



THE COUNCIL OF THE CITY OF NEW YORK OFFICE OF COMMUNICATIONS

CITY HALL
NEW YORK, NY 10007
(212) 788-7116

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Contact: 212-788-7116

How Well Do You Know Your Nanny Agency? Parents and Nannies: Beware Bad Practices

Council Investigation Finds Nearly Half of Nanny Agencies Surveyed Are Breaking the Law

City Hall – April 15, 2007 – Council Member Eric Gioia, Chair of the Committee on Oversight and Investigations, today released the findings of a City Council investigation of New York City nanny agencies. Findings stem from investigative work conducted between January and April 2007, in which Council investigators conducted a survey of 37 nanny agencies, checked whether they were licensed, checked for inclusion of license numbers on agencies' advertisements, and interviewed nannies about their experiences with agencies. Council Member Gale Brewer, Domestic Workers United, the authors of *The Nanny Diaries*, and other Council Members and advocates joined for the release of the report.

The investigation found that of the 37 nanny agencies surveyed:

- Nearly half (18, or 49%) were breaking New York State and City laws, including:
 - Eleven (30%) operating without a license;
 - Eight (22%) charging improper fees to parents and/or nannies; and
 - Ten (27%) failing to include their license number on print advertisements.
- Nine agencies (24%) had committed more than one violation;
- Practices pertaining to background and reference checks varied widely from agency to agency; and
- Interviews with nannies indicated some agencies ignore laws designed to protect domestic workers.

"The nanny and au pair industry is an important and growing industry in New York," said **Councilman Eric Gioia**. "Our investigation revealed that the industry operates in the shadows of the law, and regulations are inadequately enforced. Too often both nannies and parents suffer as a result of the lax enforcement."

To curb abuses and bad practices, the City Council also issued the following recommendations:

- The New York City Department of Consumer Affairs (DCA) should increase enforcement efforts against nanny agencies.

- The 311 protocol for addressing complaints about nanny agencies should be changed so that parents and nannies can report violations by phone.
- DCA should ensure that information on its website is correct and up-to-date.
- DCA should inform nanny agencies about changes in law that might affect their business practices.
- Nanny agencies should abide by all applicable laws, and stay informed about any changes in the law that impact their business practices.

Council Member Gale Brewer said, "As the sponsor of the law that requires that employment agencies provide to domestic workers and their employers a list of duties to be agreed upon at hiring, I am deeply disturbed to learn that these agencies have not been in compliance with the law. The agreement, which is required to be signed by both parties, and kept on file at the employment agency, was the first such protection granted to domestic workers nationally. It is wrong for these agencies to ignore the law, foremost because it's not easy being a domestic worker; long hours, difficult conditions, and minimal benefits challenge even the hardest working individuals. They deserve the level playing field granted to other kinds of workers, but because our labor laws can only be expanded at the state or federal level, we should at least ensure that our city legislation for domestic workers is enforced."

The Council advises parents and nannies who use nanny agencies empower themselves by knowing the law, and offers the following tips:

- 1. Make sure your agency is licensed.** Licensed agencies are bonded & insured to protect you. You can check online at www.nyc.gov/dca.
- 2. Don't get swindled.** Agencies *cannot* charge an application or registration fee. If you are not satisfied, you may be entitled to a refund.
 - Nannies: You cannot be charged more than the amounts allowed by law.
 - Parents: If the agency is also charging your nanny, you must be charged an *identical* fee, or no fee at all. Be aware that agencies that don't charge nannies can charge any price.
- 3. Know Your Rights and Obligations.** Agencies *must* provide the following information:
 - Nannies: Your legal rights as an employee.
 - Parents: Your legal obligations as an employer.

"In an unregulated industry, the opportunities for exploitation are many. We are so pleased that the City has taken action in support of a system on which so many of its citizens depend," said Emma McLaughlin and Nicola Kraus, authors of *The Nanny Diaries*.

"There is nothing more important than caring for our children," said Dina Bakst of A Better Balance. "The City Council's effort to ensure there is a strong system in place to protect parents, children and nannies from bad practices by nanny placement agencies is a crucial step to supporting all working families in New York City."

A survey conducted by the U.S. Census Bureau in 1997 and 2002 reported that 63% of all U.S. children under the age of five were in some sort of childcare arrangement. According to reports, domestic placement agencies transact an estimated 50 percent of the City's domestic work.

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