

DEPARTMENT OF CONSUMER AFFAIRS

Lorelei Salas, Commissioner



WHAT WE DO

The Department of Consumer Affairs (DCA) protects and enhances the daily economic lives of New Yorkers to help create thriving communities. DCA licenses and regulates more than 81,000 businesses in more than 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. DCA also provides mediation and restitution for consumer complaints. Through the Office of Labor Policy and Standards, the agency enforces various workplace laws, including Paid Sick Leave, by investigating complaints, conducting proactive investigations and recovering restitution for workers.

DCA'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 Financial Empowerment Centers around the City and through other small-scale programs, increasing access to safe and affordable financial products and services, and encouraging the use of NYC Free Tax Prep sites where eligible New Yorkers can file their taxes for free and claim valuable tax credits.

FOCUS ON EQUITY

DCA's commitment to a fair and equitable marketplace begins with consumer advocacy, business education and transparency. As part of its consumer advocacy, DCA continues to coordinate work across the agency to focus on issues like predatory lending—implementing 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, DCA's Office of Financial Empowerment provides financial counseling and coaching, helps with debt reduction and offers free tax preparation. DCA has also increased its outreach efforts to educate businesses about their obligations to workers in addition to consumers. Through DCA's Office of Labor Policy and Standards, New York City employees and employers are informed about various workplace laws the agency enforces, including Paid Sick Leave, 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 Negotiate settlements and promptly collect fines.

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

- Goal 2a Ensure that business licensing is easy.
- Goal 2b Educate businesses to help them understand their responsibilities toward consumers and their employees.

SERVICE 3 Educate and empower New Yorkers with low incomes.

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

SERVICE 4 Protect and advocate for workers under the Paid Sick Leave Law.

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

HOW WE PERFORMED

- DCA processed 61 percent of consumer complaints within 28 days compared to 52 percent during the same four-month period last year; all complaints continued to be processed within 90 days. The median time to resolve a complaint improved by four days to 24 days, in line with numbers seen beginning in the second half of Fiscal 2017.
- In the first four months of Fiscal 2018 the amount of consumer restitution awarded increased to \$1.7 million from \$589,000 a year ago. This increase is primarily due to the resumption of hearings of consumer docketed cases at the Office of Administrative Trials and Hearings (OATH), bringing consumer restitution numbers up to their pre-OATH transition levels.
- The number of summonses issued rose by 11 percent from 4,807 to 5,351, mainly attributable to DCA's more robust enforcement efforts related to the illegal sale of tobacco products.
- Largely due to a significant year-over-year increase in the number of summonses issued where a fine was assessed within 120 days, the percent of summonses paid as well as the percent not fully paid rose to 60 percent and 21 percent, respectively. As with consumer restitution, the increase in the number of fines assessed within 120 days reflects the resumption of hearings at OATH. In the prior year's reporting period, the only summonses which had a fine assessed within 120 days of issuance were summonses where the respondent settled outside the OATH adjudication process.
- Due to both an increase in staff turnover and legislative changes which affected certain licensing categories, average customer wait time at the Licensing Centers rose by five minutes to 10 minutes but remained better than the target. Overall customer volume was down compared to the same Fiscal 2017 period, when DCA experienced a one-time spike in applications for the lottery for General Vendors.
- DCA's Office of Labor Policy and Standards' (OLPS) continuing shift toward a strategic, targeted enforcement model for Paid Sick Leave (PSL) and other enforcement cases in Fiscal 2018 includes a focus on resolving older cases in order to initiate proactive, agency-directed investigations against industries and businesses with pervasive labor standards violations. This enforcement strategy allowed the office to increase the number of complaints investigated from 72 to 124. Prioritization on closing the oldest cases drove the average turnaround time for completing investigations up, with average resolution times increasing from 125 to 243 days.

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	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Total docketed complaints	3,702	3,650	3,049	*	*	1,051	1,055
Resolved consumer complaints	3,495	3,691	2,860	*	*	1,021	994
Complaints processed within 0-28 days (%)	51%	51%	56%	50%	50%	52%	61%
– Within 0-50 days (%)	83%	85%	88%	85%	85%	88%	93%
– Within 0-90 days (%)	100%	100%	99%	100%	100%	100%	100%
★ Median complaint processing time (days)	27	28	27	28	28	28	24
Consumer restitution awarded (\$000)	\$6,189	\$3,472	\$2,291	*	*	\$589	\$1,695
★ Mediated complaints resolved to the satisfaction of the business and consumer (%)	62%	64%	67%	62%	62%	65%	65%
★ Critical 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	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Total inspections	65,506	76,996	75,951	*	*	25,311	23,653
Total summonses issued	11,923	14,291	15,971	*	*	4,807	5,351
★ Licensing Law compliance rate (%)	95%	95%	95%	93%	93%	96%	95%
Consumer Protection Law - refund and receipt compliance rate (%)	91%	91%	89%	85%	85%	91%	90%
Weights and Measures Law compliance rate - gasoline pumps (%)	99%	100%	99%	98%	98%	100%	99%
Weights and Measures Law compliance rate - fuel trucks (%)	70%	68%	71%	72%	72%	70%	78%
★ Inspected stores complying with NY State regulations regarding the sale of tobacco to minors (%)	92%	93%	89%	90%	90%	89%	87%
★ Critical Indicator “NA” Not Available ⇅ Directional Target * None							

Goal 1c

Negotiate settlements and promptly collect fines.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Total settlements (\$000)	\$7,542	\$8,324	\$6,530	*	*	\$2,015	\$1,984
★ Summonses where fine was assessed and fully paid within 120 days (%)	NA	NA	55%	↑	↑	46%	60%
Summonses where fine was assessed but not fully paid within 120 days (%)	NA	NA	13%	*	*	8%	21%
★ Critical 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 easy.

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
★ Basic license application - Average processing time (days)	2	2	3	4	4	3	4
License applications received online (%)	20%	18%	23%	*	*	22%	21%
★ Licensing Centers wait time (minutes)	13	8	8	15	15	5	10
★ Critical 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	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Businesses educated through direct outreach	19,449	13,450	13,305	*	*	NA	NA
★ Critical 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	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Clients served by Office of Financial Empowerment financial counseling programs	10,479	10,290	9,412	*	*	3,799	3,503
– Percent achieving measurable success (%)	34.0%	40.0%	39.9%	*	*	NA	NA
Total debt reduced by clients (\$000) (cumulative)	\$33,088	\$43,125	\$52,967	*	*	\$46,167	\$54,136
Total savings accumulated (\$) (cumulative)	\$3,596,836	\$4,094,324	\$4,326,485	*	*	\$4,142,088	\$4,581,522
Tax returns filed through citywide Tax Credit Campaign	153,365	162,583	112,946	*	*	NA	NA
★ Critical Indicator	“NA” Not Available	⇅ Directional Target					* None

SERVICE 4 Protect and advocate for workers under the Paid Sick Leave Law.

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

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Paid Sick Leave (PSL) complaints received	583	335	315	*	*	96	109
PSL complaints investigated	NA	NA	252	*	*	72	124
★ Average time to resolve PSL complaint investigations (days)	NA	NA	182	⇓	⇓	125	243
Employees awarded restitution	97	13,675	3,552	*	*	740	2,401
Total amount of employee restitution awarded (\$)	\$54,961	\$2,123,391	\$1,584,137	*	*	\$384,254	\$622,846
Total amount of PSL fines (\$)	\$50,050	\$1,201,468	\$502,168	*	*	\$167,689	\$162,611
★ Critical Indicator	“NA” Not Available	⇅ Directional Target					* None

AGENCY CUSTOMER SERVICE

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Customer Experience							
Average customer in-person wait time (minutes)	13	9	9	17	17	NA	NA
Completed customer requests for interpretation	3,377	3,861	3,695	*	*	NA	NA
CORE customer experience rating (0-100)	95	98	99	87	87	NA	NA
★ Critical Indicator	“NA” Not Available	⇅ Directional Target					* None

Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Response to 311 Service Requests (SRs)							
Percent meeting time to first action - Consumer Complaint - Exchange/Refund/Return (4 days)	83%	93%	98%	85%	85%	98%	98%
Percent meeting time to first action - Consumer Complaint - False Advertising (4 days)	84%	91%	97%	85%	85%	96%	98%
Percent meeting time to first action - Consumer Complaint - Non-Delivery Goods/Services (4 days)	82%	92%	98%	85%	85%	98%	96%
Percent meeting time to first action - Consumer Complaint - Overcharge (4 days)	82%	93%	98%	85%	85%	97%	97%
Percent meeting time to first action - DCA / DOHMH New License Application Request - General Street Vendor License (7 days)	65%	78%	84%	85%	85%	87%	32%
★ Critical Indicator	“NA” Not Available	⇅ Directional Target					* None

AGENCY RESOURCES

Resource Indicators	Actual			Sept. 2017 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY15	FY16	FY17	FY18	FY18 ¹	FY19 ¹	FY17	FY18
Expenditures (\$000,000) ²	\$37.4	\$36.2	\$36.1	\$41.6	\$41.6	\$40.9	\$12.1	\$15.4
Revenues (\$000,000)	\$32.9	\$32.0	\$32.7	\$28.0	\$28.3	\$27.3	\$7.5	\$9.3
Personnel	367	360	391	439	439	439	355	393
Overtime paid (\$000)	\$197	\$285	\$267	\$57	\$120	\$57	\$46	\$10

¹February 2018 Financial Plan ²Expenditures 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 FY17 ¹ (\$000,000)	February 2018 Financial Plan FY18 ² (\$000,000)	Applicable MMR Goals ³
Personal Services - Total	\$23.1	\$26.5	
001 - Administration	\$8.0	\$8.7	All
002 - Licensing and Enforcement	\$15.0	\$16.1	1b, 1c, 2a, 2b, 4a
004 - Adjudication	\$0.1	\$1.7	1a, 1c, 4a
Other Than Personal Services - Total	\$13.0	\$15.1	
003 - Other than Personal Services	\$13.0	\$15.1	All
Agency Total	\$36.1	\$41.6	

¹Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2017. Includes all funds. ²Includes all funds. ³Refer to agency goals listed at front of chapter.

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- The Department added the word "consumer" to the indicator 'Restitution awarded (\$000)' to distinguish between restitution obtained on behalf of consumers from restitution obtained on behalf of workers through the Office of Labor Policy and Standards (OLPS).
- To be consistent with the naming conventions on its forms, DCA is now using the term "summons" throughout the Mayor's Management Report when referring to the actual document that is issued to a business when at least one violation of the law is found.
- The Department replaced the indicator 'Number of fines collected within 45 days of assessment (%)' as the 45-day timetable is no longer appropriate. Given the completed transfer of adjudicatory responsibilities from DCA to the Office of Administrative Hearings, businesses now have different timetables to contest a hearing decision. The new metric reports on the number of summonses where a fine was assessed and fully paid within 120 days as a percent of the total number of summonses issued 120 days prior to a particular month. DCA has also added a metric on the percent of summonses where the fine was not fully paid within the 120 days. (NOTE: Not all summonses carry a fine). The 120-day period is related to the typical length of time allowed to plead, settle, or contest a summons and appeal a hearing decision given.
- The indicator 'Basic license applications issued' was corrected to 'Basic license applications approved.'

- Previously reported data for the metric ‘Businesses educated through direct outreach’ has been revised to exclude businesses that had been counted when routine patrol inspections also included some type of outreach. This was not the intent of the indicator. On average, the corrected numbers are approximately 2,500 lower.
- DCA replaced the indicators that reported on the number of Paid Sick Leave (PSL) complaints closed and the average time to resolve these complaints with metrics that report on the number of PSL complaints investigated and the average time to resolve PSL complaint investigations. The new metrics reflect the Department’s complaint resolution process.
- The Department also renamed the indicator ‘Employees receiving restitution’ to ‘Employees awarded restitution’ to clarify that the data reports on restitution that is awarded but not necessarily made to an employee as a result of a settlement agreement or trial at OATH. Any restitution awarded may be either the result of a complaint investigation or a proactive investigation by OLPS. The same clarification was made to the companion metric ‘Total amount of employee restitution (000).’

ADDITIONAL RESOURCES

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

- Office of Labor Policy and Standards
<https://www1.nyc.gov/site/dca/about/office-of-labor-policy-standards.page>
- Paid Sick Leave Law:
<http://www.nyc.gov/html/dca/html/law/PaidSickLeave.shtml>

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