

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AFFAIRS

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June 16, 2016
Start: 10:33 a.m.
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HELD AT: Committee Room - City Hall

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

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

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

Lorelei Salas, Commissioner
Department of Consumer Affairs

Nicole Smith, Deputy Director
Office of Financial Empowerment
Department of Consumer Affairs

Amit Bagga, Deputy Commissioner
External Affairs
Department of Consumer Affairs

Mary Cooley, Director
City Legislative Affairs
Department of Consumer Affairs

Casey Adams, Deputy Director
City Legislative Affairs
Department of Consumer Affairs

Oriana Sanchez, Legal Initiatives Coordinator
New York Immigration Coalition

Ayisha Valle, (sp?) Policy Associate
New York Academy of Medicine

Viona Steinberg, Financial Coach
Financial Clinic

Amy Cowan
Financial Clinic

2 [sound check, pause]

3 [gavel]

4 CHAIRPERSON ESPINAL: Good morning.

5 COUNCIL MEMBER CUMBO: Good morning.

6 CHAIRPERSON ESPINAL: Good morning.

7 COUNCIL MEMBER CUMBO: Good morning.

8 CHAIRPERSON ESPINAL: [laughs] My name
9 is Rafael Espinal. I'm the Chair of the Consumer
10 Affairs Committee. I'm joined by other members of
11 the committee. We have Karen Koslowitz from Queens
12 and we have some special guests today all the way
13 from Brooklyn. We have Laurie Cumbo and Chaim
14 Deutsch who decided to joint us because they have
15 sponsored two very important bills that we'll hearing
16 today. Intro 1085-A sponsored by Council Member
17 Cumbo would require the Department of Consumer
18 Affairs to provide outreach and education on consumer
19 protection issues that affect women. Intro 1086-A
20 sponsored by Council Member Deutsch, would require
21 DCA to provide similar outreach and education on
22 consumer protection issues that affect seniors, and
23 Intro 1087-A would require DCA to provide outreach
24 and education on consumer protection issues that
25 affect immigrants. Each of these populations face

2 particular challenges that merit tailored attention
3 these bills would mandate. Statistics show that in
4 the 21st Century women are still not paid equal pay
5 for equal work compared to men. That has to change.

6 COUNCIL MEMBER CUMBO: [interposing] Yes,
7 it has.

8 CHAIRPERSON ESPINAL: Don't you agree,
9 Laurie? Yeah. In addition to being paid 79 cents on
10 the dollar compared to the male counterparts and
11 women are often relying on a spouse or other family
12 members to manage their finances, and that also has
13 to change.

14 COUNCIL MEMBER CUMBO: [interposing]
15 That's right.

16 CHAIRPERSON ESPINAL: And find themselves
17 overwhelmed, learning the laws of a new country.
18 [background noise] Oh. With--without resources in
19 the event of an unexpected passing or separation.
20 According to studies, one in seven women live in
21 poverty and women aren't all represented in low-wage
22 jobs. Women are the sole or primary bread winners in
23 40% of households with children under the age of 18.
24 In addition to these challenges, a recent DCA study
25 titled *From Cradle to Cane* highlighted that women

2 will pay more for products that are comparable or
3 even less than the same products that are marketed to
4 men. Other New Yorkers also face the unique set of
5 challenges. They are often the target of scams.
6 Fraudsters may present themselves as healthcare or
7 Medicare representatives to gain access to personal
8 information or offer financial services and simply
9 steal high fees. Some websites will offer cheaper
10 imitations of expensive prescriptions that are often
11 unhelpful and sometimes unsafe. For elderly New
12 Yorkers with equity in their homes, reverse mortgages
13 can be regarded as an attractive option to help stay
14 on top of expenses. In a high speed, high pressure
15 real estate closing, homeowners are too often unable
16 to get all the relevant answers and to fully
17 understand what they're signing into. Seniors also
18 benefit from proper--proper estate planning and
19 financial services, but not all seniors have the
20 knowledge and access to such services. Immigrants
21 are yet another population that face unique
22 challenges in gaining financial stability.
23 Immigrants may struggle with language barriers, and
24 learning the laws of a new country. Too many fall
25 prey to various unscrupulous actors such as

2 notarials, who make big promises about helping with
3 immigration paperwork, but often steal money and
4 engage in author--unauthorized practice of the law
5 that leave many in a worst position than before.

6 Access to banking and financial services is another
7 pressing issue. Many immigrants mistakenly believe

8 that they cannot open a bank account without a proper
9 secure--Social Security number. In fact, any

10 individual can apply an Independent Tax

11 Identification Number or ITIN when filing federal

12 taxes. Various banking institutions particularly

13 credit unions and other community development

14 financial institutions will accept and ITIN to open a

15 basic checking account to start building credit and

16 even to apply for loans. In March of last year the

17 Council passed a law--local law to require the

18 Department of Consumer Affairs to create an outreach

19 and education program tailored to young adults who

20 are starting to build a financial foundation for

21 their future. Pursuant to this law, DCA has created

22 a package of tips for young adults that compile tip

23 sheets on topics such as enrolling in a school or

24 training program, students loans, buying a car,

25 credit cards and common credit repair schemes. These

2 resources are great, and this committee wants to see
3 similar outreach to vulnerable populations before
4 they make choices that could negatively impact the
5 future for years to come. I'm eager to learn more
6 about DCA's outreach and community engagement efforts
7 to share these tips with community partners. My
8 fellow council members and I have noted the success
9 of the Consumer Awareness Campaign for young adults,
10 and we hope to expand upon this initiative with
11 programs tailored to women, seniors and immigrants.
12 In her State of the City address, Speaker Melissa
13 Mark-Viverito who co-sponsors each of the three
14 bills, spoke of the importance of reaching consumers
15 where they are to provide--where they're at to
16 provide resources and key information. The committee
17 looks forward to hearing testimony for DCA, advocates
18 and other stakeholders regarding the proposed
19 legislation and building the work of the agency that
20 has--that has already been working on these fields.
21 Before inviting DCA to testify, I'd like invite to my
22 council--my--my colleagues Council Members Deutsch
23 and Cumbo to say a few words about these bills, but I
24 also want to recognize that we have been joined by
25 Rory Lancman from Queens.

2 COUNCIL MEMBER DEUTSCH: Oh. Thank you.

3 Good morning. Thank you, Chair Espinal. Today, we--
4 we are going to be hearing on Intro 1086-A, which is
5 a bill that will protect and educate our senior
6 constituents and their caregivers. Older adults are
7 often more success--susceptible to fraud through
8 telemarketing and consumer cons, investment scams or
9 false IRS schemes. Seniors can be a targeted
10 population by scammers who take advantage of human
11 emotion and lack of tech savvy. My district has a
12 significant amount of senior residents, and concerns
13 about fraudulent telemarketing calls are increasingly
14 common. In fact, the over 60 population throughout
15 New York City makes twice as many purchases over the
16 phone as the national average, and are often preyed
17 upon. It is our responsibility to do what we can to
18 safeguard these older adults from those trying to
19 take advantage of them. I encourage my colleagues
20 and this administration to support Intro 1086-A to
21 require the Department of Consumer Affairs to provide
22 seniors with outreach and educational material in
23 seven different languages. This valuable information
24 will target our senior populations and their
25 caregivers explaining how as potential victims they

2 can protect themselves from fraud. Thank you very
3 much.

4 CHAIRPERSON ESPINAL: Thank you, Deutsch.
5 Cumbo.

6 COUNCIL MEMBER CUMBO: Thank you, Council
7 Member Rafael Espinal. It's always so inspiring to
8 hear men talk about equal pay for women. It's mind
9 (sic) inspiring and it gives us a lot of hope for the
10 future. Glad to be here with my colleagues.
11 Regardless of gender, racial, religious and cultural
12 origin, we all have equal potential to excel in our
13 educational institutions and in our workforce.
14 Unfortunately, we are also aware that centuries of
15 racism continues to be a barrier and have created an
16 unequal playing field that needs centuries to repair
17 and rebuild, but we are here today to continue to
18 address this issue. We are currently dealing with
19 and age old challenge that perpetuates unequal
20 education and labor earning potential and standing in
21 our society. Being a woman of color, I am no less of
22 a powerhouse, but the statistics tell us something
23 very different. As we know, women make 79 cents on
24 the dollar, and for my black and brown sisters we
25 make even less, around 60 cents on the dollar on

2 average. Can you imagine that, being a council
3 member in this City Council, and I am making less
4 than these council members to my left and right?

5 CHAIRPERSON ESPINAL: [off mic] No way.

6 COUNCIL MEMBER CUMBO: No way.

7 CHAIRPERSON ESPINAL: [off mic] No way.

8 COUNCIL MEMBER CUMBO: No way. No way.

9 [laughs] I'm proud that with my sisters here at the
10 Council and women throughout this city and nation are
11 not just breaking ceilings, but we're busting them
12 wide open. But we do not account nor reflect the
13 story of all women here in our city, nation or world.
14 Intro 1085 has a purpose that gets to the root of
15 some of these challenges, and provides women an
16 opportunity to gain targeted resources housed with
17 the Department of Consumer Affairs Office of
18 Financial Empowerment. Within the office there will
19 be outreach and educational workshops to address some
20 of the financial literacy challenges that women face.
21 Financial literacy is still a new concept in our
22 schools, and for many immigrants and survivors of
23 domestic violence, they may not have been positioned
24 to own their own financial independence or might not
25 know how to. Just a few days ago, I was intimately

2 involved with helping a woman take her first step to
3 seek assistance at one of our city's phenomenal
4 Family Justice Centers. After a decade long battle
5 with domestic violence, she has been challenged, and
6 does not have the full set of financial literacy
7 knowledge. She has challenges with English. She
8 also has a precarious immigration status, and
9 children at home with her abuser. Where does she go
10 next? One by one our incredible city funded
11 resources will help her navigate those challenges,
12 but there's still more for us to do. It's a great
13 day when we can bring agencies together to help
14 people become whole again. This is a wonderful
15 opportunity for offices, and just to name two, the
16 Mayor's Office to Combat Domestic Violence, which has
17 been doing a phenomenal job, and the Office of
18 Immigrant Affairs can provide the financial literacy
19 training, which is vital in today's society as it
20 allows people to make sound decisions about their
21 lives. We are city that promotes equality and equity
22 so that all women can be independent and not be
23 reliant on husbands, boyfriends, partners or
24 families. While money does not equate independence,
25 it surely can assist in one's journey to becoming a

2 whole person capable of self-sufficiency and
3 stability. I would like to thank my colleagues and
4 friends for co-priming the bill with me, Council
5 Member Espinal and Speaker Melissa Mark-Viverito, and
6 I want to thank everyone from the drafting attorney
7 Labonia Wahman (sp?) Counsel--Legislative Counsel to
8 the Committee and Consumer Affairs as well as Monica
9 Abend on my staff, and I'm so proud that there are so
10 many men that have joined this effort to make sure
11 that we all have equality and the ability to realize
12 our full potential. Thank you so much.

13 CHAIRPERSON ESPINAL: Thank you so much.
14 Again, Laurie Cumbo and Chaim Deutsch, two fierce
15 advocates for seniors and women.

16 COUNCIL MEMBER DEUTSCH: [off mic]

17 CHAIRPERSON ESPINAL: [laughs] I can't
18 imagine any council member making less than I do,
19 especially you, Laurie.

20 COUNCIL MEMBER CUMBO: [off mic] Thank
21 you.

22 CHAIRPERSON ESPINAL: So thank you for
23 all your hard work. Before inviting DCA to testify--
24 well, we did that already. Well, thank you. At this
25 time, I'd like to invite DCA to present their

2 testimony, and first we have to take an oath, and
3 please raise your right hand. Do you affirm to tell
4 the truth, the whole truth and nothing but the truth
5 in your testimony before this committee, and to
6 respond honestly to council member questions?

7 PANEL MEMBERS: [off mic]

8 CHAIRPERSON ESPINAL: Okay, great. Thank
9 you. So the first panel we have the Commissioner
10 Lorelei Salas. We have Amit Bagga and Nicole Smith
11 all from DCA. Thank you.

12 COMMISSIONER SALAS: Good morning,
13 everyone. Good morning, Chairman Espinal and good
14 morning to the members of the Committee of the
15 Consumer Affairs. I am Lorelei Salas, and I am the
16 new Commissioner of the Department of Consumer
17 Affairs. I am really thrilled to be here today to
18 introduce the testimony of our agency. While Mayor
19 de Blasio appointed last month, today is actually
20 only my fourth day on the job. So I am still getting
21 used to the title and the job.

22 CHAIRPERSON ESPINAL: Welcome. I didn't
23 say welcome.

24 COMMISSIONER SALAS: Thank you so much.

25 CHAIRPERSON ESPINAL: Congratulations.

2 COMMISSIONER SALAS: Thank you. I am
3 very excited and humbled to be leading an agency with
4 such a broad important mission, and I am especially
5 honored to take on the task of establishing the
6 Office of Labor Policy and Standards. I am hoping to
7 continue to build on the existing relationship that
8 we have with the Council. While I am unable to stay
9 for the entirety of the hearing, I'm looking forward
10 to a future collaboration, from working both with you
11 in the districts and testifying at future hearings.
12 With your permission, I would like ask Deputy
13 Director Nicole Smith, who is from the Office of--I
14 can't say it--Office of Financial Empowerment, and
15 she will provide testimony on behalf of the agency
16 today. Thank you very much.

17 NICOLE SMITH: Thank you, Commissioner
18 Salas. Good morning Chairman Espinal and members of
19 the committee. I am Nicole Smith, Deputy Director of
20 the Office of Financial Empowerment, and I'm joined
21 today by my colleague Amit Bagga, Deputy Commissioner
22 of External Affairs; Mary Cooley, Director of City
23 Legislative Affairs, and Casey Adams, Deputy Director
24 of City Legislative Affairs. We thank you for
25 inviting us to testify about important issues related

2 to consumer protection and financial education
3 outreach as they pertain to women, seniors and
4 immigrants, and also extend our thanks to you, the
5 Speaker and others for sponsoring the three bills we
6 will be discussing today. DCA's overall mission is
7 to empower consumers and businesses alike to ensure
8 a fair and vibrant marketplace. The agency licenses
9 approximately 80,000 business across 54 different
10 industries; mediates complaints between consumers
11 and businesses; conducts patrol inspections and legal
12 investigations; educates businesses about laws and
13 rules; and enforces New York City's Earned six--Sick
14 Time Act, commonly known as the Paid Sick Leave Law,
15 and the Commuter Benefits Law. In addition to its
16 licensing, consumer protection and labor related
17 work, DCA operates the Office of Financial
18 Empowerment. OFE was founded in 2006 as the first
19 local government program in the country with the
20 specific mission to educate, empower and protect
21 individuals and families with low incomes so they can
22 build assets and make the most of their financial
23 resources. At its core, the goal of OFE's financial
24 empowerment work is to ensure that New Yorkers with
25 low income have the guidance to make crucial

2 financial decisions and access to affordable and safe
3 products and services that will stabilize and improve
4 their finances in the long term. To achieve this
5 goal, OFE employs several financial empowerment
6 strategies including providing high quality financial
7 education and professional one-on-one financial
8 counseling, connecting New Yorkers to safe and
9 affordable mainstream banking products, improving
10 access to income boosting tax credits and other asset
11 building opportunities, and engaging in public
12 outreach and legislative advocacy to advance the
13 cause of consumer financial protection. OFE also
14 look to build the financial empowerment field through
15 technical assistance, partnerships and cutting edge
16 research. To this end, OFE works with government
17 agencies, community based organizations,
18 philanthropic partners, think tanks and the private
19 sector. Our network of more than 20 financial
20 empowerment centers provides free confidential one-
21 on-one financial counseling to New Yorkers in all
22 five boroughs. Since the inception of the program,
23 our Financial Empowerment centers have worked with
24 more than 40,000 clients, helping to reduce over \$37
25 million in debt, and build approximately \$4 million

2 in assets. Additionally, through our annual Tax
3 Season Initiative, which is now 14 years running, we
4 have facilitated the filing of nearly one million
5 free tax returns, which has unlocked tens of billions
6 of dollars in tax preparation fees and earned income
7 tax credit savings for low-income New Yorkers. Many
8 of these New Yorkers are women, seniors and
9 immigrants, and we are proud to have a long tradition
10 of serving these populations. As such, we are
11 pleased to offer testimony to you today in support of
12 Introduction 1085-A, 1086-A and 1087-A. Before we
13 detail our response to these bills, it is important
14 for us to note that DCA does not inquire about any
15 individual's immigration status, and like a larger
16 majority of city agencies, does not generally inquire
17 about the age, sex or gender identify or expression
18 of an individual when we receive consumer complaints
19 or conduct enforcement. We would also like to note
20 that the agency already conducts targeted outreach to
21 populations with unique consumer protection
22 challenges. For example, pursuant to Local Law 28 of
23 2015, DCA created tips on students loans, auto
24 financing, enrolling in a school or training program,
25 credit repair scams and credit card debt targeted

2 toward young adults that we then made available
3 through partnerships with the Department of Education
4 and the City University of New York. In addition to
5 making this information available in plain English,
6 we also have made it available on our website in
7 Spanish, Arabic, Bengali, Haitian Creole, Korean,
8 Russian and traditional Chinese. I would also like
9 to take this opportunity to note that if the bills
10 being considered today were to pass, one of the key
11 messages that we would be sending to all three
12 populations is how they can avoid predatory or pay
13 day loans that while largely illegal in New York
14 State are nonetheless often available to New Yorkers
15 online. In fact, it is our understanding that there
16 are proposals being considered by the State
17 Legislature that would make it easier for low-income
18 New Yorkers to access the very same types of loans
19 that have ensnared so many low-income Americans in
20 other states in endless cycles of debt. DCA is
21 deeply committed to ensure that state and city laws
22 continue to prevent access to these types of loan
23 products, and we week to work with all of our
24 governments advocates--advocacy and elected partners

2 to block efforts that would ease access to such
3 products.

4 I will now provide an overview of the
5 agency's consumer protection work and advocacy
6 starting with our activities geared towards women.
7 According to a 2013 study by the New York Women's
8 Foundation and the Center for Research Policy in the
9 Public Interest, one in four women is economically
10 vulnerable, which means women are more likely to face
11 poverty, have lower earnings and suffer longer spells
12 of unemployment as compared to men. Black and Latino
13 women are 25% more likely to live in poverty than
14 their white counterparts. Approximately 50% of women
15 find it difficult to talk with others about personal
16 finances and one-third of all women have a detailed
17 financial plan. Women are also more responsible for
18 caregiving as compared to men, and therefore are more
19 likely to work part time or take time off, which
20 impacts their overall earnings as well as ability to
21 build long-term assets. According to a 2014 National
22 Women's Law Center Study of Data from the Bureau of
23 Labor Statistics, 76% of workers in the ten largest
24 low-wage occupations such as childcare workers, home
25 health and personal care aids, and food service

2 workers are women, and they make on average less than
3 \$10.10 per hour. DCA is particularly sensitive to
4 these issues as we are the agency that enforces New
5 York City's Paid Sick Leave Law, which mandates that
6 most employers in the five boroughs provide sick
7 leave. While as we mentioned earlier we do not
8 collected data on the sex or gender identity of
9 individual complainant as women are more likely than
10 men to be caregivers, the Paid Sick Leave Law likely
11 has a disproportionately beneficial impact on the
12 women of our city. Two of OFE's key programs, the
13 Financial Empowerment Centers and the NYC Free Tax
14 Prep Campaign also have particularly positive impacts
15 on women. In 2014--excuse me--in 2015, Financial
16 Empowerment Centers conducted more than 16,000
17 financial counseling sessions, 64% of which were
18 provided to women. Since 2009, these programs have
19 resulted in \$37 million in cumulative debt reduction,
20 and \$4 million in accumulated savings, and 2,000
21 clients improved the credit scores by at least 35
22 points. Additionally, we estimate that 62% of the
23 more than 135,000 filers using NYC Free Tax Prep in
24 2015 were women. DCA has also leveraged its
25 enforcement and advocacy powers to highlight the

2 issue of gender-based pricing of consumer goods in
3 New York City. In December 2015, DCA released a
4 study on gender-based pricing of products from Cradle
5 to Cane: The Cost of Being a Female Consumer. As
6 part of the study, DCA compared prices of close to
7 800 identical or nearly identical products, marketed-
8 -marketed differently to men and women across 35
9 different product categories such as bikes and
10 scooters, Onesies, jeans, razors and canes. The
11 products selected had similar male and female
12 versions and were the closest in branding ingredients
13 and appearance, textile and construction. Our study
14 found on average products for women cost 7% more than
15 similar products for men. Additionally, women's
16 products were priced higher 42% of the time across
17 the entire sample. [laughter] These findings
18 suggest that over the course of a woman's life, she
19 pays thousands of dollars more than man to purchase
20 similar products. Although there may be legitimate
21 drivers behind some portion of the price
22 discrepancies such as ingredients, textiles and
23 import tariffs, these higher prices are mostly
24 unavoidable to shoppers. While current law does not
25 prohibit gender-based pricing of consumer goods, it

2 does prohibit gender based pricing of services. In
3 the past two years, DCA has issued approximately 250
4 violations for gender-based pricing for services at
5 laundries, dry cleaners, hair and nail salons and
6 shoe repair stores.

7 COMMISSIONER SALAS: I'm going to excuse
8 myself now, but I look forward to testifying before
9 the committee at the next hearing. Thank you so
10 much.

11 CHAIRPERSON ESPINAL: And this is Amit
12 Bagga. I'd just like to note that you should all
13 have folders in front of you that have examples of a
14 variety of new different outreach materials that we
15 have developed.

16 NICOLE SMITH: So, I will now turn to our
17 work focus on senior citizens. Seniors are
18 vulnerable to a wide spectrum of deceptive practice
19 and--practices and financial exploitation schemes.
20 While they might not be the only types of victims of
21 such scams, seniors often fall prey to home
22 improvement contractor scams, phishing and other
23 Internet scams, predatory lending and identity theft.
24 Some scams are targeted towards because they are
25 older including reverse mortgage fraud, power of

2 attorney, fiduciary duty abuse, and Medicare and
3 Veterans benefits fraud, through which a senior
4 citizen's eligibility for Medicare and Veteran's
5 benefits might be misused to defraud the federal
6 government. According to the Federal Trade
7 Commission, one in five seniors nationwide is
8 impacted by fraud. Senior victims of fraud lose an
9 average of \$350 and many lose much more. It is
10 estimated that more than half a million seniors in
11 New York State have fallen victim to consumer fraud
12 resulting in a total loss of more than \$180 million.
13 In New York City, more than 200,000 older adults are
14 estimated to have been victimized by fraud losing
15 approximately \$70 million in total. DCA has
16 partnered with the Department for the Aging to
17 produce and distribute a savvy senior flyer to
18 increase awareness and education around common scams
19 targeted at seniors and equip seniors with the tools
20 to protect themselves. DCA created and distributed
21 an education flyer about the ten worst everyday
22 scams, which included grandparent scams where a
23 senior will receive an email or phone call from
24 someone pretending to represent or be a familial
25 relation with an urgent request for money. DCA also

2 produced a flyer about methods for making seniors'
3 homes safer, more age friendly and greener, which was
4 distributed to our home improvement contractor
5 licensees and included a home improvement contractor
6 license application packet. Seniors also receive
7 free tax preparation assistance as part of DCA's NYC
8 Free Tax Prep Program. In 2015 and 2016, our Tax
9 preparation services included more than 200 volunteer
10 income tax assistance and AARP Tax Aid sites citywide
11 as well as online self-preparation. Through our tax
12 preparation services provided in 2015, more than 30%
13 of filers received valuable income boosting tax
14 credits. As these tax preparation sites, returns can
15 be prepared in person by an IRS certified VITA or TCE
16 volunteer preparer, or dropped off to be completed by
17 the preparer. In addition to its direct support of
18 the tax preparation sites, the city has unified more
19 than a dozen free tax preparation partners under the
20 new NYC Free Tax Prep brand identity. In order to
21 target our free tax services to seniors, the Annual
22 Tax Credit Campaign has eight season long tax sites
23 located in senior centers and another 14 pop-up or
24 mobile days at three different senior centers. DCA
25 partners with AARP, which managed six of our the

eight full-time sites to provide these services. One of our senior targeted mobile days was presented in partnership with Council Member Mark Treyger at the Coney Island Seaside Innovative Senior Center.

Throughout our network of free tax preparation sites, approximately 38% of filers were over the age of 55.

Beyond DCA's work, the de Blasio Administration is dedicated to providing programming and support to

seniors who may be victims of scams or need

assistance with financial planning. DFTA operates

the Elderly Crime Victims Resource Center to provide

direct resources and referral services to elder abuse

victims, and older adult crime victims in general as

well as to coordinate DFTA's education and prevention

efforts. DFTA administers Bill Payer Program in

which screened and trained program volunteers assist

low-income older adults with monthly bill payments

tasks. DFTA also works in close collaboration with

the New York State Office for the Aging, DCA and the

NYPD to raise awareness and protect older adults from

scams. DFTA's Outreach Unit distributes information

about crimes against older adults from the center

with agencies notify DFTA about a scam and they

publicize that information to their network through

2 comprehensive outreach. As we all know, immigrants
3 may be exposed to many scams in the course of
4 pursuing employment, education and immigration
5 services. Immigrants also face unique barriers to
6 banking and financial services. Pursuant to its
7 mission, DCA has done--has done significant work to
8 protect and empower immigrants, which we will now
9 describe for you. At the outset, I will say that DCA
10 is deeply committed to both inclusive outreach to
11 immigrant communities and making our services
12 accessible to New Yorkers who prefer languages other
13 than English. DCA's staff combines 17 languages and
14 our outreach and education materials have been
15 translated in up to 26 different languages. DCA has
16 also taken steps to make it easier for business
17 owners who prefer languages other than English to
18 comply with rules and regulations. DCA's inspection
19 checklists are easily available on our website, and
20 most have been translated into multiple languages.
21 DCA also allows business owners to have their
22 inspections conducted in their preferred language.
23 This reform was part of DCA's Small Business Relief
24 package announced in July 2014. Inspectors are
25 equipped with a laminated sheet of language options

2 and business owners can indicate their preferred
3 language simply by pointing. If the inspector does
4 not speak the indicated language, they will access
5 telephonic interpretation to assist them in
6 conducting the inspection. The agency is committed
7 to ensuring it is sharing information with New
8 Yorkers in the languages they speak. Our Paid Sick
9 Leave materials are in 27 different--26 different
10 languages, and we have committed nearly half of our
11 ad dollars to local and ethnic marketing.

12 DCA in collaboration with MOIA played a
13 role in the development of IDNYC as an accepted form
14 of identification to allow access to banking and
15 financial services at several institutions across New
16 York City. New Yorkers can now use IDNYC as a
17 primary form of identification to open an account at
18 Amalgamated Bank, Carver Federal Savings Bank and
19 others. The agency also created the Ventanilla de
20 Asesoría Financiera or Financial Empowerment Window,
21 a program offering free high quality financial
22 counseling in house at the Mexican Consulate.
23 Launched in 2014, this financial empowerment program
24 is based on in-depth on-the-ground research into the
25 unique needs of the immigrant Mexican community in

2 New York City conducted by OFE in partnership with
3 City Community Development, the Mexican Consulate and
4 the Mayor's Fund to Advance New York City. The
5 Ventanilla program leverages the existing trust and
6 use of the Consulate by Mexican families to provide
7 them with the financial information and resources
8 they may need to participate and mainstream financial
9 services. In just one year the Ventanilla provided
10 financial education or counseling to more than 17,200
11 Mexican Nationals in New York and helped nearly 1,000
12 Mexican Nationals file taxes for the first time in
13 the United States. To date, these numbers have more
14 than doubled. The financial empowerment at the
15 Ventanilla has touched the lives of more than 44,000
16 Mex--Mexican Nationals in New York City. DCA values
17 its robust and productive partnership with MOIA and
18 the work our agencies to on behalf of immigrant New
19 Yorkers. DCA participated in workshops and public
20 for--for MOIA's One NYC One Nation Initiative, which
21 brought together New York's philanthropic public and
22 community leadership to strengthen immigrant
23 communities. In addition, MOIA has helped to spread
24 the word about DCA's services to immigrant
25 communities. For example, the NYC Free Tax Prep

2 Campaign included advertisements and materials
3 translated into several languages. MOIA's
4 partnership allowed the agency to produce flyers
5 tailored to particular communities, and spread
6 education and awareness about tax prep services and
7 valuable income boosting tax credits.

8 We now turn to DCA's work to protect
9 immigrants from predatory employment agencies and
10 deceptive immigration service providers. Many of the
11 bad actors in the employment agency industry prey on
12 the most vulnerable, New Yorkers with low income and
13 immigrants. In September of 2015, BC announced the
14 result of a multi-pronged and aggressive new approach
15 to holding predatory employment agencies accountable
16 as part of Mayor de Blasio's commitment to reduce
17 inequality in New York City. In the first year of
18 the new approach DCA initiated more than 225
19 investigations into licensed and unlicensed
20 employment agencies, issued more than 400 violations
21 and secured more than \$77,000 in restitution for 269
22 consumers who were charged illegal and predatory fees.
23 The announcement of these results coincided with
24 Labor Rights Week during which DCA has also released
25 its new multi-lingual Job Hunters Bill of Rights,

2 enabling New Yorkers looking for a job at an
3 employment to know their rights. We have also worked
4 with various non-profit organizations to coordinate
5 paid sick leave workshops targeted to immigrant
6 workers. Some of our partner organizations include
7 IDIKHAR, Stopping in New York--NYC, Emerald Isle
8 Immigration Center and the YMCA New Americans Welcome
9 Center. We have done paid sick leave workshops
10 targeted to Nepalese, Bangladeshi, Chinese, Haitian
11 Creole, Korean, and Latino communities among others.
12 DCA is a participant in the Protecting Immigrant New
13 Yorkers Task Force composed of state, federal and
14 local agencies and district attorneys, which seeks to
15 combat unscrupulous practices. In addition, DCA
16 along with MOIA, a lead agency on a task force
17 targeting immigrant fraud and encouraging victims to
18 speak out that was convened by Mayor de Blasio and
19 Attorney General Eric Schneiderman. The agency also
20 enforces laws and rules related to Immigration
21 Assistance Services of ISPs, which are people or
22 businesses without legal training that charge fees
23 for immigration related services frequently resulting
24 in harm to the immigrant who is seeking assistance.
25 DCA's participation in the Protecting Immigrant New

2 Yorkers Task Force has allowed us to build valuable
3 relationships with community groups and generate
4 complaint referrals to pursue violations against
5 ISPs. Unfortunately, these communities have
6 indicated that by the time their constituents come to
7 them for help the ISPs have either closed, moved on
8 or otherwise cannot be located. This has in turn
9 caused great difficulty in successfully mediating
10 complaints in--and in inspecting ISPs. Since January
11 1, 2015, DCA has received 29 complaints regarding
12 ISPs and issued violations in 32 out 76 completed
13 inspections. The most common violations issued by
14 DCA were related to signage and contract provisions.
15 ISP enforcement is very challenging due to--due to
16 the transient and invasive nature of the providers.
17 Indeed, DCA's 6--76 completed inspections were the
18 result of 191 attempts. Currently, DCA provides tips
19 on using an immigration assistance service provider,
20 available in Spanish, Bengali, Chinese, Haitian
21 Creole, Korean and Russian as well as sample
22 immigration assistance service contract. We look
23 forward to expanding our outreach and partnering with
24 MOIA and other stakeholders to create additional
25 education materials. DCA is proud of the work we

2 have done to reach out to seniors, immigrant New
3 Yorkers and women about the consumer protection
4 issues particularly affecting their lives. I'd like
5 to thank the committee for the opportunity to testify
6 today about the important consumer protection and
7 financial empowerment issues facing seniors,
8 immigrants and women. Educating and empowering New
9 York's consumers is an integral part of DCA's core
10 mission, and we appreciate the opportunity to discuss
11 some of our important efforts to reach these groups
12 here today. My colleagues and I will be happy to
13 answer any question you may have. Thank you.

14 CHAIRPERSON ESPINAL: Thank you, Nicole
15 for a very--for your very extensive testimony. It's
16 really insightful. It really is insightful. I'd like
17 to defer my questions and allow my colleagues to ask
18 questions. Karen.

19 COUNCIL MEMBER KOSLOWITZ: Thank you.
20 You've changed commissioners in the agency changes
21 with the administration. You read over the laws that
22 were passed years ago? [coughs]

23 AMIT BAGGA: Well, [coughs] the agency
24 has a--has a legal team and enforcement team that
25 continues to enforce all laws that we are charged

2 with enforcing, and the legal team and the
3 enforcement team have always continued to
4 consistently enforce all the laws as they are passed.

5 COUNCIL MEMBER KOSLOWITZ: Well, it's not
6 true. I was the Chair of Consumer Affairs in the
7 '90s for ten years, and there were a lot of laws that
8 were passed. For instance, you talked about women
9 and men, the difference between clothes, cleaning.
10 There's a bill about cleaners having to post prices,
11 and every store I go into my cleaners included, they
12 don't have this price list, and all-- Of course, I
13 pass cleaners, and they don't have price lists. So,
14 there are laws on the books that are not being
15 observed because one of the things was--is a tailored
16 shirt with a collar and buttons down the front, men
17 women where women were charged more, considerably
18 more, and men's shirts were different. And the only
19 difference is the men's shirts are buttoned on the
20 opposite side, which shouldn't make a difference in
21 the price. And these laws that are on the books
22 aren't being followed. They're not being--they're--
23 you're not going into the stores and making them
24 follow the law. They're being broken. The city is
25 losing a lot of money by not looking at this.

2 AMIT BAGGA: Thank you so much for--for
3 your comments, we do continue to enforce the gender-
4 based pricing law when it comes to the services that
5 are provided as well as the requirement to post the
6 price list. When we receive complaints about the--
7 about non-compliance with that law, we will, of
8 course, send out an inspector, and if any of our
9 patrol inspectors do come across the type of business
10 that is subject to that requirement, they will
11 conduct that inspection on patrol and they will issue
12 those violations as they observe them. You--I'm sure
13 you're right that there are a number of businesses
14 that are required to comply with that law that are
15 not currently complying. We can't capture every
16 single business in New York City. We--we do the best
17 to ensure that we can. It is, of course, our
18 priority to inspect our licensees on an annual basis
19 before we can inspect other businesses. The most
20 common businesses that are required to post those
21 price lists are dry cleaners. Unfortunately, dry
22 cleaners are not licensed by the Department of
23 Consumer Affairs. So we don't necessarily get to
24 them as frequently s perhaps we get to other
25 businesses. But when we do come across non-

2 compliance with the price--prices law as well as when
3 we see gender-based pricing for services that's
4 illegal, we do issue those violations. And we're
5 happy to--to get you data and information about the
6 number of violations issued for non-compliance with
7 those laws in the last few years.

8 COUNCIL MEMBER KOSLOWITZ: No, but your
9 people all over, and they come into my neighborhood
10 because I get complaints that, you know, they detect
11 it or whatever. So, in that same neighborhood, there
12 is dry cleaners, and why aren't they in there?

13 AMIT BAGGA: Well, we--our inspectors
14 will visit dry cleaners when they are on those patrol
15 routes. There--there is no exemption there and that,
16 you know, when--when they pass a dry cleaner on a--on
17 a patrol route they will absolutely go in and ensure
18 that the dry cleaner is complying with all relevant
19 laws and rules that we enforce.

20 COUNCIL MEMBER KOSLOWITZ: Because
21 sitting here and listening to, you know, Consumer
22 Affairs, and this isn't the first time some of these
23 laws aren't looked at. They're like forgotten. You
24 know, everybody is gone and it's forgotten.

2 AMIT BAGGA: I would like to note that
3 since January 1st, 2015, we have issued 205
4 violations based on non-compliance with the law that
5 prohibits gender-based pricing for services. 161 of
6 these were issued against salons and barber shops, 20
7 of them were issued against a licensed category that
8 we refer to laundry jobbers, which in most instances
9 are dry cleaners. Seventeen of them were issued
10 against laundromats. Six of them were issued against
11 dry--an additional six were issued against dry cleans
12 so that's 26, and one was issued against a--a
13 miscellaneous store. So we do--we do enforce the law
14 on patrol.

15 COUNCIL MEMBER KOSLOWITZ: Well, I guess
16 the dry cleaners I passed--

17 AMIT BAGGA: [interposing] And--and if
18 you--if you want to send us the names and addresses
19 of those dry cleaners--

20 COUNCIL MEMBER KOSLOWITZ: [interposing]
21 No, I don't.

22 AMIT BAGGA: --we will absolutely get an
23 inspector there--

24 COUNCIL MEMBER KOSLOWITZ: [laughs] No I
25 don't.

2 AMIT BAGGA: --as soon as possible.

3 COUNCIL MEMBER KOSLOWITZ: Thank you.

4 CHAIRPERSON ESPINAL: Thank you, Karen.

5 Laurie.

6 COUNCIL MEMBER CUMBO: Thank you.

7 Council Member Koslowitz always brings it back to
8 reality, and lets us know what has happened before we
9 all achieved these offices and positions that we all
10 hold. Wanted to ask you questions about 1085-A to
11 establish and implement an outreach and an education
12 program for women on consumer protection issues. How
13 do you see that actually looking? What will that be?
14 Will that be workshops? Will those be town halls?
15 How will you advertise, market? How will you let the
16 consumers of New York City know that these workshops
17 or town halls will be available?

18 AMIT BAGGA: So I think the first step
19 that we would take is the development of materials
20 very similar to the ones that you have in the folder
21 in front of you.

22 COUNCIL MEMBER CUMBO: Uh-huh.

23 AMIT BAGGA: These, you know, we would be
24 doing in conjunction with--in terms of the design and
25 the content yes.

2 COUNCIL MEMBER CUMBO: You said you would
3 be doing what? I didn't hear you.

4 AMIT BAGGA: I'm sorry the development of
5 the materials. It's very similar to the ones that
6 you have in the folder in front of you that we
7 developed for young adults on financial education.
8 The first step would be for us to develop similar
9 materials, and we would do that in conjunction with
10 relevant agencies for example the Commission on
11 Women's Issues and the Mayor's Office to Combat
12 Domestic Violence. Beyond that in terms of town
13 halls and workshops we would likely be partnering
14 with community-based organizations and non-profits
15 that are already conducting similar types of on-the-
16 ground outreach.

17 COUNCIL MEMBER CUMBO: Has that been
18 thought of and planned at this time or are in the
19 planning stage?

20 AMIT BAGGA: Well, right now we would
21 still be in the planning stages. I mean the--the
22 bills, of course, have--have not passed, and in order
23 for us to get to a point where we would be able to
24 begin the process, you know, we'd--we'd like--likely
25 have to see the bills in--in a later stage.

2 COUNCIL MEMBER CUMBO: Because part of my
3 process or how I would look at things like this would
4 be to think about if they're going to be quarterly,
5 if they're going to be annual, bi-annual, if we're
6 going to do three in each borough. So thinking about
7 it in that way. Had you thought about at all because
8 on the administrative as well as the Council side,
9 although we're all doing similar work, we simply--we
10 tend to work in our own silo. Have you thought about
11 working with the Women's Caucus? Have you thought
12 about working with the City Council members
13 specifically when these workshops are taking place in
14 their district? Have you thought about including
15 them in the process because often I see that things
16 are happening, and I may catch it on New York One
17 News or something.

18 AMIT BAGGA: So we are historically and
19 currently very collaborative in our approach. As I
20 mentioned, we do partner very closely with community
21 based organizations and the Office of every single--
22 almost every single council member to ensure that--

23 COUNCIL MEMBER CUMBO: [interposing] I
24 don't think--I don't think I've partnered with you
25 yet.

2 AMIT BAGGA: We actually have done paid
3 sick leave events with your staff in the past.

4 COUNCIL MEMBER CUMBO: Yes, we did do
5 that at the Black Y. (sic)

6 AMIT BAGGA: Yes, yes. Well, with
7 respect to these issues, I think absolutely we would
8 be doing that once the bill has passed. The bills
9 first, of course, have to become law, but in terms of
10 the types of partnerships that we see, that we--we--
11 we like to believe that we don't work in a silo.
12 Just next week or just in the next few days I think
13 or in the next week we actually have an event
14 scheduled with Council Member Espinal's staff on paid
15 sick leave. When we do go into--when we do have
16 workshops and town halls and worker trainings on paid
17 sick leave and commuter benefits, for example, we
18 always partner with the local elected officials as
19 well as community based organizations. Our approach
20 is inherently collaborative in that sense, and we
21 also always make sure to work with as many of our
22 sister agencies as possible. So, just to give you an
23 example on paid sick leave, when we initially began
24 the roll out even in just the initial months we
25 worked very closely with the Department of Education

2 with the Department of Parks, Youth and Community
3 Development, the Department of Health and Hospitals
4 Corporation to ensure that we were conducting
5 trainings and workshops in ways that were also
6 reaching constituencies that they serve, and ensuring
7 that they have the information that they needed to be
8 able to provide to constituencies that they serve.

9 COUNCIL MEMBER CUMBO: Well, all that
10 you're doing with Council Member Espinal I'd like it,
11 too.

12 AMIT BAGGA: Sure, any time. [laughter]

13 COUNCIL MEMBER CUMBO: Because we're
14 talking equality here, right.

15 CHAIRPERSON ESPINAL: [interposing] As
16 long as I can be there.

17 COUNCIL MEMBER CUMBO: Of course. Now,
18 let me just, you know, hone in on a few of the
19 things. There are two agencies that were listed here
20 in terms of those that you feel that you could work
21 with. Are there other agencies in terms of women's
22 equality, doing these types of workshops, programs,
23 giving women all of the tools that they need. Are
24 there other agencies that you've looked at to say

2 that they would also be natural partners in this
3 effort?

4 AMIT BAGGA: I think that as we continue
5 to think about the ways in which we would be
6 implementing this law, we would continue to consider
7 additional agencies. I think I mentioned the
8 Commission on Women's Issues and the Mayor's Office
9 to Combat Domestic Violence. And I guess we all know
10 the unreality in New York City is that our social
11 services agencies end up likely serving more women
12 than they do men for a lot of the reasons that have
13 been discussed here today. And so, we would
14 absolutely be thinking about the ways in which we can
15 maximize partnerships with let's say the Department
16 Social--the new Department of Social Services, the
17 Department of Education, et cetera. So we would
18 absolutely be looking at additional agencies to
19 partner with.

20 COUNCIL MEMBER CUMBO: Wanted to add with
21 this I also think that it would be critical to--to
22 make sure that workforce development is a major part
23 of this because there are so many different divisions
24 and agencies that could benefit from more women.
25 Seeing those as viable opportunities for employment

2 such as the Fire Department, such as Sanitation.
3 Those would be, you know, areas the NYPD where
4 traditionally women have not found themselves or see
5 themselves in some of those agencies. But the
6 ability to say you may not have thought about it, but
7 here are the benefits that come with each of these
8 positions, and this is what it would take, and this
9 is what it would require. So I think it would be
10 good to utilize workforce development as a--as a
11 critical component of this.

12 AMIT BAGGA: Sure, I--I think typically
13 speaking that type of workforce development messaging
14 is a little bit outside of our purview.

15 COUNCIL MEMBER CUMBO: [interposing] Uh-
16 huh.

17 AMIT BAGGA: I'm not sure it quite falls
18 very neatly into consumer protection and consumer
19 financial protection. I do want to note that we do
20 partner with the Department of Small Business
21 Services and Workforce One on a variety of financial
22 education components. Nicole, would you like to
23 comment on some of those?

24 NICOLE SMITH: Since Amit had mentioned,
25 we do work with Small Business Services and their

2 Workforce Development. We actually have been doing a
3 project with them, a program that last year
4 integrated in financial counseling into their
5 Workforce Development Services. Also, as part of the
6 Careers Pathways Initiative, we've been working with
7 the Office of Workforce Development to offer
8 financial empowerment services through employers.

9 COUNCIL MEMBER CUMBO: I thought your
10 testimony was very, very detailed and wanted to ask
11 does the department have suggestions for further
12 addressing the gender based price discrimination as
13 it highlighted in its report from Cradle to Cane? I
14 mean in--in 2016 it's so mind blowing that women are
15 getting paid less than men, but it's compounded by
16 the fact that the products that we purchase cost more
17 money than the products that our male counterparts
18 utilize. I mean, we're getting hit in every angle
19 possible.

20 CHAIRPERSON ESPINAL: It's the expense of
21 being a woman.

22 COUNCIL MEMBER CUMBO: It's very
23 expensive.

24 CHAIRPERSON ESPINAL: Yes, it is.

2 COUNCIL MEMBER CUMBO: Not to mention
3 we've got to get our hair done, our nails down.
4 We've got to have our shoes, this or that. I mean
5 makeup. You guys are really saving a lot of money.

6 AMIT BAGGA: [laughs] Your--your--it's
7 very interesting that you've raised this point, and
8 that were are here in a Council hearing discussing
9 this very particular issue because we would certainly
10 like to see legislation. Hope--perhaps at the local
11 level if possible. Definitely at the state level
12 that would ban the price differential of products
13 that are offered for sale between and women. Base on
14 our report the California State Senate action--there
15 is a member of the California State Senate that was
16 successful in getting a bill introduced in the
17 California State Senate that I believe has passed at
18 the very least the committee that he is a member of,
19 and--and may have even passed that one chamber. The
20 extent to which we could replicate similar
21 legislative efforts here in New York State and New
22 York City, you know, we would, of course, be very
23 supportive of that.

24 COUNCIL MEMBER CUMBO: Can you talk to me
25 about maybe the top five or the most frequent

2 consumer products that are more expensive for women
3 than they are for men typically that are comparable?

4 AMIT BAGGA: So I can give you some--

5 COUNCIL MEMBER CUMBO: Uh-huh.

6 AMIT BAGGA: --some findings, which also
7 I should note that there is a copy of the report in
8 your folder and--and please feel free to--to review
9 it and come back to us with any additional questions
10 you might have. I should say on average across all
11 five industries that we looked at DCA found that
12 women's products cost 7% more than similar products
13 for men. So 7% more for toys and accessories, 4%
14 more for children's clothing, 8% more for adult
15 clothing, 13% more for personal care products, and 8%
16 for senior/home healthcare products. I think
17 personal care products are really a--an obvious
18 example. If you were to walk into to a Duane Reade
19 or a Walgreens or a CVS, and you were to take a look
20 at a particular personal care product let's say a
21 lotion or a shampoo that is marketed towards women,
22 but in its chemical makeup is extremely similar to a
23 shampoo or a lotion marketed towards men, in many
24 instances you'll find that the product marketed
25 towards women does cost significantly more. And--and

2 this is sort of related to the point that you just
3 made about there being a sort of societal idea that
4 women have to be spending a lot of time and money on
5 personal care and beautification right? You sort of
6 made the point about getting your hair done and your
7 nails done and, et cetera.

8 COUNCIL MEMBER CUMBO: I woke up this
9 way.

10 AMIT BAGGA: [laughs] I did not wake up
11 this way.

12 COUNCIL MEMBER CUMBO: [laughs]

13 AMIT BAGGA: I have to spend a little
14 money on some products. But I think that that's
15 really an area where we see that there is--there is a
16 real discrepancy.

17 COUNCIL MEMBER CUMBO: No, I think I
18 think it's fascinating just looking at your report,
19 and I'll conclude my questions. It said--it says,
20 the Rite Aid bladder control pad for women's maximum
21 absorbency 39 count is \$11.99. The same product Rite
22 Aid guards for men maximum absorbency is \$11.99 but
23 they get 52 in this box where the women's box gets
24 39. I mean these are, you know, you're also looking
25 at here you're seeing revitalizing trouser socks for

2 women, moderate, medium black, \$21.99 for women. The
3 same revitalizing dress socks for men model medium
4 black \$18.99. So there's--there's proof here and all
5 throughout where we can show where this is actually
6 happening. So, the work that we're doing on this
7 legislation is really just a first step in terms of
8 educating women about the financial disparities that
9 are happening all across the board, and how to better
10 plan for their future. But wanted to just--and I'll
11 turn it back over to the chair--in terms of--
12 Because I think it's an incredible opportunity as far
13 as finances, planning for the future. Are we looking
14 at in terms of connecting in the private sector with
15 those individuals that will have the ability to
16 assist with financial planning, money market
17 accounts, investments, savings, retirement? Who do
18 we look to or who are you thinking in this particular
19 legislation that we would be looking to in terms of
20 financial health, planning, savings, investment. Who
21 are we looking to in that way?

22 AMIT BAGGA: So, DCA has long partnered
23 with both the private non-profit sectors on issues of
24 consumer financial protection, and we have a lot to

2 share about that. So Nicole, I'm going to ask you to
3 share some of that information.

4 NICOLE SMITH: First, I would like by
5 saying we would definitely encourage people
6 especially women to take advantage of the Financial
7 Centers throughout the city so there are currently
8 more than 20 Financial Empowerment Centers located
9 throughout New York City. We're--and then can go get
10 financial counseling for free, and so it covers many
11 of the topics that you just discussed in terms of
12 doing a financial health assessment, looking at
13 budgeting and spending habits, money management,
14 looking at credit and then also starting to take
15 those first steps in looking at long-term savings
16 such as retirement savings. So we definitely
17 encourage women to meet with a financial counselor
18 one-on-one through our Financial Empowerment Centers.
19 We also work with--in terms of working with the
20 private sector we have partnered with financial
21 institutions and employers to again bring that
22 message and availability of services to New Yorkers
23 to make sure that they are aware that these services
24 are available for them. And again, this program has
25 been around. The first Financial Empowerment Center

2 opened in 2008, and kind of went full blown in 2009.
3 So these services have been around and available and
4 currently approximately 64% of the clients that come
5 to the Financial Empowerment Centers are women.

6 COUNCIL MEMBER CUMBO: This is incredible
7 news, and I'll be honest. In--in my own ignorance
8 was not aware that this was available. So I feel if
9 I don't know, that there are tons of other women that
10 don't know, and I certainly look forward to being a
11 real champion and a real partner with getting these
12 resources and information out to the public because
13 this is vital, this is key. These are critical
14 resources, and this was definitely eye opening. I
15 thank you for all of the information to know that
16 women are making less than men and paying more for
17 products. And when you go on a date now men want you
18 to pay half. I don't know about all that.
19 [laughter] I'm going to have--I'm going to have to
20 relook at that one. So I'm going to turn it back
21 over to my chair.

22 CHAIRPERSON ESPINAL: Yeah, Council
23 Member.

24 COUNCIL MEMBER CUMBO: [interposing]
25 Isn't that right? We've got a--we've got some

2 serious looking to do women. Thank you. Thank you
3 for your testimony.

4 AMIT BAGGA: All right, Council Member, I
5 just want to note before we continue that we do have
6 a Financial Empowerment Center right in the heart of
7 your district. It's at the Brooklyn Central Library
8 at Grand Army Plaza? I believe that's in your
9 district, yes? We operate--so to my point earlier
10 where we--where we work very closely with local
11 community based organizations that also have long
12 histories of serving populations. We partner there
13 with Bed-Stuy Restoration Corporation, which we also
14 partner with to provide financial empowerment
15 services in other parts of the city as well including
16 in the Chair's district on Myrtle Avenue. And so,
17 we've--we've operated the center for several years,
18 and folks can walk in. We encourage individuals to
19 make an appointment if possible because we really
20 like to provide individualized one-on-one intensive
21 services that are not just one-offs. But essentially
22 what happens the--the experience that and individual
23 has when they come in for financial counseling with
24 us is very similar to the experience that, you know,
25 folks who are better off will pay thousands of

2 dollars for. They will come in, they will bring in
3 as many documents as they possibly can that
4 indicated--that paint a picture of their financial
5 health whether it's their tax returns, their bank
6 accounts or lack thereof in certain instances. And a
7 trained financial counselor will work with them to
8 figure out how to address some of the key issues that
9 they are facing. These key issues could include, but
10 are not limited to, lack of access to a mainstream
11 bank account, right? We know that there are lots of
12 low-income New Yorkers that end up relying on fringe
13 financial services like check cashers that are
14 incredibly predatory, and we try to-- We--we help
15 New Yorkers open bank accounts with mainstream
16 financial institutions. There may be an enormous
17 amount of debt. As I think as we all know, and I do
18 want to spend just a quick second in talking about
19 this because there are--there are some proposals at
20 the state level that moving or have been moving that,
21 you know, are of great--of great concern to us. Low-
22 income New Yorkers and low-income American typically
23 are often really the ones who fall prey to the most
24 predatory types of lending, right. We saw this with
25 the mortgage crisis. We see this with auto loans,

2 and we see this with now what is the proliferation of
3 online lending that--that has become a bigger market,
4 but is also sort of ensnaring an increasing number of
5 New Yorkers in debt. So if you walk into a financial
6 empowerment center they can help you put--put you on
7 a debt restructuring, debt repayment plan. Find you
8 better products to manage your debt, and most
9 importantly help you improve your credit. We
10 actually have stories. I believe there is a woman by
11 the name of Sheila and I forget her last name that we
12 helped about two or three years ago, and we helped
13 her improve her credit score by 100 points, which
14 fundamentally changed her ability to get housing in
15 New York City. You know, your credit is absolutely
16 still something a potential landlord is looking at
17 before he or she makes a decision to rent you a unit.
18 And we can--we can spend hours talking about all the
19 issues related to housing in New York City, but
20 credit is really a--is a key component. We're very
21 fortunate that the Council and the Administration
22 have worked together successfully to eliminate credit
23 checks as a form of--or as a precursor to employment
24 in New York City. But these are still, you know,
25 these are still very important issues. And so all of

2 these issues are the ones that our financial
3 counselors work on, and we very strongly encourage
4 all the members of the Council to let your
5 constituents know that we provide these services. We
6 have lots of information--informational materials in
7 different languages that we can get directly to your
8 district offices that you can put on display. I'm
9 happy to train your staff on all the different
10 services we provide so that they can help your
11 constituents.

12 CHAIRPERSON ESPINAL: Thank you so much.
13 So we'll go from going Dutch to Chaim Deutsch.
14 [laughter]

15 COUNCIL MEMBER DEUTSCH: okay, I'm--I'm
16 going to change. Nobody is going--we're going to be
17 talking about men now. Okay, Laurie? Okay. By the
18 way, Laurie is competing with my--this hair thing
19 over here with me here. [laughs] Yeah, good
20 morning. You know, banks--banks lose each year
21 billions of dollars and they consider that as a cost
22 of business. When you're talking about senior
23 citizens in New York State a \$180 million. That's a
24 lot of money, and there's no cost of business for
25 someone that gets afforded by any type of scam. So

2 outreach and education is very important. In
3 particular, in my district I have a very large--a
4 very diverse district, and when someone doesn't have--
5 -doesn't speak English as the first language, they
6 may understand. They understand English. They could
7 speak English. So if they get--if they're--if
8 someone calls them regarding a phone scam, they
9 understand enough to get scammed by--by these number
10 of scams we're--we're talking about, but reading and
11 writing that is something that they may--they may not
12 understand how to read and how to write English. So
13 doing the education in the different languages is so
14 important to--to--do this outreach to reach out to as
15 many people as possible in the immigrant community,
16 and to let people know that--that these scams that
17 are targeted to especially senior citizens are so
18 important because people their life savings just from
19 one phone call. So I commend the--I commend Consumer
20 Affairs for--for your outreach. I know I had several
21 events throughout the summer. My office was open
22 almost every Sunday during tax season to make it
23 convenient for people to come and to do tax
24 preparation. So I want to thank you for that.
25 We're open almost every Sunday during the tax season,

2 and we also had the--our Consumer Affairs, the first
3 2016 business outreach in my district, which was in
4 Brighton Beach, and there's a walk-through throughout
5 the day just educate--educating business owners, and
6 that's how important the education is to do outreach
7 and letting people know of what's going on and all
8 these new laws and regulations. So I want to thank
9 you for that. So I'm looking forward to Intro 1086-A
10 in the past and I'm looking forward collaborating and
11 continuing collaborating with Consumer Affairs in the
12 future. Thank you so much.

13 CHAIRPERSON ESPINAL: Thank you, Chaim.

14 So, about a year ago we passed a law with Mark
15 Treyger that kind of tried to do similar--similar
16 things that these bills are doing and it's to provide
17 a demographic with--with the information they need to
18 make, you know, wise financial decisions and give
19 them information on--on--on certain--you know, making
20 sure they're protected financially. How is that
21 going? How is Local Law 20 doing? You know, what
22 are the efforts that--that DCA has taken or--or doing
23 within that population?

24 AMIT BAGGA: So, thus far we, you know,
25 we feel like it's been going pretty well. We've

2 worked closely with the Department of Education and
3 the City University of New York to ensure that the
4 materials that we developed are being put into the
5 hands of young adults. So you will see in the folder
6 that you have in front of you we have examples of the
7 materials that we--we developed. We have tips on how
8 to stay away from common credit repair scams, tips
9 about students loans, tips about how to, you know,
10 what to look for when you are potentially looking at
11 a for-profit institution or school. Quick tips about
12 credit cards and quick tips about car loans and that--
13 -so there's a wide variety of issues that we've
14 developed materials on. We have these materials
15 available not only in English, but in many other
16 languages. Because as Council Member Deutsch just
17 mentioned we, of course, have a city where people
18 speak a multitude of languages and we want to make
19 sure that we are developing materials that people can
20 actually understand. And so, you know, we can--we
21 can get back to you about specific information about
22 the different ways in which the Department of
23 Education and CUNY have maybe done more to ensure
24 that these materials are getting into hands of--of

2 young adults. But we have certainly distributed a
3 large number of them.

4 CHAIRPERSON ESPINAL: So you--you produce
5 these printed materials, and you would give them to
6 schools and the schools would make sure that that
7 students get them?

8 AMIT BAGGA: Yes, that's the idea, right.
9 So pursuant to sort of a comment I made earlier, we
10 try to partner with city agencies and community based
11 organizations to the greatest extent possible to make
12 sure that information that we are producing is
13 actually getting into the hands of folks that really
14 need it. You know, we, of course, don't have our own
15 outreach team of two or three hundred people that
16 could necessarily do that. So we leverage the
17 existing resources and existing networks and existing
18 institutions to do that.

19 CHAIRPERSON ESPINAL: Do most of our high
20 schools have access to this information?

21 AMIT BAGGA: I can find out from DOE.

22 CHAIRPERSON ESPINAL: Okay. So do you
23 envision that--that it's similar, you would take a
24 similar approach to disbursing the information for
25

2 all--for the seniors and the women and the
3 immigrants?

4 AMIT BAGGA: Yes, exactly. So our--the
5 approach that we would take is first we would partner
6 with all of our relevant sister city agencies, the
7 easiest and most effective way to ensure that folks
8 are getting the information that they need. So in
9 the case of seniors, absolutely DFTA would be one of
10 the key partners we would have. In the case of
11 information we develop that pertains to women, of
12 course, the Commission on Women's Issues, the Mayor's
13 Office to Combat Domestic Violence, the Department of
14 Social Services, you know, and any other organization
15 that--or city--city agency I should say that, you
16 know, is certainly serving women. I think, you know,
17 a key place where we've seen that putting information
18 has been successful and useful is also in our city's
19 public hospitals. We do also distribute a lot of
20 different information that has been developed by city
21 agencies about a variety of topics. We saw
22 particular success in terms of getting our paid sick
23 leave message out in partnering with H--HC. So I
24 think that's another agency that we'd be looking at
25 within this.

2 CHAIRPERSON ESPINAL: Okay, does DCA
3 currently have a series of YouTube videos to target
4 young adults? YouTube videos? Are you aware?

5 AMIT BAGGA: I'm not aware of any videos
6 that we have developed--

7 CHAIRPERSON ESPINAL: [interposing] Okay.

8 AMIT BAGGA: --as this time. But that is
9 an interesting thought.

10 [pause]

11 CHAIRPERSON ESPINAL: Do you--do you have
12 any videos at all that you produce regarding consumer
13 protection or outreach to young adults?

14 AMIT BAGGA: We don't--we don't currently
15 have any videos.

16 [pause]

17 CHAIRPERSON ESPINAL: Okay. So,
18 according to our information there are some videos I
19 guess DCA produces. So it has done it in the past,
20 and we feel that it may be more effective to have
21 these videos instead of just, you know, giving out
22 pertinent information, I think we'll be able to
23 target a larger audience. So it would be great to
24 take that into consideration.

25

2 AMIT BAGGA: I think that's--that's an
3 excellent suggestion. We will absolutely look into
4 it. We do have videos that provide training on a
5 variety of issues for our licensees. We don't have
6 videos on this particular topic, but I--I agree with
7 you. I think that's a really great idea, and--and
8 we'll definitely look into producing one.

9 CHAIRPERSON ESPINAL: In your testimony
10 you mention that when you collect data especially on
11 complaints that, you know, you leave out the race,
12 sex and the age of the individuals that call. What's
13 the reasoning behind that?

14 [pause]

15 AMIT BAGGA: I'd like to introduce Mary
16 Cooley our Director of City Legislative Affairs who
17 is going to answer that question.

18 MARY COOLEY: Well, first I should say
19 that on the front end on the 311 end across the board
20 with a large majority of agencies that demographic
21 information is not requested. In fact, it--I had
22 conversations with 311 to prepare for this hearing,
23 and they informed us that they only inquire about
24 that information if it is directly related to the
25 service request. For example, they may ask for the

2 age in the event of a SCRIE request, but other than
3 that, they don't request that information on the
4 front end. So when a request is routed to DCA, we
5 have to ask for a lot information from our consumers
6 when we take in a complaint including--including
7 their contact information, the contact information
8 for the business. We ask them for a brief
9 description of the complaint. We have to ask them
10 for supporting documentation. We ask them several
11 other questions. So we like to make the process as
12 efficient and user-friendly as possible, and we try
13 to limit the questions to only what is necessary to
14 begin the mediation process.

15 CHAIRPERSON ESPINAL: So you do have data
16 on--?

17 MARY COOLEY: We don't--we don't collect
18 it, though.

19 CHAIRPERSON ESPINAL: You don't think
20 that will be helpful to have that on file so that way
21 when we--when we encounter bills like this or talk on
22 issues that affect certain demographics, it would be
23 easier for DCA to--to look back into the information,
24 and find ways to tackle those issues?

2 AMIT BAGGA: It's--it's certainly
3 something we can consider. I think you raise--you
4 raise a good point that that type of demographic data
5 and certainly in this sort of age of information that
6 we live in where we like to have data driven--driven
7 approaches or solutions to problems, it's an
8 important thing to consider. However, it needs to be
9 balanced with also questions around confidentiality.
10 You know, often times individuals are less
11 comfortable because they don't always know how their
12 data is, their personal information is going to be
13 used in providing personally identifying data whether
14 that's the age or sex or, you know, gender identify
15 or expression. It--you know, it--it's--it's a--it's
16 a fine balance between collecting information that we
17 think that could be useful, and also ensuring that
18 we're not creating a situation where consumers might
19 be less interested in actually making complaints if
20 they're being asked about their personal information.
21 We have had internal discussions about the extent to
22 which perhaps we could ask some of these question
23 but, of course, have them be optional, and we're
24 continuing to have those discussions internally.

2 CHAIRPERSON ESPINAL: Yeah, I agree and I
3 think there is a fine line we have to walk, and--but,
4 you know, maybe we should explore that. I think it
5 would be helpful for us in the future.

6 AMIT BAGGA: Sure.

7 CHAIRPERSON ESPINAL: Whether it be
8 online, maybe create some sort of form online, and
9 people can make an online complaint, but it can have
10 a checkbox, right. You know, I understand all the--
11 over the phone it might be a little more difficult,
12 but there might be other ways we can explore.

13 AMIT BAGGA: We'll--we'll definitely look
14 into that, and--and we can have further conversations
15 about how we potentially implement the asking of
16 additional questions. I should just quickly note
17 that, of course, pursuant to I think it's two
18 different executive orders. No city agency asks
19 about immigration status.

20 MARY COOLEY: Executive Order 41 of
21 2003.

22 [pause]

23 CHAIRPERSON ESPINAL: Okay. All right,
24 any resources that you think that DCA will need in
25 order to implement these bills?

2 AMIT BAGGA: Well, resources are, of
3 course, always required for design, content
4 development, production, et cetera. We would be
5 happy to speak with the Mayor's Office about the
6 types of resources we might need who can then relate
7 to you I mean what--what any required resources might
8 be.

9 CHAIRPERSON ESPINAL: Any questions. All
10 right, thank you. That's appreciate.

11 AMIT BAGGA: Thank you very much.

12 CHAIRPERSON ESPINAL: Yeah. [pause]
13 Thank you again, DCA. I want to call up the next
14 panel. We have Oriana Sanchez from New York
15 Immigration Coalition. We have Ayisha Valle (sp?)
16 the New York Academy of Medicine. We have Amy Cowan
17 from the Financial Clinic. We have Karen Resnick
18 from the Department of Aging--Department of Aging.
19 [pause]

20 [background comments]

21 ORIANA SANCHEZ: Hi. Good morning.

22 CHAIRPERSON ESPINAL: Hi.

23 ORIANA SANCHEZ: Hi. Good morning
24 everybody. My name is Oriana Sanchez. I'm here from
25 the New York Immigration Coalition, and I'm here to

2 give testimony. So, on behalf of the New York
3 Immigration Coalition first of all thank you for
4 hosting us. We commend the City Council and proposed
5 source to educate an outreach to our immigrant
6 communities on issues relating to consumer fraud.
7 Immigrant communities are particularly vulnerable to
8 such scams. Language barriers, which you guys have
9 spoken about already, fear of law enforcement and a
10 general desire to legal their status in the United
11 States all contribute to immigrants being easy
12 targets for those who seek to seek to take advantage
13 of these worries and concerns. In the current
14 political climate, immigrants are even less likely to
15 come forward and avail themselves of programs
16 intended to help them be more engaged in the city's
17 economic and civic life. Expansive anti-immigrant
18 rhetoric from political candidates, high profile
19 enforcement against Central American refugees and the
20 continued stalemate over President Obama's
21 Administrative Relief Programs have our communities
22 more convinced than ever that they will not be able
23 to find how to redress them even they should
24 proactively seek it out. Over the years, the New
25 York Immigration Coalition has worked with many

2 partners to overcome some of these challenges. In
3 2013, the NYEC created the Protecting Immigrant New
4 Yorkers Task Force or PINY, which DCA also mentioned.
5 The first of its kind in the country to include
6 community based organizations as well as law
7 enforcement agencies and federal, state and city
8 government offices to tackle the problem of immigrant
9 service fraud an innovative and collaborative way.
10 The PINY Task Force meets monthly and together has
11 made several significant changes to how immigrant
12 services fraud is handled in New York. Through the
13 work of the PINY Task Force New Yorkers now have one
14 number to call, that of the New York State New
15 Americans Hotline to file complaints against
16 fraudulent providers. Those complaints then go to
17 all the different law enforcement offices who might
18 have jurisdiction over the provider including the New
19 York State Attorney General's Office, five district
20 attorneys, and the New York City Department of
21 Consumer Affairs. Each complaint is also uploaded
22 into the Federal Trade Commission's Consumer Sentinel
23 Database, which is available to all the law
24 enforcement offices around the country. In addition
25 to the hotline, the PINY Task Force has also

2 developed common language for outreach and
3 educational materials as well as consumer alerts.
4 Earlier this year, the task force released a resource
5 guide for law enforcement, government and advocates
6 in order to encourage localities around the state to
7 take on this work. The NYEC has also worked
8 previously with both state and city elected officials
9 to pass legislation protecting immigrants from the
10 immigration services fraud. In 2014, the NYEC led a
11 coalition of groups that worked with Assembly Crespo
12 and Governor Cuomo to pass one of the strongest
13 pieces of legislations around the country protecting
14 immigrants from fraudulent providers. In 2014 and
15 2015 we also worked closely with Council Member Dromm
16 to introduce a similar bill Intro 746, which we hope
17 will soon be scheduled for a hearing. Through this
18 work, we have learned that one of the most invaluable
19 tools to combat immigration services fraud or any
20 type of fraud to immigrant communities is consumer
21 education and appropriate linguistic and cultural
22 settings. Materials such as U.S. citizenship and
23 immigration services the Wrong Help Can Hurt
24 pamphlets as well as the--as the FDC's [speaking
25 foreign language] Notarial fraud has had a tremendous

2 impact, but our agencies, however, can only address
3 large scale problems. This is why we believe it is
4 a--it's critical that city government agencies be
5 visible to communities on these issues so as to work
6 to complement the large scale investigations and
7 prosecutions of their federal counterparts and to
8 show immigrant communities that there are local
9 resources available to them. Thank you.

10 CHAIRPERSON ESPINAL: [off mic] Thank
11 you.

12 [background noise, pause]

13 AYISHA VALLE: Good morning and thank you
14 for the opportunity to testify today. My name is
15 Ayisha Valle (sp?). I'm the Policy Associate for the
16 New York Academy of Medicine, the Academy. Since 2007
17 the Academy serve as the Secretariat for Age Friendly
18 NYC, a partnership with the New York City Council and
19 the Office of the Mayor, which works to maximize the
20 social, physical and economic participation of older
21 people in their communities. We applaud the--the
22 City Council's commitment to addressing the issues of
23 financial exploitation of older adults through Intro
24 1086. Socio-economic conditions strongly influence
25 overall health and active aging. Old people who are

2 financially secure help to decrease reliance on
3 social insurance programs, and drive economic growth
4 through increased consumer spending that results in
5 job creation. However, financial exploitation
6 significantly threatens the wellbeing of older people
7 in New York City especially those on a fixed income.
8 Financial literacy declines with advancing age, and
9 as a result, older people are at a higher risk of
10 experiencing incidents of fraud and abuse than the
11 general population. According to the New York State
12 Elder Abuse Prevalence Study, 41 of 1,000 people aged
13 60 or over reported major financial exploitation over
14 the previous year. People with dementia are at
15 particular risk due to associated cognitive
16 impairment. Among people without dementia, there is
17 new evidence that psychological vulnerability
18 specifically depression is a significant predictor of
19 fraud and depression is less likely to be diagnosed
20 and treated in older people who under-utilize mental
21 health services, and may be socially isolated. In
22 partnership with DFTA, the Department of Consumer
23 Affairs can help to prevent financial abuse by
24 education older people on how to identify signs of
25 fraud, and making more informed financial decisions.

2 In addition to posting the materials to both
3 agencies' websites, DFTA's network for senior centers
4 and NORCs can help to reach participants and
5 residents. However, the majority of older people in
6 New York City do not attend senior centers or live in
7 NORCs. And while technology usage is certainly
8 increasing among older people, there are disparities
9 in accessing utilization by race, age, income and
10 education. Therefore, while the Academy supports
11 this bill, we recommend conducting additional
12 outreach in venues that do not exclusively serve
13 seniors such as the city libraries, arts and cultural
14 institutions, public housing, healthcare facilities
15 and contracted social service providers as well as
16 partnering with the private and non-profit sector
17 including faith-based organizations to reach the
18 widest possible audience. In addition, the Academy
19 recommends the use of evidence-based culturally
20 competent elder abuse screening within the Financial
21 Empowerment Centers, and more concerted marketing of
22 Financial Empowerment Center resources to older
23 people. In summary, we believe the more widespread
24 dissemination coupled with the integration of elder
25 abuse screening and education with existing financial

2 counseling programs will help to reach the majority
3 of older people who are not connected to formal
4 support systems such as senior centers and NORCs.
5 the New York Academy of Medicine is pleased to serve
6 as a resource to the Council in advancing the
7 financial security of older people through Age
8 Friendly NYC, our research and analysis capacities
9 and the rest of our programs and services.

10 CHAIRPERSON ESPINAL: Thank you so much.

11 VIONA STEINBERG: Good morning. Thank
12 you for the Council and Chair Espinal for the
13 opportunity to talk today on the proposals to
14 increase the financial education for some the most
15 vulnerable populations in New York. My is Viona
16 Steinberg and I'm a Financial Coach for the Financial
17 Clinic, a not-for-profit organization in New York
18 that builds financial security for working poor
19 families, a high performing organization with a focus
20 on results and the clinic has \$44 million back in the
21 pockets for more that--of more than 16,000 customers
22 through 146 organizations in 21 states, and better
23 financial security actions and models and
24 successfully launches several policy campaigns in
25 support for working families-- poor working families.

2 We are a proud partner of the Department of Consumer
3 Affairs Office of Financial Empowerment, and provide
4 financial coaching and counseling, support the
5 residents of Central and Eastern Queens. Despite our
6 growing economy, millions of New York City live in
7 poverty. And according to the Women's Center for
8 Education and Career Direction (sic). The update of
9 the self-sufficient standards of New York City, 40%
10 of households or 2.7 million men, women and children
11 struggle to meet ends in New York City, and
12 historically women, immigrants and older adults are
13 more likely to be in vulnerable jobs, and to be
14 under-employed or without a job. And to have limited
15 access to and control over the economic and financial
16 resources. [pause]

17 AMY COWAN: Thanks, Viona. My name is
18 Amy Cowan also from the Financial Clinic. Thank you
19 to the committee and Chairperson Espinal for hearing
20 our testimony today. On behalf of the Financial
21 Clinic we support Intro 1085-A, 1086-A and 1087-A
22 regarding women. The 56%--the Clinic finds that 56%
23 of the clinic's 2015 financial coaching customers
24 were women. These women may be domestic violence
25 survivors in shelters with higher levels of financial

2 insecurity because of low education levels, wage
3 volatility, few job opportunities, identify theft
4 crimes perpetrated by abusers. Resources that are
5 often in the abuser's name, and debt in the
6 survivor's and can be targets of predatory financial
7 services. Women are very motivated in securing their
8 individual and financial--and family's financial
9 health. However, a common refrain that coaches hear
10 is that the customers had no knowledge of the
11 resources available to them, much less access to the
12 resources unless there is for a specific outreach
13 event or from the word of mouth from friends and
14 family. Often times they thought that they obtained
15 access to available customer resources and protection
16 much too late. This is why this bill is so
17 important. More outreach and education on consumer
18 protection that primarily affects women can only
19 serve to bolster the financial health of many
20 individuals and families in New York City. Regarding
21 immigrants in the clinic's Free Tax Preparation
22 Program, which serve 4,000 families per year, 3.6% of
23 our file--filers file with the Individual Taxpayer
24 Identification Number or the ITIN unique to
25 undocumented individuals. Immigrants may work in the

2 growing cash economy as misclassified workers, i.e.,
3 day care providers, waitresses, and hairdressers to
4 name a few. As New York City's Nanny (sic) passage
5 highlighted, many in the gray labor market are denied
6 the same benefits of employees though they are
7 usually misclassified workers such as formal tax
8 documents, vacation time, overtime fee and other
9 employee benefits. The lack of information around
10 financial issues causes many misconceptions and
11 anxiety in the population about getting banked and
12 having a credit record. This anxiety is also present
13 in the concerns of being recognized as undocumented
14 and, therefore, getting in trouble with the
15 immigration authorities. These worries are also
16 connected with the lower rate of filing their taxes
17 every year. Some other issues like being unable to
18 pursue a career and stay in at a minner--minimum
19 salary job only contributes to a circle of poverty
20 increase from generation to generation. The majority
21 of this population do not know that they can have
22 financial goals for a brighter future, and a better
23 future for their kids. Regarding older adults, 47%
24 of the Clinic's 2015 financial coaching customers
25 were 65 years old and above. Older women can face

2 severe financial insecurity. They have worked part-
3 time jobs or taken substantial breaks to raise
4 households, thus curtailing traditional forms of
5 retirement savings through employer retirement
6 accounts. In fact, of the \$62 million wage and
7 salary--\$62 million wage and salaried women age 21 to
8 64 working in the United States, just 45%
9 participated in a retirement plan. They may be
10 targeted for predatory--predatory practices like
11 burial insurance, and more likely to be victims of
12 identify theft. As financial management moves
13 increasingly online, they may find it harder to keep
14 pace. The Financial Clinic also partners with
15 various community--community based organizations
16 throughout New York City to offer free financial
17 coaching. Some community based organizations provide
18 coordinated access to resources that individuals
19 need. These resources include assistance with--with
20 enrollment in government programs like public
21 benefits, and Supplement Nutrition Assistance Program
22 or SNAP benefits, along with health--health insurance
23 enrollment and other public benefits. The clinic
24 financial coaches serve many senior citizen customers
25 as well. The most effective financial education

2 tools address consumers' immediate needs, and also
3 put them on the path to financial security and
4 eventually financial mobility. Effective financial
5 literacy and educational materials must propose
6 manageable action steps that consumers can engage in
7 while overcoming personal and systemic obstacles as
8 they progress as their path towards financial
9 security. Thank you.

10 CHAIRPERSON ESPINAL: Thank you so much.
11 Just a question for anyone on the panel. Do you
12 think these goals for enough or is there anything--is
13 there anything else DCA can do to--to increase
14 outreach to the vulnerable populations that we
15 haven't discussed today?

16 VIONA STEINBERG: Well, personally, as a
17 financial coach, that I serve these--the type of
18 population we are addressing today. They can always
19 go far beyond. There's always something happening.
20 People trusting the predators what they are offering.
21 Women that don't have enough money, they are single
22 mothers trying to, you know, trying to have enough
23 money to cover all their expenses. They go out in
24 place, and they have rely on the overdrawing--the
25 overdrafting of their banks, using credit cards with

2 really high interest rates. Immigrants who they just
3 have to figure out how to get a job, and buy a Social
4 Security number from somewhere. So they have to file
5 taxes, and they're going to pay double taxation on
6 their IT--on--on the number of their IT Number and
7 they already got this counts as the taxes on their
8 Social Security. And also the seniors that they
9 don't under--they don't have enough money. They rely
10 on their Social Security benefits that they receive,
11 and they don't have enough money. So there always
12 can be something more--

13 CHAIRPERSON ESPINAL: [interposing] Okay.

14 VIONA STEINBERG: --what we can do to
15 help them.

16 CHAIRPERSON ESPINAL: Before I go
17 forward, I just want to acknowledge that were joined
18 by Vinny Gentile from Brooklyn. Talking about the
19 ITIN numbers, my office has handled some cases, and
20 helped some immigrants get--get those numbers. Do
21 you feel the population feels comfortable coming out
22 and apply for these ID numbers. You because I know
23 there's always a fear, right, of exposing yourself,
24 to-- Do you feel that--are they fairly comfortable or
25 is there sort of a lot of hesitation from the people?

2 VIONA STEINBERG: They are afraid because
3 I worked in the Financial Clinic, one of the sites
4 that I work in is Make the Road in Queens and that--
5 there's just the immigrant undocumented population
6 there. And I was also doing--preparing taxes. So a
7 lot of people came and a lot women wanted to--they
8 said like I want to get my IT number. I don't work,
9 but how can I get it? I'm like well it's difficult
10 because it was a process that you can go to a bank
11 and they will help you get it. So they don't know.
12 There's no information out there. So I'm like can
13 you--can you file for taxes and like I don't work.
14 I'm just trying to find a job, and my boss is asking
15 me for the IT number. I'm like well there's
16 something like there has to be more options about it
17 because we can only help them if they file taxes. So
18 they are totally afraid, and they don't know. There
19 is just not enough--enough information out there for
20 them to know what they--where they can--the options
21 of what can they do to get it, and it's okay. It's
22 okay if you have IT number. It's up and, you know,
23 Immigration will report me if I am going to go--when
24 I go out for you--to look for you to knock on their
25 door.

2 ORIANA SANCHEZ: Hi, this is Oriana
3 Sanchez from the New York Immigration Coalition. So
4 I'll just say something in regards to the ITINs. In
5 our experience at the NYEC, and we're not necessarily
6 a service provider organization. So our contact with
7 the community is somewhat limited, but in our
8 experience the--the fear that we've seen comes from
9 when it's for the bank or these kinds of institutions
10 that aren't necessarily historically immigrant
11 friendly. But where with a consulate of their
12 country, where with a CBO for example like Make the
13 Road, at least in our experience we've seen
14 immigrants to be way more open to that because you
15 get two things with that. Usually, it's the cultural
16 competency that comes with that to be able to explain
17 to people that this is safe and in terms that they'll
18 be able to relate, and the language competency, of
19 course.

20 CHAIRPERSON ESPINAL: [pause] All right,
21 thank you. I appreciate. Thank you for your
22 testimony. Again, I would like to thank all my
23 colleagues, and I thank Chaim Deutsch for being a
24 sponsor of one of these bills and Laurie Cumbo and
25 Rory Lancman and Vinny Gentile and Karen Koslowitz

1 COMMITTEE ON CONSUMER AFFAIRS

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2 for being here. With that said, this meeting is
3 adjourned.

4 [gavel]

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C E R T I F I C A T E

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



Date July 5, 2016