

DEPARTMENT OF CONSUMER AND WORKER PROTECTION



WHAT WE DO

The Department of Consumer and Worker Protection (DCWP) protects and enhances the daily economic lives of New Yorkers to help create thriving communities. DCWP licenses more than 50,000 businesses in 50 industries. The agency strives to create a culture of compliance in the marketplace by performing onsite inspections of businesses and enforcing license regulations, weights and measures regulations and the NYC Consumer Protection Law. DCWP also educates street vendors and responds to complaints about general vendors and mobile food vendors by conducting inspections.

Through its Office of Labor Policy & Standards (OLPS), the agency enforces various workplace laws, including Paid Safe and Sick Leave, Fair Workweek, and protections for contract workers under the Freelance Isn't Free law, by investigating complaints, conducting proactive investigations, and recovering restitution for workers.

DCWP's Office of Financial Empowerment (OFE) focuses on initiatives that educate, empower and protect residents and neighborhoods with low incomes so they can improve their financial health and build assets by providing free financial counseling and coaching at the NYC Financial Empowerment Centers, increasing access to safe and affordable financial products and services, and encouraging the use of NYC Free Tax Prep, which helps eligible New Yorkers file their taxes for free and claim valuable tax credits.

FOCUS ON EQUITY

DCWP's commitment to a fair and equitable marketplace begins with consumer advocacy, business education and transparency. As part of its consumer advocacy, DCWP continues to coordinate work across the agency and use a multi-pronged approach, including enforcement, legislation, and education for maximum impact. To help prevent consumer harm and improve the financial health of New Yorkers with low incomes, DCWP's Office of Financial Empowerment provides financial counseling and coaching, helps with debt reduction, and offers free tax preparation. DCWP has also increased its outreach efforts to educate businesses about their obligations to workers in addition to consumers. Through DCWP's Office of Labor Policy & Standards, New York City employees and employers are informed about the workplace laws the agency enforces, including Paid Safe and Sick Leave, Fair Workweek, and freelance contract worker protections to ensure workers get the protections to which they are entitled.

OUR SERVICES AND GOALS

SERVICE 1 Protect and advocate for consumers.

- Goal 1a Mediate consumer complaints with businesses to achieve fair and timely outcomes.
 - Goal 1b Ensure all businesses comply with NYC's Consumer Protection Law and related laws.
 - Goal 1c Promptly negotiate settlements on violations issued to businesses.
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SERVICE 2 Assist and educate businesses and promote a fair marketplace.

- Goal 2a Ensure that business licensing is efficient.
 - Goal 2b Educate businesses to help them understand their responsibilities toward consumers and their employees.
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SERVICE 3 Educate and empower New Yorkers with low incomes.

- Goal 3a Help residents with low incomes achieve financial stability.
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SERVICE 4 Protect and advocate for workers.

- Goal 4a Investigate complaints in a timely manner to ensure employers' compliance with the Paid Safe and Sick Leave Law.
- Goal 4b Assist freelancers in exercising their rights under the Freelance Isn't Free Law.

HOW WE PERFORMED

- The number of docketed complaints decreased, from 836 to 639, and the corresponding number of resolved consumer complaints decreased from 794 to 630, over the first four months of the fiscal year. The amount of consumer restitution awarded increased to \$520,000, a 76 percent increase from the same period last year. DCWP processed 50 percent of docketed complaints within 28 days compared to 47 percent during the same four-month period last year, while all complaints continue to be processed within 90 days. The median time to resolve a complaint decreased to 28 days, from 29 in Fiscal 2021. Due to the long-term financial stress of the pandemic, many businesses cannot satisfy consumers' complaints or, at the very least, businesses are less inclined to engage with DCWP to reach consumer-friendly resolutions. This led to an 11 percentage point decrease in the percent of mediated complaints that were resolved to the satisfaction of both the business and the consumer, from 62 percent in Fiscal 2021 to 51 percent this year.
- The number of inspections conducted during the first four months of Fiscal 2022 increased by 55 percent, to 16,252, while the number of summonses increased by 37 percent, to 3,290. Compared to the first four months of Fiscal 2021, the license requirement compliance rate decreased from 98 percent to 93 percent, in part due to the expiration of the Executive Order that waived the requirement to renew licenses. Compliance with licensing regulations, however, increased by 16 percentage points to 94 percent while consumer protection law compliance decreased by six percentage points, from 94 percent to 88 percent. The compliance rate for out-of-package tobacco sales increased from 92 percent to 97 percent and compliance with sales of flavored tobacco products increased slightly, from 83 percent to 84 percent. The compliance rate for underage tobacco sales was 93 percent in Fiscal 2021. Due to COVID-19, DCWP did not perform any inspections with undercover minors in the prior year reporting period, so a year over year comparison is not available. The compliance rates for gasoline pump inspections remained consistent at more than 99 percent. The compliance rate for fuel trucks increased from 83 percent to 86 percent.
- The total amount of fines collected by DCWP attorneys and settlement officers increased by 137 percent, from \$800,000 in the first four months of Fiscal 2021 to \$1,892,000 in Fiscal 2022. Cases settled by agreement and penalties paid in full before their original hearing date decreased, from 61 percent to 57 percent.
- The average days to process basic license applications increased to 13 days from 7 days during the first four months of Fiscal 2022 as a result of DCWP accepting incomplete applications so that businesses could comply with the deadline to submit their license renewal applications after the Executive Order extending their license expiration date has ended. The percent of license applications received online decreased by 10 percentage points, from 52 percent in the first four months of Fiscal 2021 to 42 percent during the same four months of Fiscal 2022, due in part to the more readily available in-person services at the Licensing Center in Manhattan and the Small Business Services Center in Queens. The average wait time at the licensing centers decreased to five minutes compared to 14 minutes during the same period last year, largely due to a streamlined appointment system that allows DCWP to guide applicants before they appear for their appointment so we can serve them more efficiently when they arrive.
- DCWP's business education and outreach efforts reached 7,020 businesses between July and October, virtually unchanged from the same period last year when education and outreach efforts reached 7,003 businesses.
- DCWP's Office of Financial Empowerment (OFE) saw a six percent increase in the number of clients served by financial counseling programs compared to the first four months of Fiscal 2021, rising from 2,727 to 2,884. Since the last reporting period, OFE clients have reduced their total debt by an additional \$6.5 million and increased their total savings by \$2.6 million.
- DCWP's Office of Labor Policy & Standards (OLPS) closed 100 Paid Safe and Sick Leave investigations during the first four months of Fiscal 2022, assessing \$612,600 in restitution for 976 employees. The average time to resolve these investigations was 322 days. Compared to the same period last year, the number of investigations closed increased by 67 percent and the amount of restitution increased by 229 percent. Fines also more than doubled, from \$41,074 to \$85,821. These positive trends in fines and restitution are due to the increased number of enforcement matters closed during the period and the large number of employees covered by the settlements. The operational challenges presented by the remote work environment under COVID-19 restrictions coupled with the increased caseload and size of the cases contributed to the increased average time to complete cases.

- In the first four months of Fiscal 2022, the number of inquiries received by freelance workers decreased by 20 percent, from 88 to 70, while the number of complaints received and addressed decreased by 30 percent, from 113 to 79. The amount recovered by freelancers registering complaints increased by 425 percent, from \$69,764 to \$366,063. The amount recovered is self-reported by freelancers in follow-up surveys and correspondence conducted by OLPS and does not necessarily reflect the actual amount of all moneys recovered.

SERVICE 1 Protect and advocate for consumers.

Goal 1a Mediate consumer complaints with businesses to achieve fair and timely outcomes.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Total docketed complaints	2,720	2,166	2,155	*	*	836	639
Resolved consumer complaints	2,536	2,099	2,092	*	*	794	630
Complaints processed within 0-28 days (%)	66%	54%	52%	50%	50%	47%	50%
– Within 0-50 days (%)	94%	91%	93%	85%	85%	92%	93%
– Within 0-90 days (%)	100%	99%	100%	100%	100%	100%	100%
★ Median complaint processing time (days)	22	27	28	28	28	29	28
Consumer restitution awarded (\$000)	\$1,620	\$1,187	\$1,018	*	*	\$296	\$520
★ Mediated complaints resolved to the satisfaction of the business and consumer (%)	61%	61%	57%	62%	62%	62%	51%

★ Critical Indicator ● Equity Indicator "NA" Not Available ⬆️⬆️ Directional Target * None

Goal 1b Ensure all businesses comply with NYC's Consumer Protection Law and related laws.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Total inspections	62,793	41,705	36,298	*	*	10,467	16,252
- Proactive inspections	44,691	26,090	27,731	*	*	7,569	7,098
- Tobacco program inspections	15,240	11,161	4,542	*	*	1,222	5,580
- Referred inspections	2,731	4,443	3,593	*	*	1,656	3,572
Total summonses issued	15,576	10,967	7,001	*	*	2,403	3,290
- Proactive inspection summonses issued	11,603	7,343	4,333	*	*	1,456	1,047
- Tobacco program summonses issued	2,821	2,225	1,672	*	*	418	1,678
- Referred inspections summonses issued	1,114	1,397	930	*	*	501	565
License Law – License requirement compliance rate (%)	90%	90%	97%	*	*	98%	93%
License Law – Licensee compliance rate (%)	84%	86%	82%	*	*	78%	94%
Consumer protection law compliance rate (%)	87%	86%	95%	*	*	94%	88%
Weights and Measures Law compliance rate - gasoline pumps (%)	99%	100%	99%	98%	98%	99%	100%
Weights and Measures Law compliance rate - fuel trucks (%)	80%	76%	81%	72%	72%	83%	86%
★ Tobacco Program - Sale to youth compliance rate (%)	90%	89%	99%	⬆️	⬆️	NA	93%
Tobacco Program – Out of package sales compliance rate (%)	96%	97%	93%	*	*	92%	97%
Tobacco Program - Flavored tobacco and e-cigarette compliance rate (%)	96%	97%	80%	*	*	83%	84%

★ Critical Indicator ● Equity Indicator "NA" Not Available ⬆️⬆️ Directional Target * None

Goal 1c Promptly negotiate settlements on violations issued to businesses.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Total settlements (\$000)	\$6,393	\$4,357	\$3,083	*	*	\$800	\$1,892
Cases settled prior to original hearing date (%)	65%	63%	59%	*	*	61%	57%

★ Critical Indicator ● Equity Indicator "NA" Not Available ⬆️⬆️ Directional Target * None

SERVICE 2 Assist and educate businesses and promote a fair marketplace.

Goal 2a Ensure that business licensing is efficient.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
★ Basic license application - Average processing time (days)	2	3	8	4	4	7	13
License applications received online (%)	21%	23%	45%	*	*	52%	42%
★ Licensing Centers wait time (minutes)	8	5	10	15	15	14	5
★ Critical Indicator ● Equity Indicator "NA" Not Available ↑↓ Directional Target * None							

Goal 2b Educate businesses to help them understand their responsibilities toward consumers and their employees.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Businesses educated through direct outreach	19,348	17,089	16,925	*	*	7,003	7,020
★ Critical Indicator ● Equity Indicator "NA" Not Available ↑↓ Directional Target * None							

SERVICE 3 Educate and empower New Yorkers with low incomes.

Goal 3a Help residents with low incomes achieve financial stability.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Clients served by Office of Financial Empowerment financial counseling programs	8,405	6,899	6,901	*	*	2,727	2,884
– Percent achieving measurable success (%)	25.0%	21.0%	21.0%	*	*	NA	NA
Total debt reduced by clients (\$000) (cumulative)	\$71,953	\$79,837	\$85,057	*	*	\$81,852	\$88,367
Total savings accumulated (\$) (cumulative)	\$6,877,862	\$7,860,236	\$9,978,759	*	*	\$8,636,931	\$11,269,435
Tax returns filed through citywide Tax Credit Campaign	112,616	67,132	73,701	*	*	NA	NA
★ Critical Indicator ● Equity Indicator "NA" Not Available ↑↓ Directional Target * None							

SERVICE 4 Protect and advocate for workers.

Goal 4a Investigate complaints in a timely manner to ensure employers' compliance with the Paid Safe and Sick Leave Law.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Paid Safe and Sick Leave (PSSL) complaints received	261	263	178	*	*	37	53
PSSL complaints investigated	289	220	184	*	*	60	100
★ Average time to resolve PSSL complaint investigations (days)	247	241	302	↓	↓	234	322
Number of employees entitled to restitution	6,691	3,768	1,086	*	*	582	976
Total amount of employee restitution assessed (\$)	\$1,541,095	\$1,760,558	\$924,011	*	*	\$186,179	\$612,600
Total amount of PSSL fines assessed (\$)	\$400,181	\$240,003	\$192,952	*	*	\$41,074	\$85,821
★ Critical Indicator ● Equity Indicator "NA" Not Available ↑↓ Directional Target * None							

Goal 4b

Assist freelancers in exercising their rights under the Freelance Isn't Free Law.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Freelance Isn't Free inquiries received	349	372	233	*	*	88	70
Freelance Isn't Free complaints received and addressed	602	619	277	*	*	113	79
Amount recovered for Freelance Isn't Free complainants (\$)	\$866,574	\$519,210	\$309,243	*	*	\$69,764	\$366,063
★ Critical Indicator ● Equity Indicator "NA" Not Available ⬆️⬆️ Directional Target * None							

AGENCY CUSTOMER SERVICE

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Customer Experience							
Average customer in-person wait time (minutes)	8	4	10	17	17	NA	NA
Completed customer requests for interpretation	3,454	2,429	3,682	*	*	NA	NA
CORE customer experience rating (0-100)	NA	99	100	87	87	NA	NA
★ Critical Indicator ● Equity Indicator "NA" Not Available ⬆️⬆️ Directional Target * None							

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Response to 311 Service Requests (SRs)							
Percent meeting time to first action - Consumer Complaint - Exchange/Refund/Return (4 days)	94%	100%	98%	85%	85%	NA	NA
Percent meeting time to first action - Consumer Complaint - False Advertising (4 days)	92%	100%	94%	85%	85%	NA	NA
Percent meeting time to first action - Consumer Complaint - Non-Delivery Goods/Services (4 days)	95%	100%	96%	85%	85%	NA	NA
Percent meeting time to first action - Consumer Complaint - Overcharge (4 days)	93%	100%	100%	85%	85%	NA	NA
Percent meeting time to first action - DCA / DOHMH New License Application Request - General Street Vendor License (7 days)	81%	100%	NA	85%	85%	NA	NA
★ Critical Indicator ● Equity Indicator "NA" Not Available ⬆️⬆️ Directional Target * None							

AGENCY RESOURCES

Resource Indicators	Actual			Sept. 2021 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY19	FY20	FY21	FY22	FY22 ¹	FY23 ¹	FY21	FY22
Expenditures (\$000,000) ²	\$42.3	\$41.5	\$42.5	\$46.6	\$61.1	\$62.9	\$21.9	\$21.1
Revenues (\$000,000)	\$33.6	\$22.1	\$13.5	\$17.6	\$17.6	\$15.9	\$2.9	\$5.6
Personnel	405	390	366	448	447	447	376	359
Overtime paid (\$000)	\$293	\$147	\$106	\$114	\$114	\$114	\$4	\$10
¹ February 2022 Financial Plan. ² Expenditures include all funds "NA" - Not Available								

SPENDING AND BUDGET INFORMATION

Where possible, the relationship between an agency's goals and its expenditures and planned resources, by budgetary unit of appropriation (UA), is shown in the 'Applicable MMR Goals' column. Each relationship is not necessarily exhaustive or exclusive. Any one goal may be connected to multiple UAs, and any UA may be connected to multiple goals.

Unit of Appropriation	Expenditures FY21 ¹ (\$000,000)	February 2022 Financial Plan FY22 ² (\$000,000)	Applicable MMR Goals ³
Personal Services - Total	\$26.4	\$27.7	
001 - Administration	\$13.0	\$14.1	All
002 - Licensing and Enforcement	\$13.4	\$13.6	1b, 1c, 2a, 2b, 4a
Other Than Personal Services - Total	\$16.1	\$33.4	
003 - Other than Personal Services	\$16.1	\$33.4	All
Agency Total	\$42.5	\$61.1	

¹Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2021. Includes all funds. ²Includes all funds. ³Refer to agency goals listed at front of chapter. "NA" Not Available * None

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

None.

ADDITIONAL RESOURCES

For additional information on items referenced in the narrative, go to:

- Licenses
<https://www1.nyc.gov/site/dca/businesses/licenses.page>
- Worker Rights
<https://www1.nyc.gov/site/dca/workers/worker-rights.page>
- Third-Party Food Delivery Services
<https://www1.nyc.gov/site/dca/about/Third-Party-Food-Delivery-Services.page>
- NYC Financial Empowerment Centers
<https://www1.nyc.gov/site/dca/consumers/get-free-financial-counseling.page>
- NYC Free Tax Prep
<https://www1.nyc.gov/site/dca/consumers/file-your-taxes.page>
- Street Vendors
<https://www1.nyc.gov/site/dca/businesses/street-vendors.page>

For more information on the agency, please visit: www.nyc.gov/dcwp.

