

**OFFICE OF TECHNOLOGY AND INNOVATION TESTIMONY BEFORE THE NEW  
YORK CITY COUNCIL COMMITTEE ON TECHNOLOGY**

**Oversight - The “MyCity” Portal**

**Int 0821-2024 by Robert F. Holden in relation to the creation of a centralized mobile  
application for accessing city services.**

**September 30, 2024**

Good afternoon, Chair Gutierrez and members of the City Council Committee on Technology. My name is Matthew Fraser, and I am the Chief Technology Officer for the City of New York, and I lead the Office of Technology and Innovation (OTI). With me are Ruby Choi, OTI’s Deputy Commissioner of Strategic Initiatives, and Amrit Singh, OTI’s Associate Commissioner of Application Engineering. Thank you for the opportunity to testify today on the MyCity portal. We’re extremely proud of the progress we have made so far, and we are eager to discuss the future of the project and its impact on New Yorkers.

The execution of MyCity has been one of the administration’s top priorities. Our vision for MyCity is to provide New Yorkers with a user-friendly one-stop shop that makes it easier to check eligibility, apply for, and track city services and benefits online with a single account. Consolidating and streamlining New Yorkers’ interactions with the city is the primary goal. The portal eliminates the need for New Yorkers to navigate the city’s vast bureaucracy to know which agency to turn to when they need help, and provides a single sign-on to eliminate the need to input the same information repeatedly to access different services. On the back end, we strive to enable agencies to design and deploy solutions quickly and cost-effectively on the platform. This portal has been, and will continue to be built out incrementally, with a phased plan for conducting user research, designing, developing, user testing, and launching additional individual services.

In March of 2023, the first phase of MyCity became available at [mycity.nyc.gov](https://mycity.nyc.gov), and launched with the rollout of a child care subsidy portal. This was first identified as a priority in the Mayor’s report *Accessible, Equitable, High-quality, Affordable: A Blueprint for Child Care & Early Childhood Education in New York City* and was later codified by the City Council through Local Law 103 of 2022. It was built in collaboration with the Administration for Children Services, NYC Schools, the Department of Social Services (DSS), and the New York State Office of Children and Family Services. Prior to the launch of this portal, New Yorkers seeking child care subsidies had to fill out a paper application and mail it to the agency – a less efficient and outdated process that cost families excessive time and effort. Now approximately 75 percent of all new applications for

child care assistance are submitted through MyCity. Additionally, in March 2024, we expanded the portal to allow families to complete their annual recertification in MyCity, further increasing accessibility for families across New York City.

Nearly 26,000 families have been determined eligible for child care assistance as a result of applying through this user-friendly, easy-to-access electronic application. We are confident it will help many more families thanks to the city's \$8 million investment earlier this year to continue supporting this important resource. As we work in collaboration with the Council to invest in, and amplify information about child care and early childhood education, we expect many more families to be positively impacted.

Since the launch of MyCity, we have also focused our efforts on reaching New Yorkers and helping to connect them to economic opportunity. After extensive user research, we launched a new business portal in collaboration with Small Business Services (SBS) last September. The business portal assists business operators, including entrepreneurs who are opening a business for the first time, navigate the process of applying for various licenses and permits in a simple, step-by-step form. The MyCity business portal also features a beta phase AI-powered chatbot to help users quickly and easily find information, a feature we continue to improve. Over 141,000 users have visited the site, and more than 19,000 individuals have queried the chatbot. We will keep improving the chatbot's functionality on an ongoing basis.

Over the last year, we also launched a redesigned Jobs NYC website to improve New Yorkers' job seeking and recruiting experience. This phase of MyCity has been executed in collaboration with the Mayor's Office of Talent and Workforce Development, NYC Opportunity, Department of Citywide Administrative Services, SBS, and other agency partners. The Jobs NYC talent portal unifies the NYC job seeker experience, modernizing how job seekers find and apply for jobs with both private employers and NYC City Jobs, leveraging curated online resources, up-to-date, training information, and career fairs. This endeavor has led to significant engagement, with e-mail sign-ups increasing over 79 percent in the past year, doubling the city's job application rate, and increasing monthly users to the website by 326 percent.

We are proud of what we have built so far, which has been the culmination of more than two years of OTI's collaborative work with our agency partners, over a dozen MWBE vendors, and members of the community who participated in user research and testing. That said, we aim to accomplish so much more with MyCity to integrate more applications and services into our simple, easy-to-use portal.

Building off our foundation so far, we plan to leverage the information that MyCity account holders have already provided to inform them of other benefits they are likely eligible for, in addition to easily screening for, applying for, and tracking the status of services they're seeking. A key component of making this a reality for many of the city's benefit application processes is providing agencies an Integration Playbook that would allow them to integrate new or existing applications and services into MyCity at their own pace.

As we continue to assess new phases for MyCity, we're happy to discuss what these may entail and keep the Committee included in the process along the way.

Finally, I will turn to the legislation on today's docket. Int. 0821-2024 by Council Member Holden would require the creation of a centralized mobile application for accessing city services, including the ability for users to schedule appointments for city services, reminders for such appointments, and the ability to send and receive messages with such agency. As we have demonstrated, we have focused our efforts on specific sets of services available via MyCity and intend to continue to make other services available in the future, addressing those that are most in-demand and would benefit most from the MyCity model. Further, we can talk through the technical aspects of the portal as it exists today with respect to web vs. mobile presence, privacy, and cybersecurity. While we appreciate the Council's desire to enshrine the MyCity portal in law, it is important to note that, as proposed, the bill could impact what we have built so far and may hinder the ability to implement our work while maintaining flexibility in the future. We'd like to hear about the intent of the legislation from the Committee.

Thank you for the opportunity to testify today. I will now take any questions you may have.

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**New York City Council  
Committee on Technology  
September 30, 2024**

Good morning, Chair Gutiérrez and members of the Committee on Technology. My name is Kevin Jones, and I am the Associate State Director for Advocacy at AARP New York. I am here today on behalf of the 1.3 million older adults living in the five boroughs. Thank you for the opportunity to testify.

First off, let me say: We're excited about the MyCity portal and the potential it holds. It's like a virtual key to unlocking access to city services. Right now, though, that key only opens one door — childcare services. And while that's incredibly important, what about the needs of the over 1.3 million older adults living in New York City? The MyCity portal has the potential to transform how older New Yorkers access critical services.

At AARP, we have long advocated for systems and policies that make it easier for older adults to navigate life in this city. The promise of MyCity is significant: it offers a streamlined, centralized way for New Yorkers to find and apply for essential services, cutting through bureaucratic red tape.

New York City's older adult population is growing rapidly and has unique needs that the MyCity platform could — and should — be addressing. According to a recent report from the Center for an Urban Future, since 2011, the city's population of 65 and older residents has grown by 36%. At the same time, the number of older adults living in poverty has risen by 37%, and the population of older immigrants has increased by 49%. These numbers tell us that older adults are not only a large and growing demographic, but one that faces significant challenges.

We are at a critical juncture. The federal government recently cut COVID-era SNAP benefits, drastically reducing food assistance for many older adults, sometimes by hundreds of dollars a month. For older adults struggling to make ends meet, these cuts represent a devastating blow. And yet, the Department of Social Services estimates that 28% of SNAP-eligible individuals in New York City are not enrolled. The MyCity portal could be the key to closing this gap — if it were available to older adults and if the platform's current challenges are resolved.

Another area where the portal could be transformative is housing. In AARP surveys, older New Yorkers consistently rank housing costs as one of their top concerns. The Senior Citizen Rent Increase Exemption (SCRIE) program, which freezes rent for income-eligible older adults, is an essential tool in helping seniors stay in their homes. Unfortunately, only 43% of those eligible for SCRIE are enrolled. While the Mayor's recent awareness campaign is a step in the right direction, it's not enough. The MyCity portal could help more seniors easily learn about and apply for SCRIE, giving them peace of mind about their housing stability.

Beyond food and housing security, older adults face numerous other challenges that MyCity could help address. Whether it's accessing transportation services, home care, adult day care, or programs designed to keep them aging safely in their communities, the MyCity platform could serve as a lifeline for older New Yorkers. Many of the city's 1 million family caregivers, for example, are unaware of the resources available to help them care for their loved ones. This platform could change that by centralizing information and simplifying the application process.

Moreover, we are heartened by the city's plans to incorporate "data matching" into MyCity, a feature that could recommend additional services and benefits based on a user's initial application. This would be an invaluable tool for older adults, who often struggle to navigate the complex network of public assistance programs. Given that New Yorkers statewide miss out on an estimated \$2.5 billion in federal benefits annually, speeding up the rollout of this feature should be a top priority.

For the portal to reach its full potential, it must be made available to older adults. It must also be reliable and efficient. If older adults are to depend on MyCity for vital services, the platform must be both user-friendly and dependable, without unnecessary roadblocks or technical difficulties. We recognize the concerns raised regarding its delayed launch, reliance on external vendors, and the challenges with its current functionality, such as duplication of existing services and issues with the generative AI chatbot. These issues need to be addressed to ensure the platform can serve all New Yorkers effectively, especially older adults.

In closing, the MyCity portal has the potential to revolutionize how New Yorkers access services, but it must do more. It must serve our older adult population and do so efficiently.

These are the individuals who built this city and made it great, and we owe it to them to make their lives a little easier. We strongly urge the city to expand the MyCity platform to include older adults and ensure that they can easily access the services and supports they need to live healthy, secure, and independent lives in the communities they love.

AARP New York stands ready to work with the City Council and the administration to make MyCity a tool that truly serves all New Yorkers.

Thank you for the opportunity to testify today. I am happy to answer any questions.

**New York City Council  
Committee on Technology**

**Rejecting Corporate Capture of New York City’s Public AI Infrastructure Projects**

September 30, 2024

Written Testimony of Kate Brennan  
Associate Director, AI Now Institute

Good afternoon Chair Gutiérrez and the members of the Committee on Technology. My name is Kate Brennan and I am the Associate Director at the AI Now Institute, a New York City-based organization producing policy research on artificial intelligence. In particular, we focus on policy strategies to shape artificial intelligence in the public interest and redirect the AI industry away from its current path: unbridled commercial surveillance, power concentration in a few dominant firms, and a lack of public accountability. With those interests in mind, I am testifying today regarding the MyCity Portal.

**Introduction**

We are at a critical inflection moment in the trajectory of AI technology development. Large companies are selling narratives that AI is going to change the world and our lives for the better. In particular, we are repeatedly told that AI can be used to make our governments and public institutions more “efficient” and effective.<sup>1</sup> Under this logic of efficiency, governments are funneling millions of dollars into private contracts to develop AI technology presumably for the public’s benefit.

The MyCity portal appears to be following in a similar direction. Beginning with his earliest campaign promises, Mayor Adams has said that his vision for MyCity is to establish a single data platform for all city government services, referring to himself as an “efficiency czar.”<sup>2</sup> This vision includes data sharing across agencies to “go from a reactive management approach to being proactive and, eventually, predictive.”<sup>3</sup> As we know, “predictive” is a buzzword used to imply the use of AI. Predictive management approaches typically leverage the use of automated decision systems (“ADS”), which refer to “data-driven technologies used to automate

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<sup>1</sup> Mayor Adams Releases First-of-Its-Kind Plan For Responsible Artificial Intelligence Use In NYC Government, Oct. 16, 2023, <https://www.nyc.gov/office-of-the-mayor/news/777-23/mayor-adams-releases-first-of-its-kind-plan-responsible-artificial-intelligence-use-nyc#/0>.

<sup>2</sup> Samar Khurshid, “Eric Adams Vows to Overhaul How City Government Works; Experts Point to Several Essentials to Following Through,” Gotham Gazette, Oct. 31, 2021, <https://www.gothamgazette.com/city/10870-eric-adams-promises-overhaul-how-city-government-works-experts?edchoice=side>

<sup>3</sup> Id.

human-centered procedures, practices, or policies for the purpose of predicting, identifying, surveilling, detecting, and targeting individuals or communities.”<sup>4</sup>

Many of the harms of uncritical use of ADS without safeguards are now well known, and we have experience to draw from when it comes to New York City’s use of ADS. In 2019, a wide ranging NGO coalition produced a “Shadow Report” (a response to the report published by the City’s ADS Task Force) that documented the various intractable concerns with the use of ADS in government—including concerns with bias and discrimination as well as privacy and security harms—and offered actionable policy recommendations for governments, advocacy coalitions, and legislators around the use of ADS in providing government services.<sup>5</sup>

My testimony today addresses **three principal concerns** with New York City’s current trajectory of the MyCity Portal, and in particular the future vision of MyCity as a centralized, predictive data platform. First, MyCity Portal must not be used to justify and entrench Big Tech corporate interests in public infrastructure while creating a centralized surveillance system that violates New Yorkers’ privacy and autonomy. Second, we cannot allow private firms to hide behind corporate secrecy laws and must ensure corporate accountability within public infrastructure projects. Third and finally, we must push back against the City’s prioritization of outsourced private contracts over in-house, public tech jobs.

## **1. All Roads Lead to Big Tech? MyCity Reliance On Private Contractors Exacerbates Power Concentration in the Tech Industry**

The current backbone of MyCity’s technological infrastructure is being built through private contracting and corporate partnerships. Despite a major campaign promise to build the MyCity portal in-house with city workers, the New York City government has spent more than \$3.4 million dollars contracting with 14 different technology firms to build the portal.<sup>6</sup> A search on NYC Checkbook reveals over 50 external contracts for the MyCity Portal development, with totals exceeding over \$10 million dollars.<sup>7</sup> The City recently awarded over \$5M to Mobility Capital Finance (“MoCaFi”),<sup>8</sup> a private financial tech company who just raised \$23.5M Series B funding. Finally, we know that the city contracted with Microsoft to build the MyCity Chatbot, though the financial details of this investment are unclear given the opacity of the city’s Master Service Agreement with Microsoft which exists outside of the public record.

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<sup>4</sup> Rashida Richardson, ed., “Confronting Black Boxes: A Shadow Report of the New York City Automated Decision System Task Force,” AI Now Institute, December 4, 2019, <https://ainowinstitute.org/ads-shadowreport-2019.html>.

<sup>5</sup> Id.

<sup>6</sup> Samar Khurshid, “Civic Tech Experts Question Mayor Adams' Decision to Contract Out Signature 'MyCity' Portal,” Gotham Gazette, May 17, 2023, <https://www.gothamgazette.com/city/11961-mayor-adams-mycity-contracts-services>.

<sup>7</sup> Checkbook NYC,

[https://www.checkbooknyc.com/smart\\_search/citywide?search\\_term=mycity!\\*domain%3Dcontracts&page=0](https://www.checkbooknyc.com/smart_search/citywide?search_term=mycity!*domain%3Dcontracts&page=0)

<sup>8</sup> “Community-Based Technology Platform, Disbursement Services and Related Financial Services,” The City Record Online, <https://a856-cityrecord.nyc.gov/RequestDetail/20231213101>.



Building a “predictive” dashboard for New York City will all but require partnering with one of these large corporations. Already we know that the MyCity Chatbot was built using Microsoft’s Azure AI technology. Other government agencies around the country have contracted with other Big Tech firms to provide crucial government services. For example, the Nevada Department of Employment, Training and Rehabilitation is contracting with Google AI to issue rulings on people’s unemployment benefits<sup>9</sup> and the Minnesota Department of Driver and Vehicle Services partnered with Google to provide a virtual assistant.<sup>10</sup> Even where agencies do not contract with Big Tech firms directly, these firms benefit because they control all essential inputs in the AI supply chain, such as cloud computing, data centers, and foundation models..<sup>11</sup>

### **Why is this a problem?**

We’re at a key inflection point where the perils of market concentration in the tech industry are now writ large: from the risks of creating single points of failure for security breaches<sup>12</sup> to the stifling of innovation that occurs when large monopolies become too big to fail.<sup>13</sup> The current AI boom only further entrenches power in the existing Big Tech firms as they leverage their dominance across different points of the AI supply chain—from data advantages accumulated through unregulated commercial surveillance over the last decade and control over cloud and computational power, to a clear edge when it comes to AI talent. When governments invest millions of dollars into building public AI infrastructure projects with private companies, these large firms receive more data, gain more power, and become more deeply entrenched into the tangled webs of local government infrastructure.

Moreover, this concentrated power implicates significant individual privacy concerns as well as concerns regarding the stability of public tech infrastructure.

#### **a. Concentrated Tech Power Implicates Serious Concerns for Individual Privacy and Unlawful Surveillance**

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<sup>9</sup> Eric Neugeboren, “Nevada Agencies Eye Artificial Intelligence to Speed Jobless Claims, DMV Queries,” The Nevada Independent, June 3, 2024, <https://thenevadaindependent.com/article/nevada-agencies-eye-artificial-intelligence-to-speed-jobless-claims-dmv-queries>.

<sup>10</sup> Department of Public Safety Blog, “DVS Language Project’s Service to Minnesotans Receives National Recognition,” October 16, 2023, <https://dps.mn.gov/blog/Pages/20231016-dvs-language-project-nascio.aspx>.

<sup>11</sup> Jai Vipra and Sarah Meyers West, “Computational Power and AI,” The AI Now Institute, Sept. 27, 2023, <https://ainowinstitute.org/publication/policy/compute-and-ai>.

<sup>12</sup> Declan Harty and Steven Overly, “Gensler’s Warning: Unchecked AI Could Spark Future Financial Meltdown,” POLITICO, March 19, 2024, <https://www.politico.com/news/2024/03/19/sec-gensler-artificial-intelligence-00147665>.

<sup>13</sup> Lina Khan, “Remarks by Chair Lina M. Khan As Prepared for Delivery Carnegie Endowment for International Peace, March 13, 2024, [https://www.ftc.gov/system/files/ftc\\_gov/pdf/2024.03.13-chair-khan-remarks-at-the-carnegie-endowment-for-intl-peace.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/2024.03.13-chair-khan-remarks-at-the-carnegie-endowment-for-intl-peace.pdf).

Public infrastructure projects like MyCity will allow Big Tech firms to entrench their data advantages using citizen data and create more opaque infrastructures for citizen surveillance. This, in turn, worsens market concentration and raises serious privacy flags.

For example, the City’s Chief Technology Officer Matthew Fraser outlined a vision for MyCity that includes replacing traditional government payroll and city benefit checks with centralized digital wallets that allow government agencies to track how New Yorkers are spending their money. In fact, Fraser earnestly suggested a dystopian surveillance system where the city could provide “incentive points” for people who spend their food benefits on “something healthy versus sugary snacks or soda.”<sup>14</sup> This raises serious privacy concerns, and begs the question why tracking intimate data about people’s spending habits is necessary for the effective or efficient delivery of government services.

Further, who will control this data? It is not hard to imagine how information about people’s spending habits may become training data for automated decisions made across different agencies, especially in light of the recent “One City” Act proposed in the New York State Assembly. This proposed Act allows agencies to share data that would otherwise be restricted for disclosure to another agency for the purposes of providing government benefits or services.<sup>15</sup> This means that people’s food spending habits may be used against them by agencies providing other essential services, such as agencies providing the allocation of necessary health resources.

Data may also be used by the NYPD to increase the surveillance and policing of low-income, criminalized, communities of color. In fact, in an interview with the New Yorker, Mayor Adams said that he hopes to turn MyCity into a “CompStat” for the city,<sup>16</sup> which refers to a centralized predictive policing platform that is now well-documented to produce discriminatory outcomes.<sup>17</sup>

Finally, we have seen how government data leaks have enabled private actors to gain unauthorized access to people’s sensitive data. For example, in 2015 Google gained access to private records of over one million patients of Britain’s National Health Service (NHS).<sup>18</sup> Without proper safeguards in place, private tech firms can be enriched with massive amounts of people’s private data without their consent.

## **b. More Generally, Concentrated Power Can Lead to Critical Lapses in Stability and Security, Which Can Reverberate Across City Governance Infrastructure**

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<sup>14</sup> Nicholas Liu, “How the Adams Administration is Thinking About Blockchain and Cryptocurrency,” *Gotham Gazette*, March 17, 2023, <https://www.gothamgazette.com/city/11883-city-council-mayor-adams-blockchain-cryptocurrency>.

<sup>15</sup> New York Assembly Bill A9642, <https://www.nysenate.gov/legislation/bills/2023/A9642>

<sup>16</sup> Eric Lach, “Eric Adams Wants to CompStat New York City,” *New Yorker*, May 22, 2021, <https://www.newyorker.com/news/our-local-correspondents/eric-adams-wants-to-compstat-new-york-city>.

<sup>17</sup> Ángel Díaz, “New York City Police Department Surveillance Technology,” *Brennan Center for Justice*, Oct. 4, 2019, <https://www.brennancenter.org/our-work/research-reports/new-york-city-police-department-surveillance-technology>.

<sup>18</sup> “DeepMind Faces Legal Action Over NHS Data Use,” *BBC*, Oct. 1, 2021, <https://www.bbc.com/news/technology-58761324>.

Overreliance on a single technology provider also implicates security concerns for our public systems more generally, which can lead to disastrous effects on the provision of critical government services.

We need look no further than the July 2024 CrowdStrike global technology outage, where over 8 million computer systems running Microsoft Windows crashed due to a faulty software update.<sup>19</sup> The outages had widespread and damaging effects across numerous industries and government services, including 911 operators, hospitals, and airlines. The fact that one faulty software update caused a major, global outage reflects not only the fragility of a concentrated tech infrastructure but also the widespread negative ramifications this concentration has for delivering essential public services.

Global leaders have raised the alarm on the security risks posed by a concentrated tech ecosystem. The Chair of both the Security & Exchange Commission and the Bank of England have raised concerns that concentrated ecosystems are creating single points of failure that constitute systemic risks to the financial order.<sup>20</sup> FTC Commissioner Lina Khan has warned that concentrated industries are vulnerable to cyberattacks or outages that can lead to significant national security risks.<sup>21</sup>

Given the state of the industry, and the broader federal and global scrutiny on accountable concentrated power in Big Tech firms, it is worth asking whether New York City wants its public infrastructure to be built on the backs of these large, corporate interests.

## **2. Resisting Corporate Secrecy and Ensuring Corporate Accountability**

Outsourcing city AI technology to private firms heightens the risk that private companies will leverage corporate secrecy laws to evade accountability and make it difficult for the public to seek redress when their systems fail. As we documented in our 2019 Shadow Report, vendors of ADS tend to invoke trade-secrecy or confidentiality claims whenever government agencies, members of the public request, or parties to a legal complaint request information about their

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<sup>19</sup> Adam Satariano, Paul Mozur, Kate Conger and Sheera Frenkel, “Chaos and Confusion: Tech Outage Causes Disruptions Worldwide,” NYTimes, July 19, 2024, <https://www.nytimes.com/2024/07/19/business/microsoft-outage-cause-azure-crowdstrike.html>.

<sup>20</sup> Declan Harty and Steven Overly, “Gensler’s Warning: Unchecked AI Could Spark Future Financial Meltdown,” POLITICO, March 19, 2024, <https://www.politico.com/news/2024/03/19/sec-gensler-artificial-intelligence-00147665>.

<sup>21</sup> Lina Khan, “Remarks by Chair Lina M. Khan As Prepared for Delivery Carnegie Endowment for International Peace, March 13, 2024, [https://www.ftc.gov/system/files/ftc\\_gov/pdf/2024.03.13-chair-khan-remarks-at-the-carnegie-endowment-for-intl-peace.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/2024.03.13-chair-khan-remarks-at-the-carnegie-endowment-for-intl-peace.pdf).

ADS. As we wrote, this functions as a barrier to due process and makes it difficult to “assess bias, contest decisions, or remedy errors.”<sup>22</sup>

Legal scholars have identified how this outsourcing leaves public officials and the public at large without understanding of the system’s mechanics or the legal risks they may pose, which range from “discrimination and disparate treatment to lack of due process, discontinuance of essential services, and harmful misrepresentations.”<sup>23</sup> If a government agency were to engage in discrimination, disparate treatment, or lack of due process when providing government services, they could be held liable for Constitutional violations. However, private companies cannot be held legally liable for Constitutional violations because they are not state actors, thus creating a significant gap in accountability.<sup>24</sup>

We have already seen this harmful cycle play out with the MyCity Portal. In 2023, New York City partnered with Microsoft to build and launch a “MyCity Chatbot” that provides wrong—and illegal—information to people. For example, the chatbot told one user that it was legal to fire an employee if they file a sexual harassment complaint.<sup>25</sup> (It is not.<sup>26</sup>) As of this testimony, the chatbot still warns users that it “may occasionally provide incomplete or inaccurate responses,”<sup>27</sup> making it difficult to understand how fact-checking an AI bot on the very answers it is supposed to provide benefits anyone in the name of efficiency—that is, except Microsoft, the private company responsible for building the chatbot.

Crucially, when the city attempted to understand the data the Chatbot was trained on, Microsoft claimed that the training data was “proprietary to the vendor,” evading any accountability and leaving government oversight committees in the dark.<sup>28</sup> In an investigation by The Markup into the problems with the chatbot, Microsoft “declined to comment or answer questions about the company’s role in building the bot.”<sup>29</sup>

This is one of potentially countless examples. While the City has been remarkably quiet and obscure about what it is developing within the MyCity Port, we know that over 50 contracts have been signed outsourcing development to private firms.

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<sup>22</sup> Rashida Richardson, ed., “Confronting Black Boxes: A Shadow Report of the New York City Automated Decision System Task Force,” AI Now Institute, December 4, 2019, <https://ainowinstitute.org/ads-shadowreport-2019.html>.

<sup>23</sup> Kate Crawford and Jason Schultz, “AI Systems as State Actors,” *Columbia Law Review*, 2019.

<sup>24</sup> *Id.*

<sup>25</sup> Jake Offenhardt, “NYC’s AI Chatbot was Caught Telling Businesses to Break the Law. The City Isn’t Taking it Down,” AP News, Apr. 3, 2024, <https://apnews.com/article/new-york-city-chatbot-misinformation-6ebc71db5b770b9969c906a7ee4fae21>

<sup>26</sup> New York State Human Rights Law, Section 296, Unlawful Discriminatory Practices.

<sup>27</sup> MyCity Chatbot Beta, <https://chat.nyc.gov>.

<sup>28</sup> New York City Office of Technology & Innovation, “Summary of Agency Compliance Reporting of Algorithmic Tools,” 2023, <https://www.nyc.gov/assets/oti/downloads/pdf/reports/2023-algorithmic-tools-reporting-updated.pdf>

<sup>29</sup> Colin Lecher, “NYC’s AI Chatbot Tells Businesses to Break the Law,” *The Markup*, Mar. 29, 2024, <https://themarkup.org/news/2024/03/29/nycs-ai-chatbot-tells-businesses-to-break-the-law>

In our 2019 Shadow Report, we offered actionable recommendations to government agencies to protect against this evasion of corporate responsibility. We urge this Committee to take these recommendations seriously for the future development of the MyCity portal:

- Agencies should not procure or use ADS that are shielded from independent validation and public review because of trade-secret or confidentiality claims.
- City agencies should not enter purchase agreements or licenses that require the agency to indemnify vendors for any negative outcomes.
- If a contractor is contracting with the City of New York, the City of New York needs to ensure that the technology they are purchasing is not being used to actively discriminate.

### **3. New York Must Prioritize City Jobs Over Corporate Contracts**

Third and finally, MyCity Portal should be built by public tech employees and not outsourced private contractors. As noted above, New York City has spent millions on over 50 outsourced contracts for the MyCity Portal.<sup>30</sup>

There are three primary reasons why it is important that New Yorkers—rather than private, outsourced contractors—are building the MyCity portal.

First, New York City should use the MyCity investment as a key opportunity to develop the pipeline of technical workers who can support the long-term sustainability and growth of city technical infrastructure. Outsourcing jobs to private companies ensures a dependent relationship on outside firms and depletes the talent pool of public workers.

Second, leveraging city workers ensures that New Yorkers have an input in the way in which technology is being built. If MyCity is genuinely supposed to be a tool to make it “easier for New Yorkers to access city services,” as Mayor Adams suggested,<sup>31</sup> New Yorkers should have a direct say in how those services are provided to the public.

Third and finally, hiring city workers is particularly important for their ability to organize against nefarious uses of AI technology that may be used on the MyCity Portal in the future, for example, if the NYPD begins to use cross-agency data for surveillance or harmful predictive policing practices. Outsourcing creates a lack of accountability measures to the New York City public at large.

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<sup>30</sup> Samar Khurshid, “Civic Tech Experts Question Mayor Adams' Decision to Contract Out Signature 'MyCity' Portal,” Gotham Gazette, May 17, 2023, <https://www.gothamgazette.com/city/11961-mayor-adams-mycity-contracts-services>; Checkbook NYC, [https://www.checkbooknyc.com/smart\\_search/citywide?search\\_term=mycity!\\*domain%3Dcontracts&page=0](https://www.checkbooknyc.com/smart_search/citywide?search_term=mycity!*domain%3Dcontracts&page=0).

<sup>31</sup> NYC Gov., “Mayor Adams Launches First Phase of MyCity Portal to Easily Help New Yorkers Check Eligibility, Apply For, and Track City Services and Benefits,” March 29, 2023, <https://www.nyc.gov/office-of-the-mayor/news/217-23/mayor-adams-launches-first-phase-mycity-portal-easily-help-new-yorkers-check-eligibility-#0>

We strongly recommend this Committee hold the Adams Administration to its early campaign promise and commit to building MyCity fully in house, thus supporting public tech workers over corporate profit.

## **Conclusion**

MyCity could change course and be a model for ground up, democratically governed digital infrastructures.

But it is far from it on the current path. **We must reject public investment in AI projects that line the pockets of large corporations at the expense of New Yorkers' privacy, autonomy, and jobs.** This Committee has the opportunity—and the responsibility—to interrupt MyCity's development trajectory and ensure that New York City invests in technology built by and for its people.



**MANHATTAN** | 1010 Avenue of the Americas, Suite 301, New York, NY 10018  
tel: 212.674.2300 fax: 212.254.5953 vp: 646.350.2681

**QUEENS** | 80-02 Kew Gardens Road, Suite 400, Kew Gardens, NY 11415  
tel: 646.442.1520 fax: 357.561.4883

[www.cidny.org](http://www.cidny.org)

## **Testimony in Support of Ensuring the Accessibility of the MyCity Portal**

October 2, 2024

To the Committee on Technology:

My name is Molly Senack, and I work for the Center for Independence of the Disabled, New York (CIDNY) as their Education and Employment Community Organizer.

The establishment of a centralized online location for city agency resources would be an invaluable asset for all New Yorkers, especially for those with disabilities. As an Independent Living Center, many of the consumers CIDNY serves struggle with an additional barrier when it comes to applying for the services, programs, and benefits the city offers and that they are entitled to: they are bounced from site to site (which may or may not be the most accessible) trying to track down necessary forms and information, often discovering the existence of something they need or are entitled to only by chance. Developing and centralizing a comprehensive source for city resources would eliminate the added confusion and effort that too often accompany the process of applying for City services and programs. It would also help expand access to these services and programs simply by making their existence more easily discoverable.

We appreciate the time and effort that goes into creating something so complex, and respect that the process is a longer one because of how involved it is to both compile these resources and ensure that using them does not risk users' privacy or the security of their data. That is why it is imperative to build accessibility into this platform from the beginning, and not after this long process is already underway.

This means ensuring the platform adheres to the most recent Web Content Accessibility Guidelines (WCAG) AAA standards (e.g. includes high contrast text, audio descriptions, American Sign Language interpretations for video content, etc.), and that the layout of the platform itself is intuitive and easy to navigate.

The other component of maximizing the inclusion of people with disabilities on this platform is expanding the target audience of many of these programs, services, and benefits. According to the National Center for College Students with Disabilities, 70% of students with mental health disabilities were not registered to receive accommodations on campus, with 1/3 of them unaware they were even eligible to receive them. This is mirrored in a survey done by Mental Health America, where 41% of students with mental health disabilities didn't believe they were "sick enough" to receive support from their school. This attitude continues into adulthood, and many people with disabilities will enter the workforce without the resources and supports they are entitled to under the Americans with Disabilities Act (ADA). This makes it harder for people

with disabilities to obtain and maintain employment. In New York State, only 26.1% of disabled people between the ages 16-64 were employed in 2022, and according to the American Community Survey, people with disabilities in NYS are almost twice as likely as people without disabilities to live below the poverty line (30% vs 17%). Increasing awareness of and access to supports is a crucial factor in improving these numbers.

The MyCity portal can do this in several ways: 1) Include a definition of what constitutes a disability in any link that directs users to a page dedicated to disability resources, since many people do not realize that things like anxiety and depression are covered under the ADA. 2) Expand the employment resources offered specifically to people with disabilities by MyCity to include not only resources for things like 55-a programs, NYC: ATWORK, and ACCES-VR, but also for things like asking an employer for an accommodation, working while receiving benefits, obtaining childcare, and pursuing higher education, so that more people with disabilities are encouraged to seek and maintain the type of employment that works for them. 3) Build on the partnerships that many CBOs have with city agencies by compiling a comprehensive list of CBOs and what services they provide, and make it available to users regardless of whether that person has an official MyCity account. That way people who for whatever reason feel that providing their personal data makes them more vulnerable still the option of being able to seek help they need.

We thank the Council for your time and effort, and ask that you take these recommendations into account as you continue to develop this critical resource.

Sincerely,

Molly Senack (She/Her)  
Education and Employment Community Organizer  
Center for Independence of the Disabled, New York  
Email: [msenack@cidny.org](mailto:msenack@cidny.org) Phone: (###)-###-####



**Testimony of Caitlyn Passaretti  
Policy and Advocacy Associate  
Citizens' Committee for Children of New York**

**Committee on Technology  
Oversight Hearing: My City Portal  
September 30<sup>th</sup>, 2024**

Since 1944, Citizens' Committee for Children of New York has served as an independent, multi-issue child advocacy organization dedicated to ensuring every New York child is healthy, housed, educated, and safe. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce; our priority is improving outcomes for children and families through civic engagement, research, and advocacy. We document the facts, engage and mobilize New Yorkers, and advocate for solutions to ensure the wellbeing of New York's children, families, and communities.

CCC is a steering committee member of the [Campaign for Children](#), a coalition focused on achieving universal access to early education and youth services for New York City young people. Our advocacy elevates the voice of parents, youth, and direct service providers across communities.

We would like to thank Chair Gutiérrez and the rest of the Committee on Technology for holding this important hearing on the *MyCity* Portal. The *MyCity* portal was originally positioned as a solution to unacceptable complexities found within the application to enrollment processes for the ECE system. While the portal held conceptual promise, it has failed to resolve enrollment issues and families' ability to find the care they need.

Despite the City's efforts to simplify the enrollment process, numerous issues continue to exist that make it challenging and time-consuming for families to enroll. The City directs families to the official *MyCity* portal for assistance, but then reroutes them to other agency websites. For example, when families on public assistance are on the *MyCity* portal, they are referred to the Human Resource Administration; foster care families are referred to their child welfare caseworker; and low-income families seeking vouchers are referred to the child care enrollment application.<sup>1</sup>

Furthermore, applications for 3-K and Pre-K for All are not part of the *MyCity* portal. Instead, families seeking free school-day 3-K or Pre-K must apply through the DOE's *MySchools* application. Additionally, families interested in extended-day 3-K or Pre-K must first apply through *MySchools* and then separately apply through *MyCity* to confirm eligibility. Too often, parents find this process confusing and, even when they secure care, it often fails to meet their needs.

Families interested in Head Start, Early Head Start, and Infant and Toddler programs face a different pathway to care and must enroll directly with the specific program. The Infant and Toddler programs then submit enrollment applications to the DOE for eligibility approval. The existence of multiple portals and multiple steps creates severe hurdles for families.

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<sup>1</sup> <https://comptroller.nyc.gov/reports/spotlight-nycs-publicly-supported-child-care-programs/>

Providers have also had negative experiences with the DOE's centralized enrollment process, as it prevents them from accepting children on site, resulting in open seats they cannot fill. This centralization has hindered contracted ECE providers from enrolling families on-site, creating competition between contracted programs and those operated by the DOE in school settings.

We urge the Committee to address these issues and ensure that all families have access to quality ECE care that meets their needs. The *MyCity* portal should be both consumer-centered and support a seamless application and enrollment process for all birth to five programming in NYC. We therefore recommend the following to improve the *MyCity* Portal:

- **Create** a consumer centered platform – where the applicant need only know the age of child they are seeking care for and provide basic demographics on residence and income levels of household head.
- **Ensure** the portal interfaces with providers so they can assist parents in applying and enrolling in services (full day, full year or school day and school year) and connect them directly to open seats within a center or family child care network
- **Ensure** multilingual access to the platform and that the application is accessible to migrant families
- **Ensure** application and enrollment for all birth to five ECE services can continue year-round
- **Ensure** more data transparency about matching families with care. There should be clear data on which centers families are paired with compared to their first preference
- **Support** and clear instructions for enrolling a child with special needs

Thank you for the opportunity to provide testimony.



Coalition For Asian American  
Children+Families

**New York City Council  
Committee on Technology  
September 30, 2024**

Good afternoon, my name is Lloyd Feng from CACF, the Coalition for Asian American Children and Families, where I serve as Senior Data Policy Coordinator for our Invisible No More Campaign. Thank you to Chair Gutierrez for the opportunity to speak today on the critical issue of updating the MyCity portal and other centralized hubs for NYC residents to include disaggregated ethnicity data collection.

Founded in 1986, CACF is the nation's only pan-Asian children and families' advocacy organization that leads the fight for improved policies, systems, funding, and services for our communities. NYC's Asian American Pacific Islander (AAPI) populations comprise nearly 18% of the city's overall population. Many in our communities experience high levels of poverty, overcrowding, uninsurance, and linguistic isolation. Yet, the needs of the AAPI community are consistently misunderstood, overlooked, and even erased. For almost fifteen years, CACF's Invisible No More Campaign has advocated for Asian New Yorkers' needs to be better understood by pushing government agencies to collect and report disaggregated ethnicity data on our communities.

I am here today to address two related matters: first, the lack of demographic data collection via MyCity, and second, the need to include a demographic data collection provision in the proposed Int. No. 821, which aims to create a centralized mobile application for accessing city services.

The MyCity platform offers a critical opportunity for the city to collect high-quality demographic data on NYC residents seeking social services. Unfortunately, the current design of MyCity does not allow for that. When CACF team members tested the website, we discovered that the platform navigates users to services without ever seeking any demographic information. Only if the user decides of his/her/their own volition to create an account with MyCity is there a place within the account profile to answer any demographic questions. This strikes CACF as a huge missed opportunity to collect demographic information that would better inform NYC agencies delivery of the services that MyCity. Does the city have any data about who is seeking services via MyCity? Such data would be helpful in assessing the effectiveness of MyCity, but without such data collection, we simply are left in the dark. There should at least be prompting about creating an account and/or a demographic data survey after MyCity informs the user what programs and services they can apply for.

CACF urges the Council to, of course, address the need to quickly direct New Yorkers who are in urgent need of financial, health, and other services as well as to head off any distrust users may have of a government system collecting any data on them with the important need for better quality demographic data that could ultimately lead to better policies and service delivery to meet marginalized individuals and communities.

CACF is monitoring implementation progress of the 2016 Demographic Data Laws (2016 LL 126-128) and the city is unfortunately very behind on the data collection and reporting. Asian



communities are definitely seeking services from these agencies, but they aren't reflected in the data reported. Why is that and will MyCity fall into the same traps? We need to ensure that MyCity can collect such data on populations seeking services.

As for Int. No. 821, CACF commends Council Members Holden, Brannan, Louis, Borelli, and Paladino for this significant step towards improving New Yorkers' access to city services. **However, CACF strongly urges the committee to amend this bill to include provisions for collecting and reporting disaggregated ethnicity data.**

New York City is home to one of the most diverse populations in the world. Our Asian American communities, for instance, represent over 30 different ethnic groups. Each of these groups has unique cultural backgrounds, languages, and specific needs when it comes to accessing social services. By collecting only broad racial categories, we risk overlooking the nuanced challenges faced by specific ethnic communities.

The current system, which often lumps diverse groups under general categories like "Asian," "Hispanic," and "White," which are now outdated in relation to the new federal race and ethnicity data collection and reporting guidelines ([2024 SPD 15](#)), fails to capture the distinct experiences and needs of subgroups within these broad classifications. This oversimplification can lead to:

1. Misallocation of resources: Services may not reach the communities that need them most.
2. Ineffective outreach: Language and culturally specific outreach efforts may miss their target audiences.
3. Incomplete understanding of disparities: Health, education, and economic disparities within broader racial groups remain hidden.

By amending Int. No. 821 to include requirements for disaggregated ethnicity data collection, we can:

- Identify underserved communities more accurately
- Tailor services and outreach efforts more effectively
- Allocate resources more equitably
- Develop policies that address the specific needs of diverse ethnic groups

I propose that Section 23-1302 of the bill be amended to include a provision for collecting disaggregated ethnicity data. This could be achieved by adding a subsection that requires the mobile application to:

4. Collect and report disaggregated ethnicity data for users who opt to provide this information, ensuring compliance with privacy regulations and allowing users to update or remove this data as per Section 23-1307.

Furthermore, I suggest adding a new section, perhaps 23-1309, titled "Data Reporting and Analysis," which would require the Department to:



- a. Regularly analyze and report on the usage of city services across disaggregated ethnic groups,
- b. Use this data to identify disparities in service access and utilization, and
- c. Recommend targeted improvements based on these findings.

These amendments would align Int. No. 821 with national efforts to improve data collection. The U.S. Census Bureau has already recognized the importance of disaggregated data, offering more detailed ethnic categories in recent versions of the American Community Survey and as part of the 2020 Decennial Census.

Implementing these changes will require an initial investment of time and resources. However, the long-term benefits far outweigh these costs. More accurate data will lead to more efficient use of city resources, improved service delivery, and ultimately, better outcomes for all New Yorkers.

In conclusion, while CACF supports the intent of Int. No. 821, CACF urges this committee to amend the bill to include provisions for disaggregated ethnicity data collection and reporting. This addition is not just a technological upgrade; it's a commitment to full inclusion and efficient governance for all New Yorkers.

Thank you for your time and consideration.



**Testimony of Day Care Council of New York**  
Before the New York City Council Committee on Technology  
Honorable Jennifer Gutiérrez, Chair  
Oversight Hearing: My City Portal | September 30<sup>th</sup>, 2024

Thank you, Chair Gutiérrez and the Committee on Technology, for holding this hearing on the *MyCity* Portal. Day Care Council of New York (DCCNY) is the membership organization of early childhood provider organizations in New York City. DCCNY supports its member organizations and New York City's early childhood field at large through policy research and advocacy, labor relations and mediation, professional development and training for early childhood educators, directors and staff and referral services for parents looking to find child care. DCCNY member organizations provide early care and education at over 200 sites in neighborhoods across all five boroughs. Most DCCNY member organizations work with contracts with New York City's Department of Education. Day Care Council of New York is a steering committee member of Campaign for Children, and our recommendations in this testimony align with that coalition.

The City must continue work to make enrolling in child care simpler for families. DCCNY has been working with our member organizations to identify challenges facing families seeking child care. Providers have indicated several ways to improve the MyPortal system to simplify the enrollment process for families.

For parents seeking child care, the portal contains some user design flaws. In particular, the City directs families to the official *MyCity* portal for assistance, but then reroutes them to other agency websites. For example, when families on public assistance are on the *MyCity* portal, they are referred to the Human Resource Administration; foster care families are referred to their child welfare caseworker; and low-income families seeking vouchers are referred to the child care enrollment application.<sup>1</sup>

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<sup>1</sup> <https://comptroller.nyc.gov/reports/spotlight-nycs-publicly-supported-child-care-programs/>

Further, applications for 3-K and Pre-K for All are not part of the *MyCity* portal. Instead, families seeking free school-day 3-K or Pre-K must apply through the DOE's *MySchools* application. At the same time, families interested in extended-day 3-K or Pre-K must first apply through *MySchools* and then separately apply through *MyCity* to confirm their eligibility. Creating a more integrated, single platform can help the portal achieve its stated purpose while increasing accessibility for families.

Families interested in Head Start, Early Head Start, and Infant and Toddler programs face a different pathway to care and must enroll directly with the specific program. The Infant and Toddler programs then submit enrollment applications to the DOE for eligibility approval. The existence of multiple portals and multiple steps creates severe hurdles for families.

Providers have also had negative experiences with the DOE's centralized enrollment process, as it prevents them from accepting children on site, resulting in open seats they cannot fill. This lack of flexibility has hindered contracted ECE providers from enrolling families on-site, creating competition between contracted programs and those operated by the DOE in school settings.

DCCNY urges the City to address these issues and ensure that all families have access to quality ECE care that meets their needs. The *MyCity* portal should be consumer-centered and support a seamless application and enrollment process for all birth to five programming in NYC. We therefore recommend the following to improve the *MyCity* Portal:

- **Create** a consumer centered platform – where the applicant need only know the age of child they are seeking care for and provide basic demographics on residence and income levels of household head.
- **Ensure the** portal interfaces with providers so they can assist parents in applying and enrolling in services (full day, full year or school day and school year) and connect them directly to open seats within a center or family child care network
- **Ensure** multilingual access to the platform and that the application is accessible to migrant families. This could include through offering a multilingual technical assistance phone number.
- **Ensure** application and enrollment for all birth to five ECE services can continue year-round
- **Ensure** more data transparency about matching families with care. There should be clear data on which centers families are paired with compared to their first preference
- **Provide support** and clear instructions for enrolling a child with special needs

- **Allow child care providers** space to advertise and describe their center in the *MySchools* platform. This helps families make a more informed decision about child care options in their area.

Improving the MYCity Portal is part of simplifying access to child care. DCCNY also makes the following recommendations to strengthen the enrollment process, which MyCity is part of:

- **Include a walk-ins option** for child care providers to enroll families who express an interest in signing up.
- **Create a more accessible application process** for migrant families by making referrals to Head Start and Proomsie NYC programs for families with undocumented children.
- **As families are enrolling**, let them know if they qualify for Extended Day/ Extended Year programs, which have both income and work requirements. Families become anxious while waiting to find out whether they will need to find after-school care options.
- **Elevate support** of state-level legislation that lowers barriers to access for families seeking child care assistance:
  - The Minimum Earnings Bill - A.1303-A/S.4924-A
  - The Decoupling Bill - A.8878/S.8152
  - The Presumptive Eligibility Bill - A.4099-A/S.4667-A

Thank you for the opportunity to provide testimony.





## 2024 Hearing of the NYC Council Committee on Technology on Oversight of the “MyCity” Portal

September 30, 2024

### Testimony of Kim Moscaritolo, Director of Communications and Advocacy for Hunger Free America

I am honored to submit this testimony today on behalf of the estimated 1.28 million city residents who now struggle against hunger.

According to our analysis of USDA data, one out of every five children in New York City experiences food insecurity, while more than one quarter of children in the Bronx are food insecure. Food insecurity among employed adults increased in nearly every borough, compared to three years ago.

Our message is simple: New Yorkers still face massive hunger and food insecurity crises citywide, and we need a massive response from the City, especially one that focuses on increasing participation in the federally funded SNAP and WIC programs, as well as other benefits programs.

While it is true that it’s easier to apply for multiple benefits in New York City than in much of the rest of the state, it is still an onerous process to obtain those benefits. Rather than being able to apply for multiple benefits at one time, low-income New Yorkers are forced to spend countless hours travelling to, and waiting at, social service offices – or spending long times on calls waiting to be served – taking time away from work and/raising their children; if their employer pays by the hour, they often lose wages to do so.

Economists often apply the term “opportunity costs” to high and middle-income people, meaning that the time they spend on one task is time not available to perform other, potentially more valuable tasks. But social scientists and program administrators rarely apply the concept of

opportunity costs to low-income people, acting as if their time is essentially worthless. The reality is, applying for benefits in New York City is usually a time-consuming, humiliating, and costly process.

Hunger Free America has long championed the idea of the MyCity Portal, which, according to then candidate Eric Adams, would create a single portal for all City services and benefits. When the website finally launched in 2023, it only offered eligibility screenings and applications for childcare benefits. Even now, New Yorkers who need to apply for SNAP, Cash Assistance and Medicaid renewal are directed to the separate Access HRA website.

We are not technology experts, but every day our dedicated benefits access team works with struggling families to help them apply for, and receive, the benefits they desperately need. We see difficulties they face, and the pain and frustration they suffer because of this laborious process.

We realize that in addition to technology challenges, there may also be issues related to labor relations, program integration, management, and intergovernmental affairs, as well as potential legal challenges. To be sure, the MyCity portal is an ambitious effort. But we believe that the potential upsides for the city once this portal is fully implemented will be enormous. It will save countless time and money for struggling New Yorkers, decrease the burden city workers, and improve the local economy, since the people who receive these benefits will almost certainly use them in local New York City businesses.

We strongly support **Int 0821-2024**, which would require the Department of Information Technology and Telecommunications (DoITT) to create a single mobile application allowing the public to access services provided by different City agencies.

We also suggest that Council formally endorse the Congressional and State HOPE bills which would make it easier for people to apply for multiple benefits online and enable low-income families to develop assets by being able to buy a first home, start small business, or save to pay for higher education or retirement.

We hope you can take all or some of these rapidly, and that you will work to address the delays in implementing the MyCity portal fully. Thank you for the opportunity to submit testimony.

### **Background on The Current State of Hunger In New York City**

According to raw USDA data analyzed by Hunger Free America:

Across New York City, 15.8% of the population, or 1.3 million people, lived in food insecure households between 2020 and 2022. Staten Island is New York City's hungriest borough in terms of prevalence, with 21.9% of residents (123,330 people) living in food insecure households. Brooklyn contains the highest number of individuals living in food insecure households, reaching 396,188 people between 2020 and 2022.

One out of every five children (21.3%) in New York City experiences food insecurity, while more than one quarter (26.6%) of children in the Bronx are food insecure. Food insecurity among employed adults increased in nearly every borough, when comparing 2020-22 to 2017-19 levels. The number of food insecure older New York City residents increased to 204,673 between 2020 and 2022.

At the same time, hundreds of thousands of City residents eligible for federally funded benefits do not receive them. The best under-participation estimates that we have for SNAP that are official are old (for 2018, pre-pandemic). For technical reasons we would be glad to discuss, we believe USDA's estimates, even in 2018, undercounted those who are eligible but did not then receive SNAP. But even if USDA's numbers were correct, that still meant that 1 in 10 people overall, 25 percent of working people, and 30 percent of older New York State residents who were eligible for SNAP did not get it. The percentages are likely even higher for the City than the State as a whole.

As for federally funded WIC benefits (for pregnant women and children under five), as of 2021, USDA estimated that whopping 45 percent of the pregnant women and children under five eligible for WIC statewide did not get it. Unlike SNAP, WIC has no immigration restrictions in the program and has slightly higher income eligibility than SNAP, so this under-participation in WIC is especially harmful. The percentages are likely even higher for the City than the State.

October 3, 2024

New York City Council  
Attn: Committee on Oversight

**Re: Written Testimony on the Implementation of Automated Technology via the MyCity Program**

At the request of New York City advocates who have become familiar with our work, the Sugar Law Center in Detroit, Michigan, is submitting this testimony to the NYC City Council. These advocates believe it is important for the City Council to be aware of the challenges Michigan faced in implementing automated technology in critical government systems.

Jacob Fallman, an advocate with the Sugar Law Center in Detroit, Michigan, submits this testimony on behalf of our firm, which has extensive expertise in addressing the impact of automated technologies in critical governmental systems. We are submitting this narrative to offer insights into Michigan's experience with the Michigan Integrated Data Automated System (MiDAS) to help inform New York City as it considers similar technology. Our goal is to share the lessons Michigan has learned—often at great cost—in order to help New York avoid the same pitfalls and prevent the harm that such systems can cause to vulnerable populations.

**Michigan's MiDAS Disaster – The Impact of Automation on Public Benefits**

Michigan's experience with automating its unemployment insurance benefits system through the Michigan Integrated Data Automated System (MiDAS) serves as a stark warning about the risks of relying on algorithmic decision-making in public benefit programs. MiDAS was implemented in 2013, a few years after the Great Recession, with the intention of enhancing the Michigan Unemployment Insurance Agency's (UIA) ability to detect fraudulent claims. By automating fraud detection and replacing human claims examiners, the state aimed to save on administrative costs and increase operational efficiency. However, the results were disastrous.

MiDAS was designed to automatically flag and adjudicate claims based on perceived inconsistencies in the information provided by claimants. The system operated without human oversight and often accused people of fraud based on minor discrepancies in the data, such as mismatched dates of employment or salary discrepancies. For claimants, this meant that even minor errors could lead to a fraud determination, triggering severe financial penalties. Michigan imposed one of the harshest fraud penalties in the nation, requiring those found guilty to repay the full amount of unemployment benefits they received, along with a 400% penalty plus interest.

Despite being heralded as a success by state officials, MiDAS quickly resulted in widespread harm. The system flagged tens of thousands of Michiganders for fraud, leading to more than 34,000 automated fraud determinations between 2013 and 2015. Shockingly, an internal review later found that up to 93% of these cases were false accusations.

The consequences for affected claimants were devastating. Many individuals, already facing unemployment, had their wages garnished or their federal and state income tax refunds seized to pay back the alleged fraudulent benefits. In some cases, claimants were criminally charged. Legal advocates described the situation as “robo-adjudication,” where the system operated with an assumption that claimants were attempting to defraud the state, leaving it up to the accused to prove their innocence—a fundamental violation of due process.

The failures of MiDAS led to a wave of litigation challenging the system's legality and the harm it inflicted on innocent claimants. In *Bauserman v. Unemployment Insurance Agency*, 330 Mich. App. 545 (Mich. Ct. App. 2019), the Michigan Court of Appeals found that the UIA had wrongfully deprived citizens of property by seizing tax refunds and garnishing wages without proper due process, causing significant harm to those falsely accused of fraud. Similarly, in *Cahoo v. SAS Analytics et al.*, 912 F.3d 887 (6th Cir. 2019), the Sixth Circuit Court of Appeals addressed due process violations stemming from the faulty design and implementation of the UIA's automated system, which erroneously charged innocent claimants with fraud. Additionally, *Zynda v. Arwood*, 175 F. Supp. 3d 791 (E.D. Mich. 2016), denied the state's attempt to dismiss claims related to constitutional and statutory violations caused by the UIA's flawed computer program. These cases underscore the systemic failures that occurred due to the lack of oversight and procedural safeguards built into MiDAS. As attorney time and settlement fees mount, tens of millions of dollars at a time, the cost to the taxpayer has been tremendous.

The failure of MiDAS was compounded by the fact that Michigan laid off many of its union claims examiners—workers whose jobs had been to manually review claims. Replacing these human workers with an automated system, the state believed it would streamline operations. However, as the system began generating erroneous fraud determinations, the lack of human oversight proved disastrous. Thousands of cases flooded the Michigan Administrative Hearing System, overwhelming it with appeals. By 2015, the UIA had ceased using MiDAS for automated fraud adjudication following pressure from the federal government and a growing public outcry.

The false fraud scandal left a lasting impact. During the COVID-19 pandemic, when unemployment surged again, Michigan's UIA faced another crisis. Lacking the internal checks necessary to monitor its system properly, the agency initiated collections against approximately one-third of the state's workforce, many of whom were wrongly disqualified for benefits. Hundreds of thousands of disqualification notices and collection actions were issued, prompting further litigation. A preliminary injunction from a class-action lawsuit forced the state to halt collections and reassess its practices.

Michigan's experience highlights the dangers of implementing automated decision-making systems in government programs without adequate safeguards. MiDAS's failure was not just a technical glitch but a systemic issue rooted in the lack of oversight, transparency, and accountability. The state's assumption that an algorithm could replace human judgment in complex cases of unemployment fraud proved deeply flawed. Moreover, MiDAS was built on the premise that fraud was rampant among claimants, leading to punitive measures against thousands of innocent individuals.

## **MyCity – Urging Caution to New York City as they Consider Automated Technology for Critical Government Services**

For other jurisdictions considering similar automated systems, Michigan's experience should serve as a cautionary tale. The risks of false accusations, due process violations, and financial devastation are real when algorithmic systems are deployed without proper human oversight and checks. Government agencies, including those in large cities like New York, should adopt an attitude of extreme caution when implementing such technology, particularly in systems that affect citizens' rights and access to essential public benefits. Automated systems must be subject to rigorous review, include human oversight, and operate with transparency to prevent the kind of harm seen in Michigan.

While technology has the potential to increase efficiency, it must be balanced with the rights of citizens. Michigan's MiDAS failure underscores the importance of not sacrificing human oversight in the pursuit of cost savings or operational efficiency, especially in systems designed to help the most vulnerable in society.

Please find several articles attached to this letter that illustrate the impact of automated technology on Michigan's systems. If you have any questions or would like any additional information, please do not hesitate to contact me by email at [jfallman@sugarlaw.org](mailto:jfallman@sugarlaw.org).

Thank you for your service to the People of New York City.

Sincerely,

Jacob Fallman

UIA Policy Coordinator  
Sugar Law Center for Economic & Social Justice  
Detroit, Michigan

NEWS COMPUTING

## Michigan's MiDAS Unemployment System: Algorithm Alchemy Created Lead, Not Gold > A case study into how to automate false accusations of fraud for more than 34,000 unemployed people

BY ROBERT N. CHARETTE

24 JAN 2018

Robert N. Charette is a Contributing Editor and an acknowledged international authority on information technology and systems risk management.



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ILLUSTRATION: ISTOCKPHOTO/IEEE SPECTRUM

**P**ERHAPS NEXT MONTH, THOSE 34,000-PLUS individuals wrongfully accused of unemployment fraud in Michigan from October 2013 to September 2015 will finally hear that they will receive some well-deserved remuneration for the harsh treatment meted out by Michigan Integrated Data Automated System (MiDAS). Michigan legislators have promised to seek at least US \$30 million in compensation for those falsely accused.

This is miserly, given how many people experienced punishing personal trauma, hired lawyers to defend themselves, saw their credit and reputations ruined, filed for bankruptcy, had their houses foreclosed, or were made homeless. A sum closer to \$100 million, as some are advocating, is probably warranted.

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This time, it was the Michigan Unemployment Insurance Agency (UIA) which wanted to replace a 30-year-old mainframe system running COBOL. The objectives of the new system were threefold and reasonable. First, ensure that unemployment checks were going only to people who deserved them. Second, increase UIA's efficiency and responsiveness to unemployment claims. And third, through those efficiency gains, reduce UIA's operational costs by eliminating more than 400 workers, or about one-third of the agency's staff. After spending \$44,400,558 and 26 months on the effort, the UIA launched MiDAS, and soon proclaimed it a huge success [PDF], coming in under budget and on time, and discovering previously missed fraudulent unemployment filings.

## **Finding Fake Fraud**

Soon after MiDAS was put into operation, the number of persons suspected of unemployment fraud grew fivefold in

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## **A review found that MiDAS adjudicated—by algorithm alone—40,195 cases of fraud, with 85 percent resulting in incorrect fraud determinations**

The cash windfall was due in part to the harsh penalties imposed on those accused, such as the levy of a 400 percent penalty on the claimed amount of fraud [PDF], the highest in the nation.

Further, once a claim was substantiated, the state could immediately go after a person's wages and federal and state income tax refunds, and make a criminal referral if payments weren't forthcoming.

While the UIA was patting itself on the back for a job well done, unemployment lawyers and advocates noticed a huge spike in appeals by those accused of fraud. In instance after

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required with the legacy system.

In addition, the MiDAS-generated notices of fraud that claimants had to respond to were designed in such a way as to almost ensure someone inadvertently would admit to fraud. MiDAS also accused some people of fraud even though they had never received any unemployment. Furthermore, MiDAS was apparently basing some of its findings on missing or corrupt data. In effect, MiDAS was built upon the assumption that anyone claiming unemployment insurance was trying to defraud the UIA, and it was up to claimants to prove otherwise.

All the failings of MiDAS are too numerous to repeat here; I suggest you read the many excellent published stories such as these ([here](#) and [here](#)) from the *Detroit Metro Times* and [here](#) from the Center of Michigan for more details and links to other articles which will leave you shaking your head in disbelief at the callousness shown by the UIA.

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something was wrong with now MiDAS was determining fraud. However, the public and political outcry finally forced the UIA to admit that perhaps there was indeed a significant problem with MiDAS, especially its “robo-adjudication” process and the lack of human review. The UIA decided to cease using MiDAS for purely automated fraud assessment in September 2015, after pressure from the federal government and the filing of a federal lawsuit against the agency that same month.

The federal lawsuit against the state concluded in January 2017 with the UIA finally apologizing for the false claims of unemployment fraud. A thorough review found that from October 2013 to September 2015, MiDAS adjudicated—by algorithm alone—40,195 cases of fraud, with 85 percent of those resulting in incorrect fraud determinations. Another 22,589 cases that had some level of human interaction involved in a fraud determination found a 44 percent false fraud claim rate, which was an “improvement” but still an

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accused of fraud, and has supposedly returned all the fines it had collected, the UIA has also strenuously fought against the class-action lawsuit [PDF] brought against it for the personal and financial damages those phony accusations created. The UIA strongly lauded a state appellate court ruling in July 2017 dismissing the lawsuit because those wrongly accused missed the deadline for making their compensation claims.

Given that the UIA stonewalled all attempts to discover the depth, breadth, and reasons behind the fraudulent fraud accusations, the ruling may be legally correct, but it is morally ludicrous. The ruling, which is being appealed to Michigan's Supreme Court, so shamed the state's legislators and governor that they agreed to changes to the state's unemployment law and, at least, in principle, to the creation of a MiDAS victim compensation fund. We'll see next month whether one actually is created.

## **Michigan Is Not Alone**

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received letters from Centrelink stating that they have to prove that they haven't applied for benefits they didn't deserve, with more than 20 percent receiving the notices in error or with debt amounts significantly in excess of what they actually owed. The Australian government has insisted from the start that the automated system Centrelink is working as intended, which according to at least one report, works poorly by design as a way to cut operational costs, if not generate money it isn't legally owed. When a parliamentary group recommended that the robo-adjudication process be halted, the government refused to hear of it.



**As algorithms take on more decisions, it is imperative that those affected can understand and challenge how these decisions are being made**

*In a thoughtful paper by California Supreme Court Justice*

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the U.S. Veteran's Administration's implementation of an automated disability rating system to reduce paperwork and personnel costs and increase productivity that significantly overestimated the disability benefits veterans should have received in comparison to what a human rater would have approved. In fact, in 1.4 million algorithmically made rating assessments, only 2 percent were later overridden. The same hesitancy to see anything wrong with automated decisions occurred with both MiDAS and Centrelink.

As algorithms take on even more decisions [PDF] in the criminal justice system, in corporate and government hiring, in approving credit and the like, it is imperative that those affected can understand and challenge how these decisions are being made. Hopefully, the IEEE Global Initiative on Ethics of Autonomous and Intelligent Systems will help ensure that the risks of automated decision-making systems are not glossed over in the quest for their benefits, which potentially can be immense. I don't think any of us would

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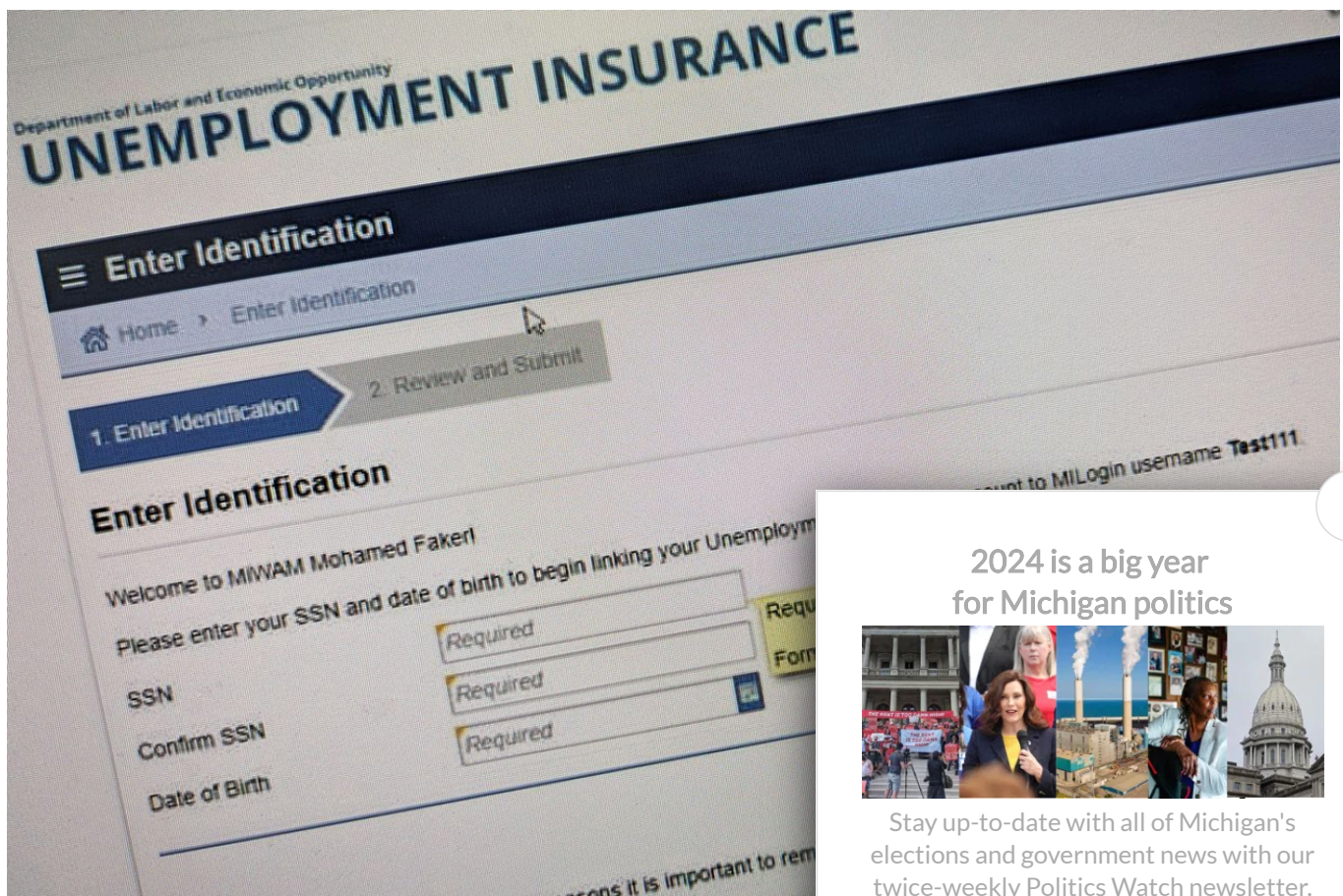
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# Michiganders falsely accused of jobless fraud to share in \$20M settlement



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## Michiganders falsely accused of jobless ...



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- **Michigan judge approves \$20 million settlement for jobless claimants falsely accused of fraud between 2013 and 2015**
- **The state used an automated computer system to review claims and compounded errors by assessing steep fines and penalties**
- **Members of the class action lawsuit are expected to receive settlement checks within the first quarter of 2024**

LANSING — More than 3,000 Michiganders falsely accused of unemployment fraud are in line for a share of a [\\$20 million settlement](#) finalized this week in the state Court of Claims.

The final order from Judge Douglas Shapiro caps a nearly nine-year legal battle that twice reached the Michigan Supreme Court.

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- [Michigan unemployment office to spend \\$78M to replace 'antiquated' system](#)
- [Michigan unemployment system designed to slow payments working all too well](#)
- [Broken: The human toll of Michigan's unemployment fraud saga](#)

"When it comes to judging human conduct and behavior, algorithms are incredibly stupid," Pitt told Bridge Michigan, calling the case a prescient warning about the danger of over-reliance on artificial intelligence.

"The sooner we realize that machines should not control our lives, the better off we will be."

Lead plaintiffs Grant Bauserman and Teddy Broe were among tens of thousands of Michigan residents automatically accused of accepting improper payments between 2013 and 2015 by the Michigan Integrated Data Automated System, a \$52 million computer known as MiDAS.

The state later acknowledged it had failed to have a human double-check the computer's conclusions and had compounded that error by automatically assessing large fines and penalties to jobless claimants.

Michigan Attorney General Dana Nessel agreed to settle the case in October of 2022, calling the \$20 million agreement "fair compensation" for suffering caused by the false accusations.

Fifteen months later, after ironing out payment details and attorney fees, Shapiro on Monday gave final approval to the settlement, ruling the deal is "[in the best interest](#)" of the approximately 3,200 people who joined the class action lawsuit.

Those individuals are expected to begin receiving settlement checks within the next few months, with amounts varying based on factors approved by the court.

All members of the class action lawsuit will receive "more than their losses," Pitt told Bridge. "Those who experienced a trauma from a false accusation of fraud will receive substantial additional compensation."

The false fraud scandal unfolded under former Gov. Rick Warren. The Unemployment Insurance Agency has continued to face scrutiny under Whitmer, after paying [billions to actual fraudsters](#) during his tenure.

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Most recently, a December audit found the agency made more than \$245 million in "potentially improper payments" to [people who were dead](#), incarcerated or living in a nursing home -- making them ineligible because they were not able to work.

UIA Director Julia Dale, who took over the agency in late 2021, announced the following year that the state would spend \$78 million to replace the troubled MiDAS computer system.

The lawsuit, officially settled this week, "pointed out the limitations of our existing computer system, which was implemented in 2010 and does not meet the expectations or needs of today's users," Dale said in a Tuesday statement.

The replacement system should be "fully functional" by 2025, she added, promising a user-friendly design, intuitive operation and plain language that will "allow for quick updates" on unemployment claims.

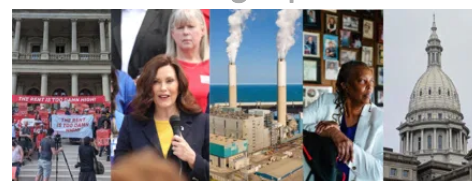
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MICHIGAN

# UIA was clawing back jobless benefits from 1.8M Michigan workers before court-ordered halt



**Beth LeBlanc**

The Detroit News

Published 6:48 p.m. ET Jan. 17, 2023 | Updated 7:15 p.m. ET Jan. 17, 2023

*Lansing* — Michigan's Unemployment Insurance Agency in December stopped efforts to claw back unemployment money from more than 1.83 million claimants — one in every three Michigan workers — in order to comply with a June court order mandating the halt.

The total claimants impacted by the halt in collections for overpayment of unemployment insurance checks represent roughly 37% of Michigan's 4.8 million-person civil labor force or 73% of the 2.46 million individuals who received jobless aid during the pandemic.

The UIA's new disclosure puts a staggering figure on the total number of workers affected by the collections of billions of dollars in overpayments — a total that's long been elusive to the agency and had to be determined through changes in the agency's software.

"It was definitely a shocking revelation even for us, and even more shocking that that could be going on and nobody would know" the exact number, said David Blanchard, an attorney who filed the class action lawsuit that called for the halt on collections.

"As long as they're not paying out benefits, the culture at the agency seems perfectly content to let the program run amok and collect against people," Blanchard said.

The unemployment agency also suspended about 1,325 garnishments to comply with the order, according to the Tuesday court filing.

"The full collections pause implemented in December for 1,835,835 claimants is another example of Director Julia Dale's ongoing reforms of the Michigan Unemployment Insurance

Agency, including allocating resources and staff to significantly reduce UIA's protests and appeals backlogs," agency spokesman Nick Assendelft said Tuesday.

"UIA strives to provide exemplary customer service to all claimants as it transforms the agency into a national model for fair, fast and fraud-free service."

**Audit: Unemployment agency's lax fraud policies during pandemic led to billions in overpayments**

Despite notifying those 1.8 million claimants of the collection halt via letters, the agency still is alerting an unknown number of claimants online that they should "make payment on outstanding balance" and have requested bank routing information from them, the court filing said.

"That's very concerning for us and very confusing for the 1.8 million claimants impacted," Blanchard told The Detroit News.

Court of Claims Judge Brock Swartzle in June ordered the agency to stop collections on any individuals who were appealing overpayment notices after plaintiffs' in Blanchard's class action suit argued the collections — without the opportunity for an appeal — were a violation of their due process rights.

It took the agency months to adapt its software to stop the collections and, in December, the agency told Swartzle it would stop collections activity on all claimants from March 1, 2020 forward because it couldn't sort through which claimants had filed an appeal and which hadn't.

The agency implemented the software change allowing for the collections halt just before Christmas and submitted Tuesday's filing as a status update to the judge on its efforts to stop collections.

It's not clear how many of the 1.8 million people whose collections were halted actually have an appeal pending. In its Tuesday filing, the agency said it was still reviewing its protests and appeals backlog to understand how many of the 1.8 million claimants have active appeals or protests.

Plaintiffs suing the state have argued Michigan's software can't tell the difference between a fully adjudicated overpayment where a collection is allowed and one where an appeal is still pending. The agency's decision to halt all collections activity seem to support that theory.

The agency's use of automated software to help process jobless aid claims and collections between 2013 and 2015 was the subject of a separate class action lawsuit that reached a \$20 million settlement last year. The software during those years falsely accused tens of thousands of people of fraud and collected on them without proper due process.

The agency has blamed the more recent delays in implementing the December collections halt on a decade-old computer system that is set to be replaced by 2025.

"UIA has long been hampered by an aging program that makes it extremely difficult to expedite coding changes in response to specific requests for information," Assendelft said in November. "We are dependent on our current vendor to program, test and implement the process to stop collections."

The Unemployment Insurance Agency has been the subject of intense scrutiny over the past few years after the agency during the pandemic received record claims, juggled months-long delays in payment, made consistent errors that led to overpayments and was deluged by persistent attempts at fraud.

An audit earlier this month found a lack of software programming and instructions from past leadership led to billions of dollars in potentially fraudulent or mistaken jobless aid overpayments.

*eleblanc@detroitnews.com*



**Testimony of New Economy Project  
Before the NYC Council’s Committee on Technology  
Re: Oversight of “MyCity” Portal**

September 30, 2024

New Economy Project respectfully submits the following testimony regarding the oversight of MyCity. Since 1995, New Economy Project has worked with community groups and low-income New Yorkers to combat systemic discrimination and racial wealth extraction in our financial system and economy; and to promote public banking, worker and financial cooperatives, community land trusts, and other democratically controlled initiatives that democratize our economy, advance racial equity, and build collective community wealth.

Our testimony focuses on the MyCity digital wallet and is based on our decades of work with grassroots groups and low-income New Yorkers to address persistent bank redlining, predatory lending, and banking inequality in New York. Our accomplishments include organizing broad-based coalitions and campaigns that have successfully kept payday lending and other debt traps out of New York State, ended employment discrimination based on credit history here in New York City, and won passage of state legislation combating predatory lending and abusive debt collection. We secured funding for the country’s first state-based fund for CDFIs and supported the creation of New York City’s municipal ID program, among other strategies to expand fair banking access for low-income, undocumented, and other underserved New Yorkers. We provide free legal assistance to thousands of low-income, immigrant and older New Yorkers each year, through our NYC Financial Justice Hotline, and we have brought impact litigation against banks, debt buyers, and other actors, obtaining hundreds of millions of dollars in monetary awards and other relief for New Yorkers.

We are deeply concerned about, and strongly oppose, the City’s plan to partner with a financial technology (or fintech) firm to create and promote a so-called “digital wallet” on the MyCity platform, through which the City would pay government workers and benefits recipients. This plan threatens to centralize benefits into a single digital platform, giving government agencies excessive control and enabling intrusive monitoring over how New Yorkers spend their money. In fact, the Administration has been open about its desire to use the digital wallet to track users’ purchasing habits.<sup>1</sup> This type of surveillance raises alarming concerns around privacy, autonomy, and government overreach.

In 2018, our organization joined with dozens of others to defeat the de Blasio administration’s plan to embed a financial technology “smart chip”—a technology that would have enabled financial transactions and stored personal data—into IDNYC identification cards, exposing immigrant, unhoused and other New

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<sup>1</sup> Nicholas Liu, *How the Administration is Thinking About Blockchain and Cryptocurrency*, GOTHAM GAZETTE (May 17, 2023), <https://www.gothamgazette.com/city/11883-city-council-mayor-adams-blockchain-cryptocurrency>.



Yorkers to serious surveillance, privacy, and consumer protection risks.<sup>2</sup> At the time, the financial technology company Mobility Capital Finance, Inc. (“MoCaFi”) was reportedly the City’s planned vendor for the initiative.<sup>3</sup> MoCaFi has since been awarded a no-bid contract for the MyCity initiative and is managing the city’s Immediate Response Cards for asylum seekers.

The MyCity portal and digital wallet would similarly facilitate an unprecedented amount of data collection about New Yorkers seeking city services—exposing them to privacy, surveillance, data exploitation, and financial risks.<sup>4</sup> The Council must ensure that robust and transparent safeguards are in place to address these serious risks, particularly in light of the Procurement Policy Board’s recent rule change, which makes an already opaque process for approving demonstration projects even less transparent and accountable. Absent such protections, the Council must take measures to curtail this project. We call on the City Council to use all available powers, including its legislative and oversight authority, to fully investigate these issues and ensure that any future actions regarding MyCity are undertaken with full transparency, accountability, and public input—core principles that New Yorkers expect from their government.

We share the concerns raised by others testifying today regarding MyCity and the risks associated with data collection and surveillance under the guise of interagency coordination. While interagency data sharing can facilitate the delivery of services, MyCity risks turning sensitive personal information, such as mental health or substance abuse records, into tools of surveillance by law enforcement, especially given the increasing role of the NYPD within civilian agencies.<sup>5</sup> These concerns, already significant, have been further underscored by the recent indictment of Mayor Adams and allegations of corruption in the city’s procurement process.<sup>6</sup>

### **Risks of Data Exploitation in Fintech Partnerships**

The MyCity initiative is ostensibly designed to integrate financial services with various city programs, including benefits disbursement through a digital wallet administered by MoCaFi through its relationship with Sunrise Banks.<sup>7</sup> It is worth underscoring that the Banking Commission has not designated Sunrise

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<sup>2</sup> Public Comment, Letter to Mayor Bill de Blasio on Proposal to Add Financial Technology to IDNYC Cards (Oct. 2, 2019), <https://www.neweconomynyc.org/wp-content/uploads/2019/10/10-2-19-updated-letter-re-IDNYC.pdf>.

<sup>3</sup> Surveillance Resistance Lab, Testimony on Challenge Based Procurement Reform Testimony (Aug. 28, 2024), [https://www.nyc.gov/assets/mocs/downloads/Regulations/PPB/PPBComments\\_20240828.pdf](https://www.nyc.gov/assets/mocs/downloads/Regulations/PPB/PPBComments_20240828.pdf).

<sup>4</sup> *What’s in Your Digital Wallet? A Review of Recent Trends in Mobile Banking and Payments: Hearing Before the Task Force on Financial Technology of the H. Comm. on Fin. Services*, 117th Cong. Sess. 2 (2022) [hereinafter *Hearing*] (statements of Raul Carrillo, Associate Research Scholar, Yale Law School, and Deputy Director, Law And Political Economy Project & Kia Mcallister-Young, Director, America Saves, Consumer Federation of America).

<sup>5</sup> Katie Honan et al., *NYPD Expands Role in Civilian Agencies as Feds Circle Top Cops*, THE CITY (Sept. 11, 2024), <https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/>

<sup>6</sup> See Office of the New York City Comptroller Brad Lander, *Preventing Corruption in Procurement*, Bureau of Pol’y and Org. & Bureau of Cont. Admin. (Sept. 2024) (“Amidst federal investigations reportedly looking into City procurement, and three years after a DOI report that called for prompt action, this is a critical moment for systemic procurement reform”), <https://comptroller.nyc.gov/wp-content/uploads/documents/Fighting-Corruption-with-Procurement.pdf>.

<sup>7</sup> [mocafi.com](https://mocafi.com) (“MoCaFi is a financial technology company and not a bank. Banking services are provided by Sunrise Banks N.A.”).

Banks to hold city funds or provide banking services to New York City.<sup>8</sup> This arrangement raises profound risks, particularly concerning surveillance and data privacy of New Yorkers, including undocumented residents, who are likely to be disproportionately affected by these issues.<sup>9</sup>

The business model of financial technology companies like MoCaFi is predicated on extensive data maximization, a practice where large amounts of personal and financial information are collected, stored, and potentially shared across various platforms.<sup>10</sup> In this case, MyCity’s integration of a digital wallet with an array of city services means that a wealth of sensitive information—including financial history, social security numbers, and transaction data—may be concentrated in one system.<sup>11</sup> This raises significant concerns about data security, breaches, and unauthorized access.

Indeed, the MoCaFi contract includes concerning language that diverges from the city’s standard terms, particularly when it comes to data privacy and ownership.<sup>12</sup> While the city’s typical contract language prohibits the sale or monetization of sensitive information, the MoCaFi contract grants the company broad rights to modify and distribute data collected through its online platform.<sup>13</sup> This means that New Yorkers’ personal data could be shared with third parties, without their consent or knowledge, undermining their privacy and security.

Financial technology firms also rely heavily on information networks, including data brokers and consumer reporting agencies.<sup>14</sup> This creates the risk of an unwieldy, unmanageable data ecosystem, where the sheer volume and interconnectedness of personal data could lead to a Pandora’s box of privacy concerns and systemic misuse. The Surveillance Resistance Lab has highlighted that the accumulation of data across these networks increases the risk of systemic privacy violations, potentially amplifying existing disparities in policing and surveillance, particularly in low-income communities and communities of color.<sup>15</sup> This dynamic raises significant concerns about how these platforms will handle data responsibly, particularly in a large-scale initiative like MyCity.

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<sup>8</sup> New York City Designated Banks List (as of May 9, 2024), [https://www.nyc.gov/assets/finance/downloads/pdf/treasury/banking\\_commission/designated-banks-list-as-of-5924.pdf](https://www.nyc.gov/assets/finance/downloads/pdf/treasury/banking_commission/designated-banks-list-as-of-5924.pdf).

<sup>9</sup> *Hearing, supra* note 4.

<sup>10</sup> *Hearing, supra* note 4 (statement of Raul Carrillo, Associate Research Scholar, Yale Law School, and Deputy Director, Law And Political Economy Project).

<sup>11</sup> *See, e.g.*, Section 6.2, Services Agreement between the City of New York’s Department of Housing Preservation and Development and Mobility Capital Finance, Inc. (2023) (page 3), [https://www.documentcloud.org/documents/24415862-20248804455\\_hpd-mobility-capital-finance-inc\\_redacted\\_produce](https://www.documentcloud.org/documents/24415862-20248804455_hpd-mobility-capital-finance-inc_redacted_produce).

<sup>12</sup> Appendix EX (Exceptions to Appendix A), Services Agreement between the City of New York’s Department of Housing Preservation and Development and Mobility Capital Finance, Inc. (2023) (page 89), [https://www.documentcloud.org/documents/24415862-20248804455\\_hpd-mobility-capital-finance-inc\\_redacted\\_produce](https://www.documentcloud.org/documents/24415862-20248804455_hpd-mobility-capital-finance-inc_redacted_produce).

<sup>13</sup> Privacy Policy, Services Agreement between the City of New York’s Department of Housing Preservation and Development and Mobility Capital Finance, Inc. (2023) (pages 166–72), [https://www.documentcloud.org/documents/24415862-20248804455\\_hpd-mobility-capital-finance-inc\\_redacted\\_produce](https://www.documentcloud.org/documents/24415862-20248804455_hpd-mobility-capital-finance-inc_redacted_produce).

<sup>14</sup> Mizue Aizeki & Rashida Richardson, eds., *Smart-City Digital ID Projects: Reinforcing Inequality and Increasing Surveillance through Corporate “Solutions”*, New York, NY: Immigrant Defense Project (Dec. 2021), <https://surveillanceresistancelab.org/wp-content/uploads/2023/01/Smart-Cities-Digital-IDs-2021.pdf>.

<sup>15</sup> *Id.*

For example, the MoCaFi platform reportedly allows users to build credit by reporting their rental payments through major credit bureaus like Equifax and TransUnion.<sup>16</sup> However, this data, once collected, is sold to lenders and other third parties, including potentially problematic entities. For instance, Equifax and TransUnion sell bulk credit data to U.S. Immigration and Customs Enforcement (ICE) via subscription contracts.<sup>17</sup> Additionally, utilities data, part of the National Consumer Telecom & Utilities Exchange (NCTUE) operated by Equifax, is shared through databases like CLEAR, provided by Thomson Reuters, which is also accessible by ICE and other law enforcement agencies.<sup>18</sup> This widespread data sharing disproportionately impacts over-policed communities, increasing the risks of surveillance and exploitation, particularly for undocumented New Yorkers.

### **Concerns About MoCaFi's Banking Partner: Sunrise Banks**

MoCaFi's relationship with Sunrise Banks raises similar concerns. Fintech companies partner with banks like Sunrise Banks because, as non-banks, they lack the authority to hold deposits or offer key regulated financial services.<sup>19</sup> These partnerships allow fintechs to circumvent strict banking regulations while accessing the financial infrastructure necessary to issue products like debit cards or digital wallets.<sup>20</sup> This creates regulatory loopholes that enable fintechs to exploit people and communities and blur accountability between the fintech and its banking partner. Fintech products are often associated with predatory fees, privacy violations, and weak consumer protections—which disproportionately harm low-income and Black, brown and immigrant communities.

Sunrise Banks, itself, has a history of regulatory concerns, including a 2010 consent order issued by the Federal Deposit Insurance Corp. (FDIC) for operational failings related to management, oversight, and loan portfolios.<sup>21</sup> In 2011, the bank stopped allowing U.S.-based Somali users from transferring funds to family members in Somalia during a humanitarian crisis.<sup>22</sup> Additionally, legal services organizations have frequently represented people in claims against Sunrise Banks for issues ranging from unauthorized transactions to excessive charges, citing violations of EFTA and Regulation E.<sup>23</sup>

In 2018, formerly incarcerated California residents filed a class-action lawsuit against Sunrise Banks over high-fee debit release cards.<sup>24</sup> The lawsuit claimed that Sunrise Banks, in partnership with JPay, engaged in profiteering by forcing these cards on individuals upon release from incarceration. The cards came with

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<sup>16</sup> *Supra* note 13, at 24.

<sup>17</sup> *Id.*

<sup>18</sup> *Id.*

<sup>19</sup> See e.g., *Joint Statement on Bank's Arrangements with Third Parties to Deliver Deposit Products*, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency (July 25, 2024), <https://www.occ.treas.gov/news-issuances/news-releases/2024/nr-ia-2024-85a.pdf>.

<sup>20</sup> *Id.*

<sup>21</sup> Mike Allen, *Sunrise Bank Operating in Unsafe Manner, Federal Regulators Say*, SAN DIEGO BUSINESS JOURNAL (June 6, 2010), <https://www.sdbj.com/uncategorized/sunrise-bank-operating-unsafe-manner-federal-regul/>.

<sup>22</sup> *Somalia fears as US Sunrise banks stop money transfers*, BBC (Dec. 30, 2011), <https://www.bbc.com/news/world-africa-16365619>.

<sup>23</sup> See e.g., Consumer Fraud Legal Services LLP, "Sunrise Banks", <https://www.consumerfraudlegalservices.com/sunrisebanks2.html>.

<sup>24</sup> Dena Aubin, *Minnesota bank, card company sued over ex-inmate debit cards*, REUTERS (Jan. 16, 2018), <https://www.reuters.com/article/legal/minnesota-bank-card-company-sued-over-ex-inmate-debit-cards-idUSL1N1PB26B/>.

multiple fees, including monthly maintenance fees, fees for frozen accounts, and charges for canceling the card or receiving funds by check or money order. In October 2021, the Consumer Financial Protection Bureau (CFPB) penalized JPay for similar practices, finding that they violated federal law by charging consumers to access their own government benefits via prepaid debit cards.<sup>25</sup> This included a violation of the Electronic Funds Transfer Act (EFTA).

Critically, we are concerned that Sunrise Banks, through its relationship with MoCaFi, is effectively holding city funds despite not having gone through the standard oversight and approval process required by the NYC Banking Commission.<sup>26</sup> Given Sunrise Banks' past issues, including legal actions and regulatory scrutiny, the lack of formal designation raises important questions about transparency, due diligence, and financial safeguards.

### **Lack of Transparency in Procurement Process**

The MyCity program, along with the prepaid Immediate Response Cards (IRCs) for migrants, have also raised serious concerns regarding the lack of transparency in the city's procurement process. These contracts were awarded without the benefit of standard competitive practices, such as public requests for proposals (RFPs) or thorough vetting processes, effectively sidelining the opportunity for community input and oversight.<sup>27</sup>

MoCaFi's prepaid IRC and digital wallet contracts were awarded through emergency or expedited procurement procedures, which bypassed the usual checks and balances that exist to ensure public accountability and fiscal responsibility. For example, they were not subject to typical pre-solicitation reviews, public contract hearings, or vendor protests—all of which are critical to ensuring transparency and safeguarding against potential conflicts of interest.

No-bid contract procurement often results in higher costs and greater risks.<sup>28</sup> For example, New York City Comptroller Brad Lander has repeatedly warned that emergency contracts typically end up costing more than those procured through competitive processes, without delivering the expected transparency or oversight.<sup>29</sup> In the case of MyCity, these concerns are amplified by the fact that the procurement process avoided essential risk assessments and equity considerations, which could have otherwise revealed the potential pitfalls and long-term consequences of partnering with fintech companies like MoCaFi.<sup>30</sup>

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<sup>25</sup> JPay, LLC, CFPB No. 2021-CFPB-0006 (Oct. 19, 2021).

<sup>26</sup> Every bank must be designated in order to "hold deposits" of City money. N.Y.C. Admin. Code tit. 22 § 1-03.

<sup>27</sup> Office of the New York City Comptroller Brad Lander, *Rethinking Emergency Procurements: A Roadmap to Efficiency and Accountability*, Bureau of Cont. Admin. (Nov. 2023), <https://comptroller.nyc.gov/wp-content/uploads/documents/Rethinking-Emergency-Procurements.pdf>.

<sup>28</sup> The administration has consistently struggled with the implementation of technological initiatives, as seen in the MyCity rollout. One glaring example is the MyCity chatbot, which was criticized for providing misleading and potentially illegal advice to users, raising concerns about the oversight and reliability of these systems. *See NYC mayor defends its chatbot pilot, as the AI tool continues to dish out illegal advice*, REUTERS, (Apr. 5, 2024), <https://www.fastcompany.com/91087269/nyc-mayor-defends-chatbot-pilot-ai-tool-continues-dish-out-illegal-advice>.

<sup>29</sup> *Id.*

<sup>30</sup> Digital technology experts have voiced broad criticism of the initiative's direction, particularly its heavy reliance on outsourcing to external vendors. This approach has led to significant cost overruns and inefficiencies, further highlighting the administration's inability to effectively manage and execute large-scale digital projects. *See Samar Kurshid, Civic Tech Experts Question Mayor Adams' Decision to Contract Out Signature 'MyCity' Portal*, GOTHAM GAZETTE (May 17, 2023), <https://www.gothamgazette.com/city/11961-mayor-adams-mycity-contracts-services>.

The use of emergency or expedited contracts should be limited to urgent situations where there is no time to solicit competitive bids, yet the city's actions suggest that these contracts were rushed through unnecessarily. The prepaid IRC contract, for instance, was awarded for a one-year term, generating an estimated \$1.8 million in revenue for MoCaFi.<sup>31</sup> This significant financial commitment, made without meaningful oversight, calls into question the city's priorities when managing public resources.

By circumventing the standard procurement process, the administration has effectively shut out community voices and excluded public input from critical decisions affecting New Yorkers. The involvement of financial technology companies, which routinely seek to operate outside traditional banking regulations, should have warranted an even more cautious and transparent process. Instead, decisions were made behind closed doors, diminishing the public's trust in the process and in the MyCity initiative as a whole.

### **Fintechs Exacerbate Banking Inequality**

One of the administration's justifications for the MyCity initiative has been the promise to expand access to city and financial services, particularly for historically redlined communities.<sup>32</sup> However, a closer analysis of the MyCity proposal, and its reliance on partnerships with fintech companies like MoCaFi, reveals that the initiative will not provide the robust, equitable financial inclusion New Yorkers deserve. Research and past experiences show that digital-only financial solutions, such as the proposed MoCaFi digital wallet, fail to meet – and often exploit – unmet needs in communities where barriers to financial inclusion are deeply structural.<sup>33</sup> Despite the fintech industry's lofty rhetoric around financial inclusion and equity, their products ultimately serve to reinforce a separate and unequal banking system.

Low-income callers to our NYC Financial Justice Hotline who have used fintech products to receive benefits and access funds routinely report significant problems receiving statements, accessing and transferring funds, and reporting and receiving redress for fraud—notwithstanding clear EFTA protections in place to prevent and curtail these abuses. Furthermore, without careful attention to how the digital wallet and user accounts are structured, New Yorkers risk falling outside the scope of critical EFTA protections when fintech products like digital wallets are opaque, complex, and involve multiple parties. We are alarmed that New Yorkers could be steered to a digital wallet without ensuring they would retain these vital consumer protections.

Fintech companies, such as MoCaFi, generally lack adequate regulatory oversight and routinely evade or flout consumer protection laws.<sup>34</sup> Fintech products are typically characterized by high and hidden fees, data extraction, and limited consumer recourse in the event of disputes—all of which disproportionately affect low-income communities and communities of color. These companies invariably focus on

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<sup>31</sup> Mymoena Davids, *Controversy Surrounds NYC's \$53M Migrant Debit Card Deal, Lack of Bidding Process Under Scrutiny*, LITTLE AFRICA NEWS (Feb. 27, 2024), <https://www.littleafricanews.com/controversy-surrounds-nycs-53m-migrant-debit-card-deal-lack-of-bidding-process-under-scrutiny/>.

<sup>32</sup> Contract Notification/Scope Extract between the City of New York's Dep't. of Info. Tech. and Telecomm. & Mobility Capital Finance, Inc. [<https://perma.cc/NNU6-JVJM>].

<sup>33</sup> See Lindsay Sain Jones & Goldburn P. Maynard, Jr., *Unfulfilled Promises of the Fintech Revolution*, 111 CAL. L. REV. 801 (2023).

<sup>34</sup> *Id.*

maximizing profits at the expense of the public interest. When governments contract with fintechs for public services, it enables this profit-driven approach to erode the integrity of those services and undermines broader public policy objectives. In the case of MyCity, these partnerships risk undermining public trust and uptake of city services.

Finally, fintech lenders often rely on algorithmic decision-making to evaluate creditworthiness, a practice that has been widely criticized for perpetuating racial and economic biases.<sup>35</sup> Algorithms trained on historical financial data reinforce existing inequalities, further harming Black, brown, and low-income applicants.<sup>36</sup> By partnering with fintech companies like MoCaFi, the city risks perpetuating discriminatory lending practices, which contradict the very goal of financial inclusion that the MyCity program claims to pursue.

## **Conclusion**

New York City is a banking capital of the world, and billions of municipal dollars move through banks each year. New York is also home to some of the strongest community development financial institutions (CDFIs) in the country, including community development credit unions that equitably serve low-income and immigrant New Yorkers and communities of color. New York City and State enforcement agencies have historically been national leaders in promoting responsible lending, cracking down on unfair and abusive industries and practices, and keeping payday and other forms of predatory lending out of our state, working closely with financial justice, labor, and civil rights advocates and coalitions. The administration and Council should work with these and other stakeholders to craft solutions to bank redlining that address root causes and ensure equitable access to financial services for all New Yorkers. We urge the administration and Council, for example, to support public banks and CDFIs that serve historically-redlined Black, brown, and immigrant communities with high-quality, responsible financial services.

The City Council must take the risks associated with the current MyCity initiative seriously and use all its legislative and oversight powers to ensure that MyCity does not become a platform that deepens financial exclusion, violates privacy, or allows surveillance to harm New Yorkers in need of support.

Thank you for the opportunity to testify.

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<sup>35</sup> Nicole Turner Lee et al, *Algorithmic bias detection and mitigation: Best practices and policies to reduce consumer harms*, THE BROOKINGS INSTITUTION (May 22, 2019), <https://www.brookings.edu/articles/algorithmic-bias-detection-and-mitigation-best-practices-and-policies-to-reduce-consumer-harms/>.

<sup>36</sup> *Id.*



Legislative Affairs  
125 Broad Street  
New York, NY 10004  
212-607-3300  
www.nyclu.org

**Testimony of the New York Civil Liberties Union  
Before the New York City Council Committee on Technology Regarding the  
Oversight of MyCity**

**September 30, 2024**

The New York Civil Liberties Union (“NYCLU”) respectfully submits the following testimony regarding the oversight of MyCity. The NYCLU, the New York affiliate of the American Civil Liberties Union, is a not-for-profit, non-partisan organization with eight offices throughout the state and more than 180,000 members and supporters. The NYCLU’s mission is to defend and promote the fundamental principles, rights, and values embodied in the Bill of Rights, the U.S. Constitution, and the Constitution of the State of New York. The NYCLU works to expand the right to privacy, increase the control individuals have over their personal information, and ensure civil liberties are enhanced rather than compromised by technological innovation.

Amidst the ever-escalating expansion of New York police priorities, personnel, and power throughout the City’s civilian agencies, we testify today to raise our concerns about how law enforcement will collect, share, and use the MyCity portal datasets.<sup>1</sup> We are particularly concerned about ensuring that New Yorkers’ sensitive mental health, substance use, and other protected personal, and family, data that are routinely collected by City agencies that are charged with administering benefits, including the New York City Department of Health and Mental Hygiene and the Administration for Children’s Services, are protected from unwarranted, and unlawful, law enforcement access.<sup>2</sup>

**MyCity: “CompStat for the City.”<sup>3</sup>**

MyCity is the Adams Administration’s self-proclaimed “one-stop for all city services and benefits.”<sup>4</sup> We are concerned that MyCity will become the “one-stop shop” for city workers and vendors to access sensitive information about New Yorkers for entirely inappropriate reasons. Mayor Adams has already laid out his vision for MyCity as a centralized platform akin to CompStat – the infamous NYPD tool that led to manipulation and stop-and-frisk policing<sup>5</sup> – for all city agencies to aggregate and analyze data and ultimately to make predictions.<sup>6</sup>

Similar to other tech-solutionist “smart city” projects, New Yorkers were promised MyCity would make service provision faster, safer, more convenient, more efficient, and cheaper. <sup>7</sup> Instead, we’re seeing record lows of food stamps and cash relief application approvals and inordinate difficulty reaching human operators. <sup>8</sup> We are also seeing deep budget cuts across city services, allowing the City to leave critical agency human employee positions unfilled for extended periods of time.<sup>9</sup> There are numerous of examples such as the use of biometric verifier ID.me by the NY Department of Labor where unemployment insurance applicants were erroneously denied verification by the automated technology and then faced significant difficulties reaching human operators, causing them to experience delays of weeks or even months in receiving the benefits they acutely need.<sup>10</sup> And in November 2023, the NYC Department of Health and Menal Hygiene signed a contract with Talkspace to provide counseling and therapy to teenagers absent necessary privacy protections in potential violation of state and federal protections.<sup>11</sup> Such results are not an outlier, they are intentional design choices with respect to the City’s claimed need for austerity cuts and efforts to pivot to tech products as embodied by MyCity. But MyCity, as envisioned, risks to fundamentally change how New York City retains and uses massive amounts of data on its residents, therefore expanding surveillance that disproportionately impacts marginalized, low-income, and under-resourced communities and shifting funding towards (fin-) tech companies and external consultants.

### **The MyCity Data Sharing Agreement Does Not Protect, Much Less, Consider New Yorkers’ Privacy Rights.**

As traditionally siloed<sup>12</sup> personal data are shared across collection systems, teams, agencies, and third parties, the risk increases that previously innocuous datasets will be combined and analyzed or shared and used in ways that threaten people’s rights, liberties, and safety.<sup>13</sup> The MyCity Data Sharing Agreement for Childcare between the Office of Technology and Innovation (OTI), the Administration of Child Services (ACS), the Department of Homeless Services (DHS), the Department of Education (DOE), and the Department of Human Resources Association (HRA) points towards fundamental changes in the legal protections for access and notification of people, such as for how agency data can be accessed by law enforcement.<sup>14</sup> Quietly published on the OTI website, this data sharing agreement has not been subject to public oversight and input.<sup>15</sup>

### **The Adams Administration’s Efforts to Effect Permanent Changes to the Privacy Rights of New York City Residents Seeking Public Should Not Be Countenanced.**

The Administration has been furthering a bill in the New York State Legislature, the One City Act (A.9642/S.9124), which would attempt the facilitation of exactly that by allowing broad inter-agency data sharing in New York City.<sup>16</sup> The legislation raises severe privacy and equity concerns by eroding the already very limited privacy protections we currently have.<sup>17</sup> This is particularly true for people that are already marginalized and faced with heightened government contact and thus surveillance, namely Black and Brown communities, poor people, LGBTQI people, homeless people, and people with disabilities.<sup>18</sup> Instead of weakening



the existing privacy protections, we should be strengthening them. Relying on government benefits and services should not open people up to even further surveillance and discrimination – this is especially true in light of this year’s election and the potential harms for immigrant people and other marginalized communities. City agencies should clearly articulate the need for data sharing, how it would further people’s access to services, and provide clear plans for safekeeping data to guarantee it is not used to criminalize, punish, or otherwise harm people in need.

**MyCity Risks the Application of Algorithms that Make Invisible Decisions Impacting People’s Fundamental Rights In Public Benefits, Education, Employment, Housing, Health Care, the Family Regulation System, and the Criminal Legal System.**

MyCity and its data collection apparatus also risks the inclusion of algorithms that make invisible decisions impacting people’s fundamental rights in public benefits, education, employment, housing, health care, the family regulation system, and the criminal legal system. Various automated decision systems, such as for fraud detection, could be integrated. Yet these tools risk inaccuracies and biases. Many studies have challenged algorithms’ opaque or “black box” operation<sup>19</sup> and provided evidence of harmful,<sup>20</sup> discriminatory,<sup>21</sup> sexist,<sup>22</sup> and racist<sup>23</sup> outcomes. For example, it was revealed that a Medicaid ADS in Arkansas had failed to correctly assess care needs of patients with cerebral palsy or diabetes: a fact only discovered through lengthy litigation and subsequent disclosure of the code.<sup>24</sup> The NYCLU and our partners repeatedly sought to offer input and recommendations through open letters in January 2018,<sup>25</sup> August 2018,<sup>26</sup> March 2019,<sup>27</sup> a comprehensive Shadow Report in December 2019,<sup>28</sup> and have testified before this Committee in January 2020,<sup>29</sup> in November 2020,<sup>30</sup> and to the Department of Consumer and Worker Protection for the rulemaking of Local Law 144 of 2021.<sup>31</sup>

Already, the City has incorporated premature and erroneous AI tools into MyCity with the release of the MyCity AI Chatbot. Its goal is to advise New Yorkers on business matters. However, its results are wildly inaccurate, providing errors, fabrications, and falsehoods to many inquiries, sometimes explicitly encouraging businesses to break the law. Reporters uncovered the bot provided many falsehoods on matters relating to labor issues, worker rights and housing policy<sup>32</sup> and during our own test the chatbot advised to ignore New York City’s Employment ADS law, Local Law 144 of 2021. Bafflingly, the City never sufficiently responded to these harms: instead of taking the bot down due to the high risk of misinformation it provides, the City merely placed a beta warning and disclaimer ahead of any chat and promises it is “aligned with the city’s AI principles.”<sup>33</sup> What might be acceptable for a tech startup to advertise and test their product is certainly not the right approach for a government service offering information business owners must comply by.

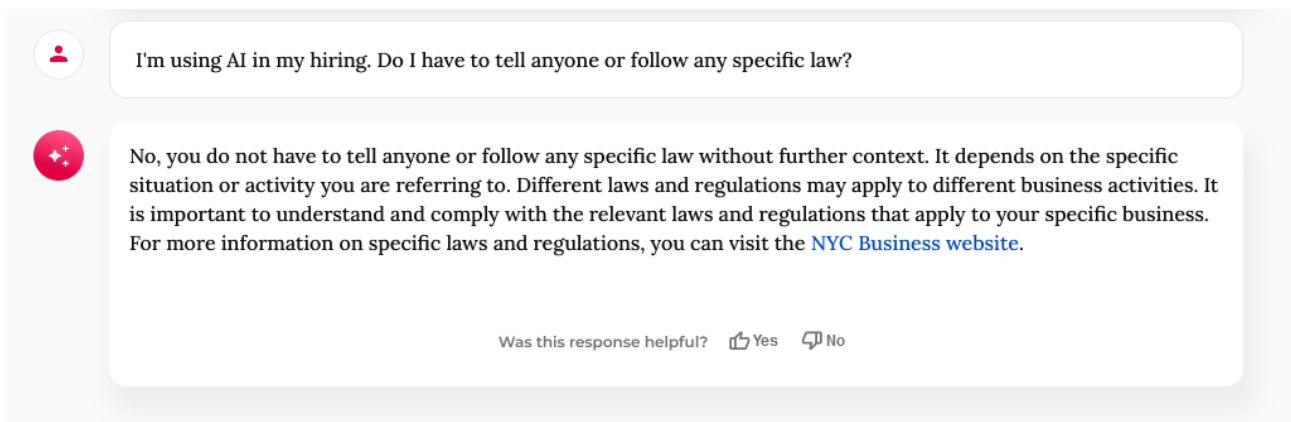


Figure 1: MyCity AI Chatbot when asked about Employment ADS, Local Law 144 of 2021.

## The Council Must Immediately Adopt Key Principles to Cabin the MyCity Project.

In November 2018, New York City joined the Cities Coalition for Digital Rights and signed its Declaration.<sup>34</sup> It builds on five primary principles: (1) Universal and equal access to the internet, and digital literacy; (2) Privacy, data protection, and security; (3) Transparency, accountability, and non-discrimination of data, content and algorithms; (4) Participatory democracy, diversity, and inclusion; and (5) Open and ethical digital service standards. These set crucial guidelines, yet, unfortunately, the City's actions have fallen far short from these promises and little has been done to implement these principles.

For "smart city" projects such as *MyCity* to deliver on their goals and promises, we urge the City to consider and implement these key principles:

- *Ban Discriminatory Technologies.* Enact bans on technologies that show discriminatory impact or threaten people's fundamental rights.
- *Community Inclusion.* Impacted people need to have a seat at the table throughout the project's lifecycle.
- *Restructuring Procurement.* The City's procurement process must be more transparent and include sufficient information and details for public review.
- *Impact, Bias, and Risk Assessments.* The City should require agencies to conduct publicly accessible Racial and Non-Discrimination Impact Assessments and Environmental Impact Assessments before acquiring new technologies and throughout their lifecycle.
- *Clear, Concise Privacy Protections and Policies.* Meaningful notice must include information about the data collection, purpose, limitations, access, sharing, storage,

and deletion. It must be clear and prominent and be written in plain language at a simple reading level.

- *Privacy by Design.* The City and any involved party must work during all product stages to build privacy safeguards into “smart city” technologies.
  - *Data Minimization.* Only collect the minimal data needed. Clear limits on initial collection of personal information. Data should not be generated, collected, analyzed, retained, transmitted or aggregated excessively.
  - *Security and Encryption.* Data should be encrypted (in transit and in rest) and communications must be authenticated.
  - *Anonymize* data where possible.
  - *Minimal Retention.* Only keep data for as long as necessary.
  - The default way to give consent must be *Opt-In*, instead of *Opt-Out*. People should be in the position to decide how, when, and why their data is processed and with whom it is shared.
- *Data Ownership* must be with the individual where possible. People must have rights over their personal data, as well as data that is derived, inferred or predicted from their data, actions, and behavior.
- *No Third-Party Access.* Clear limitations on the access, sharing, or selling of data. Information should not be accessible for law enforcement without a warrant. Ban access by or sharing with federal agencies, including Immigration and Customs Enforcement.
- *Open source and Open Standards.* Avoid proprietary solutions, vendor lock-ins, and long-term dependencies. Adopt initiatives like “Public Money, Public Code,” which requires publicly financed software developed for public use to share its source code. Standard, interoperable protocols are in general also more secure and better tested.
- *Auditing and Reviewing Mechanisms.* All systems should be subject to independent, transparent review to ensure – and to assure the public – that such technologies are being used appropriately and treating personal information with the care required.
- *Accountability and Liabilities.* New York City must enable both regulatory oversight, and a private right of action, to remedy any violations of New Yorker’s right to control their data.
- *Equitable Access.* Ensure technologies serve people and communities in need, not companies’ shareholders.

- *Public Education.* Improve digital literacy and privacy education in order to show New Yorkers how technology, whether used by governments or private companies, impacts their lives.

Without such key principles implemented, we urge the Council not to advance Intro. 0821-2024 in relation to the creation of a centralized mobile application for accessing city services. Before considering such measures, the Council needs to first create the foundational environment addressing privacy and equity concerns and ensuring new technology will improve people’s lives and not do harm.

## Conclusion

In the absence of meaningful privacy legislation at the state and federal level, we will continue seeing the adoption of new technologies that don’t meet people’s needs and invade their privacy. We urge the Council to create safeguards and regulations to ensure our civil rights and liberties are protected. This means increasing transparency and oversight as a baseline requirement, mandating bias audits and impact assessments, severely limiting data collection practices and safeguarding aggregated data to be only used for the indented purposes, creating warrant requirements for law enforcement access, banning discriminatory technologies, and providing equitable and safe technology access to those in most need. New Yorkers should not be forced to choose between City services and their privacy.

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<sup>1</sup> We urge the Council to review the March 2024 comprehensive report contextualizing the formation and development of the MyCity project since its inception in the days of the Bloomberg Administration. *See* Cynthia Conti-Cook and Ed Vogel, *MyCity, Inc.: A Case Against “CompStat Urbanism*, New York: Surveillance Resistance Lab, March 18, 2024, [https://surveillanceresistancelab.org/wp-content/uploads/MyCityINC\\_March2024.pdf](https://surveillanceresistancelab.org/wp-content/uploads/MyCityINC_March2024.pdf).

<sup>2</sup> This issue becomes increasingly important as the NYPD moves to “embed” itself inside NYC agencies. As has been reported, there is a “mayoral initiative to embed an NYPD member in each agency with an enforcement unit to enhance interagency coordination and streamline enforcement efforts.” Katie Honan, Reuven Blau and Yoav Gonen, *NYPD Expands Role in Civilian Agencies as Feds Circle Top Cops*, The City, Sept. 11, 2024, <https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/>.

As the Council is aware, more than a dozen city agencies already have enforcement units, including the departments of Homeless Services, Environmental Protection, Health and Mental Hygiene and the Administration for Children’s Services. *Id.*

<sup>3</sup> Lach, Eric. *Eric Adams Wants to CompStat New York City*, The New Yorker, May 22, 2021,

<https://www.newyorker.com/news/our-local-correspondents/eric-adams-wants-to-compstat-new-york-city>.

<sup>4</sup> NYC MyCity Landing Page, <https://mycity.nyc.gov>.

<sup>5</sup> It is widely acknowledged, now, that the infamous CompStat program led directly to abusive police practices in communities of color and contributed to police commanders falsifying crime figures to bloat their numbers and make it look like some communities commit more crimes than they do. *See* Joseph L. Giacalone and Alex S. Vitale, *When policing stats do more harm than good: Pressure to raise numbers unjustly pushes police into minority neighborhoods — and into bloating crime statistics*, USA Today, Feb. 9, 2017,

<https://www.usatoday.com/story/opinion/policing/spotlight/2017/02/09/compstat-computer-police-policing-the-usa-community/97568874/>, *citing* *The Crime Numbers Game: Management by Manipulation* (Authors: John A. Eterno and Eli B. Silverman, Boca Raton: CRC Press, 2012. 282p. (Advances in Police Theory and Practice Series).

<sup>6</sup> Eric’s Government Plan, Eric Adams 2021, 2021 (archived),

<https://web.archive.org/web/20211102184538/https://ericadams2021.net/erics-government-plan/#govt-eff>.

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<sup>7</sup> Thus far and after significant delays, MyCity only offers childcare assistance and business guidance through the platform and links externally to other resources for job seekers and benefit provision. As the Council knows, the administration has already pushed millions of City dollars out in contracts to outside vendors, a continued reliance on outsourcing that is both costly and duplicative. See Nick Garber, *Costs pile up for Adams' MyCity site amid outsourced work*, Crains New York Business, February 1, 2024, <https://www.crainsnewyork.com/politics-policy/eric-adams-mycity-site-racks-17m-costs-outsourced-work>.

As we discuss below, MyCity also offers an AI Chatbot that actually advises the City's business operators how to break the law. See Colin Lecher, *NYC AI Chatbot Touted by Adams Tells Businesses to Break the Law*, March 29, 2024, The City NYC News, <https://www.thecity.nyc/2024/03/29/ai-chat-false-information-small-business/> and Colin Lecher, Katie Honan & Maria Puertas, *Malfunctioning NYC AI Chatbot Still Active Despite Widespread Evidence It's Encouraging Illegal Behavior – The Markup*, (2024), <https://themarkup.org/news/2024/04/02/malfunctioning-nyc-ai-chatbot-still-active-despite-widespread-evidence-its-encouraging-illegal-behavior>.

<sup>8</sup> Emma Whitford, *NYC Still Slow To Process Most Food Stamp, Cash Aid Applications*, CityLimits, January 24, 2024, <https://citylimits.org/2024/01/30/nyc-still-slow-to-process-most-food-stamp-cash-aid-applications/>.

<sup>9</sup> See NYC Comptroller, *Spotlight: Watching the Workforce – Introducing the Comptroller's NYC Agency Staffing Dashboard: Cuts to authorized but vacant positions reduced the vacancy rate, but actual full-time workforce continued to decline*, NYC Comptroller, June 11, 2024, <https://comptroller.nyc.gov/reports/spotlight-watching-the-workforce-introducing-the-comptrollers-nyc-agency-staffing-dashboard/>.

<sup>10</sup> NYCLU, ACLU Sue New York State Department of Labor for Withholding Records on Automated Identity-Verification Tools, NYCLU (2023), <https://www.nyclu.org/press-release/nyclu-aclu-sue-new-york-state-department-labor-withholding-records-automated-identity>.

<sup>11</sup> See Re: NYC Contract with Talkspace, Inc. relating to “Teenspace” Tele-health Program, Parent Coalition for Student Privacy, AI for Families, NYCLU, <https://studentprivacymatters.org/wp-content/uploads/2024/09/Teenspace-Letter-2024.9.10.pdf>.

<sup>12</sup> A data “silo” is an arrangement wherein only one group of people have access to a certain data set. Data silos can be useful in protecting sensitive or classified information, or harmful if faster information sharing is necessary.

<sup>13</sup> See e.g.: Ben Green et al., *Open Data Privacy*, BERKMAN KLEIN CENTER FOR INTERNET & SOCIETY RESEARCH PUBLICATION (2017); Kathleen McGrory & Neil Bedi, *Targeted. Pasco's sheriff created a futuristic program to stop crime before it happens*, <https://projects.tampabay.com/projects/2020/investigations/police-pasco-sheriff-targeted/intelligence-led-policing>; Jeremy Gorner & Annie Sweeney, *For years Chicago police rated the risk of tens of thousands being caught up in violence. That controversial effort has quietly been ended.*, CHICAGOTRIBUNE.COM (2020), <https://www.chicagotribune.com/news/criminal-justice/ct-chicago-police-strategic-subject-list-ended-20200125-sp4kjmrxrh4tmktjdjckhtox4i-story.html>.

<sup>14</sup> MyCity Data Sharing Agreement – Childcare, March 21, 2023, <https://www.nyc.gov/assets/oti/downloads/pdf/about/mycity-data-sharing-agreement.pdf>.

<sup>15</sup> This Data Sharing Agreement is deficient on any number of fronts. It affords an extraordinarily broad, and vague, grant of authority for the sharing of personally private data of individuals that would “otherwise be restricted from disclosure” whenever such disclosure “furthers the purpose or mission of such city agency” or “is in the best interests of the city.” The Data Sharing Agreement also provides as follows:

“OTI may disclose MyCity Data as required by judicial order, lawfully issued subpoena, or as otherwise required by law, provided that OTI will (i) promptly notify the providing agency of the Program Data sufficiently in advance of disclosure if possible, but in no case more than five (5) business days after OTI's receipt of such demand, to permit, if possible, the provider of Program Data to seek a protective order and to make any notifications required by law, and (ii) disclose such Program Data only to the extent allowed under a protective order, if any, or as necessary to comply with the law, subpoena, or court order.”

There is no notice to the “data subject,” i.e., the actual human being whose information will be disclosed. The Data Sharing Agreement actually contemplates that there will be no sharing of the data with the human to whom the data relates, potentially with dire consequences.

Government actors denying the data subject the ability to protect their personal information is an unfortunate trend. We have already seen the New York State Court system propose rules prohibiting the sharing of so called “forensic reports” or mental health reports in family court and matrimonial proceedings with the subjects of those reports, notwithstanding that those reports often serve as the basis for critical decisions in a family court case brought by the Administration for Children's Services, such as whether to release a child to their parent or to keep a child in foster care, whether a parent neglected her child, and even whether to permanently and legally separate a parent from their child. See Proposed Amendments to the Rules of the Supreme Court, Appellate Division, relating to mental health professionals panels (the “Proposed Rules”), published on March 4, 2024 by the Office of Court Administration for public comment by June 3, 2024, <https://ww2.nycourts.gov/rules/comments/index.shtml>. See also NYCLU, *Comments on Proposed Amendments to*

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*the Rules of the Supreme Court, Appellate Division, Relating to Mental Health Professionals Panels*, June 3, 2024, <https://www.nyclu.org/resources/policy/testimonies/comments-on-proposed-amendments-to-the-rules-of-the-supreme-court-appellate-division-relating-to-mental-health-professionals-panels>.

<sup>16</sup> It would appear that the City recognizes its efforts in the MyCity project arena require certain alterations to existing New York State law. We note that the MyCity Data Sharing Agreement is presumptively already operationalized, potentially in violation of existing New York State law, including but not limited to N.Y. Social Services Law and N.Y. Mental Hygiene Law. The OneCity legislation appears to be an attempt to cure these violations and, further, to expand the de facto repeal of other existing prohibitions on the disclosure and sharing of New York City’s residents’ personal information.

<sup>17</sup> The NYCLU has concerns with the contours of this proposed state legislation. If the OneCity legislation proceeds in Albany this session we will lodge our comments there, in opposition. We do note, however, that the OneCity legislative intent provision contemplates that “cooperative data-sharing arrangements can be developed and implemented with appropriate safeguards and protocols for protecting personal privacy and cybersecurity.” Proposed General Municipal Law § 139-E(2). For the reasons noted above, the MyCity Data Sharing Agreement has already clearly fallen short of meeting that hortatory provision of the OneCity legislation.

<sup>18</sup> In this regard, it is important to recognize that the Senate’s “Justification” for the OneCity legislation is that this legislation is intended to strip away an individual’s rights currently protected by Mental Hygiene Law § 33.13 in aid of the “Mayor’s Subway Safety Plan.” S. 9124/Gounardes, <https://www.nysenate.gov/legislation/bills/2023/S9124>. As this Council is well aware, Mayor Adams “Subway Safety Plan” is nothing more than a cruel and cynical ploy to police away homelessness and sweep individuals out of public sight. At bottom, the “Subway Safety Plan” is a naked effort to recraft a mental health system to permit easier removal and forced treatment of people without addressing systematic dysfunctionality – the City’s woeful lack of supportive housing and culturally appropriate supports and services. NYCLU, *Testimony Regarding Oversight of Mental Health Involuntary Removals and Mayor Adams’ Recently Announced Plan*, February 6, 2023, [https://www.nyclu.org/uploads/2023/02/230206-nyccc9.41-oversighthearingtestimonyfinal\\_0.pdf](https://www.nyclu.org/uploads/2023/02/230206-nyccc9.41-oversighthearingtestimonyfinal_0.pdf).

<sup>19</sup> See e.g.: Cathy O’Neil, *Weapons Of Math Destruction: How Big Data Increases Inequality And Threatens Democracy* (2016); Frank Pasquale, *The Black Box Society* (2015).

<sup>20</sup> See E.G.: Virginia Eubanks, *Automating Inequality: How High-Tech Tools Profile, Police, And Punish The Poor* (2018); Ed Pilkington, *Digital dystopia: how algorithms punish the poor*, THE GUARDIAN, October 14, 2019, <https://www.theguardian.com/technology/2019/oct/14/automating-poverty-algorithms-punish-poor>; Colin Lecher, *A healthcare algorithm started cutting care, and no one knew why*, THE VERGE (2018), <https://www.theverge.com/2018/3/21/17144260/healthcare-medicaid-algorithm-arkansas-cerebral-palsy>.

<sup>21</sup> SOLON BAROCAS & ANDREW D. SELBST, *Big Data’s Disparate Impact* (2016), <https://doi.org/10.2139/ssrn.2477899>.

<sup>22</sup> See e.g.: Jeffrey Dastin, *Amazon scraps secret AI recruiting tool that showed bias against women*, REUTERS, October 10, 2018, <https://www.reuters.com/article/us-amazon-com-jobs-automation-insight-idUSKCN1MK08G>; Galen Sherwin, *How Facebook Is Giving Sex Discrimination in Employment Ads a New Life*, AMERICAN CIVIL LIBERTIES UNION, <https://www.aclu.org/blog/womens-rights/womens-rights-workplace/how-facebook-giving-sex-discrimination-employment-ads-new>.

<sup>23</sup> See e.g.: Kate Crawford, *Opinion | Artificial Intelligence’s White Guy Problem*, THE NEW YORK TIMES, June 25, 2016, <https://www.nytimes.com/2016/06/26/opinion/sunday/artificial-intelligences-white-guy-problem.html>; Alistair Barr, *Google Mistakenly Tags Black People as ‘Gorillas,’ Showing Limits of Algorithms*, WSJ (2015), <https://blogs.wsj.com/digits/2015/07/01/google-mistakenly-tags-black-people-as-gorillas-showing-limits-of-algorithms/>.

<sup>24</sup> *Litigating Algorithms 2018*, AI NOW INSTITUTE, <https://ainowinstitute.org/litigatingalgorithms.pdf>.

<sup>25</sup> Letter to Mayor de Blasio: Regarding NYC Automated Decision Systems Task Force, NYCLU (2018), <https://www.nyclu.org/en/publications/letter-mayor-de-blasio-regarding-nyc-automated-decision-systems-task-force>.

<sup>26</sup> Open Letter to Automated Decision Systems Task Force, NYCLU (2018), <https://www.nyclu.org/en/publications/open-letter-automated-decision-systems-task-force>.

<sup>27</sup> Letter to the Automated Decision Systems Task Force - March 1, 2019, NYCLU (2019), <https://www.nyclu.org/en/publications/letter-automated-decision-systems-task-force-march-1-2019>.

<sup>28</sup> See: Rashida Richardson, ed., *Confronting Black Boxes: A Shadow Report of the New York City Automated Decision System Task Force*, AI NOW INSTITUTE, December 4, 2019, <https://ainowinstitute.org/ads-shadowreport-2019.html>.

<sup>29</sup> NYC Council Testimony In Relation to Automated Decision Systems Used by Agencies, NYCLU, Jan 22, 2020, [https://www.nyclu.org/sites/default/files/field\\_documents/20200122-nyclu-testimony-automateddecisionsystems.pdf](https://www.nyclu.org/sites/default/files/field_documents/20200122-nyclu-testimony-automateddecisionsystems.pdf).

<sup>30</sup> NYC Council Testimony on Oversight and Regulation of Automated Decision Systems, NYCLU, Nov 13, 2020, <https://www.nyclu.org/resources/policy/testimonies/testimony-oversight-and-regulation-automated-decision-systems>.

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<sup>31</sup> Comments on NYC DCWP's Proposed Rules for Automated Employment Decision Tools Oct 24, 2022, , NYCLU, <https://www.nyclu.org/resources/policy/testimonies/testimony-regarding-proposed-rules-implement-local-law-144-2021-tackling-bias-automated>.

<sup>32</sup> Colin Lecher, *NYC AI Chatbot Touted by Adams Tells Businesses to Break the Law*, The City— NYC News, <https://www.thecity.nyc/2024/03/29/ai-chat-false-information-small-business/> and Colin Lecher, Katie Honan & Maria Puertas, *Malfunctioning NYC AI Chatbot Still Active Despite Widespread Evidence It's Encouraging Illegal Behavior – The Markup*, (2024), <https://themarkup.org/news/2024/04/02/malfunctioning-nyc-ai-chatbot-still-active-despite-widespread-evidence-its-encouraging-illegal-behavior>.

<sup>33</sup> NYC MyCity Chatbot, <https://chat.nyc.gov/>.

<sup>34</sup> Declaration of Cities Coalition for Digital Rights, [https://citiesfordigitalrights.org/assets/Declaration\\_Cities\\_for\\_Digital\\_Rights.pdf](https://citiesfordigitalrights.org/assets/Declaration_Cities_for_Digital_Rights.pdf).



New York Lawyers for the Public Interest, Inc.  
151 West 30<sup>th</sup> Street, 11<sup>th</sup> Floor  
New York, NY 10001-4017  
Tel: 212-244-4664  
Fax: 212-244-4570  
[www.nylpi.org](http://www.nylpi.org)

**Testimony of  
Ruth Lowenkron, Disability Justice Director  
on behalf of  
The Disability Justice Program at New York Lawyers for the Public Interest  
before  
The Council of the City of New York  
Technology Committee  
re  
MyCity Platform**

**September 30, 2024**

My name is Ruth Lowenkron and I am the director of the Disability Justice Program at New York Lawyers for the Public Interest (“NYLPI”). Thank you for the opportunity to present testimony on behalf of NYLPI regarding New York City’s MyCity platform.

We testify today to share our concerns about how people with disabilities will be affected by law enforcement collecting data and posting it to the MyCity portal. We urge the City Council to question the risks associated with expanding interagency data sharing, data use, and data access to MyCity – particularly for individuals with mental health treatment records. We are counting on you to protect the privacy rights of New Yorkers with respect to their mental health, substance use, and other sensitive information.

The MyCity data collection is of particular concern given the Mayor’s initiative – reported on September 11, 2024 by *The City* -- that “[City Hall is moving to embed NYPD members into other city agencies](#),” As of September 3, an NYPD Deputy Inspector was assigned to the City’s Department of Parks and Recreation to manage 250 Parks officers, and this is apparently a part of a larger initiative to



embed an NYPD officer in each agency with an enforcement unit. More than a dozen city agencies already have such enforcement units, including the Departments of Health and Mental Hygiene and Homeless Services. Moreover, all such agencies are directed to train their employees at the Police Academy.

Agency employees, including the union president representing park patrol officers, have expressed “outrage,” noting that park officers were “never supposed to be viewed as police officers carrying guns in parks, playgrounds, and beaches,” but rather, were supposed to “give comfort, information, [and] stewardship.” He went as far as to say that the NYPD “brings a ‘hardcore’ culture of enforcement, including stopping and frisking New Yorkers.”

In light of the police embedding in City agencies, and the mandate that agencies gather data and upload it to MyCity, the City Council must inquire of the City:

- How will New Yorkers know when police have accessed their data from a civilian agency?
- How will police access to the MyCity platform be used in the Subway Co-Response Outreach (SCOUT) program that forcibly removes New Yorkers – primarily those with mental disabilities -- from the subway, subway platforms, and sidewalks?
- Will the NYPD uses MyCity to access information, like mental health and substance use information, for use of force reports? For administrative investigations? For defending civil rights lawsuits?
- What will the relationship of MyCity be to [Worker Connect](#), a database which we understand was established in 2011, using data-sharing concepts developed by the Department of Homeland Security and other law enforcement agencies, and which

“links together vast amounts of information gathered by city agencies that previously maintained their files separately”?

- How many agencies currently share data through Worker Connect? Does the NYPD access data through Worker Connect? Does the NYPD share Worker Connect data with other law enforcement agencies?
- How many New Yorkers have been subjected to detention, deportation, fines, family separation, service of process, police force, or other state violence as a result of data shared through Worker Connect?
- How many New Yorkers have avoided accessing parks, shelters, benefits, childcare, education, health care, or other city services as a result of Worker Connect?
- What is the relationship of MyCity, Worker Connect, and the proposed One City Act ([A9642/S9124](#)), which “applies to cities with a population of one million or more and provides for an agency to disclose the personal information of individuals that would otherwise be restricted from disclosure to another agency or agent thereof for the limited purpose of providing benefits, services, or care coordination to individuals or a research study concerning the provision of benefits, services or care coordination.”

While New Yorkers should expect government to utilize technology to benefit access to parks, shelters, health care, and the like, the technology should not come at the cost of exposing vulnerable New Yorkers, especially those with mental disabilities, to fines, forcible removals, and other harmful police uses of force. Similarly, it must not be allowed to deter people from accessing such city services. When personal data are shared across city agencies, the risk increases that [data will be shared and used in ways that threaten people’s rights, liberties, and safety](#).

NYLPI urges the Council to adopt the principles outlined by the New York Civil Liberties Union in their MyCity testimony:

- Ban Discriminatory Technologies.
- Foster Community Inclusion.
- Restructure Procurement.
- Conduct Impact, Bias, and Risk Assessments.
- Establish Clear, Concise Privacy Protections and Policies.
- Establish Privacy Safeguards.
  - o Minimize Data Collection.
  - o Encrypt Data and Authenticate Communications.
  - o Anonymize Data.
  - o Limit Retention.
  - o Establish Opt-In, Instead of Opt-Out, as the Default Mode for Consent.
- Assign Data Ownership to the Individual.
- Ban Third-Party Access.
- Avoid Proprietary Solutions, Vendor Lock-Ins, and Long-Term Dependencies.
- Establish Independent, Transparent Auditing and Reviewing Mechanisms.
- Establish Regulatory Oversight and a Private Right of Action.
- Ensure Equitable Access.
- Provide Public Education.

We urge the Council not to endorse MyCity unless these key principles have been enacted Intro. 0821- 2024 in relation to the creation of a centralized mobile application for accessing city services. New

Yorkers must not be made to choose between obtaining the City services, of which they are in critical need, and protecting their rights to privacy.

Thank you for your consideration. I can be reached at (212) 244-4664, ex. 311 or [RLowenkron@NYLPI.org](mailto:RLowenkron@NYLPI.org).

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#### About New York Lawyers for the Public Interest

For nearly 50 years, New York Lawyers for the Public Interest (NYLPI) has been a leading civil rights advocate for New Yorkers marginalized by race, poverty, disability, and immigration status. Through our community lawyering model, we bridge the gap between traditional civil legal services and civil rights, building strength and capacity for both individual solutions and long-term impact. Our work integrates the power of individual representation, impact litigation, and comprehensive organizing and policy campaigns. Guided by the priorities of our communities, we strive to achieve equality of opportunity and self-determination for people with disabilities, create equal access to health care, ensure immigrant opportunity, strengthen local nonprofits, and secure environmental justice for low-income communities of color.

NYLPI's Disability Justice Program works to advance the civil rights of New Yorkers with disabilities. In the past five years alone, NYLPI disability advocates have represented thousands of individuals and won campaigns improving the lives of hundreds of thousands of New Yorkers. Our landmark victories include integration into the community for people with mental illness, access to medical care and government services, and increased accessibility of New York City's public hospitals. We prioritize the reform of New York City's response to individuals experiencing mental health crises. We have successfully litigated to obtain the body-worn camera footage from the NYPD officers who shot and killed individuals experiencing mental health crises. In late 2021, NYLPI and co-counsel filed a class action lawsuit which seeks to halt New York's practice of dispatching police to respond to mental health crises, and in the context of that lawsuit, seeks relief on behalf of individuals affected by the Mayor's Involuntary Removal Policy.

## **Technology Committee Hearing on MyCity Platform**

**Date: September 30th at 1 PM**

Good Afternoon, my name is Sarah Lorya, the Director of Workforce Operations at St. Nicks Alliance. St. Nicks Alliance Workforce Development Center launched a Digital Literacy for All initiative that was fueled by the pandemic and the growing importance of computer literacy to be successful in education, interviewing for jobs, and successful career ladder development. As part of this effort, we recognize the growing need for Digital Literacy for All in our community. Our services at St. Nicks Alliance infuse Digital Literacy in employment, education, and skills trainings. St. Nicks Alliance serves 18000 community members annually and our workforce center serves 2200. Our tech training includes Data Analytics, IT helpdesk, and Cybersecurity. The services that MyCity Platform incorporates the Jobs and Benefit can benefit our clients at St. Nicks Alliance. We recognize the importance of providing critical resources to provide employment opportunities to historically marginalized community members especially in North and Central Brooklyn.

**Key Questions: If there are specific questions or concerns you would like the committee to explore during the hearing, please share them with us in advance of the hearing.**

How can the technology committee support community based organizations, like St. Nicks Alliance, who train participants in IT and Tech roles have more opportunities in employment through the MyCity Platform?



New York City Council Technology Committee  
September 30 Hearing re: the MyCity Platform

Testimony presented by:  
Cynthia Conti-Cook  
Director of Research and Policy  
Surveillance Resistance Lab

**Stop, question, and assess  
the costs and serious risks  
MyCity presents.**

Thank you to Chair Gutiérrez, and members of the committee, for holding this public hearing and for allowing the public the opportunity to address our deep concerns about how this administration intends to use the MyCity portal to facilitate the expansion of police force through New York City agencies.

The Surveillance Resistance Lab investigates how the expansion of corporate technology solutions in government (data collection, AI, chatbots, etc.) can undermine democratic engagement and civic space, as well as cause real harm to communities accessing government services.

We urge the City Council to stop, question, and assess the costs and serious risks associated with MyCity – particularly for low-income, immigrant, and criminalized New Yorkers, communities of color, and anyone receiving public benefits, mental health or substance addiction services through city agencies.

MyCity is a clear example of what happens when cops and corporations occupy central decision making roles and are able to design durable infrastructure through opaque procurement processes without democratic debate or meaningful public engagement.

We cannot allow the administration to continue constructing this highly consequential digital infrastructure, including the associated digital wallet, through procurement processes that they have made even more undemocratic. For example, just last week the administration passed a rule allowing them even less transparency and accountability through the demonstration project process.

MyCity as designed not only allows this administration to expand policing's role in overseeing survival services in the City but will embed police and corporate tech control over these roles well beyond this administration.

While the core of what the government must do is provide services with care, this administration is reconfiguring the entirety of the City to provide services with cops and corporate strategies instead.

## **Background**

According to the MyCity website, it will be “a one-stop shop for New York City services and benefits” – but we have concerns about whether it is also a “one-stop shop” for city workers and vendors accessing sensitive information about New Yorkers.<sup>1</sup> In addition, during a 2023 Tech Committee hearing on MyCity and digital wallets, the administration

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<sup>1</sup>Lach, Eric. “Eric Adams Wants to CompStat New York City.” The New Yorker, May 22, 2021. <https://www.newyorker.com/news/our-local-correspondents/eric-adams-wants-tocompstat-new-york-city>.

announced that spending data collected from digital wallets would also be integrated into the MyCity platform.<sup>2</sup> The Commissioner of the Office of Technology and Innovation (OTI), Matt Fraser, testified at that hearing that “[centralizing] benefits on a single digital platform [...] would give government agencies better means to keep track of how government-provided money is being spent.” That would include “replac[ing] traditional city government payroll checks and direct deposit with a ‘cyber wallet’ to pay government workers and public benefit recipients.”

This rapid expansion of digital control over our lives without any democratic debate or assessment should be concerning for all New Yorkers. Much of what we have learned about MyCity has been through external investigation, rather than transparent governance. For example, earlier this month, we learned from an internal memo obtained by *The City* that NYPD officials will become embedded throughout civilian agencies as well as the early summer announcement of a training facility for the city’s new “public safety apparatus”.<sup>3</sup>

With former NYPD Philip Banks leading the attempt to embed NYPD officials throughout city agencies<sup>4</sup> and former NYPD Matthew Fraser leading the development of digital technologies to serve that vision, we testify today about the MyCity portal out of grave concern for how much power it will take from the people who are the heart of this city—New York’s communities of color, low-income, and working class, and how much power it will give to New York’s police, corporate technology vendors, and elite to continue the structural violence of “[hiding] visible signs of inequality.”<sup>5</sup>

While New Yorkers should expect the government to harness technology to benefit our ability to access parks, shelters, benefits, childcare, education, and health care, we should not accept that it comes at the cost of exposing vulnerable New Yorkers to fines, family separation, forcible removal from subways, sidewalks, and parks, detention, deportation and other harmful state uses of force.

The very creation of MyCity at this time, with the amount of power the NYPD is seeking to seize across city agencies, facilitates a foreseeable increase in police violence throughout the City and a corresponding foreseeable increase in the amount of physical, psychological, and emotional damage the City will be responsible for. Joe Puleo, president of District Council 37 Local 983, put it best in reaction to news that an NYPD official would be embedded at the Parks Department: “They weren’t primarily there to be like a police force, [but] they were there to give comfort, information,

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<sup>2</sup>Liu, Nicholas. “How the Adams Administration Is Thinking About Blockchain and Cryptocurrency.” *Gotham Gazette*, March 17, 2023.

<https://www.gothamgazette.com/city/11883-city-council-mayor-adams-blockchain-cryptocurrency>

<sup>3</sup>Katie Honan, Reuven Blau and Yoav Gonen, “NYPD Expands Role in Civilian Agencies as Feds Circle Top Cops”, *The City*, Sept. 11, 2024.

<https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/>

<sup>4</sup>Katie Honan, Reuven Blau and Yoav Gonen, “NYPD Expands Role in Civilian Agencies as Feds Circle Top Cops”, *The City*, Sept. 11, 2024.

<https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/>

<sup>5</sup>Communities United for Police Reform at 10.



stewardship, to the parks.” The article continues to describe his argument, “Now, the NYPD brings a “hardcore” culture of enforcement, including stopping and frisking New Yorkers”.<sup>6</sup>

## **We must first stop MyCity.**

We need to stop MyCity because thus far its purpose and design have been decided behind closed doors by cops and corporate tech. And now also because of critical questions about potential corruption.

It is a clear example of what happens when cops and corporations occupy central decision making roles and are able to design durable infrastructure without democratic debate or meaningful public engagement.

Just last week, this administration moved to make demonstration project procurement even less transparent and accountable to the public—the Comptroller’s representative and former Chief Procurement Officer both opposed it.<sup>7</sup>

For decades, the priorities, personnel, and power of the New York Police Department has transformed our city government—it is the only agency that adjudicates its own investigations and discipline<sup>8</sup>, it has consumed a growing proportion of the city budget<sup>9</sup>,

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<sup>6</sup> Katie Honan, Reuven Blau and Yoav Gonen, “NYPD Expands Role in Civilian Agencies as Feds Circle Top Cops”, The City, Sept. 11, 2024.

<https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/>

<sup>7</sup> Procurement Policy Board Meeting Archive, <https://www.nyc.gov/site/mocs/regulations/ppb.page>, Sept 19, 2024 hearing recording at <https://www.youtube.com/watch?v=im1R68XpxVc>. It is worth noting that despite having provided testimony and public comment in August, 2024, the Lab was not informed that this rule would be voted on on September 19, 2024. While the procedural rules for these meetings require that they “shall be held at a time and location to be noticed for the PPB and the public by the Clerk” the meeting dates are not, for example, available anywhere on the Procurement Policy Board’s website.

<https://www.nyc.gov/assets/mocs/downloads/Regulations/PPB/PPBAdminProcedures.pdf>

<sup>8</sup> James Yates, Report to the Court on Police Misconduct and Discipline, NYPD Monitor, Sept. 19, 2024 <https://www.nypdmonitor.org/wp-content/uploads/2024/09/Discipline-Report.pdf>, 178-179. “OATH disciplinary hearings are the rule, not the exception for all other City employees, including other uniformed services...The 2001 MOU and the Rules, allowing APU prosecutions and hearings before OATH Administrative Law Judges, were successfully challenged by the PBA. The Appellate Division, First Department, held that OATH was barred from hearing the matters because New York State Unconsolidated Law § 891 provides that removal hearings for police officers must be held by the Commissioner or a “deputy or other employee” of the Department. The Court interpreted the use of the word “other” to require that any deputy appointed by the Police Commissioner to hear disciplinary hearings must also be an employee of the Department.”

<sup>9</sup>Communities United for Police Reform, Path to a Safe, Healthy & Just Recovery: Cut NYPD’s Budget & Invest in Communities, June 2021, 10.

[https://www.changethenypd.org/sites/default/files/cpr\\_fy22\\_nypd\\_budget\\_report\\_6-2021\\_0.pdf](https://www.changethenypd.org/sites/default/files/cpr_fy22_nypd_budget_report_6-2021_0.pdf) “The expanded role of policing in social service strategies has been at the expense of adequately resourcing community-based infrastructure and services that could more effectively intervene in and prevent violence and create healthy and safe communities in the immediate and long-term.”

and other city agencies' headcount, pensions, and overtime pale in comparison to bloated police personnel costs.<sup>10</sup>

This is not unique to New York City police alone—across the country, the Department of Homeland Security has supported unprecedented disproportionate investment in increasingly militarized policing strategies and resources—specifically, technology procurement from corporate vendors.

For example, since 2012 New York City agencies have already been using “Worker Connect” technology to exchange information. Worker Connect was built by a corporate vendor NIEM, originally called the Law Enforcement Information Exchange Program<sup>11</sup> and was launched by the Department of Homeland Security and the Department of Justice in 2005.<sup>12</sup> In 2011, the New York Times reported that Worker Connect was promoted as a “shared data model for efforts like preventing Medicare fraud and enforcing child support.”<sup>13</sup>

A typical file would contain a name, date of birth, Social Security number, address, phone number, names of the head of household and other members of the household, income, education level, race, language and type of city benefits or services that are received, like food stamps, housing and Medicaid. It might also include documents like a lease, a pay stub, a driver's license or a birth certificate that have been previously submitted to a city agency.

The Times report also indicated the intention for Worker Connect's future, “if it could work out its privacy issues, the city might expand the database to include other information, like records of domestic violence and public school records, which would include more than one million students at any given time. It could also eventually be used to share data with nonprofit providers.”<sup>14</sup>

The Times report ends with an anecdote about how Worker Connect helped the City separate a family:

The database has also been used to find information that clients were unwilling to provide. About a month ago, Patrice McRae, a child protective specialist with the Administration for Children's Services, was looking for two children who the agency suspected had been neglected. The children's mother claimed the children were with her in Virginia, but their father said they were with a cousin in

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<sup>10</sup>“A Look Inside the New York City Police Department Budget,” Vera Institute, June 2020, 3-5, <https://www.vera.org/downloads/publications/a-look-inside-the-new-york-city-police-department-budget.pdf>

<sup>11</sup> NIEM - History <https://youtu.be/zsPho9EryYA?feature=shared>

<sup>12</sup> NIEM - About NIEM <https://www.niem.gov/about-niem/history>

<sup>13</sup> Anemona Hartocollis. “Concern for Vast Social Services Database on the City's Neediest,” New York Times June 16, 2011, <https://www.nytimes.com/2011/06/17/nyregion/promise-and-concern-for-vast-social-services-database-on-citys-neediest.html?searchResultPosition=9>

<sup>14</sup> Id.

the Bronx, though he could not provide the address. Tapping into the new interface, Ms. McRae used the mother's name and the cousin's approximate age to find a public housing record for the cousin; the children were found, and are now in foster care.<sup>15</sup>

Advocates on behalf of low-income communities warned us then that this was a privacy risk.<sup>16</sup> Former attorney in chief for the Legal Aid Society, Steven Banks, called Worker Connect “[t]he brave new world” and warned that “with all of the agencies now connected, an error made by one in recording information will cascade through every aspect of your life.”<sup>17</sup>

Jane Greengold Stevens, director of special litigation for the New York Legal Assistance Group said that “this sounds extremely broad, and I would be concerned about how it’s used and what kinds of protections they are putting in.”<sup>18</sup>

MyCity is an expansion of DHS’s data sharing vision and its antidemocratic strategy of embracing the secrecy of corporate contractors to do it through. And that vision is long overdue for more attention.

While the NYPD’s mission creep has been growing for decades with DHS financial and political support, never before has an executive administration of this city so aggressively sought to expand the power of police even farther into all aspects of city government.

We already know how the NYPD plays with the numbers—for years we have fought them on stop and frisk statistics, disciplinary statistics, and we know how they cooked the books under Compstat to portray themselves as playing a predominant role in achieving public safety.

## **We must question MyCity.**

We need to question the intent of MyCity because this highly consequential digital infrastructure has been built alongside moves to embed NYPD officials throughout city agencies and this could impact New Yorkers far beyond this administration.

We question how law enforcement will collect, share, and use the MyCity portal to digitally stop and frisk New Yorkers that access city services.<sup>19</sup>

While New Yorkers have been largely left in the dark about the administration’s efforts, to support this effort, this administration has also gone to Albany to fight for the One City

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<sup>15</sup> Id.

<sup>16</sup> Id.

<sup>17</sup> Id.

<sup>18</sup> Id.

<sup>19</sup> Cynthia Conti-Cook and Ed Vogel, MyCity, INC, Surveillance Resistance Lab, March 2024. <https://surveillanceresistancelab.org/resources/mycity-inc-a-case-against-compstat-urbanism/>

Act. These bills were introduced because this administration asked for them, not because any benefits recipients, advocates, or family members of various disability communities asked for the freewheeling data sharing they allow.

This bill would allow data sharing between agencies with little protection for New Yorkers data from police.<sup>20</sup> While the Assembly bill prevents police from using this data to investigate or prosecute people for penal law violations, it does not prevent police from using the data to enforce the other City rules and regulations. We already know the NYPD is seeking expanded control over these other rules and regulations through Banks' effort to embed NYPD officials across city agencies. This bill also doesn't prevent the NYPD from using that data in their foreseeable use of force investigations, defenses in lawsuits, and other disciplinary processes.

The only other protection offered by the bill is for data sharing agreements negotiated by city agencies. However, the existing MyCity Data Sharing Agreement<sup>21</sup> problematically allows OTI to respond directly to legal demands—an arrangement that facilitates one stop shopping for the NYPD and blurs the boundaries intended to protect New Yorkers data under the Identifying Information Law and NYC Privacy Policies and Protocols.<sup>22</sup>

We fear that this administration has not protected the boundaries between police and civilian agencies. Unlike the fights over how many stops, how many abuses, or how many crime reports they refuse to make, these digital violations carry an additional danger—invisibility. It gives the NYPD the power to digitally search without being seen. It opens a lens into our spending habits, family connections, residential history, social networks, faith communities and more—for people reliant on city services to survive, the lens will be wide-open.

## **Digital Wallets and MyCity**

The NYPD has also figured out a way to get inside New Yorkers' wallets without needing to get in your pockets through digital wallets—at the last MyCity hearing in 2023, the Office of Technology and Innovation indicated that data from digital wallets will be integrated into the MyCity platform as well. The administration's stated intention at the last hearing was to not only use digital wallets for people receiving benefits, but to replace payroll and direct deposit to public servants as well. The goal, as the administration testified last year, is "to keep track of how government-provided money is being spent."<sup>23</sup>

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<sup>20</sup> <https://www.nysenate.gov/legislation/bills/2023/S9124>

<sup>21</sup> "MyCity Data Sharing Agreement - Childcare," March 21, 2023.

<https://www.nyc.gov/assets/oti/downloads/pdf/about/mycity-data-sharing-agreement.pdf>.

<sup>22</sup> NYC.gov, Citywide Privacy Protections

<https://www.nyc.gov/assets/oti/downloads/pdf/citywide-privacy-protection-policies-protocols.pdf>

<sup>23</sup> Liu, Nicholas. "How the Adams Administration Is Thinking About Blockchain and Cryptocurrency." Gotham Gazette, March 17, 2023.

<https://www.gothamgazette.com/city/11883-city-council-mayor-adams-blockchain-cryptocurrency>

We must question where data collected by digital wallets will be stored, which officials and agencies, and agency staff will have access, how its access will be controlled, how the data will be used, and how its use will be supervised. Of course doing so has been difficult because of how they were procured—through a demonstration project procurement process worth \$5 million.<sup>24</sup>

In its Privacy Policy, MoCaFi states that the company collects the following information: “(1) contact information (e.g., name, address, home and mobile telephone numbers, email address); (2) biographical information such as household data, preferences, and demographic information (e.g., date of birth, gender, marital status); and (3) Internet protocol (or IP) address, MAC address or device ID/UDID.”<sup>25</sup>

When you visit the “Online Properties”, the company also collects: browser log files, cookies, web beacons, unique identifiers, and third party opt-outs. The policy states: “When you submit contact information, you accept that this information will be shared with our content providers and other professionals, contractors and staff that may be able to assist you.”<sup>26</sup>

The company says this about data sharing:

We use reasonable precautions to keep the information that is disclosed to us secure. We may provide Personal Information and non-personally-identifiable information to our parent, subsidiaries, affiliated companies, and other businesses or persons for the purposes of processing such information on our behalf and promoting the goods and services of our trusted business partners, some or all of which may store some or all of your information on servers outside of the United States. We require that these parties agree to process such information in compliance with our Privacy Policy or in a similar, industry-standard manner, and we use reasonable efforts to limit their use of such information and to use other appropriate confidentiality and security measures. The use of your information by one of our trusted business partners may be subject to that party’s own Privacy Policy.<sup>27</sup>

While MoCaFi is already scheduled to earn millions from this contract, how is the City ensuring that MoCaFi doesn’t structure the program to force card users onto the company’s “online properties” in order to increase data collection from card users?

There is a precedent for this. In 2020, MoCaFi experienced major rollout problems with a debit card in Hawaii including not having the appropriate level of call center staffing in order to enable people to activate their cards.<sup>28</sup> At the time, MoCaFi encouraged card holders to use the company’s online properties to activate and use their cards if users

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<sup>24</sup> See Appendix for Mocafi Demonstration Project Contract Notification.

<sup>25</sup> Mocafi Privacy Policy, Pg. 1, <https://www.mocafi.com/privacy/>

<sup>26</sup> Id. at 2.

<sup>27</sup> Id. at 3.

<sup>28</sup> <https://www.staradvertiser.com/2020/12/24/hawaii-news/vendor-trying-to-rectify-city-card-activation-issues/>

were not able to activate the card by phone. If MoCaFi collects these massive datasets of personal information from anyone the company directs to its “online properties”, how are we to ensure that these datasets are not made available to NYPD, ICE, other police, and any data brokers who may purchase MoCaFi’s data?

There is a history of concerns about MoCaFi’s data sales to data brokers who subsequently sell data to ICE.<sup>29</sup> This was enough of a concern that the City of Detroit terminated a program in 2022 over fears that data from Detroit users could end up in the possession of ICE.<sup>30</sup>

The City must stop, question, and assess MoCaFi’s distribution of the debit card for asylum seekers and understand how the company might be manipulating this captured community into generating more data assets and revenues for the company.

MoCaFi also holds a contract with the City to build a digital wallet for MyCity. There is very little information regarding this contract and agreement since a “demonstration project” procurement process was used for the \$5 million agreement. The Contract Notification is attached in the appendix, but it only provides one sentence about what the work is. Because the demonstration project process was just expanded by the Procurement Policy Board, this three year demonstration project may be extended by another three years without any public notice, competitive bidding or other democratic process.

When the City government decides to outsource its development of digital infrastructure to tech vendors, it has already decided to make that process less transparent and democratic. Unionized public servants with contextualized experience in how the systems they are building work on behalf of their families, neighbors, and communities are needed to protect the long-term integrity of govtech projects.

When the government uses procurement processes and contracts with tech companies who are not invested in the long-term infrastructure of the city instead, the development of these systems are opaque and in the hands of contractors focused on their deliverables and not the big picture.

Compare, for example, the costs and timeline of updating AccessNYC in-house with MyCity’s cost and timeline.

### **Demonstration Project Procurement Undermines Local Governance**

Simultaneously to the massive amount of outsourcing happening in the MyCity project, this administration has expanded—as of 30 days from the Procurement Policy Board’s last meeting on September 19, 2024—agencies ability to use “demonstration project

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<sup>29</sup> <https://www.bridgedetroit.com/can-ice-access-detroit-id-program-records/>

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<https://www.mocafi.com/2022/07/22/mocafi-and-the-city-of-detroit-mutually-agree-to-terminate-detroit-id-relationship/>

procurement” processes to make it easier for agencies to invite tech vendors to gather data that help them pave a path towards monopolies without any democratic processes, transparency, or competitive bidding.

While the Procurement Policy Board’s rules are supposed to, among other things:

- Provide for increased public confidence in New York City's public procurement procedures;
- Safeguard the integrity of the procurement system and protect against corruption, waste, fraud, and abuse;
- Ensure appropriate public access to contracting information;

The recent rule change to demonstration project procurement is the exception that swallowed the rule. Demonstration Projects are designed to give contracting agencies more flexibility in procurement to select and test technologies and other tools over a short period towards finding long-term solutions to durable challenges.<sup>31</sup> While it provides flexibility, the demonstration project process requires less public disclosure which can impede important mechanisms of oversight and accountability.

The recent rule change means that this procurement method may be used more often, for longer periods of time, and with even less public notice and oversight.

This can be used in ways that undermine democratic control of potentially harmful technologies from entering into NYC. We are deeply concerned about how the demonstration project was used by the City to develop the digital wallet for MyCity.

What was the problem the City was trying to solve? For a technology that has the potential to impact a significant number of NYC residents, shouldn’t the City have used a different procurement process in order to have more transparency and opportunity for appropriate oversight over the project?

We testified at the Procurement Policy Board hearing on August 29, 2024 against expanding demonstration projects:

“The proposed rule changes impacting demonstration projects would expand the scope of what agencies can use the demonstration project process for, extend how many years agencies can take to evaluate a demonstration project, allow agencies to engage a demonstration process without any intention to hold a competitive bid process, and add language encouraging agencies to use challenge-based procurement for demonstration projects.”<sup>32</sup>

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<sup>31</sup> New York City Procurement Policy Board, Rules, Demonstration Project, pgs 102-104:  
<https://www.nyc.gov/assets/mocs/downloads/Regulations/PPB/PPBRules.pdf>

<sup>32</sup> Cynthia Conti-Cook, Testimony, Procurement Policy Board, Aug. 2024,  
<https://surveillanceresistancelab.org/wp-content/uploads/Lab-Testimony-Challenge-Based-Reform-Aug-2024.pdf>

In that testimony, we shared “several detailed concerns for how the proposal impacts the public’s ability to participate and shape how government programs are designed and delivered. Our specific concerns about the expansion of the demonstration project process detailed below include (1) opacity and undemocratic decision-making, (2) data extraction, (3) data security and privacy, (4) corporate dependency, and (5) protecting unionized workers’ jobs.”

The Board nevertheless voted to support the Mayor’s proposal, 3-2, with the Comptroller and former Chief of Procurement officer opposed.<sup>33</sup> In addition to demonstration project procurement processes, we are also concerned about the opacity and anti-democratic nature of Master Service Agreements with tech contractors. We wrote about these concerns in our March 2024 report “MyCity, INC.: A Case Against Compstat Urbanism”.<sup>34</sup>

As the title suggests, in that report we also wrote about more general concerns with how the NYPD used Compstat to manipulate the public into believing that it was an authority on crime statistics, and that by refusing to take serious crime reports while pushing patrol officers to abusively stop, frisk, and ticket people disproportionately in low-income Black, Latino, and other communities of color.

**To connect all the dots—the City Council must question what role corporate digital infrastructure like MyCity and digital wallets, procured through opaque procurement methods, plays in the “public safety apparatus” the NYPD intends to control throughout city government and whether its costs are included in the \$225 million dollar price tag.<sup>35</sup>**

We know the costs of constructing a cop city—but what are the costs of constructing a digital cop city?

## **We must assess MyCity.**

The New York City Council must demand answers to these questions and commitments from the administration to protect New Yorkers’ mental health, substance use, and other sensitive data collected by city agencies from police access. If we want to use digital tools to enhance benefits access for New Yorkers, how can we do that while still protecting their identifying information from police and data brokers?

We cannot set ourselves up for being in this hall five years from now demanding transparency reports on how often NYPD are unlawfully accessing data about us

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<sup>33</sup> New York City Procurement Policy Board, September 19, 2024 Meeting:

<https://www.youtube.com/watch?v=im1R68XpxVc>

<sup>34</sup> <https://surveillanceresistancelab.org/resources/mycity-inc-a-case-against-compstat-urbanism/>

<sup>35</sup> NYC.gov, Mayor Adams Hosts First Ever New York Public Safety Promotion Ceremony

<https://www.nyc.gov/office-of-the-mayor/news/431-24/mayor-adams-hosts-first-ever-new-york-city-public-safety-promotion-ceremony-new-unified>



through the Worker Connect and MyCity portal. We know from decades of experience how secretive police are about their power and how often they abuse it.

Other jurisdictions have already experimented with consolidating city databases and procuring corporate tools to replace public servants with automated decision making.<sup>36</sup> These should be considered cautionary tales for New Yorkers. In addition to protecting New Yorkers' information from police access, we share concerns related to whether the administration intends to add problematic and demonstrably biased automated and predictive tools, against which several cautionary tales from other jurisdictions already warn, to determine benefits eligibility or amount allocation, to detect fraud, or verify identity.<sup>37</sup> The New York City Council must assess the foreseeability of disasters that stem from automating or predicting benefits programs and other city services.

The administration's decision to outsource MyCity's construction to private tech vendors<sup>38</sup>, its increasing costs, delays in deployment<sup>39</sup>, and the disconcerting rollout of the MyCity chatbot<sup>40</sup> have already roiled its previous enthusiasts.<sup>41</sup> Its expansion of the demonstration project procurement process—despite opposition from the Comptroller and the former Chief of Procurement under the DeBlasio administration—also signals a dangerous undemocratic pattern emerging from this administration.

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<sup>36</sup> Virginia Eubanks, *Automating Inequality—How High-Tech Tools Profile, Police, and Punish the Poor*, Picador Press, 2019, 135-137.

<sup>37</sup> “MiDAS: A Cautionary Tale – HECAT.” June 22, 2020.

<https://hecat.eu/2020/06/22/midas-a-cautionary-tale/>; Felton, Ryan. “Criminalizing the Unemployed.” *Detroit Metro Times*, July 1, 2015.

<https://www.metrotimes.com/news/criminalizing-the-unemployed-2353533>. Charette, Robert. “Michigan’s MiDAS Unemployment System: Algorithm Alchemy Created Lead, Not Gold - IEEE Spectrum,” January 24, 2018.

<https://spectrum.ieee.org/michigans-midas-unemployment-system-algorithm-alchemy-that-created-lead-not-gold>. Benefits Tech Advocacy Hub. “Arkansas Medicaid Home and Community Based Services Hours Cuts.”

<https://btah.org/case-study/arkansas-medicaid-home-and-community-based-services-hours-cuts.html>.

Brown, Lydia, Michelle Richardson, Ridhi Shetty, Andrew Crawford, and Timothy Hoagland. “Challenging the Use of Algorithmic-Driven Decision-Making in Benefits Determinations Affecting People with Disabilities.” *Center for Democracy & Technology*, October 2020.

<https://cdt.org/insights/report-challenging-the-use-of-algorithm-driven-decision-making-in-benefits-determinations-affecting-people-with-disabilities/> Benefits Tech Advocacy Hub. “Arkansas Medicaid Home and Community Based Services Hours Cuts.”

<https://www.btah.org/case-study/arkansas-medicaid-home-and-community-based-services-hours-cuts.html>.

<sup>38</sup> Khurshid, Samar. “Civic Tech Experts Question Mayor Adams’ Decision to Contract Out Signature ‘MyCity’ Portal.” *Gotham Gazette*, May 17, 2023.

<https://www.gothamgazette.com/city/11961-mayor-adams-mycity-contracts-services>.

<sup>39</sup> Khurshid, Samar. “Mayor Adams Yet to Launch ‘MyCity’ Portal Promised in First State of the City Speech.” *Gotham Gazette*, January 25, 2023.

<https://www.gothamgazette.com/city/11797-mayor-adams-launch-mycity-portal-services>.

<sup>40</sup> Colin Lecher, NYC’s AI Chatbot Tells Businesses to Break the Law, *The Markup*, March 29, 2024.

<https://themarkup.org/news/2024/03/29/nycs-ai-chatbot-tells-businesses-to-break-the-law>

<sup>41</sup> Khurshid, Samar. “Civic Tech Experts Question Mayor Adams’ Decision to Contract Out Signature ‘MyCity’ Portal.” *Gotham Gazette*, May 17, 2023.

<https://www.gothamgazette.com/city/11961-mayor-adams-mycity-contracts-services>.

Allowing millions of taxpayer dollars to continue flowing to tech vendors constructing the MyCity system not only recalls past tech procurement scandals like City Time, expansion of the demonstration project procurement invites long-term corporate lock-in strategies to target the city for generations.

In addition, we believe protecting unionized city govtech positions play a critical role in defending democracy and that expanding Compstat metrics to measure other city agency services invites political abuse, as it did in the NYPD under Compstat. We recall that when police officers felt the pressure of commanding officers under Compstat, that the message they received was to manage the numbers, not the problem. They refused to take New Yorkers crime reports if they made the precinct's numbers look bad. They encouraged violent and traumatizing tactics like stop and frisk, issuing summons, and escalating encounters violently in order to paint the right kind of metric picture.

## Conclusion

We cannot let this toxic management style continue to infiltrate our city government. We cannot let that culture of secrecy and power through domination rather than trust infect all of the city government more than it already has.

We share these grave concerns for how much power MyCity technology will take from the people who are the heart of this city—and how much power it will give to New York's police, corporate technology vendors, and elite to continue the structural violence of failing to respond to root causes and continually increasing policing rather than care.

## Appendix

- Cynthia Conti-Cook and Ed Vogel, MyCity, INC, Surveillance Resistance Lab, March 2024.  
<https://surveillanceresistancelab.org/resources/mycity-inc-a-case-against-compstat-urbanism/>
- “MyCity Data Sharing Agreement - Childcare,” March 21, 2023.  
<https://www.nyc.gov/assets/oti/downloads/pdf/about/mycity-data-sharing-agreement.pdf>.
- Testimony opposing expansion of demonstration project procurement, August 2024  
<https://surveillanceresistancelab.org/wp-content/uploads/Lab-Testimony-Challenge-Based-Reform-Aug-2024.pdf>
- Mocafi Demonstration Project Procurement Contract Notification  
<https://drive.google.com/file/d/1Mjox994RsoqmA68oWQrmDXEXbaLwm1zw/view>
- Mocafi Privacy Policy <https://www.mocafi.com/privacy/>



**The New York City Council**

Committee on Technology  
Chair Council Member Jennifer Gutiérrez  
September 30, 2024  
Oversight Hearing re: The MyCity Platform  
T2024-2402

September 30, 2024

Submitted by:

Amanda Jack, Policy Director  
Policy Unit  
Criminal Law Reform  
[ajack@legal-aid.org](mailto:ajack@legal-aid.org)

The Legal Aid Society  
Criminal Defense Practice  
49 Thomas Street  
New York, NY 10013

Thank you, Chair Gutiérrez, and members of the committee for holding this public hearing and for the opportunity to address our deep concerns about the MyCity portal and the ways it will be used to surveil and catalogue the New Yorkers we represent at The Legal Aid Society.

The Legal Aid Society is built on one simple but powerful belief: that no New Yorker should be denied the right to equal justice. We seek to be a beacon of hope for New Yorkers who feel neglected – regardless of who they are, where they come from, or how they identify. From our start over 140 years ago, our growth has mirrored that of the city we serve. Today, we are proud to be the largest, most influential social justice law firm in New York City. Our staff and attorneys deliver justice in every borough, working tirelessly to defend our clients and dismantle the hidden, systemic barriers that can prevent them from thriving. As passionate advocates for individuals and families, The Legal Aid Society is an indispensable component of the legal, social, and economic fabric of our city.

### **Introduction**

Amidst the escalating expansion of the New York City Police Department’s priorities, personnel, and power throughout the City’s civilian agencies, we testify today to share concerns about how law enforcement will collect, share, and use the MyCity portal. The New York City Council must demand answers to these questions and put in place commitments to protect New Yorkers’ mental health, substance use, and other sensitive data collected by city agencies from police access. This is especially important because many people in our communities are frequently concerned that accessing services will leave them vulnerable to reporting in the family policing system or in the criminal system or in seeking or retaining employment. Rather than making MyCity data readily available to law enforcement and other agencies, the City should be focused on reducing obstacles to accessing needed services for the New Yorkers who rely upon them.

### **Background**

According to the MyCity website, it will be “a one-stop shop for New York City services and benefits.” This creates concerns about whether it will also be a “one-stop shop” for city workers

and vendors accessing sensitive and private information about New Yorkers. Particularly concerning to The Legal Aid Society is a “one-stop shop” that would give law enforcement access to sensitive information that should not be part of investigations or permit inquiries without proper legal authority or explicit knowledge of and voluntary permission from the concerned individual. This Council must ensure that personal and family data routinely collected by City agencies, including the New York City Department of Health and Mental Hygiene and the Administration for Children’s Services, are protected from unwarranted and unlawful access by law enforcement to the MyCity portal.

During a 2023 Technology Committee hearing on MyCity and digital wallets, the administration announced that spending data collected from digital wallets would also be integrated into the MyCity platform. The Commissioner of the Office of Technology and Innovation, Matt Fraser, testified at that hearing that “[centralizing] benefits on a single digital platform [...] would give government agencies better means to keep track of how government-provided money is being spent.” That would include “replac[ing] traditional city government payroll checks and direct deposit with a ‘cyber wallet’ to pay government workers and public benefit recipients.”

This rapid expansion of digital control over our lives should be concerning for all New Yorkers, especially considering the September announcement<sup>1</sup> that NYPD officials will become embedded throughout civilian agencies as well as the early summer announcement<sup>2</sup> of a training facility for the city’s new “public safety apparatus.”

We want to know what role digital infrastructure plays in that “public safety apparatus” and whether its costs are included in MyCity’s \$225 million dollar price tag. We urge the City Council to stop, question, and assess the costs and serious risks associated with MyCity –

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<sup>1</sup> See The City, NYPD Expands Role in Civilian Agencies as Feds Circle Top Cops by Katie Honan, Reuven Blau and Yoav Gonen, Sept 11, 2024. Available at <https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/#:~:text=City%20Hall%20is%20moving%20to,scrutiny%20by%20federal%20law%20enforcement>.

<sup>2</sup> Mayor Adams Hosts First-Ever New York City Public Safety Promotion Ceremony, Announces new Unified Public Safety Training Facility to be Built May 31, 2024 <https://www.nyc.gov/office-of-the-mayor/news/431-24/mayor-adams-hosts-first-ever-new-york-city-public-safety-promotion-ceremony-new-unified>

particularly for low-income, immigrant, criminalized, and New York communities of color, and everyone in New York City with mental health treatment records.

While New Yorkers should expect the government to harness technology to improve our ability to access parks, shelters, benefits, childcare, education, and health care, we should not accept that it comes at the cost of exposing vulnerable New Yorkers to warrantless surveillance, potentially including fines; family separation; forcible removal from subways, sidewalks, and parks; detention; deportation; and other harmful state uses of force.

### **City Council Must Protect Access to City Services Without Tracking and Sharing of Sensitive Information with Law Enforcement**

We stand with colleagues and organizations who are asking the City Council to stop, question, and assess the impact of expanding interagency data sharing, data use, and data access on low-income, immigrant, and New York communities of color, and everyone in New York City with mental health treatment records. Agencies will always have the power to seek subpoenas or warrants for this sensitive information, but this legal process must continue to be the norm, and this Council must reject any attempt to grant easy, open access to New Yorker's sensitive information.

We remain vigilant and concerned about growing police power in our City, especially as it is well known that true community safety is engendered by creating the conditions that keep communities safe:<sup>3</sup> access to education, childcare, community-based health care and treatment, recreational opportunities for our youth opportunities for employment alongside steady, affordable housing. These pillars of community safety require investments and priority in our City budget. However, this is increasingly difficult when our tax dollars are used to instead invest in a police force that continues to cost New Yorkers more and more every year in

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<sup>3</sup> See The Center for Popular Democracy, August 2023 Report "Beyond Policing: Building Community Safety Without Police" [https://www.populardemocracy.org/sites/default/files/20230815%20Beyond%20Policing\\_Communities%20%28photos%29\\_0.pdf](https://www.populardemocracy.org/sites/default/files/20230815%20Beyond%20Policing_Communities%20%28photos%29_0.pdf)

overtime pay, police misconduct settlements and even the windmill-tilting of stopping fare-beat evasion at a price greater than the cost of the actual estimated fare-evasion.<sup>4</sup>

With this framing in mind, we ask this committee to clarify what role data sharing, “Worker Connect” and MyCity will play in building a digital “Cop City” and what it will cost the taxpayers. This administration’s expansion of policing into City civilian services threatens to deter people from accessing City services, a deterrence that will specifically harm low-income New Yorkers.

On September 11, 2024, The City reported: “City Hall is moving to embed NYPD members into other city agencies, even as the police commissioner and other top officials in the administration of Mayor Eric Adams are under scrutiny by federal law enforcement.”<sup>5</sup> The article included details of a Aug. 29 report from Parks Commissioner Sue Donoghue to her supervisor, Deputy Mayor for Operations Meera Joshi. According to the reporters, “The memo describes the new NYPD chief enforcement officer at the Parks Department as ‘part of a mayoral initiative to embed an NYPD member in each agency with an enforcement unit to enhance interagency coordination and streamline enforcement efforts.’”

This aligns with Mayor Adams’ own announcement on May 31<sup>st</sup> of this year on his creation of a Public Safety Academy where the plan is for more than a dozen city agencies with enforcement units – including the departments of Homeless Services, Environmental Protection, and Health and Mental Hygiene – to now be trained employees at the new Police Academy facility in Queens.<sup>6</sup>

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4 See The Daily News “Cracking down on fare evasion on New York’s subways and buses: The Metropolitan Transportation Authority is taking steps to stem a problem that cost the transit agency \$690 million in lost revenue last year.” By Aaron Short May 28, 2024 available at <https://www.cityandstateny.com/policy/2024/05/cracking-down-fare-evasion-new-yorks-subways-and-buses/396821/>

5 See “NYPD Expands Role In Civilian Agencies As Feds Circle Top Cops” By Katie Honan, Reuven Blau, and Yoav Gonen, Sept 11, 2024, available at <https://www.thecity.nyc/2024/09/11/nypd-expands-in-civilian-agencies-as-feds-circle/>

6 See “Adams debuts plan to build new training facility for NYC’s various public safety agencies” by Ethan Stark Miller May 31, 2024 published in AM NY at <https://www.amny.com/police-fire/adams-build-new-training-facility-nyc-public-safety-agencies/>

This plan is of great concern to us at Legal Aid and should be of great concern to all New Yorkers. As part of our regular work with our clients, we see the daily abuses of power deployed by the NYPD. Every day, we fight in courtrooms across this city arguing against warrantless stops, frisks and searches of the people we represent. We fight against the corrupt and discriminatory gang database, a rogue, unmonitored NYPD database that is used by city cops and prosecutors to cast dispersions on young Black and brown New Yorkers, too often resulting in their arrest, detention, and prosecution. Recently, we watched the public be reminded of NYPD's recklessness as the police shot into a crowded train over an allegedly evaded fare;<sup>7</sup> sowing fear and chaos and harming New Yorkers just trying to go about their day-to-day business. We should not be investing in more of the same nor should we sanctioning the NYPD to train patrol officers in other agencies – who do not carry guns – on how to carry out their duties. Just as we must resist this model of NYPD-led training, we must also resist digital platform sharing that would allow NYPD access to information gathered by the Department of Health and Mental Hygiene or NYC Health + Hospitals, as well as sensitive data from other New York City agencies. We ask this committee to investigate the role of digital technology, data sharing and technology procurement across the NYPD officers it intends to embed through the City's civilian agencies. We join other organizations is asking that you make the following inquires of the "Digital Cop City" plan:

- Does the \$225 million dollar price tag of the Unified Public Safety Training Facility for 18 different enforcement arms of city agencies include the cost of the technology that they will be deploying to serve it?
- What role will digital infrastructure play and at what cost?
- How will the 18 enforcement arms of the city agencies use the MyCity platform? How will access be managed? How will New Yorkers know when police have accessed their data from a civilian agency?

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<sup>7</sup> See New York Times "N.Y.P.D.'s Release of Subway Shooting Video Footage Doesn't Quell Anger" by Meko September 20, 2024 [HYPERLINK "https://www.nytimes.com/2024/09/20/nyregion/nypd-shooting-brooklyn-subway-video.html"](https://www.nytimes.com/2024/09/20/nyregion/nypd-shooting-brooklyn-subway-video.html)<https://www.nytimes.com/2024/09/20/nyregion/nypd-shooting-brooklyn-subway-video.html><https://www.nytimes.com/2024/09/20/nyregion/nypd-shooting-brooklyn-subway-video.html>



- How will police access to the MyCity platform be used in the SCOUT program that forcibly removes New Yorkers from the subway, subway platforms, and sidewalks?
- Will the NYPD use MyCity to access information, like mental health and substance abuse information, for use of force reports? For administrative investigations? For defending civil rights lawsuits?
- How many times have police officers been accused of abusing their access to a database? What have been their penalties?
- Has the administration assessed the potential cost of municipal liability if it structures a program that allows police access to information in ways that could violate people's constitutional rights and other legal protections under local, state, and federal law?

## **Conclusion**

At the Legal Aid Society, we oppose the expansion of physical or digital surveilling and policing of the communities and people we serve. We thank this committee for engaging in this oversight of MyCity and encourage the committee to seek full transparency of plans to create a “Public Safety Academy” that twins militarized police training with open access to the sensitive information collected and stored on the MyCity portal. We must not allow something billed as a way for New Yorkers to “easily search, apply for, and track City services and benefits”<sup>8</sup> to become a database used to invade their privacy and potentially serve as a policing and prosecutorial tool against all who seek to use its services. This kind of privacy invasion would result in frustrating New Yorkers in need of services who do not want to be open themselves up to government overreach; and could ultimately result in a decision to not seek the support they need and are entitled to receive. We urge this committee to put in place limitations to protect New Yorkers’ records of mental health and substance use treatment, and other sensitive data collected by city agencies from encroaching police access.

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<sup>8</sup> See 311 website connecting the MyCity portal, available at <https://portal.311.nyc.gov/article/?kanumber=KA-03557>



**New York City Council Oversight Hearing  
The MyCity Portal**

**New York City Council Committee on Technology  
Honorable Jennifer Gutierrez, Chair**

**Submitted by: Faith Behum**

**September 30, 2024**

Thank you Chair Gutierrez and members of the Committee on Technology for holding this hearing and for the opportunity to submit testimony on the MyCity Portal. My name is Faith Behum, Manager of Public Policy and Government Relations at UJA-Federation of New York. Established more than 100 years ago, UJA-Federation of New York is one of the nation's largest local philanthropies. Central to UJA's mission is to care for those in need—identifying and meeting the needs of New Yorkers of all backgrounds and Jews everywhere. UJA supports an expansive network of nearly 100 nonprofit organizations serving those that are most vulnerable and in need of programs and services and allocates roughly \$180 million each year to support older adults, combat poverty and food insecurity, nurture mental health and well-being, strengthen Jewish life, and respond to crises here and across the globe.

UJA is also a steering committee member of the Campaign for Children, a coalition of over one hundred organizations that focuses on increasing access to and improving services and supports for children and youth in New York City.

The MyCity portal was developed to make the application used to enroll in New York City Early Childhood Education (ECE) programs easier to navigate and complete by individuals attempting to access these services. MyCity was also supposed to provide a centralized location where individuals could enroll in New York City programs to support their families. While it held promise conceptually, it has not resolved enrollment issues and the ability of families to find the care they need. The MyCity portal has largely been leveraged to facilitate access to subsidized child care, which is restricted to income-eligible households. Unfortunately, challenges for applying within the Birth to Five system remain with applications for 3-K, Pre-K, extended day and preschool special education programs housed outside the MyCity portal. This means families must continue to navigate multiple systems to obtain the care they need for their children.

Parents have found the application processes for ECE services—including care for infants and toddlers, 3-K, Pre-K, extended day and preschool special education extremely confusing. Families seeking 3-K and/or Pre-K school day programs apply through the Department of Education's MySchools portal. If families are interested in extended-day 3-K and/or Pre-K programs must first apply for these through MySchools and then are directed to MyCity to confirm their eligibility. This is a time-consuming and challenging process that in many cases results in no additional supports for the family applying because there are not enough extended day seats to meet the demand.

Providers have also reported a negative experience with the Department of Education's (DOE) centralized application process because it leaves providers unable to accept children on site, resulting in open seats that they cannot fill. Centralizing enrollment within the DOE, which was intended to simplify access, has inadvertently hindered contracted ECE providers from enrolling families on-site. This has created competition between contracted programs in communities and those operated directly by the DOE in school settings. Despite being reimbursed based on enrollment, providers must cover fixed costs and staffing regardless of enrollment levels, leading to fiscal instability and systemic challenges.

Families interested in Head Start, Early Head Start, and Infant and Toddler programs must enroll directly with the specific program. The Infant and Toddler programs then submit enrollment applications to the DOE for eligibility approval. The existence of multiple portals and multiple steps creates severe hurdles for families.

UJA recommends the Committee on Technology works with the Administration to address the challenges families face when attempting to enroll in early childhood education services. The MyCity portal should be both consumer-centered and support a seamless application and enrollment process for all Birth to Five programming in NYC. This can be accomplished by addressing the following before the end of Fiscal Year 2025:

- Create a consumer centered platform – where the applicant need only know the age of the child they are seeking care for and provide basic demographics on residence and income levels of household head;
- Ensure the portal interfaces with providers so they can assist parents in applying and enrolling in services (full day, full year or school day and school year) and connect them in open seats within a center or family child care network;
- Ensure multilingual access to the platform and that the application is accessible to migrant families;
- Ensure application and enrollment for all birth to five ECE services can continue year-round;
- Ensure more data transparency about matching families with care. There should be clear data on which centers families are paired with compartmented to their first preference;
- Support decentralized enrollment options so early care and education providers can enroll children from families who apply for care directly and on site; and
- Provide clear instructions for enrolling a child with special needs.

Thank you for the opportunity to provide testimony. Please contact [behumf@ujafedny.org](mailto:behumf@ujafedny.org) with any questions.

**Testimony of Kate Kaye, Deputy Director, World Privacy Forum**  
**Before the New York City Council Technology Committee**  
**Oversight – The MyCity Portal and Int 0821-2024 (Holden)**

**September 30, 2024**

**Written Testimony Submitted October 2, 2024**

Chair Gutiérrez and Members of the Committee, thank you for the invitation to testify as an expert regarding the MyCity Portal and the proposal to create a centralized mobile application for accessing New York City services. My name is Kate Kaye and I'm Deputy Director of World Privacy Forum, a 501(c)(3) non-partisan public interest research nonprofit organization. We conduct in-depth research related to data use and data privacy, often involving complex technical and data ecosystems such as health, AI and machine learning, identity ecosystems, and more.

Expanding access to city services is a commendable goal. However, while a single web portal or mobile app might appear streamlined and even simple to the New Yorkers and others who might use it, the interconnected data systems and data exchanges at work behind the scenes to enable a centralized MyCity portal or app would be anything but simple. Without thoughtful privacy- and security-by-design and effective measures to prevent unintended consequences and uses of the data generated by or flowing through the app, an all-in-one MyCity portal or app could introduce a host of data governance and privacy risks and potential negative impacts for those using it. The unintended consequences could affect everyone using the system, but if history is our guide, the consequences would likely fall most squarely to vulnerable populations and communities.

1. *Briefly, the types of risks include:*

- Unconsented and / or undesirable sharing or exposure of information related to people's housing, health, employment, income and purchases, immigration status, or business operations
- Unintended use of information derived from a MyCity portal or app if the information is shared or sold by external vendors, partners or third parties
- Access to information about MyCity users by bad actors for fraudulent purposes
- Use of data from MyCity to produce algorithmic decisions which could be discriminatory and cause exclusion and other problems.<sup>1</sup>

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<sup>1</sup> Simple algorithmic and complex machine learning processing coupled with dataset mixing and matching can reveal patterns that expose sensitive details about people. World Privacy Forum's 2014 *Scoring of America* report investigates how these processes are used in the financial services industry and other industries; profiling patterns and risks of identity exposure have grown far more advanced since. See Pam Dixon and Robert Gellman, *The Scoring of America*, World Privacy Forum, 42-80 (Apr. 2, 2014), <https://www.worldprivacyforum.org/2014/04/wpfr-report-the-scoring-of-america-how-secret-consumer-scores-threaten-your-privacy-and-your-future/>

2. *These comments come in two parts:*
  1. A list of information necessary to understand MyCity from a technical and data use perspective
  2. Suggestions for ways to ensure that a one-stop web or mobile MyCity portal helps New Yorkers access the services they need without creating unintended data privacy and discrimination harms.

***Part One: Transparency and documentation is needed regarding the following issues to determine appropriate policy. A detailed Data Privacy Impact Assessment and AI Impact Assessment would be helpful in considering where the risks are, and how they could be addressed:***

- What specific city services and city agency data systems are planned or expected to be integrated into the portal or app soon or in the more distant future? For instance, in addition to current child care, business, jobs and benefits related services available through the MyCity online portal, will services related to healthcare, food benefits, banking or payments, immigration or voting be connected and accessible through MyCity?

-What types of information will be used, generated by, shared and stored by MyCity, for what purposes, and for how long? For example, information tied to people's identity, immigration status, health and financial situations or purchases could be present in the portal and app. Also, mobile access to MyCity could generate precise geographic location data that can reveal details of people's whereabouts and visits to sensitive locations such as medical, behavioral health and reproductive health facilities or places of worship – data that could be accessible to external entities and third parties.

- What city, state or private identity or authentication systems will be used for identity verification and authentication in MyCity? In June, NYC Department of Buildings stated that "New York City is launching single sign-in accounts called NYC.ID for all online services as part of the MyCity initiative."<sup>2</sup> Also, New York State in June launched a mobile app version of state-issued driver licenses, permits and non-driver IDs,<sup>3</sup> which uses a private facial recognition system to verify identity.<sup>4</sup> Mobile IDs are just getting established, and it is essential that the guardrails around them are robust and rightfully earn people's trust.

-How will data submitted to MyCity be used for algorithmic or machine learning models or systems associated with it, such as systems used in relation to the MyCity common services portal, for automated application form accuracy checks, or systems that could generate algorithmic scores or points related to services eligibility or benefits use and purchase behaviors? Will those algorithmic models or systems be assessed to determine potential negative impacts on MyCity users?

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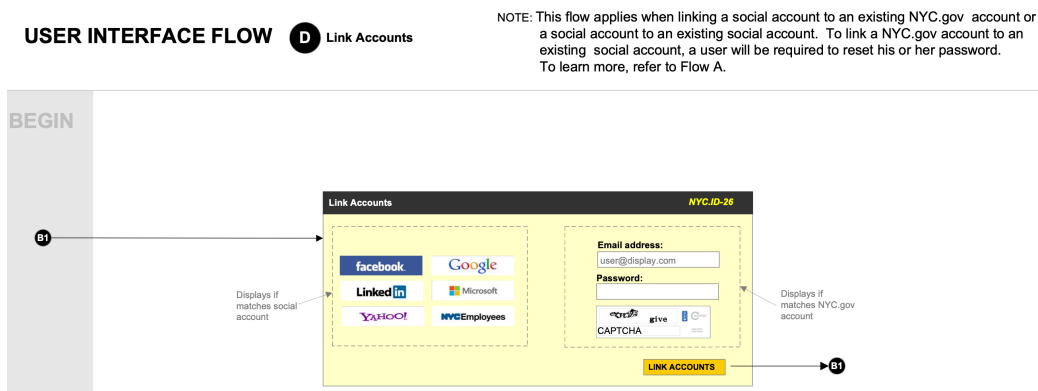
<sup>2</sup> NYC DOB, DOB Now Update, <https://www.nyc.gov/site/buildings/industry/dob-now-registration-tips.page>

<sup>3</sup> New York State, News, Governor Hochul Announces Launch of New York Mobile ID, June 2024, <https://www.governor.ny.gov/news/governor-hochul-announces-launch-new-york-mobile-id>

<sup>4</sup> New York State Department of Motor Vehicles, Mobile ID (MiD), <https://dmv.ny.gov/id-card/mobile-id-mid>

-How will relevant data privacy and security policies apply when it comes to external systems and data collection required for access to the MyCity portal or app, for access to services provided through MyCity, or for access to benefits and funds? For instance, even if New York City itself does not require, retain or store biometric data to verify user identity, or does not itself require bank account data to access benefits funds through a digital wallet,<sup>5</sup> thoughtful assessment of data use (including downstream or secondary use) by external systems employed for identification or funds distribution will be crucial when it comes to vetting potential vendors and crafting meaningful data sharing agreements.

-What partners and third parties will enable back-end technical processes such as data exchange, data matching, data storage, logins or single sign-ons? For instance, several social media platforms and other external system accounts can be linked to a NYC.gov account through the NYC.ID system.<sup>6</sup>



NYC.ID User Interface UI Flows, May 2024

Also, the MyCity web portal features an AI chatbot to assist with business inquiries. Will a MyCity mobile app also connect to an external AI system or to other systems such as external

<sup>5</sup> Some digital payment systems and digital wallets require data access permissions that offer people a false “take it or leave it” choice between ceding control over how sometimes very sensitive banking and financial data is used, shared, sold or processed, or not getting the service at all. The data exchanges necessary to benefit from the promise of convenience and inclusion enabled via digital payment systems do not have to come with secondary data use strings attached if they are constructed properly from the ground up.

<sup>6</sup> A variety of non-government, commercial accounts can be linked to a NYC.gov account through the NYC.ID system. This is according to a visual user interface flow map showing the screen-by-screen interaction between users and the NYC.ID application that was published in May of this year by the NYC.ID Integration Team at the city’s Department of Information Technology and Telecommunications. NYC Department of Information Technology and Telecommunications, NYC.ID Integration Team, NYC.ID User Interface UI Flows, May 2024, <https://www.nyc.gov/assets/nyc4d/downloads/nycid/NYC.ID%20UI%20Flow-v9.0.pdf>

digital wallet or payment systems? If so, what would the potential be for unexpected, downstream data sharing? What privacy policy will disclose these and other practices? How will the city communicate these kinds of data sharing policies to end users, and what kind of public audit will be available of practices?

-What are the legal authorities, regulations, MOUs, and other agreements such as data sharing agreements in place that will provide governance for this system?

Without appropriate data agreements and limitations on data use and sharing, connections between the MyCity and external systems like AI systems, social media and other technology platforms, or digital payment systems, could allow unwanted data sharing, exposure of identity, and other inappropriate data use – all of which could damage people’s trust in the system. For instance, not only could information related to people’s MyCity use be accessible to those external entities, information related to their interests, digital media use, purchases, interactions with other people, and more could be linked to their MyCity and related profiles, sold or shared for other purposes, used in algorithmic scoring, or used when applying for housing, loans or jobs which would be unexpected and potentially problematic.

- What are the expected data flows into, out of and among the interconnected systems that will make the MyCity app function, and what additional data exchanges might be enabled in the future? Have data security measures of external system data exchanges and APIs such as digital wallet APIs been evaluated?<sup>7</sup>

-Are there existing MOUs or agreements such as data sharing agreements already established in relation to the MyCity program or the potential mobile app?

-What local, state or federal legal authorities, regulations or policies addressing data governance and privacy cover MyCity-related data? How do those policies or regulations map to the current and expected data use and data flows in MyCity, including in connected external systems?

### ***Part Two: Suggestions for a Trusted Approach to App Data Governance and Privacy***

Answers to the above questions can help determine how existing policy and regulations apply. The following are suggestions to ensure that New York City expands access to city services through MyCity without creating privacy or discriminatory risks:

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<sup>7</sup> Fintech APIs may be subject to security vulnerabilities. Ken Sweet, *Abrupt shutdown of financial middleman Synapse has frozen thousands of Americans’ deposits*, AP, (May 22, 2024) <https://apnews.com/article/synapse-evolve-bank-fintech-accounts-frozen-07ecb45f807a8114cac7438e7a66b512>. And, even with arguably robust data governance and security processes and safeguards in place, open banking connectivity has created a new data ecosystem with tenuous reliability and stability, sometimes putting people’s financial wellbeing at risk. See Tony Zerucha, *Fintech Nexus, APIs: the silent fintech security concern*, (December 4, 2023) <https://www.fintechnexus.com/apis- the-silent-fintech-security-concern/> . See also: *Open Banking: Rearchitecting the Financial Landscape*, *Interview with Synapse*, *Open Banking, Rearchitecting the Financial Landscape*, Financial Technology Partners Research, (March 2021), <https://www.ftpartners.com/fintech-research/open-banking-rearchitecting-financial-landscape> .

-Partner agreements including data sharing agreements should include restrictions on data collection, use and sharing, including restrictions on sharing or selling of data that has been deidentified or aggregated. Algorithmic and AI-based data processing can expose identity and create discriminatory harms<sup>8</sup> <sup>9</sup> even when data has been deidentified or aggregated.<sup>10</sup>

-MyCity and the data infrastructure supporting it should be built in such a way that discrimination and inappropriate secondary uses are not possible. MyCity data should be used for their primary purposes; downstream or secondary uses such as use in algorithmic models, or in deidentified or aggregated data products should be limited or prevented all together.

-Consent and permission-based approaches for data collection and use should be fall-backs only, and stronger privacy-by-design and structural socio-technical and legal guardrails should be present long before consent is requested. This is particularly true in dense and critically important data ecosystems such as what is planned for MyCity.

-When possible, MyCity data that does not have a specified use should be purged from all MyCity related data systems.

-Connections to external systems such as digital wallets, social media or tech platforms for account logins, single sign-ons or AI chatbots should be scrutinized according to privacy-preserving policies and responsible data use and AI goals.

-Algorithmic models or systems used in conjunction with MyCity should be assessed to determine relevant data collection and use and evaluate potential negative impacts on MyCity users. As suggested above, a detailed Data Privacy Impact Assessment and AI Impact Assessment would be helpful in considering where the risks are, and how they could be addressed.

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<sup>8</sup> Pam Dixon and Robert Gellman, *The Scoring of America*, World Privacy Forum, 42-80 (Apr. 2, 2014), <https://www.worldprivacyforum.org/2014/04/wpf-report-the-scoring-of-america-how-secret-consumer-scores-threaten-your-privacy-and-your-future/>

<sup>9</sup> *Privacy Is Good Business, A case for privacy by design in app development*, American Medical Association, (2021), <https://www.ama-assn.org/system/files/privacy-principles-by-design.pdf> and <https://www.ama-assn.org/practice-management/hipaa/ama-health-data-privacy-framework>

<sup>10</sup> Reidentification of data is a well-researched threat. See Luc Rocher, Julien M. Hendrickx and Yves-Alexandre de Montjoye, *Estimating the success of re-identifications in incomplete datasets using generative models*, Nat Commun 10, 3069 (2019), <https://doi.org/10.1038/s41467-019-10933-3>; Modern computing processes and deep learning methods have made reidentification of datasets that have been deidentified easier, and as computing power and algorithmic processes improve, it is a race. Important work in this area has been done by Dr. Latanya Arvette Sweeney, Professor of the Practice of Government and Technology at Harvard Kennedy School and other researchers for many years. See Latanya Sweeney, Michael von Loewenfeldt, and Melissa Perry, *Saying it's Anonymous Doesn't Make It So: Re-identifications of "anonymized" law school data*, Technology Science, 2018111301, (November 13, 2018), <https://techscience.org/a/2018111301/>



- Finally, World Privacy Forum urges the New York City Council Technology Committee to launch a task force to analyze this system fully and come back with recommendations for an appropriate set of guardrails and transparency disclosures. MyCity needs much more community feedback and input, particularly regarding how people's data is used by MyCity, and by external and interconnected systems and third parties. If MyCity is for the people, it should have meaningful input from the people who will use it. Otherwise, it, like so many other ambitious projects before it, could falter due to lack of transparency and trust. Privacy matters, and people care about how the information reflecting their everyday actions is treated.

Thank you very much,  
Kate Kaye  
Deputy Director  
World Privacy Forum  
[kate@worldprivacyforum.org](mailto:kate@worldprivacyforum.org)

# Technology Committee Sep 30th Hearing - MyCity Written Testimony

I am writing to register my concern about the MyCity project, and the direction it appears to be taking. While improved access to benefits and services and taking advantage of what improved technology can offer are good things, they are only good things if they are truly in service of meeting New Yorkers' needs. I don't believe that the MyCity project, as it is shaping up so far, will actually achieve that.

**One of my concerns is that these types of projects are historically rife with issues, and it's unclear how this one will be different.** Cities and states around the country have tried similar projects that have gone poorly - from denying services to people who need them to incorrectly accusing people of fraud to profiling school children who are deemed by a predictive system as "likely" to commit crimes to incentivizing people to care more about numbers that make them look good or support a particular political narrative over the actual benefit of the people it's supposed to serve. That last example is what CompStat eventually turned into. Many of these systems have been shut down due to community pressure and sometimes even lawsuits. How will MyCity be different? How will it not be used as a political weapon to further disinvest in vital social services that have already been massively disinvested in - the latest example of that disinvestment being the budget cuts in just the last year?

**Another concern is that the technology will be out of the control of the city through outsourcing it to for profit corporations.** Mayor Adams promised that this technology would be built in-house. But that isn't happening. Instead, multiple for-profit companies have contracts to build technology that will make decisions about our lives that are not transparent and will likely be hard to appeal. For profit companies designing and running city services turn citizens, who are meant to have democratic control over their home, into customers, who merely consume whatever a corporation says they should need, at whatever price they demand.

Additionally, given the recent indictment of Mayor Adams and discoveries of the activities of others in his administration, the reported issues with high value no-bid contracts for asylum seekers with for-profit companies who had no experience providing those services, and the city's past history with large technology contracts, I do not have confidence that the terms of these contracts are in the city's best interest.

It would be much better to build and maintain this technology in-house, by people who are actually invested in the city. Why isn't that happening? Who is making decisions about what this technology should and should not do? How can affected communities shape the project to actually meet their needs? How will the community have control over this system and its outcomes, rather than unaccountable corporations? Who is accountable for the impacts of the system on everyday New Yorkers?

I am a tech worker myself and know from experience that technology doesn't "fix" anything or make up for the disinvestment of people or institutions in any way. It can only support what is already happening, for good or ill.

I want to lift up the [Surveillance Resistance Lab's list of what the MyCity project should and should not be](#), as I agree with them.

What MyCity SHOULD Be	What MyCity SHOULD NOT Be
A public good.	A city management tool that will "CompStat the city".
A portal that facilitates access to services for New Yorkers.	A centralized database for police access to New Yorkers' data without oversight from the agencies that created that data or the public.
A model of publicly developed and operated durable infrastructure.	A platform for creating predictive or automated projects that cut people from benefits.
Developed in-house by internal staff at OTI.	A tool that drives more state actor surveillance, automated denial of benefits, and increased policing, whether digital or in person encounters.
Incrementally and modularly built rather than a behemoth, legacy system.	Indefinitely locked in corporate infrastructure.
Open source, including all algorithmic decision making models.	Outsourced to corporate vendors.
Continually modified and updated by in-house OTI staff.	

Thank you for your time,

Emily

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Amrit Singh  
Address: Associate Commissioner Application  
I represent: OTI Engineering  
Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: MATTHEW FRASER  
Address: CTO  
I represent: OTI  
Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Randy C...  
Address: Deputy Commissioner Strategic Initiatives  
I represent: \_\_\_\_\_  
Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. NY City Res. No. \_\_\_\_\_

in favor  in opposition

Date: 9/30/24

(PLEASE PRINT)

Name: Kim Moscaritolo

Address: [REDACTED] 10028

I represent: Hunger Free America

Address: 50 Broad St 10004

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 30 Sept 24

(PLEASE PRINT)

Name: Cynthia Conti - Cook

Address: 121 6th Ave 6th fl

I represent: Surveillance Resistance Lab

Address: above

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: \_\_\_\_\_

(PLEASE PRINT)

Name: Shelby Low

Address: \_\_\_\_\_

I represent: Day One Council of New York

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. MyCity Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: 9-30-24

(PLEASE PRINT)

Name: Deyanira Del Rio

Address: [REDACTED] 121 W. 27th St. NY 10001

I represent: New Economy Project

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: 9/30/24

(PLEASE PRINT)

Name: Christopher Leon Brown

Address: [REDACTED]

I represent: SEU

Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: 9/30/2024

(PLEASE PRINT)

Name: \_\_\_\_\_

Address: Paul Rivers

I represent: \_\_\_\_\_

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms