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11		September 15, 2021 Start: 3:02 p.m.
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13	HELD AT:	REMOTE HEARING - VIRTUAL ROOM 4
14	BEFORE:	Diana Ayala, Chairperson
15		Charperson
16	COUNCIL MEMBE	ERS:
17		Justin L. Brannan
18		Margaret S. Chin Ben Kallos
19		Peter A. Koo Karen Koslowitz
20		Brad S. Lander Carlos Menchaca
21		Kalman Yeger Francisco Moya
22		Helen K. Rosenthal
23		
24		
25		

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 2
2	APPEARANCES
3	Michael Tiger
4	Deputy General Counsel for the Department of Consumer and Worker Protection, or DCWP
5	Benjamin Holt Deputy Commissioner for DCWP's Office of Labor
6	Policy and Standards
7	Carlos Ortiz
8	Director of Legislative Affairs
9	John Simmons Construction Worker
10	Tierra Williams Member of Local Laborers' 79
11	
12	Shi Green Executive Director of Pathways to Apprenticeship
13	Bishop Mitchell G. Taylor Urban Upbound
14	Han Lu
15	Senior Staff Attorney at National Employment Law Project, NELP
16	Adwoa Twumasi
17	Maxwell Hotel
18	Betel Serra Single mom living in Harlem
19	
20	Skyler Marin Speaking on 2318
21	Derick Bowers Director of Social Enterprise in New York City
22	for Center for Employment Opportunities
23	Sandra Velez Worked at the Roosevelt Hotel
24	MOLVED OF CHE VOOREAELT HOLET
25	

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING	3
2	APPEARANCES (CONT.)	
3	Ed Wallace Attorney for JCDecaux Street Furniture	
4		
5	James Versocki Reserved Comments	
6	Lillian Uribe Chris Lopez	
7		
8	Danny Coley Former Body Shop Worker	
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COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 4 2 SERGEANT MARTINEZ: Sergeants if you can start 3 your recordings. We have the PC recording under way. 4 SERGEANT BIONDO: Recording to the cloud has 5 begun. SERGEANT MARTINEZ: Excellent. Good afternoon 6 7 and welcome to today's Remote New York City Council Hearing of the Committee on Consumer Affairs and 8 9 Business Licensing. At this time, would all panelists please turn on 10 11 their video. To minimize disruption, please silence your electronic devices. And if you wish to submit 12 13 testimony, you may do so via email at the following 14 address, testimony@council.nyc.gov. Once again, 15 testimony@council.nyc.gov. Thank you for your 16 cooperation. Chair, we are ready to begin. 17 CHAIRPERSON AYALA: [GAVEL] Thank you for 18 joining our legislative hearing today before the 19 Committee on Consumer Affairs and Business Licensing. 20 First, I would like acknowledge my colleagues who are 21 present Council Member Kallos, Chin, Brannan and we have also been joined by Council Member Rosenthal. 2.2 23 Uhm, so good afternoon everyone. My name is Council Member Diana Ayala and I am the Chair of the 24 Committee on Consumer Affairs and Business Licensing. 25

COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING

1

I would like to welcome you to our legislative hearing today on five pieces of legislation. Most of these pieces of legislation focus on labor. As these bills will enhance the city's labor laws and make New York City more labor friendly.

7 I am joined with, well, I already said who I have been joined with, sorry. At a public hearing held by 8 this Committee on April 19<sup>th</sup> on employment agencies 9 and other labor practice placement businesses, we 10 11 heard testimony from advocates and city residents about widespread exploitation and worker abuse in the 12 construction industry. The Committee heard how the 13 14 labor broker model has become common in the 15 construction industry. Where brokers sometimes are 16 referred to as body shops, supply workers to real 17 estate developers.

18 Body shops often rely on labor of justice 19 affected workers or the recently released from 20 prison, on parole or with a criminal record. Just as 21 affected city residents typically have a difficult time finding steady employment and some parolees may 2.2 23 require employment as a condition of their parole. New York City's multibillion dollar real estate 24 development industry relies on the exploited labor of 25

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING62these formally incarcerated individuals, undocumented3city residents and guest workers who may lack4documentation and deal with language access barriers5are also vulnerable to the exploitation of these6labor brokers.

7 Although the labor broker model cuts across industries and salary brackets, it is predominantly 8 9 people of color who are most negatively impacted. At the Committee Hearing, we heard justice affected city 10 11 residents describe their experiences working at body They detailed issues of underpayment and how 12 shops. 13 they live on government benefits while working up to 14 seven days a week to survive. They explain how they 15 had to work in unsafe working conditions without 16 proper training and/or equipment and they feared 17 speaking out because of the possibility of losing 18 their jobs and facing reincarceration. A female 19 employee of a labor broker detailed her experience 20 facing sexual harassment on the job. A case that was 21 eventually substantiated by the investigation by an 2.2 investigation from the New York Attorney General.

I am proud that we are hearing my bill today Intro. Number 2318, which will license labor brokers and provide labor protection to New Yorkers employed

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 7
2	by them. I look forward to hearing from the
3	Administration about their perspective on this
4	essential bill as well as from unions and workers
5	about how these protections would help ameliorate
6	exploitation in this industry. We are also hearing
7	two bills today from Council Member Rosenthal,
8	Introductions 508 and 974. Introduction 508 would
9	prevent businesses from requiring employees to sign
10	non-compete agreements as a term of their employment.
11	A non-compete prevents an employee who leaves
12	their job from working for a competitive employer or
13	starting a similar business themselves until after a
14	certain amount of time has passed. According to
15	research from the Economic Policy Institute, nearly
16	30 percent to 50 percent of private sector workers
17	are subject to non-compete clauses. The Department
18	of the Treasury examined the impact of non-competes
19	and concluded that while they provide certain
20	benefits, they decrease worker bargaining power and
21	induce workers to leave their occupations entirely
22	forgoing accumulated training and experience in their
23	field.
24	According to the New York City Bar, has
25	recommended legislation to regulate the use of non-

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 8 2 competes for low paid workers. Intro. 974 would 3 require job advertisements to disclose whether non-4 disparagement agreements or mandatory arbitration clauses will apply to an employee, should an 5 applicant be made a job offer. This will help 6 7 prevent staff from being blindsided by such clauses 8 when they accept the job. 9 Non-disparagement agreements which prevent employees from communicating anything negative about 10 11 their employer, shield businesses from claims about 12 toxic or abusive work places and keep new employees in the dark about such allegations. Mandatory 13 14 arbitration clauses bound employees to settle any 15 disputes with their employer through an arbitration 16 process rather than through the court system. Non-17 disparagement and mandatory arbitration clauses shift 18 power away from the workers, protecting businesses 19 from negative publicity and public court cases. And 20 discouraging employees from seeking redress. More than half of the countries non-union private 21 2.2 sector employees are subject to the mandatory 23 arbitration. We are also hearing Intro. 2397 which

25 employees in the event of a closure or a mass layoff.

would require severance pay for hotel service

1 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 9 2 The hotel industry was hit hard by the pandemic and 3 hotel workers are in precarious state. While hotel 4 owners may look to sell their hotels to recoup their 5 losses, this bill would ensure that hotel workers 6 receive severance.

7 Lastly, we are hearing Intro. 499, which would expand the eligibility requirement for a newsstand 8 9 license to allow partnerships, corporations and other business entities to obtain a license. 10 The package 11 of bills that we are hearing today will enhance labor 12 protections for New Yorkers. They will help 13 ameliorate exploitation in the construction industry. 14 Restart workers' rights with their employers and 15 provide hotel workers with payment in the event of 16 mass layoffs.

17 I am proud that we are hearing this package and look forward to a conversation with the 18 19 administration about how we can work together on 20 these issues. I would now like to read testimony 21 from opening remarks actually, a statement from Council Member Koslowitz who was unable to be with us 2.2 23 this afternoon regarding her bill. So, uh, okay, Council Members, this is Council Member Koslowitz 24 25 statement.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 10
2	On December 11, 2001, the City Council passed
3	Intro. 0968. It was a bill that I introduced. On
4	December 26, 2001, Mayor Giuliani vetoed the
5	legislation. Because this veto occurred five days
6	from the end of the 1998-2001 legislative session,
7	the Council did not have the ability to consider an
8	override. Today, almost 20 years later, this
9	Committee is considering Intro. 0499 is essential
10	considering the same bill as Intro. 0968. Intro.
11	0968 contained language authorizing raising the limit
12	on the dollar amount a newsstand operator could
13	charge for an item. This increase dollar limit was
14	achieved during the Bloomberg Administration and
15	therefore does not appear in Intro. 0499. Except for
16	the raising of the dollar amount, Intro. 0968 and
17	Intro. 0499 are basically identical.
18	Currently, an individual can obtain a newsstand
19	license. This bill would permit partnership
20	companies and corporations to obtain a newsstand
21	license as well. Why is this important? Because it
22	would enhance the ability of immigrants to obtain a
23	newsstand license and thus become entrepreneurs.
24	There are approximately 300 newsstands in operation
25	in our city. These newsstands are overwhelmingly
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COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 11 2 operated by immigrants. This is operated but owned 3 by immigrants. By expanding ownership to partnership companies and corporations, the current personal 4 5 license holder would be given the ability to bring in the operator as a partner. And when the current 6 7 license holder retires or passes on because of the definition of ownership is to be expanded, the 8 9 immigrant operator as a partner would have the ability to become sole partner. Or the immigrant 10 11 operator in his capacity as the operator of the newsstand will have the ability to buy the license 12 13 from the licensee. 14 On the current rules, this is not possible. You 15 may ask, doesn't an individual have the ability to 16 apply for a new license at a new location? The short 17 answer is yes but the reality is that other locations 18 are available because nobody wants them. They are

not financially viable locations. The 300 or so desirable locations are all taken. I urge my fellow committee members to sign onto Intro. 0499. In doing so, many who came to this country will be able to realize the American dream.

And with that, we've been joined also by Council Members Yeger and Moya. I'd now like to turn it over

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 12
2	to Council Member Rosenthal to deliver opening
3	remarks on her bills. Can someone unmute Council
4	Member Rosenthal?
5	COUNCIL MEMBER ROSENTHAL: Terrific, thank you so
6	much. Uhm, good afternoon, I'm Council Member Helen
7	Rosenthal. My pronouns are she and her. I want to
8	begin by thanking Chair Ayala for holding this
9	hearing and including two of my bills which seek to
10	provide requirements for employment transparency for
11	all workers. Uhm, I'm especially grateful because I
12	know it was at the last minute. So, thank you for
13	that.
14	The pandemic has had devastating impact on our
15	local economy and on working New Yorkers. Especially
16	as more New Yorkers reenter the workforce, it's
17	critical that all employees are protected to every
18	extent possible from abuse and exploitation. Intro.
19	0974 is a simple, straight forward and necessary bill
20	that requires all New York City employers to include
21	notification in job advertisements if a new hire will
22	be expected to sign a mandatory arbitration and/or
23	non-disparagement clause in their employment
24	agreement.
25	

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 13 2 Non-disparagement clauses can restrict employees 3 from discussing workplace issues and concerns on social media and in other public formats with severe 4 repercussions if they do speak out. My legislation 5 helps to protect workers by ensuring that before they 6 7 except the job, they can still decide whether they 8 would sign such an agreement and they are fully aware 9 of any restrictions that they will face.

As we know, the ability to speak out about issues 10 11 such as harassment and discrimination, is absolutely essential to a safe and healthy workplace. 12 Any 13 potential employee should have the right to decide 14 whether or not they will accept restrictions on 15 speaking publicly about their place of employment 16 before taking the job. This is especially the case because violating the agreements can have resounding 17 18 financial and legal ramifications.

19 0974 also requires employers to notify job
20 application in advance if they will be required to
21 sign a mandatory arbitration clause. Mandatory
22 arbitration serves to discourage workers from going
23 to court if workplace safety or other labor laws are
24 being violated. Arbitration clauses can also
25 essentially dissolve the protections that workers

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 14
2	receive from federal laws such as the Civil Rights
3	Act, the Equal Pay Act, the Whistle Blower Protection
4	Act and the Family and Medical Leave Act. The bottom
5	line is that workers need to know in advance what
6	they will be required to agree to upon accepting a
7	job.
8	My second piece of legislation Intro. 0508
9	prohibits employers from forcing low-wage workers to
10	enter into non-compete agreements as a condition of
11	employment. Low-wage workers by definition have to
12	work multiple jobs in order to make a living and
13	restricting workers ability to survive and improve
14	their lives through additional employment
15	opportunities is a cruel reality faced by many in the
16	food service industry and other sectors. My
17	legislation seeks to end that practice. I wish the
18	city could do more but transparency is the first
19	step.
20	Thank you again to Chair Ayala and the staff,
21	Stephanie in particular, on the Committee on Consumer
22	Affairs and Business Licensing. I also want to thank
23	my staff Madhuri Shukla and Sarah Crean for their
24	help in bringing this legislation to the floor. I
25	look forward to administration, the administration's
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 15
2	and public testimony and my office welcomes any
3	further feedback on these bills. Thank you.
4	CHAIRPERSON AYALA: Thank you Council Member
5	Rosenthal. I want to recognize that we've also been
6	joined by Council Members Koo and Lander. Uhm, I
7	will now turn it over to Council Member Moya's prime
8	sponsor of Introduction 2397 to deliver an opening
9	statement, Council Member Moya.
10	COUNCIL MEMBER MOYA: Thank you. Thank you madam
11	Chair. Thank you for the great work that you've been
12	doing. I'm here to talk about my bill Intro. 2397, a
13	Local Law in relation to severance pay for hotel
14	service employees. As you know, our recovery
15	continues to be challenged and we need to do what we
16	can to protect workers. The very workers that are
17	not only key to mobilizing our local economy but are
18	the backbone of New York City's tourism economy.
19	New York cannot have a fair and full economic
20	recovery if it leaves behind out of work employees
21	and families struggling to make ends meet.
22	Especially after having lost their federal
23	unemployment benefits this week. The population that
24	makes up the hospitality industry, the hotel
25	

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 16
2	workforce are precisely the communities hardest hit
3	by COVID, Immigrants, Latinos, Asians, Blacks.
4	So, this bill is about protecting these workers
5	livelihoods and preparing for the true economic
6	recovery. And while most of New York City's hotels
7	have taken steps to reopen from increased safety
8	measures to recalling workers to accommodate
9	increased travel accommodations needs, we need to
10	incentivize that revitalization of New York City's
11	hotel industry by getting workers back to work.
12	For the hotels that remain fully closed, we want
13	to incentivize an incremental reopening where hotels
14	can choose to either restore at least part of their
15	workforce and available rooms or pay moderate
16	severance to workers that continue that continue to
17	experience unemployment. These workers have served
18	as ambassadors to our great city and continue to be a
19	vital foundation of our economy. We cannot leave
20	them behind, let's do the right thing and ease the
21	pain and reduce the fear that unemployed families are
22	facing. Thank you Madam Chair.
23	CHAIRPERSON AYALA: Thank you Council Member
24	Moya. I will now turn it over to our moderator
25	

COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 17 Committee Counsel Stephanie Jones to go over some procedural items.

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4 COMMITTEE COUNSEL: Thank you Chair Ayala. I am Stephanie Jones, Counsel to the Committee on Consumer 5 Affairs and Business Licensing and I will be 6 7 moderating this hearing. Before we begin, I'd like to remind everyone that you will be on mute until you 8 9 are called on to testify. At which point, you will be unmuted by the host. During the hearing, I will 10 11 be calling on panels to testify. Please listen for 12 your name to be called, as I will periodically be 13 announcing who the next panelist will be.

14 At this hearing, we will first be inviting 15 testimony from the Department of Consumer and Worker 16 Protection followed by testimony from members of the 17 public. During the hearing, if Council Members would 18 like to ask a question of the Administration or a 19 specific panelist, please use the Zoom raise hand function and I will call on you in order. We will be 20 21 limiting Council Member questions to five minutes, which includes the time it takes to answer your 2.2 23 questions. For all panelists, when called on to testify, please state your name and the organization 24 25 you represent, if any.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 18
2	We will now call representatives of the
3	Administration to testify. We will be hearing
4	testimony from Michael Tiger, Deputy General Counsel
5	at the Department of Consumer and Worker Protection.
6	We will also be joined for questions by Benjamin
7	Holt, Deputy Commissioner at DCWP, and Carlos Ortiz,
8	Director of Legislative Affairs at DCWP. At this
9	time, I will administer the affirmation.
10	Administration panelists, do you affirm — please
11	raise your right hands and I will call on each of you
12	individually. Do you affirm to tell the truth, the
13	whole truth, and nothing but the truth before this
14	Committee and to respond honestly to Council Member
15	questions? Deputy General Counsel Tiger?
16	MICHAEL TIGER: I do.
17	COMMITTEE COUNSEL: Thank you. Deputy
18	Commissioner Holt?
19	BENJAMIN HOLT: I do.
20	COMMITTEE COUNSEL: Thank you. Director Ortiz?
21	CARLOS ORTIZ: I do.
22	COMMITTEE COUNSEL: Thank you. At this time, I'd
23	like to invite Deputy General Counsel Tiger to
24	present his testimony.
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 19
2	MICHAEL TIGER: Thank you Ms. Jones. Good
3	afternoon Chair Ayala and members of the Committee on
4	Consumer Affairs and Business Licensing. I am
5	Michael Tiger, the Deputy General Counsel for the
6	Department of Consumer and Worker Protection, or
7	DCWP. I am joined today by Benjamin Holt, Deputy
8	Commissioner of DCWP's Office of Labor Policy and
9	Standards, and Carlos Ortiz, our Director of
10	Legislative Affairs. Thank you for the opportunity
11	to testify on the suite of legislation before the
12	Committee this afternoon.
13	DCWP's mission is to protect and enhance the
1 /	daily aconomic lives of Now Yorkors to create

14 daily economic lives of New Yorkers to create 15 thriving communities. We enforce key consumer 16 protection and workplace laws that serve countless 17 New Yorkers throughout the City, as well as focus on 18 initiatives that support New Yorkers and communities 19 with low incomes in building wealth and improving 20 their financial health.

As you may know, last week, the Mayor appointed Peter Hatch as the new Commissioner to lead DCWP's work. Commissioner Hatch is no stranger to public service on behalf of New Yorkers, having held critical roles throughout the Mayor's tenure in

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 20 2 office. Most recently, he served as the City's 3 COVID-19 Public-Private Partnership Czar, securing meals and millions in financial assistance to New 4 Yorkers in need. Chair Ayala, I know that you and 5 Commissioner Hatch have spoken, and he is eager to 6 7 work with you and your colleagues on our mutual goals to improve the lives of working families in New York 8 9 City.

Turning toward the legislation at hand today, 10 11 these bills relate to subjects that span a wide range of the agency's work, from consumer protection and 12 licensing, to protecting workers from exploitative 13 14 business practices. This is all the more vital as 15 our City begins its recovery from the effects of the 16 pandemic, and we work to ensure that that recovery is 17 equitably felt and shared by all New Yorkers.

18 Introduction 0499 would allow corporations, 19 partnerships and other business entities to apply for 20 a newsstand license. Currently, the City's Administrative Code only allows an individual, whose 21 principal source of income will be derived from the 2.2 23 newsstand, to apply for a license to operate that newsstand. In New York City, there are more than 320 24 active licensees operating newsstands, primarily 25

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 21
2	located in Manhattan. When DCWP receives a newsstand
3	license application, we forward the application to
4	the Department of Transportation, which conducts a
5	site review for the proposed newsstand, and the
6	Public Design Commission or the Landmarks'
7	Preservation Commission, depending on the
8	circumstances of the newsstand's location.
9	Once DOT and PDC or LPC approve the site of the
10	newsstand, and the applicant satisfies all other
11	license requirements, such as paying the license fee,
12	DCWP does not have discretion to deny a license
13	application. Following the agency approvals,
14	JCDecaux, New York City's street furniture franchisee
15	who fabricates, installs, and owns the newsstands in
16	which licensees operate, will construct the
17	newsstand, for which the licensee is required to pay
18	a portion of those costs. We would like to better
19	understand the intent of Council's bills which
20	Council Member Koslowitz statement alludes to. But
21	note that it would allow corporate brick-and-mortar
22	stores to obtain a license for a nearby newsstand and
23	then use that newsstand as a sidewalk extension of
24	their stores.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 22
2	Also, if this bill were to be enacted, we would
3	like to discuss with Council whether there should be
4	additional requirements for licensees, now that more
5	sophisticated business entities would be able to
6	obtain licenses. As one example, it may make sense
7	for Council to then require newsstands to obtain
8	insurance, as the City typically requires for
9	entities given the right to operate in the public
10	space. We look forward to working closely with
11	Council on this bill during the legislative process.
12	Introduction 2318 contemplates licensing labor
13	service providers in New York City. At our oversight
14	hearing this past April convened by Chair Ayala,
15	regarding employment agencies and body shops, we
16	heard powerful testimony from New Yorkers who have
17	had their basic labor protections violated by
18	unscrupulous so-called labor brokers. As we
19	testified to, workers should never have to suffer
20	through discrimination, harassment or other
21	violations of their rights and protections. DCWP is
22	committed to enforcing the worker protection laws we
23	are charged with enforcing and to collaborating with
24	sister agencies and stakeholders with the authority
25	to enforce other vital worker protections.
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COMMITTEE ON CONSUMER AFFAIRS AND 1 23 BUSINESS LICENSING 2 We support the intent of this legislation to 3 protect vulnerable workers but would like to work 4 with Council to ensure the legislation has its intended impact. First, DCWP would like to work with 5 Council to better understand the universe of 6 7 potential licensees this legislation implicates, 8 where those businesses are located and how they 9 operate in the City.

Second, it is our understanding that many of 10 11 these labor service providers may already be 12 considered employers, meaning that they already have existing obligations to provide a variety of notices 13 14 and postings of rights relating to minimum wage, 15 overtime, and other vital worker protections. 16 Therefore, we would like to ensure that there is a 17 clearly defined universe of licensees and that any 18 protections we establish for these workers are not 19 duplicative of state or federal law and will have 20 long-term benefits. These concerns, if not addressed 21 in the legislation, would make licensing and enforcement difficult for our agency. Additionally, 2.2 23 the Law Department is still reviewing the language of the legislation but we look forward to continue to 24

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING242work with the Committee as the legislative process3continues.

Introduction 2397 would entitle hotel employees
to severance pay during major closures of a hotel.
DCWP believes that job stability, both in terms of
income and scheduling, is key to improving the
economic lives of New Yorkers. Therefore, in
furthering those principles, the Administration
supports the intent of this legislation.

11 Lastly, Introduction 0508 would prohibit 12 employers from requiring low-wage workers to enter 13 into non-compete agreements and would require 14 disclosure of a non-compete requirement at the 15 beginning of the hiring process for all other 16 employees. Introduction 0974 would require 17 employment advertisements to disclose if an 18 employee's contract will include a mandatory 19 arbitration or non-disparagement clause. DCWP 20 supports the goals of these bills as well. We 21 believe that workers with limited resources, limited 2.2 incomes, and workers who have performed vital roles 23 for their employer, should not be restricted in their employment opportunities because of non-compete 24 25 agreements.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 25
2	Similarly, mandatory arbitration clauses
3	requiring workers to waive their right to be in court
4	and non-disparagement clauses limiting what workers
5	can say in any dispute with their employer are
6	typically one-sided agreements imposed without
7	consideration or meaningful disclosure to the workers
8	they restrict. These requirements strip workers of
9	legal right, legal rights to enforce their rights,
10	silence workers' voices and sequester complaints and
11	violations away from the public eye. We look forward
12	to engaging with Council in the legislative process,
13	and the Law Department will also continue to review
14	the bills' text.
15	Today's agenda speaks to the many ways DCWP
16	currently works to help New Yorkers, particularly
17	during these difficult times as we recover from the
18	impact of the pandemic. It highlights the importance
19	of having protections for our city's consumers and
20	workers that are commonsense and reflective of
21	today's evolving marketplace, such as the recent
22	legislation passed by the Council to modernize the
23	City's Consumer Protection Law.
24	As always, we value the Council as our partner in

25 ensuring that consumer and workers' rights continue

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 26
2	to remain a priority for the City. And, under the
3	leadership of Commissioner Hatch and Chair Ayala, we
4	hope that our mission to protect and enhance the
5	daily economic lives of New Yorkers to create a
6	recovery that works for us all in New York City.
7	Thank you again for the opportunity to testify
8	and I look forward to discussing any questions you
9	may have.
10	COMMITTEE COUNSEL: Thank you Deputy General
11	Counsel Tiger. Uhm, Chair, would you like to begin
12	by asking questions?
13	CHAIRPERSON AYALA: Yes.
14	COMMITTEE COUNSEL: Oh, okay.
15	CHAIRPERSON AYALA: Thank you. Uhm, I believe
16	that Council Member Rosenthal had to leave. So, uhm,
17	is that correct? Is she still here? Did Council
18	Member Rosenthal leave? Did we lose her? Okay.
19	COMMITTEE COUNSEL: Yeah, I believe so.
20	CHAIRPERSON AYALA: Okay, I was going to allow
21	her to ask questions first. Okay, uhm, good
22	afternoon Deputy General Tiger. So, I have a
23	question regarding Intro. 2318.
24	So, I'm trying to understand what you were trying
25	to say in your opening remarks. So, is it DCWP's
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1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING272position that as written the language on the bill3makes it difficult to determine who is an operator4and who is not?

MICHAEL TIGER: Well, thank you for that question 5 Chair Ayala. I mean, I think this is it's uh, these 6 7 are sort of a complex space of different types of 8 arrangements. You know we license, already license 9 employment agencies under the New York State General Business Law. Hemp agencies are exempted from that 10 11 law. This bill as we understand it intends to 12 require life insurer of a certain type of temp 13 agencies. So, it's not that it's unclear, it's just that these are complex topics that are important and 14 15 we just, we want to engage in further discussion with you to make sure this maximizes the protection for 16 17 workers.

18 CHAIRPERSON AYALA: Understood. I mean, I think 19 that when we initially began having the conversation 20 on body shops, there was a lot of confusion about 21 what type of business would be considered or agency 22 would be considered a body shop. Since that time, 23 has DCWP had an opportunity to study the issue a 24 little bit more? Deeply? Do you feel like the

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 28 2 agency is in a position where you better understand 3 who the players potentially would be? MICHAEL TIGER: I mean, I think we're - I mean 4 and my colleague Mr. Ortiz can sort of comment of the 5 outreach we've done to advocates and some of the 6 7 people that testified at that important oversight 8 hearing that, that you convened. 9 But I mean, we have started to sort of dig into this and that's why we do have some question based on 10 11 like how the framing of the law is and this is why we want to engage with you about how best to maximize 12 13 worker protections. Because I think we're on the 14 same page of trying to protect vulnerable New 15 Yorker's and so, we just want to, we want to continue 16 that discussion as part of the legislative process. 17 CHAIRPERSON AYALA: Understood. 18 CARLOS ORTIZ: Chair Ayala, if I could just add 19 in there as well and I know uhm, that particular 20 oversight hearing that you held and chaired was 21 particular valuable for us in terms of the testimony we received from workers. I think that helped us get 2.2 23 an insight into the industries that were really impacted with communities such as folks that were 24 perhaps formerly incarcerated residents and following 25

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING292that, we have, you know we have conducted outreach3with organizations that testified to that hearing.4So, I think that is all to say that this legislative5process has been helpful and we're looking forward to6engaging more uh, on this bill.

CHAIRPERSON AYALA: Carlos, have you had
conversations also with maybe some of the labor
leaders who uhm, represent some of these workers now?

CARLOS ORTIZ: I think, if my memory serves 10 11 correctly, particularly following that hearing, we 12 engaged with some organizations in Queens. I believe 13 it's new uh, Immigrant Community Empowerments. Uhm, 14 to address kind of complaints that they had brought 15 forward during that hearing and to follow-up on recurrent educational processes we could put in place 16 17 with them.

18 CHAIRPERSON AYALA: Yeah, yeah, I mean I get the 19 complexity right of trying to identify whose who and 20 how do you classify right what type of business falls 21 under uhm, this licensing agreement. But assuming 22 that we knew who the players were, based on the 23 language of the bill, is DCWP comfortable with you 24 know with the language and would you say that we did

1	COMMITTEE ON CONSUMER AFFAIRS AND
	BUSINESS LICENSING 30
2	everything that we could to sufficiently protect and
3	shield the workers and to empower them?
4	MICHAEL TIGER: That's a good question Chair
5	Ayala. I mean, this is why we think it's important
6	to have continued this dialogue as we proceed with
7	the legislative process. Because as I mentioned, we
8	are definitely of the same mind of protecting these
9	vulnerable workers and make sure they are not
10	exploited by unscrupulous businesses.
11	So, I mean, there are provisions that as we go
12	through the legislative process uh, that we can
13	discuss about how we can strengthen. I mean one
14	example is the retaliation provision and that's a
15	very important part of the workers rights laws that
16	OLPS enforces and I know it's a soundly provision
17	that you included in the draft bill but we have ideas
18	about how that provision could be strengthened. It's
19	something that we would like to engage with you on as
20	the legislative process continues.
21	CHAIRPERSON AYALA: And you probably wouldn't
22	know this but besides constructions, are you aware of
23	any other industry that labor brokers operate?
24	MICHAEL TIGER: Uhm, to be honest, I'm not aware
25	of that as I sit here today but again, we want to
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 31
2	hear from advocates and other labor leaders and we
3	continue to serving — can continue to engage with
4	them and continue to dialogue with you and the
5	Committee.
6	CHAIRPERSON AYALA: Understood. Uhm, I want to
7	allow some time. I want to recognize Council Member
8	Yeger, uhm, Council Member Yeger?
9	COMMITTEE CLERK: Starting time.
10	COUNCIL MEMBER YEGER: Thank you very much Madam
11	Chair. I'll use this time to make a brief statement
12	and I'll leave the questions for the end and you can
13	answer them Mr. Tiger after my time expires.
14	First, I want to express my support of Intro.
15	0499 uhm, for very simple reasons. First of all, uh,
16	the main concern that you seem to have in your
17	testimony is, we would like to better understand the
18	intent of the Council's bill. And I think Council
19	Member Koslowitz's statement satisfied that. Uhm,
20	uh, more to the point, uh, this bill passed the New
21	York City Council at a time when the New York City
22	Council has wisdom. So, I see it as a no brainer for
23	us to address this at this time as this session is at
24	its tail end and give Council Member Koslowitz the
25	courtesies of passing a bill that she's been working

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 32
2	on for the entirety of her time in this legislative
3	body and I think it's appropriate and I think it
4	makes sense. And I think she laid out why and I
5	think the Committee Report lays out why as well. So,
6	unless there are more significant issues, I don't
7	have problem with this bill. I will just point out
8	that you know that it would allow corporate brick and
9	morter stores to obtain a license for a nearby
10	newsstand and then use that newsstand as a sidewalk
11	extension of their stores. With respect I find that
12	concern so laughable and I'm trying to hold it in.
13	Today, we allow restaurants to expand onto the
14	streets, to expand past that footprint to do whatever
15	they want with no oversight whatsoever. Even a
16	restaurant that opened yesterday can do that and you
17	know, under the claim of well, this is coronavirus
18	pandemic related and restaurants have to recover.
19	So, you know, we've already uhm, uh, jumped the
20	shark if you will with respect to allowing businesses
21	in this city to take over the streets of New York.
22	So, I find that concern to be that necessarily
23	compelling.
24	With respect to uhm, Introductions 0508 and 0974,
25	I don't have a problem with disclosures, I think
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 33
2	disclosures are a good thing. I think lawyers like
3	us like disclosures. Uhm, you know they set the
4	record. Uh, straight for what is anticipated from
5	both sides. I will however take issue with the idea
6	that you have in your testimony that this is an
7	agreement. Typically a one sided agreement that
8	posed without consideration. That's just not true.
9	The consideration is a job. That's the
10	consideration. In consideration of receiving a job
11	and a paycheck every two weeks, an employee is asked
12	in certain circumstances to enter an agreement that
13	they are not going to uh, uh, engage in a damaging
14	behavior to the company, to the employer. This is
15	typical, this is normal but more to the point, I
16	don't see at all how this Council has the legal
17	authority or the moral imperative and authority to
18	pass a bill like this. This is something that we
19	typically do although we're not at the passing stage
20	yet, this Council is renown for passing
21	unconstitutional and unlawful bills and I view this
22	as one.
23	We do not have the legal authority to step in the
24	way of contracts that are entered into at arm's
25	length between consenting adults, entities or
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 34
2	parties. And I'd be interested as my time is about
3	to expire in a minute to hear why it is that the
4	department or if maybe the department has considered
5	that question, uh, whether or not we have the legal
6	authority to do this. And as you know, uhm, as an
7	attorney at an agency in this city, you typically,
8	I'm sure had the experience of seeing our laws thrown
9	out with a hardy chuckle of an enterprising judge,
10	knowing that we've once again overstepped our bounds.
11	And with respect to uh, Council Member Moya's
12	Introduction 2318, uhm, you know I think that - I'm
13	sorry, 2397. I think that there are very, very
14	significant issues about uhm, the closure of hotels
15	over the last two years and what happens to those
16	employees and I think that that's a societal need
17	that we do have to address as a government body, as
18	the government of New York City. It's something that
19	we have to look into in a very real way and I think
20	it has to be holistic. I think it can't just be
21	severance. I think it has to be in a very real way
22	that an agency of this city has to be tasked with
23	finding people jobs when they are losing jobs.
24	Uhm, you know, this is something that we've seen
25	the last two years. Unemployment has spiked in a
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 35
2	very, very high way and we have people in this city
3	who cannot find a job at a time when unemployment is
4	about to be significantly reduced or just has been
5	significantly reduced because of federal inaction.
6	And we're going to see the same shortly I believe
7	over the next several months as people start to run
8	out of their employment time.
9	So, it is something that we need to look at
10	holistically, not just in terms of severance pay for
11	hotel employees, but what is this city doing -
12	COMMITTEE COUNSEL: Time is expired.
13	COUNCIL MEMBER YEGER: Thank you very much. To
14	find employment for people in this city who need
15	jobs. And what we ought uh, certainly not do is step
16	in the way. We should be part of the solution, not
17	the problem and some of these bills, not 2397 but
18	some of these bills, I do find steps in the way of
19	finding employment.
20	So, the question that I'll leave you as my time
21	has expired is whether or not or why do you, if so,
22	believe that the Council has the legal authority to
23	uh, uh, insert itself into an arms' length
24	transaction, contractual relationship between two
25	parties?

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 36 2 MICHAEL TIGER: Thank you Council Member Yeger for your statement and that question at the 3 4 conclusion. We and the law department are continuing to review uhm, Intro. 0508 and 0974. Uhm, and so I'm 5 not prepared today to talk about uhm, about that 6 7 element of those bills.

COUNCIL MEMBER YEGER: Okay, fair enough. 8 I 9 don't mean to Madam Chair, with your permission, I don't mean to impose on you a question that you 10 11 haven't determined uh, that has an answer. And so, that's certainly fair and I look forward to hearing 12 13 more about it but what I would say is that again as 14 I've said in the past, you know we can have good 15 intents said in the past about topics generally. We can have good intents and there are a lot of things 16 17 that we ought to do in this Council societally 18 speaking for the good of the people.

But those things are not necessarily within our legal right to do. Just because it's the right thing to do doesn't mean it's the legal thing to do and we have to be cognizant of that. With that, Madam Chair, I'm very, very grateful for your indulgence for allowing me to go back and forth and I recognize that uh, that you've recognized that I have a holiday

1	COMMITTEE ON CONSUMER AFFAIRS AND
2	BUSINESS LICENSING 37 that's starts in approximately three hours. So, I
3	have to go but I will commit as you know Madam Chair.
4	I will review the testimony after the hearing. I do
5	do that. I am a big nerd. Uhm, I am very grateful
6	to everybody who is taking the time to be here and
7	thank you very much again Madam Chair.
8	CHAIRPERSON AYALA: Thank you.
9	BENJAMIN HOLT: If I may briefly respond to a
10	point that the Council Member made, uhm, as my
11	colleague said, I think we defer to the law
12	department with respect to the question on legal
13	authority. Uhm, however, I would point out that
14	limitations on non-compete agreements are not a
15	unique concept in the law. There is a body of case
16	law that's been developed by state court judges, uhm,
17	who have developed criteria for when a non-compete
18	agreement is appropriate and when it is not. And
19	when it will be found void on grounds of being in
20	violation of public policy.
21	And some examples of that include non-compete
22	agreements that are overbroad with respect to the
23	duration where a geographic area that they cover,
24	non-compete agreements that do not protect or go to
25	any legitimate business interest.
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 38
2	So, I would just note that we are not talking
3	about an area here where there is no prior history of
4	regulation.
5	CHAIRPERSON AYALA: Did you want to follow it up?
6	COUNCIL MEMBER YEGER: Thank you Madam Chair.
7	Yes, I will say I recognize that and for example, you
8	know non-compete clauses on attorney's have been
9	found to violate public policy.
10	Uhm, you can't keep somebody from practicing law
11	just because you don't want them to. But what I
12	would also say is that, when we pass a bill that is a
13	one size fits all law across the board banning non-
14	compete clauses, that does not fit within the body of
15	law on how - of course I've reviewed non-compete
16	clauses because those are fact specific increase.
17	They relate to the, the uh, the topical concerns
18	regarding the actual information that the employee
19	had during the time of being employed at this
20	particular company. It's not something that we can
21	legislate in my view, because each time it's a fact
22	specific increase.
23	So, for example, saying to a, a, the person who
24	bags your groceries, that they can never work for

25 another grocer, which surely uh, violate every body

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 39
2	of case law on this topic of non-compete clauses.
3	But to tell a clerk in uhm, in a buying situation, a
4	buying product for a particular enterprise that you
5	can't work for the same kind of company within this
6	city for the next year, I don't think is necessarily
7	an unfair or uh, violating the public policy of a
8	non-compete clause case law that has established
9	itself in New York.
10	So, again, no one size fits all rule and that's
11	why I'm very, very concerned about the Council trying
12	to pass a law that regulates that.
13	BENJAMIN HOLT: And just to be clear again, I'm
14	not commenting on the actual legal authority but, but
15	this bill is limited to low-wage workers with respect
16	to any ban on non-compete agreements. It is not a
17	one size fits all bill that would cover any employee.
18	COUNCIL MEMBER YEGER: I read the bill. Thank
19	you very much. Thank you Madam Chair.
20	CHAIRPERSON AYALA: Thank you Council Member
21	Yeger. Uhm, I mean, Council Member Rosenthal is not
22	here to speak on the bill but I mean, has the
23	department encountered the issue of exploited
24	employment contract clauses before? Is it something
25	that you've been working on?

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 40
2	MICHAEL TIGER: Uhm, my colleague Mr. Holt can
3	talk about this in greater detail if necessary but
4	this is definitely something we are aware of and this
5	definitely comes up in our enforcement of other
6	workplace workers' rights law. Especially when we do
7	the uh, when we enforce Fair Work Week protections
8	for fast-food workers. Uhm, we have definitely
9	encountered mandatory arbitration clauses for
10	example, in their agreements.
11	Uhm, and so, this is not something that we have
12	systemically researched and produced a report on but
13	it's something that we have encountered. Ben, is
14	there anything you want to add to that?
15	BENJAMIN HOLT: No, that's right. Mandatory
16	arbitration agreements are the primary example which
17	we in our enforcement experience, see most commonly
18	in the fast-food industry. And you know, I think uh,
19	yeah, in terms of what we have seen that has been the
20	most prominent example.
21	CHAIRPERSON AYALA: Uhm, so does the $-$ so, I
22	mean, does the Administration then share the concerns
23	of the Council that the clauses, disempower workers
24	and protect business interests?
25	

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 41 2 MICHAEL TIGER: I mean we think broadly speaking, 3 all the three types of clauses that are implicated by the two bills are troubling, are troubling in both 4 5 theory and in practice. So, again, we do support the intent of these 6 bills and as we said and I said to, you know at top 7 8 and into Council Member Yeger, we are going to engage 9 with the Council as the legislative process continues on the bills text. And the law department is also 10 11 continuing to review it. CHAIRPERSON AYALA: Yeah, I get Council Member 12 13 Yeger's point. I think that you know the concern is 14 like, you know you're working at a fast-food 15 establishment right. Uhm, the likelihood of you know 16 becoming unemployed is probably like you know, is a 17 little bit higher right. And, you know, your 18 inability to be able to move onto you know from 19 McDonalds, you know from one franchise owner to the 20 next or to move over to a Burger King. Like, it 21 doesn't make any sense to me, especially you know in 2021. 2.2 23 So, I think yeah, our legislation shouldn't be a one size fits all approach but I think that there's 24

25 an intent here right. That we want to do what we can

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 42
2	as a body to really protect uhm, you know those
3	individuals that need protection. So, I'm confident
4	that, that we can get there and uhm, you know I look
5	forward to continuing to have this conversation.
6	MICHAEL TIGER: Absolutely.
7	CHAIRPERSON AYALA: Uhm, are there any other
8	members that would like to ask questions at this
9	point? No, okay, seeing none, I will take the
10	liberty to ask one more. Regarding the hotel
11	severance pay. So, does the administration feel like
12	this bill offers appropriate protections to hotel
13	workers who are obviously in a precarious state given
14	the status of the hotel industry?
15	MICHAEL TIGER: Actually, for you know — thank
16	you for that question Chair Ayala. As I noted in our
17	testimony, we support this legislation exactly for
18	the reasons you noted and Council Member Moya noted
19	about the precarious situation. This particular
20	group of workers are in right now and how important
21	it is to make sure that they are economically secure
22	as we all emerge from the pandemic for a better
23	future.
24	Our agency has not done specific work on the
25	hotel industry and so, is not prepared today to offer

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING432additional prescriptions about how to help hotel3workers. But that's definitely something that we can4engage with this Committee on further.

5 CHAIRPERSON AYALA: I would appreciate that.
6 Alright, uhm, unless we have any questions; I have no
7 further questions.

8 COMMITTEE COUNSEL: Okay, thank you Chair. Uhm, 9 seeing no further hands raised, I will turn it to 10 public testimony. I'd like to remind everyone that 11 unlike our typical Council hearings, we will be 12 calling individuals one by one to testify. Each 13 panelist will be given two minutes to speak. Please 14 begin once the Sergeant has started the timer.

Council Members who have questions for a particular panelist, should use the Zoom raise hand function and we will call on you after the panel has completed their testimony.

For panelists, once your name is called, a member of our staff will unmute you and the Sergeant at Arms will give you the go ahead to begin once they've started the timer. Please wait for the Sergeant to announce that you may begin before delivering your testimony. I would like to now welcome Danny Coley

1	COMMITTEE ON CONSUMER AFFAIRS AND
2	BUSINESS LICENSING 44 to testify followed by John Simmons and then Tierra
3	Williams. Danny.
4	SERGEANT AT ARMS: Time starts now.
5	COMMITTEE COUNSEL: Okay, we'll circle back with
6	Danny in a little and see if he is available to
7	testify. So, we will move onto John Simmons followed
8	by Tierra Williams and then Shi Green. Uh, John.
9	SERGEANT AT ARMS: Time starts now.
10	JOHN SIMMONS: Good afternoon, my name is John
11	Simmons and I am a proud Construction Worker. I want
12	to first take the time out to thank Diana Ayala and
13	the entire Committee Council for allowing me space
14	today to shine some light along with the disturbing
15	news on body shops. My story is far from being
16	unique. Unfortunately, there were countless justice-
17	affected workers like myself who share [LOST AUDIO
18	50:01].
19	CHAIRPERSON AYALA: John, you got muted.
20	JOHN SIMMONS: We all look forward to finally
21	being free, only to be welcomed by predatory
22	employers with criminal backgrounds to employ us.
23	Which is like being stripped and raped of who we
24	truly are.
25	CHAIRPERSON AYALA: John, I'm sorry.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 45
2	JOHN SIMMONS: I promised myself -
3	CHAIRPERSON AYALA: John?
4	JOHN SIMMONS: That I would neve return. I was
5	full of determination, hungry for success. Yes it
6	didn't take long to realize that the system had
7	something else planned for me. I was unemployable in
8	the eyes of the world. There weren't many
9	opportunities for me other than low-wage jobs that
10	didn't help cover my basic survival needs. To add
11	insult to the already injured, I ended up at a
12	center, at the Center for Employment Opportunities,
13	where they knew that it didn't make a difference what
14	kind of a job we got as long as it would help us
15	maintain our freedom.
16	It was through CEO that I was introduced and
17	wound up working for body shops. What is extremely
18	dangerous is that these body shops know we have to
19	keep employment in order to maintain our freedom.
20	They are aware that they have the power to send us
21	back to prison. This is used to force us into
22	working in unsafe, unhealthy and unsanitary
23	conditions. They know we are blocked from working in
24	many other fields, so they drive our wages down and
25	deny us any needed benefits like healthcare.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 46
2	Many of us knew that the way we were being
3	treated was very unfairly, but we also knew that
4	complaints would lead to retaliation, so we kept
5	quiet —
6	SERGEANT AT ARMS: Time expired.
7	CHAIRPERSON AYALA: You may proceed John.
8	JOHN SIMMONS: We kept quiet as per New York
9	State law. We couldn't even participate in labor
10	protests. There is no real freedom for these body
11	shops [INAUDIBLE 51:54]. Furthermore, it wasn't
12	until I was introduced to the unionized trades that I
13	finally gained my freedom.
14	SERGEANT AT ARMS: Mr. Simmons, you're coming in
15	very muddled.
16	JOHN SIMMONS: My life. I am finally able to
17	achieve real hope and financial independence. Body
18	shops are a real threat to people like me.
19	Once again, I urge you, the City Council to
20	regulate them and protect those men and women who
21	truly seek a second chance at life. And for knowing
22	that the words of my testimony did not call upon deaf
23	ears, I want to commend the Committee on Consumer
24	Affairs — [LOST AUDIO 52:32].
25	

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 47 2 SERGEANT AT ARMS: Mr. Simmons, you are coming in 3 very muddled and you just cut off your sound. 4 JOHN SIMMONS: 2318 into passage. I speak for 5 all body shop workers. I want to thank you City Council in advance. 6 7 CHAIRPERSON AYALA: Thank you John. 8 COMMITTEE COUNSEL: Thank you John. Next, we'll 9 call Tierra Williams followed Shi Green and then Bishop Mitchell Taylor. Tierra. 10 SERGEANT AT ARMS: Time starts now. 11 12 TIERRA WILLIAMS: Good afternoon, my name is 13 Tierra Williams. I am a member of Local Laborers' 79 14 and an intern with the organizing department. Thank 15 you to the City Council and Chair Ayala for the opportunity to testify today about my experience and 16 17 ongoing lack of oversight I have at Body Shops in the 18 construction industry. 19 I was one of the 18 primarily Black women 20 survivors of sexual abuse or assault who were 21 involved in the Attorney General's landmark \$1.5 2.2 million sexual harassment settlement against Body 23 Shop contractor Tradeoff. While employed by Tradeoff, I was subjected to constant harassment. 24 25

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING482Tradeoff failed to address complaints, and instead3protected sexual abusers.

I know many Black women, formerly incarcerated 4 New Yorkers and also immigrants who also work for 5 non-union labor brokers or Body Shop contractors. 6 7 These dangerous jobs barely provide enough money for 8 survival. Body shop workers are often desperate, in 9 need of work after getting released from prison. They must maintain employment as a condition of their 10 11 parole. They face the real threat of re-imprisonment if parole officers discover they are out of work. 12 Complaining about job conditions, sexual harassment, 13 and other mistreatment can cost these workers their 14 15 freedom.

16 Firms like Tradeoff make big money sending Black 17 and Brown construction laborers to work on 18 development projects for poverty wages, with little 19 training, and no benefits. Even those offering 20 slightly over minimum are not doing us any favors. 21 When I was making minimum wage, I relied on public 2.2 assistance benefits, so tax dollars were basically 23 subsidizing the Body Shop. When I got a small raise, I was kicked off those benefits, so any money I 24 earned went towards paying for healthcare for my 25

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 49
2	family at the end of the month. We deserve to be
3	treated as human beings, not as bodies to be abused
4	and exploited on construction sites.
5	For Black women construction workers like me,
6	unionization and collective bargaining are essential
7	for creating work places where contractors and
8	developers treat us with dignity and respect and
9	providing real family-sustaining benefits.
10	SERGEANT AT ARMS: Time expired.
11	TIERRA WILLIAMS: Most of us just want to work.
12	CHAIRPERSON AYALA: Go ahead Tierra.
13	TIERRA WILLIAMS: Most of us just want to work,
14	stay out of jail, and become good members of the
15	society and pay our taxes. I commend the Committee
16	on Consumer Affairs and Business Licensing for
17	bringing forward this bill and urge the swift passage
18	of the Body Shop Bill Intro. 2318. Thank you.
19	CHAIRPERSON AYALA: Thank you.
20	COMMITTEE COUNSEL: Thank you Tierra. Next, we
21	will call on Shi Green to testify followed by Bishop
22	Mitchell Taylor and then Han Lu. Shi.
23	SERGEANT AT ARMS: Time starts now.
24	SHI GREEN: Hi, good after- can you guys see me?
25	Hello?

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 50
2	COMMITTEE COUNSEL: Yes, we can hear you.
3	SHI GREEN: Oh good. Good afternoon and thank
4	you for the opportunity to testify this afternoon at
5	the Committee on Consumer Affairs and Business. My
6	name is Shi Green and I am the Executive Director of
7	Pathways to Apprenticeship. A nonprofit organization
8	focused on reentry and other low-income workers that
9	seek to in poverty by providing access to
10	apprenticeships in New York City building trades that
11	lead to solid careers. I am here today to ask the
12	Council to pass the Body Shop bill Intro. 2318.
13	I grew up affected by the justice system. I saw
14	my parents in and out of the justice system. I
15	didn't want my kids to grow up like that. Pizza way
16	and the construction industry were my opportunities
17	to turn things around. Construction can lift people
18	of color in justice affected by workers. I'm sorry,
19	justice affected workers out of the system and
20	recidivism but not when employers are contributing to
21	the feeding off the cycles of poverty fear, and fears
22	of incarceration, which is exactly what body shops
23	do.
24	Body Shops in the construction industry coerce
25	workers into dangerous jobs for little pay with no

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 51
2	benefits. Reentry workers face barriers to
3	employment, housing and education and take the jobs
4	that they can get. Body Shop employees know this and
5	rely upon reentry workers for their workforce.
6	Because they know these workers have to maintain
7	employment and will do almost anything to get their
8	lives back on track. Doing anything in these
9	situations could mean putting themselves in
10	physically dangerous situations, excepting extremely
11	low pay or keeping quiet about wage theft.
12	These employers know workers wont speak out of
13	fear of losing their jobs and being reported to their
14	parole officers for being unable to maintain
15	employment. That kind of parole violation could land
16	a worker back in jail. Construction body shops must
17	be regulated. These companies are ruthless in their
18	exploitation of workers. They do not treat them as
19	worthy of a second chance. They use this countries
20	system of mass incarceration as a feeder workforce
21	because they think society will look the other way
22	when it comes to these workers. New York City must
23	show them otherwise.
24	SERGEANT AT ARMS: Time expired.
25	

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 52
2	SHI GREEN: Labor laws and regulating body shops.
3	I urge Council to pass Intro. 2318. Thank you.
4	CHAIRPERSON AYALA: Thank you.
5	COMMITTEE COUNSEL: Thank you Shi. Next, we'd
6	like to invite Bishop Mitchell Taylor to testify
7	followed by Han Lu and then Rob Bookman. Bishop
8	Mitchell Taylor.
9	SERGEANT AT ARMS: Time starts now.
10	BISHOP MITCHELL TAYLOR: Good afternoon, my name
11	is Bishop Mitchell G. Taylor, I am representing Urban
12	Upbound. An advocacy organization dedicated to
13	breaking cycles of poverty and eliminating the
14	barriers to economic mobility. Thank you Chair Ayala
15	and all the Council Members present for holding this
16	hearing on such an important topic. Urban Upbound
17	supports the regulation affirms exploiting vulnerable
18	reentry workers as practices of these agencies are
19	damaging to our community and individual workers.
20	As our city and state move toward implementing
21	criminal justice reforms, it is imperative that
22	legislators assist reentry workers in breaking down
23	barriers to successfully reentering their
24	communities. One of those barriers is the scarcity
25	of work. Open to those following - open to those
l	

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 53 2 that are following incarceration. And the use of 3 this to exploit the vulnerability of their position. Construction is one of the few industries welcoming 4 5 formally incarcerated individuals. Prompting unscrupulous firms and employers to prey on them. 6 7 Body shops have emerged, firms and agencies that are funneling reentry workers to these nonunion firms, 8 9 offering low wages, little to no benefits and often times poor safety conditions. 10

11 These firms damage the financial health of our communities and keep those reentering society in an 12 13 impoverish state. Body shops or nonunion 14 construction labor brokers that engage in 15 exploitative practices, preying on reentry workers 16 and offering poverty level wages. These firms are 17 largely unlicensed and provide from using mass 18 incarceration as a feeder system. Sounds familiar. 19 Sublime the city's richest developers with cheap 20 and vulnerable workforce. Body shop contractors 21 exploit reentry workers by taking advantage of their restrictive rights following incarceration, affording 2.2 23 them little to no practices and low wages. Body shops forced to poverty -24

SERGEANT AT ARMS: Time expired.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 54
2	BISHOP MITCHELL TAYLOR: It must be regulated to
3	end their abusive practices. Urban Upbound is a
4	stanch supporter of Intro. 2318. We must regulate
5	body shops to protect the formally incarcerated
6	population and their families. Thank you. I want to
7	thank the City Council in advance for their
8	responsibility to act to end the abuses that are a
9	part of this bill. Thank you again.
10	CHAIRPERSON AYALA: Thank you Bishop and thank
11	you always for your support.
12	BISHOP MITCHELL TAYLOR: Thank you.
13	COMMITTEE COUNSEL: Thank you. Next, we'd like
14	to invite Han Lu to testify followed by Rob Bookman
15	and then Adwoa Twumasi. Han.
16	SERGEANT AT ARMS: Time starts now.
17	HAN LU: Good afternoon, it's my privilege to be
18	testifying in support of Chair Ayala's Introduction
19	2318. My name is Han Lu, my pronouns are he and
20	they. I am a Senior Staff Attorney at National
21	Employment Law Project or NELP. NELP is a national
22	nonprofit law and policy org that advocates for good
23	jobs for all. I submitted testimony for this hearing
24	and from the related Committee hearing on April $19^{ ext{th}}$
25	are more detailed and we're available to provide any

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 55 2 additional information but in brief, the body shop 3 business model benefits from a lack of transparency, 4 both the public and to their own workers. We have data on a national level that demonstrates that Black 5 and Latinx workers are dramatically overrepresented 6 7 in Brokered labor.

8 Labor Brokers create two tier workplaces where 9 brokered workers who are paid less, train less, often work alongside permanent employees. This business 10 11 model in the case of body shops is particularly egregious because of the well-documented structural 12 13 racism within the criminal legal system. It's 14 targeting of Black, Latinx immigrant communities and 15 people in poverty through a variety of policing and prosecutorial strategies, that list of strategies is 16 17 very long. But in our case here it is parole. 18 Columbia University published a recent report 19 concluding that Black and Latinx New Yorkers are 20 twelve and four times more likely to be reincarcerated while on parole for technical 21 violations, meaning no new criminal offense. 2.2 23 New York State's Parole System requires people on parole to seek and maintain employment under a threat 24

25 of reincarceration. Those accused of violating

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 56
2	parole rules in New York can be held in jail for
3	several months as allegations are resolved and there
4	is no right to a bail setting. The pressure these
5	workers on parole face to maintain employment is real
6	and well founded. The point here is that body shops
7	lower the floor for all workers, especially in
8	negotiating work conditions with employers, by
9	targeting workers with records —
10	SERGEANT AT ARMS: Time expired.
11	HAN LU: Bill 2318 is a common sense first step
12	in bringing transparency to the opaque and
13	unregulated low labor broker industry and protecting
14	workers from being pushed into under paid and unsafe
15	work. Thank you all for your time and leadership
16	today.
17	CHAIRPERSON AYALA: Thank you.
18	COMMITTEE COUNSEL: Thank you for your testimony
19	Han. Next, we'd like to call Rob Bookman to testify
20	followed by Adwoa Twumasi and then Betel Serra. Rob.
21	SERGEANT AT ARMS: Time starts now.
22	ROB BOOKMAN: Good afternoon. Thank you. I am
23	switching topics here and testifying in favor of
24	Karen Koslowitz's Intro. Number 0499. And even
25	though she is not here, I want to thank her for not

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 57
2	forgetting about the Immigrant Sidewalk Newsstand
3	Operators. This bill as she said, was passed 20
4	years ago, almost word for word. Almost unanimously
5	by the City Council, Mayor Giuliani and a peak of
6	political fitness against the City Council waited
7	until after your last meeting to veto it. So, if you
8	didn't have an opportunity to override that veto and
9	we thank her for remembering the importance of this
10	bill.
11	I submitted written testimony. I'll summarize.
12	There are six main reasons why this bill was
13	important then and it's important now. Number one,
14	it's a misinterpretation of the law that requires
15	newsstands operators to be licensed in their
16	individual capacity. We're not aware of any other
17	category, which uses the word person which has been
18	interpreted that way.
19	Everybody else can avail themselves to the
20	corporations law in former partnership or a business.
21	Second, it will protect mom and pop newsstand
22	operators from personal liability which they are
23	exposed to now. On a trip and fall for example,
24	because they can't be a corporation or a partnership.
25	

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 58
2	It also makes it much more difficult for them to get
3	insurance to cover it because they are personal.
4	Third, it is pro-worker and pro-immigrant. Right
5	now, 320 newsstand operators — there is no legal
6	system for me to bring in my worker and make them an
7	owner. This will allow that to happen. Just like
8	you did with vendors recently. This will allow the
9	existing newsstand operators who are aging out to
10	bring in their longstanding workers and make them an
11	owner and then by making them a partner or a
12	shareholder you know in the corporation. That is
13	pro-worker and since most of these people are
14	immigrants, it's a way for them to as the Department
15	of Consumer Affairs said, it proved their wealth. It
16	improved the lives of working families by making them
17	_
18	SERGEANT AT ARMS: Time expired.
19	ROB BOOKMAN: Just a couple - I'll finish up.
20	Uhm, it also reduces new newsstand construction
21	because most of the clients that we see, most of the
22	individuals, they want to become an owner in the
23	existing good newsstands, not spend a lot of money
24	uh, and a lot of time trying to get a location built
25	in a lousy location. Often locations that community

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING592boards are not in favor of and Mr. Whiles and his3company is not in favor of building. So, there's4good reasons to try to reduce the number of new5applications. This bill will do that.

Uhm, and finally to respond to consumer affairs, 6 7 it will not impact the two newsstands per person 8 requirement. It's still in the loss. Corporations 9 are not going to be taking over newsstands. You still only will be allowed to be on two newsstands. 10 11 It still has to be a principle employment. So the 12 farfetched concern that the Council for Consumer 13 Affairs said of a nearby store wanting to open up. 14 It will not be allowed first of all. They could do 15 it now I suppose and nobody has done it. We have 16 never heard that and it still has to be a principle 17 employment.

18 That's not our focus. The focus on this bill is 19 to allow these existing mom and pops and their 20 workers to share ownership and share you know the 21 benefits of ownership. It's long overdue that we 22 correct Giuliani's veto and pass this bill and we 23 thank you very much for considering it again. 24 CHAIRPERSON AYALA: Thank you so much.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 60
2	COMMITTEE COUNSEL: Thank you. Next, we'd like
3	to call Adwoa Twumasi followed by Betel Serra and
4	then Skylar Marin. Adwoa.
5	SERGEANT AT ARMS: Time starts now.
6	ADWOA TWUMASI: Yes, uhm, good afternoon. My
7	name is Adwoa Twumasi with Maxwell Hotel and the
8	Local Sisters Council. I am a room attendant and as
9	we all know hotel industries in New York City has
10	been hit very hard. That right now, about still
11	about 90 percent of hotels are closed. Some
12	permanent and some temporary. The owners, I don't
13	know they are $-$ , I know that right know things are
14	very slow opening. But some are also trying to not
15	make an attempt to open.
16	We are at the moment in limbo, the hotel workers.
17	We do not know what to do uh, when the hotels are
18	opening. We are not in the loop, so uh, I'm begging
19	that uh, this bill be passed because there are some
20	of us, a lot of us that we are almost, everybody is
21	hard working. It's not like we don't want to work.
22	We all want to work. So, we're begging that this
23	bill pass. Uhm, at the moment, uhm, so many people
24	are depending on their head of household and we need
25	to uhm, we need to make money to take care of our
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1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 61
2	household, our children. Right now, our
3	unemployment, my unemployment has exhausted. I'm
4	still looking, we're still looking for jobs but
5	where. So, please, help us, we're begging that the
6	hotel industry uhm, the owners at least try and open
7	with some capacity. We are not saying that it should
8	be 100 percent capacity but at least some capacity so
9	a lot of us can go to work. This is all I'm asking.
10	Thank you very much.
11	CHAIRPERSON AYALA: Thank you so much.
12	COMMITTEE COUNSEL: Thank you for your testimony.
13	Next, we will be inviting Betel Serra to testify
14	followed by Skylar Marin and then Derick Bowers.
15	Betel.
16	BETEL SERRA: Good afternoon and thank you for
17	the opportunity to be speaking on behalf of myself
18	and many other people who are presently struggling.
19	My name is Betel, I live in Harlem with three kids
20	who are still in school. I'm a single mom raising
21	them. I was working at the New York Hilton and I've
22	been there for 15 years. Since unemployment ended,
23	simple things like grocery shopping for my kids has
24	become more stressful. I'm worried about being able
25	to provide. I support this hotel because its been

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 62
2	really hard for me and my family to make ends meet
3	since being laid off from my job. I'm counting on
4	being hired back to work so that I can keep
5	supporting my family. Many New York hotels receive
6	millions in federal aid during the pandemic and now
7	it's time for workers to also get some support when
8	we need it the most.
9	This bill, this is the right thing to do. Thank
10	you so much for the opportunity again.
11	CHAIRPERSON AYALA: Thank you.
12	COMMITTEE COUNSEL: Thank you for your testimony
13	Betel. Next, we will invite Skyler Marin followed by
14	Derick Bowers and then Ed Wallace. Skyler.
15	SERGEANT AT ARMS: Time starts now.
16	SKYLER MARIN: Thank you. I'm speaking on 2318.
17	I just want to start by saying that we are not
18	against licensing of labor brokers or labor
19	companies. We do have certain issues that are in the
20	uhm proposal. Specifically regarding notice of
21	assignment with 24 hours' notice to the employee
22	where they are going for their shift. The problem
23	with this is twofold. One being that when the boys
24	pull out in the morning, if we don't send
25	replacements right away, our clients are then delayed

 COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING
 and we can delay the entire construction project,
 which is very costly to everybody and the entire
 process will be delayed.

Additionally, we receive requests you know the 5 night before for the next morning if there is a 6 7 weather emergency, if something breaks. There is some kind of emergency or something that comes up 8 9 that we need to dispatch employees to our construction sites as soon as possible. So, the 24 10 11 hour notice is really not feasible for that. Uhm, 12 additionally, regarding the unsafe working conditions 13 that were previously brought up, we send our 14 employees to construction sites that are run by 15 general contractors and we send our laborers there. 16 We are not responsible for any unsafe conditions that 17 are there and if there are any unsafe conditions and 18 we are notified, we take immediate action towards it. All of our employees have the 40 hour SSD training 19 20 that was required by New York City and they have the 21 safety training to protect themselves. Again, if 2.2 there is anything that comes up that we are notified 23 about, we take immediate action towards it.

24 Uhm, additionally regarding uh, the wages and 25 everything that was brought up earlier, we pay our

COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 64 2 employees above minimum wage. Again, it is a minimum 3 wage and we pay them above it. And we work with 4 second chance companies such as CEO and community 5 colleagues that work with the previously incarcerated individuals. 6 7 SERGEANT AT ARMS: Time expired. 8 CHAIRPERSON AYALA: You can proceed. 9 SKYLER MARIN: Thank you and that helps people move up the ladder and get out of homeless shelters 10 11 and get back on their feet and once they have gotten 12 the experience and training with us, they move onto 13 bigger and better and uh, jobs and positions and 14 trades and unions and more companies. 15 So, the fact that we're being targeted as trying to take advantage and exploit previously incarcerated 16 17 workers, it's just not true. We are helping them get 18 back on their feet. We're helping them become a you 19 know a better version of themselves. We are giving 20 them raises, we are promoting them throughout our 21 system and its paid off and it definitely helps 2.2 people. Uh, thank you. 23 CHAIRPERSON AYALA: Yeah, I have a couple of questions Mr. Marin. So, I mean, first of all, if an 24

employee that you are directing to whatever workforce

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 65
2	construction. Uhm, when they get to you prior to
3	making the connection with the construction site, is
4	there some sort of orientation where uh, you know
5	potential employees are informed or advised that they
6	should you know, that they should report
7	inconsistency? That they should report you know
8	safety issues, if there is sexual harassment you know
9	at that job site or is the onus really on the
10	employee to have you know to be willing to come and
11	say hey, this is what's happening you know at my
12	worksite. Because if I'm a parolee and I'm out on
13	the condition that I am keeping you know a job, that
14	I'm employed. I'm probably going to be a little bit
15	more reluctant to uhm, you know to com e to my
16	employer and, and, and bring these issues up for fear
17	that I may lose my job.
18	So, I'm wondering you know before you're making
19	that connection and supplying that work or to this
20	entity, are you taking the time to educate them on
21	what their rights are and encouraging them to come to
22	you with feedback?
23	SKYLER MARIN: Sure, so, uh, when anybody is
24	hired, first of all they are given the New York State
25	Mandatory Sexual Harassment Training that they have

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 66
2	to go through. So, they are informed about that and
3	then in our handbook as well as our onboarding calls
4	with our human resources manager and our hiring
5	managers, they are instructed that if there are any
6	issues to bring to our attention in our handbook. We
7	have policies and procedures that they go through
8	either lead labor or foreman on the site or they go
9	directly to our HR manager. Uhm, additionally, we're
10	on major construction projects with site safety
11	managers and superintendents and if there are any
12	issues, we're hearing about it. And our employees
13	know that they can come to us with it.
14	CHAIRPERSON AYALA: Okay, so is it your position
15	that you are objecting to the bill?
16	SKYLER MARIN: I'm not objecting to the
17	licensing. I think the licensing is actually a good
18	thing and I do not disagree with the licensing. I
19	disagree with a lot of things that are being asked in
20	the proposal. Uhm, like I said, specifically the 24
21	hours' notice of where they are going the next day.
22	When we're being asked to disclose our tax credits.
23	That, I don't believe is necessary to licensing a
24	business to ensure that employees are safe. We're
25	also being asked to disclose our employees
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COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 67 2 ethnicities and things such as that, which legally we 3 cannot ask them for it, they can disclose it to us. Uhm, there's also something that we have to 4 publish our client list on a public website, which 5 again is not necessary for safety of employees for 6 7 having anything to do with their wages. 8 CHAIRPERSON AYALA: Hmm, hmm. 9 SKYLER MARIN: It's just - that's just I mean for unions and other companies to target us and to 10 11 compete against us and again, to protect employees 12 and their right. Publishing our information is not 13 necessary whatsoever. 14 CHAIRPERSON AYALA: Are you only, uh, uh, uh, I 15 mean, are you only connecting potential employees to 16 construction site work or are there other uh, types 17 of work that uh, that they are being sent to? 18 SKYLER MARIN: Uh, we have two sides of our 19 company. Most of them are going to construction 20 sites, they are laborers. Uh, we also do janitorial 21 services as well and they go to completed buildings 2.2 and they're janitors, porters, handymen, 23 superintendents, things like that as well. CHAIRPERSON AYALA: Thank you. That's helpful, 24 25 thank you.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 68
2	SKYLER MARIN: Sure.
3	COMMITTEE COUNSEL: Thank you for your testimony.
4	Next we will be inviting Derick Bower to testify
5	followed by Sandra Velez and then Ed Wallace.
6	Derick.
7	SERGEANT AT ARMS: Time starts now.
8	DERICK BOWERS: Chair Ayala and members of the
9	Committee, thank you for allowing us to testify
10	today. My name is Derick Bowers and I'm the Director
11	of Social Enterprise in New York City for Center for
12	Employment Opportunities. I wish to testify in
13	support of bill number 2318 but make some suggestions
14	to strengthen this bill.
15	SE's a nonprofit organization that was founded in
16	New York City in 1996. It provides comprehensive
17	employment support including immediate access to
18	transitional work individualized career coaching and
19	job placement services, exclusively to individuals
20	who have recently returned home from incarceration.
21	We are also a long time member of the ATI Reentry
22	Coalition, whose members collectively serve over
23	20,000 New Yorkers leading incarceration each year
24	providing access to employment and other critical
25	services. We commend the Chair and this Committee

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 69
2	for your leadership in protecting workers. This bill
3	makes important changes to the licensing process for
4	labor service providers. As written, CEO's unsure if
5	we and other nonprofits throughout the city that hire
6	individuals in transitional jobs as part of a job
7	training program but are not employment staffing
8	agencies would be subjected to this legislation. But
9	we are fully supportive of the intent of this
10	legislation to improve the licensing process in the
11	city.
12	We want to offer some suggestions to make the
13	process easier for nonprofits to comply with this
14	law, particularly with regard to how entities provide
15	required information to employees in all staff
16	accessible areas and compliment systems for complying
17	with the numerous city regulations that many
18	nonprofits have as a city contractor.
19	I don't have time to go through these in two
20	minutes but they are submitted in writing as part of
21	my official testimony and record.
22	We would also encourage amending the bills so
23	that staffing agencies and employment agencies should
24	be subjected to these same licensing requirements.
25	Based on our reading, they appear to be exempt and we
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COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 70 2 are unsure why they are exempt. There is similar 3 vulnerability for workers employed by staffing and employment agencies that this bill seeks to address. 4 Fundamentally, we are fully supportive of the 5 underlying purpose of this legislation, which we 6 7 believe would help protect workers in the city who 8 are vulnerable to exploitation by unlicensed labor 9 service providers. We have heard feedback from our participants who have experience with seeing others 10 11 experience exploitation. 12 SERGEANT AT ARMS: Time expired. DERICK BOWERS: Run unlicensed businesses 13 14 throughout the city and licensing process 15 enhancements can help address that. We strongly 16 support enacting stronger regulations to prevent 17 labor market exploitation because people returning 18 from incarceration are vulnerable to unscrupulous 19 employers and we rely on city government regulatory 20 agencies or police businesses and provide the public 21 with information that can help them avoid predatory 2.2 actors. 23

This legislation will strengthen that process and with suggested changes will streamline the process

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 71
2	for comply. We greatly appreciate your leadership
3	and your consideration of this testimony. Thank you.
4	CHAIRPERSON AYALA: Thank you.
5	COMMITTEE COUNSEL: Thank you Derick. Next, we'd
6	like to invite Sandra Velez to testify followed by Ed
7	Wallace and then James Versocki. Sandra.
8	SERGEANT AT ARMS: Time starts now.
9	SANDRA VELEZ: Good afternoon. My name is Sandra
10	Velez, I worked at the Roosevelt Hotel. I'm a single
11	mother of three. I worked at the hotel for 15 years.
12	The hotel closed due to the pandemic. Uh, you know
13	closed due to the pandemic. You know, I was relying
14	on my unemployment to take care of my kids and my
15	family, you know put food on my table, pay my rent.
16	Barely, I could pay certain things. It wasn't, I
17	couldn't pay everything but we survived.
18	Now that they removed - took away the
19	unemployment from us, I really don't know how I'm
20	going to you know, support my kids, pay my rent.
21	Just live in general. I need for the hotel to open.
22	I want to work. I don't want to collect. I'm even
23	thinking of going to welfare because I don't know
24	what else to do. I don't have no income coming in
25	now. I honestly don't know what else to do.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 72
2	So, I support this bill. I need this bill to be
3	passed. We need this bill to be passed, because we
4	need to go back to work at the Roosevelt. Thank you
5	so much.
6	CHAIRPERSON AYALA: Thank you so much Sandra.
7	COMMITTEE COUNSEL: Thank you Sandra. Next, we'd
8	like to call Ed Wallace to testify followed by James
9	Versocki and then Lillian Uribe. Uh, Ed.
10	SERGEANT AT ARMS: Time starts now. Ed, you're
11	still on mute.
12	ED WALLACE: There you go. Sorry, uh, good
13	afternoon Chair Ayala and Committee members. My name
14	is Edward Wallace. I am an Attorney for JCDecaux
15	Street Furniture. The DOT franchisee that provides
16	the newsstands as well as bus shelters all maintained
17	by a union workforce. I just have to say I'm honored
18	to appear before this body where I was once
19	privileged to serve as a member of the New York City
20	Council. ]
21	We make no objection and recognizes Rob Bookman's
22	efforts to the purpose of Intro 0499 before you, but
23	we want to provide a context of the on the street
24	state of play of newsstands and ask you to consider
25	even broader reforms to assure that the public, and
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COMMITTEE ON CONSUMER AFFAIRS AND 1 BUSINESS LICENSING 73 2 the striving New Yorkers who operate newsstands, many 3 of whom are recently arrived immigrants, as well as 4 the franchisee, my client, are protected. We support improving service but we oppose inadvertently preying 5 upon hopeful hardworking people who bet their hard-6 7 earned cash on a dream that increasingly turns into a nightmare for the newsstand licensee and a 8 9 catastrophic economic loss for the franchisee. And I would note this applies mostly to 10 11 individuals. So, the corporate form for those who 12 can use it, uh, may be helpful for them to acquire 13 stable wealth and ability to see, but not for the 14 individuals. Historically, as you know, newsstands 15 were just old, wooden sheds that sold newspapers., 16 In 2005, the city envisioned coordinated street furniture with advertising on newsstands, that my 17 client would sell. And we all thought about elegant 18 19 structure for placing the shacks. Unfortunately, 20 that world has changed, and the franchise agreement 21 itself, failed to address many issues. There was no 2.2 agreement between the franchisee, my client, who 23 functioned as builder/landlord and the newsstand licensee who was, in practical terms, a tenant. 24 We 25 don't want rent. I want to be very clear.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 74
2	We just want to make sure we can work together.
3	The newsstand licensees carry no insurance, as was
4	noted earlier. And prospective licensees frequently
5	pick sites with no foot traffic, yet the Department
6	of Consumer and Worker Protection, does not have the
7	authority to analyze the economic viability of a
8	site. Now that people get their news online -
9	SERGEANT AT ARMS: Time expired.
10	ED WALLACE: And lottery tickets often
11	fail, we wind up with empty shuttered structures. We
12	would ask you to consider uh, using this Intro. as a
13	broadening effort to protect the franchisee but the
14	new, the newsstand vendors and make the system work
15	better in the modern age when nobody is buying
16	newspapers anymore. Thank you so much for your time.
17	CHAIRPERSON AYALA: Thank you.
18	COMMITTEE COUNSEL: Thank you for your testimony.
19	Next, we would like to call James Versocki followed
20	by Lilian Uribe and then Chris Lopez. James.
21	SERGEANT AT ARMS: Time starts now.
22	JAMES VERSOCKI: Thank you Chair Ayala.
23	Actually, at this time, I'm going to reserve on
24	comments. So, uhm, but thank you very much for the
25	opportunity.
l	l

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 75
2	CHAIRPERSON AYALA: Thank you.
3	COMMITTEE COUNSEL: Thank you James. So, next,
4	we'll call Lillian Uribe and then Chris Lopez
5	followed by a representative from the Hotel
6	Association of NYC. Lillian.
7	SERGEANT AT ARMS: Time starts now.
8	LILLIAN URIBE: Hi, good afternoon Council
9	Members. My name is Lillian and I've worked in
10	Roosevelt Hotel for 22 years as an attendant. I have
11	two kids. My daughter is in college right now. My
12	job allows me to pay for her college and support her.
13	Without unemployment insurance or my job back, I'm
14	worried that we will have to pull my daughter out of
15	school because I cannot afford to help her anymore.
16	A lot of the jobs are out there with a minimum
17	wage but for me, to be able to support my family on a
18	minimum wage, I would have to have two jobs. This is
19	something that I'm personally now having to think
20	about it. I urge the Council Members to support this
21	bill because I need to go back to my old job to be
22	able to provide for my family.
23	I really appreciate if you pass this law because
24	all of us, all the city is needed to work in.
25	

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 76
2	BUSINESS LICENSING 76 Everybody go back to a normal life. Thank you so
3	much and have a good afternoon.
4	COMMITTEE COUNSEL: Thank you for your testimony.
5	Next, we'd like to call Chris Lopez followed by a
6	representative from the Hotel Association of NYC.
7	Chris.
8	SERGEANT AT ARMS: Time starts now.
9	CHRIS LOPEZ: Good afternoon Council Members, my
10	name is Chris Lopez. I houseclean at the New York
11	Hilton for 20 years working in housekeeping. I live
12	in the Bronx with my daughter ten-years-old. She
13	just started school again this week but at the same
14	time, my unemployment insurance benefits have
15	suddenly stopped. The [INAUDIBLE 1:27:42] about
16	reopening.
17	Many of us are in limbo waiting for our jobs
18	back. I am very worried about being able to take
19	care of my family and my daughter. I support this
20	bill because I and the rest of my colleagues want to
21	go back to work, please. Thank you.
22	CHAIRPERSON AYALA: Thank you Chris.
23	COMMITTEE COUNSEL: Thank you for your testimony.
24	Next, we'll call a representative from the Hotel
25	

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 77
2	Association of NYC and we'll call on Danny Coley if
3	he's available to testify now.
4	SERGEANT AT ARMS: Time starts now.
5	DANNY COLEY: Uhm, this is from Danny Coley.
6	Uhm, good afternoon, my name is Danny Coley, I am a
7	former Body Shop worker and I am here to support Body
8	Shop Bill Introduction 2318.
9	Today I have a successful career as a member of
10	Laborers' Local 79 and for the first time, I earn a
11	decent salary with my benefits. But my road here
12	wasn't easy. Part of my transition back into the
13	workforce was difficult with a Body Shop called Marin
14	Laborers. Body Shops like Marin prey on the
15	vulnerabilities of justice-affected New Yorkers that
16	know how to recruit us. They know how to keep us
17	compliant, and how to profit off the racism of mass
18	incarceration.
19	And like I said before, you know I was coming to
20	work for low benefits, no medical coverage and I feel
21	like with no medical coverage with COVID-19 right now
22	is a disaster. I let that you know sink in
23	individuals minds. As far as the 24 hour thing, I
24	think it's appropriate as far as the bill goes
25	because I was a former foreman for Laborers and you

1COMMITTEE ON CONSUMER AFFAIRS AND<br/>BUSINESS LICENSING782know I've seen guys that you know might not even show3up in 24 hours. I don't even know or they are not4even properly trained.

So, with this bill, increases medical, increases 5 wages, increases training, just to keep everything 6 7 safe and as far as work conditions, I felt like I worked in unsafe conditions and as the foreman, that 8 9 was my responsibility. So, with that being said, I took on a lot of situations that was above my pay 10 11 rate and you know I felt like I was taken advantage 12 So, hopefully that this bill can be passed and of. 13 you know and I just pray that you guys can see what we're looking at and hopefully you can pass this 14 15 bill. And thank you for hearing my story and I appreciate even being on this panel. Thank you guys. 16 17 CHAIRPERSON AYALA: Thank you so much Danny. 18 COMMITTEE COUNSEL: Thank you Danny. Uhm, we'll 19 call a representative from the Hotel Association of 20 NYC is they are on and available to testify. Okay, 21 if we have inadvertently missed anyone who is registered to testify today and has yet to be called, 2.2 23 please use the Zoom raise hand function now and you will be called on in the order that your hand was 24 25 raised.

1	COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING 79
2	Seeing no hands raised, that concludes our public
3	testimony and I will now turn it over to Chair Ayala
4	to offer closing remarks. Chair.
5	CHAIRPERSON AYALA: Thank you and I really want
6	to just thank uhm, you know all of the workers that
7	showed up today to render testimony. Uhm, I think
8	that it is pretty obvious that we still have a lot of
9	work to do to ensure that workers throughout the city
10	are well protected and uhm, and I appreciate your
11	honesty, your candor, just you know the ability to
12	come and show face is really important and I commend
13	you for that.
14	I know it isn't easy and I know that its been
15	very, very difficult for you and our hope is that you
16	know we will collectively you know get to a point
17	where uhm, you are better protected and treated
18	fairly. Uhm, and as equal partners of whatever
19	industry you become a part of.
20	So, thank you for that. Thank you to my
21	colleagues and thank you to our Committee Counsel
22	Staff for putting this hearing together. And with
23	that, this meeting is adjourned. [GAVEL]
24	
25	

## CERTIFICATE

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



Date \_\_\_\_\_September 30, 2021