

**New York City
Amalgamated Professional Employees**



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**Testimony of Juan Fernandez, President, Local 154,
District Council 37, AFSCME
Before the Joint Session of the
Consumer Affairs and Civil Rights Committees
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Good morning Chairman Leroy Comrie, Chairman Larry Seabrook and fellow Committee members. My name is Juan Fernández. I am the President of Local 154, District Council 37, AFSCME. Today I would like to share some of the concerns of the workers I represent at the New York City Commission on Human Rights (CCHR). These workers represent the titles of Human Rights Specialist, Associate Human Rights Specialist, and Principal Human Rights Specialist, which work in the Law Enforcement Bureau and the Community Service Centers of the Human Rights Commission. At the Commission's Law Enforcement Bureau, they handle and process discrimination complaints under the Jurisdiction of the City's Human Rights Law. In the Community Service Centers, they work with diverse ethnic and religious communities, schools, community organizations and service providers to bring information about the Human Rights Law and its protections for all New Yorkers. The Human Rights workers provide workshops on the Human Rights law, assist people with disabilities in obtaining accommodations, provide employment rights workshops to immigrant communities and train high school students in the concepts of peer-mediation and conflict resolution. In doing so, they make sure that New Yorkers are offered the protections under the City's Human Rights Law, one of the broadest in the USA. This is all part of the Commission's community outreach efforts which for many years has proved to be an effective tool to help integrate and mediate among the diverse communities of New York City.

Also, the Human Rights Commission was at the forefront of some of the important housing issues for many years. The Commission's staff was instrumental in helping community organizations understand the extent of the discriminatory impact of predatory lending among communities of color and the elderly. The Commission's staff had the skills and the expertise to do so. From the late 1970's to the mid 1990's the Commission published studies and conducted research on redlining, community investment and analysis of mortgage lending practices. Its Reinvestment Unit and its Research Division provided technical assistance to community organizations to support their efforts to get local banks to meet community credit needs by producing analyses of Home Mortgage Disclosure Act (HMDA) and Loan Activity Register (LAR) data.

Examples of the Commission's work include studies on *redlining* in Southeast Queens, Far Rockaway and The Bronx. In addition, the Commission worked in Brooklyn to revitalize the communities of Cypress Hills and City Line. One product of this work was a reinvestment committee that included representatives of the Cypress Hills Local Development Corporation and City Line Coalition, which the Commission's Neighborhood Stabilization and Neighborhood Human Rights Programs helped organize in the 1980s and 1990s. This reinvestment committee, armed with research skills and data, met with local banks and government regulators to review lenders' commitments to community credit needs as required by the Community Reinvestment Act (CRA). As a result of its work, local banks made mortgage commitments in the millions of dollars enabling people to purchase homes and refinance mortgages.

In line with this kind of work, the Commission developed early analysis of sub-prime lending activity in The Bronx, Brooklyn and Queens. It found examples of the complicity of some real estate brokers, attorneys and lenders to lure borrowers into high interest loans, which seemed impossible to pay back. It also established the existence of a disparate impact on communities of color, the elderly and low-income families, some of the most vulnerable segments of the community. At that time, some of that work served as the basis for the prosecution of some lending corporations and real estate brokers. The public has come to understand predatory lending but the Commission's work in the community helped to make it possible for the community-based organizations and government agencies to take some of the relatively early actions against the predators.

Today, as the Commission on Human Rights enters the 21st century, is gradually losing its capacity to have a presence and to further its outreach to the communities in New York City. The Commission's Reinvestment Unit ceased to exist and the systemic approach to the issue of predatory lending and community investment is no longer in place. Year after year of budget reductions since the early 1990's have had a profound impact on the life and activities of the Commission on Human Rights. The impact of the budget reductions has been devastating. Since the early 1990's to 2007 the Commission has lost over half of its staff. In the year 2002, there was slightly over 120 staff working at the Commission. Since then the Commission has lost over 40 staff members, including 17 Human Rights Specialists of which only five positions have been filled. Today only 80 plus staff works at the Human Rights Commission. At this pace, the Commission is destined to close its doors or to become an ornamental presence. Issues such as disparate treatment, predatory lending, hate crimes and discrimination require the presence of a well-staffed Human Rights Commission. One of the best Human Rights laws in the country could only be effective when there is support and a full mandate to enforce it.

In order for the Commission to help address and further understand the extent and impact of the practices of current predatory lending in the City, we recommend the following:

1. Return to the important work of conducting research and working with the communities to study patterns of housing discrimination, predatory lending and to assist community groups dealing with these issues. New staff lines should be added

to the Commission's Research Division and Community Service Centers to perform this work.

2. Have the Commission's Law Enforcement Bureau work on fair lending issues and to investigate complaints of disparate lending practices and services in New York City. Also, new staff lines should be added to the Commission's Law Enforcement Bureau.
3. Have the Commission conduct public hearings and produce a report and recommendations to deal with issue of discriminatory lending, foreclosures and its impact on the community.
4. Create a government/community task force that will assist in the planning, community education and review of initiatives to study and prevent predatory lending. This task force will include inter-agencies initiatives and the participation of community organizations.

We commend and thank the City Council for holding this public hearing regarding the issue of predatory lending and foreclosures in New York City.