



L E G A L

S E R V I C E S

I N C O R P O R A T E D

TESTIMONY

ON

**REDUCING THE MAXIMUM FINE AMOUNT FOR
VIOLATIONS OF VENDING REGULATIONS
INTRODUCTION NOS. 0434 AND 0435**

BEFORE:

**NEW YORK CITY COUNCIL
COMMITTEE ON CONSUMER AFFAIRS**

PRESENTED BY:

**RACHEL SPECTOR
SENIOR STAFF ATTORNEY
MFY LEGAL SERVICES, INC.**

April 24, 2012

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Thank you for the opportunity to testify today. My name is Rachel Spector, and I am a staff attorney at MFY Legal Services, Inc. I am pleased to be here today to speak in support of Introduction Numbers 434 and 435, which would reduce the maximum fines imposed on street vendors.

MFY is a nonprofit organization established in 1963 that provides free civil legal services to approximately 7,500 poor and low-income New Yorkers annually in housing, public benefits, health, consumer, foreclosure and employment matters. We prioritize services to vulnerable and under-served populations such as persons who are elderly, disabled, poor or immigrant, while simultaneously working to end the root causes of inequities through impact litigation, law reform, and policy advocacy.

MFY's Workplace Justice Project advocates on behalf of low-income workers throughout the city on a range of employment matters. A high percentage of the Project's clients are immigrants, many of whom are relatively new to the United States and are highly vulnerable to exploitation at work. We have assisted self-employed vendors as well as vendors who are employed by food cart business owners. Both types of vendors struggle to make ends meet, and the rapidly escalating fines currently in place can quickly disrupt their ability to earn a livelihood. As an organization representing low-income and working-poor New Yorkers to ensure that they can make a living, maintain their housing and pay their bills, MFY believes that fines of \$1,000 on street vendors are too high.

In our experience, street vendors can easily receive numerous tickets for small violations in a relatively short time period. A vendor recently contacted our office who had received 16 tickets in the span of a single week!

In addition, it appears that sometimes the maximum fine can be imposed arbitrarily. For example, a current client brought in the many tickets he had received and copies of the ECB decisions upholding the violations and imposing fines. This client happens to have a name that is extremely common in his country. Looking at an ECB decision imposing a \$1,000 fine, I quickly saw that fine was based on a record of past violations, several of which were attributed to individuals with the same name but different license numbers. Only two of the five prior violations were my client's, yet because the time to appeal the violation at the Environmental Control Board had passed, he was unable to get a reduction of the fine amount. His other fines were much lower and without the \$1,000 fine he most likely would have been able to pay the amount due and renew his license. Because of the high amount, however, he was forced to allow his license to lapse.

Finally, many of our clients with individual food vendor licenses who are subject to these fines are not running their own businesses, but instead are hired to staff food carts owned and operated by others. Often they are unable to control the conditions that are the basis of the violation, and their employers will not reimburse them for the amount of the fine. They are paid very low wages, and any fines they must pay further undermine their earnings.

We believe the City can continue to enforce its laws while lessening the burden on immigrant micro-entrepreneurs and low-income workers, who simply cannot afford to continue their business or keep their jobs when they are forced to pay \$1,000 fines.