

**Testimony of the Amit S. Bagga, New York City Department of Consumer Affairs  
Before the  
New York City Council Committee on Consumer Affairs**

**Hearing on  
Introduction 1017-A: In Relation to Establishing Protections for Freelance Workers**

February 29, 2016

**Introduction**

Good morning, Chairman Espinal, and members of the Committee on Consumer Affairs. I am Amit S. Bagga, Deputy Commissioner of External Affairs at the Department of Consumer Affairs (“DCA”), and I am joined by Alba Pico, our Acting Commissioner, as well as our colleagues from DCA’s Paid Sick Leave and Commuter Benefits Division: Nicholas Smithberg, Executive Director, Steven Kelly, Legal Director, and Jill Maxwell, Deputy Director, Legal and Investigations. We are pleased to be representing Mayor Bill de Blasio’s administration here today.

Thank you for inviting us to testify on Introduction 1017-A (“Intro 1017-A” or “the freelancers bill”), which seeks to expand certain protections for freelance workers in New York City. Mayor de Blasio and the Department of Consumer Affairs share the Council’s deep commitment to ensuring that all vulnerable workers in New York City, including freelance workers, are protected from exploitation; as such, we very much welcome the opportunity to discuss with you how such protections can be enacted into law in a manner that is both effective and efficient, as well as fair to all involved parties.

DCA is proud to be the agency leading the City’s implementation of key labor laws enacted in recent years as the result of the joint leadership of the Mayor and Council Speaker Melissa Mark-Viverito. We are particularly pleased to report that in the approximately two years since we began enforcing New York City’s Earned Sick Time Act (“paid sick leave” or “paid sick leave law”), we have conducted or participated in more than 1,000 events regarding paid sick leave, distributed more than two million brochures, and most importantly, closed more than 650 cases, securing more than \$1.6 million in fines and restitution for nearly 9,500 New Yorkers. Additionally, through settlement agreements, DCA has ensured that thousands more are receiving the sick time to which they are entitled required under the law. As of the end of 2015, we had secured 13 times the amount in restitution for New Yorkers as compared to San Francisco, though we are only 10 times as large, and 27 times as much as Seattle, though we are only 13 times as large. Considering that both of these jurisdictions enacted their paid sick leave laws well before New York City had, we take great pride in our success in ensuring that the rights of New Yorkers are being well protected and that they have access to the time they need to take care of themselves or their loved ones.

Our outreach, education, and enforcement of both the paid sick leave and commuter benefits laws hopefully demonstrates our eager embrace of the expansion of our labor-related authority, and we look forward to continued close collaboration with the Council to ensure that vulnerable workers in New York City are afforded the protections to which they are entitled. We agree with the Council that freelance workers in New York City are a class of workers in need of protection and it is on the basis of this agreement that we offer you our testimony today.

### **Freelancers and The Marketplace: Challenges and Opportunities**

There is little doubt that the marketplace for freelancers of all types can often be a challenging one to operate in. Issues faced by freelancers include contract negotiation, the settlement of contract disputes, and most significantly, the late or non-payment of fees. As a 2015 report by the Freelancers Union has noted, of the more than 5,300 freelance workers they surveyed, 71 percent of freelancers reported late or non-payment issues and 50 percent reported being refused payment for services altogether. The reported average amount of lost payments annually amounted to nearly \$6,000, a sum that could significantly constrain a freelancer's ability to pay for rent and other living expenses in New York City, which, as we all know, is an expensive place to live. Freelancers who were paid late or not paid at all reported having to deplete their savings, take on credit card debt, or, in many cases, simply forgo their own financial obligations to address issues stemming from lost income.

We at DCA are particularly sensitive to the dangerous cycle of indebtedness that many freelancers might find themselves in. Such indebtedness can negatively impact an individual's credit score, leading future lenders or landlords to assess or to impose very high interest rates on loans, deny access to credit, or even housing. Through our Office of Financial Empowerment, which was the first municipal entity in the country to be focused on empowering lower-income residents through financial counseling and access to innovative tools to promote financial well-being, we have served tens of thousands of New Yorkers who need to reduce and consolidate their debt, improve their credit, and obtain access to as many tax credits and refunds for which they might qualify. Ensuring the financial stability of New Yorkers is therefore not just an ancillary by-product of worker protection for our agency, but rather fundamentally embedded into our mission.

### **Intro. 1017-A: Agency Response**

DCA seeks to work closely with the Council on crafting legislation that effectively and efficiently addresses relevant challenges faced by the freelancer community. In addition to establishing a requirement in local law that a written contract must exist when a freelancer takes on work resulting in more than a \$200 charge, Intro 1017-A would require DCA to take complaints from freelancers regarding the non-payment of agreed-upon fees, investigate such complaints, and would give us the authority to resolve complaints through mediation or conciliation. The bill also gives DCA the authority to issue violations to hiring parties; these

violations would ultimately be adjudicated by the Office of Administrative Trials and Hearings (“OATH”). The bill also contains provisions for civil and criminal penalties, provides for payment within 30 days unless otherwise specified, and also enhances a freelancer’s existing breach of contract action related to the non-payment of fees available through the state courts to include coverage of reasonable attorney’s fees, double damages, and injunctive relief.

We are very supportive of the Council’s enhancements to the existing breach of contract action, and we believe that such enhancements establish a key incentive for hiring parties to ensure that they are complying with any agreements they’ve entered into with freelancers. Such enhancements might also incentivize the pursuit of larger cases against the most egregious actors, which is beneficial not only to individual freelancers, but also to the marketplace, as such actors would, in theory, be prevented from conducting business or deterred from future malfeasance.

Considering the nature of the challenges faced by freelancers in pursuit of owed fees – time and money – DCA agrees with the Council that easing the path for freelancers to capture owed fees is a laudable goal. We are committed to ensuring that we can find common ground with the Council on how best to achieve this shared goal in a way that ensures that any proposed process is both effective and efficient for freelancers and fair to all parties. We believe that several aspects of the bill will aid in achieving its intended purpose. Specifically, the bill’s provision for a default term that in the absence of express written terms stating otherwise, requires payment to be due within 30 days of completing work will assist in the adjudication of breach of contract claims. The Council might also consider adding additional rebuttable presumptions regarding any unwritten contracts between parties. Additionally, the provision of an award of attorney’s fees to a prevailing freelancer will shift the cost burden of bringing these claims in court away from the freelancer and incentivize the private bar to represent aggrieved freelancers.

While laudable in its intent and containing provisions that help level the playing field for freelancers, Intro 1017-A does raise several questions and concerns for DCA, which we would now like to respectfully explore with you.

First, DCA has concerns regarding the bill’s expectation that we would be able to enforce written or verbal agreements. Next, the bill’s requirement of a written contract in nearly all cases needs to be further explored, as does the proposed duplication of the legal court process through an administrative tribunal process. Additionally, the expectation that DCA would be able to investigate and mediate disputes is one that we feel cannot likely be met, and finally, shifting the resource burden from the courts to the City will not, in our view, ultimately result in positive results for freelancers most instances.

Following a discussion of these concerns, we will propose that the Council consider leveraging DCA’s copious experience working with employers and employees of all types to provide appropriate guidance when needed and by developing tangible, usable tools that will enable both

freelancers and hiring parties to enter into clearer, fairer, and hopefully more equitable agreements.

The first challenging element for us is the expectation inherent in the bill that the agency can or even should be in the position of assessing the veracity or validity of any contract claims of freelancers, whether there is a written or verbal agreement. We have concerns that the agency would be in the position of attempting to enforce the terms of a contract presented to us. Even when a written contract is present, there are likely to be factual disputes regarding multiple issues, including whether, if any, services were rendered, the quality of any rendered services, and whether any rendered services were completed, and if so, when they were completed. The seemingly straightforward requirement that payment be rendered no later than 30 days after the later of “completion” of services or the agreed upon date in a contract presents disputed issues of fact. Whether work is “complete” might be difficult to ascertain in some cases, such as when a hiring party disputes that the work was satisfactory or in a case of partial performance.

Additionally, the near-universal contract requirement in the bill assumes that having a written contract is always a protection for the freelancer. While we agree with the notion that, in general, written agreements are preferable to oral agreements in the context of legal claims brought by freelancers, depending on technical industry-specific requirements, the capacity and knowledge of the freelancer, the nature of the work, and the broad range of workers this bill encompasses, we are not wholly convinced that a written agreement is always beneficial to a freelancer. Although the bill requires both the freelancer and the hiring party to execute a written contract, the hiring party is ultimately the party liable for failing to do so. Accordingly, the onus for preparing a written contract is on the hiring party. This is potentially problematic, as freelancers are less likely to have a chance to control the terms of the contract because they are not the initial drafter. Though the bill requires that contracts must be in “plain language” and in a language understood by both parties, such requirements would be extremely challenging to enforce by any entity, including the courts. An English-speaking freelancer isn’t prohibited from signing a contract that isn’t in plain English and even if a contract is written in a language understood by both parties, assessing how “plain” it is would be a nearly impossible task. As we share the Council’s belief that freelancers are typically more vulnerable as compared to hiring parties in contract negotiations, even these well-intentioned requirements could be manipulated by hiring parties for their benefit. These concerns highlight for us some potential challenges to requiring freelancers and hiring parties to enter into contracts by law. Again, we do recognize that in many instances, having a written contract could potentially be beneficial to a freelancer, and we eagerly look forward to working with the Council and with the Freelancers Union to explore this issue further.

Of chief concern to us is the bill’s duplication of the pre-existing ability freelancers have to bring actions against hiring parties in small claims, civil, or state supreme courts. While DCA acknowledges that freelancers can face challenges in bringing claims in court, including the burden of attorney’s fees and length of time it might require a court to hear and decide on a case,

courts are the most appropriate forums in which to adjudicate these types of disputes, as they not only have the force of law, but also the expertise in resolving commercial disputes such as contract claims and the existing infrastructure for doing so, including advanced discovery procedures and trained judges and settlement officers. The court system is also set up to be able to cultivate and leverage technical and legal expertise about differences in the nature of work for different industries, which the City is not set up to do. In light of the fact-intensive nature of breach of contract claims, discovery procedures are particularly important, as these cases will ultimately require hearing evidence and testimony about the offer, acceptance, and performance of a contract.

Duplicating this process within any City entity raises a host of legal and resource concerns, particularly if DCA is required to both adjudicate and enforce judgments against non-prevailing parties. As we would have no practical way to determine which claims or counter-claims are true or false without engaging in intensive fact-finding and litigation for which we are not equipped, no City entity would be unable to make recommendations to a tribunal regarding if or how a hiring party might be in violation of the law. Establishing such a process does not unfortunately alleviate some of the complexity of the existing legal process and could even result in further delays for freelancers.

Based on the bill's provisions, DCA could attempt to achieve positive results for freelancers through "mediation" or "conciliation," if not adjudication. Unfortunately, while it might seem an attractive alternative to adjudication, "mediation" of disputes between freelancers and hiring parties is equally challenging for DCA. Irrespective of whether or not a written contract exists, it can be assumed that there is a dispute regarding the terms or nature of an agreement if a complaint is brought to DCA. Absent an independent ability to assess the veracity of any claims, a DCA mediator would be unable to establish a clear framework for the mediation process and would, where a contract might exist, once again be in the position of being perceived as enforcing such a contract, which s/he would not be able to do, as only the courts are in a position to make such determinations.

The insertion of DCA into a freelancer's potential process of pursuing a claim against a hiring party is also likely to create an expectation among the freelancer community that DCA has a clear ability to assist aggrieved freelancers in securing owed fees. Because we are so committed to ensuring that all vulnerable workers have access to recourse and justice that is swift and effective, we are concerned that requiring a City agency to attempt adjudication or mediation when the agency is not necessarily situated to even establish basic facts pertaining to a claim is not ultimately beneficial to freelancers.

Lastly, the notion of shifting the resource burden from the courts to the City raises significant concerns. DCA's Paid Sick Leave and Commuter Benefits Division, which primarily

investigates complaints received from the public, has 17 staff members, including five attorneys and five investigators, and was budgeted close to \$2 million in Fiscal Year 2016. Forcing the City to play a mediation role as well would only increase the need for additional resources. An instructive example of DCA's current mediation process is our handing of complaints received against licensed home improvement contractors. Currently, DCA mediates such complaints before litigating unresolved cases. The mediation and litigation process crosses over two different divisions at DCA (the Consumer Services and Legal Divisions), involves a number of attorneys, mediators, and administrative staff, and is successful in large part because home improvement contractors are licensed by DCA. The total cost to the City for the mediation of these cases in staff time, resources, and case processing is into the millions annually. Mediation is further facilitated by the fact that licensed home improvement contractors participate in a Home Improvement Trust Fund, which provides payment to aggrieved consumers when the contractor fails to provide damages. As such a fund isn't likely to be practical to create and manage in a way that captures every single hiring party in the City, mediation is rendered all the more unlikely as a suitable function for DCA to fulfill.

DCA and the Administration are deeply committed to achieving the Council's goal of ensuring that freelancers who are suffering from late or non-payment of owed fees have the ability to recuperate fees as quickly and effectively as possible, and we would like to take this opportunity to respectfully offer to the Council some suggestions for how our shared goal of protecting freelancers might be realized.

### **Intro 1017-A: Additional Opportunities**

Building on the strength of the enhanced breach of contract action in Intro 1017-A, as well as on DCA's extensive history developing and disseminating useful tools for businesses and employees alike, we seek to work with the Council, the Freelancers Union, and various industries to create an online hub for freelancers and hiring parties that would allow them to access content such as model contracts, plain-language information about rights and responsibilities, an overview of the different areas of potential negotiation between freelancers and hiring parties, as well as access to information about the legal process that exists for resolving contract disputes.

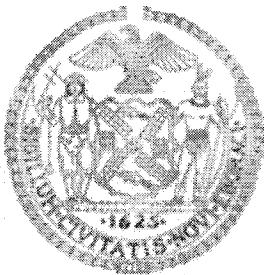
As I mentioned earlier in my testimony, we have taken complex information about laws such as paid sick leave and commuter benefits and made it available not only in plain language, but in as many as 26 different languages. We've conducted hundreds of trainings on both of these laws, as well as many others on our licensing and consumer protection laws. Under Mayor de Blasio's administration, we have put our licensing checklists directly into the hands of business owners and operators, who now know exactly what to expect when our inspector walks into their business because they can read the law translated for them into plain English or over one dozen other languages. Recognizing that different industries have different needs, we would work with

freelancers and hiring parties in several different industries to understand what the primary areas of negotiation would be for most contracts, and we could work with all relevant stakeholders to ensure that such information is widely disseminated. Making these resources widely available would ensure that both freelancers and hiring parties in New York City have a way to understand legal and best practices guidelines, which are the types of information so often perceived to be inaccessible.

As our experience with implementing paid sick leave and commuter benefits has shown, there are many potential opportunities to strengthen worker protections while ensuring that a City agency's function is effective and efficient and we look forward to working very closely with the Council, the Freelancers Union, and all other relevant stakeholders to explore as many options as possible with respect to expanding and implementing protections for freelancers.

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

**FOR THE RECORD**



**THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
SCOTT M. STRINGER**

**TESTIMONY OF NEW YORK CITY COMPTROLLER  
SCOTT M. STRINGER  
IN SUPPORT OF Int. 1017-A**

**BEFORE MEMBERS OF THE  
COMMITTEE ON CONSUMER AFFAIRS  
OF THE NEW YORK CITY COUNCIL**

**FEBUARY 29, 2016**

Thank you to Chairperson Espinal and the members of the Committee on Consumer Affairs for holding this hearing today on Int. 1017-A, The Freelance Isn't Free Act, and to Council Member Lander for his leadership on this issue. This bill would ensure that freelancers are paid for the full value of their labor in a timely manner and would provide meaningful protections for a growing portion of the City's workforce. As a result, I strongly urge the Council to pass this bill.

The Freelancers Union estimates that there are 1.3 million freelancers<sup>1</sup> in New York City, otherwise known as independent contractors, 1099 workers, or the self-employed.<sup>2</sup> While estimates for the number of workers engaged in this economy nationally ranges from 15 million<sup>3</sup> to 54 million,<sup>4</sup> one thing is clear – the number of freelancers is increasing.<sup>5</sup>

Yet these hardworking New Yorkers—many of whom already face economic insecurity—often have to grapple with wage theft and delayed payment. According to the Freelancers Union, in 2014, 50 percent of freelancers had trouble getting paid and 71 percent faced non-payment at some point in their careers. Of that 71 percent, 81 percent were paid late. On average, freelancers lost \$5,968 in unpaid wages in 2014.<sup>6</sup>

One study estimates that freelancers in New York State may be owed \$2.3 billion to \$3.7 billion in unpaid wages annually. These wages would generate \$193 million to \$323 million in state tax revenue. For a freelancer in New York City, the lost wages could cover six months of housing expenses, one to two years of food expenses, six to eight months of child care expenses, or two years of transportation expenditures.<sup>7</sup>

Without written contracts and enforcement mechanisms to collect wages that are due, freelancers face enormous challenges in recovering stolen pay. That is why this bill is so critical.

By requiring both parties to enter into a contract that details the work to be performed and the terms and dates of payment, and giving the Department of Consumer Affairs the authority to enforce these provisions, we can stand with the growing legion of freelancers throughout the five boroughs who deserve to be paid, on-time and in full, for their services.

Our current public policies were established when most Americans received paychecks from full-time employers, and as a result, contain gaps that threaten the livelihood of freelancers. This legislation will ensure that the smallest businesses—often single-person LLCs—are paid for their work and have the same protections as other workers in our City. The way New Yorkers work has changed, and our laws must be updated to reflect this change.

From the first minimum wage and workplace safety laws a century ago, to more recent fights for environmental justice and paid sick leave, New York City always been a leader in protecting workers, especially when federal policies fail to keep up with the changing nature of work.

The Freelance Isn't Free Act is a continuation of that proud legacy and deserves the support of all those who strive to protect the rights of workers.

Thank you.

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<sup>1</sup>[https://fu-web-storage-](https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)

[prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU\\_NonpaymentReport\\_r3.pdf](https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)

<sup>2</sup><http://www.aspeninstitute.org/sites/default/files/content/images/1099%20backgrounder%20FINAL%20090815.pdf>

<sup>3</sup> Comptroller's analysis of Bureau of Labor Statistics Current Population Survey data on self-employed, unincorporated and incorporated, 2015 averages

<sup>4</sup>[https://fu-web-storage-](https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)

[prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU\\_NonpaymentReport\\_r3.pdf](https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)

<sup>5</sup> [http://www.fastcompany.com/3049532/the-future-of-work/heres-why-the-freelancer-economy-is-on-the-rise;](http://www.fastcompany.com/3049532/the-future-of-work/heres-why-the-freelancer-economy-is-on-the-rise)

[http://www.forbes.com/sites/waldleventhal/2014/11/24/5-predictions-for-the-freelance-economy-in-2015/#758053f61425;](http://www.forbes.com/sites/waldleventhal/2014/11/24/5-predictions-for-the-freelance-economy-in-2015/#758053f61425)

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<sup>6</sup>[https://fu-web-storageprod.s3.amazonaws.com/content/advocacy/uploads/resources/FU\\_NonpaymentReport\\_r3.pdf](https://fu-web-storageprod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)

<sup>7</sup> <https://fu-res.org/pdfs/advocacy/2010-unpaid-wages-report.pdf>



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Gale A. Brewer, Borough President

**Testimony of Gale A. Brewer, Manhattan Borough President  
New York City Council Committee on Consumer Affairs  
Regarding Int. 1017-2015 (*Freelancers Isn't Free Act*)  
February 29, 2016**

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My name is Gale A. Brewer and I am the Manhattan Borough President. Thank you to Chair Espinal and to the members of the Committee on Consumer Affairs for the opportunity to testify. Today I am here to provide my support for Int. 1017, otherwise referred to as the *Freelancers Isn't Free Act*. This legislation is a pragmatic approach to addressing the hardships faced by independent contractors burdened with the frequently time-consuming and costly experience of pushing unresponsive clients to fulfill their obligation to pay for services rendered.

The protections being proposed are thoughtful responses to the larger question of how we grapple with a changing economy. It couldn't be timelier given that an increasing percentage of Americans prefer this model of employment and some economists expect the sector to grow by 50% by 2020. An estimated 4.5 million freelancers live and work in the NYC metro area including about 70,000 Manhattanites.

My own lengthy experience and collaboration with independent contractors and other freelancers, especially those who work within the big data and civic technology community, has taught me how difficult it is for these entrepreneurs to find stability and thrive. As a Council Member and then Chair of the NYC Council Technology Committee, I supported legislation and regulations that made possible a new kind of economy where workers can have more flexibility and creative freedom. But as I envision it, this economy should also have laws to ensure that workers are not exploited and enjoy the same protections as traditional employees, and that

government agencies would create new mechanisms to make sure employers live up to their obligations to the freelancers they hire.

Thanks to the due diligence of the Freelancers Union we now have the numbers to show how significantly this issue undermines small business entrepreneurs. According to data they have compiled, between 2010- 2014, nearly 8 in 10 freelancers have experienced client nonpayment, and on average they are losing \$6,000 annually due to unpaid invoices for completed work.

In November 2015 the Freelancers Union and my office worked together on a day-of-action where we reached out to contractors at co-working spaces throughout Manhattan about the contract payment issue and new plans for how to tackle it due to the introduction of this bill. That same day, during a brown-bag lunch at LMHQ, a co-working spacing in Lower Manhattan, contractors spoke frankly with me about the inadequate tools currently available to them for handling nonpayment cases. Many rely on repeated calls and emails as their only affordable redress, but their experience shows that this approach seldom compels bad actors to honor their contracts. Time spent pressing an unresponsive client creates an additional burden on finances and morale. A 2009 study suggests that freelancers in New York State spent approximately 7,900 hours that year in pursuit of payment. Trying to recoup that cost through late-fees or other penalties can create new conflicts. It also risks losing clients and referrals in a highly competitive environment.

Some freelancers are driven to take legal action when all other options fail, but its high cost and the difficulty of proving claims make just compensation elusive. On this point I've written to the New York State Court of Appeals to explore how we can make jurists more familiar with the special nature of such torts and lessen the burden of proof for freelancers seeking relief through the courts as a last resort.

In the meantime the *Freelancers Isn't Free Act* is the right approach to expanding the scope of worker rights protected by local government. It promises to make entrepreneurship less risky and a more predictable avenue for building a company or career. In addition to this bill we need to be working with traditional small and large businesses on this issue: educating them on the benefits of working with the “gig economy” and the need to respect their contractual obligations. Through such collaboration, we can demonstrate that on-time payment is not only vital to retaining great talent, but also to lowering costs, fueling innovation, and building strong local economies.

I want to congratulate Council Member Brad Lander and the other co-sponsors of this legislation for their commitment to best labor standards, and I am ready to work with you and others to realize the benefits of this legislation for the 1.3 million freelancing New Yorkers.

Thank you.



## NATIONAL DOMESTIC WORKERS ALLIANCE

Allison Julien's testimony delivered to the  
New York City Council Committee on Consumer Affairs  
Regarding Proposed Int. No. 1017-A  
February 29, 2016

Good afternoon everyone. My name is Allison Julien and I am an organizer here in New York City with the National Domestic Workers Alliance, representing over 200,000 domestic workers. As a domestic worker organizer for over 13 years and a former nanny for over 20 years, I am very pleased to be able to speak today from my experiences and the need to support the Freelance Isn't Free Act.

Today, in New York City, there are 1.3 million independent workers. It is an incredibly diverse group of workers that includes writers, graphic designers, and lawyers, who like domestic workers provide vital labor across the city that is often treated as invisible. Domestic workers and independent workers share common challenges that derive from the structure of the employment relationship. Both workforces commonly work in decentralized, one-on-one relationships with employers that are under regulated, and where employers have more power to dictate the terms of the work. Many of these workers fear the threat of retaliation, which includes losing their job and blacklisting.

In many instances both domestic workers and independent workers are subject to unclear and constantly changing expectations on the whim of their employers. In my own experience, and that of many domestic workers this looks like sudden changes in hours and scheduling, and or drastic changes in job responsibilities. This almost always happens without a formal re-negotiation process to determine how this may impact the worker and to make appropriate pay adjustments.

Many workers from both sectors face the rampant issue of wage theft. Drawing from several recent worker and employer surveys we believe that more than 65% of domestic workers in New York City experience wage theft due to minimum wage and overtime violations alone. Meanwhile 71% of independent workers face nonpayment or late payment during their career and on average.

All workers deserve to have respect, dignity, and full compensation for their labor regardless of the type of work they conduct. From our experience with implementing and enforcing the New York Domestic Worker Bill of Rights, an open discussion & written contract in which the worker is an equal co-creator can set the right tone to the employment relationship, AND makes it much more feasible to prevent or pursue stolen wages. Currently, both federal and state laws protect traditional employees, especially around the terms of payment. None of these protections exist for independent workers, who have no government agency to turn to for help.

By passing the Freelance Isn't Free Act, which would mandate written contracts, we would not only help independent workers have stronger remedies to pursue clients who violate their agreement, but also strengthen labor protections across all of New York City by requiring transparency and making it more financially feasible to pursue deadbeat clients. The legislation would give independent workers the support of the Department of Consumer Affairs, in filing claims and make it more financially feasible to hold deadbeat clients accountable by pursuing payment for double damages and attorney's fees in court.

All workers have a right to know the terms under which they are working, and have mechanisms in place to enforce these terms.

# FOR THE RECORD

*Testimony of David Rolf, Board President, and Carmen Rojas, PhD, CEO, Workers' Lab  
In support of the "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
In Relation to Establishing Protections for Freelance Workers*

February 29, 2016

Please accept this written testimony in support of New York City bill Int 1017-2015. This legislation is designed to ensure freelancers are protected and have an effective means to collect payment for work performed.

Workers in “alternative” arrangements now make up a significant portion of today’s economy, but are often not currently offered the same benefits or legal protections as traditional employees. The foundation of lifelong job security and benefits on which the American middle-class dream was built is no longer a reality. Traditional employment is eroding, with 40 percent of the workforce now contracting, temping, self-employed, part-time, or on-call, according to a recent report from the Government Accountability Office.

Independent contractors, otherwise known as freelancers, are responsible for generating their own paid work. In addition to the inherent stress one faces from not being able to predict one’s payment schedule, freelancers face particular challenges in collecting compensation without expensive legal battles. 71 percent of freelancers have faced denied or late payment during the course of their careers as freelancers. This issue has an undeniable impact on the economy. A study by Rutgers economist William Rodgers showed that self-employed New Yorkers lost an estimated \$4.7 billion to client nonpayment.

Therefore, freelancers need strict and enforceable protections from denied and late payment. Accordingly, we urge a favorable report on Int. 1017 immediately.

FOR THE RECORD



TESTIMONY BEFORE THE NEW YORK CITY COUNCIL  
COMMITTEE ON CONSUMER AFFAIRS

REGARDING INTRO 1017

FEBRUARY 29, 2016

Good Afternoon.

On behalf of our 200,000 members and the 1.1 million students we serve, we want to thank Chair Rafael Espinal and the members of the Consumer Affairs Committee for holding this hearing about this first-of-its-kind legislation, Introduction 1017, which will establish protections for freelance workers. My name is Anne Goldman, and I am the Vice President for Non-DOE members at the United Federation of Teachers.

This bill, if passed, will affect our 15,000 daycare providers, who are categorized as “independent contractors” and thus are freelance workers. We are testifying in support of this entire group of workers – now an astounding 1.3 million New Yorkers\* who work without a safety net. Although the legislation we’re looking at today will affect only our local citizens, it bears reminding that the number of freelancers is growing nationally as well and today they comprise 40 percent of the workforce.

It is not an easy way to earn a living. Employers routinely cheat them of earnings, or pay months late. In this regard and in others, freelancers lack the same job protections as traditional 9-to-5 employees.

For those workers, who receive a W2 tax form, rather than a 1099, the NYS Department of Labor provides protections against wage theft, investigates complaints and enforces the payment of damages. This new workforce, however, the ones who receive the 1099, have only two options: sue or walk away unpaid. And increasingly, companies, with lawyers and resources at their disposal, are making freelancers make that choice.

We support the Freelancers Union in calling upon the City Council to update our laws to protect these 1.3 million New Yorkers.

This legislation will provide New York’s freelance workforce with equal protection from wage theft – including Department of Consumer Affairs protections – and call for stiff penalties for employers and companies who refuse to pay. The bill also requires all employers to provide freelancers with written contracts to provide accountability and proof of a business relationship. If an employer breaks the contract, he will be required to make good and pay not only the employee but pay fines as well.

We are heartened that a city agency is stepping up to be part of supporting and protecting independent contractors. We urge the City Council to adopt this bill. Thank you.

\*Freelancers Union, Jan.28, 2016, [www.freelancersunion.org/blog/2016/01/28/tell-your-city-council-member-freelanceisntfree/](http://www.freelancersunion.org/blog/2016/01/28/tell-your-city-council-member-freelanceisntfree/)

## FOR THE RECORD

*Testimony of Mike McDerment, CEO and Co-Founder of FreshBooks*

*In support of the "Freelance Isn't Free Act"*

*Before the New York City Council Committee on Consumer Affairs*

*In Relation to Establishing Protections for Freelance Workers*

February 29, 2016

As CEO and co-founder of FreshBooks, a global accounting software company that helps freelancers, self-employed professionals and small business owners in New York City and around the world bill for their time and expertise, I'm very pleased to be able to submit testimony in support of the Freelance Isn't Free Act.

I started my career as a freelancer and then launched my own small design firm. I never imagined I'd one day found FreshBooks. In fact, the only reason I created our software was because, one day, I accidentally saved over an invoice and something snapped. I spent the next two weeks coding a solution -- I figured if I was experiencing these challenges with something as straightforward as billing, there might be other self-employed people in the same boat. Today, FreshBooks serves 10 million people in 120 countries.

In New York City, where we serve hundreds of thousands of people using FreshBooks and more than 1.3 million people are working independently, self-employed individuals are representing an ever-growing percentage of the national GDP, adding tremendous value to the economy through their hard work and creativity. This huge network of people is reestablishing, or as others may argue, reinforcing the culture of New York City and America as a nation of entrepreneurs.

These independent workers are striking out alone, setting their own destiny, creating their own jobs and taking advantage of increased flexibility. They are making it work as small independent business owners. They are living the American dream.

While Freelance Isn't Free is the first bill of its kind in the United States, it's not a new idea. In fact, in the United Kingdom, freelancers and the people and businesses that hire them have been operating under similar rules for years. In 2013, the rules were further strengthened, mandating a universal 30 day payment deadline from the day the contract is completed.

In the U.S., we have rules to protect those who work for others, but unfortunately few for those who work for themselves. Independent workers currently have none of the protections afforded to traditional workers, and no city agency to turn to for help. With this legislation, we can change that for a new, emerging and meaningful economic constituency.

By requiring that any company hiring a freelancer execute a simple contract that includes the payment rate, method and due date, we can be ensured self-employed people can focus on growing their businesses and the economy, not on chasing down payments.

We believe there's opportunity here to better enable our leaders and innovators to focus on what they do best: work.

With seven out of 10 freelancers impacted by nonpayment for services rendered in New York City, nonpayment is a serious problem. The full impact of nonpayment and late payment becomes clear when we think about the economic impact of what happens when freelance businesses aren't able to pay taxes or pay out their subcontractors.

Of course, independent workers have responsibilities as well. They need to set clear expectations with written contracts, trust their instincts and be prepared to walk away from a gig if they don't believe a client will pay. FreshBooks users from New York to Portland have told me that they know they also need to be active and involved to get projects paid and, sadly, paid on time.

With 54 million freelancers currently working in the U.S., the fact is freelancers are a vital and growing segment of the American economy. As this segment of the workforce continues to grow, there's no denying that everyone benefits from a fairer and more predictable relationship between independent workers and their clients. We all benefit when independent professionals can spend their time directing the productivity of their work instead of acting as one-person collection agencies.

The Freelance Isn't Free Act is not only about leveling the playing field for businesses and self-employed people operating in New York City, but also about laying a path for cities throughout the U.S. to catch up with what our global economy needs to thrive in the 21st century. When we allow nonpayment to perpetuate throughout this emerging workforce, we're ultimately taxing productivity in New York – holding back small businesses, freelancers and others from achieving their full creative potential and economic contributions.



Jennifer D. Kelley | Executive Director

## FOR THE RECORD

February 29, 2016

Chairman Rafael L. Espinal, Jr.  
New York City Council  
Committee on Consumer Affairs  
City Hall  
New York, NY 10007

Re: Proposed Int. No. 1017-A, Establishing Protections for Freelance Workers

Dear Chairman Espinal:

The following comments are submitted on behalf of the New York Staffing Association (NYSA) regarding the above-referenced proposed legislation. NYSA represents New York's staffing firms. These firms placed over 479,000 workers on temporary and contract assignments in 2014, thus contributing significantly to the state's economic vitality and growth. While the vast majority of staffing firms' temporary workers are classified as employees, some—predominantly highly skilled workers such as information technology professionals and physicians—are properly classified as independent contractors or "freelance workers" as they are referred to in the proposed bill, and our comments thus pertain to these workers.

### *Section 20-826; Written Contracts with Freelance Workers*

Section 20-826 would require that hiring parties and certain freelance workers execute written contracts before work begins. Given the ubiquity of electronic mail and text messaging in today's commercial environment, we suggest that this section be revised to make clear that electronic contracts and signatures, per New York's Electronic Signatures and Records Act (ESRA), are permissible. This clarification is particularly important in the context of freelance workers assigned by staffing firms to work on temporary and contract assignments for clients, since these workers may never visit the staffing firm's office. Rather, they typically are provided assignment details electronically and dispatched from home to client sites. By making explicitly clear that contracts are permissible through such means as electronic mail and text messages, the City Council will avoid having freelance workers unnecessarily incur the cost and burden of traveling to staffing firm offices, to execute paper contracts, prior to being placed on assignments.

Moreover, unlike most other entities that may engage a freelance worker only one time, thus necessitating only one contract under this legislation, staffing firms typically engage freelance workers to work on successive assignments for multiple staffing clients. As currently drafted, Section 20-826 therefore could require the parties to enter into a contract for each and every new assignment.



Such requirement is time-consuming, repetitive, and unnecessary. Instead, the legislation should allow the parties to enter into one contract at the outset of their relationship, setting forth the range of rates the worker can expect to earn on assignments for which she may be offered as well as the services she would provide.

Such approach was explicitly sanctioned for purposes of the New York Wage Theft Protection Act (N.Y. Labor Law Section 198), as staffing firms can list on wage notices a range of rates that temporary workers can expect to earn, and this approach should be adopted under this legislation, as well; so long as subsequent assignments meet the terms of the contract, there should be no required additional contracts. If, however, a particular assignment's compensation falls below the range in the parties' contract or the assignment requires materially different services to be provided, a new contract should be required.

Finally, as drafted, Section 20-826 would require an itemization of *all* services to be provided by the worker. This requirement is too expansive and could be interpreted so broadly that it would be impossible to comply with. For example, staffing firms that assign temporary and contract physicians to hospitals do not and cannot know each and every procedure the physician will perform. Therefore, we think the intent of this provision would be more appropriately achieved if it were to require a general description of services such that the parties understand the scope of work to be performed.

#### *Section 20-827; Unlawful Payment Practices*

Subsection (b) provides that, once a freelance worker has commenced work, no hiring party may require the freelance worker to accept less than the "specified contract price." While we believe that intent of this provision is to prohibit a bait and switch whereby the hiring party contractually agrees to pay compensation – on an hourly, piece work, fixed price, or some other basis -- and then reneges after work commences, the term "specified contract price" could give the impression that all compensation arrangements must be fixed price agreements. To avoid such a result, and to be consistent with the terminology used in Section 20-826(b)(10), the relevant section should be revised as follows:

b. Once a freelance worker has commenced performance under the contract, no hiring party may require as a condition of payment consistent with the requirements of this subchapter that a freelance worker accept less **or other than the rate and method of compensation set forth in the contract** ~~specified contract price~~. This provision does not preclude the settlement of a good faith dispute regarding performance under the contract or preclude a modification of a contract in accordance with other applicable law.

#### *Section 20-831(c), Civil Penalties, and Section 20-833, Criminal Penalties*

Section 20-831(c) provides for civil penalties of up to \$5,000, while Section 20-833 provides for potential conviction of a misdemeanor and imprisonment. Such penalties are draconian, unwarranted, and greatly



Jennifer D. Kelley | Executive Director

exceed penalties imposed under other New York City rules. For example, the newly-released earned sick time rules, Section 1, Chapter 7 of Title 6 of the Rules of the City of New York, provide for penalties of up to \$500 for a first violation, as well as an opportunity to cure. They do not provide for criminal penalties.

Similarly, the New York Wage Theft Protection Act, which has a purpose similar to that of this legislation in that it requires workers to be provided with written notice of wages, includes significantly less penalties—up to \$50 or \$250 per day, depending on the violation.

We believe that similar penalties are appropriate and equitable for violations of the proposed legislation. Moreover, like the sick time rules, the bill should provide those that inadvertently violate its provisions with an opportunity to cure; in so doing, the legislation would not unduly punish unwary businesses that, upon being subjected to excessive fines for inadvertent violations, may choose to no longer use the freelance worker labor force. Such a result would be bad public policy and should be avoided.

Thank you for your consideration.

Very truly yours,

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*Testimony of Sara Horowitz, Founder and Executive Director of Freelancers Union  
In support of the “Freelance Isn’t Free Act”  
Before the New York City Council Committee on Consumer Affairs  
In Relation to Establishing Protections for Freelance Workers*

February 29, 2016

Thank you to Chair Espinal and the entire committee for the opportunity to speak today in support of the Freelance Isn’t Free Act (intro. 1017). I am Sara Horowitz, the Founder and Executive Director of Freelancers Union, representing 300,000 freelancers nationwide, 130,000 of whom live in New York City.

There are 1.3 million independent workers in New York City, representing a workforce as diverse as New York itself. Freelancers are service providers, micro business owners and contractors; working as accountants, health care workers, writers, and adjuncts. These workers offer valuable skills, efficiency, and on-demand labor to large and small businesses -- they are truly the backbone of New York City’s economy.

But too many freelancers aren’t getting paid for the work that they do. Over 70% of freelancers struggle to get paid, and the average unpaid freelancer loses nearly \$6000 per year. For our members, this represents about 13% of their annual income. With such great income instability, it becomes hard to cover basic expenses like rent, health insurance, and quarterly tax payments. But loss of income doesn’t just stop there: it stifles business growth, incurs debt, and makes surviving in New York City nearly impossible. Finally, it violates a basic agreement we have here in this country: work deserves pay.

Today, you’ll hear from independent workers in diverse industries battling the same problem for a variety of reasons. Our members in film and television tell us about the barriers to getting a contract in a field where contracts are the exception, not the rule. We hear from magazine writers and journalists who have to take on the role of debt collector in a field where 60, 90, or even 120-day payment terms are the norm. We witness predatory practices from too many businesses that essentially run on free freelance labor – and face few repercussions. It’s time we put an end to this together.

The Freelance Isn’t Free Act is the first bill in the nation that will help freelancers get paid what they’re owed, on time, and in full. The legislation will provide badly needed worker protections, and stronger business practices for companies who utilize freelance labor. By mandating written contracts, we help both parties set clear expectations at the outset to mitigate future conflicts. 30-day payment terms ensure that workers aren’t forced to borrow to cover the distance between the day the work is completed and the day the check arrives.

By formalizing and increasing penalties for nonpayment we dissuade unethical business practices. Instituting double damages and attorney’s fees will make it more financially viable for freelancers to invest the time and money needed to take deadbeat clients to court. We believe that being able to offer freelancers the additional support of the Department of Consumer Affairs involvement in nonpayment

claims will also prove invaluable. We are looking forward to working with Council Member Lander and the Department of Consumer Affairs to further define their role in implementing this legislation.

The freelance workforce isn't going anywhere – in fact, it's growing. As a hub for the freelance economy, New York City has the opportunity to be a leader and institute groundbreaking legislation to protect the working people of New York.

Thank you for your time and consideration. I'd also like to thank our allies and all of the freelancers who have come here today to testify.

Elizabeth MacKenzie  
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## FOR THE RECORD

### Freelancers Union Testimony\_02.29.2016

My name is Elizabeth MacKenzie. I've lived in New York City since 2002, and I've been working as a freelancer in the film production industry since I graduated from NYU in 2006. Last year I was able to buy an apartment in Brooklyn, solely from the income I've earned working in this city.

I've worked as a freelancer for hundreds of companies, many of whom are subcontracted by major networks, studios, and conglomerates to supply broadcast and web video content as well as animations, print, special effects, and feature films. Anything you could shoot with a camera and watch on a TV, computer, phone, or in a theater, freelancers like myself help to create.

Part of the system of subcontracting freelancers is an evasion tactic by corporations to avoid payroll taxes, healthcare obligations, and other labor laws. We are designated as vendors to avoid regulations including the NYS quick-pay stipulation for anyone supplying labor.

Last fall I was contracted by an advertising agency to produce a shoot for them. Part of my professional responsibilities included hiring a freelance crew; people whom I trust and have worked with for years. They have rent to pay and families to take care of, and they perform services that are highly specialized, over extremely long days under difficult, sometimes dangerous circumstances. Of the crew of roughly fifty freelancers who were contracted by me and who subsequently provided services for this agency, none of them were paid within thirty days. None of them were paid within 60 days. A few people were paid within 90 days but most of us, myself included, were paid more than 120 days after our labor was completed. It's important to note that none of us knew when, if ever, we would be paid during these months. I am providing this example not because it is the worst example of non-payment I've dealt with, but because it is the most recent: I was only able to cash my check last week. Meanwhile the agency was paid by their client in the previous fiscal year, and made interest on the multi-million dollar contract while delaying payments to those supplying the actual work.

All of us depend on these clients for our livelihood and often have no recourse beyond polite, repeated inquiries, which are often flat-out ignored. Most of these companies only adhere to contracts drafted by their own legal departments, and noting terms on an invoice is totally meaningless for the same reason. Most importantly, these companies are fully aware that we have no recourse, which is why they are able to game the system. This creates a pattern of abuse, and forces us as individuals to shoulder massive credit card debts and income insecurity, which destabilizes our lives, our families and everyone we interact with financially. While these companies can go on without paying us, our own bills have definite payment deadlines that impact our credit, our mortgage standing, our ability to pay for health insurance, utilities, even food. During the four months that we waited for payment, members of the team that I had hired on behalf of this agency called me routinely to tell me, as months went by, how their lives were being effected by non-payment: Credit card payments missed, Christmas presents not bought, personal care situations that had to go unaddressed. It pained me that there was nothing that I could do to ensure that our employer behaved honorably.

In closing: The worst non-payment situation I ever had to deal with was when I was still a student. I was owed about \$2,500 and at that time the money that I was owed was all the money I had in the world, and I owed it for rent and utilities. As the weeks and then months went by I literally lived on bread rolls and water, with no light and no power after I failed to make utilities payments. When I called repeatedly for a payment update, the only reply was an automatic Out-of-Office voicemail: The Finance Department was on vacation.

Freelancers are an underserved community because we work under the very premise of the American ideal: Hard work performed by individuals laboring in good faith for their own futures. Reform is needed to protect us and provide recourse for the predatory business practices that we are currently subject to.

Testimony by Andrew Rasiej, Chairman NY Tech Meetup  
New York City Council, Feb 29<sup>th</sup> 2016.

Thank you to the Chair Espinal and the Consumer Affairs Committee for the opportunity to speak today in support of the Freelance Isn't Free Act (intro. 1017). My name is Andrew Rasiej, and I am testifying in my capacity as Chairman of NY Tech Meetup, a community of almost 50,000 web developers, software engineers, startup entrepreneurs, and professionals from NYC's core industries who are all building careers in the 21<sup>st</sup> century.

The technology can no longer be classified as an industry sector. Every major industry in NYC is rushing to convert itself into a digital enterprise in order to successfully compete in the hyper connected new global economy. To make this conversion possible New York will need to rely heavily on freelance professional workers. Freelancers allow startups to stay flexible as they experience rapid change and growth. They also allow larger and more established firms to accelerate their conversion into digital enterprises by incorporating professional and technically skilled labor into their operations faster than the traditional methods of hiring fulltime employees. Freelancers account for between 10-25% of the IT workforce of any given tech company, and up to 50% for smaller, new tech businesses getting off the ground.

They are also becoming an important resource for non-tech businesses who need technology trained professionals to help them retool their products, services, and distribution to compete in the marketplace, much of which is becoming digital itself.

In order to succeed, startups and other firms, tech and non tech related , must attract top talent, and, therefore, so does the city. To remain competitive in technological innovation and business, the City of New York must grow and cultivate its pool of computer science engineering and entrepreneurial talent – and that means protecting the rights of its independent workers. The Freelance Isn't Free Act is a needed first step for the city to support a skilled professional workforce for the 21<sup>st</sup> century. This bill legislation will ensure that their work is paid on time and in full.

The Freelance Isn't Free Act strengthens freelance work by demanding written contracts and providing better remedies for freelancers facing payment issues, without interfering with the ability of both parties to freely enter into work agreements. Mandating written contracts is a simple way to ensure that businesses and freelancers have clear expectations at the outset of an agreement. Furthermore, in penalizing clients who fail to pay their freelancers with double-damages and legal fee coverage, we discourage unethical business practices from permeating the industry. This legislation may have the added benefit of also reducing case load for the courts system by making the responsibility of employers to pay freelancers clear and direct.

Technology trained professionals typically work long hours, often balancing multiple gigs--taking time to chase down invoices means time lost pursuing work or billing hours. Having a city agency that can defend them will also provide a powerful resource for this agile and efficient workforce.

This is an opportunity for New York City to take the lead in embracing the freelance economy. Because New York is a hub for emerging tech companies, this legislation is likely to cause a ripple effect that reaches beyond the bounds of the city's five boroughs. In protecting independent workers here in New York, we will not only attract more talent to the city, but we will also encourage the tech industry as a whole to protect the rights of freelancers.

*Testimony of Jeffrey Wald, Founder and President of Work Market  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Thank you to Chair Espinal and to the members of the Consumer Affairs Committee for the opportunity to provide testimony today in support of the Freelance Isn't Free Act. My name is Jeff Wald, and I'm the Founder and President of Work Market. We're an enterprise software platform that connects thousands of businesses with a marketplace that includes tens and thousands of New York City freelancers, contractors, and consultants. I'm very pleased to be able to speak here today.

Since we founded Work Market in 2010, we've seen incredible growth and that is partly due to the meteoric rise of the freelance economy. This is one of the biggest workforce revolutions in decades – and it's time the law and labor regulations have caught up with that. The Freelance Isn't Free Act would simply formalize the payment practices that we already employ on the Work Market platform to ensure that freelance workers are paid on time and in full.

Payment for work is a simple exchange, but if that agreement is broken, the system begins to crumble. 92% of corporations work with freelance labor – it's flexible, efficient, and cost effective – but if freelancers cannot expect to be paid on-time and in-full for work completed, then this workforce is cut off at the knees. New York City companies are increasingly seeking talented, experienced, and specialized laborers and in order to cultivate those kind of workers, we need to treat them fairly.

In empowering workers with a city agency to whom they can report deadbeat clients, the City of New York sends a clear message of support to this growing workforce. The freelance economy isn't going anywhere – in fact, it's growing. Top companies like Walgreens , AT&T, and Yahoo use Work Market because they rely on freelance talent. It's time to update antiquated labor laws and support the new workforce. The Freelance Isn't Free Act is an opportunity to position New York City as a leader in freelance economy.

Testimony re the Proposed "Freelance Isn't Free" Act

New York City Council

by

Dr. Ruth Milkman

Distinguished Professor of Sociology, City University of New York Graduate Center

Research Director, Murphy Institute, CUNY

President, American Sociological Association

February 29, 2016

My name is Ruth Milkman. I hold a Ph.D. in Sociology from the University of California, Berkeley. From 1988 to 2009, I was a Professor of Sociology at UCLA, where I served as Director of the Institute for Research on Labor and Employment from 2001 to 2008. In late 2009 I moved to my current position at the CUNY Graduate Center, where I am currently Distinguished Professor of Sociology. I am also the Research Director of CUNY's Murphy Institute, which specializes in labor issues, and I am the current president of the American Sociological Association. I'm very pleased to speak here today in support of the "Freelance Isn't Free" Act.

I have done extensive research on labor and employment issues, and spent several years researching the problem of "wage theft." I co-authored the 2009 study, *Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities*, which analyzed the results of a survey of 4,387 workers in New York City, Chicago and Los Angeles using a rigorous methodology that generated a statistically representative sample. Although that study was limited to low-wage workers, it found that employment and labor laws are regularly and systematically violated. Our research team was aware that such violations existed, which is why we did the study, but even we were very surprised by the high prevalence rates our survey found. For example, a shocking 26 percent of the workers in our sample had been paid less than the legally required minimum wage during the work week immediately preceding the survey, 25 percent of our respondents had been paid late at least once during the year preceding the survey, and 6 percent had not been paid at all for their work at least once in that year.

Our study was limited to low-wage workers, but I vividly recall that after our results were reported by the newspapers and other media, we received many communications from professionals and white collar workers, eager to let us know that they too had experienced these problems. The Freelancers' Union's own recent survey documents the fact that late payment and non-payment are serious challenges in the city's so-called "gig economy." And as everyone knows, that part of the labor market is already substantial here in New York City, and it is growing rapidly.

For traditional employees, wage theft and late payment are already against the law, but as our research and that of others has documented, the existing laws are not enforced adequately and often do not cover independent workers. Moreover, as our study found, many of those who experience violations are reluctant to complain because they fear retaliation. Indeed many of our respondents who did complain reported that they had experienced retaliation as a result.

The proposed "Freelance Isn't Free" legislation that you are considering today would be very useful in helping to address these problems. Allowing for double damages and attorneys' fees through a private right of action and the anti-retaliation clause are especially valuable. I also note that law-abiding businesses will not be penalized in any way if this legislation is enacted.

Thank you for your attention.

*Testimony of Lucy Reading-Ikkanda, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Hello, my name is Lucy. Thank you for the opportunity to speak with you today.

I am a freelance designer and illustrator. I work on magazine layouts and diagrams. I have been freelancing in NYC for 12 years. I live in Riverdale, in the Bronx.

In November 2013, I was hired by a client to work for a magazine for many months. I was covering an extended maternity leave. We signed a contract that stated a 30-day payment cycle.

After submitting my first invoice I was informed that the accounts department had a 75-day payment cycle. I waited the 75 days and still did not receive payment... but I was continually assured that the accounting department is processing my bills, and that a check will be in the post "very soon."

Many months later, after the maternity leave cover was completed, I had yet to receive any payment at all. At this point, the total of my submitted invoices was \$17,500.

In the meantime, my rent checks were due, my quarterly tax payments were due, and my health insurance payments were due. And I had turned down all other work because I had booked this full time project.

It was not until April 2014, 6 months in after I submitted my first invoice, and after many hours of emails and calls, that I did finally received the check in the post.

I found it incredibly frustrating and emotionally draining chasing down the overdue payment.

This Freelance Isn't Free bill will deter clients from late and non payment. Clients will know that if they do not pay me for my work in a timely fashion that they have to answer to Consumer Affairs...and, ultimately, they may face paying me twice.

Thank you.

Hi, my name is Sunday Steinkirchner. I really appreciate the opportunity to speak with you today. I own a bookshop; I sell rare books, first editions, books signed by authors. I am a small business owner, and I freelance in that I am hired by private individuals, libraries, and estates to provide appraisals of books and manuscripts. I have been a bookseller for 12 years, full-time for 8 years, and I live in Stuy Town. My company's gallery is located on 20<sup>th</sup> Street in the Gramercy/Flatiron neighborhood.

Our first major case of non-payment happened in 2008, on a lengthy and time-intensive appraisal we completed. We worked without a contract, and spent several days combing through hundreds of valuable books and paintings. After doing the work on-site, we spent many additional days consulting references and writing up our findings into a letter of appraisal. We met with the customer to exchange the letter for payment (\$3,000), but he said he would mail us payment later (an excuse about needing to pay from a trust rather than from his own account). Giving him the benefit of the doubt, we turned over the letter, and were horrified when the check never came. Even worse, our appraisal letter ended up in the hands of another bookseller, as the customer used our appraisal to try to sell the books and paintings to other local dealers and auction houses, including Sotheby's and Christie's. When we confronted our customer, the only contact person thus far, he blamed the situation on another family member, who was conveniently unwilling to communicate with us.

With a lot of persistence and a little bit of luck, we did eventually get paid. We used this experience as a lesson for ourselves—we now never turn over appraisals or any kind of documentation until we are paid in full.

We were owed: \$3,000. It took us 4 months to get paid.

The loss of income was awful, but the worst part was the amount of time it took to call, email, and track down the client. I believe this situation could have been avoided if the client knew it was against the law not to pay a freelancer or small business owner. Knowing it is a larger, punishable crime would dissuade people from breaking the law; they will do the right thing and pay when obligated to, not only because it is the law and a crime not to, but also to avoid reporting, a guilty charge, and paying a penalty. Once the law becomes widely known, freelancers will be taken advantage of much less often.

In addition to my book company, I write a blog about small business ownership for Forbes. Three years ago, I wrote a post "What To Do When a Client Doesn't Pay" and I have been contacted by dozens of people, owed anywhere from \$50 to \$15,000. Their stories are horrifying and varied, but all have the same theme: they have not been paid and feel completely helpless. I have kept in touch with them over the years, and though many are not in NYC, they are excited by the idea that landmark legislation here could have a ripple effect and sometime soon influence the law where they live.

As a small business owner with one employee, this law sadly does not protect me personally, but I am still firmly in favor of it. I hope that one day it will be more broadly applied, protecting any worker from non-payment from any client.



*Testimony of Alex Abelin, CEO of LiquidTalent  
In support of the "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
In Relation to Establishing Protections for Freelance Workers*

February 29, 2016

My name is Alex Abelin and I'm the CEO of LiquidTalent, an online marketplace that matches freelance talent to meaningful paid opportunities. Thank you for the opportunity to speak today in support of the Freelance Isn't Free Act.

There are 8.4 million people living in New York City, and 1.3 million of them are independent workers. That means 15% of our city are freelancers. By 2020, it is estimated that 40-50% of the nation's workforce will be Free Agents, and 75% will be of the millennial generation. This new-age worker values the independence, mobility, and lifestyle of freelancing. They also seek an integration of their personal and professional identity, and want to work on meaningful, purpose-driven projects. With that said, they need to earn a living and desire financial stability.

Many companies, small and large, rely on independent workers to drive their business forward. These companies value the ability to quickly increase and decrease the size of their workforce based on their real-time needs. Freelance workers help businesses achieve flexibility and optimize their operations.

The model should work very well, as the desires of freelance workers meet the needs of the business economy. Unfortunately, there are real issues with the current model.

As CEO of LiquidTalent, I have the opportunity to speak directly with many freelancers. I am often surprised by the issues they have faced. Some businesses do not pay freelance workers fairly. Paying their 1099 workforce can fall down the priority list, and on average, unpaid freelancers are cheated out of \$6,000 in annual income. A whopping 71% of independent workers face nonpayment or late payment during their career. This is simply unacceptable and these payment crimes must be put to an end.

At LiquidTalent, we primarily support independent technology developers and designers. These engineers, web and mobile application developers, and user experience designers are highly educated and brilliantly skilled professionals. They are core to the success of their business partners. Creating the proper legal environment to support this emerging workforce is a critical element of supporting the new economy.

I stand with my fellow advocates, business leaders, LiquidTalent members, and the Freelancer's Union to do the right thing and support the Freelance Isn't Free Act.

**Testimony of Jesse Strauss, Founder of Indepayment.com, in Support of City Council Intro  
Number 1017 of 2015**

**February 29, 2016**

Thank you to Chairperson Espinal and the entire committee for the opportunity to speak in support of City Council Intro Number 1017, providing long awaited and desperately needed protections for New York City's freelance workforce.

My name is Jesse Strauss. I'm a lawyer and the founder of Indepayment.com. Indepayment is the leading debt collection service for freelancers and independent workers. We're based right here in New York City.

I'd like to provide some insight into the importance of City Council Intro Number 1017 from the prospective of someone deeply engaged in the process of collecting wages owed to freelancers and independent workers.

The wage theft problem is rampant, and each day more and more independent workers -- from software developers to writers to marketing consultants to small business owners – who can't get paid for work provided come to Indepayment for our collection services. Indepayment always attempts to resolve a debt before using the court system. However, if we need to use the Courts to collect, our two options in New York City are to either file a suit in Civil or Supreme Court, or use the small claims part of the Civil Court.

While Indepayment works hard to make the process of collecting on debts owed to freelancers are simple as possible we are hampered because the Supreme Court and Civil Court processes in New York City are cumbersome and expensive as they require filing fees, service fees, and numerous appearances. The Small Claims process, while simpler, is prone to long delays and appearances in front of arbitrators who treat the cases as breach of contract matters as opposed to wage theft matters.

In both the Supreme Court, Civil Court, and in Small Claims Court freelancers can only bring common law claims for breach of contract. Freelancers don't have the statutory protections found in the New York Labor Law or Fair Labor Standards Act enjoyed by employees such as attorney fee shifting, treble damages, and personal liability on the part of the owner of the company for unpaid wages. The end result is that freelancers go through the process only to end up with a judgment in the amount of their unpaid wages and that judgment is often against a judgment proof corporate entity and is therefore unenforceable. I believe that employers know how difficult it is for freelancers and independent workers to use the enforcement mechanisms available and, therefore, assume there is little chance they will be sued for freelancer wage theft. Accordingly, freelancers are paid last, and if the money runs out, they are not paid at all.

Intro Number 1017 is a vast improvement. It provides a statutory remedy for freelancer wage theft in addition to the breach of contract claims. The statutory remedy allows for double damages, attorneys' fees and civil penalties. Intro 1017 also establishes a separate streamlined administrative process through the Department of Consumer Affairs ("DCA"). That alleviates some of the procedural complexity and costs associated with the Supreme Court and Civil Court. The unit of the DCA that deals with these claims will specialize in freelancer wage disputes, much the same way the City has specified units and tribunals to address violations of the health code or licensing requirements. In addition, because the collectability of court judgment is

difficult, the City's enforcement of violations is an important feature, assuming the City commits the proper resources to enforcement. The administrative process and the provisions of the bill that require reporting to the City of civil actions will allow the City to keep detailed records of recidivists and understand the scope of the wage theft problem in New York City.

Indepayment supports Intro 1017 as written and urges the committee to move the legislation to the full City Council for consideration. Indepayment's customers and our City's freelance and independent work force deserve these protections.

*Testimony of Sohrab Saadat Ladjevardi, Founder of Musicians for Musicians  
In support of the “Freelance Isn’t Free Act”  
Before the New York City Council Committee on Consumer Affairs  
In Relation to Establishing Protections for Freelance Workers*

February 29, 2016

I'm Sohrab Saadat Ladjevardi, founder of the musicians' non-profit organization Musicians for Musicians, Inc (MFM).

At Musicians for Musicians, we believe that a musical career is a respected profession. Our membership is composed of musicians from all genres, backgrounds and skill levels from opera singers to composers to recording artists. We've come together as a group to encourage musicians everywhere to stop working for free.

Music provides significant value to human life and yet skilled practitioners of music go largely unrecognized and grossly underpaid. There is a common assumption that insists that because an individual chooses to pursue music or the arts, he or she should expect to struggle to make a living. Meanwhile, every day, musicians log long hours at various gigs, providing texture to daily events that many of us take for granted.

And yet, musicians are frequently treated as an expendable commodity, while others profit from their work. This is a huge systematic problem in the music industry. This is unacceptable and must stop...enough is enough!

Musicians for Musicians is a business league aimed at helping its members understand their passion as a business as well as an art. MFM believes that musicians deserve the same respect, representation and opportunities that all professionals enjoy.

According to a 2015 Freelancers Union study on nonpayment, 79% of musicians face nonpayment. All too often, the band is the last contractor to get paid after a big event, the singer finds that the hours she spent learning and practicing a piece aren't billable, or someone assumes that musicians will just work for free.

Finally, it should be noted that almost all of MFM's members also take on side-gigs to support their music careers. This makes the Freelance Isn't Free Act doubly important to musicians who may also face nonpayment in what may be perceived to be a more "steady" pursuit.

All this said, MFM seeks to empower musicians to realize the true value of their work to raise their standard of living and provide adequate working conditions in collaboration with other labor organization such as Freelancers Union. In working together in solidarity, we can improve conditions for musicians as well as other freelance workers.

Ladies and gentlemen, first and foremost, it's an honor to be speaking to you in favor of this groundbreaking piece of legislation. To paraphrase Neil Armstrong, that's *one small step, yet one giant leap* for the whole industry. Incidentally relevant particularly this leap year.

My name is Tatiana Potts of King's County, I'm a naturalized citizen and a professional linguist with MA from Moscow State Linguistics University. I worked there for the US Embassy when delegations of Al Gore and Ron Brown visited Russia; I designed and taught experimental course in American phonics when it was not yet trendy and aired Martin Luther King Jr's "*I have a Dream*" in my classrooms; circle of close friends included Michael Brook who worked with Armand Hammer; my mentor back in the day was Zoya Zarubina who started UN simultaneous interpreting programs and until her final days worked on bridging non-proliferation gap to restore post-cold war relations between our countries including translations of *Manhattan Project* documentation.

I would like to take this opportunity to speak on behalf of all native language bearers who provide professional freelance language services across the United States in spite of certain Albany legislators suggesting one need to take care of their own business and let the attorney general worry about the rest.

By endorsing this milestone bill New York is setting an example for the whole country ensuring there's no more embarrassing, undignified guessing game at the end of your professional business day as to whether  
*#FreelanceIsntFree*.

Unlike the uniform court system relying on database of available linguists and providing clear-cut pay structure, all other sectors, in need of language facilitation, enter murky waters by contracting go-between language service-providing agencies distributing workload to the lowest bidder. As a result there's quite a number of behind-the-scenes issues: from nepotism and bias in assigning most lucrative gigs on the one hand to hiring underqualified workforce to be able to maximize their profits on the other, all of which artificially lowers the entire tone of the industry. This clearly is material for third-party watchdogs to eventually overhaul the current status quo.

Professional language specialists are an integral part of any healthy functioning multinational community, so labor quality standards should adequately protect this vulnerable-to-abuse-and-harassment category against questionable practices ranging from unregulated simultaneous format of immigration courts proceedings to daily administrative work in the field.

To give you a rather grotesque example of absurdity of issues at hand, affecting over 250 languages, there was a recently spotlighted expose in Pix11 News by the Emmy award-winning investigative journalist Arnold Diaz available online under the headline *Interpreting Agency Caught Skimping on Payment to Interpreters*. I happen to have worked for the interpreting agency in question in 2014/2015, and am, to put it mildly, flabbergasted at the extent of "inaccuracies" Accurate Communication Inc. has gotten away with. Some of the issues included incorrect 1099's, extended delays and/or non-payments (including checks "lost in the mail" that are void after 60 days later surfacing in 1099's), incomplete payments, omitted 2-hr minimums per assignment, omitted OT, bundling of back-to-back assignments, higher-scale rate \$legal and \$medical assignments processed at lower \$social rates, to name just a few. Needless to say, Accurate Communication Inc. ignored requests to demystify their "lost in translation" vanishing shenanigans. As of 2016 there are still M.I.A. funds for work completed in 2015 and 2014.

It's now up to you, the legislators, to introduce this vital bill so there's no room left for the unprotected to be taken advantage of and, most importantly, to restore respect and dignity to professional freelancers' universe while unburdening this humiliated community snowed under with chaotic up-for-grabs large-scale predatory practices.

Thank you for your time.

*Testimony of Arun Sundararajan, New York University's Stern School of Business*

*In support of the "Freelance Isn't Free Act"*

*Before the New York City Council Committee on Consumer Affairs*

*In Relation to Establishing Protections for Freelance Workers*

*February 29, 2016*

Good afternoon. My name is Arun Sundararajan. I'm an economist who is a tenured and full Professor at NYU's Stern School of Business, and also affiliated with NYU's Center for Urban Science and Progress, and NYU's Center for Data Science. I'm very pleased to be able to speak here today to support the Freelance Isn't Free Act.

The US economy is at the early stages of a widespread transition that will transform what it means to have a job. Over the course of the next decades, my research projects that the fraction of the workforce that will make a living primarily as independent, freelance workers will grow dramatically. This shift will be across a range of industries and professions that we may not customarily associate with freelance work, including software and digital technologies, management consulting, financial services, advertising and marketing, sales, law, accounting and healthcare. The importance of this shift was highlighted by President Obama in his 2016 State of the Union address, where he underscored the need for educational training opportunities as well as more secure and portable benefits to give workers "a fair shot and opportunity in this new economy."

New York City is at the forefront of this transition, with an estimated freelance workforce size of over 1 million. Although it is likely that this transition will benefit the workforce broadly, by empowering millions of "microentrepreneurs" to take control of their own destiny while democratizing opportunities for innovation, many challenges remain.

Two key challenges to a robust future economy are quality uncertainty and transaction uncertainty. A business needs to know how good prospective freelancers are (and vice versa), and more importantly, both parties must have sufficient certainty that the work agreed upon is performed well and paid for in a mutually acceptable manner. Decades of research in economics has shown that in the absence of one or both of these kinds of

certainty, the outcome will be “market failure,” denying both workers and businesses opportunities for productive economic exchange.

Many new companies in New York City, including Tycoon and WorkMarket, are pioneering approaches to address issues of quality uncertainty for the freelance market.

But the issues of transaction uncertainty remain. Two critical aspects of this transaction uncertainty are wage uncertainty – lack of clarity about the rate at which a worker will be paid, and payment uncertainty – whether the worker will eventually get the money they are owed, in a timely way. Billions of dollars of business are likely lost in New York City due to this market inefficiency. The statistics I have seen are quite staggering -- \$6000 in unpaid wages per freelancer, and over 70% of freelancers experiencing non-payment.

As we move to a world in which freelance wages are increasingly the new “salary,” such uncertainty can also have damaging effects on consumer spending, the ability to plan a future, and can slow broader economic growth. The proposed “Freelance isn’t Free” Act will introduce important new protection that addresses these fundamental concerns. By mandating transparent contracts and prohibiting unlawful payment practices, this legislation will place New York City at the forefront of business protection for the future, and signal support for this emerging new economy. Since the Act will reduce market failures and lead to greater supply and demand for freelance work, supporting such legislation is akin to supporting policy for job creation. I also see no likely negative externalities on existing businesses that use freelancers. Any business that already simply sets clear terms and pays on time will be unaffected by the Act.

I commend the City Council for their forward-looking approach, and for being proactive in shaping effective labor policy for the future.

*Testimony of Christopher Maue, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Hello, my name is Christopher Maue. Thank you for the opportunity to speak with you today.

I have worked in the film and video industry as a Video Editor and Motion Graphics Animator for eight years. I moved to New York - first to Astoria, then to East Harlem - five years ago because this is the center of my industry. In that time, every year I've had to face non-payment of some significant amount of money.

I started 2016 with over ten thousand dollars worth of outstanding payments from my clients. Most of this was from a client who hadn't paid me since November 2015, but over two thousand dollars was owed by a client with whom I haven't worked since 2014.

In both cases, a contract was never signed—in my field, asking for a contract is usually a surefire way to get passed over for a low level freelance gig, so you're conditioned not to ask. Additionally, in both instances I was one of over a dozen contractors who had to chase down payment from unresponsive clients. I am here today with a colleague of mine who can attest to nonpayment in both of these situations.

In the case of the larger sum—almost *eight thousand* dollars—my client hired me on-retainer and agreed to traditional 15-day payment terms. At the end of the month, when I didn't receive payment, I began asking questions. My client offered various reasons to avoid making it.

Finally in January, I managed to get some payment – less than ½ of what was owed to me. My client presented this partial payment as 'doing me a favor.' I was then asked, along with some other contractors, to return to finish old projects and begin new ones, with no timeline set for repayment of the remaining amount - over five thousand dollars in my case alone.

After three months, I was finally paid in full, but this only came after repeatedly refusing to complete further work until payment was made. Going for 3 months without receiving my expected payment put me in a terrible financial position, especially as it encompassed the holidays.

I wish I could say that these experiences were out of the ordinary, but my colleagues and I routinely spend days, if not weeks, asking clients for payments. We're often told that we have

to settle for less and – in some extreme cases – we have to settle for amounts that end up failing to meet minimum wage.

In mandating contracts, the Freelance Isn't Free Act has the potential to enact major change for freelancers in the film and video industries. By getting payment amounts and timelines in writing before kicking off a project, clients will not be able to treat those promises as negotiable after the work has been completed. The multiple instances of late, short, and non payment can be reported to an appropriate authority and the potential penalties deadbeat clients may face in court mean that it will be more worthwhile to take time to sue for payment.

I hope that with these rules in place, agreements *in writing* can become a common business practice before work starts. I have yet to work a single freelance day in this city where that has been the case.

*Testimony of Latefa Harmon, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Hello, my name is Latefa Harmon. Thank you for the opportunity to speak with you today. I work with businesses as a professional development consultant. I have been working as a freelancer since 2008, full time since 2010. I live and work in Brooklyn while raising my family.

Since I began freelancing, I have consistently had a variety of different issues with nonpayment. I routinely work with clients who provide only partial payments on work delivered, months after the agreed upon due date. Last year, I was stiffed \$5000 by a client who has yet to pay me. This particular client hired me for a package of training and development services to improve their business performance. I prepared a Scope of Work with all the details about my services, costs, and how their business would benefit. In order to secure the job, I offered them a discounted flat-rate of \$10,000.

We signed a written contract, which stipulated a retainer and deposit of \$2,700 to be paid up front, which the client paid. They also paid a subsequent installment of \$2,300 just before the completion of the project. But, despite the fact that my work was approved at every milestone, they refused to pay the balance of \$5,000 at the end of the project – after 3 months of work completed. I invoiced this client many times, following up with countless emails and phonecalls, with no response. To this day, I am still reaching out. Meanwhile, they have implemented my strategy and their business is profiting from my work.

On many too many other occasions, I have worked with clients who lagged in payment, and frequently accept a lower amount in order to be paid at all. I currently have another client at a very large corporation, who, after TWO months of work, is just paying off her initial retainer. The amount I am typically able to collect often represents a steep difference from the agreed upon rate; however, I often take the reduced amount because I know this will be my best chance of getting paid at all. I only pursue projects with large companies and agencies who can easily afford to pay their contractors. But even with larger corporations, they can sometimes take up to 6 months to produce a check.

In my experience, companies will play hardball with freelancers, because they are aware there aren't any real legal protections for us. Currently, the penalties for being noncompliant only lie within the realm of an actual lawsuit, which many of us don't pursue because if we aren't getting paid, and can barely pay our bills, how can we afford to take someone to court? This makes it easier for a client to refuse to pay a contract off. We are the new cheap labor because we aren't protected legally.

For many of us freelancers, this is our livelihood and makes it difficult for us to make ends meet. As a freelancing woman of color, I have to sell my services for half as much, and pitch twice as

hard. In many cases I have to drastically reduce prices for a company to even consider my services, and then I have to endure many challenges on the company's behalf, to nurture a revolving ongoing relationship. This is a lot in intellectual costs, and if ever calculated properly could result in millions if not billions in unpaid services for freelancers as a whole.

In my opinion, the Freelance Isn't Free Act will allow us the needed protections for our work. Freelancers are becoming more of the norm in a modernized workforce - we bring value to companies of all sizes, and many of us provide one-of-a-kind services. It's important to for us to step up to create needed payment protections for freelancers now, before this becomes a never ending battle in the near future. There are currently 1.3 million freelancers in New York City -- and the numbers are increasing daily. We should be paid for our work. We deserve the right to a decent living, just as any other industry!

*Testimony of Just Raymona, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Good afternoon Honorable Council members, guests and other freelancers. I first want to thank you for your time and opportunity to speak with you today. For the past 20 years, I have been working as a freelancer in the fashion industry as a pattern and sample maker. Having lived in Manhattan, Brooklyn and today I reside in the Bronx; I have worked all over the Tristate area.

As a freelancer it's always been tough trying to make ends meet to just make a living. As a Pattern maker, I'm paid for time as well as expertise. I have encountered nonpayment at many points throughout my career, and late payment even more often.

Just recently, at New York Fashion Week September 2015, I was asked to make patterns and samples for a 14-piece collection to be ready for a September 21st Showing. On August 24th, 2015, my client and I signed off on a contract agreeing to pay me a total of \$3275. Half of this sum was to be paid upfront after the fabrics for the designs arrived, and \$550 was paid upon signing the contract.

As of August 31st, I had about 5 fittings and patterns for approval and was informed that the fabrics still needed to be ordered. This does happen from time to time though rarely 2 ½ weeks before a collection is to be done.

During Fashion Week (which is the busiest time of year), freelancers are under a ton of pressure to finish last-minute projects for designers who have invested thousands of dollars into their shows. By September 10th all the fabrics came in, and my client submitted another payment of \$500.00 – about \$600 less than was promised to me at this point.

This partial payment totally sent me into the red. As a result, I was unable to pay my sample maker and the pattern tech that worked with me. As a freelance business, I count on accounts receivables to be able to pay my own bills and freelance workers.

Because of this, I had to do most of this work myself while completing other clients' work within 10 days. Finally, after staying awake for many 18-hour days, I completed the last pieces, the morning of September 21st, 2015. The next day after her showing, my client met me - she was supposed to pay me the balance, but instead handed me a check for just \$355.00. She told me the balance of \$1870 in weekly installments for 5 weeks.

Now honestly as angry as I was, what could I do? I paid some of the people I work with out of my savings. As a result, I didn't pay my rent on time nor my phone bills. The five weeks turned into almost 4

months. Over that time, I received payments in amounts as small as \$120 and didn't receive the last payment until January 11th 2016.

It is totally unacceptable to treat freelancers like a bank. We do not have excess funds to cover for a client's poor management of business finances. The Freelance Isn't Free Bill would have made this client aware that she was obligated by law to pay me in full within 30 days, or there would be real consequences to face.

Passing this Bill will give freelancers a leg to stand on when just trying to make an honest living doing what we love. We are here asking for a fair shake that's all.

I thank you very much for your time and again the opportunity to tell my story.



## Testimony of Shirley Aldebol, Vice President, SEIU 32BJ

### Supporting Intro. 1017

February 19, 2016

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**Western Pennsylvania District**  
412.471.0690

[www.seiu32bj.org](http://www.seiu32bj.org)

Good Morning, Chairperson Espinal and members of the Committee on Consumer Affairs. Thank you for the opportunity to testify here today. On behalf of Shirley Aldebol, a Vice President of 32BJ SEIU, I am here to testify in support of Intro. 1017, the Freelance Isn't Free Act.

32BJ represents over 145,000 men and women in 11 states on the East Coast and in Washington, DC. We have over 70,000 members here in New York. Our members are the backbone of the property service industry – building workers, security officers and office, school, theatre, stadium and window cleaners. Our members are not freelancers, but we stand in solidarity with the diverse range of men and women who earn their living through freelance work.

Regardless of whether you are considered an employee or a freelancer, the truth is that if you are someone who works for a living, you are really counting on getting that paycheck. Wage theft is an issue with which we are all too familiar. For example, we continue to fight to ensure that workers at non-union buildings receiving 421a subsidies are paid the wages they are due. We have seen the real life consequences of workers being able to hold their employers accountable to pay them what they are owed.

We understand that non-payment to freelancers is a major and pervasive problem and that the vast majority of freelance workers face non-payment or late payment during their career. I am here, representing our members, to say that working people must stand up together for the proposition that our labor is not free.

Even if a worker is not considered an employee, they should be protected against wage theft.

By passing this needed legislation, the Council will provide freelance workers with the right to a written contract, stronger remedies to pursue clients who violate their agreements, and the ability to pursue their claims through the Department of Consumer Affairs or by filing an action in court. These are important rights and avenues for relief that have been unavailable for freelance workers for too long.

We encourage passage of this important legislation. Thank you.



**Testimony of Haeyoung Yoon  
National Employment Law Project**

**In Support of Intro 1017-2015**

**Before the New York City Council  
Committee on Consumer Affairs**

**Hearing on Intro 1017-2015  
In Relation to Establishing Protections for Freelance Workers**

**February 29, 2016**

Haeyoung Yoon  
Director of Strategic Partnerships  
National Employment Law Project  
75 Maiden Lane, Suite 601  
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212-285-3025/x315

Thank you to Chair Espinal and to the members of the Consumer Affairs Committee for the opportunity to provide testimony today in support of Intro 1017, a local bill to establish strong protections for New York City's freelance workers. My name is Haeyoung Yoon, and I am Director of Strategic Partnerships of the National Employment Law Project.

The National Employment Law Project (NELP) is a non-profit research and advocacy organization specializing in employment policy. From our main office here, in New York City, and throughout the country, we promote and shape employment policies for a wide range of labor market issues at the local, state, and national levels through empirical research, legal and policy advocacy, and in partnership with lawmakers and community allies. Across the country, our staff are recognized as policy experts in areas such as unemployment insurance, the minimum wage, and as is relevant to today's hearing, the rights of contracted workers and wage enforcement.

NELP has been a leader in raising and enforcing labor standards for low-wage labor markets. Through our work, we have seen how strong legal protections for workers, combined with robust and strategic labor enforcement, can go a long way towards ensuring that workers get paid what they are owed, while simultaneously promoting greater compliance throughout the affected industries, returning millions of tax dollars to state coffers, and bolstering the local and state economy.

### **Pay Violations Are Severe and Widespread Across the Country and in New York City**

Approximately 42 percent of workers in the United States earn under \$15 per hour.<sup>1</sup> As the real value of wages generally continues to decline<sup>2</sup> and income inequality worsens, ensuring that our nation's workers are compensated with fair wages and on a timely basis must be a priority. Pay violations – also commonly known as wage theft – are widespread across the country and span industries, costing workers and local economies billions of dollars each year.<sup>3</sup>

A seminal national study by NELP and other academic partners surveyed over 4,000 workers in New York, Chicago, and Los Angeles, and found that 26 percent were paid less than the required minimum wage in the previous work week, and nearly two-thirds experienced at least one pay-related violation in the previous week, such as failure to pay overtime, not being paid for all hours worked, and stolen tips.<sup>4</sup> In New York City, 21 percent of surveyed workers suffered from minimum wage violations in the previous work week, and more than half experienced at least one pay-related violation in the previous week. The report estimates that workers surveyed in New York City lost an average of 15 percent, or \$3,016, of their annual wages due to pay violations.<sup>5</sup>

Dozens of other studies have similarly uncovered severe pay violations in our economy. Freelancers Union's survey of over 5,000 workers in 2015 found alarmingly high rates of late payment or nonpayment across all industries and types of work in the independent workforce.<sup>6</sup> Seventy-one percent of surveyed workers reported that they had trouble getting paid at some point in their career, and of those who had trouble getting paid in 2014, 81 percent were paid late and 34 percent were not paid at all for some portion of their work.<sup>7</sup> The study estimated that workers surveyed, on average, were cheated out of 13 percent, or \$5,968, of their annual income due to nonpayment of their wages.<sup>8</sup> In short, wage theft has become an epidemic both nationally and in New York City.

## **Intro 1017 Will Benefit Freelance Workers, Law-abiding Businesses, and the Local Economy**

Intro 1017 – referred as Freelance Isn’t Free Act – is a necessary and good policy to combat severe pay violations in the independent workforce. Most workers in our economy – both employees and those illegally misclassified as independent contractors – enjoy the protections of federal and state wage and hour laws and could pursue pay violations by filing a complaint with a federal or state public enforcement agency like a Department of Labor, or by filing a private lawsuit in court, even though there are many factors that make it extremely challenging for them to come forward to enforce their rights and collect unpaid wages.<sup>9</sup> But, for those who are legitimately working as independent contractors, running their own business, they are excluded from federal and state fair pay laws, making it more difficult for them to pursue late payment or nonpayment of wages. A national survey of freelance workers found that when businesses failed to pay, 92 percent of surveyed workers made repeated phone calls to try to collect their unpaid wages, and only five percent pursued it by going to small claims court.<sup>10</sup>

Intro 1017 creates an enforcement scheme that allows freelance workers to file a complaint with the City’s Department of Consumer Affairs or pursue a lawsuit under the proposed bill in court to recover owed wages, double damages, and reasonable attorney’s fees. The inclusion of both public and private tools in the enforcement scheme is important because wage theft is severe and pervasive, and government agencies with limited public resources cannot tackle enforcement alone. Additionally, public agencies’ funding and priorities for enforcement change over time, and giving workers access to courts ensures they have a way to protect their rights.

Intro 1017 would also importantly provide anti-retaliation protection – a protection crucial for effective wage enforcement. Freelancers need strong protections so they are not vulnerable to harassment or retaliation when they report a violation. This is especially important because enforcement relies heavily on workers coming forward and filing complaints. Retaliation is too common. A survey of low-wage workers in New York City found that 42 percent of workers who complained to their employer about their wages or working conditions experienced retaliation, and 23 percent of workers never made a complaint because they feared retaliation or thought it would not make a difference.<sup>11</sup> Under the proposed bill, retaliating companies should be subject to strong penalties, which is key in deterring violations.

Combatting pay violations in the freelance workforce will benefit workers and law-abiding businesses and will provide a boost to the local economy. When businesses cheat workers out of their pay, workers are forced to borrow money and increase their debt to pay bills and cover living expenses. Law-abiding businesses often cannot compete with firms that illegally depress labor costs. In addition to benefitting workers and law-abiding businesses, when workers are able to take home their pay on time, they are able to spend money as consumers, contributing to the growth of local economy.

## **Intro 1017 Should Take Effect 180 Days After It Becomes Law**

Intro 1017 currently provides that it takes effect one year after it becomes law. Indeed, the City and relevant agencies will need time to hire and train relevant staff, develop outreach and education materials, and create new processes and systems to ensure effective implementation and enforcement of the law. However, one year is unduly long for freelance workers to wait to enforce their newly won rights. We urge the committee to adopt a shorter time period, such as 180 days, for the bill to take effect once it becomes law.

Thank you so much for the opportunity to testify today. I would be happy to answer any questions that you may have.

*For more information, please contact NELP Director of Strategic Partnerships Haeyoung Yoon at [hyoon@nelp.org](mailto:hyoon@nelp.org). For more about NELP, visit [www.nelp.org](http://www.nelp.org) or [www.raisetheminimumwage.org](http://www.raisetheminimumwage.org).*

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#### ENDNOTES

<sup>1</sup> Irene Tung et al, The Growing Movement for \$15 (Nov. 2015) at 1, *available at <http://nelp.org/content/uploads/Growing-Movement-for-15-Dollars.pdf>*.

<sup>2</sup> National Employment Law Project, Occupational Wage Declines Since the Great Recession (Sept. 2015), *available at <http://www.nelp.org/content/uploads/Occupational-Wage-Declines-Since-the-Great-Recession.pdf>*.

<sup>3</sup> Brady Meixell and Ross Eisenbrey, Economic Policy Institute, An Epidemic of Wage Theft Is Costing Workers Hundreds of Millions of Dollars a Year (Sept. 2014), *available at <http://www.epi.org/publication/epidemic-wage-theft-costing-workers-hundreds/>*

<sup>4</sup> Annette Bernhardt et al, Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America's Cities (2009) at 9, *available at <http://www.nelp.org/content/uploads/2015/03/BrokenLawsReport2009.pdf?nocdn=1>*

<sup>5</sup> Annette Bernhardt et al, Working Without Laws: A Survey of Employment and Labor Law Violations in New York City (2009) at 2, *available at <http://www.nelp.org/content/uploads/2015/03/WorkingWithoutLawsNYC.pdf>*

<sup>6</sup> Freelancers Union, The Cost of Nonpayment: A Study of Nonpayment and Late Payment in the Freelance Workforce (2015), *available at [https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU\\_NonpaymentReport\\_r3.pdf](https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)*

<sup>7</sup> *Id* at 3.

<sup>8</sup> *Id*.

<sup>9</sup> These factors include woefully under-resourced public enforcement agencies with no political will to engage in more aggressive enforcement, inadequate anti-retaliation protections for workers who come forward to enforce their rights, a lack of strong consequences for employers who violate wage and hour laws.

<sup>10</sup> Freelancers Union, The Cost of Nonpayment: A Study of Nonpayment and Late Payment in the Freelance Workforce (2015) at 6, *available at [https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU\\_NonpaymentReport\\_r3.pdf](https://fu-web-storage-prod.s3.amazonaws.com/content/advocacy/uploads/resources/FU_NonpaymentReport_r3.pdf)*

<sup>11</sup> Annette Bernhardt et al, Working Without Laws: A Survey of Employment and Labor Law Violations in New York City (2009) at 3, *available at <http://www.nelp.org/content/uploads/2015/03/WorkingWithoutLawsNYC.pdf>*



**Testimony of Deborah Axt, Co-Executive Director, Make the Road New York  
To the Consumer Affairs Committee of the New York City Council ■ February 29, 2016  
In support of the "Freelance Isn't Free" legislation**

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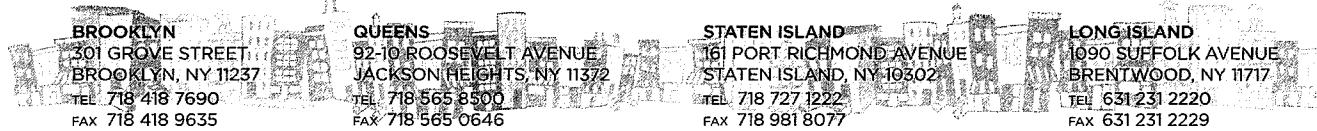
Good morning. My name is Deborah Axt, and I'm the Co-Executive Director of Make the Road New York, a membership organization of 19,000 low wage workers and New Yorkers of color from throughout New York City and Long Island. I'm very pleased to be able to speak here today to support the Freelance Isn't Free Act.

Make the Road New York has worked since the mid-1990's to tackle the scourge of wage theft through worker organizing, small business organizing, litigation, partnership with government enforcement agencies, and policy design. Our legal department of 50 attorneys and advocates have developed a deep expertise in wage and hour law, with a specialization in low wage and immigrant workplaces.

In general, our analysis is that wage theft is rampant in many sectors in New York City and beyond. And that eradicating wage theft requires the following key things:

- (1) An increase in the likelihood that employers who steal workers' wages will be caught in that practice – this requires excellent worker education and outreach, the real use of pay stubs and notices that make clear what payment workers can expect, robust and well-publicized retaliation protections that encourage workers to blow the whistle on wage theft.
- (2) Meaningful penalties for employers who are caught stealing wages – high enough to make stealing wages a risky business model. Currently there is a perverse incentive in place because it is often less expensive to steal workers' wages and run the minor risk of being caught, low penalties and difficulties in collecting mean that even if an employer gets caught, they often end up paying less in back wages and damages than it would have cost to pay people their legal wages in the first place.

One of the key dynamics that is currently undermining the ability of working families to count on actually receiving pay for work they have completed, is that freelancers and independent contractors lack even the basic protections that the law provides for workers who are categorized as "employees" and receive a w-2 for their work. The legislation under consideration today is designed to close that massive loophole.



There are currently approximately 1.3 million independent workers in New York City. Independent workers, often thought of as simply "creative" are an extremely diverse group, extending across a wide range of industries, income levels, and backgrounds – ranging from software developers to health care workers to accountants and small business owners.

71% of independent workers face nonpayment or late payment during their career. On average, unpaid freelancers are cheated out of \$6,000 in annual income due to wage theft - this represents 13% of the average independent worker's income. This issue has wide economic impact: A 2010 study by Rutgers economist William Rodgers showed that self-employed New Yorkers lost an estimated \$4.7 billion to client nonpayment.

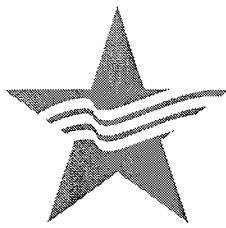
Both federal and state laws protect traditional employees, in particular around payment terms. Independent workers provide vital labor across the city and currently have none of these protections, and no city agency to turn to for help.

This legislation will help to address the two key priorities that I articulated above in a few ways. First, by mandating that clients working with freelancers use a written contract, we are requiring transparency and making it possible for freelancers to speak up if their rights to be paid in a timely way are violated. In our experience, the requirement that employees receive a pre-hire notice of their wages, as well as pay stubs, also helps employers by creating a record of the pay agreement, and surfacing any concerns or disputes before they escalate to become a longer term problem.

Second, this legislation basically closes the loophole that leaves independent workers and freelancers uncovered by the normal protections against wage theft, giving them the ability to file a claim with the Department of Consumer Affairs, or go to court and pursue double damages and attorney's fees.

This, like all anti-wage theft legislation, will be *of benefit* to responsible employers, who simply can't afford to compete when wage thieving employers are gaining a competitive advantage by exploiting their most vulnerable workers... including independent or freelance workers.

Thank you for your attention to this critical legislation.



AMERICAN  
SUSTAINABLE  
BUSINESS  
COUNCIL

Submitted by David Levine, CEO American Sustainable Business Council  
dlevine@asbcouncil.org 917-359-9623, New York, NY

Hello my name is David Levine. I am cofounder and CEO of The American Sustainable Business Council. The Council is a growing network of business organizations and companies committed to advancing a vibrant, and sustainable economy. Together we represent over 250,000 businesses that are working to build an economy that provides economic, social and environmental benefit.

I am here today to testify as to why supporting the Freelance Isn't Free Act makes good business sense.

Businesses are increasingly relying on freelance labor, which enables them to be more efficient, effective and profitable.

There are 26 million small businesses in the U.S., most of which are self-employed. There are 1.3 million independent workers in New York City.

Self-employment is the labor market trend - by 2017, 50% of our workforce will be, or have been, self-employed! Research on the independent workforce reveals that young millennials and those over 55 are the most likely to choose self-employment.

As the freelance economy continues to grow we must take steps ensure the protections for both employers and freelancers.

This bill will provide a number of benefits to businesses:

- By mandating written contracts between NYC clients and freelancers, we protect both the interests of the business and the worker.
- A written contract ensures that the terms of the agreement are clearly laid out, including itemization of services/goods, payment amount and payment due date.
- Businesses who pay their independent workers on time will not be penalized by this legislation,
- The bill does not interfere with businesses entering freely into a contract -

it simply reinforces a good business practice of having a written contract and institutes stronger remedies for failing to comply with the terms of one's contract.

- This bill will increase trust among independent contractors and employees, leading to a more positive business environment.
- These protections create a more competitive and economically profitable economy for NYC.

If we are serious about strengthening our economy and addressing income inequality, then we need to support entrepreneurship and freelancing. Freelancers do provide a real pathway to closing the wealth gap and generating new jobs, but can only continue to do so if they are protected.

With smart legislation we have the opportunity to create clear market framework in which our businesses and freelancers can both benefit.

Why is protecting freelancers good for the economy? The Congressional Budget Office found that the cause of the rise in income inequality between 1979 and 2007 derives mostly from disparities in business income. If we get to the heart of the problem of inequality, the answer can be simple, protect the freelancers, help people create their own businesses and have them close the income inequality gap themselves, grow the middle class and all business will prosper.

Transparency is the hallmark of a responsible business. With this legislation we can create a level playing field, where there is clarity for all parties, greater trust is created and we can then focus on creativity, innovation, quality work and economic benefit for the freelancers as well as the businesses.

NYC needs stronger business practices for hiring freelancers.

It's time for New York City to take action, and pass the Freelance Isn't Free Act.

Working together, we can create the economy of tomorrow, an economy which protects freelancers, spurs innovation, creates new business opportunities and grows a more just and sustainable economy.

Thank You



# Brooklyn Chamber of Commerce

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Monday, February 29<sup>th</sup>, 2016

**Written testimony respectfully submitted to the Committee on Consumer Affairs by Adriana Scotti, Vice President of Economic Development at the Brooklyn Chamber of Commerce.**

Hon. Rafael L. Espinal, Jr., Chair  
Hon. Vincent J. Gentile, Member  
Hon. Julissa Ferreras, Member  
Hon. Karen Koslowitz, Member  
Hon. Rory I. Lancman, Member

Good afternoon Chair Espinal, members of the Council's Committee on Consumer Affairs, and guests.

My name is Adriana Scotti, and I serve as the Vice President of Economic Development at the Brooklyn Chamber of Commerce (BCC). I am delivering testimony on behalf of Carlo A. Scissura, Esq., President and CEO of the BCC.

The Brooklyn Chamber is a membership-based business assistance organization which represents the interests of over 2,100 members across the borough; and works to address the needs of Brooklyn's neighborhoods through direct business services.

We thank the Committee on Consumer Affairs for convening this hearing, and in particular Councilmember Brad Lander, for your efforts in seeking to protect the City's dynamic workforce and put in place regulations to protect our independent workforce. The Brooklyn Chamber, through its advocacy, economic development, and promotion efforts, works closely with freelancers and independent workers in all of Brooklyn's industry sectors. I'm very pleased to be able to speak here today to support the Freelance Isn't Free Act.

1.3 million independent workers call NYC home. Independent workers, often thought of as "creatives" are actually an extremely diverse group, extending across a wide range of industries, income levels, and backgrounds. They range from health care workers, to software developers, to accountants, and of course, small business owners. We're aware of this diversity because many of them have joined the Chamber under our Freelancer membership level. We believe the on-demand or project-based workforce is the future of work, as many New Yorkers strive to build their own entrepreneurial endeavors and apply their skills across different disciplines.

As we continue to transition into a more independent workforce, there needs to be adequate regulatory structures to define and protect both the independent worker and their clients. Nonpayment is a rampant issue in NYC, as 71% of independent workers face nonpayment or late payment of fees throughout their career. One study out of Rutgers University found that self-employed New Yorkers lost approximately \$4.7 billion to client nonpayment<sup>1</sup>.

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<sup>1</sup> "The Threat of Nonpayment: Unpaid Wages and New York's Self-Employed," by William M. Rodgers III, Rutgers, The State University of New Jersey, June 2010.



Federal and State laws currently in place protect traditional employees from this issue, and comparable laws need to be instituted for independent workers. By mandating that clients working with freelancers use a written contract, we increase transparency in the transaction and help mitigate the chance of future conflicts. There should be appropriate recourse and accompanying resources for independent workers who find that their client has violated their agreement.

As such, we support the Freelancers Union's "Freelance Isn't Free Campaign," and the proposed amendment establishing protections for freelancers in New York City. Establishing protections in relation to nonpayment, as well as resources like a mediation procedure, will ensure that there's remedy for nonpayment issues faced by Freelancers. The long-term effects will be a more productive and sustainable business environment in New York City. Our President, Carlo Scissura, looks forward to working with the Council and all the stakeholders in the room today to strengthen our City's independent workforce.

Thank you again to the Committee on Consumer Affairs for facilitating today's hearing.

CAS/ais

*Testimony of Mauricio Niebla, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Thank you for the opportunity to speak today about my experience as a freelancer.

My name is Mauricio Niebla, I'm a writer, and as most writers, I am a freelancer currently living in Jersey City, but working primarily with New York City clients. I have been a freelancer my entire professional life, for almost 30 years. I have been unpaid for jobs many times, but the most painful, dramatic and unfair treatment happened seven years ago, in 2009.

At that time, I worked for a publisher called Inkwell Publishing Solutions in New York City. I had been working with that company for two years, creating many education programs. In every project that I worked with them I always had a contract, except for the last project.

In 2009, we were working in the Texas elementary school reading program for the Houghton Harcourt Mifflin edition. In addition to me, there were more than 40 freelancers on the project with different specialties: writers, translators, editors, graphic designers, programmers, etc., the largest number of workers I had ever seen in this company. Every two weeks, we presented our invoices to the general editor, and our payment took about a month to arrive.

After the first month of working on this project, some payment arrived--but only half. This was not so strange; it had happened before in this company, but in the end they always paid us.

Two weeks later, the checks did not arrive at all; instead, the editor called a meeting to discuss the problem and explained that Houghton Harcourt Mifflin was behind on payments. He asked us to keep working and told us that as soon as they received the funds, they would be current with our payments.

Another two weeks passed and, once again, the payments did not arrive. Some people began to despair and stopped coming to work. Two weeks later, we stopped receiving messages from the owners. People began to try to talk to them, but they did not answer any of the emails or phone calls.

I tried to contact the owners myself: I wrote saying that I was confident that my payment would come, because in the time I had worked with them I was always paid (eventually). I asked them to have consideration for me, because I had just received the news that my wife was pregnant, and the lack of payment was especially critical at the time.

I never heard back from them. More people started to leave, and some decided to go to Small Claims court. Along with a few others, I decided to stay and work. We thought that if we left the job, we would not be paid at all. But as time passed, more people left and, after a month, there were only 2 of us left to finish the work and deliver the final product.

Only days after that, the company closed, the owners took the furniture and equipment out of the office and disappeared. There was no bankruptcy, no one was notified—they simply closed!

We know that Houghton Harcourt Mifflin paid for the work we had done, but once the money entered the account of Inkwell, it vanished. Freelancers got nothing. The total loss of 40 workers exceeds \$300,000. I was owed more than \$20,000.

After this experience I joined the National Writers Union and sadly realized that these cases happen more often than I had thought. We are working in to prevent this cases, but without a legislation to protect independent contractors, this is very difficult. The Freelance Isn't Free Act will help keep bad business practices – like those of Inkwell Publishing Solutions – in check. It sends a clear message that freelancers aren't going to take the fall for poorly run businesses.

Testimony on the Freelance Isn't Free Act  
Kati Sipp, Future of Work Campaigns Director  
National Guestworkers Alliance

Good afternoon, and thank you to the committee for allowing me to testify today. My name is Kati Sipp, and I'm with the National Guestworkers Alliance (NGA). The NGA, through our affiliated worker centers, represents guestworkers who work in a variety of industries across the country—from seafood packers in New Bedford, MA, to ship-builders on Louisiana's Gulf Coast, to restaurant workers in San Francisco.

Before I came here today, I was talking to a friend of mine, Georgia\*, who works as a freelance web developer. I explained the bill that you are considering implementing. She's based in Philly now, but she's had clients all over the country—including here in New York. She specializes in a backend web content management program called Drupal, and she told me a story about a client that she had last year, that was based here in New York.

During the seven months that she worked for this client (a fashion brand that was re-launching their website), she spent around six hours a month on the phone with them, on calls that lasted over an hour at a time, just to get paid. The account manager was abusive—he called her stupid, and would routinely say things to her like “it can't cost that much to live there, why do you need such a high hourly rate?”

The time Georgia spent on the phone with this man represented about \$800 worth of her billable time every month—and that was time that she couldn't spend working for another client—or even working for the one that was giving her such a hard time. In addition to the monetary cost of the time, she also felt like the company disregarded her experience and needs to pay her own bills. As she said to me, “no one should have to be verbally abused to get paid.”

The bill that you are considering is very important for freelancers like Georgia, because few workers are going to have the ability to hire a private attorney to recoup unpaid bills—the legislation's inclusion of damages and attorneys' fees—or the option to have the city investigate their claim—will mean that a freelancer

\*not her real name, she wanted to be anonymous in this testimony

doesn't have to weigh the cost of a lawyer's fee against the lost payment. If a freelancer is faced with the choice between paying for a lawyer (with no guarantee of winning) and losing a couple of hundred dollars, she is likely to opt for losing the money.

The National Guestworker Alliance is in support of the Freelance Isn't Free legislation, because we know that the way that freelancers and other contingent workers are treated affects so many people in the City of New York. With over 1.3 million independent workers, we can't afford to ignore the need to cover these workers, who are left out of traditional federal & state labor law. We urge the New York City Council to pass this bill, and to provide needed protection to all independent workers—whether they are guestworkers, freelancing creatives, or taxi drivers. Wage theft is a real problem for workers of all kinds—and you can protect a very vulnerable group from having it happen to them. Thank you.

\*not her real name, she wanted to be anonymous in this testimony

*Testimony of Jessica Perez, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

My name is Jessica Perez, I am a fashion model as well as the CEO and founder of Tycoonapp, an app that helps freelancers keep track of their jobs and payments. I have worked as a freelance fashion model for almost 15 years.

When I talk about the people I work with in the fashion industry, most people assume I'm referring to other models. In fact, there is a large range of different freelancing professions that are represented in a single photo shoot. From the photographers, makeup artists, hair stylists, fashion stylists, digital technicians, art directors, creative directors, prop stylists, caterers, to their assistants — we are all in the same boat: we are all freelancers who need your help.

It is extremely challenging to be a successful freelancer. We have to split our time between finding work, performing the work we are hired to do, and then waiting long lengths of time to collect the money that is owed to us. That last step often causes us significant pain.

In the fashion industry, 'getting paid on time' commonly refers to getting paid three months after the work is completed. Although this is the standard that has been adopted in our industry, the reality is that payments often come even much later than that. The longest I have waited for payment from a major magazine client is 2.5 years.

Recently, I had a photographer friend tell me he just received payment for a job he did back in 2013. I have a model friend who is currently owed \$100,000 in account receivables from one of the biggest fashion retailers in the U.S. She is borrowing money from her boyfriend to pay her rent.

We are not alone. There are countless freelancers who have been forced into credit card debt or had to borrow money from their friends and family while they wait to get paid for their jobs. Please consider what it feels like to work hard in your trained profession and still be in crippling debt because the money *you earned* isn't getting to you in a reasonable time - I'm sure you can imagine how insulting and frustrating it is to be in that situation.

Eighty percent of freelancers in fashion have had an issue with payment at some point in their careers. In addition to waiting extensive lengths of time for payment, I know many people who have been stiffed entirely by their clients. I know photographers and fashion stylists who have been asked by clients to advance thousands of dollars for photo shoots to later find out their clients had previously filed for bankruptcy. When my friends have demanded to be reimbursed for the photo shoot costs, they have been met with the following response, "What are you going to do about it?" Needless to say, it's hard to fight against a deadbeat client when they have emptied your bank account.

Forty percent of the U.S. economy will be freelancing by 2020. How many Americans are going to have to resort to amassing crippling credit card debt to offset their cash flow issues? How many people will be working tirelessly yet still have to wonder if they can pay their rent at the beginning of every month? How many Americans are going to worry about not having the resources to fight against a client who has wronged them? My question to you today is, "What are you going to do about it?"

*Testimony of Ellen Sandles, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Hello. My name is Ellen Sandles. Thank you for the opportunity to speak with you today.

I live in Manhattan and have been working as a freelance court reporter for ten years. The freelance court reporting industry includes freelance videographers, who film our legal proceedings, scopists, who assist court reporters in turning draft transcripts into final transcripts, and proofreaders who check for errors. All of us are in dire need of the Freelance Isn't Free legislation.

Personally, I started in the industry a little over 10 years ago at a time when there was more work than there were court reporters. I only worked for two court reporting agencies, both of which paid me every three weeks.

One of those agencies, through acquisition and consolidation of smaller agencies grew into Esquire Reporting, and is now a national firm with an office in New York City.

In June 2015, Esquire Reporting created a new website for reporters to submit jobs. It was then that payment problems started. Reporters across the system began to report missed payments. Trouble tickets that were submitted through the website for payment assistance were ignored. While this was occurring, it was still expected that we hand in our work on time.

In July 2015, after almost two months for a payment owed to me in May, I contacted the president of Esquire Reporting directly. At this point, I was owed around \$1500 in late payments. In the letter, I explained that I was being forced to dip into my savings account to cover my living expenses. Although he had his Corporate Counsel bring me up to date on my payments, this did not rectify the situation for other reporters.

Furthermore, I discovered that Esquire Reporting changed their payment terms from 3 weeks to six-to-seven weeks, without notifying or negotiating with their New York court reporters.

Following that, I suggested to other reporters that we organize and start to collect information as to when we were submitting jobs and were getting paid in order to bring this displeasure to management.

The last job I performed for Esquire Reporting was in September 2015. Shortly afterwards, I was suddenly cut off of all work from Esquire Reporting. In October, a regular client of mine for ten years, the New York City Department of Health HIV Prevention meeting,

contacted Esquire requesting me to be on the job. Their request was ignored. My phone call and email to the New York manager to find out why I was no longer getting this job or any work from Esquire Reporting was not returned. In October 2015, a final payment was deposited into my account without comment or explanation.

In October, I tried to hire a lawyer to help me. Despite putting together a well-organized case with copies of emails and text messages, I was turned down by four different lawyers. Each one told me there was no law in place for them to bring an action, and so they couldn't help me.

The Freelance Isn't Free Bill is critical to shift the balance of power from agencies. We need mutually-agreed upon payment terms, a legal recourse for non-payment, an anti-retaliation clause should we try to stand up for our rights, and the ability to find a lawyer to help us because there is actually a law in place for them to bring an action against this widespread abuse.

Thank you for your consideration.

*Testimony of Deborah Cowell, Freelancer  
In Support of “Freelance Isn’t Free Act”  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Hello, my name is Deborah Cowell. Thank you for the opportunity to speak with you today.

I grew up in the Fort Greene section of Brooklyn and currently live in Bensonhurst. I was born and raised in New York City. My background is in publishing as a formally trained book editor and, as a freelancer, I am a writer. I have been freelancing for well over ten years.

The foundation of my industry is the book contract. Freelancers are involved at every stage of the publishing process. It’s simply the culture of the industry.

In 2015, I agreed to do some editorial work for a client. The agreement was verbal and, because I trusted her to some extent, we did not have a contract. Shortly after I completed the agreed-upon work, she slightly altered the work I produced, claimed everything as her own intellectual property, and failed to pay the \$500 she owes me.

Over three months, I tried to collect payment via multiple phone conversations and emails. Eventually, she handed me \$60 in cash after an in-person exchange and essentially said, “Take it or leave it.”

Although \$500 may not sound like much, I’ve put together many small deals for less than a thousand dollars. If all my clients were to behave this way, my life would be a constant nightmare of living in fear of being shortchanged. Though it may seem disadvantageous to go through the stress of chasing down a couple hundred dollars, that couple hundred dollars could cover my electricity bill, or even groceries for a couple weeks.

Almost all freelancers are familiar with the phrase “feast or famine”. Sadly, too many of us come to know the famine as a result of clients who take unfair advantage. Freelancing is by no stretch of the imagination free. We are who we are because we love the work that we do. But we still have to eat. We still need health insurance. And we are still a part of the workforce.

In mandating contracts, the Freelance Isn’t Free act will protect the many freelancers making a living in the publishing industry – and the 30-day payment terms those contracts must have will have a real, tangible effect on this industry, where 120-day past due payments are par for the course. There are best-selling authors who can tell stories of checks taking months to process!

The wheels of the machine in publishing are enormous. We are talking books, magazines, journals, the Internet -- most of it based here in New York. The Freelance Isn't Free Act will help keep the gears oiled properly.

In my particular case, I am certain that had I had the law on my side at the time, the mere knowledge of that fact would have created a safety net of confidence for me to be able to demand payment.

It is clear to me that we are in the unique and perhaps enviable position yet again of blazing the trail into an amazing future that includes pretty much all industries. To ensure New York City remains a leader in workforce development, protecting our citizens who freelance is the logical next step.

*Testimony of Jon Harper, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

Hello, my name is Jon Harper. Thank you for the opportunity to speak with you today.

I work in the entertainment industry, specifically in theater, dance, and performance art. I have been freelancing in this industry for nine years, and in New York City for seven of those years. I live in Long Island City, but work mostly in Manhattan. I'm here today to share my nonpayment story along with these other folks and ask you to support the Freelance Isn't Free bill.

I work full-time at an arts center as the production manager. Most of my work is involved with maintaining the theaters and coordinating with all the performers and companies that come into the space. I also freelance outside of this, wearing different 'hats' as a lighting designer, technical director, etc.

In October 2015, A (somewhat famous) puppet company came into the space where I work to produce a show. In the course of doing this, as opening night was coming closer and closer, they realized that the show wasn't going to be finished in time. So, they asked me if I would step in to help push the process forward and get the show done before opening night. I agreed, we negotiated a rate (but did not use a contract) and I spent every bit of free time I had with them until opening night about a week later. Right around opening night, I invoiced them for my time, a little over a thousand dollars.

"No problem." They said.

The show ran for over a month, and at the end, I still had not received a check. They replied that they needed another two weeks. Since we were otherwise on friendly terms, I said that I would waive the late fee and expect a check in two weeks.

The show closed, and shortly thereafter I learned that none of the nine puppeteers had been paid the second half of their money, and some of the checks for the first half of their pay had bounced. The performers already get paid practically a pittance for the amount of time and effort that they put into the show (several months of all-day every-day calls), so not even paying them at all for their work was just insulting.

The sad part is that the puppeteers were not surprised in the least that the company wasn't living up to its promises. I think they like the art that they are creating, but have become accustomed to getting the short end of the stick when it comes to money. It's really sad, and

disheartening for everyone. It sends a very clear message that the company will use the people for their talent and their labor, but when it comes to doing right by them, they have no interest in following through.

So here we are, over four months past due, and after three broken promises of the check being in the mail, I still have not been paid. We'll see what happens moving forward.

In the future, this bill would help me tremendously in dealing with non-paying clients. I have a one-year old son, and can't afford the time or money necessary to go to court with the company over it – having a city agency like the DCA set-up to help freelancers with nonpayment would be an incredibly valuable resource for me. I love working in the entertainment industry in NYC, but in order to continue to do so, we desperately need a system that protects independent workers.

*Testimony of David Hill, Freelancer  
In Support of "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
Hearing on Int 1017-2015  
In Relation to Establishing Protections for Freelance Workers  
February 29, 2016*

**FOR THE RECORD**

Thank you for the opportunity to speak with you today. My name is David Hill. I live in Windsor Terrace with my wife and two kids. I'm the vice president of the National Writers Union, and I'm a full-time freelance writer, but I wasn't always.

I started freelancing about five years ago. After the birth of our first child, living expenses got a little out of control for us. In addition to all the normal costs of having babies, daycare costs were through the roof. I picked up some freelance writing work here and there to help make ends meet, while my wife and I both kept our full time jobs. After having a second child, our daycare costs were suddenly higher than our rent. I realized I needed to pick up a lot more freelance work to keep everything together. But the more freelance work I took on, the more imbalanced things got.

Freelance writing assignments, especially done for the internet, are lots of work for very little money, which makes it hard to scale up the kind of living you can make. Eventually it became clear that I would need to quit my day job, surrender my wonderful union health insurance plan and my defined benefit pension plan, and become a full time freelancer while also taking on child care duties rather than pay for full time daycare and try to freelance on the side.

This means I need to hustle up work constantly, and piece together a living through dozens of small invoices without any confidence about when the money will come, if it will come at all, and if I can expect to make more or less money the following month. It's nerve-wracking, but it's a necessary situation for my family given the costs of child care in New York City.

I've been stiffed before. Last year I agreed to write some ad copy for a business for \$2,000. They gleefully accepted the copy I wrote, then for months told me they loved the work but that they weren't sure if they still wanted to run the ad anymore.

Despite the fact that I should be paid whether or not they decide to run the ad, I accepted the fact that I won't get paid for that project because I still do work for a company connected to this one. In freelancing, reputation is everything and I don't want to lose business by making an issue out of \$2000. But, as anyone who lives in New York City with kids knows, that \$2000 is vital.

I've come to realize that nonpayment is just part of doing business as a freelancer when you have no contracts and are 100% at the whim of the client.

This bill is a first step towards changing that standard to one that respects the rights of the freelancer. We don't have the power on our own to compel these clients to respect our rights, but you do. Please use that power. Thank you.

*Testimony of Randy Gener  
In support of the "Freelance Isn't Free Act"  
Before the New York City Council Committee on Consumer Affairs  
In Relation to Establishing Protections for Freelance Workers*

February 29, 2016

Hello, my name is Randy Gener. Thank you for the opportunity to speak with you today.

Since arriving in East Elmhurst, Queens in 1991, I've managed to carve a dynamic journalistic career as an award-winning editor, New York writer, and drama critic. I've been freelancing since my college days in Reno, Nevada. From 1992 to 2004, I rose from being a freelancer to become a Village Voice staff writer and arts/entertainment critic. After a stint as the Senior Editor of American Theatre magazine, I'm back to freelancing. I've contributed to NPR, New York Times, The Star Ledger, Miami Herald, The Global Post, and others.

I welcome you to my life and career as a mid-career professional, a recognized talent with American citizenship but without savings, without retirement funds.

The Village Voice owes me \$600.00 for a full-page article I wrote about the British playwright and screenwriter Tom Stoppard. I had contract, and my name appeared on the Voice masthead. My Voice article has since been noted by academics, drama critics and Stoppard enthusiasts as one of the key essays about Stoppard's Broadway productions. I stood by and accepted the fact that I was not paid because it was necessary to amass a quota of articles every year for my name to remain on the masthead.

The Advocate magazine invited me to write a story about New York drag queens like Charles Busch and Dame Edna Everage. I was not provided a contract. I was owed \$450, a fee the Advocate editor had quoted when he commissioned me to write the story. The editor never returned my phone calls despite my repeated attempts to seek redress.

Theatre Communications Group recently asked me to write an essay about the state of a national U.S. theater for a book. TCG is a nonprofit service organization, a publisher of plays and a large distributor of theater titles. I wrote about the national U.S. theater scene in all 50 states from 2007 to 2011. It was published in THE WORLD OF THEATER in English and French languages. I was not provided a contract for the commissioned 6,000-word essay. TCG benefited from my work, since my essay represented the U.S. theater scene in an international book survey.

The loss of income affected my ability to produce a U.S. national exhibition of U.S. stage design. This exhibition represented the USA in a global visual-arts platform in the Czech Republic (called Prague Quadrennial of Performance Design and Space). My curatorial work to produce this U.S. national exhibition was actually volunteer work. Payment for a

writing commission would at least have paid for a plane flight to Prague, where I hosted daily exhibition talks at the Prague National Gallery.

In January 2014, I was attacked on Broadway after the opening night performance of Sophie Treadwell's classic play MACHINAL at the Roundabout Theatre Company. The attack, committed by Leighton Jennings of West 116th Street in Queens, was a racist, anti-gay hate crime; he and his female accomplice committed a knockout game; and it was a felony assault for which he was not punished.

Given my present circumstances, nonpayment of any essay or article I might agree to write means that I would not be able to pay for the 4 surgeries I underwent, the long hospital stays and the prescriptions needed to survive the attack. I still owe \$3,700+ in ambulance fees. I guess the ambulance company will be paid...somehow. Unfortunately, I have meager personal funds, lost savings, no retirement, no trust fund, and no stable income source that might make it possible for me to pay for the steep Mount Sinai Hospital bills, which continue to arrive via U.S. postal service every month.

This is my story so far. My "richly" deserved freelance life lived in the United States of capitalist America.



**Testimony of Tamara Draut**  
**Vice President of Policy and Research, Demos**  
**Author of the forthcoming book, *Sleeping Giant: How the New Working Class Will Transform America* (Doubleday, April 2016)**

**Submitted to New York City Council Committee on Consumer Affairs**

Demos is a public policy organization working for an America where we all have an equal say in our democracy and an equal chance in our economy. As part of our mission, we are committed to creating pathways to ensure a diverse, expanded middle class in a new, sustainable economy. We're pleased to submit testimony in support of the Freelance Isn't Free Act.

Nearly 54 million Americans work as independent contractors today – and New York City is home to 1.3 million of those workers. As the independent workforce grows, it's increasingly clear that this is an extremely diverse group, extending across a wide range of industries, income levels, and backgrounds.

As such, these are vulnerable workers who face many challenges. The misclassification of employees as independent contractors is a widespread phenomenon in the United States, enabling companies to benefit from labor without many of the costs. This is perhaps one of the more insidious forms of wage violation as it masquerades under the guise of freedom.

However, there are growing number of true independent contractors in today's workforce. These workers balance a number of project-based gigs, earning income from multiple clients, and sometimes working across multiple industries. In a constant state of needing to secure future work, freelancers face severe obstacles with income instability, which is frequently exacerbated by wage theft.

An unpaid invoice can have a catastrophic impact on an independent worker's financial solvency. Workers don't just lose the dollar amount on the agreement, they also lose the time spent pursuing it, any financial planning done in anticipation of it, and work they may have missed out on while engaged in it. Bad business practices like late and nonpayment keep independent workers running in place – unable to achieve financial stability.

Low wage worker advocates have demonstrated an epidemic of wage theft taking place across restaurant work, domestic work, and retail work, to name a few. Unfortunately, this problem also



runs rampant across freelance work – 71 percent of independent workers have reported instances of nonpayment or late payment. On average, unpaid freelancers are cheated out of \$6,000 in annual income due to wage theft – this represents 13 percent of the average independent worker’s income.

While New York State laws currently protect W2 employees from wage theft, the independent workforce remains vulnerable and unregulated, with few remedies for workers facing down deadbeat clients. The Freelance Isn’t Free Act is a needed first-step in providing protection for independent contractors and strengthening the ability of New York City workers to earn a living. Mandating that companies working with freelancers use clear written contracts, and pay damages if they break them will provide needed transparency and accountability to freelance work. Setting the standard of 30-day payment will help to mitigate the extreme economic insecurity that comes with working within the 60-, 90-, or 120-day corporate billing cycles.

It’s time to modernize the laws protecting workers in today’s economy. In formalizing the repercussions of freelance wage theft, we send a clear message to clients that independent contractors, like W2 employees, are recognized and backed by the law. As we continue to define what freelancing is – and isn’t – it will help shape and strengthen overall worker protections.

**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: 2.29.16

**(PLEASE PRINT)**

Name: LIZ LIPKIN

Address: 95 Lexington Avenue 2C Brooklyn NY 11238

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

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: DAVID LEVINE

Address: 7 West 131 St NYC 10037

I represent: American Sustainable Business Council

Address: 1401 NY Ave NW 20005

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017-A Res. No. \_\_\_\_\_

in favor    in opposition

Date: 2/29/16

**(PLEASE PRINT)**

Name: Gale A. Brewer

Address: 1 Centre Street, NYC 10007

I represent: ~~the~~ Manhattan Borough President

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

# THE COUNCIL THE CITY OF NEW YORK

*Appearance Card*

I intend to appear and speak on Int. No. 1017-A Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: Ahmed Tiganji, Community Development Officer

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

I represent: Office of the Manhattan Borough President

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

# THE COUNCIL THE CITY OF NEW YORK

*Appearance Card*

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: ARUN SUNDARAM RAJON

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

I represent: NYU STERN SCHOOL OF BUSINESS

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

# THE COUNCIL THE CITY OF NEW YORK

*Appearance Card*

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: DEBORAH AXT

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

I represent: MAKE THE ROAD NY

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. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: JEFFREY REED AKA JEFFREY BASSETT

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

I represent: WORK MARKET UP

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

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: JEFF WALD

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

I represent: WORK MARKET

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: Michael Juliano

Address: 586 Madison St. 2F Brooklyn 11221

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

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. 1017A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 29th feb 2016

(PLEASE PRINT)

Name: Allison Kileni  
Address: 1633 STERLING PLACE Brooklyn NY  
I represent: National Domestic Workers Alliance  
Address: 395 Hudson St NY NY

# THE COUNCIL THE CITY OF NEW YORK

*Appearance Card*

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2/29/2016

(PLEASE PRINT)

Name: Ellen Sanders  
Address: 145 E. 16 Street, NYC 10003  
I represent: —  
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: NEIL CARLSON  
Address: 540 President St, 3<sup>rd</sup> Fl, Brooklyn, NY  
I represent: Brooklyn Creative League  
Address: 540 President St, 2<sup>nd</sup> Fl, Brooklyn, NY 11215

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

Date: 29 Feb 2016

(PLEASE PRINT)

Name: Sunday Sternkirchner

Address: 520 East 20<sup>th</sup> Street, 2E 10009

I represent: myself

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

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

Date: 2/29/16

(PLEASE PRINT)

Name: Jonathan Harper

Address: 1-50 50<sup>th</sup> Ave #509, LIC, NY 11101

I represent: myself + Freelancer's Union

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

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: RANDY GENE R

Address: 853 7th Ave. Suit 8F NYC 10017

I represent: MYSELF (CULTURE OF THE WORLD)

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. 1017 Res. No. \_\_\_\_\_  
 in favor  in opposition

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

(PLEASE PRINT)

Name: Alex Abelman  
Address: 43 W 23rd st New York NY  
I represent: Liquid Talent  
Address: 43 W 23rd st New York NY

# THE COUNCIL THE CITY OF NEW YORK

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor  in opposition

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

(PLEASE PRINT)

Name: Deborah Cowell  
Address: 2063 74th Street  
I represent: Myself  
Address: 2063 74th St.

# THE COUNCIL THE CITY OF NEW YORK

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor  in opposition

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

(PLEASE PRINT)

Name: KATH SIPP  
Address: 722 GRANT AVE.  
I represent: NATIONAL GUESTWORKER S.  
Address: WASH, DC ALLIANCE

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. 1017 Res. No. \_\_\_\_\_

in favor     in opposition

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

(PLEASE PRINT)

Name: Sara Horowitz

Address: 408 Jay ST, BROOKLYN, NY 11201

I represent: FREELANCERS UNION

Address: 408 Jay ST. BROOKLYN NY

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_

in favor     in opposition

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

(PLEASE PRINT)

Name: Mary Rosario

Address: 125 West 18<sup>th</sup> Street, NY, NY 10011

I represent: 32BJ - SEIU

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

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2/29/16

(PLEASE PRINT)

Name: HAEYOUNG YOON

Address: 75 Maiden Lane, Suite 601, NYC 10038

I represent: National Employment Law Project

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

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

**(PLEASE PRINT)**

Name: Jesse Strauss, Indepayment  
Address: 305 Broadway, 7th floor 125 Bowery plus 3rd  
Broadway nyc  
I represent: Indepaymt.com LLC  
Address: 305 Broadway, 7th floor NY NY 10007

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

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

**(PLEASE PRINT)**

Name: Steven Lowell  
Address: 285 St. Marks Pl. S.I., NY 10301  
I represent: Freelancers Union  
Address: \_\_\_\_\_

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor     in opposition

Date: 2/29/16

**(PLEASE PRINT)**

Name: DAVID HILL  
Address: To PROSPECT PARK SW E3 11215  
I represent: NATIONAL WRITERS UNION  
Address: \_\_\_\_\_

# THE COUNCIL THE CITY OF NEW YORK

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor  in opposition

Date: 2/29/16

(PLEASE PRINT)

Name: De Ruth Miltkman

Address: CUNY Graduate Center

I represent: Muse 1f 365 Fifth Avenue

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: Sohrab Saadat Ladjevardi

Address: 330 W. 72<sup>nd</sup> St., NYC, NY 10023

I represent: Musicians For Musicians, Inc.

Address: 54 40<sup>th</sup> St., NYC, NY, 10018

# THE COUNCIL THE CITY OF NEW YORK

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. \_\_\_\_\_  
 in favor  in opposition

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

(PLEASE PRINT)

Name: Chris Maue

Address: 1627 Park Ave Apt 4B New York, NY 10029

I represent: Freelancer's Union

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. 1017 Res. No. 2016

in favor  in opposition

Date: 2/29/2016

**(PLEASE PRINT)**

Name: Natalia Hamrin

Address: 2501 Flatbush Ave., #16

I represent: Freelancers Union - "Freelance Isn't Free Act"

Address:

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. 2016

in favor  in opposition

Date:

**(PLEASE PRINT)**

Name: Natalia Hamrin

Address: 2501 Flatbush Ave., #16

I represent: Freelancers Union - "Freelance Isn't Free Act"

Address:

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017 Res. No. 2016

in favor  in opposition

Date: Feb. 29th, 2016

**(PLEASE PRINT)**

Name: Just Raymond

Address: 2241 Holland Ave Ste 2H BX NY 10467

I represent: The Freelancers Union

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. 1017-A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2-29-16

(PLEASE PRINT)

Name: Anil S. Bagga, Dep. Commiss

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

I represent: DCA

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

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. 1017-A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2-29-2016

(PLEASE PRINT)

Name: Nick Smithberg, Paid Sick Leave

Address: Division

I represent: DCA

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

**THE COUNCIL  
THE CITY OF NEW YORK**

*Appearance Card*

I intend to appear and speak on Int. No. 1017-A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2-29-16

(PLEASE PRINT)

Name: Nicola Picon, Active Committee

Address: Paid Sick Leave

I represent: DCA

Division

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. 1017 A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2-29-2016

(PLEASE PRINT)

Name: Steven Kelly, legal Director Paid  
Address: Manhattan Deputy Director Paid Sick leave

I represent: PCA  
Address: PCA

# THE COUNCIL THE CITY OF NEW YORK

**Appearance Card**

I intend to appear and speak on Int. No. 1017 A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2-29-2016

(PLEASE PRINT)

Name: Jill Maxwell, AD Deputy Director Paid Sick  
Address: leave

I represent: PCA  
Address: PCA

# THE COUNCIL THE CITY OF NEW YORK

**Appearance Card**

I intend to appear and speak on Int. No. 1017 A Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2/29/2016

(PLEASE PRINT)

Name: Adriana Scott

Address:

I represent: Brooklyn Chamber

Address: 335 Adams St. # 2700

**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: 2/29/16

(PLEASE PRINT)

Name: Euzabeth MacKenzie

Address: 705 41<sup>st</sup> St. #22 Brooklyn NY 11232

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

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

**THE COUNCIL  
THE CITY OF NEW YORK**

**Appearance Card**

I intend to appear and speak on Int. No. 1017-2015 Res. No. \_\_\_\_\_

in favor     in opposition

Date: 2/29/16

(PLEASE PRINT)

Name: Amanda Stasz

Address: 370 Lafayette Ave 3F, Brooklyn, NY 11238

I represent: self - Greenlawers Union

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: 2/29/16

(PLEASE PRINT)

Name: Deborah Axt

Address: 630 Ft. Wash Ave 3A

I represent: Make the Road NY

Address: 301 Grove St.

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. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor     in opposition

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

(PLEASE PRINT)

Name: ZOLTAN BOKA

Address: 3564 89th St 9C

I represent: Queens NY 11372

Address: by self

# 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: 2/29/16

(PLEASE PRINT)

Name: Samantha Shubert

Address: 161 E. 91st St #4C, NYC

I represent: Freelancers Union

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: TATIANA POTTS

Address: (223 78<sup>th</sup> Street) KING'S COUNTY

I represent: Interpreting INDUSTRY #FreelanceIsntFree

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. \_\_\_\_\_ Res. No. \_\_\_\_\_  
 in favor     in opposition

Date: 2/29/2016

(PLEASE PRINT)

Name: Mauricio M. Heredia

Address: 444 COLLE ST. JERSEY CITY NJ

I represent: my self

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: LUCY Reading

Address: 3206 Fairfield Ave #7G

I represent: myself

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: 02/29/15

(PLEASE PRINT)

Name: Jessica Perez

Address: 550 GRAND ST. APT 2N BROOKLYN, NY 11211

I represent: Jessica Perez

Address: