

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AFFAIRS

----- X

June 18, 2015
Start: 10:33 a.m.
Recess: 12:47 p.m.

HELD AT: 250 Broadway- Committee Rm, 14th Fl.

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

COUNCIL MEMBERS:
JULISSA FERRERAS-COPELAND
KAREN KOSLOWITZ
RORY I. LANCMAN
VINCENT J. GENTILE

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

Amit S. Bagga
Deputy Commissioner of External Affairs
New York City Department of Consumer Affairs

Eileen Yap
Assistant General Counsel
New York City Department of Consumer Affairs

Doctor Keren Landman
Medical Epidemiologist
Department of Health

Megan Chambers
Workers United

Miguel Figueroa
Former Worker
Miron & Sons Laundry

Conor Hanlon
Researcher
Service Employees International Union

Doctor Carol McLay
Private Consultant Epidemiologist

David Potack
President/Owner
Unitex Textile Rental Services

Derek Grate
Vice President
1199 Service Employees International Union

Anthony Thomas
Political Director
New York City Central Labor Council

[gavel]

CHAIRPERSON ESPINAL: Good morning.

Excuse me for my tardiness. I was so excited to get here that I left my cell phone at home, my wallet, I had to... I had to turn back. But it's a pleasure to be here. My name is Rafael Espinal and I'm the chair of the Consumer Affairs Committee. I join my... I'm joined by my colleagues Dan Garodnick from Manhattan. I have Julissa Ferreras from Queens and my good friend Ritchie Torres all the way from the Bronx. Today the committee will be holding its first hearing on Intro 697, a bill that would amend the current laundry licensing scheme to clearly include industrial laundries, create a new license for laundry pickup and delivery and establish minimum standards for cleanliness and mandate measures to prevent the contamination of laundered fabrics. Currently self-serve laundries and storefront laundries that provide services to the general public are licensed and regulated by the Department of Consumer Affairs. The licensing scheme includes an investigation to ensure that the laundry is in compliance with various state and local laws including worker safety and minimum wage

1 laws. These laundries are also subject to DCA
2 inspection for pricing, signage, posting rates,
3 issuing receipts pursuant to consumer protection
4 laws, and truth in pricing laws. Industries those
5 that serve institutional clients such as hospitals,
6 hotels, and restaurants operate on a scale that
7 dwarfs typical storefront laundry business. They
8 function more like factories and process as much as
9 64,000 pounds of laundry daily enough to fill 10 to
10 30 trucks. The committee has received reports that
11 many of these industrial laundries routinely cut
12 corners and fail to... best practices sending
13 possibly contaminated bedding and linens back to
14 hospitals, hotels, and restaurants where they pose
15 a risk to New York City's consumers and the general
16 public. They're also reports of various and
17 repeated labor violations such as long hours and
18 impressive conditions, exposure of workers to toxic
19 chemicals and biohazards, the lack of safety
20 measures and protective equipment, and wage theft.
21 And a city as vibrant and prosperous as New York
22 neither consumers nor workers should ever worry
23 that their health or their safety or their labor
24 rights are at risk. While regulatory oversight
25

1 cannot solve every problem the legislation we will
2 hear... that we will hear today seeks to close a
3 loophole that allows industrial laundries to
4 operate beyond a licensing regime that applies to
5 all other laundries. This bill will close that
6 loophole and ensure uniformity across the
7 commercial laundry industry. We will hear testimony
8 from DCA workers, their advocates, the industry,
9 and before going further I'd like to turn it over
10 to my colleague and the sponsor of this bill
11 Council Member Ritchie Torres.
12

13 COUNCIL MEMBER TORRES: Thank you Mr.
14 Chairman for holding today's hearing. I'm sure this
15 is going to be the beginning of a longstanding
16 conversation. I want to just note... I want to be
17 careful not to you know pain the industry with a
18 broad brush. I really... it is the case that in every
19 industry you have responsible actors and
20 irresponsible actors. And I believe the goal of the
21 city council should be to hold the irresponsible
22 actors accountable while alleviating the regulatory
23 burden on the responsible actors. And so we're
24 committed to passing I think thoughtful carefully
25 crafted legislation and working with all

1
2 stakeholders including DCA because I realize that
3 the buy in of the agency is obviously critical to
4 enforcements so I do... I do want to put that out
5 there. Having said that you know there are
6 industrial laundry operators do service highly
7 sensitive industries like hotels, hospitals, and
8 restaurants you know. And there are millions of
9 people who live in New York City and beyond who
10 come into contact with fabrics in these industries
11 and we have a public health and a consumer
12 protection interest in ensuring that those fabrics
13 are laundered in keeping with the highest standards
14 of... of cleanliness. So I do believe that today's
15 legislation does implicate the core missions of
16 both DCA and DOHMH. With that said I'll express
17 more... through my questioning but... but I appreciate
18 the opportunity to speak. Thank you Mr. Chairman.

19 CHAIRPERSON ESPINAL: Thank you Mr.
20 Torres. I was also... like to allow for Councilman
21 Dan Garodnick to say a few words.

22 COUNCIL MEMBER GARODNICK: Thank you
23 very much Mr. Chairman for having this hearing and
24 also to Council Member Torres for putting forth the
25 bill and I'm pleased to be a... a co-sponsor of this

1
2 legislation and I just wanted to note that your
3 average storefront drycleaner where you drop off
4 your clothes... those are regulated and can be
5 inspected. But in contrast the industrial laundries
6 that clean linens from restaurants and hospitals
7 and hotel and which may process up 64,000 pounds of
8 laundry in one day are not at all regulated. And we
9 have seen too many cases of these laundries putting
10 workers in dangerous and unsanitary conditions
11 where the machines are deafening, chemicals are
12 toxic, and the heat is dangerous. Yes we do not
13 want to paint the entire industry with the same
14 brush but we have seen too many problems for too
15 long. And the industry has refused to clean itself
16 up. When an industrial laundry trade organization
17 came up with voluntary certifications and safety
18 standards only 10 percent of laundries in New York
19 City chose to participate. And we believe that it's
20 important for us to have this hearing and to talk
21 about this bill to, to learn more about the
22 conditions that workers are experiencing and also
23 to consider the best way to mop up this toxic
24 behavior. So I thank you Mr. Chairman, Council
25

1
2 Member Torres, and we look forward to hearing the
3 testimony today.

4 CHAIRPERSON ESPINAL: Thank you
5 Councilman Garodnick. Before I begin I'd like to
6 thank my staff Labony Ramon [phonetic] and Israel
7 Martinez [sp?] for the hard work they've done to
8 put this together. I'd like to call up the first
9 panel. We have Amit Bagga, Richard O'Hara, Eileen
10 Yap, Mary Cooley, and Tamala Boyd all from DCA,
11 DCA's here strong. And we have Chris D'Andrea and
12 Keren Landman from DOHMH. Before you begin can you
13 raise your right hand? Do you affirm to tell the
14 truth, the whole truth, and nothing but the truth
15 in your testimony before this committee and to
16 respond honestly to council member's questions?
17 Thank you.

18 AMIT BAGGA: Good morning Chairperson
19 Espinal, Council Member Torres, and members of the
20 New York City Council on Consumer, Committee on
21 Consumer Affairs. I am Amit S. Bagga, Deputy
22 Commissioner of External Affairs at the New York
23 City Department of Consumer Affairs. I'm here today
24 representing Commissioner Julie Menin who is unable
25 to attend but sends her best to all members of the

1
2 committee and commits to working with you to
3 address the important issue that is the subject of
4 today's hearing. I am also joined by my colleagues
5 Mary Coolie Director of City Legislative Affairs,
6 Tamala Boyd Deputy General Counsel, Eileen Yap
7 Assistant General Counsel, and Richard O'Hara
8 Assistant Director of Enforcement. We are also
9 joined today by my colleagues from the New York
10 City Department of Health and Mental Hygiene Chris
11 D'Andrea Director of the Environmental Health
12 Assessment and Communication Program within the
13 Department's Bureau of Environmental Disease and
14 Injury Prevention, and Doctor Keren Landman a
15 Medical Epidemiologist with Infectious Disease
16 training from the Department's Bureau of
17 Communicable Disease. We greatly appreciate the
18 opportunity to speak with you today about Intro 197
19 which would require DCA among other things to
20 define and enforce standards of cleanliness for
21 laundry delivery vehicles. DCA would like to thank
22 Council Member Torres for highlighting this
23 important issue and Chairperson Espinal for holding
24 today's hearing. We at DCA share the council's goal
25 of ensuring that all of our city's workers are

1 protected, particularly the most vulnerable. DCA is
2 the largest maniple consumer protection agency in
3 the country and it is our mission to empower
4 consumers and businesses alike to ensure a fair and
5 vibrant marketplace. The agency licenses
6 approximately 80 thousand businesses across 55
7 different industries, mediates complaints between
8 consumers and businesses, conducts patrol
9 inspections and legal investigations, educates
10 businesses about laws and rules and also enforces
11 New York City's earned sick time act commonly known
12 as the paid sick leave law. In addition to its
13 licensing consumer protection and labor related
14 work we also operate the Office of Financial
15 Empowerment or OFE. The laundry industry is one of
16 the 55 industries currently licensed by DCA.
17 Through our licensing scheme this industry is in
18 fact regulated. This scheme consists of two
19 licensed categories; a license... a laundry license
20 and a laundry jobber license. In general terms
21 laundries are defined as those businesses where on
22 site laundering is offered either for use by the
23 general public or by businesses such as hotels,
24 restaurants or public institutions. These laundries

1 include for example neighborhood laundry mats and
2 those laundries that primarily service other
3 businesses. Notably dry cleaners and laundries that
4 exclusively service hospitals or charitable
5 institutions are not included in this category. As
6 of June 15th of this year there are 2,628 licensed
7 laundries across the five boroughs. Laundry jobbers
8 are defined as businesses that do not offer washing
9 and drying services on site but rather those that
10 accept laundry for cleaning and then send it to a
11 laundry site for washing and drying. This license
12 category was originally designed to regulate such
13 services offered by dry cleaners which are a
14 significant number of laundry jobber licensees.
15 These dry cleaners are not licensed to perform dry
16 cleaning work but rather to facilitate the washing
17 and drying of clothing offsite. As of June 15th of
18 this year there were 1,780 businesses across the
19 five boroughs that were licensed as laundry
20 jobbers. Intro 697 seeks to require industrial
21 laundries in New York City to obtain licenses from
22 DCA. The existing laundry licensing law already
23 requires all laundries as well as laundry delivery
24 services except those that are expressly exempt in
25

1 the law to obtain a DCA license. Any laundries
2 performing washing and drying services or
3 delivering laundry without a license would already
4 be considered to be engaging in unlicensed and
5 therefore unlawful activity. We are happy to work
6 with the council to identify any such unlicensed
7 businesses and help them come into compliance with
8 the current existing licensing law. Since January
9 2014 DCA has conducted nearly 3,000 inspections of
10 laundries and more than 1,450 inspections of
11 laundry jobbers. During the same period of time DCA
12 has received more than 800 complaints about
13 laundries and laundry jobbers and we have issued
14 more than 600 violations. The most common
15 violations issued to laundries since January 2014
16 have been for failures to post a refund policy,
17 price lists, and for illegally charging different
18 prices based on gender. DCA's jurisdiction over
19 laundries and laundry jobbers allows us to enforce
20 the city's consumer protection and licensing laws
21 and rules which cover general business practices
22 and the provision of necessary disclosures. While
23 the agency's jurisdiction has been expanding to
24 include the implementation of certain labor related
25

1 laws such as the paid sick leave and transit
2 benefits laws both of which are, both of which are
3 legal constructs entirely separate from our
4 consumer and protection, consumer protection and
5 licensing laws. It is beyond GCA's jurisdiction
6 ability and expertise to define and enforce minimum
7 standards of cleanliness and sanitary conditions as
8 Intro 697 would have us do. Any enforcement of such
9 standards would require extensive scientific and
10 environmental assessments of equipment, processes,
11 and vehicles. Assessments that DCA is not able or
12 qualified to perform. Furthermore the New York
13 State Department of Labor or State DOL currently
14 prescribes health and safety standards for business
15 that are classified at the state level as quote
16 factories which includes in that definition
17 laundries. The existing legal framework regulating
18 laundries in the health and safety of laundry
19 employees is complex as it implicates federal,
20 state, and city laws. For example as the committee
21 is no doubt aware general workplace standards for
22 health and safety are established and enforced by
23 the United States Occupational Health and Safety
24 Administration or OSHA. And the... and addressing the
25

1 spread of communicable diseases is done by a host
2 of agencies at all levels of government including
3 but not limited to the US CDC or Centers for
4 Disease Control, the United States Department of
5 Health and Human Services and the New York State
6 Department of Health. The city's law Department is
7 Currently Reviewing Intro 697, a process that
8 involves researching the origin of the city's
9 licensing of laundries which dates back likely to
10 the 19th Century. Understanding the historical
11 regulation of laundries at both the state and city
12 levels will enable the administration to better
13 collaborate with the council in shaping appropriate
14 amendments to the current statute. Any such
15 amendments to the statute that require enforcement
16 would also have to appropriately align with any
17 existing constraints in an agency's labor
18 contracts. DCA cannot require our inspectors who
19 have no training and disease identification or
20 transmission to conduct the types of inspections
21 required by Intro 697. In general our inspectors
22 conduct inspections of brick and mortar businesses
23 for compliance with signage, pricing, and
24 disclosure rules. Requiring DCA inspectors to
25

1
2 perform the inspections enumerated in this bill is
3 also likely to violate their existive [phonetic],
4 existing collective bargaining agreements an DCA is
5 working with the city's Office of Labor Relations
6 to learn more. To address questions of public
7 health I will now ask my colleagues from DOHMH to
8 provide comments.

9 DOCTOR LANDMAN: Thank you. DOHMH
10 believes that the scope of the risk to the
11 public's... [cross-talk]

12 CHAIRPERSON ESPINAL: Can you... Sorry can
13 you please state your name before you...

14 DOCTOR LANDMAN: I'm sorry Keren
15 Landman. I'm a medical epidemiologist with the
16 Bureau of Communicable Diseases at the Department
17 of Health.

18 CHAIRPERSON ESPINAL: Thank you.

19 DOCTOR LANDMAN: Thank you. The
20 Department of Health believes that the scope of the
21 risk to the public's health from clothing and
22 linens laundered at industrial laundries has not
23 been established. In the past five years we've
24 received between 33,000 and 50,000 calls annually,
25 the bulk of which are complaints from the public

1 about public nuisances. To the knowledge of our
2 Bureau of Communicable Disease, BCD, none of these
3 calls were related to complaints of contaminated
4 clothing or linens from an industrial laundry. The
5 20 year institutional memory of BCD staff the
6 Health Department has not traced any disease
7 transmission via commercially laundered linens.
8 Although the scientific literature contains reports
9 of infections associated with contaminated linens
10 these have been exclusively reported in hospitals.
11 These reports are not generalizable to the
12 community at large for two reasons, hospitalized
13 patients are far more susceptible to infection than
14 people in the community. And microbes colonizing
15 hospital surfaces are far more likely to be
16 pathogenic and resistant than microbes in the
17 community. The administration will continue to
18 monitor and review literature reports and other
19 research materials on this topic and is more than
20 happy to update and work with the council on public
21 issues such as these in the future. Our colleague
22 from DCA will now provide closing remarks.

24 AMIT BAGGA: As members of the committee
25 are aware DCA has eagerly taken on the enforcement

1
2 of recently enacted laws that significantly
3 increase protections for workers. The agency is
4 deeply committed to realizing Mayor de Blasio's
5 vision of reducing income inequality and ensuring
6 that all New Yorkers have access to key rights and
7 protections regardless of the languages they speak
8 or where they live or the industries that they work
9 in. DCA thanks Council Member Torres for
10 highlighting some of the dangers that those
11 employed in industrial laundries might face. And we
12 look forward to working with the council to explore
13 this issue further. Thank you for the opportunity
14 to testify today. My colleagues and I are happy to
15 answer any questions you may have.

16 CHAIRPERSON ESPINAL: You spoke about
17 the fact that the state and federal have oversight
18 over these factories. Can you give me detail on
19 what exactly they do when they go into the factory?

20 AMIT BAGGA: There is state law. I
21 believe it's Section 27 of the state labor law that
22 defines standards of cleanliness for factories and
23 factories as defined in that section of the law to
24 include laundries in the state. I would have to
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

defer to the state DOL to answer the question more directly about how they enforce that standard.

COUNCIL MEMBER TORRES: Commissioner how are you. Thank you for your testimony. So I just want to understand do... so your understanding of existing law is that DCA has the legal authority to regulate industrial laundries? Is that... Did I understand your testimony correctly?

AMIT BAGGA: Yes, our understanding of existing laundry licensing law is that all businesses that provide laundry services accept those that are expressly exempt in the law and dry cleaners would require to, would be required to obtain a license from DCA.

COUNCIL MEMBER TORRES: Whether it's provided either to individual clients or institutional clients.

AMIT BAGGA: Correct. With the exception of hospitals and charitable institutions which are expressly exempt in the law.

COUNCIL MEMBER TORRES: Oh so industrial laundry operators that service hospitals are exempt or hospitals themselves are exempt?

AMIT BAGGA: Hospitals would be exempt.

1
2 COUNCIL MEMBER TORRES: Okay do you... do
3 you regulate... you have the authority the question
4 is do... do you exercise the authority to regulate
5 industrial laundry operators. Is that something...

6 AMIT BAGGA: We do regulate... we do
7 license over 26 hundred laundries in the city. The
8 extent to which that includes industrial laundries
9 we can get back to you about how many quote
10 industrial laundries that would include but our
11 understanding of the law is that industrial
12 laundries are required to obtain a DCA license.

13 COUNCIL MEMBER TORRES: And under... under
14 current law you lack the authority to regulate the
15 delivery as well? The...

16 AMIT BAGGA: We do in fact have the
17 authority to regulate laundry delivery services.

18 COUNCIL MEMBER TORRES: Okay. Now I do
19 have a question. At one point in your testimony you
20 noted that it's beyond DCA's jurisdiction ability
21 and expertise to define and enforce minimal
22 standards of cleanliness and sanitary conditions as
23 Intro 697 would have us do. So I think the agency's
24 claimant that it lacks the expertise to regulate
25 industrial laundries. And I'm curious we, we just

1 enacted a licensing scheme for the carwash
2 industry. I imagine DCA has no particular expertise
3 on the practices or the intricacies of the carwash
4 industry. So by what standard do you have the
5 ability to regulate the carwash industry but not
6 the industrial laundry industry. I'm just... the car
7 wash licensing law does not require us to
8 promulgate standards related to business practices
9 in the industry that we have no expertise in. We
10 are regulating car washes for their general
11 business practices as well as their compliance with
12 certain aspects of labor law. In terms of our
13 expertise we do not have the expertise in house to
14 be able to define or enforce standards of
15 cleanliness and sanitary conditions.

17 AMIT BAGGA: But I guess I would submit
18 that you're in... you're in stronger footing with
19 industrial laundries than with carwash industry for
20 two reasons. First you already have a regulatory
21 framework for licensing laundries. I think that's
22 one point. Second there are a number of
23 organizations that do provide the recommend best
24 practices for industrial laundry operators. I'm
25 looking for them. Give me a moment please. There

1
2 are a number of... I'm trying to find the name. There
3 are a number of organizations that provide... that
4 offer best... that recommend best practices for
5 industrial laundry operators. So why not take those
6 best practices and enact them in law. Why not
7 standardize them across all industrial laundry
8 operators. Like we're not asking DCA to create
9 standards out of thin air. You can take the, the
10 best practices in the industry and then standardize
11 them across every single operator. Like why... why is
12 that an unduly complicated task. Standardizing
13 those types of standards of regulations are beyond
14 DCA's jurisdiction as they are related to issues of
15 public health. The standards set for HLAC and TRSA
16 certifications draw heavily from evidence based
17 healthcare regulations, not consumer protection
18 regulations. So that is why it is beyond our
19 expertise to be able to enforce those standards. My
20 colleagues from the health Department may have some
21 additional information to provide you.

22 DOCTOR LANDMAN: Thank you Amit. In my
23 understanding the standards that exist exist to
24 protect primarily workers and are not really
25

1
2 targeted toward protecting the end user of the
3 laundry meaning the consumer.

4 COUNCIL MEMBER TORRES: Which standards
5 of...

6 DOCTOR LANDMAN: The standards that are...
7 are currently in existence that Amit... that Mr.
8 Bagga just mentioned to regulate industrial
9 laundries.

10 COUNCIL MEMBER TORRES: But... but the
11 point of the... the point of the legislation is to
12 establish standards of cleanliness that protect
13 both consumers and workers so the... the objective is
14 the same and it seems to me that there is a
15 connection between public health and... and consumer
16 protection. At the point of establishing standards
17 of public health is to protect the interest of
18 consumers and to ensure that consumers who are
19 coming into contact with fabrics in our hospitals
20 and hotels are... are coming into contact with
21 fabrics that were properly processed and delivered
22 in keeping with legal standards of cleanliness. So
23 it seems to me that it, this consistent with the
24 mission of consumer protection, there seems to be a
25 disconnect, I'm not, I'm not clear why. Protecting

1
2 the health of the public at large of course is part
3 of what could be conceived of as consumer
4 protection. The jurisdiction that the Department of
5 Consumer Affairs has I to be able to enforce
6 standards of strictly consumer protection. And a
7 good example of a distinction between what we're
8 able to do and what the health department is able
9 to do for example is the licensing of the
10 restaurant industry. Of course the end user is a
11 consumer when one is consuming food at a
12 restaurant. But the standards that a restaurant
13 must adhere to are defined by and enforced by the
14 health department as they are related to issues of
15 public health. We do not have the expertise to
16 define or enforce such standards. Our inspectors
17 are not trained to do so. And we do not have any in
18 house expertise that would allow us to define the
19 standards. So I can turn it over to my colleagues
20 from health to provide additional information.

21 DOCTOR LANDMAN: I would add that it's
22 a, it's a everybody's goal at the Health Department
23 to protect the public's health whether it's the
24 health of a worker or the health of the consumer.
25 There's simply no established link right now

1
2 between any of the activities that industrial
3 laundries end any threat to the health of the
4 public at this stage.

5 COUNCIL MEMBER TORRES: Has DOHMH done a
6 study on the... on the public health risk of the
7 industrial laundry operators or...

8 DOCTOR LANDMAN: We receive thousands,
9 tens of thousands of calls every year about all
10 sorts of public nuisances across a wide range of
11 city industries and over the past 20 years none of
12 those calls to the knowledge of anyone at the
13 Department of Health has been related to a problem
14 resulting from a public laundry.

15 COUNCIL MEMBER TORRES: As far as I know
16 DOHMH has no regulatory authority over industrial
17 laundries, is that correct? Or do you know?

18 DOCTOR LANDMAN: That's correct.

19 COUNCIL MEMBER TORRES: Okay. So there's
20 no reason for workers to submit complaints to an
21 agency that lacks regulatory jurisdiction and it's...
22 and one thing that's probably worth noting s that
23 industrial laundries like car wash and nail salons
24 have a largely low wage immigrant workforce right.
25 And those are the workers who tend to be the least

1
2 likely to submit complaints for understandable
3 reasons. So they... there's often a gap between the
4 actual conditions that could exist in an industry
5 and the complaints made about those industries. I
6 would not cite the absence of complaint as an
7 excuse for continuing the absence of regulation. I...
8 I felt like you had a comment to something I had
9 said previously... No? Okay. So I just want to go
10 back to the car wash. So under... under the car wash
11 build what's DCA's roll? I'm just curious.

12 AMIT BAGGA: We have a multifaceted roll
13 under the carwash bill. We would require carwashes
14 to conform to a licensing requirement. As I
15 mentioned we license 55 different industries here
16 in the city, car washes... as soon as the law goes
17 into effect it would also be required to obtain a
18 license from us. Generally speaking when a business
19 is licensed by us we have the authority to enforce
20 the city's consumer protection and licensing laws.
21 These laws generally regulate, define and regulate
22 general business practices and so we would be
23 through patrol inspections looking at general
24 business practices engaged in by the car wash
25 industry as part of the actual licensing of the

1
2 carwash industry we would be performing an
3 assessment of a certain number clearly defined
4 number of their labor practices and labor history.
5 This really requires an assessment of records and
6 investigations of documents. It does not require
7 defining new standards of cleanliness for example
8 that we don't have the expertise to do.

9 COUNCIL MEMBER TORRES: But... but one
10 could imagine a comparable scheme for industrial
11 laundries that if you have an operator who has a
12 questionable labor record then you would not... you
13 would then have a great... if with a licensing scheme
14 you would have a greater ability to hold them
15 accountable.

16 AMIT BAGGA: A questionable labor record
17 related to the underpayment or nonpayment of wages
18 is very different than the definition enforcement
19 of standards of cleanliness in sanitary conditions.
20 Those are very distinct.

21 COUNCIL MEMBER TORRES: No they are
22 distinct, there is no question about it. But I... in
23 the case of the... in the... if you had a carwash
24 operator who was found to be improperly handling
25 chemicals relating to... is that... that... that would

1
2 not be grounds on which DCA would revoke a license
3 or...

4 AMIT BAGGA: Our understanding of the
5 improper handling of chemicals is something that
6 would fall under OSHA's jurisdiction at the federal
7 level.

8 COUNCIL MEMBER TORRES: So as far as
9 you're concerned the carwash bill is purely about
10 labor enforcement, there's no...

11 AMIT BAGGA: I'm going to turn it over
12 to Eileen Yap to answer this question.

13 EILEEN YAP: The distinction is in
14 checking for compliance with existing federal or
15 state laws as they relate for example to the
16 handling of chemicals versus DCA actually setting
17 standards and procedures that we would then be
18 required to implement and enforce. So there would
19 be a difference in looking into a car wash business
20 for example in how they're handling chemicals and
21 whether that's in compliance with OSHA as it... it
22 relates to the fitness of that specific business
23 versus looking, establishing the standards
24 ourselves as to the handling of that.

1
2 COUNCIL MEMBER TORRES: That's a
3 helpful... Okay so that's a helpful distinction
4 right. The... the DCA is much more comfortable
5 verifying compliance with existing state and
6 federal law than setting new standards and then
7 enforcing those standards. Okay. So is that a... but
8 is... so could you envision yourself playing a
9 comparable role for industrial laundries, verifying
10 compliance with existing state and federal law.

11 AMIT BAGGA: It really depends on...

12 COUNCIL MEMBER TORRES: Using the model
13 of the carwash...

14 AMIT BAGGA: It really depends on what
15 would be required to demonstrate compliance so...
16 Some hopefully helpful examples of how we check for
17 compliance in other industries is that for
18 industries where we require a business to be
19 compliant let's say with existing Department of
20 Health or Department of Building regulations there
21 are certain permits or other licenses that
22 businesses would have to obtain prior to becoming
23 licensed by DCA producing a true copy of such a
24 permit or a license can be in many cases considered
25 sufficient as compliance. It is unclear to use what

1
2 would be required to clearly demonstrate compliance
3 with let's say rules regarding the handling of
4 chemical products. And, and other types of
5 practices that would be regulated at the federal
6 level. There's... we do not have an understanding of
7 that because we do not have an expertise in this
8 area.

9 COUNCIL MEMBER TORRES: Okay. That's the
10 extent of my questioning for now so...

11 CHAIRPERSON ESPINAL: Thank you Richie.
12 A report shows that there are about 31 industrial
13 laundries in the five boroughs. Do... are... Does DCA
14 license any of those Laundromats?

15 AMIT BAGGA: We are looking into that
16 and we will be getting back to the council with the
17 answer to that question.

18 CHAIRPERSON ESPINAL: Okay. So what...
19 what... so what's the size of the largest Laundromat
20 DCA currently licenses. How many employees, square
21 footage, how much work do they do?

22 AMIT BAGGA: Currently we know that
23 there is at least one laundry business in New York
24 City that has between 11 and 25 employees.

25 CHAIRPERSON ESPINAL: Okay.

1
2 AMIT BAGGA: There are several laundry
3 businesses that have somewhere in that range of
4 employees we wouldn't know exactly how many
5 employees each of those businesses have beyond the
6 ranges that I've mentioned.

7 COUNCIL MEMBER GARODNICK: Thank you Mr.
8 Chairman. I just want to pick up on a couple of
9 the... the points in your... with Council Member
10 Torres. It sounds like from DCA's perspective that
11 an industrial laundry today is required to get one
12 of the two existing categories of licenses either
13 laundry or laundry jobber. Did I hear you
14 correctly?

15 AMIT BAGGA: It would be laundry.

16 COUNCIL MEMBER GARODNICK: It's laundry,
17 not laundry jobber. Okay and just the way you
18 describe laundry is the... the business where onsite...

19 AMIT BAGGA: Washing and drying.

20 COUNCIL MEMBER GARODNICK: ...laundering
21 is offered either to the business... to the general
22 public or to businesses such as hotels.

23 AMIT BAGGA: Correct.

24 COUNCIL MEMBER GARODNICK: And... and I
25 think that you may have answered this question a

1
2 moment ago from the chairman. But the number of
3 industrial laundries, we don't have a precise
4 number on that at this moment, is that correct?

5 AMIT BAGGA: We do not have a precise
6 number at this moment.

7 COUNCIL MEMBER GARODNICK: Do we know if
8 there are industrial laundry, laundries operating
9 in New York City today without a license?

10 AMIT BAGGA: There might be. We don't
11 know the extent of that.

12 COUNCIL MEMBER GARODNICK: Has DCA ever
13 pursued an investigation to determine whether we
14 have unlicensed industrial laundries?

15 AMIT BAGGA: Not to our knowledge. But
16 we would be happy to work with the council to
17 understand if there was a way that we might be able
18 to do that.

19 COUNCIL MEMBER GARODNICK: Okay. And as
20 to your expertise do you believe that DECA has the
21 ability to ensure compliance with the health code
22 as it relates to these laundries?

23 AMIT BAGGA: The way that we check for
24 compliance with a variety of codes, laws, and rules
25 as it pertains to the licensing of laundries is by

1
2 having laundries submit a variety of documents
3 showing their compliance with certain laws and
4 rules. The current licensing laundry law which is
5 quite old and the law department is reviewing
6 exactly how old it is is not... does not contain... or
7 rather I should say contains... checks for compliance
8 with certain codes that might actually no longer
9 exist or be outdated.

10 COUNCIL MEMBER GARODNICK: But... but it
11 includes the health code.

12 AMIT BAGGA: It does include the health
13 code. It is not clear to the law department if that
14 health code refers the city's current health code
15 or to an outdated sanitary code. Pursuant to New
16 York City's rules I believe it's title 6 section 2-
17 131 we do check for compliance with certain laws
18 and rules both... that are... that are city laws and
19 rules. And that does... that does include some of the
20 same checks that the actual administrative code
21 includes and it excludes some of them. And we
22 currently conduct our licensing procedures pursuant
23 to the rules.

24 COUNCIL MEMBER GARODNICK: Okay. So
25 let's just make that really clear for me because

1
2 that's a... that was a highly technical answer and I
3 appreciate it but... When it comes to checking
4 laundries for compliance with rules related to
5 public health what does DCA do?

6 AMIT BAGGA: So there is not anything in
7 our current practice pursuant to the rules that I
8 mentioned that we are engaging in as part of the
9 licensing procedure but we are working with the law
10 department to identify which aspect of the rule
11 that I mentioned as well as the laundry licensing
12 code we might be able to... to start enforcing in
13 terms of checking for compliance.

14 COUNCIL MEMBER GARODNICK: Okay so DCA
15 today doesn't... doesn't check for compliance with...
16 with anything related to... to the health code,
17 sanitary code, or anything related to public health
18 when renewing a laundry license today.

19 AMIT BAGGA: Not currently.

20 COUNCIL MEMBER GARODNICK: Okay.

21 AMIT BAGGA: Correct?

22 COUNCIL MEMBER GARODNICK: And how
23 about... how about the building code?

24 AMIT BAGGA: Yes we do require a correct
25 certificate of occupancy as well as approved plans.

1
2 COUNCIL MEMBER GARODNICK: And in that
3 case it is just a document that is submitted to DCA
4 to say we believe we are in compliance and then DCA
5 will check a box that it had been submitted. Is
6 that accurate?

7 AMIT BAGGA: Yes we... we... we require the
8 actual copies... true copies of the certificate of
9 occupancy as well as the approved plans.

10 COUNCIL MEMBER GARODNICK: Does DCA
11 review them other than to acknowledge their
12 receipt?

13 AMIT BAGGA: All documents are reviewed
14 to assess rather or not we think there are in fact
15 true copies. But beyond that there is no other
16 review... [cross-talk]

17 COUNCIL MEMBER GARODNICK: Right. So you
18 determined whether it is legitimate documents and
19 that is... that's the extent of it.

20 AMIT BAGGA: For... for those two
21 documents, correct.

22 COUNCIL MEMBER GARODNICK: Okay. Now the
23 law also... so the law requires... and the reason why
24 I'm asking these questions obviously and for those
25 who are listening the law requires before issuing

1
2 or renewing a license DCA needs to investigate the
3 laundry. This is a... this is probably the old law
4 that you were describing but it is the law...
5 investigate the laundry to ensure compliance with
6 the health code, building code, safety, and health
7 standards pursuant to state labor law including
8 state minimum wage law and applicable laws and
9 regulations. So we talked about the health code...
10 the building code and we talked about health
11 standards more generally. Tell us what DCA does to
12 investigate that the... that the laundry is complying
13 with safety standards pursuant to state labor law.

14 AMIT BAGGA: So pursuant to the rules
15 that I had mentioned earlier we do not check
16 currently for compliance with the state labor law
17 as it pertains to the payment of minimum wage. We
18 are working with the law department already to
19 determine how we might be able to change some of
20 our procedures whether that's through rule making
21 or otherwise to check for that compliance.

22 COUNCIL MEMBER GARODNICK: Okay there...
23 tell me where this fits in because laundry licenses
24 are also not allowed to be grated until there is
25 the presentation of a certificate of compliance or

1
2 temporary certificate of compliance with the
3 laundry code of the State Department of Labor. Is
4 that something that you will acknowledge receipt of
5 review what... what exactly do you do with that?
6 That's a... by the way that's a DCA rule. That's not
7 a 1930s rule.

8 AMIT BAGGA: So the particular
9 certificate that you just mentioned we do not check
10 for a... we do not require the production of that
11 certificate during the licensing process. The law
12 department is helping us determine whether or not
13 that particular certificate is even something that
14 the state Department of Labor still issues. It is
15 the Law Department's understanding that it may not
16 even be issued anymore.

17 COUNCIL MEMBER GARODNICK: Okay and how
18 about the... the certificate of compliance... well this
19 is a certificate of compliance with the Department
20 of Buildings showing ventilation flues and things
21 like that... steam exhaust. Is that the... is that the
22 document you're referring to before when I was
23 asking you about the building code?

24 AMIT BAGGA: Right. So that would be a
25 copy of the approved plans and the plans would have

1
2 to show a variety of... I mean there are... there are...
3 there are you know floor plans so they would show
4 exactly where ventilation and things like that
5 would be placed.

6 COUNCIL MEMBER GARODNICK: Okay so that...
7 those are the same things. The... the certificate of
8 compliance... well it' a certificate of compliance
9 from the Department of Buildings. That sounds
10 different to me from... [cross-talk]

11 AMIT BAGGA: Yeah from...

12 COUNCIL MEMBER GARODNICK: ...you guys
13 seeing a certificate of occupancy.

14 AMIT BAGGA: So we... we require two
15 documents. One is a certificate of occupancy and
16 one is a copy of the approved plans. Any additional
17 certifications from DOB are not collected at this
18 time.

19 COUNCIL MEMBER GARODNICK: Okay. Okay so
20 just to summarize... when you guys grant or renew a
21 license you do not do any reviews of health related
22 issues. You don't review the details of the
23 building code plans other than to acknowledge their
24 receipt. Yu don't check anything related to state
25 minimum wage law and also do not require production

1
2 of either the evidence of compliance with the
3 laundry code or compliance with the building code.
4 I'm just summarizing our last ten minutes.

5 AMIT BAGGA: So the compliance with the
6 building code is checked by the... the... the
7 submission of the certificate of occupancy and...
8 [cross-talk]

9 COUNCIL MEMBER GARODNICK: It... it's...
10 it's... But it's only checked to the... [cross-talk]

11 AMIT BAGGA: To the extent that we...

12 COUNCIL MEMBER GARODNICK: ...that it's
13 real... that you believe it's real.

14 AMIT BAGGA: Correct.

15 COUNCIL MEMBER GARODNICK: And that
16 exists and that it is... has been filed.

17 AMIT BAGGA: That's correct.

18 COUNCIL MEMBER GARODNICK: Right I got
19 it. Okay.

20 AMIT BAGGA: That's correct. And we just
21 would like to clarify that these procedures in
22 terms of how we undertake the licensing of a
23 particular business, a laundry business are ones
24 that have been longstanding. They far predate the
25 current administration. And we... the law department

1
2 is helping us determine when these practices were
3 put into place. And why there are certain aspects
4 of he add code or the rules that are not taken into
5 account during the compliance checks.

6 COUNCIL MEMBER GARODNICK: We got it... we
7 got it. It... at least I think we can all acknowledge
8 the fact that the law here needs help and that DCA
9 is not do... this is you know we're... this is not a
10 finger point but is not doing things which the law
11 whether it's from the 1930s or even some of DCAs
12 own rules requires to happen. And it strongly
13 suggests that one getting a handle on whether there
14 are industrial laundries out there as we strongly
15 suspect that there are that can be licensed and
16 should be licensed by DCA and also how we can
17 straighten this out so that DCA is getting the
18 proper information about workplace condition, labor
19 laws, health conditions in a manner in which you
20 all can evaluate it within your expertise. So it
21 sounds like... this is a... this is an area that is
22 ripe for this conversation so I suppose my hope for
23 the testimony today would have been left... we don't
24 believe this is in our area of expertise and
25 perhaps more the law is a mess and we think that

1
2 you all are on the right track to help us get to
3 the right standards here. But that's just one... one...
4 one member's view. But I thank you for... for your
5 time and your patience.

6 AMIT BAGGA: Thank you. I... I would just
7 like to say we... we agree that the law here is very
8 complex and the regulatory landscape here is very
9 complex. And we actually are already engaged with
10 the law department to have them review all of the
11 state and city laws that are implicated in our
12 licensing law because there are many to better
13 understand what is in fact enforceable, what is
14 outdated, what is current, what is obsolete
15 etcetera. We do share the council's view that the
16 law could use some updating and that there are ways
17 in which DCA could perhaps take on checks for... for
18 compliance with some, with some of the more recent
19 laws. I just do want to clarify that the expertise
20 to which I was referring was the expertise to
21 actually define standards of cleanliness and
22 sanitary conditions as they pertain to issues of
23 disease and disease communication. That is a very
24 very specific and discreet standard that is beyond
25 DCA's jurisdiction. That does not in any way mean

1
2 that the law itself, the licensing law itself
3 doesn't require revisiting.

4 COUNCIL MEMBER GARODNICK: Right. I, I
5 mean it may be beyond your level of sophistication
6 today but the... the law does require that it be
7 within your certification as a matter of law. So
8 that's why we... you know I focused on that issue. I
9 also wanted to note just to... just to correct one
10 point from earlier you had noted in your testimony
11 that everyone is required to be licensed except
12 those who are explicitly exempt. And you cited
13 hospitals or charitable institutions. But I think
14 it is just a... there's just a little bit more to be
15 said there just for total accuracy which is that
16 it's hospital or charitable institutions where no
17 charge is being made for laundry services. So I
18 think it's either they're in house in a hospital or
19 in house in a charity. So it's not just if a
20 hospital were to send their you know their bed
21 sheets to an industrial laundry they're exempt
22 that's not the case. It's only if it's internally
23 within... within the hospital.

24 AMIT BAGGA: That's correct.
25

1
2 COUNCIL MEMBER GARODNICK: Okay. Thank
3 you.

4 CHAIRPERSON ESPINAL: Thank you. For
5 housekeeping purposes I'd like to acknowledge that
6 we were joined by Vinny Gentile from Brooklyn,
7 Karen Koslowitz from Queens, Rory Lancman from
8 Queens. And we're also joined by Brad Lander from
9 Brooklyn. Before we go forward I just... quick
10 question can DCA withhold a license for
11 noncompliance with state and federal laws in under...
12 other industries.

13 AMIT BAGGA: So if there is... if there is
14 evidence of noncompliance with certain types of
15 state and federal law... compliance that would be
16 required specifically and explicitly in order to
17 maintain that license we could conduct what we
18 refer to as a fitness assessment to determine
19 whether or not that business is in fact
20 noncompliance. If the business is found to be
21 noncompliant with state and federal law that
22 they're required to comply with in their licensing
23 law. We could at that point choose to engage in
24 license reputation procedures which would require a
25 hearing before DCA's tribunal.

1
2 CHAIRPERSON ESPINAL: Okay great. I
3 just, I just want to echo Dan Garodnick's comments
4 earlier and... and it sounds like you know regulation
5 has to... we'll have to put tighter regulations on
6 this industry. It pretty much sounds like the
7 workers are out there and it's like wild west.
8 There's no one really looking after them. The
9 state's not really doing their job. The city's not
10 really checking in on them so I think it's very
11 important that you know we work together and come
12 up with a plan how we can tighten these laws and
13 make sure that they... you know they benefit the
14 employees and also the industry. I'd like to pass
15 it over to Brad Lander.

16 COUNCIL MEMBER LANDER: Thank you very
17 much Mr. Chair and thanks to the panel and to the
18 sponsor of the law. So I'm going to build on... I
19 apologize... being here... so it's possible I'll trod
20 on terrain that was covered by other council
21 members or the chair. But I... I want to build a
22 little on Council Member Garodnick's questions. And
23 I... I just want to open by saying I... with it I...
24 associate myself with his last point which is I
25 don't doubt that there's complexity in the law and

1
2 that today as it's set up the Department of
3 Consumer Affairs it doesn't have the expertise or
4 ability or legal charge to do these things and more
5 than that I will grant you that in many ways the...
6 the guiding original founding remit of the
7 department of consumer affairs is a consumer
8 affairs responsibility that would ordinarily apply
9 more normally and typically as we've thought about
10 it historically in the retail laundry mats because
11 indeed they were the Department of Consumer Affairs.
12 On the other hand I thought, I think that both the
13 council and the administration have recognized our
14 shortcoming and that in attending to income
15 inequality we have recognized that in a series of
16 low wage industries there is a problem that
17 government has been failing to protect workers'
18 health and safety wage theft and a range of other
19 things and obviously we've seen that dramatically
20 recently around nail salons and you know that took
21 a times expose because none of us in government to
22 be honest were doing our jobs not at the state
23 level and... and not to call it out at the city
24 level. But then more constructively around car
25 washes with the car wash accountability act where a

1 similar gap in our ability to enforce laws
2 precisely because they come at state federal local
3 levels that gap exists. And we're trying to figure
4 out how to solve it together. That's in part why
5 the speaker has introduced legislation to create an
6 office of labor standards but in the meantime it's...
7 that's sort of been growing organically at the
8 department of consumer affairs as you point out in
9 your testimony around paid sick days, around
10 transit benefits and now in a way that I'm very
11 excited about, around the carwash accountability
12 act which will for the first time expand Department
13 of Consumer Affairs responsibility and authority
14 precisely as you just answered the chair's question
15 to attend to other kinds of legal violations around
16 wage theft, around OSHA, around worker health and
17 safety and pull that into a city licensing and
18 oversight framework. So we can solve a problem that
19 exists because low wage workers are being exploited
20 and put at risk and maybe that means we need to
21 have you be understood as the Department of
22 Consumer and Labor Affairs which I think is what
23 we're evolving to and why there's that legislation.
24 But I... I guess I'm... I would have thought building
25

1 on the carwash accountability act, building on the
2 attention to the nail salons that again that's the
3 framework we want to have here which is not what we
4 know which is today there's a diverse unenforced
5 multiple levels of government regulators mess which
6 is leaving workers vulnerable to abuse but instead
7 we've got a good new model which is using some
8 combination of licensing and bonding to precisely
9 pull together oversight and enforcement. So I guess
10 you know my question is why is this... why is the...
11 the framework of the carwash accountability act
12 which I believe I'm optimistic the mayor's going to
13 sign into law. Not the right framework... leaving
14 aside the specifics of exactly which expertise you
15 have and why is the framework of the carwash
16 accountability act not the right framework for
17 approaching industrial laundries as outlined under
18 the bill. Our testimony today... thank you so much
19 for... for your comments. And let me just actually
20 start off by saying that... and I know Commissioner
21 Minin has... has made this quite clear that we as an
22 agency are deeply committed to ensuring that the
23 rights of our workers here in New York City,
24 particularly the most vulnerable workers are
25

1
2 protected. And I think you have in your comments
3 identified and outlined a gap as you said between
4 the reality on the ground and the complex
5 regulatory frameworks that exist, that govern many
6 industries. And we at the Department of Consumer
7 Affairs agree with the council that where there are
8 opportunities to bridge that gap those
9 opportunities should be explored. Our testimony
10 today was not speaking to the framework of the
11 carwash accountability act. And I understand of
12 course that the committee and the sponsor of the
13 bill feel as though that framework applies here as
14 well. Our testimony today was focused very
15 specifically on certain aspects of this particular
16 legislation. As it pertains to the carwash
17 accountability act the final legislature, the
18 legislation in its final form was written in such a
19 way that enables DCA to utilize its existing
20 expertise and abilities to... to reach some of the
21 goals that the council and administration share as
22 far as fixing problems in that industry as it
23 pertained to labor. And that is because the tools
24 that we would be using to conduct enforcement as
25 well as to ensure that car washes are appropriately

1
2 licensed are tools... are the type of tools that we
3 already have in our tool belt. In this particular
4 case the ex... the expertise that would be required
5 to enforce this particular type of law is not an
6 expertise we have. So to be learn what we are
7 saying to the council is that we do not... we do
8 share the goal of addressing the labor concerns and
9 if the health department finds there are public
10 health concerns the public health concerns that
11 might exist in this particular industry. And... but
12 the particular requirements of our agency in this
13 bill as it is currently written are not something
14 we have the expertise to enforce.

15 CHAIRPERSON ESPINAL: Alright so that's
16 all fine. I just want to make sure I understand
17 some of the distinctions. And because under the
18 carwash accountability act there are quite a few
19 provisions that will be considered for a licensing
20 and for which the bond is designed to protect which
21 are not overseen by, governed by, or based on the
22 expertise of the Department of Consumer Affairs
23 right?

24 AMIT BAGGA: Correct but...
25

1
2 CHAIRPERSON ESPINAL: So the bond is
3 again... So I just don't... want to make sure I
4 understand because the bond... the license can
5 consider violations of any... of... of any other laws
6 or regular to the... the... the... the carry... the fitness
7 provision that you can... you know every two years
8 you have to go back and show that you've continued
9 to be a good actor. That... the car wash
10 accountability act as... as fine... as passed by the
11 council involves looking at any different you know
12 violations of federal state or city law wage theft,
13 OSHA, and other violations right?

14 AMIT BAGGA: I'm not sure the carwash
15 accountability act goes quite as far as you just
16 described it. However what I would like to clarify
17 is that I think we're having two parallel but
18 distinct conversations here. We're having a
19 conversation about the framework of these types of
20 bills that would enable the city to step in where
21 let's say the federal and state governments have
22 failed in enforcing key protections for workers.
23 The second conversation I think we're having it's
24 more of a semantic one. One that has to do with
25 what is within DCA's ability authority and

1
2 expertise to actually be able to enforce. When it...
3 when it comes to specific standards of cleanliness
4 we are not in a position to be able to define them
5 for example which is what this bill would have us
6 do.

7 CHAIRPERSON ESPINAL: So I... I got that
8 and I think the sponsor has made...you know has made
9 clear that amendments to the bill... if you were... if
10 you had come in saying we are open to the model of
11 using licensing to guarantee that industrial
12 laundry operators are good actors and where they
13 violate laws but... or where there's a lack of
14 enforcement as with the carwash accountability act
15 we're... using licensing as a framework for
16 addressing that and you know I... I guess I want to
17 ask about the... the bond... you know to me the bonding
18 feature of the carwash accountability act which
19 bonds against violations of other kinds of laws and
20 provisions is also used for the city to advance
21 worker health and safety. But in addition there are
22 some specific things you're asking consumer affairs
23 to do. They go to a kind of expertise that we don't
24 think we have and maybe we shouldn't have that I
25 think would be easy to say alright let's... let's

1 talk about getting the framework on the oversight
2 right and we'll look at individual pieces and
3 figure out who should set the standards where they
4 should be set and who can oversee it. So that it
5 would have been easy to say... to be... feel positive
6 about that testimony even with your point about the
7 expertise that you have. It's harder when what... you
8 know with... without you know... and I guess... so I... I
9 do want to ask that I hear that you don't
10 currently... So let me just ask the question that
11 way. Is the Department of Consumer Affairs compared
12 to work with the council and with the bill sponsor
13 and the committee on the overall framework of
14 licensing and potentially bonding industrial bond
15 requirements for industrial laundries to protect
16 against worker abuse, wage theft, safety and health
17 violations...

19 AMIT BAGGA: So I think I just would
20 like to respond to you. I will respond very
21 directly to your question but just to frame it
22 briefly or frame my response we did say at the very
23 outset of our testimony that we share the council's
24 goal of ensuring that all of our city's workers are
25 protected, particularly the most vulnerable. And we

1 at DCA particularly under Commissioner Menin's
2 leadership have stated this... over the last year.
3 And...and we truly do believe that where the city can
4 come in with an appropriate framework to address
5 issues that it should. As far as this particular
6 bill is concerned we do look forward to working
7 with the council to identify whether or not there
8 is a framework that could exist that could
9 potentially be implemented by the Department of
10 Consumer Affairs that would address some of the
11 issues in the industry as they relate to wage theft
12 or worker safety. We really do need to work very
13 closely first with the law department to really
14 better understand the full landscape of the complex
15 regulatory framework that exists here specifically
16 as it pertains to laundries. And the law department
17 has committed to us that they will be doing the
18 necessary work required to help us understand what
19 that framework really means for the agency. Once we
20 have a clear understanding of that framework is I
21 think we would absolutely be very open to working
22 with the council on understanding better what the
23 issues are in the industry as they pertain to labor
24

1
2 law violations and what if anything we could be
3 doing to be helpful.

4 COUNCIL MEMBER LANDER: Alright. So I'm
5 going to... I'm going to end with that optimistic
6 point because I think that's a... you know that's a...
7 it's somewhat more specific commitment that I heard
8 and you know the primary tool DCA has for address...
9 working with industries is licensing based so I'm
10 hoping to listening to other tools... that's the one
11 that I'm aware of that you've got that works most
12 effectively here so... You know I... I... I think there's
13 a lot of us that share the passion of the... the
14 sponsor for following up here and so I appreciate
15 that you're going to work... continue to work with
16 him and with the law department. And I'll just add
17 I think it is worth connecting this conversation
18 with the conversation around the office of labor
19 standards and with the carwash accountability act
20 to be thinking about how we keep building out a
21 stronger place in our city where we really can do
22 better by low wage and vulnerable workers. Thank
23 you Mr. Chair for the time and thank you for your...

24 [cross-talk]

1
2 CHAIRPERSON ESPINAL: Thank you. Brad
3 Richard.

4 COUNCIL MEMBER RICHARD: Thank you.
5 Thank you for your questioning council member. So I
6 just want to understand where we... where we go from
7 here. I think there's a... a general recognition that
8 there's a lack of clarity about the law because it
9 dates back two centuries. So there could be a
10 strong case for updating it. I think... I'm... I sense
11 that concession from DCA. And it seems to me DCA
12 sees a role for itself not in regulating working
13 conditions but obviously considering working
14 conditions as part of our broader evaluation of
15 fitness right. That that is a role that you are...
16 you're going to play in the carwash industry and
17 that could foreseeably play in the industrial
18 laundry industry right. So that's... that's not the
19 controversial aspect here. I think your concern is
20 that you do not have the institutional expertise or
21 capacity to define standards but you do have the
22 capacity it seems to verify compliance with
23 existing standards, federal and state standards.
24 Like that is a role... I'm trying to think of what an
25 appropriate framework looks like. And so do you see

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

for yourself a role in verifying compliance with standards of health and safety in the industrial laundry industry?

AMIT BAGGA: I think it depends on what the standards are. So as... as you'll recall from Council Member Garodnick's questioning. For example when we check for compliance with Department of Building Code right we require the production of true copies of certain types of documentation. If for example compliance with the standards in question here would be sufficiently demonstrated by a similar production of documents I think the answer will be closer to yes. If the verification of compliance would be more complex we would really have to assess what that verification process is. If the verification process is something that is physically doable then I think that is certainly something we could consider. But we really need to much better understand what that verification process looks like, what it actually means for a business to be in compliance with some of these standards and how those standards would typically be enforced were let's say to the... the appropriate agency whether it's OSHA or state Department of

1
2 Labor to have the same types of inspectors that we
3 have. And if they were to be sending them out what
4 would they be looking for. And so once I think we
5 have clear answers to those questions we would be
6 able to give you a clearer answer about whether or
7 not those standards would be enforceable by us.

8 COUNCIL MEMBER RICHARDS: And there are...
9 there are obviously general standards of health and
10 safety... federal and state laws that apply to every
11 industry but then there are standards of health and
12 safety particular to the laundry industry. And
13 there are organizations that set those standards
14 right. Could you see a role for... for DCA in
15 verifying compliance with best practices with those
16 standards, not defining them but simply verifying
17 compliance with those best practices.

18 AMIT BAGGA: Again I think it... it really
19 depends on what verifying compliance means.

20 COUNCIL MEMBER RICHARDS: It could be a
21 certification right? So it could be you know
22 produced evidence of a certification that you're
23 following best practices and DCA like that... that...
24 that could be sufficient to demonstrate compliance
25 right?

1
2 AMIT BAGGA: If... if a certification
3 would be sufficient to demonstrate compliance then
4 yes I think DCA could certainly be open to... to... to
5 assessing that certification.

6 COUNCIL MEMBER RICHARDS: So I just want
7 to... So you're acknowledge that there is a value to
8 updating the law...

9 AMIT BAGGA: Absolutely.

10 COUNCIL MEMBER RICHARDS: Acknowledged a
11 value of considering working conditions is a
12 broader evaluation of fitness.

13 AMIT BAGGA: Yes.

14 COUNCIL MEMBER RICHARDS: Verifying
15 compliance with state and... federal and state laws
16 and verifying compliance with... with best practices
17 to certifications is that... I'm trying to think...
18 sketch out what an appropriate framework would look
19 like.

20 AMIT BAGGA: I think it would look
21 something very similar to that.

22 COUNCIL MEMBER RICHARDS: Okay I think
23 we can get to a place where we can agree... Okay.
24 Thank you Commissioner.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

CHAIRPERSON ESPINAL: Thank you Richey and thank you DCA for giving you testimony. Then we'll call the next panel...

UNIDENTIFIED MALE: Is this a hearing or a negotiation?

CHAIRPERSON ESPINAL: I'd like to call up Megan Chambers, Miguel Figueroa, Carol McLay, and Conor Hanlon. You can begin whenever you're ready. Just state your name before your testimony.

MEGAN CHAMBERS: Good morning Chairman Espinal, members of the committee, council members Torres, Garodnick, and Lander. Thank you very much for the opportunity to speak today. I'm Megan Chambers with Workers United the Laundry Distribution and Food Service Joint Board. Also here we have Miguel Figueroa a long time laundry worker and resident of the Bronx and of course Conor Hanlon and Doctor Carol McLay. If you don't mind I'll turn it over to Miguel to speak first. I'm going to translate into English for him. I know many are bilingual but his remarks are available in English. We did give copies to your staff here.

MIGUEL FIGUEROA: [speaking Spanish]

1
2 MEGAN CHAMBERS: Good morning Chairman
3 Espinal and members of the Consumer Affairs
4 Committee.

5 MIGUEL FIGUEROA: [speaking Spanish]

6 MEGAN CHAMBERS: Thank you for inviting
7 me.

8 MIGUEL FIGUEROA: [speaking Spanish]

9 MEGAN CHAMBERS: I'm here to support the
10 clean act. Bill number 697.

11 MIGUEL FIGUEROA: [speaking Spanish]

12 MEGAN CHAMBERS: My name is Miguel
13 Figueroa. I worked for six years at B & M Linen
14 also known as Miron and Sons Laundry on Costar
15 Street in the Bronx.

16 MIGUEL FIGUEROA: [speaking Spanish]

17 MEGAN CHAMBERS: Who better than a
18 worker in an industrial laundry to speak about the
19 lack of hygiene in these institutions.

20 MIGUEL FIGUEROA: [speaking Spanish]

21 MEGAN CHAMBERS: And the bad conditions
22 that we face as workers.

23 MIGUEL FIGUEROA: [speaking Spanish]

24 MEGAN CHAMBERS: I want to tell you that
25 as workers we are not provided with adequate safety

1
2 equipment in some of these laundries such as the
3 ones I have worked in. I worked without gloves and
4 yet I was dealing with soiled linens that came
5 contaminated with feces, with vomit.

6 MIGUEL FIGUEROA: [speaking Spanish]

7 MEGAN CHAMBERS: I also have to say that
8 after I would unload those dirty bins that had
9 dirty laundry as I've already described
10 contaminated with feces with vomit. Those bins
11 without being disinfected would be sent over to the
12 clean side of the plant where I worked would be...
13 there would be a plastic liner put in. They'd be
14 loaded with clean product; sheets, towels, pillow
15 cases, and sent out to luxury hotels in Manhattan
16 where people had no idea that those bins were not
17 really disinfected.

18 MIGUEL FIGUEROA: [speaking Spanish]

19 MEGAN CHAMBERS: So in addition I know
20 there were reporters here, members of the council...
21 there are those here who sleep in our city's
22 hotels. And you should know that in the worst
23 instances if we were down a wash tunnel and we
24 didn't have all the washers working they actually
25 had us send product that had not been washed, that

1
2 was dirty but looked pretty clean through the
3 ironers. They had us pack it up and send it out as
4 if it were clean to the hotels for use by
5 customers.

6 MIGUEL FIGUEROA: [speaking Spanish]

7 MEGAN CHAMBERS: I also want to say that
8 I worked for more than six years in that facility.
9 I never saw a city inspector. No one ever came in
10 to check on me. There's a real lack of oversight by
11 the city and I feel so grateful to the members of
12 the city council who are bringing this issue to the
13 forefront and leading this effort because we really
14 need it.

15 MIGUEL FIGUEROA: [speaking Spanish]

16 MEGAN CHAMBERS: Okay and just to wrap
17 up I want to say again please support 697. Thank
18 you to the council for taking this on. And I just
19 have to say that if I were to stay in a Manhattan
20 Hotel I would really have doubts when I wiped my
21 mouth with a napkin or when I put my head down on
22 my pillow because I know where that stuff has been
23 and it's not the hotel's fault. It is the
24 industrial laundry owners who are at fault here.
25 Thank you Miguel.

1
2 CHAIRPERSON ESPINAL: Can I ask one
3 question actually.

4 MEGAN CHAMBERS: Oh I'm so sorry.

5 CHAIRPERSON ESPINAL: I'm sorry which...
6 which... which industrial laundry operator... for which
7 was he employed, I'm just curious? Is he...

8 MIGUEL FIGUEROA: [off mic] [speaking
9 Spanish]

10 MEGAN CHAMBERS: I was working at B & M
11 Linen also known as Miron and Sons in Hunts Point.

12 CHAIRPERSON ESPINAL: [speaking Spanish]

13 MIGUEL FIGUEROA: [off mic] [speaking
14 Spanish]

15 MEGAN CHAMBERS: What Miguel said was
16 people should understand that many of the workers
17 in this laundries are afraid to speak up. And I
18 really... I, myself have a lot of courage and I speak
19 out and I'm determined and I work with a strong
20 union which has worked with me. We can beat these
21 bosses. They don't care about us. They don't do the
22 work themselves. They don't touch a bin. They just
23 send us to do it. Okay. So good morning. I'm Megan
24 Chambers and I'm speaking on behalf of Workers
25 United. In favor of Introduction 697, the Clean

1 Act. And thank you to Council Members Torres and
2 Garodnick for introducing it. Because this law is
3 urgently needed to clean up industrial laundries in
4 and around New York City. Workers at industrial
5 laundries are too often really exploited on the
6 job. They are vulnerable. They are recent
7 immigrants, mostly women. They can't afford
8 sometimes to speak out and risk their jobs. But
9 there are more than 50 industrial laundries in and
10 around New York with about 5,000 workers in them.
11 They're more like factories as you've heard. This
12 is not your neighborhood Laundromat. They launder
13 thousands of pounds of product each hour. The work
14 is difficult and dirty as you've heard from Miguel
15 here. They handle soiled napkins, table cloths, bed
16 linens, used in our businesses and hospitals. And
17 as you've heard this product is often contaminated.
18 They work in high pressure conditions. They're
19 under a lot of pressure to produce quickly to
20 maximize profit for the owners. Some industrial
21 laundry operators are responsible employers. They
22 are not all bad. The... those do right by employees
23 and handle their products with care. But
24 unfortunately there are too many irresponsible
25

1 operators in this industry as you have heard. And
2 the irresponsible operators show blatant disregard
3 for employees and the public and even the law. And
4 we see it all the time. We see workers in these
5 plans who get injured on the job and don't get
6 medical treatment. We see employers will violate
7 labor law to the nth degree to keep their workers'
8 paychecks small and deny workers their rights. In
9 2012 a Bronx industrial laundry owner was found
10 guilty by the federal government's national labor
11 relations board of throwing hot coffee in the face
12 of an employee firing him, cursing him, and what
13 was his offence? He was trying to improve his
14 working conditions. But that was unacceptable. In
15 another Bronx industrial laundry workers report
16 well you heard what Miguel had to say. Handling
17 those kinds of products without gloves is
18 outrageous. It is an OSHA violation but it is
19 happening. It is happening. In the worst cases...
20 look in 2007 two workers died. They were
21 asphyxiated by fumes from chemicals in an
22 industrial laundry in Northern New Jersey. And in
23 2011 an industrial laundry on Long Island a worker
24 was crushed to death. And what does this mean for
25

1
2 us? Well the... we all care about people whether
3 they're in the city or suburbs but it's not just
4 that. Whether these plants are located in the five
5 boroughs or whether they're located in the suburbs
6 they all deliver their products here. Because this
7 city is where they make their money. Irresponsible
8 laundry offers... owners, they profit by operating in
9 the shadows where what's going on is not seen. And
10 Intro 697 will bring licensing and inspections to
11 this industry we need that kind of oversight to
12 protect these vulnerable immigrant workers. And of
13 course needed to protect all of us. The products
14 laundered in these... in these laundries touch all
15 New Yorkers and millions of visitors who come here
16 each year. When we put on a gown in a doctor's
17 office or lie in bed in a hospital we all are
18 touching industrial laundry products. When we wipe
19 our mouths on a restaurant napkin, when we lie down
20 to sleep on hotel sheets we are touching industrial
21 laundry products. There are more than 300 delivery
22 trucks crisscrossing this city every day from
23 industrial laundries. And yet there is no
24 regulation to ensure these products are truly
25 clean. And that is a serious matter. Serious

1 illnesses, even fatal infections have been carried
2 on laundry products that weren't properly washed or
3 handled. Health experts have documented this. The
4 report on irresponsible laundries that Council
5 Member Torres and the... and clean NYC campaign put
6 out last month brings together some of these
7 reports. And in the citations in the footnotes
8 you'll see where health experts have documented
9 these outbreaks and I mean they're terrible.
10 Newborn babies covered in rashes from improperly
11 laundered linens. I mean in one horrific case a
12 flesh eating fungus was involved in the deaths of
13 five patients in a New Orleans hospital. And these
14 were products. They didn't look dirty. I mean no
15 one in their right mind would give a patient a... a
16 sheet that looked dirty. No one in their right mind
17 would put on their newborn baby like a little vest
18 that looked dirty. They looked clean. There's no
19 way for you know we the public to know... we don't
20 know. And as you've heard from Miguel you know we
21 face risks here in New York City because there are
22 practices out there in irresponsible industrial
23 laundries that serve our city that clearly do not
24 take our wellbeing seriously and put us at risk of
25

1
2 the spread of infection. I mean we heard about
3 dirty laundry being sent out that wasn't washed.
4 Even this, about not disinfecting the bins... for
5 anybody here who has children at home you would not
6 handle dirty diapers like that in your own home.
7 You would not put a dirty diaper on something and
8 then not clean it afterwards and use it again. We
9 all know that. We don't need a doctor to tell us
10 that you need to clean it before you use it again.
11 And we don't want to wipe our mouths on product
12 that hasn't been handled according to those kinds
13 of specifications. Look these kinds of protections
14 and these kinds of measures to ensure product
15 cleanliness are widely accepted in the industrial
16 laundries industry nationwide. As I said there are
17 good operators out there and there are industrial
18 laundry employer associations where they have
19 actually paid public health experts to develop
20 standards but the standards are voluntary. They're
21 widely regarded but they're voluntary. So... so there
22 are some in the industry who may say don't regulate
23 us. After all some industrial laundry operators are
24 responsible people. Some voluntarily adhere to high
25 standards for product cleanliness. But on behalf of

1
2 our union and as a New Yorker and a parent I really
3 view that the other way around. We say yes it's
4 true some industrial laundry operators manage
5 successful businesses and turn a profit while they
6 maintain high standards of cleanliness. So why
7 shouldn't they all. How can we accept anything
8 less? They all should do it. It's time to bring
9 oversight to the industrial laundry industry, to
10 protect workers, and all of us. Thank you.

11 CONOR HANLON: Good morning Chairman
12 Espinal and members of the committee. My name is
13 Conor Hanlon and I'm here to speak in support of
14 bill number 697, the Clean Act. I'm a Researcher
15 for Service Employees International Union, SEIU.
16 And I was the principal researcher and author of
17 the report that Megan Chambers mentioned;
18 "Irresponsible Industrial Laundries; A Major Public
19 Health Threat." A little bit of background which
20 Megan's already covered. The linen rental and
21 industrial laundry industry consists of at least 50
22 facilities in the greater area which employ over
23 5,000 workers. These facilities which are mostly
24 located in the Bronx, Brooklyn, Queens in the
25 suburbs handle and deliver work uniforms, patient

1
2 gowns, hotel and restaurant linens and more to
3 thousands of businesses in this city. As we've
4 heard these facilities bear little resemblance to
5 corner Laundromats, they look like factories,
6 housing specialized washing machines which can wash
7 thousands of pounds at a time and millions of
8 pounds in a year. Workers in these plants who are
9 usually immigrants, women, or other people of color
10 can be subject to unreasonable production
11 standards. And they know that failure to meet the
12 strict quotas required of them can lead to
13 discipline or even termination. It's little
14 surprise that when their managers have this kind of
15 mentality that the workers report the quality of
16 the product suffers. It's important to note as our
17 people already have that many laundries have
18 recognized the need to do better. There are
19 voluntary certification programs created by leaders
20 in the industry which require that best practices
21 be followed and set minimum standards of
22 cleanliness for clean laundry and those programs
23 should be lodged [phonetic]. Many workers in New
24 York City area are also represented by unions and
25 have safer and better working conditions at their

1
2 laundries. But we simply cannot rely on these
3 uneven standards and voluntary programs to ensure
4 quality. The people who stay in New York's hotels,
5 eat at its restaurants and seek care at its
6 healthcare facilities expect and deserve safe clean
7 linens. And safe is key in this conversation
8 especially when talking about linens used in a
9 healthcare setting. As we lay out in the report it
10 has been repeatedly confirmed in medical literature
11 that failure to follow best practices in washing,
12 handling, and delivering linen can lead to
13 contamination. These same studies have also shown
14 that exposure to contaminated linen can lead to
15 life threatening illnesses and patients. Some of
16 those examples include bacterial meningitis in two
17 patients at a hospital that was traced to linen.
18 And it was found in the investigation that the
19 bacteria was not being killed by the wash process.
20 A recurring strep outbreak among newborns in a
21 maternal unit was traced to infant vests that were
22 being dried in a contaminated dryer. An outbreak at
23 another hospital was also traced to linen and it
24 was found that the delivery truck did not have a
25 proper door which was allowing contamination from

1 dust that was coming from road construction on the
2 truck's delivery route. And a fungal outbreak at
3 the children's hospital in New Orleans in which
4 five children died was also traced by investigators
5 to linen which they believe was likely contaminated
6 either at the laundry facility or during the
7 delivery process. Given this potential for harm
8 it's crucial to set baseline standards for quality
9 and linen processing. Unfortunately to the best of
10 my knowledge there is no law or regulation at the
11 federal state or local level which requires
12 industrial laundries to provide a clean and safe
13 product. This is why the Clean Act is so
14 desperately needed. The act will set minimum
15 standards of cleanliness and mandate that best
16 practices be followed at industrial laundries. And
17 really this is common sense. The requirement to
18 follow best practices to prevent contamination and
19 submit to inspections to ensure that those
20 practices are being followed mirrors the
21 requirements of the industries voluntary
22 certifications. Inspecting trucks is also a
23 necessary measure to ensure standards across the
24 board as approximately half of all the industrial
25

1
2 laundries in the region are outside the five
3 bureaus. I believe that this is the best way to
4 ensure that New York's hospitals, doctors offices,
5 restaurants and hotels are provided with safe and
6 clean linen. Some of the industry representatives
7 have criticized the bill stating that it is
8 redundant and duplicating federal and state OSHA
9 standards and inspection protocols. They've also
10 criticized the exemption for on premise hospital
11 laundries to claim that the bill is not actually
12 intended to guarantee linen quality. I believe
13 these criticisms are entirely without merit. While
14 I do believe that raising standards in the industry
15 can only serve to help laundry workers the bill in
16 no way duplicates occupational safety and health
17 standards rather it directs DCA to issue guidelines
18 and regulations to ensure linen quality protecting
19 consumers at New York's restaurants, hotels, and
20 healthcare facilities. The industry's objection to
21 the hospital exemption is also misplaced. Unlike
22 offsite laundries on premise hospitals are already
23 regulated and inspected at the state level. The
24 clean act will close the loophole that allows
25 offsite healthcare laundries to escape scrutiny

1
2 under the current regulatory regime. Given the
3 studies that we've heard and the fact that
4 contaminated linen can transmit disease it is
5 imperative that laundries operating in and serving
6 businesses in the city follow best practices to
7 ensure that they are providing a sanitary product.
8 Expanding the current DCA laundry license is a
9 pragmatic and common sense approach that will raise
10 standards in the industry and protect New York City
11 residents and guests. Thank you again for your time
12 and attention and I'm happy to any question.. answer
13 any questions about my testimony or the content of
14 the report that you might have. Thank you.

15 DOCTOR MCLAY: Hello, and thank you
16 again for inviting us here to speak with you today.
17 My name is Doctor Carol McLay and I'm an
18 epidemiologist specializing in the healthcare
19 associated infections. I have over 25 years in the
20 healthcare field. I was previously employed in the
21 hospital infections program at the centers for
22 disease control and prevention. Director of
23 Infection Prevention and Control in a number of
24 acute care facilities, and faculty at the
25 University of Kentucky teaching both public health

1
2 and health care epidemiology. I have a private
3 consulting firm and frequently conduct hospital
4 risk assessments that include inspections of
5 laundry services. I have written several books on
6 national certification and infection control as
7 well as number of chapters and textbooks including
8 a 2014 chapter in the... text of infection control
9 and epidemiology on laundry, patient linens,
10 textiles, and uniforms. I recently returned from a
11 deployment in West Africa assisting the WHO with
12 the Ebola outbreak. I am here today again in
13 support of the clean act legislation which would
14 extend the much needed licensing and regulation to
15 cover industrial laundry operators and ensure that
16 minimum standards are met for the cleanliness and
17 safety of linens and textiles that are used by
18 millions of New York City residents and visitors
19 every year. Most of us assume that our hotel
20 sheets, restaurant napkins, and hospital linen are
21 clean and safe for our use. But as we've heard
22 unfortunately that is not always the case.
23 Healthcare textiles are fabric products such as
24 bedding, towels, and patient or employee clothing
25 that touches patients and employees on a daily

1 basis. Contaminated textiles in healthcare
2 facilities are known to be a source of substantial
3 number of harmful organisms that are deposited on
4 these fabrics from body substances such as blood,
5 skin, stool, urine, vomit, and other body issues
6 and bacteria. Common organisms that have been found
7 on healthcare textiles include gram-negative
8 bacteria, coagulase-negative staphylococci, and
9 bacillus species in addition to our normal skin
10 bacteria. Many of these organisms can persist for
11 extended periods of time on these fabrics if they
12 are improperly processed. Some of these organisms
13 have been shown to survive more than 90 days.

14 Healthcare textiles as we have heard have been
15 implicated in numerous outbreaks of infection. Two
16 fatal cases of meningitis by the bacteria bacillus
17 cereus sparked an investigation which discovered
18 that hospital linen was heavily contaminated by the
19 bacillus cereus spores caused by an inadequate wash
20 process. In another investigation of blood stream
21 infections caused by bacillus cereus hospital
22 linens and the hospital washing machine were found
23 to be highly contaminated with this bacteria which
24 was also isolated from the intervenes fluid of
25

1
2 symptomatic patients. The linens had been washed in
3 the hospital washing machine which reused water for
4 washing and rinsing and furthermore the machine had
5 not been cleaned for more than 10 years. An
6 extensive investigation of a recurrent outbreak of
7 streptococcal infections associated with the
8 maternity unit was conducted. Investigation of the
9 laundry and in particular the hot air dryers
10 revealed extensive contamination with the outbreak
11 strain of streptococcus pyogenes. The babies were
12 being infected shortly after birth from infant
13 clothing which was placed on the babies to keep
14 them warm. A fungal outbreak of aspergillus flavus
15 among patients causing multiple mycetoma which are
16 chronic inflammation of the tissues caused by
17 fungus was traced to linen again after it was found
18 to... but that the delivery truck did not have a
19 proper back door allowing contamination of dust
20 from road construction. More recently five children
21 including two newborns, a ten year old girl, an 11
22 year old girl, and a 13 year old boy tragically
23 died at the children's hospital of New Orleans
24 after coming in contact with a deadly fungus that
25 was transmitted to them through the linen on which

1
2 they were resting. According to a report by the
3 mother the 13 year old had been in the hospital for
4 18 days when the mother noticed that the child had
5 a black quarter sized spot underneath his arm. Two
6 days later it was identified as Mucormycosis.

7 During early stage of an... of infection with this
8 fungus the skin often appears relatively normal but
9 quickly becomes reddened and swollen before turning
10 black due to tissue death. This child underwent 20
11 procedures as a result of complications from this
12 infection before he died as a direct result of the
13 fungus. The investigators concluded that the linen
14 had likely been contaminated at the laundry
15 facility or during delivery. Given the potential
16 for harm to the public high standards in the
17 processing and handling of linen are crucial. Some
18 laundries wash both restaurant or hospitality linen
19 in the same facility as healthcare laundry is
20 washed which means that a restaurant napkin may be
21 processed using the same equipment as that used for
22 soiled linen in healthcare facilities. The public
23 expects clean linen, garments in our restaurants,
24 hotels, and hospitals. But since there is no
25 mandatory oversight or standards there's no way to

1 know that these linens and garments used by the
2 public are being washed and processed in accordance
3 with the industry standards. The healthcare laundry
4 and accreditation council are HLAC and the textile
5 rental services association have established
6 evidence based standards and industry best
7 standards... industry best practices and offer
8 voluntary certification programs. Unfortunately
9 only five out of the 50 laundries in the New York
10 area are certified under these programs. The
11 centers for disease control and prevention states
12 while soil textiles may be heavily contaminated
13 with harmful organisms if they are handled,
14 transported, and laundered in a safe manner the
15 risk of disease transmission is negligible. Getting
16 soiled linens clean is a very complicated process.
17 A successful laundering procedure is dependent on
18 several factors including duration of laundering,
19 mechanical action, chemicals, and temperature. If
20 one of these factors is decreased, for example
21 temperature, then the other factors must be
22 increased in order to achieve the same laundering
23 and disinfecting effect. The exact correct
24 optimized combination of these factors is critical
25

1 in order to achieve a hygienic laundering procedure
2 for textiles. Furthermore clean linens must be
3 maintained in a clean state and prevented from
4 becoming contaminated before use. This involves
5 handling, packing, and storing linen in a manner
6 that protects it from exposure to dust and dirt
7 particularly when being transported from an offsite
8 laundry facility. A laundry's failure to follow the
9 proper procedures can result in a final product
10 that is contaminated rather than clean. Following
11 scientifically based industry standards and
12 adhering to rigorous laundry standards ensures that
13 many of the risks to the public are minimized.
14 There's currently no regulation of industrial
15 laundries in New York City and no way to ensure
16 that clean and safe textile products have provided
17 to the New Yorkers and the 55 million tourists that
18 visit us annually. The clean act legislation seeks
19 to close this gap by ensuring consistent monitoring
20 of the entire laundering procedure coupled with
21 best practices for laundry processes in accordance
22 with accepted industry standards. We must demand
23 the highest standards for the processing of
24 textiles and industrial laundries, standards that
25

1
2 cover the complete processing cycle from handling
3 and transporting to laundering and finishing and
4 customer service. We ask for your support for this
5 important bill to establish the minimum standards
6 of cleanliness among industrial laundries and
7 safeguard the health of the public. Thank you.

8 CHAIRPERSON ESPINAL: Thank you Doctor.
9 Thank you Megan as well and Connor for all the work
10 you guys have been doing on behalf of the workers.
11 And Ritchie Torres has a few questions.

12 COUNCIL MEMBER TORRES: I do. So Ms.
13 Chambers. I have a question for Ms. Chambers. You
14 heard the testimony from DCA. DCA... and it was, it's
15 something... I would characterize it... it felt a
16 little contradictory because on one hand DCA
17 claimed that it has the authority to regulate
18 industrial laundries. But then on the hand DCA
19 claimed that the laws are so old... dating back to
20 the 19th century that the original intent of those
21 laws are not fully understood and requires more
22 research from the city department. So I'm not clear
23 that DCA fully has a handle on what the law
24 provides for which is an argument for clarifying
25

1
2 and updating it. But... but in your experience does
3 DCA regulate industrial laundries? As...

4 MORGAN CHAMBERS: There are industrial
5 laundries operating in the city that are not being
6 licensed by DCA. And in addition DCA for example
7 has a requirement for retail laundry delivery
8 trucks where the requirement is that you print your
9 license number on the door. So if you were to take
10 that same requirement and say yes it really does
11 apply to the industrial laundries that would be
12 nice. But it doesn't do what the clean act does
13 which is actually ensure that the product that's
14 coming to the public is safe. And as you heard from
15 Miguel you can work in an industrial laundry for
16 six years and never see any kind of inspector from
17 DCA.

18 COUNCIL MEMBER TORRES: So I just want
19 to clarify are you aware of DCA any... because you...
20 you represent the vast majority of workers in
21 industrial laundry. So are you aware of any
22 regulation or licensing of industrial laundries on
23 the part of DCA?

24

25

1
2 MORGAN CHAMBERS: I am aware of DCA
3 licensing laundries that do delivery to
4 individuals.

5 COUNCIL MEMBER TORRES: So those are
6 retail laundries?

7 MORGAN CHAMBERS: So they're retail
8 laundries and there are occasionally... There's... I
9 can think of one industrial laundry that also has
10 an ancillary service where it provides cleaning for
11 individuals and they do have a DCA license number
12 that they stick on their trucks but there's no... the
13 conditions in that facility are appalling, I mean
14 appalling. Workers comp laws are routinely
15 violated. People clean, handle soiled product
16 without gloves. The conditions are appalling in
17 that facility. So I think that both folks are not
18 being licensed and then there's an additional issue
19 which is that the clean act calls for a series of...
20 for unannounced inspections and for a level of care
21 to be taken with compliance with existing laws and
22 with the product that just are not in place today
23 at all.

24 COUNCIL MEMBER TORRES: But as the
25 person who represents... as... as... as a member of the

1
2 union that represents the workers in industrial
3 laundries you're aware of no licensing except for
4 the one example that has an ancillary service for
5 individuals.

6 MORGAN CHAMBERS: That's right.

7 COUNCIL MEMBER TORRES: Okay so that's...
8 so... because that's... that's at odds with DCA's
9 testimony which again was confusing to me.

10 MORGAN CHAMBERS: Yes. I think if we
11 give them a list of facilities they will find
12 mostly they are not licensed.

13 COUNCIL MEMBER TORRES: Okay. Now the
14 industry's going to claim that we are regulated
15 right? There are OSHA standards. There are general
16 federal and state laws that regulate health and..
17 and safety standards in our industry. And I guess
18 one response is that that may be true but
19 industrial laundries are a highly particular
20 industry and there are no particular legal
21 standards for industrial laundry operators. Is... is
22 that correct characterization or... Well I think... and
23 let me add... Conor reminds me... I mean we act... we ran
24 our own searches on DCA's license database and... of
25 a number of industrial laundries that operate in

1
2 the city that do not... and they did not have
3 licenses. So there are OSHA regulations that apply
4 in industrial laundries and there are industrial
5 laundry operators who follow them and there are
6 industrial laundry operators who do not follow
7 them. And we think it is really a vital role that
8 the city can play in ensuring that if they're a
9 violation... in taking into consideration violations
10 of those standards in considering licenses. I mean
11 this kind of fitness type way I think. And there
12 are no standards at all requiring that the product
13 be clean. I really... there simply aren't.

14 COUNCIL MEMBER TORRES: Right. I think
15 the point is that industrial laundries are highly
16 particular and require their own set of standards.
17 As you pointed out there are evidence based
18 standards not... apart from general law is about
19 health and safety. There are evidence based
20 standards specifically for industrial laundries but
21 the trouble there is that those are voluntary
22 rather than mandatory. So my question to you is
23 what share of the industry has agreed to adopt
24 those voluntary standards?

1
2 MORGAN CHAMBERS: So there are voluntary
3 certifications and 10 percent of the operators in
4 the New York metro area have certified themselves
5 under those standards.

6 COUNCIL MEMBER TORRES: Alright. So
7 under a voluntary regime you only have a compliance
8 rate of 10 percent.

9 MORGAN CHAMBERS: That's correct.

10 COUNCIL MEMBER TORRES: In your opinion
11 do you believe that a... a legal mandate would be
12 more effective at achieving broader compliance in
13 the industry or...

14 MORGAN CHAMBERS: I think a legal
15 mandate would be much more effective. I think a
16 legal mandate is critical in achieving broader
17 compliance in the industry.

18 COUNCIL MEMBER TORRES: Okay. Thank you
19 for your time.

20 CHAIRPERSON ESPINAL: Call up the next
21 panel. We have David Potack from Unitex and TRSA.
22 Just state your name whenever you're ready.

23 DAVID POTACK: My name is David Potack.
24 Thank you Mr. Chairman and committee members. As I
25 said my name is David Potack. I am president and

1
2 one of the owners of Unitex Textile Rental
3 Services. I want to thank the committee for this
4 opportunity to review and discuss city council bill
5 697 the Clean Act. I'd also like to thank
6 Councilman Torres for his opening comments and his
7 thoughtfulness in putting this bill together.
8 Unitex Textile Rental Services is a provider of
9 healthcare uniform and linen services. We're a
10 fourth generation family, company, owned and
11 operated since 1915 where we were founded in New
12 York City. We currently have over 12 hundred
13 employees working at 11 facilities, all of which
14 who are represented by workers united. We've
15 enjoyed a very productive relationship over many
16 may decades with workers united and the proceeding
17 organizations and continue to do so today. Our
18 plants are certified. We're proud of our
19 relationship with our employees many of whom are
20 long term employees and we understand that we work
21 together in a sense of mutual respect. I'm speaking
22 today on behalf of our company as well on be, as
23 well as TRSA of which I'm the current vice
24 chairman. And we have been a longstanding member of
25 TRSA. TRSA and I recognize Councilman Torres' good

1 intentions in crafting Intro 697 but have some
2 significant concerns about the current language in
3 the legislation. The legislation does not take into
4 account existing safety standards and a strong
5 record of health and safety within the commercial
6 laundry industry. The proposal and our view is
7 redundant by duplicating federal and state OSHA
8 standards and inspection protocols adding
9 unnecessary cost and increasing the burdens of
10 commercial laundries serving New York City. However
11 on premise laundries in hospitals and charitable
12 laundries are exempt from the legislation as is
13 currently written. Why would they be exempt if they
14 operate in the same manner as commercial laundries.
15 Shouldn't they be held to the same safety and
16 cleanliness standards of all commercial laundries.
17 Shouldn't patients receiving care in those
18 facilities be awarded the same level of safety as
19 patients receiving care in facilities served by my
20 company or other local linen service providers. In
21 fact one of the examples in a testimony just
22 provided related to the horrible death of two
23 infants was laundry that was provided at... by an
24 onsite laundry within the confines of a hospital
25

1 which would be exempt under the legislation as it's
2 currently constructed. As the industry advocate
3 TRSA has a strong track record of working in
4 partnership with local, state, and federal
5 authorities to improve commercial laundry standards
6 and practices. We are not here today to defend any
7 bad actors. Bad actors should be dealt with. The
8 employee testimony that was provided earlier today
9 was horrendous. No employee should be forced to
10 work in an environment such as that. It should be
11 noted that that company has since been out of
12 business for at least two years. I don't want to
13 speculate as to the reasons but I do suspect it has
14 something to do with the way in which they operated
15 the general business emblematic of the testimony
16 that was provided today. My company as well as TSRA
17 regretfully need to oppose Intro 697 in its current
18 state for the reasons that I have currently noted
19 and also because we feel it is constructed on a
20 factually flawed report by CleanNYC based largely
21 on decades old data, anecdotal unproven
22 information, and a fundamental misreading of
23 several studies. The report is titled;
24 "Irresponsible Laundries; A Major Public Health
25

1 Threat". As a proud business owner and good actor
2 for many years I find that title incredibly
3 frustrating. I'm here to say that the vast majority
4 of the commercial laundries are neither
5 irresponsible nor do they process goods in a way
6 that... public health, quite the opposite. They
7 operate in a highly regulated and transparent
8 environment while producing textiles that are
9 cleaner than private citizens can produce in their
10 own homes. Many parts of the CleanNYC are flawed
11 and misleading in our view. They either take
12 information out of context or do not provide the
13 complete picture. The CleanNYC report is based on
14 20 source footnotes and not one suggests laundries
15 pose a public health threat. In fact many of the
16 citations from the report if read start to finish
17 would convince any reader that the public health
18 threat has not been demonstrated. As stated in
19 previous clinical testimony today by DOHMH. The
20 first main... of the study is the industry is rarely
21 scrutinized and operates in the shadows outside the
22 gaze of government. Nothing could be further from
23 the truth. In fact commercial industry is one of
24 the most highly regulated industries. We have to
25

1 operate within a myriad of laws and regulations,
2 federal state, and even local levels of government.
3 We fear that while legitimate commercial laundry
4 operators like ourselves would carry the burden of
5 this legislation the actual bad actors of the
6 legislation seeks to target will merely ignore its
7 requirements much as they do the body of existing
8 laws currently on the books. I'm here today not
9 representing or defending any actions of any bad
10 actors but here today to have a thoughtful
11 discussion and to continue the process of reviewing
12 the law as it's currently written. Often working
13 with three levels of government is costly
14 duplicative and confusing for business owners. This
15 legislation would add yet another barrier to
16 operating the business by adding another layer of
17 cost duplicative and vague requirements. In short
18 the cost of doing business will rise yet again for
19 legitimate unionized employers such as ourselves
20 while the bad actors continue to skate under the
21 radar. The report also claims the landaus
22 [phonetic] industry is unsafe for its employees.
23 TRSA and I believe personally and professionally
24 that one injury of consequence is too many. The
25

1 industry has taken upon itself to maintain worker
2 safety as a top priority. As a matter of fact TRSA
3 just conducted its annual safety summit to continue
4 to develop and share best management practices
5 among the industry to keep competitive, commercial
6 laundries operating in a safe manor for their
7 employees. The textile service industrial safety
8 report indicated that safety improvements and
9 commercial laundries exceeded those in the overall
10 private manufacturing sector. The questions that
11 were included in the survey are based on OSHA
12 standards. For over a decade TRSA has developed
13 standards that focus on the processing and delivery
14 of clean and safe textiles. To enhance cleanliness
15 standards even further TRSA has developed the
16 hygienically clean certification program of which
17 cleanliness standards are a very important part of
18 the certification process. The commercial laundry
19 industry is also required to follow all federal,
20 state, and local guidelines to produce safe and
21 clean textiles. These guidelines have been
22 established by the centers for disease control as
23 well as OSHA. The CDC states on its website that
24 the actual risk of disease transmission from soiled
25

1
2 linen is negligible rather than rigid rules and
3 regulations the CDC website recommends common sense
4 hygienic practices for processing and storage of
5 linen. One of the often overlooked benefits of the
6 commercial laundry industry and TRSA is our focus
7 on sustainability. Laundry ESP a joint survey
8 program between the federal EPA and TRSA has
9 documented our industry's progressive nature in
10 addressing evolving issues and priorities related
11 to pollution, prevention, and resource
12 conservation. The laundry ESP facility data study
13 results reflect the fact that our industry has been
14 successful protecting the environment with respect
15 for our customers and the public interest in green
16 sustainable business practices. In closing I
17 reiterate that TRSA... TRSA must regretfully oppose
18 Intro 697 not because we disagree with the sponsors
19 goal or intent but because of the bill as it is
20 currently constituted we feel that it is based on
21 poor research duplicative of many existing
22 regulatory frameworks in the industry, contains
23 several technical flaws, and will not achieve its
24 ultimate goals and objectives. With that said we
25 look forward to the... being part of this process,

1
2 being included in this process as a... as a member of
3 the discussion in order to get to a thoughtful
4 conclusion that we believe achieves the goals and
5 intent of Councilman Torres' bill. And I want to
6 thank you for your time today and for the
7 opportunity to provide comments.

8 CHAIRPERSON ESPINAL: Thank you. Just
9 want to start off by saying that you know we
10 appreciate the fact that you're doing the right
11 think you know for the workers and for the
12 consumers you know like... like Torres said earlier
13 this... we're not trying to blanket the industry but
14 we... there are bad actors out there that we have to
15 try to hold accountable. You know we... we recently
16 passed the... the carwash legislation... the car washes
17 and... and the association which also represents a
18 good amount of... of good actors. I felt that they
19 needed... they needed to be regulated to a degree.
20 There were things that they... that they disagreed
21 with. And that's the reason why they disagree with...
22 with the bill at the end of the day. What... are
23 there things you think... are there... are the
24 regulations that you think that we should be able
25 to put in place that you believe would work in... in

1
2 not harming the good actor but you know penalizing
3 the guys who are, who are doing wrong by the
4 workers and the consumers.

5 DAVID POTACK: Sure. And... and I... I think
6 that again you know one of the... the constructs of
7 the bill right now is that there is the ability to
8 develop new standards. I think that our view is
9 that if there are evidence based standards in place
10 right now that have been validated and vetted by
11 third parties that that should be part of the
12 ongoing process in discussion which we think is in
13 alignment with the intent of the bill which is to
14 create a better outcome in... in certain bad actors
15 that may not be happening today. So it's not that
16 we are perverse to the concept of regulation though
17 we feel a lot of regulation currently exists we
18 understand that there's a need to have a discussion
19 on how to take what evidence based information is
20 currently available and is there a way to
21 incorporate that into a... a future piece of
22 legislation or a future discussion.

23 CHAIRPERSON ESPINAL: How often would
24 you say you're visited by a... an inspector from
25 either the state or federal government.

1
2 DAVID POTACK: Generally our facilities
3 because we are certified have not been visited on a
4 regular basis. That's not to say if there was some
5 incident in some other facility I suspect that it
6 may trigger some sort of visit or review. But we
7 are not under a... currently under a prescribed
8 visitation process if you will at every... every
9 certain increment of time.

10 CHAIRPERSON ESPINAL: Would you say that
11 that might be a problem? Or would... would you say
12 that maybe we do need a yearly inspection or... or
13 quarterly inspection by some inspector to see that
14 these... that... just to make sure that... laundry mats
15 are being held accountable?

16 DAVID POTACK: Well laundry mats and
17 what we do is I think an important distinction. But
18 what I would say is that the certification programs
19 are not perpetual. They have an end date and you
20 need to be recertified so to the extent that any
21 facility is certified they're under... under any of
22 the current voluntary programs there is a recurring
23 inspection where you have to basically start from
24 scratch and become recertified as opposed to
25 earning the certification that lasts for an

1
2 inordinate amount of time. So that construct is
3 part of the current process for anyone who goes
4 through any voluntary certification.

5 CHAIRPERSON ESPINAL: How often do you
6 go to a certification?

7 DAVID POTACK: I believe the
8 certification occurs every three years but I... I may
9 not be 100 percent right on that and there are
10 different certifications which may have different
11 time parameters but it is not something that goes
12 on for a you know protracted period of time where
13 you were certified and then not revisited for 20 or
14 25 years, nothing of that nature.

15 CHAIRPERSON ESPINAL: Okay. Richard.

16 COUNCIL MEMBER TORRES: Thank you for
17 your testimony. I do appreciate your perspective. I
18 mean here's how I see it. I know you were
19 characterizing the bill as an attempt to duplicate
20 laws that exist at the state and federal level. I
21 think we... we see it differently at the city
22 council. You know we see it we have an obligation
23 and an interest in protecting the interest of... of
24 three stakeholders right... the general public, the
25 health of the general public, the rights of workers

1
2 and the rights of consumers... And the best tool that
3 we have for advancing those interest is licensing.
4 So the role... the goal here is not to duplicate laws
5 but... but we have an interest in ensuring compliance
6 with those laws in order to advance the interest
7 off consumers, workers... And I suspect that's a
8 proposition that you... you could understand, maybe
9 even agree with.

10 DAVID POTACK: Well we operate our
11 business I think in a very responsible manner so I
12 would never be on the other side of that behavior.

13 COUNCIL MEMBER TORRES: And then if
14 we're making decisions about whether to regulate an
15 industry we're not going to just... you strike me as
16 probably a good actor right, probably one of the
17 best actors in your industry right? But we
18 typically don't make decisions based on the
19 behavior of the best actors right? We... we make
20 decisions based on the behavior of the worst
21 actors. And if there is an actor in your industry...

22 DAVID POTACK: Mm-hmm.

23 COUNCIL MEMBER TORRES: ...who is
24 systematically exploiting workers and disregarding
25 health and safety protocols, the very ones that you

1
2 espouse in your industry, should the city have some
3 legally enforceable means of holding that actor
4 accountable? I mean that strikes me as a reasonable
5 proposition.

6 DAVID POTACK: I think our... again our
7 view on it is that to the extent that violations of
8 occurring there are... there are remedies available
9 today whether it be through the Department of
10 Labor, OSHA, and I don't mean to make it too much
11 of a back and forth, I fully respect where you're
12 coming from, our view is that to the extent that
13 bad actors acting that way that employees have
14 remedies at their current disposal and they should
15 use their rights and they should be protected and
16 they should exercise those rights to make sure
17 remedies are put in place and bad actors are
18 penalized.

19 COUNCIL MEMBER TORRES: I... I think my
20 concern about your perspective it... it ignores I
21 think two important facts. The first fact is that
22 those remedies are woefully under resourced at the
23 state and federal level.

24 DAVID POTACK: Okay.
25

1
2 COUNCIL MEMBER TORRES: And I think it
3 ignores the city's obligation to promote the
4 welfare of our citizens; workers, consumers... And if
5 there is a known bad actor rather than wait for the
6 federal and state government to intervene we have a
7 right to say no you're no longer going to do
8 business in the city of New York if you insist on
9 disregarding health and safety and exploiting
10 workers.

11 DAVID POTACK: Sure.

12 COUNCIL MEMBER TORRES: I think that
13 strikes me as a more responsible course of action
14 than waiting for the federal government or the
15 state to intervene. I want to... you have evidence
16 based standards of health and safety. And when your
17 competitors fail to adopt those standards it puts
18 you at a competitive disadvantage. So it would seem
19 to me that you would benefit from the fact that the
20 city council wants to standardize those... those best
21 practices that you have in your own business across
22 every operator. It seems to me that if... if we're
23 holding the worst actors to the same standards that
24 you hold yourself that would... that would remove a
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

competitive disadvantage that you now currently face.

DAVID POTACK: Sure. And... and again that's where I think our view on current standards being in place could be a part of a ongoing process in discussion in terms of achieving the goals of the bill with standards that have already been vetted and... and... and looked at on a third party basis.

COUNCIL MEMBER TORRES: But under the current regime that you seem to favor...

DAVID POTACK: Mm-hmm.

COUNCIL MEMBER TORRES: ...the worst actors who are disregarding health and safety protocols who are ignoring established... standards have a competitive advantage over you right. I want to remove that competitive advantage. That's the point of this legislation. Can benefit the best actors in the industry.

DAVID POTACK: Okay.

COUNCIL MEMBER TORRES: Now I feel like... and maybe I'm misinterpreting your testimony, I hope I am but I feel like you're... it was some... you

1 COMMITTEE ON CONSUMER AFFAIRS

2 were trivializing the risk, the public health risk
3 of... of an improperly laundered fabric or... you...

4 DAVID POTACK: No I... I'm not
5 trivializing at all.

6 COUNCIL MEMBER TORRES: Yeah.

7 DAVID POTACK: I'm just looking at... at
8 multiple studies that we've done as an industry,
9 studies done through CDC, studies in fact on the
10 CDC website referencing... CDC's word was negligible,
11 it was not my word. The CDC's website...

12 COUNCIL MEMBER TORRES: How would you
13 characterize the public health risk?

14 DAVID POTACK: I'm not a clinician so
15 I'm not... I'm not... I'm not going to be able to
16 characterize it as high low or somewhere in
17 between. I'm just speaking to the studies we've
18 read by clinicians...

19 COUNCIL MEMBER TORRES: Yeah.

20 DAVID POTACK: ...who feel that the
21 transmission risk is... their... their words not mine...
22 their words negligible.

23 COUNCIL MEMBER TORRES: But it seems to
24 me you're part of an industry that prides itself on
25 evidence based standards.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

DAVID POTACK: Certainly.

COUNCIL MEMBER TORRES: But the very fact that you have... [cross-talk]

DAVID POTACK: Sure.

COUNCIL MEMBER TORRES: ...evidence based standards of health and safety...

DAVID POTACK: Mm-hmm.

COUNCIL MEMBER TORRES: ...means that there is a substantial public health risk that comes with an improperly laundered fabric. I mean otherwise why have standards of health and safety...

DAVID POTACK: Yeah. Well I... I think...

COUNCIL MEMBER TORRES: ...if there's no risk.

DAVID POTACK: I... I think it also provides very good third party validation in the minds of customers that there is a process behind what we do whether we would do it the same way with or without a specific standard I think provides good validation for people that we're actually following a certain standard.

COUNCIL MEMBER TORRES: Okay. Do you... are you aware of share of the industry has adopted

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

the standards of the trade association of which you belong?

DAVID POTACK: I wouldn't be able speak about that on the... I know that it was references here that five of 50 facilities are certified in the local area. I don't have that information. I'd be happy to provide it to you but I don't have the information today on... on a broader sense... on a national sense of what percent of the industry has adopted any of these standards.

COUNCIL MEMBER TORRES: Right.

DAVID POTACK: But I'd be happy to provide that you.

COUNCIL MEMBER TORRES: And I think ultimately the goal of our legislation is to ensure that every operator is following legal standards. Is to maximize compliance. And we should never depend solely on the good will of operators that... that voluntary standards have their limitations and can never be a substitute for protection of the law... under the law. So...

DAVID POTACK: Okay.

COUNCIL MEMBER TORRES: But I... I appreciate... I'm looking forward to a continuing...

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

DAVID POTACK: Sure.

COUNCIL MEMBER TORRES: ...dialogue and...

DAVID POTACK: Absolutely.

COUNCIL MEMBER TORRES: ...we want to engage you in the process of... of... of making the legislation as good as... as achieving the outcome. I think that's what matters is the outcome.

DAVID POTACK: We agree 100 percent and we appreciate you time and your... and your feedback and your comments very much.

COUNCIL MEMBER TORRES: Thank you so much. Mr. Chairman.

CHAIRPERSON ESPINAL: So... so how... how many facilities are under TRSA here in New York City in the local area?

DAVID POTACK: I don't know the exact number but I can certainly provide that to you.

CHAIRPERSON ESPINAL: Okay has... has there been like an attempt to do outreach to the other facilities who are not part of the association?

DAVID POTACK: Certainly.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

CHAIRPERSON ESPINAL: Okay... Do you know what the feedback has been from those who the client has joined the association?

DAVID POTACK: In what... in... feedback in what sense...

CHAIRPERSON ESPINAL: Well if... if... if you're asking them... you know if you do outreach and ask them if they want to be part of association...

DAVID POTACK: Mm-hmm.

CHAIRPERSON ESPINAL: ...I'm sure the association helps in bringing these people to compliance and telling them what the rules and regulations are...

DAVID POTACK: Sure.

CHAIRPERSON ESPINAL: Right. So when... on the feedback if you reach out to them and they decline would you... would they tell you why they decided to decline or why they... they're not interested in being part of the association?

DAVID POTACK: Sure. I mean I... I would say that in varying scenarios people could decide that they don't feel they have the resources internally to really participate fully in the association and to... to pay to be part of an

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

association that maybe has a small company not to be able to take advantage of all the resources. Some people feel in their own business that they are operating the business in a manner that they're comfortable and don't feel that there is additional value in being a part of a association. It's a very individual decision. I would say the large majority of the largest operators are members of the association. Some of the smaller operators may not be. But it's generally again either based on cost or the ability to really leverage the resources or an acknowledgement that they feel they would or wouldn't get a direct benefit from being a part of it.

CHAIRPERSON ESPINAL: Thank you. Okay great. Well thank you.

DAVID POTACK: Okay thank you very much.

[cross-talk]

CHAIRPERSON ESPINAL: Appreciate it.

DAVID POTACK: Appreciate it.

CHAIRPERSON ESPINAL: I'm going to call up the last panel. We have Candace Tolliver, Derek Grate, and Anthony Thomas. Feel free to begin when

1 COMMITTEE ON CONSUMER AFFAIRS

2 you're ready and just state your name for your
3 testimony.

4 DEREK GRATE: So good afternoon. So I'm
5 speaking today for Estela Vazquez, Executive Vice
6 President of the 1199 SEIU who could not be here
7 today. My name is Derek Grate. I'm a Vice President
8 in New York City Campaign Director for our
9 Political Action Department at 1199 SEIU. First I
10 want to thank the panel for allowing me to testify
11 today. And thank you to Ritchie Torres and
12 Councilman Garodnick for sponsoring Intro 697.
13 Again as I said my name is Derek Grate. I'm with
14 1199 SEIU. Our international union SEIU is the
15 largest healthcare union in the country, local 1199
16 being the largest healthcare union on the eastern
17 region of the United States. And we represent
18 hundreds of thousands of healthcare workers
19 including thousands who work in hospitals and
20 nursing homes here in New York City. This
21 legislation, Intro 697 is desperately needed to
22 help protect men and the women working on the front
23 lines of our city's hospitals. Healthcare
24 facilities as well as the places they serve and the
25 health... from healthcare associated infections.

1 COMMITTEE ON CONSUMER AFFAIRS

2 According to a recent Center for Disease Control
3 Survey on any given day one in 25 hospital patients
4 has at least one healthcare associated infection or
5 HAI. They were estimated at 722,000 HAIs in the
6 United States acute hospitals in 2011. And that
7 number has increased over the last five years.
8 About 75,000 hospital patients with HHIs died
9 during the hospitalizations. More than half of
10 these infections occurred outside of the intensive
11 care. As healthcare professionals we do everything
12 in our power to help reduce the number of health..
13 healthcare associated infections in our city's
14 healthcare facilities including conducting
15 educational workshops on this topic. But when it
16 comes to protecting our patients from soiled
17 contaminated linens we need help. The alarming
18 report as you heard referred to earlier, the
19 irresponsible industrial laundries, a major public
20 health threat made it evident that you can't just
21 simply rely on every industrial laundry owner in
22 New York City to take the moral high road on this
23 issue. We heard from our brother earlier who's one
24 of those good stuarths who's doing the right thing
25 in his company. But based on the statistics the

1 COMMITTEE ON CONSUMER AFFAIRS

2 majority of these companies are less likely to take
3 the moral high road without some kind of mandate
4 through legislation to protect workers and to
5 protect consumers. That's why I ask this committee
6 to help move Intro 697 forward in the council. No
7 patient should have to lose their life because a
8 laundry owner wants to cut corners. Thank you for
9 your time and for your consideration.

10 ANTHONY THOMAS: Good morning Committee.

11 My name is Anthony Thomas and I represent the New
12 York City Central Labor Council. I'm the political
13 director. We represent 1.3 million members amongst
14 300 affiliated unions across New York City. And
15 we're here to strongly support intro 697, the Clean
16 Act. Outsourcing commercial laundry has
17 significantly altered the dynamics of the industry
18 and requires some significant regulatory catch up.
19 Industrial laundries are unlicensed by the city
20 government yet clean linens for city hotels,
21 hospitals, restaurants used by millions of people
22 are problematic. The Clean Act takes sensible steps
23 to implement a licensing system modernizing the
24 industrial laundry sector of the 21st century.
25 Conditions in sweat shop industrial laundries leave

1 COMMITTEE ON CONSUMER AFFAIRS

2 many worker, unionized workers at that incapable of
3 supporting their families or participating in the
4 city economy fully. One study by the Brittany
5 Center at NYU found the average of a laundry
6 worker's day can be well over eight hours,
7 sometimes longer than 12 six days a week. These
8 workers earn minimum wage, little to no benefits,
9 often 78 percent of them are women. A large scale
10 of the workforce is comprised of immigrants and
11 many unfortunately are paid off the books. What's
12 happening in New York City is industrial laundry
13 seat shop is part of a... a national problem... a
14 larger issue in the country. Epidemiologists like
15 the one who sat here today commissioned by the CDC
16 conducted an inquiry into the deadly fungal
17 outbreak at that children's hospital in New Orleans
18 as referenced earlier. The CDC determined the
19 fungus had been transmitted by contaminated linens
20 from industrial laundry. It emphasized hospital
21 linens should be laundered, packaged, shipped, and
22 stored in a manner minimizing exposure. The
23 recommendation of the CDC are not out of line with
24 noncompulsory national industry standards. High
25 road industrial laundry operators in and around New

1 COMMITTEE ON CONSUMER AFFAIRS

2 York City choose to comply with the voluntary
3 industry standards but sweat shop operators do not.
4 Those typically make up the bulk of what we're
5 dealing with. Workers in sweat shop laundries in
6 the metro area have reported instances of gross
7 neglect of sanitary procedures by sweatshop
8 operators. This common sense and CDC commission
9 states providing sanitary product for public
10 consumption should not be voluntary. It should be
11 required and required by the city. Intro 697 is an
12 important piece of legislation to modernize our
13 city's laundry industry. Proper regulation
14 oversight will help ensure laundries are clean,
15 handle all linens properly, treat laundry workers
16 fairly, protect the public health of entire city as
17 well. This legislation will provide oversight... with
18 city laws, workplace standards, establish strong
19 guidelines, and a clean act is a win for all New
20 Yorkers preparing our growing economy for the 21st
21 century. Thank you for... and for your ear.

22 CHAIRPERSON ESPINAL: Candace Tolliver...
23 still here? I have a... so we heard from the industry
24 singing the virtue, praising the virtue of
25 voluntary standards. I'm wondering in your

1 COMMITTEE ON CONSUMER AFFAIRS

2 experience industries that tend to have no
3 collective bargaining agreements or no labor law...
4 you know do those... typically have better working
5 conditions or worse? I'm just...

6 UNIDENTIFIED MALE 2: I think it varies.

7 I think unfortunately it varies relative to the...
8 the intentions and the inclinations of management.
9 And... we had a gentleman who sat here earlier who
10 spoke to the fact that he's unionized, that he has
11 a collective bargain agreement and... and a long
12 relationship with one of our affiliates which we
13 are always supportive of. I mean I... we as a COC
14 don't believe that every single worker, every
15 single company has to be unionized. What we do
16 believe is that a higher wage standard, higher
17 safety standards, higher protocols on sites whether
18 it's in the construction industry or civil work or
19 in the laundry industry is better for our citizens
20 broadly and very specifically our workers. Alright
21 so you want... you have the same interest that we do
22 right? Higher consumer protection standards, higher
23 labor standards... does the city council... does DCA
24 wielding licensing power make that more likely or
25 less likely that you will have higher standards in

1 COMMITTEE ON CONSUMER AFFAIRS

2 the industry. We think that with some nuance
3 conversation, education, all of our agencies will
4 be able to use the tools in their tool box as we
5 spoke of earlier to find ways to license laundry
6 operators... those who are good and those who are bad
7 for the betterment of all New Yorkers. I mean to...
8 to your question Ricky... Ritchie. Obviously there
9 are some good actors out there as you know we heard
10 with the gentleman who sat here prior to us. I hate
11 to sound so cynical but as a union representative
12 who goes out and negotiates contracts which
13 includes good standards for workers which includes
14 protections I believe that the majority of... of
15 these industry execs are going to find ways to cut
16 corners unless there are solid legislation that's
17 going to force them to comply with certain
18 standards that protect workers. I mean we've
19 listened to statistics all day long through
20 testimony and it would seem to me that because
21 there are so many instance of these kinds of
22 infections that are killing children that folks are
23 just not going to do the good thing because they're
24 taking the high road and it's the right thing to do
25 right? We have to have legislation that forces

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COMMITTEE ON CONSUMER AFFAIRS

mandatory standards to protect workers and consumers in my opinion.

CHAIRPERSON ESPINAL: Thank you for your testimony. Thank you guys. So one last call Candace Tolliver? Candace? Candace? No? Alright. Well that concludes this hearing. Again I want to thank Ritchie Torres for shedding light on this very important matter. It's always a pleasure working with you.

COUNCIL MEMBER TORRES: I wish I... felt that way.

CHAIRPERSON ESPINAL: I want to thank you know workers united, the unions and... and the association who also was here to testify. So thank you all and have a good day.

[gavel]

