

**CONSUMER PROTECTION & GOVERNMENT OPERATIONS  
of the  
Suffolk County Legislature**

**Minutes**

A regular meeting of the Consumer Protection & Government Operations Committee was held in the Rose Y. Caracappa Auditorium, at the William Rogers Legislative Building, Veterans Memorial Highway, Smithtown, New York on January 24, 2002, at 11:00 a.m.

**MEMBERS PRESENT:**

Legislator Cameron Alden, Chairman  
Legislator Lynne C. Nowick, Vice Chair  
Legislator Allan Binder  
Legislator Bill Lindsay

**MEMBERS EXCUSED:**

Legislator Martin Haley

**ALSO IN ATTENDANCE:**

Paul Sabatino, Legislative Counsel  
Charles Gardner, Director of Consumer Affairs  
Bruce Dragonette, Assistant Director of Consumer Affairs  
Warren Greene, Aide to Legislator Cameron Alden  
Todd Johnson, County Executive's Office, I.R.  
All Interested Parties

Minutes taken and transcribed by Irene Kulesa, Legislative Secretary

(The meeting came to order at 11:00 a.m.)

**CHAIRMAN ALDEN:**

Good morning and welcome to the Consumer Protection Committee Meeting. The first of the Year 2002 and I think we'll start off by having the Pledge and we'll have Legislator Nowick lead us in that.

**SALUTATION**

**CHAIRMAN ALDEN:**

Okay, Legislators present are Legislator Lindsay, Legislator Binder, Legislator Nowick, myself and Legislator Haley has an excused absence. I'm all right over here. You can sit there. I'm all right over here. We don't really have a real heavy agenda today but we do have Charlie Gardner with us today. And I'd just like to ask Charlie to come up for a minute? Good morning, Charlie. Charlie is our Director of Consumer Affairs in Suffolk County.

**MR. GARDNER:**

Good morning, Mr. Chairman.

**CHAIRMAN ALDEN:**

Now, we're not really through the winter but we're pretty much into the heart of the winter heating season, so if you can give us a little update on how home heating oil, the prices look? And also maybe the supplies and things like that? If there's any potential problems there?

**MR. GARDNER:**

In the packet that I prepared for each of the members of the committee, the latest, actually the latest home heating oil survey was done yesterday. We're about forty cents cheaper than we were a year ago and it's the cheapest. It's the lowest, I should say, not the cheapest. It's the lowest price that it's been in three years, since January of '99. So

complaints have been very low, as is to be expected when the price is low. People tend to not be as meticulous as they still probably should be, monitoring their own deliveries and everything. But complaints are very, very low, as opposed to last year and the year before.

CHAIRMAN ALDEN:

Charlie, do you track, like weather trends too? Like the temperature? Because I know this winter is -- it seems that it's a fairly mild winter. Is that an accurate assessment?

MR. GARDNER:

Yes, well I mean, you know compared to last year, yes. That's called the degree-day data and yes. But you know it's still -- we've had this conversation before. Remember the bottom line still is the most single most important factor is still the price of a barrel of crude. So I mean that's -- from that, those forty-two gallons in that barrel that's where everything springs from.

CHAIRMAN ALDEN:

So supplies, there seems to be no problem with supplies?

MR. GARDNER:

So far knock on wood. We're you know, it's been a very calm and quiet heating oil season.

CHAIRMAN ALDEN:

Good. Now, one other thing that we had looked at last year extensively with the price of gasoline and the spike in gasoline prices?

MR. GARDNER:

Gasoline went up a little bit in the last -- about a week and a half. But still very low compared to last year and the year before. We were down to -- there were places in the County selling regular at a dollar thirteen, the low now is about a dollar seventeen, dollar eighteen and the average is like about a dollar twenty six, a dollar twenty seven. So you're talking twenty to thirty five cents cheaper than a year ago.

CHAIRMAN ALDEN:

I think Legislator Lindsay had brought up the prosecution last year of that one appliance repair dealer and how are we doing with that?

MR. GARDNER:

We are awaiting trial. The court has it now. We are -- we might say finished. We have presented our case; the District Attorney has presented their case. An interesting update, just last week, our Director of Licensing, Bill Baessler was subpoenaed and had to appear and testify in Nassau County Criminal Court against the same individual. The prosecution was successful. He was fined. I don't know, I forget exactly what the amount of the fine was. But Nassau County and Suffolk are both working against this individual. They are awaiting trial now on seventeen counts ranging from doing business without a license to fraud, to resisting arrest, etc.,

CHAIRMAN ALDEN:

Any other hot spots or any other problem areas that we should be aware of?

MR. GARDNER:

The home improvement part of our licensing continues to be -- give us the most amount of concern because of the -- when there is a rip-off it's, you know, a bad rip-off there is you're talking fifty to eighty to a hundred, sometimes a hundred thousand dollar complaints. We have had a meeting already with some of the staff of the new District Attorney. Just to bring them up to speed on how we do things and how we work with their white-collar bureau. We have gotten already a tremendous amount of cooperation and assistance from them in a couple of cases that we're working on specifically, home improvement contractors. In that vein, we have been tightening up the last couple of years the standards that we use to grant home improvement licenses.

As you know that the -- as opposed to getting up say a master electrician's license or a master plumber's license, a home appliance repair license where there are both written and practical competency exams. We don't have that in home improvement. It's an exam based on the law and based on kind of general business principles. We tightened that up in the last couple of years. We tightened up the screening and the background checks, all with an eye towards lessening the number of complaints that we receive in the home improvement area. Because a study that we did showed that the quote, unquote the "bad guys" are overwhelmingly those home improvement contractors who have had a license for less than two years and that was their first term.

Our renewal period is two years for a license. And whether it's our restitution fund and which by the way, in everybody's packet, I did give you an update on the restitution fund and where we are there. But the restitution fund takes a hit if somebody goes out of business, a licensed home improvement contractor. And so naturally we have -- we have great concerns about somebody who comes in, pays us a licensing fee, is around for a couple of months, goes out of business and leaves five consumers stuck. And then they go hit up the restitution fund right away. You know that's a heavy hit.

So by increasing the standards, by monitoring the newly licensed home improvement contractors a little bit more strictly, we take complaints against those people, a little bit more. I shouldn't say seriously but we act much more quickly. Track record means a lot to us. In other words, if somebody has been licensed for say twenty years and there's a complaint or two that comes in, assigned to an investigator, we take care of the case. Somebody who has been licensed for two months and starts generating a complaint or two or three already that's a red flag and we want to get right on top of that. So all of those things, if you look at the restitution fund, how it was continually decreasing, the balance at the end of the year actually went up last year, went down just a little bit. It's basically static now. So we're comfortable with the fact that the restitution fund that we have enough reserves to take care of some people who go out of business.

CHAIRMAN ALDEN:

You have a home improvement licensing board?

MR. GARDNER:

Yes, we do.

CHAIRMAN ALDEN:

Who works with you? Is there a capital requirement when somebody comes in and makes an application for the home improvement license?

MR. GARDNER:

A capital requirement? You mean as far as assets?

CHAIRMAN ALDEN:

Right.

MR. GARDNER:

No. But we do examine, in other words, in the application process, something that I instituted just in the last maybe two years; we never used to ask about banking. Do you have a bank? Do you even have a bank account? We ask those types of financial questions now and they have to disclose that to us. We found out that there were people being licensed that didn't even have a commercial bank account. You know it says something about raising a red flag, somebody going into that type of business, home improvements. See electricians and plumbers are governed besides us. They have to adhere to very strict building codes and the building departments are a little bit more strict with an electrician, let's say. The fact that they have to pass the competency test says a lot about them right up front.

You know many home improvement contractors are those people who have worked for a good, fair, legitimate honest contractor for a few years and say what the hell, I don't need

this guy to tell me what to do. I can drive a nail just as well as he does. What they lack is the business expertise. What they lack is the ability to spec a job. What they lack is the ability to estimate how much a job is going to cost and these are the guys who will come in and low ball an estimate and can't do the job for that. And you know, there's a lot more to being a licensed home improvement contractor than knowing how to lay down roof and shingles or you know, put down tiles. Those are the people I have trouble with.

CHAIRMAN ALDEN:

I think it might be beneficial that at some future meeting, I'll schedule in something. We'll invite the DA down. We'll get maybe a couple members of your board and things like that and we'll --

MR. GARDNER:

Members of the board would be glad to appear before the committee.

CHAIRMAN ALDEN:

Because we'll try to put our heads together and maybe explore anything that we can do that might be better for the system and to protect the people in Suffolk County a little bit better.

MR. GARDNER:

Um-um.

CHAIRMAN ALDEN:

Anybody on the board have any questions?

LEGISLATOR LINDSAY:

Yes, I do.

CHAIRMAN ALDEN:

Legislator Lindsay.

LEGISLATOR LINDSAY:

Yes Charlie, I have some questions about fees. I know we just went through a round of increased fees and I think we increased some fees the year before, whatever.

MR. GARDNER:

Yes.

LEGISLATOR LINDSAY:

What do we charge fees for now?

MR. GARDNER:

Well, we charge fees for all of the various licenses. As a matter of fact, there's a -- also included in your packet, there's a revenue sheet. It's rough because we haven't done the fine-tuning for the end of the year closing of the books. But basically, if you look under those code titles, electrician's licenses, plumber's licenses, all of the occupational licenses that we issue, we charge fees for. We charge fees for salesman's cards, for I.D. cards. We charge application fees. We charge fees for gasoline station registrations. We charge fees for wholesale petroleum products, distribution and distributors and transporters. So mainly it's in the -- we take in approximately two million dollars a year. Most of that is occupational licensing fees in a variety of areas. The penalties that we take in are on the average about a hundred and fifty, between a hundred and fifty and two hundred thousand dollars in penalties. The rest is mostly occupational licensing fees.

LEGISLATOR LINDSAY:

So we charge a fee for an application for a license and then we charge a fee when the license is issued?

MR. GARDNER:

Correct.

LEGISLATOR LINDSAY:

Okay and that's the main two categories?

MR. GARDNER:

Yes. That's the main two categories, right, yes. And then the other little --

LEGISLATOR LINDSAY:

How many different categories are there of occupational licenses?

MR. GARDNER:

Of occupational licenses?

LEGISLATOR LINDSAY:

Yes.

MR. GARDNER:

Home improvement, electricians, plumbers, home appliance repair, liquid waste, commercial painters. Then we have a couple of categories that we have, pet cemeteries, for instance. I think we have like two or three in the County. There are a few other very small categories. Those are the main.

LEGISLATOR LINDSAY:

What is the -- what do we issue to a gasoline retailer?

MR. GARDNER:

A registration. In other words --

LEGISLATOR LINDSAY:

That isn't a license?

MR. GARDNER:

That's fifty bucks a year now. Right, it's not a license; it's a registration.

LEGISLATOR LINDSAY:

Okay but that's the --

MR. GARDNER:

We are the only County in the State that does that. Again, that gives us the information on who is running the place.

LEGISLATOR LINDSAY:

Okay.

MR. GARDNER:

Right.

LEGISLATOR LINDSAY:

How about other retail outlets? Do we license anybody?

MR. GARDNER:

No. Well, furniture stores.

LEGISLATOR LINDSAY:

Okay.

MR. GARDNER:

Furniture stores are licensed and just, you know the latest one was the dry cleaners.

LEGISLATOR LINDSAY:

Dry cleaners, okay. So now we're up to like nine different categories?

MR. GARDNER:

Yes and see -- even those numbers pale in comparison to those -- for dry cleaners, there are between two hundred and fifty and three hundred. You know furniture stores is around, it might be down to three hundred now but between three hundred and four hundred. You know, when you talk home improvements; you're talking eight thousand. Electricians two thousand. Plumbers about a thousand licenses.

LEGISLATOR LINDSAY:

Are the cost of those licenses all the same?

MR. GARDNER:

For us, yes.

LEGISLATOR LINDSAY:

They're all the same?

MR. GARDNER:

Oh, you mean the --

LEGISLATOR LINDSAY:

Between those nine categories?

MR. GARDNER:

No they're not all the same.

LEGISLATOR LINDSAY:

How many different?

MR. GARDNER:

Well, you have the -- electricians and the plumbers pay one fee, than a furniture store. There's probably a half a dozen different fees.

LEGISLATOR LINDSAY:

With a nine category, yes. How about application fees? Are they all uniform?

MR. GARDNER:

No, they're not all uniform.

LEGISLATOR LINDSAY:

How many different rates do we have for that?

MR. GARDNER:

We have two different rates. Some are twenty-five, some are fifty. In fact, there's a couple that just got passed; there's no application fee, which makes no sense at all.

LEGISLATOR LINDSAY:

Okay.

MR. GARDNER:

The process servers for instance just got passed.

LEGISLATOR LINDSAY:

Right.

MR. GARDNER:

There's no application fee in it.

LEGISLATOR LINDSAY:

Would there be any benefit to having either a uniform application fee or at maybe two different levels and some uniformity, as far as the licensing fees as well?

MR. GARDNER:

Yes. The benefit would be for our staff to not have to worry about so many different fees for basically, the same type of process.

LEGISLATOR LINDSAY:

I mean, because if you have nine different licenses or registrations and there's six different fees, how do we keep track of them?

MR. GARDNER:

Right. Well, we -- also we have fees for additional places of business. Additional locations and those fees are not the same. We have fees for the replacement of I.D. cards or salesman's cards. Those fees are not all the same. We had fees as low as five dollars  
Legislator. We had -- we were looking --

LEGISLATOR LINDSAY:

You still have five-dollar fees?

MR. GARDNER:

Well, no now they get doubled. Now it's ten bucks. But it's still not realistic.

LEGISLATOR LINDSAY:

For ten dollars, I mean are we loosing money on that?

MR. GARDNER:

Yes, we are.

LEGISLATOR LINDSAY:

With the clerical time to process an application?

MR. GARDNER:

Yes, we are. What happened is all of the fees that were incorporated in the most recent round, basically all these fees were identified and then just doubled them. So we went from five, ten and fifteen dollar fees, which were unrealistic to ten, twenty and thirty dollar fees, which is still unrealistic and still leaves us all these different fees that the clerk typist had to -- okay, well this is -- that's ten dollars. Well this here is the same thing but it's in this category that's fifteen dollars. They should all be twenty-five dollars. Boom.

LEGISLATOR LINDSAY:

Are any of the fees, in your opinion excessive for the amount of work that we have to do, as far as filing it? No?

MR. GARDNER:

No. If anything, they are less than they should be.

LEGISLATOR LINDSAY:

Okay.

MR. GARDNER:

And the doubling didn't address that part. It just doubled. You know it just didn't -- the inequities is still there. They were just doubled that's all.

LEGISLATOR LINDSAY:

Mr. Chairman, maybe that's something we could work on this year is some uniformity over there, just if nothing else to keep their own sanity, as far as keeping track.

MR. GARDNER:

Uniformity would help in those situations.

CHAIRMAN ALDEN:

Charlie, if you could -- and it doesn't have to be a long report or study or anything like that. But if you could give us something in memo form like your suggestions and then just outline, you know like whatever it is? This type of fee should be this. That type of thing. We could work with that.

MR. GARDNER:

Yes, Mr. Chairman, we'll do that.

CHAIRMAN ALDEN:

Very good. Legislator Nowick?

LEGISLATOR NOWICK:

Yes. Charlie, I just had a quick question and I'm new here, so you have to just bear with me. I'm sure the answer is yes but with all the licenses you give out, do you have a web site that lists everybody with a license and complaints against them? Where they form? Where they stand? Whether it's in good standing or poor standing? Do you have that? Is there something on the web site? Do we have that?

MR. GARDNER:

We have a web site and it is being improved as we speak. Right now and in fact, you have a copy Legislator Nowick. I made a copy -- this is the front page, if you will? If you go to our web site, so you can see the links. You can get to the different bureaus. You can find out that the part of this that's not working very well right now is the -- trying to identify who is licensed. In other words, we have it all there but there are just glitches in the system. But it's being worked on right now.

LEGISLATOR NOWICK:

So if a plumber comes into you and has a license with the County?

MR. GARDNER:

Right.

LEGISLATOR NOWICK:

Four hundred plumbers. Is it possible to have them all on a web site and then rate them with complaints about them? No complaints? Good standing? Not good standing?

MR. GARDNER:

Well, one could go --

LEGISLATOR NOWICK:

So the public could go into that or --?

MR. GARDNER:

Well, when we instituted the web site, in our case, originally there was going to be -- you could just see a list of all the electricians or a list of all the plumbers. We got away from that mainly because of concerns from the industry about, I don't know whether you could call it you know free advertising. Somebody that was just looking for a plumber and/or put it like this. Somebody had a job to do and it was Joe's Plumbing and they would type in J -- you know how the computers work when -- if you type in J and then O it will start filling in all those names. They were concerned that people would see other, in other words they're looking for this one fellow. He's done the work already. He's given them an estimate. Now they're looking to get a license and then they find somebody else that's closer to them.

So the web site is designed to say you give us the name, we'll tell you if that person is licensed or not, electrician or plumber or home improvement or you know, whatever field that we license in. Also people didn't -- were concerned about insurance agents and those

types of other commercial entities, using those lists to then cull information and start, you know almost like a telemarketing thing. You can use those lists to contact these people. So it's not -- you can't just say I want a list of all plumbers on the web site.

LEGISLATOR NOWICK:  
Okay.

MR. GARDNER:  
But you can find out if an individual plumber is or is not licensed.

LEGISLATOR NOWICK:  
You need to know the name of the individual. You can't just go to the County web site and let me --

MR. GARDNER:  
That's right.

LEGISLATOR NOWICK:  
I need a plumber. Let me see who is in good standing here. Let me see whose bonded, whose got a license.

MR. GARDNER:  
Yes.

LEGISLATOR NOWICK:  
So you can choose.

MR. GARDNER:  
Right.

LEGISLATOR NOWICK:  
You have to come up with the name first.

MR. GARDNER:  
Now, to address the problem of people not spelling a company's name right? When I mentioned that we are updating it now, improving it now, it's going to -- you're going to be able to access the information by the business name, by the license number or by the telephone number. So then you will be able to get to that, you know that company, specifically.

LEGISLATOR NOWICK:  
Is there a site that you can go to to see if there are -- if any of these licensed electricians, plumbers have been -- have received summonses or is there --?

MR. GARDNER:  
No that's not on the web site.

LEGISLATOR NOWICK:  
Not either. Okay, thank you.

MR. GARDNER:  
What we're developing in is on the telephone. What you can find out on the telephone is does a business or person need a license for whatever type of work you happen to be calling up, okay! If they need a license, are they licensed? If they have a license, when did they get it? When does it expire? And what we're hoping -- and that we can give now very easily. And with the computer enhancements that we're developing right now, we're going to be able to give them the number of complaints and/or violations for the past two years. Now, if you want any further information, or what type of complaint, what kind of violation? What was the result of the hearing? That you have to go to the -- you have to send a written FOIL, a Freedom of Information Request. Because that -- you can't get into that over the

telephone. The people would be on the phone all day, first of all and trying to explain all the different types of complaints of violations over the telephone would just be a really waste of time. So if you want further information than that, you could then file a written Freedom of Information Request, which we give you the information. We send you the packet. You just fill it out and mail it back to us and then you can get all the information that's available under public access laws.

LEGISLATOR NOWICK:

Thank you, Charlie.

CHAIRMAN ALDEN:

Any other questions? Okay, just -- I have one question maybe of Budget Review that -- do we have any estimate of what it's costing Suffolk County in lost sales tax by companies and individuals doing business on sort of a cash basis?

MR. MUNCEY:

I'd have to look into that and find out.

CHAIRMAN ALDEN:

Okay and I didn't expect you to have an answer at the tip of your finger today but if you could? You know, if you could let us know and what type of industries have been found to be, you know like most prone to violate those laws. All right, anybody else want to address the committee? Seeing no one that wants to address it, we stand --

MR. GARDNER:

Mr. Chairman, I just wanted to -- just for your information. Also in the packet is the most current organizational chart. But I figure it's a new year. It's in the new makeup of the committee, so we just get -- some of the members already know but there's the latest organizational chart. There is my phone number and Bruce Dragonette, the Assistant Director's phone number. And just a couple of pamphlets and just an idea of some of the things we do on a PR or a public service announcement basis. They're in the packet also. Just for information purposes.

CHAIRMAN ALDEN:

Very good. I'd like to hear there's a packet. It's very informative. Bruce just waved, so did Lindsay. Okay, all right basically, we stand adjourned then. Thank you.

(The meeting was adjourned at 11:30 a.m.)