



Comments Received by the Department of
Consumer and Worker Protection on
Proposed Rules related to Home Improvement Contractor
Disclosures

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Online comments: 8

- **Anonymous**

My objections concern the “disclosure of which permits are required”, and “what actions need to be taken”.

1. Contractors do not dictate required permits for a project. This is determined by registered design professionals. To create a payment schedule like this will require contractors to overstep their duties into the architect/engineer’s domain.

2. Regulatory agencies that issue permits have fluid timelines, sometimes requiring a contractor to hire a third-party expeditor. The DOB and LPC, are hopelessly understaffed. This may require a third-party expeditor to honor agreed timelines at additional cost. This causes undue stress on contractors as penalties are inevitable in this case- either from the contract or a regulatory agency.

3. Regarding actions to be taken, this point implies a timeline, which again is impossible because of current structures as well as review processes. There are many aspects of a project that are only determined AFTER plans are submitted to DOB. Generally the home improvement contract begins BEFORE any of that.

Comment added March 25, 2026 2:36pm

- **Anonymous**

I agree with the previous commenter and would like to respectfully add and clarify my concerns—based on over 25 years as a NYC Home Improvement Contractor—regarding the proposed rules as they relate to the presentation of permit requirements, associated costs (design/architectural fees, filing fees, DOB fees), timelines for filings, approvals, inspections, sign-offs, and required actions.

In practice, these proposed rules extend beyond the typical role, knowledge base, and control of a Home Improvement Contractor.

Also of note, the proposed rules do not take into account the enormous role that building property managers and boards play all across the city in the determination of permit requirements and related fees for required design professionals, drawings, filings, etc.

These determinations and related costs take place AFTER our proposals of scope and cost.

1) which permits are required; who is responsible for obtaining the permits; • what actions need to be taken to obtain the permits, including the estimated fees for such permits;

Objections

– Permit requirements are determined by both the scope of work in relation to NYC Code and ultimately governed by the building's property manager, building architect, alteration agreements, and board—not the contractor.

-Contractors may advise, based on experience, which permits are likely; however, final determinations are made through building and DOB review.

-Clients should be encouraged to coordinate early with building management to confirm requirements tied to their proposed scope.

-Home improvement contractors typically do not file permits and are not positioned to reliably advise on associated costs (architects, expeditors, filing/DOB fees), nor should they be required to do so.

-While contractors may present fees for filings / expediting / permits / inspections / sign offs handled by subcontractors (e.g., LAA or electrical permits), for larger DOB permits, architects, design professionals, and expeditors are generally retained directly by the client, and their fees vary significantly. We have no firm knowledge of these costs.

-Permit approval / inspection scheduling / sign off by DOB timelines are inherently fluid and subject to DOB workflow and staffing; accordingly, contractors cannot reasonably commit to fixed timelines tied to permit approvals, inspections, or sign-offs, etc. as these are outside their control.

2) and how owners can verify the status of any permits through city databases such as the buildings information system.

Clients are able to verify via the public portal.

Comment added April 8, 2026 11:30am

- **Susan Kassapian**

As a former Asst Commissioner, General Counsel, Special Counsel, and Principal Administrative Law Judge at what was then called the Department of Consumer Affairs, I cannot understand the sense in promulgating new laws and rules to regulate Home Improvement Contractors until and unless DCWP resumes individual consumer restitution hearings for unresolved complaints filed with DCWP. DCWP stopped drafting these hearings in 2017 except for where the consumer had obtained a court judgment.

There is approx. \$13M in the Trust Fund for this license category that is barely being used for restitution and not being used at all for revenue. The "Claims process" alternative to hearings only allows a trickle of money from the fund. Invariably, it helps those who are better educated and write well since consumers victims cannot come before anyone to be heard. See my past comments on that rule change explaining its gross inadequacy: <https://rules.cityofnewyork.us/rule/hic-trust-fund/>.

More importantly, this alternative to hearings does nothing to enforce any of the Home Improvement laws and rules already on the books leaving all homeowners, including all co-op and condo unit owners,

vulnerable to unscrupulous home improvement contractors who are not held accountable for violating the laws and rules.

If promulgated, the place to find violations of this new proposed law and rule, like all of the laws and rules regulating home improvement contractors, would be from consumer complaints. Unless DCWP resumes individual restitution hearings to bring charges against contractors based on all such violations, this new law and rule will have extremely limited impact.

I hope the new administration will resume these hearings so that all the relevant license laws and rules can be routinely enforced as in the past. It is critical that consumers have a free forum to promptly have their restitution claims against DCWP licensee heard before a judicial hearing officer at the Office of Administrative Trials and Hearings (OATH). Consumers should not have to go to regular court, which takes too long and is too expensive, especially since the courts do not have jurisdiction to enforce DCWP laws and rules.

Comment added April 14, 2026 9:26am

- **Anonymous**

As a retired Administrative Law Judge of the Department of Consumer Affairs I spent many years hearing the complaints of consumers against home improvement contractors and was able to award consumers restitution from the trust fund if a contractor was found to have been unscrupulous. Recently, the City stopped hearing consumer complaints and thus deprived consumers of this avenue of recourse. Please restore consumer hearings to the Department of Consumer Affairs and return to the original mission of encouraging honest business and protecting consumers.

Comment added April 14, 2026 10:16am

- **Lori Ciraolo**

Expanding regulations without restoring enforcement is not a solution; it is a disconnect.

Currently, consumers lack a practical and accessible path to pursue restitution. The claims process is not an adequate substitute for hearings. It limits access and removes the opportunity for consumers to be heard in a meaningful and balanced forum. Awards are limited, and contractors face little to no consequence for their actions, allowing them to avoid accountability altogether.

This is not theoretical. It reflects my direct experience. DCWP failed to hold a contractor accountable despite multiple complaints filed against him. No meaningful action was taken.

The same pattern has occurred in other cases, including one involving a contractor who defrauded several seniors of insurance funds following fires in their homes. Despite repeated complaints – 8 or more, there was no effective intervention. That contractor was able to collect hundreds of thousands of dollars – estimated to be collectively over a million dollars – without the agency enforcing their rules, laws and regulations!! One homeowner is still displaced from her home since 2018...she's about 80 years old!

Enforcement begins with consumer complaints. If those complaints cannot be properly adjudicated, then additional rules, no matter how well intended, will have limited impact.

Before introducing new regulations, DCWP should prioritize reinstating individual restitution hearings through OATH. This would restore accountability, ensure existing laws are enforced, and provide consumers with a fair and efficient avenue for resolution.

Consumers should not be forced into costly and time consuming court proceedings for issues that fall within DCWP's jurisdiction, especially when a more effective administrative process previously existed. I went through small claims court myself and found it

challenging to navigate, with inconsistent procedures and a constant rotation of judges each time the case appeared on the calendar. If it was difficult for me, I can only imagine how difficult it is for others.

Without enforcement, regulation becomes symbolic rather than functional.

Please do better and resume the hearings ASAP!!

Comment added April 14, 2026 12:41pm

- **Nick Commins**

While I admire DCWP's attempts to protect consumers from unscrupulous Home Improvement Contractors (HICs), after reading about these new requirements and fines I can't help but suspect the agency is losing sight of its mission. Unscrupulous HICs who performed unsafe, unpermitted work risk the physical safety, not to mention the financial well-being, of their clients. While the new law offers consumers one avenue for reporting such misconduct, and while it stands to raise some funds for the city through fine revenue, the law does little to protect those consumers directly or to repair the harm done. Meanwhile, NYC has a far more meaningful way to help consumers who have been harmed by unscrupulous HICs, consumers who have been left without meaningful recourse for nearly a decade since NYC abandoned the OATH hearing process. If DCWP is truly committed to holding HICs accountable and protecting consumers, it will move to restore these hearings. Instead of tinkering around at the edges with paperwork requirements that burden all HICs, DCWP must remember that its mission is first and foremost to protect consumers—including and especially those without access to lawyers and lawsuits—and will restore OATH hearings so that customers who have been left in the lurch by bad HICs can seek real restitution.

Comment added April 14, 2026 1:47pm

- **Maria**

As a homeowner who has gone through the DCWP complaint process, I have seen firsthand the consequences of the City's decision to stop holding restitution hearings for consumer complaints against home improvement contractors.

I filed a complaint after a licensed contractor performed severely defective work and abandoned the project. No enforcement action followed, and I was advised to pursue litigation. That process has now continued for years, while the contractor remains in business without oversight or consequence. This is precisely the type of matter that should have been brought through DCWP's administrative enforcement process and adjudicated at OATH.

In the absence of hearings, there is no meaningful adjudicatory process. The current claims process is not an adequate substitute—it does not impose accountability on contractors or fully compensate harmed consumers.

Expanding regulatory requirements without restoring enforcement will not meaningfully improve consumer protection. Violations identified through consumer complaints must be adjudicated in a forum that allows for fact-finding, credibility determinations, and appropriate remedies.

Homeowners invest significant time and resources into improving their homes, with the expectation that they will receive the work they paid for. When that does not occur, there must be a clear and accessible path to accountability and restitution.

DCWP should restore individual restitution hearings so that existing laws are actually enforced and consumers can obtain meaningful relief.

Comment added April 21, 2026 9:29pm

- **C. James Robert von Scholz SC**

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Office of the Chief Counsel
NYC Department of Consumer and Worker Protection
42 Broadway
New York, NY 10004

RE: Public Comment on Proposed Rules Relating to Home
Improvement Contractor Disclosures / Reference Number: 25 RG 015
/ DCWP-70

Introduction and Professional Background

I submit this comment as a registered representative who routinely appears before the New York City Office of Administrative Trials and Hearings (OATH) on behalf of clients in administrative proceedings.

My experience provides me with direct, ongoing experience with the critical role that administrative hearings play in protecting consumers and ensuring regulatory compliance in New York City.

I write to express support for the proposed permit disclosure requirements under Local Law 181 of 2025 while urging DCWP to address a fundamental enforcement gap that threatens to render these new regulations largely ineffective.

Support for Proposed Permit Disclosure Requirements

The requirement that home improvement contractors provide written disclosures regarding which permits are required, who is responsible for obtaining them, what actions need to be taken, estimated fees, and how owners can verify permit status through city databases advances legitimate consumer protection goals.

These disclosures address a significant information asymmetry between contractors and homeowners, particularly regarding the

complex permitting requirements administered by the Department of Buildings and other regulatory agencies.

The proposed requirement that contractors maintain copies of permit disclosures for six (6) years or the length of the contract guarantee, whichever is longer, creates an appropriate documentary record for enforcement purposes. The penalty structure-ranging from \$375 for first violations to escalating amounts for subsequent violations-provides reasonable graduated enforcement.

The Critical Enforcement Gap: Suspension of OATH Restitution Hearings

However, these well-intentioned regulations will have severely limited impact without restoration of the enforcement mechanism that historically made DCWP's home improvement contractor regulations effective: individual consumer restitution hearings at OATH.

As Susan Kassapian, former Assistant Commissioner, General Counsel, Special Counsel, and Principal Administrative Law Judge at what was then the Department of Consumer Affairs, correctly observes in her comment, DCWP stopped drafting individual consumer restitution hearings in 2017 except where consumers had obtained court judgments.

Ms. Kassapian notes that approximately \$13 million exists in the Trust Fund for this license category that is barely being used for restitution and not being used at all for revenue. I strongly concur with her assessment that promulgating new laws and rules to regulate home improvement contractors makes little sense until and unless DCWP resumes these hearings.

Ms. Kassapian's observation that enforcement of violations would come from consumer complaints, and that without individual restitution hearings to bring charges against contractors based on

such violations, new rules will have extremely limited impact, reflects the fundamental problem.

The proposed permit disclosure requirements will generate violations that can be identified through consumer complaints, but without an accessible forum to adjudicate those complaints and provide meaningful remedies, the regulatory scheme lacks teeth.

Why Administrative Hearings Are Essential and Superior to Court Proceedings

My professional experience appearing before OATH continually enforces (and reinforces) to clients (and the greater general public) why administrative restitution hearings are the appropriate and superior forum for home improvement contractor consumer disputes.

1. Jurisdictional Advantages: As Ms. Kassapian correctly notes, consumers should not have to go to regular court, which takes too long and is too expensive, especially since courts do not have jurisdiction to enforce DCWP laws and rules. OATH hearings provide a forum specifically designed to enforce the regulatory framework governing licensed home improvement contractors, including the new permit disclosure requirements.

2. Accessibility and Efficiency: Multiple commenters have emphasized the practical barriers that court proceedings create for consumers. A retired Administrative Law Judge who spent many years hearing complaints of consumers against home improvement contractors and awarding restitution from the trust fund when contractors were found unscrupulous, notes that the City's decision to stop hearing consumer complaints deprived consumers of this avenue of recourse.

3. Lori Ciruolo, another commenter, who went through small claims court herself, found it challenging to navigate with inconsistent procedures and a constant rotation of judges each time the case appeared on the calendar. If navigating small claims court was

difficult for someone with the resources and sophistication to engage with DCWP's rulemaking process, the barriers are exponentially higher for vulnerable consumers, including seniors and those without legal representation.

4. Inadequacy of the Claims Process Alternative: The current claims process is not an adequate substitute for hearings. As one commenter observes, the claims process only allows a trickle of money from the fund and invariably helps those who are better educated and write well, since consumer victims cannot come before anyone to be heard. The claims process limits access and removes the opportunity for consumers to be heard in a meaningful and balanced forum, with limited awards and little to no consequence for contractors, allowing them to avoid accountability altogether.

5. Enforcement Creates Deterrence: Without meaningful enforcement, contractors face minimal consequences for violations. One commenter describes DCWP's failure to hold a contractor accountable despite multiple complaints, including a case involving a contractor who defrauded several seniors of insurance funds following fires in their homes, with eight or more complaints filed but no effective intervention, allowing the contractor to collect hundreds of thousands of dollars-estimated collectively over a million dollars-while one approximately 80-year-old homeowner remained displaced from her home since 2018.

These examples illustrate that without OATH hearings, even egregious violations of existing regulations go unaddressed. Adding new permit disclosure requirements to an unenforced regulatory framework simply creates additional rules that unscrupulous contractors can violate with impunity.

The Relationship Between New Regulations and Enforcement Infrastructure

Nick Commins, another commenter, aptly observes that while the new law offers consumers one avenue for reporting misconduct and stands to raise some funds through fine revenue, it does little to protect consumers directly or repair harm done.

The proposed permit disclosure requirements will generate violations identifiable through consumer complaints, but as Ms. Kassapian notes, the place to find violations of this new proposed law and rule, like all laws and rules regulating home improvement contractors, would be from consumer complaints, and unless DCWP resumes individual restitution hearings to bring charges against contractors based on all such violations, this new law and rule will have extremely limited impact.

Enforcement begins with consumer complaints. If those complaints cannot be properly adjudicated, then additional rules, no matter how well intended, will have limited impact. Without enforcement, regulation becomes symbolic rather than functional.

Underutilization of Trust Fund Resources

The approximately \$13 million in the Home Improvement Contractor Trust Fund represents resources specifically designated for consumer restitution.

The dramatic underutilization of these funds since 2017 represents a failure to fulfill the trust fund's purpose. Resuming OATH restitution hearings would activate these resources for their intended purpose: compensating consumers harmed by unscrupulous contractors and creating financial consequences that deter violations.

Specific Recommendations to DCWP

I respectfully urge DCWP to take the following actions:

1. Resume Individual Consumer Restitution Hearings at OATH: Restore the hearing process that existed prior to 2017, providing consumers with a free forum to promptly have their restitution claims against DCWP licensees heard before a judicial hearing officer at OATH.
2. Implement Concurrent Enforcement: As DCWP implements the new permit disclosure requirements, simultaneously restore the enforcement mechanism necessary to make those requirements effective.
3. Utilize Trust Fund Resources: Deploy the approximately \$13 million in trust fund resources for their intended purpose of consumer restitution through the OATH hearing process.
4. Provide Accessible Administrative Relief: Ensure that consumers have access to an administrative forum that does not require them to navigate the expense, delay, and procedural complexity of civil court proceedings.
5. Create Accountability for Violations: Establish meaningful consequences for contractors who violate permit disclosure requirements and other home improvement regulations, creating deterrence that protects all consumers, especially those without access to lawyers and lawsuits.

Addressing Contractor Concerns Within an Effective Regulatory Framework

I acknowledge the legitimate concerns raised by home improvement contractors regarding the practical challenges of complying with permit disclosure requirements, including the involvement of building property managers and boards in determining permit requirements, the role of architects and design professionals, and the fluid timelines of regulatory agencies like DOB. These concerns merit DCWP's

consideration in implementing the regulations and providing guidance to the regulated community.

However, these practical challenges do not diminish the need for consumer protection or the importance of enforcement.

Rather, they underscore the value of an administrative hearing process where such issues can be evaluated on a case-by-case basis by experienced administrative law judges who understand both the regulatory requirements and the practical realities of home improvement contracting in New York City.

Conclusion

I support the proposed permit disclosure requirements as advancing important consumer protection goals.

However, I strongly urge DCWP to resume individual consumer restitution hearings at OATH before or concurrent with implementing these new regulations. Expanding regulations without restoring enforcement is not a solution; it is a disconnect.

As Ms. Kassapian emphasizes, it is critical that consumers have a free forum to promptly have their restitution claims against DCWP licensees heard before a judicial hearing officer at OATH. The restoration of this enforcement mechanism will ensure that the proposed permit disclosure requirements, along with all existing home improvement contractor regulations, can be routinely enforced as in the past, protecting all homeowners, including co-op and condo unit owners, from unscrupulous contractors who must be held accountable for violating the laws and rules.

I respectfully request that DCWP prioritize resuming OATH restitution hearings and include in its final rule adoption a commitment to restore this essential consumer protection mechanism.

Respectfully submitted,

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[Comment attachment](#)
HIC-Public-Comment-04222026.pdf

Comment added April 22, 2026 11:25am