

## New York City Department of Consumer and Worker Protection

### **Notice of Public Hearing and Opportunity to Comment on Proposed Rules**

**What are we proposing?** The Department of Consumer and Worker Protection (“DCWP” or “Department”) is proposing to add new rules to create an “unclaimed restitution fund” that will allow consumers and workers owed restitution, by a delinquent or otherwise nonresponsive respondent, to be paid from a fund controlled and administered by DCWP and the New York City Comptroller and funded with unclaimed money from DCWP enforcement actions.

**When and where is the hearing?** DCWP will hold a public hearing on the proposed rule. The public hearing will take place at 11:00AM on July 9, 2026. The public hearing will be accessible by phone and videoconference.

- To participate in the public hearing via phone, please dial [+1 646-893-7101](tel:+16468937101)
  - Phone conference ID: 233 820 707#
- To participate in the public hearing via videoconference, please follow the online link: <https://tinyurl.com/mw5a92my>
  - Meeting ID: 275 457 090 210 302
  - Passcode: Dd3oy9so

**How do I comment on the proposed rules?** Anyone can comment on the proposed rules by:

- **Website.** You can submit comments to DCWP through the NYC rules website at <http://rules.cityofnewyork.us>.
- **Email.** You can email comments to [Rulecomments@dcwp.nyc.gov](mailto:Rulecomments@dcwp.nyc.gov).
- **By speaking at the hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by email at [Rulecomments@dcwp.nyc.gov](mailto:Rulecomments@dcwp.nyc.gov). You can also sign up on the phone or videoconference before the hearing begins at 11:00AM on July 9, 2026. You can speak for up to three minutes. Please note that the hearing is for accepting oral testimony only and is not held in a “Question and Answer” format.

**Is there a deadline to submit comments?** Yes. You must submit any comments to the proposed rule on or before **July 9, 2026**.

**Can I review the comments made on the proposed rules?** You can review the comments made online on the proposed rules by going to the website at <http://rules.cityofnewyork.us/>. A few days after the comment deadline, all comments received by DCWP on the proposed rule will be made available to the public online at <http://www1.nyc.gov/site/dca/about/public-hearings-comments.page>.

**What if I need assistance to participate in the hearing?** You must tell DCWP’s External Affairs division if you need a reasonable accommodation of a disability at the hearing. You must tell us if you need a sign language interpreter. You may tell us by email at [Rulecomments@dcwp.nyc.gov](mailto:Rulecomments@dcwp.nyc.gov).

Advance notice is requested to allow sufficient time to arrange the accommodation. Please tell us by July 2, 2026.

**What authorizes DCWP to make this rule?** Sections 1043, 2203(c), 2203(f), and 2203(h)(1) of the New York City Charter and section 20-104(b) of the New York City Administrative Code authorize the Department of Consumer and Worker Protection to make these proposed rules. This proposed rule was not included in the Department's regulatory agenda for this Fiscal Year.

**Where can I find DCWP's rules?** The Department's rules are in title 6 of the Rules of the City of New York.

**What laws govern the rulemaking process?** DCWP must meet the requirements of section 1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of section 1043 of the City Charter.

### **Statement of Basis and Purpose of Proposed Rule**

The Department of Consumer and Worker Protection ("DCWP" or "Department") is proposing to add new rules to create an "unclaimed restitution fund" that will allow consumers and workers owed restitution by a delinquent or otherwise nonresponsive respondent to be paid from a fund controlled and administered by DCWP and the New York City Comptroller and funded with unclaimed money from DCWP enforcement actions.

Many DCWP enforcement actions and cases result in payment of restitution by respondents to consumers and workers that is not claimed by the consumers and workers for whom it was intended. At the same time, many other DCWP enforcement actions and cases entitle consumers and workers to restitution that is never paid by respondents because of bankruptcy, delinquency, dissolution, insolvency, or other causes. This proposed rule would create a fund that would allow for consumers and workers who are owed outstanding restitution to receive the restitution to which they are entitled. This rule would further one of the core aspects of DCWP's mission: ensuring that New York City consumers and workers receive restitution for violations of the laws and rules within DCWP's jurisdiction.

Sections 1043, 2203(c), 2203(f), and 2203(h)(1) of the New York City Charter and 20-104(b) of the New York City Administrative Code authorize the Department of Consumer and Worker Protection to make these proposed rules.

New material is underlined.

"Shall" and "must" denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

### **Proposed Rule Amendments**

Section 1. Title 6 of the Rules of the City of New York is amended by adding a new chapter 14 to read as follows:

#### **Chapter 14: Unclaimed Restitution Fund**

##### **§ 14-01 Definitions.**

Whenever used in this chapter:

“Fiscal Year” means the period of twelve months which begins July 1 and ends the following June 30.

“Restitution” means an award of monetary damages, or any other statutory or equitable monetary relief owed to a consumer or a worker.

“Unclaimed Restitution Fund” (as used in this chapter, “the Fund”) means the Fund established pursuant to this chapter.

#### **§ 14-02 Establishment.**

(a) The Fund is hereby established to provide for the payment of outstanding restitution owed to consumers and workers based on:

(1) adjudicated violations, decisions, judgments, or settlement agreements resolving such violations, or

(2) final findings by the Department, arising from investigations or enforcement actions undertaken by the Department or pursuant to laws and rules within the Department’s jurisdiction.

(b) The Department may establish one or more distinct accounts within the Fund to track and disburse money, including distinct accounts for consumer restitution and worker restitution.

(c) The Fund shall be administered by the Comptroller of the City of New York pursuant to section 93(j) of the Charter.

(d) The establishment and administration of the Fund does not extinguish any obligation of any person to pay outstanding money owed to the Department. Money disbursed to any worker or consumer from the Fund shall not diminish or otherwise affect any outstanding money owed by any person to the Department.

#### **§ 14-03 Seeding the Fund.**

(a) The Department may transfer money to the Fund that meets any of the following criteria:

(1) Money designated as restitution to a consumer or worker pursuant to a settlement of an investigation, an administrative or judicial proceeding, or action concerning laws or rules within the Department’s jurisdiction, if the money designated for restitution is not claimed or received by an eligible consumer or worker within the time set forth under such settlement and such settlement authorizes unclaimed money designated as restitution to be transferred to the Fund or grants the Department sole discretion to allocate such funds;

(2) Money designated as restitution to a consumer or worker in an administrative or judicial decision concerning laws or rules within the Department’s jurisdiction, if the money designated for restitution is not claimed or received by an eligible consumer or worker under such decision within one year; or

(3) Any other money for which the Department has legal authority to transfer to the Fund.

(b) Any money transferred to the Fund shall be paid to a consumer or worker pursuant to section 14-04 of this chapter within the same fiscal year in which such money was transferred to the Fund.

#### **§ 14-04 Disbursement from the Fund.**

##### (a) Eligible Consumers and Workers.

The Commissioner may require that disbursements be made from the Fund to pay outstanding restitution to a consumer or worker who is eligible to receive restitution under:

- (1) a settlement agreement to resolve violations arising from an investigation, an administrative or judicial proceeding, or action concerning laws or rules within the Department's jurisdiction;
- (2) an adjudicated administrative or judicial decision concerning laws or rules within the Department's jurisdiction; or
- (3) a final finding by the Department of violations of laws or rules within the Department's jurisdiction, if the Department determines that the respondent is judgment proof, dissolved, deceased, defunct, bankrupt, insolvent, delinquent, nonresponsive, or otherwise unable to satisfy a restitution obligation.

##### (b) Disbursement From the Fund to a Consumer or Worker.

(1) The Department will determine whether to direct disbursements from the Fund and will determine the amount of money associated with each disbursement from the Fund. The Department will make such determination based on the requirements of this chapter, whether the consumer or worker is eligible for restitution under subdivision (a) of this section, and any other factors deemed relevant by the Department, including, but not limited to:

(i) whether such consumer or worker submitted a complaint to the Department;

(ii) whether such consumer or worker participated in the investigation or proceeding that resulted in the award of restitution;

(iii) whether such consumer or worker provided material information to the Department during the course of the Department's investigation;

(iv) the date of the event that makes such consumer or worker eligible for the Fund under subdivision (a) of this section; and

(v) for a consumer, whether such consumer submitted a claim to access the Fund pursuant to paragraph (2) of subdivision (b) of this section and the date on which such claim was submitted.

(2) The Department may require a consumer to submit a claim to the Department to access the Fund by completing a form made available by the Department that includes information about the consumer, the restitution owed, and any other information required by the Department. The Department may maintain a waitlist of accepted claims submitted by consumers in chronological order based on the date on which such claims were fully submitted to the Department.

(4) Disbursements from the Fund will be made at the discretion of the Department. The Department may order that partial payment of an amount related to a claim be made from the Fund. The Department will not direct that a disbursement be made that exceeds the balance of the Fund.

(5) Nothing contained herein shall be construed to create a right of any person to any portion of the Fund.

**§ 14-05 Accounting.**

The Commissioner shall, by September 30 of each year, cause an accounting to be made of all of the Fund's activities during the preceding fiscal year.

**NEW YORK CITY LAW DEPARTMENT  
DIVISION OF LEGAL COUNSEL  
100 CHURCH STREET  
NEW YORK, NY 10007  
212-356-4028**

**CERTIFICATION PURSUANT TO  
CHARTER §1043(d)**

**RULE TITLE:** Establishment of Unclaimed Restitution Fund

**REFERENCE NUMBER:** 2025 RG 050

**RULEMAKING AGENCY:** Department of Consumer and Worker Protection

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN  
Senior Counsel

Date: May 26, 2026

**NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS  
253 BROADWAY, 10<sup>th</sup> FLOOR  
NEW YORK, NY 10007  
212-788-1400**

**CERTIFICATION / ANALYSIS  
PURSUANT TO CHARTER SECTION 1043(d)**

**RULE TITLE:** Establishment of Unclaimed Restitution Fund

**REFERENCE NUMBER:** DCWP-62

**RULEMAKING AGENCY:** Department of Consumer and Worker Protection

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Francisco X. Navarro  
Mayor's Office of Operations

May 26, 2026  
Date