

**Testimony of Lorelei Salas
New York City Department of Consumer and Worker Protection**

Committee on Consumer Affairs and Business Licensing

**Hearing on
Int. 2032-2020 and Int. 2049-2020**

September 10, 2020

Good afternoon Chair Cohen and Members of the Committee. I am Lorelei Salas, Commissioner of the Department of Consumer and Worker Protection. I am joined by Ben Holt, Deputy Commissioner for the Office of Labor Policy and Standards (OLPS) and Steven Ettannani, DCWP's Executive Director for External Affairs. I would like to thank the Committee for the opportunity to testify today on Introductions 2032 and 2049, relating to the City's Paid Safe and Sick Leave Law and the hotel industry.

Before I discuss the bills before the Committee today, I'd be remiss not to mention that this is the Department's first hearing before the Council since the passage of Introduction 1609. Introduction 1609, now Local Law 80 of 2020 (LL80), officially changed the Department's name from the Department of Consumer Affairs to the Department of Consumer and Worker Protection. Our new name more accurately reflects the scope of our work to both enhance the daily economic lives of New Yorkers and serve as a central resource for workers. LL80 also clarified several Department authorities, including our ability to seek and secure restitution for New Yorkers across our laws and rules. Especially in these uncertain times, how we present and execute Department services matters. Thank you again for passing this historic piece of legislation.

New York City's Paid Safe and Sick Leave Law

New York City's Paid Safe and Sick Leave Law (PSSL), remains a fundamental part of the Department's worker protection mandate. Since February, for example, DCWP has secured more than \$350,000 in restitution via PSSL for approximately 900 workers. The protections afforded by PSSL empower workers to take care of themselves and their loved ones without the risk of losing their job. Especially important during COVID-19, the law gives New York City workers the right to immediately ask for, and receive, the time off they've earned. By allowing employees to stay home when they are sick, this law serves to not only protect covered employees but also employers, coworkers, consumers, and other members of the public from being exposed to this novel virus.

New York City's PSSL works, and over the years the City Council has strengthened the law so as to broaden its commitment to working New Yorkers. In 2014, the law was expanded to increase the scope of covered employees entitled to paid sick leave. In 2018, the law expanded coverage to include paid leave to obtain services for, or to protect oneself against, acts of domestic violence, unwanted sexual contact, stalking and human trafficking. Introduction 2032, before the Committee today, will represent another important step in the evolution of this law.

Introduction 2032-2020

On April 3rd, Governor Cuomo signed a statewide permanent paid sick leave law enacted as part of the Executive Budget. The new law establishes several baseline requirements for employers to provide paid or unpaid leave to their employees. While the State law provides that New York City can enact and enforce local paid sick leave laws, it also mandates minimum baseline requirements for such City laws.

Accordingly, Introduction 2032 updates the City's law to align with the new state labor law. These updates include, but are not limited to, increasing the amount of paid leave to 56 hours from 40 hours provided to employees at businesses with 100 or more employees, making paid leave of 40 hours available to employees of smaller employers with a net income of \$1 million or more, and eliminating the 120-day waiting period before new employees can start using their accrued leave.

In addition to promoting consistency with state law, Introduction 2032 clarifies DCWP's authority and, notably, modernizes standards and protections. For example, Int. 2032 allows domestic workers to accrue their safe and sick time at the same rate as other employees in the City. As a former paid care worker, this is personal for me. We believe it is long overdue that this dedicated constituency, one that is continually called upon to serve in times of great need, receive the same benefits afforded to other workers.

We strongly urge the passage of Introduction 2032 before the September 30th effective date of the state law.

Introduction 2049-2020

The second piece of legislation before the Committee today, Introduction 2049, seeks to remedy consumer and worker protection concerns in the hotel industry. The legislation both provides remedies for displaced hotel service workers and provides hotel guests with enumerated consumer protections.

DCWP's Office of Labor Policy and Standards promotes approaches that create fair workplaces. As a matter of principle, an employer should consider every option to retain, promote, and empower employees. While there are circumstances that may necessitate personnel changes at a business, best practices such as reasonable notice, transparency, and consistency are paramount to worker protection.

Laying off workers should always be an option of last resort and a change of ownership, alone, should not warrant immediate or unsubstantiated job loss. DCWP supports the intent of the hotel service worker retention provisions of this bill.

Likewise, DCWP supports the intent of enhancing consumer protections for guests affected by hotel service disruptions. No person or entity should willingly, or knowingly, misrepresent the sale of services to consumers. Our Department's foundational statute, the New York City

Consumer Protection Law, enshrines this sentiment by prohibiting deceptive or unconscionable trade practices.¹

As currently drafted, Introduction 2049 would require additional Departmental resources to handle the intake and mediation of consumer complaints. According to a 2016 New York State Comptroller report, New York City is the third largest hotel market in the nation, with nearly 700 hotels citywide and thousands of rooms². As such, the breadth of the enforcement mandate could pose a strain on existing Department resources. In addition, we anticipate that there will be discussions at a staff level concerning any legal issues that may be implicated by this bill.

Once again, thank you Chair and Members of the Committee for the opportunity to testify today and I am happy to answer any questions you may have.

¹ NYC Ad. Code § 20-700

² <https://www.osc.state.ny.us/sites/default/files/reports/documents/pdf/2018-11/report-2-2017.pdf>