

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON CONSUMER AFFAIRS

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April 27, 2015
Start: 12:25 p.m.
Recess: 12:44 p.m.

HELD AT: 250 Broadway - Committee Room
14 Floor

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

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

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

2 [sound check, pause]

3 [gavel]

4 CHAIRPERSON ESPINAL: Good morning and
5 welcome to today's hearing of the Committee on
6 Consumer Affairs. My name is Rafael Espinal, and I
7 am the Chair of the Committee. Before going any
8 further, I'd like to introduce the other members of
9 the committee who are with me here today. We have
10 Vinny Gentile straight from South Brooklyn and we
11 have Karen Koslowitz from Queens.

12 Back in October, we met to discuss the
13 used car industry. As we all know, the used car
14 market is an attractive and affordable option for
15 many New York City residents who wish to own a car.
16 At the same time, the industry remains the subject of
17 a high volume of consumer complaints, and has a long
18 history of deceptive and unfair practices. Those
19 among us who have bought a used car--I am one of
20 them--or know someone who has, can relate to stories
21 of aggressive salesmanship, and watching the price
22 tag go up and up. Ultimately, walking away paying
23 much more than anticipated and without really
24 understanding how.

25

2 Proposed Intro 178-A, sponsored by my
3 colleague Council Member Jumaane Williams, would
4 respond to this ongoing problem by providing
5 consumers with the information they need to make
6 informed choices about which vehicle they are going
7 to buy, to purchase add-on products they actually
8 want, and to refuse those they do. Proposed Intro
9 178-A would accomplish this by requiring that all
10 costs and fees assessed by the dealer be included in
11 the total selling price on the sticker that
12 advertises the car. The only additional costs that
13 may be assessed are the costs to secure registration,
14 and a certificate of title as required by the
15 relevant state and local laws.

16 At the first hearing on this bill we
17 heard testimony that consumers are often pressured to
18 purchase add-on products that they did--that they
19 did--that they didn't intend to buy and don't need.
20 To respond to this practice, proposed Intro 178-A
21 would require the dealer to display the total selling
22 price of any add-on products available for purchase
23 with the car. And, the dealer must disclose that
24 purchase of any add-on products is optional. This
25 law would ensure that they can drive off the lot with

2 the used car that was advertised at the price that
3 was advertised. Further, the bill would clarify that
4 nothing in these provisions prevent the consumer and
5 the dealer from negotiating a lower price. In fact,
6 the intention of this legislation is to encourage a
7 more robust and productive negotiation for both the
8 dealer and the consumer. It is the hope of the
9 committee that this legislation will promote a fairer
10 marketplace for all.

11 I'd like to thank my committee staff for
12 all their work on this putting this legislation
13 together and this hearing. With that said, all
14 right, yeah let's proceed with the vote.

15 CLERK: Kevin Penn, Committee Clerk.

16 Roll call in the Committee on Consumer Affairs, Intro
17 178-A. Council Member Espinal.

18 CHAIRPERSON ESPINAL: I vote aye.

19 CLERK: Gentile.

20 COUNCIL MEMBER GENTILE: Mr. Chairman,
21 this is another piece of great legislation coming out
22 of your committee, and I proudly vote aye.

23 CLERK: Koslowitz.

24 COUNCIL MEMBER KOSLOWITZ: Ditto and I
25 vote aye.

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

5 CHAIRPERSON ESPINAL: Let's keep the roll
6 open for another few minutes.

7 [pause]

8 [background comments]

9 CHAIRPERSON ESPINAL: Hey, no problem.
10 I'd like to open up the roll. We have my colleague
11 Julissa Ferreras from Queens.

12 CLERK: Ferreras.

13 COUNCIL MEMBER FERRERAS: I vote aye.

14 CLERK: The final vote in the Committee
15 on Consumer Affairs: 4 in the affirmative, 0 in the
16 negative and no abstentions.

17 [background comments, pause]

18 CHAIRPERSON ESPINAL: Okay, I'd like to
19 close the roll. With that, this hearing is
20 adjourned.

21 [gavel]

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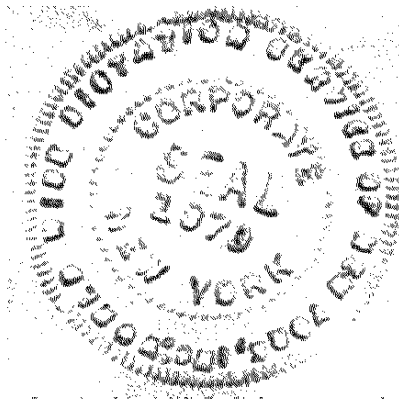
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COMMITTEE ON CONSUMER AFFAIRS

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 May 5, 2015