COUNCIL MEMBER TREYGER: He's here.

4 CHAIRPERSON ESPINAL: Oh, Mark Treyger is
5 in the room. Mark Treyger, would you like to say a
6 few words on your bill.

7 [pause]

8 COUNCIL MEMBER TREYGER: Chair and
9 members of the committee, I really want to thank all
10 of you. We keep hearing more and more about the next
11 big debt bubble is the student loan crisis that we--
12 that we're facing here in this country and this city.
13 And, as a former high school teacher, I saw first
14 hand the unevenness in the policies with regards to
15 teaching personal finance in our classrooms. Some
16 schools do it. Some schools don't, and it's really
17 an issue of resources and vision and guidance from
18 leadership. And I remember kids coming in literally
19 with mail from credit card companies bombarding them
20 already with offers. And so, they're not even in
21 college yet and they're not even getting into debt
22 yet, but they're already being bombarded and being
23 baited. I think that this legislation begins a very
24 serious conversation about how do we as a city begin
25 to tackle this very large national problem at least

2 at a local level. So I'm so thankful to the Chair of
3 this committee, and to all of the members of the
4 committee for moving so swiftly on this legislation
5 that will require the Consumer Affairs Department to
6 coordinate with the DOE about materials and outreach
7 to reach our young people, the most vulnerable people
8 being targeted more than ever to--to start building
9 debt right in the middle of their high school years
10 when they're taking their SATs, when they're
11 preparing for college. Teaching them about the do's
12 and don'ts, about how to look for a loan that will
13 not be burdensome for their present and for their
14 future. So I cannot thank you all enough for moving
15 so swiftly, and I look forward to working on more
16 issues in addressing the personal--teaching and
17 promoting personal finance for our young people. So
18 thank you so much, Chair.

19 [pause]

20 CHAIRPERSON ESPINAL: Thank you,
21 Councilman. This is actually the first bill being
22 voted out of my committee. [cheers] The fact that
23 you're from Brooklyn might or might not have helped.
24 [laughter] But it's a great bill. It's an important
25 bill, and will the clerk please call the roll.

1 COMMITTEE ON CONSUMER AFFAIRS

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2 CLERK: William Martin, Committee Clerk,
3 roll call vote Committee on Consumer Affairs. Chair
4 Espinal.

5 CHAIRPERSON ESPINAL: I vote aye.

6 CLERK: Gentile.

7 COUNCIL MEMBER GENTILE: With
8 congratulations to our colleague Mark Treyger, I
9 proudly vote aye.

10 CLERK: Ferreras.

11 COUNCIL MEMBER FERRERAS: With
12 congratulations to our colleague with your vision and
13 something that's very important to many residents of
14 the city of New York. And to our chair for making
15 sure that there right piece of legislation come
16 through this committee, and that we're voting on them
17 all. Congratulations on your first piece.
18 Congratulations on doing the right thing, and my vote
19 is aye.

20 CLERK: By a vote of 3 in the
21 affirmative, 0 in the negative and no abstentions,
22 the item has been adopted.

23 CHAIRPERSON ESPINAL: I'm going to leave
24 the vote up for the next 30 minutes.

25 [pause]

1 COMMITTEE ON CONSUMER AFFAIRS

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2 CLERK: Council Member Koslowitz.

3 COUNCIL MEMBER KOSLOWITZ: I vote aye.

4 CLERK: The vote now currently stands at
5 4 in the affirmative.

6 [pause]

7 CHAIRPERSON ESPINAL: The meeting is
8 adjourned.

9 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date March 27, 2015