

**Testimony of the New York City Department of Consumer Affairs
Before the
New York City Council on Consumer Affairs**

**Hearing on Intro. 697:
The City Laundry Equity and Accountability Act**

June 18, 2015

Good morning Chairperson Espinal, Council Member Torres, and members of the New York City Council Committee on Consumer Affairs. I am Amit S. Bagga, Deputy Commissioner of External Affairs at the New York City Department of Consumer Affairs (“DCA”). I am here representing Commissioner Julie Menin, who is unable to attend today, but sends her best to the Committee and commits to working with you to address the important issue that is the subject of today’s hearing. I am also joined by my colleagues Mary Cooley, Director of City Legislative Affairs, Tamala Boyd, Deputy General Counsel, Eileen Yap, Assistant General Counsel, and Richard O’Hara, Assistant Director of Enforcement.

We are also joined by colleagues from the New York City Department of Health and Mental Hygiene (“DOHMH”), Chris D’Andrea, Director of the Environmental Health Assessment & Communication Program within the Department’s Bureau of Environmental Disease and Injury Prevention and Dr. Keren Landman, a medical epidemiologist with infections disease training, from the Department’s Bureau of Communicable Disease. We greatly appreciate the opportunity to speak with you today about Intro. 697, which would require DCA, among other things, to define and enforce standards of cleanliness for laundry delivery vehicles. DCA would like to thank Council Member Torres for highlighting this important issue and Chairperson Espinal for holding today’s hearing. We at DCA share the Council’s goal of ensuring that all of our City’s workers are protected, particularly the most vulnerable.

DCA is the largest municipal consumer protection agency in the country, and it is our mission to empower consumers and businesses alike to ensure a fair and vibrant marketplace. The agency licenses approximately 80,000 businesses across 55 different industries, mediates complaints between consumers and businesses, conducts patrol inspections and legal investigations, educates businesses about laws and rules, and also enforces New York City’s Earned Sick Time Act, commonly known as the “Paid Sick Leave” law. In addition to its licensing, consumer protection, and labor-related work, DCA operates the Office of Financial Empowerment (“OFE”).

Laundry Licensing

The laundry industry is one of the 55 industries currently licensed by DCA. This scheme consists of two license categories: a “laundry” license and a “laundry jobber” license. In general terms, laundries are defined as those businesses where on-site laundering is offered, either for use by the general public or by businesses such as hotels, restaurants, or public institutions. These laundries include, for example, neighborhood laundromats and those laundries that primarily service other businesses. Notably, dry cleaners and laundries that exclusively service hospitals or

charitable institutions for no fee are not included in this category. As of June 15 of this year, there are 2,628 licensed laundries across the five boroughs.

Laundry jobbers are defined as businesses that do not offer washing and drying services on site, but rather those that accept laundry for cleaning and then send it to a laundry site for washing and drying. This license category was originally designed to regulate such services offered by dry cleaners, which are a significant number of laundry jobber licensees. These dry cleaners are not licensed to perform dry cleaning work, but rather to facilitate the washing and drying of clothing off site. As of June 15 this year, there were 1,780 businesses across the five boroughs that are licensed as laundry jobbers.

Intro. 697 seeks to require “industrial laundries” in New York City to obtain licenses from DCA. The existing laundry licensing law already requires all laundries and laundry delivery services, except those that are expressly exempt in the law, to obtain a DCA license. Any laundries performing washing and drying services without a license would be considered to be engaging in unlicensed – and therefore unlawful – activity. We are happy to work with the Council to identify any such unlicensed businesses and help them to come into compliance with the current licensing law.

Since January 2014, DCA has conducted nearly 3,000 inspections of laundries and more than 1,450 inspections of laundry jobbers. During this same period of time, DCA has received more than 800 complaints about laundries and laundry jobbers, and we have issued more than 600 violations. The most common violations issued to laundries since January 2014 have been for failures to post a refund policy, price lists, and for illegally charging different prices based on gender.¹

DCA’s Jurisdiction

DCA’s jurisdiction over laundries and laundry jobbers allows us to enforce the City’s Consumer Protection and Licensing laws and rules, which cover general business practices and the provision of necessary disclosures.

While the agency’s jurisdiction has been expanding to include the implementation of certain labor-related laws, such as the Paid Sick Leave and Transit Benefits laws, both of these laws are based on legal constructs entirely separate from our consumer protection and licensing laws. It is beyond DCA’s jurisdiction, ability, and expertise to define and enforce minimum standards of cleanliness and sanitary conditions, as Intro. 697 would have us do. Any enforcement of such standards would require extensive scientific and environmental assessments of equipment, processes, and vehicles; assessments that DCA is not able or qualified to perform. Furthermore, the New York State Department of Labor (“State DOL”) currently prescribes health and safety standards for businesses that are classified at the state level as “factories,” which includes laundries.

The existing legal framework regulating laundries and the health and safety of laundry employees is complex, as it implicates federal, state, and city laws. For example, as the

¹ DCA has also issued 45 violations for unlicensed activity during this time period.

Committee is no doubt aware, general workplace standards for health and safety are established and enforced by the United States Occupational Health and Safety Administration (“OSHA”), and the addressing the spread of communicable diseases is done by a host of agencies at all levels of government, including, but not limited to, the United States Centers for Disease Control and Prevention (“CDC”), the United States Department of Health and Human Services (“HHS”), and the New York State Department of Health. The City’s Law Department is currently reviewing Intro. 697., a process that involves researching the origin of the City’s licensing of laundries, which dates back likely to the nineteenth century. Understanding the historical regulation of laundries at both the state and city levels will enable the administration to better collaborate with the Council in shaping appropriate amendments to the current statute.

Any such amendments to this statute that require enforcement would also have to appropriately align with any existing constraints in an agency’s labor contracts. DCA cannot require our inspectors, who have no training in disease identification or transmission, to conduct the types of inspections required by Intro. 697. In general, our inspectors conduct inspections of brick-and-mortar businesses for compliance with signage, pricing, and disclosure rules. Requiring DCA inspectors to perform the inspections enumerated in this bill is also likely to violate their existing collective bargaining agreements, and DCA is working with the City’s Office of Labor Relations (“OLR”) to learn more.

Questions of Public Health

To address questions of public health, I will now ask my colleagues from DOHMH to provide comments.

DOHMH believes that the scope of the risk to the public’s health from clothing and linens laundered at “industrial laundries” has not been established. In the past five years, we have received between 33,000 and 50,000 calls annually, the bulk of which were complaints about public nuisances. To the knowledge of our Bureau of Communicable Disease (“BCD”), none of these calls were related to complaints of contaminated clothing or linens from an industrial laundry. In the twenty-year institutional memory of BCD staff, DOHMH has not traced any disease transmission via commercially laundered linens.

Although the scientific literature contains reports of infections associated with contaminated linens, these have been exclusively reported in hospitals. These reports are not generalizable to the community at large for two reasons: hospitalized patients are far more susceptible to infection than people in the community, and microbes colonizing hospital surfaces are far more likely to be both pathogenic and resistant than microbes in the community.

The administration will continue to monitor and review literature, reports, and other research materials on this topic and is more than happy to update and work with the Council on public health issues such as these in the future.

Our colleague from DCA will now provide closing remarks.

Conclusion

As the Members of the Committee are aware, DCA has eagerly taken on the enforcement of recently-enacted laws that significantly increase protections for workers. The agency is deeply committed to realizing Mayor de Blasio's vision of reducing income inequality and ensuring that all New Yorkers have access to key rights and protections, regardless of the languages they speak or where they live.

DCA thanks Council Member Torres for highlighting some of the dangers that those employed in industrial laundries might face, and look forward to working with the Council to explore this issue further.

Thank you for the opportunity to testify today; my colleagues and I are happy to answer any questions you might have.