

DEPARTMENT OF CONSUMER AND WORKER PROTECTION

Peter A. Hatch, Commissioner



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 59,000 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. 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 IN FISCAL 2021

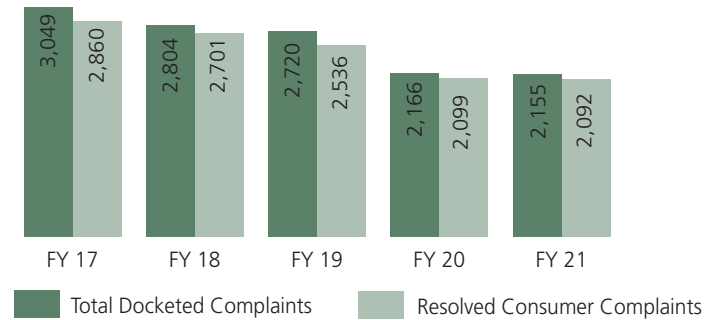
SERVICE 1 Protect and advocate for consumers.

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

The number of docketed complaints decreased by roughly 0.5 percent, from 2,166 to 2,155 during Fiscal 2021, while the number of completed mediations also remained steady, decreasing by just six cases, from 2,098 to 2,092. The percent of complaints processed within 28 days dropped from 54 percent to 52 percent, a decrease of two percentage points from the previous year while more than 99 percent of all complaints were processed within 90 days.

The median number of days to resolve complaints increased from 27 to 28 days, while the percent of complaints resolved to the mutual satisfaction of both parties dropped slightly, from 61 percent to 57 percent. DCWP secured more than \$1.0 million in restitution for consumers during Fiscal 2021, a 14 percent decrease compared to the previous year.

Consumer Complaints



Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Total docketed complaints	3,049	2,804	2,720	2,166	2,155	*	*	Down	*
Resolved consumer complaints	2,860	2,701	2,536	2,099	2,092	*	*	Down	*
Complaints processed within 0-28 days (%)	56%	71%	66%	54%	52%	50%	50%	Down	Up
– Within 0-50 days (%)	88%	96%	94%	91%	93%	85%	85%	Neutral	Up
– Within 0-90 days (%)	99%	100%	100%	99%	100%	100%	100%	Neutral	Up
★ Median complaint processing time (days)	27	20	22	27	28	28	28	Up	Down
Consumer restitution awarded (\$000)	\$2,291	\$3,485	\$1,620	\$1,187	\$1,018	*	*	Down	*
★ Mediated complaints resolved to the satisfaction of the business and consumer (%)	67%	64%	61%	61%	57%	62%	62%	Down	Up
★ 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.

DCWP's enforcement division conducted 36,298 inspections during Fiscal 2021, a decrease of 5,407, or 13 percent, compared to Fiscal 2020. This is due to the fact that all of Fiscal 2021 occurred under COVID-19 pandemic conditions, which limited the number of inspections DCWP was able to conduct. There was also a dramatic shift in enforcement priorities, most notably a marked increase in Business Education inspections which are counted as part of DCWP's business outreach and not under enforcement and compliance.

Another area of enforcement dramatically impacted by COVID-19 restrictions was the Tobacco Program, which conducted 4,542 inspections, 6,619 (59 percent) fewer than Fiscal 2020. This decrease was due to DCWP being unable to conduct under-age inspections due to the risks involved in conducting inspections with minors. Compliance with tobacco packaging and pricing regulations decreased from 96 percent to 93 percent, while compliance with regulations regarding flavored tobacco products decreased from 97 percent to 80 percent.

The total number of summonses issued for all inspection types decreased in Fiscal 2021 due to redirected resources and enforcement policy changes resulting from COVID-19. Fewer inspections translate to fewer summonses.

Among the other key compliance indicators, compliance with the requirement for certain businesses to have a DCWP-issued license increased by seven percentage points, from 90 percent to 97 percent, which is largely attributable to the suspension of license renewal requirements during COVID-19 restrictions. Licensees' compliance with licensing law decreased slightly, from 86 percent to 82 percent while compliance with consumer protection law increased substantially, from 86 percent to 95 percent. The compliance rate for retail gasoline pumps remained steady at 99 percent, and the compliance rate for fuel trucks increased from 76 percent to 81 percent during Fiscal 2021.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Total inspections	76,207	62,112	62,793	41,705	36,298	*	*	Down	Up
- Proactive inspections	61,062	47,780	44,691	26,090	27,731	*	*	Down	Up
- Tobacco program inspections	12,822	11,752	15,240	11,161	4,542	*	*	Down	Up
- Referred inspections	2,168	2,382	2,731	4,443	3,593	*	*	Up	Up
Total summonses issued	15,505	14,344	15,576	10,967	7,001	*	*	Down	*
- Proactive inspection summonses issued	12,728	10,913	11,603	7,343	4,333	*	*	Down	*
- Tobacco program summonses issued	2,086	2,632	2,821	2,225	1,672	*	*	Down	*
- Referred inspections summonses issued	666	763	1,114	1,397	930	*	*	Up	*
License Law – License requirement compliance rate (%)	94%	91%	90%	90%	97%	*	*	Neutral	Up
License Law – Licensee compliance rate (%)	92%	92%	84%	86%	82%	*	*	Down	Up
Consumer protection law compliance rate (%)	90%	89%	87%	86%	95%	*	*	Neutral	Up
Weights and Measures Law compliance rate - gasoline pumps (%)	99%	99%	99%	100%	99%	98%	98%	Neutral	Up
Weights and Measures Law compliance rate - fuel trucks (%)	71%	77%	80%	76%	81%	72%	72%	Up	Up
★ Tobacco Program - Sale to youth compliance rate (%)	90%	90%	90%	89%	99%	↑	↑	Neutral	Up
Tobacco Program – Out of package sales compliance rate (%)	95%	97%	96%	97%	93%	*	*	Neutral	Up
Tobacco Program - Flavored tobacco and e-cigarette compliance rate (%)	96%	96%	96%	97%	80%	*	*	Down	Up
★ Critical Indicator ● Equity Indicator "NA" Not Available ↑↓ Directional Target * None									

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

DCWP's Settlement Unit works with businesses to resolve violations prior to adjudication at the Office of Administrative Trials and Hearings (OATH) and enter into settlement agreements. The rate at which cases were settled prior to their initial hearing date declined from 63 percent to 59 percent during Fiscal 2021. The total dollar amount of settlements decreased by 29 percent, from \$4.4 million to \$3.1 million. This decrease is largely due to the impacts of COVID-19, which greatly reduced the number of open businesses, the total number of inspections and the number of inspections resulting in violations.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Total settlements (\$000)	\$6,530	\$5,725	\$6,393	\$4,357	\$3,083	*	*	Down	*
Cases settled prior to original hearing date (%)	66%	62%	65%	63%	59%	*	*	Neutral	*
★ 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.

DCWP averaged eight days to approve more than 20,000 basic license applications and renewals during Fiscal 2021, a five-day increase in processing time from the previous year. The change can be attributed to some small business friendly practices instituted by DCWP in response to the challenges presented by COVID-19, including the acceptance of incomplete applications and allowing applicants additional time to meet licensing requirements such as obtaining documents from other government agencies. Emergency Executive Order 131 of 2020, Section 2, suspended the requirement to renew licenses during the declared state of emergency which provided many applicants additional time to fulfil their license renewal requirements. To maintain a socially distanced work environment, applicants with pre-scheduled appointments had their paperwork processed in-person with reduced staffing levels. One major operational shift, however, was the near doubling of the percent of applications received online, from 23 percent in Fiscal 2020 to 45 percent in Fiscal 2021.

The average wait time for consumers visiting walk-in services doubled in Fiscal 2021, from five to ten minutes, while still well within the target wait time of 15 minutes. This change is a direct result of no in-person services for several months during Fiscal 2021, the acceptance of incomplete license and renewal applications requiring additional explanations and service time for each applicant and the limited staffing for back-office operations due to social distancing requirements.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
★ Basic license application - Average processing time (days)	3	4	2	3	8	4	4	Up	Down
License applications received online (%)	23%	22%	21%	23%	45%	*	*	Up	Up
★ Licensing Centers wait time (minutes)	8	15	8	5	10	15	15	Down	Down
★ 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.

DCWP continues to supplement patrol-based education efforts with intensive outreach to help businesses understand their legal responsibilities. In Fiscal 2021, DCWP educated 16,925 businesses through violation-free business education inspections, special events and trainings, inspections that resulted in warnings but no violations, and [Live Chat for Businesses](#), representing a one percent increase from the previous year. The Visiting Inspector Program conducted 420 (14 percent) more Business Education inspections than in Fiscal 2020, while direct live chats with businesses increased by 1,839, or 42 percent.

This number does not include more than 14,500 business visits conducted by DCWP inspectors as part of City Hall's multi-agency business re-opening outreach and inspection initiative, intended to support and educate businesses about public health requirements and their obligations to adhere to New York State COVID-19 regulations and best practices.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Businesses educated through direct outreach	13,305	18,031	19,348	17,089	16,925	*	*	Up	Up
★ 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.

Through its Office of Financial Empowerment (OFE), DCWP continued to focus on initiatives that support New Yorkers and communities with low incomes in building assets and improving their financial health. The greatest challenge to fulfilling OFE's mission was the need to rapidly adapt from in-person to remote sessions throughout the COVID-19 pandemic. This presented some operational challenges including time to gather documents from clients and the need for new tools to support New Yorkers, but DCWP's financial counseling service providers rose to the challenge and continued its legacy of delivering unparalleled service.

During Fiscal 2021 DCWP provided financial counseling to 6,901 clients, which was virtually unchanged from the previous year. Despite the protracted financial hardships experienced by many during Fiscal 2021, the percent of clients achieving measurable success remained consistent at 21 percent. The cumulative amount of debt reduced by OFE clients increased by seven percent, to \$85.06 million, and the cumulative amount of increased savings rose by 27 percent, to \$9.98 million. There were 73,701 returns filed by the NYC Free Tax Prep program during Fiscal 2021, a 10 percent increase from the previous year. Returns are still well below pre-pandemic levels, but DCWP expects levels to revert closer to normal if full-scale in-person services resume in Fiscal 2022.

As New York City continues to recover from the impact of COVID-19 and businesses reopen, OFE is taking steps to ensure that its critical services are available to help New Yorkers navigate their finances and access city, state and federal resources. OFE expects to see the number of clients served, the number of New Yorkers achieving measurable improvements in their financial health and the number of returns filed increase over the coming years.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Clients served by Office of Financial Empowerment financial counseling programs	9,412	10,171	8,405	6,899	6,901	*	*	Down	*
— Percent achieving measurable success (%)	39.9%	38.0%	25.0%	21.0%	21.0%	*	*	Down	Up
Total debt reduced by clients (\$000) (cumulative)	\$52,967	\$63,473	\$71,953	\$79,837	\$85,057	*	*	Up	Up
Total savings accumulated (\$) (cumulative)	\$4,326,485	\$5,321,956	\$6,877,862	\$7,860,236	\$9,978,759	*	*	Up	Up
Tax returns filed through citywide Tax Credit Campaign	112,946	124,778	112,616	67,132	73,701	*	*	Down	Up
★ 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.

The Paid Safe and Sick Leave Law is enforced by the Office of Labor Policy & Standards (OLPS), which was established at DCWP in May 2016. Because of DCWP's enforcement efforts, employees have become entitled to restitution totaling more than \$10.3 million.

In Fiscal 2021, the number of complaints received decreased by nearly a third, from 263 to 178. This could be due to any number of factors related to the impact COVID-19 has had on workers, including workers being laid-off or not working in person, or an increased focus on by workers on other job-related issues such as wage payment and unemployment

insurance. The number of cases closed decreased by 16 percent, from 220 to 184. The amount of employee restitution assessed decreased by 48 percent, from \$1.76 million to \$924 thousand. While there is no direct correlation between the number of complaints and the amount of restitution employees are owed, these decreases may be attributable to the substantial decline in the number of cases during Fiscal 2021. The average number of days required to complete investigations increased by 25 percent, from 241 days in Fiscal 2020 to 302 days in Fiscal 2021, an increase driven by an expanding enforcement mandate and more complicated cases.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Paid Safe and Sick Leave (PSSL) complaints received	315	304	261	263	178	*	*	Down	*
PSSL complaints investigated	252	392	289	220	184	*	*	Down	*
★ Average time to resolve PSSL complaint investigations (days)	182	280	247	241	302	↕	↕	Up	Down
Number of employees entitled to restitution	3,552	8,166	6,691	3,768	1,086	*	*	Down	*
Total amount of employee restitution assessed (\$)	\$1,584,137	\$2,189,998	\$1,541,095	\$1,760,558	\$924,011	*	*	Down	*
Total amount of PSSL fines assessed (\$)	\$502,168	\$489,547	\$400,181	\$240,003	\$192,952	*	*	Down	*
★ 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.

The Freelance Isn't Free Law guarantees freelancers' rights to written contracts and prompt payment in full and strengthens their ability to file claims in civil court. OLPS assists freelancers in exercising these rights through its Navigation Program. This includes assistance with specific complaints as well as provision of general information about Freelancers' rights and the resources available to enforce them.

In Fiscal 2021, the number of inquiries received decreased by 37 percent, from 370 to 233. The decrease in inquiries may be due in part to COVID-19 and its impact on businesses' ability to engage freelance services. The number of complaints received and addressed also decreased substantially, from 619 in Fiscal 2020 to 277 in Fiscal 2021, or 55 percent. Accordingly, there was a 40 percent decrease in the amount of money recovered by freelancers engaging in DCWP's court navigation support. It is important to note the amount recovered is collected through self-reporting by freelance workers during follow-up after their case has closed and is not necessarily complete.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Freelance Isn't Free inquiries received	NA	255	349	372	233	*	*	NA	*
Freelance Isn't Free complaints received and addressed	NA	258	602	619	277	*	*	NA	*
Amount recovered for Freelance Isn't Free complainants (\$)	NA	\$298,915	\$866,574	\$519,210	\$309,243	*	*	NA	*
★ Critical Indicator ● Equity Indicator "NA" Not Available ↕ Directional Target * None									

AGENCY CUSTOMER SERVICE

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Customer Experience									
Average customer in-person wait time (minutes)	9	16	8	4	10	17	17	Down	Down
Completed customer requests for interpretation	3,695	3,480	3,454	2,429	3,682	*	*	Down	*
CORE customer experience rating (0-100)	99	100	NA	99	100	87	87	NA	Up
★ Critical Indicator ● Equity Indicator "NA" Not Available ⇅ Directional Target * None									

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Response to 311 Service Requests (SRs)									
Percent meeting time to first action - Consumer Complaint - Exchange/Refund/Return (4 days)	98%	98%	94%	100%	98%	85%	85%	Neutral	*
Percent meeting time to first action - Consumer Complaint - False Advertising (4 days)	97%	98%	92%	100%	94%	85%	85%	Neutral	*
Percent meeting time to first action - Consumer Complaint - Non-Delivery Goods/Services (4 days)	98%	97%	95%	100%	96%	85%	85%	Neutral	*
Percent meeting time to first action - Consumer Complaint - Overcharge (4 days)	98%	97%	93%	100%	100%	85%	85%	Neutral	*
Percent meeting time to first action - DCA / DOHMH New License Application Request - General Street Vendor License (7 days)	84%	58%	81%	100%	NA	85%	85%	NA	*
★ Critical Indicator ● Equity Indicator "NA" Not Available ⇅ Directional Target * None									

AGENCY RESOURCES

Resource Indicators	Actual ¹					Plan ²		
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5yr Trend
Expenditures (\$000,000) ³	\$36.1	\$39.6	\$42.3	\$41.5	\$43.5	\$43.0	\$46.6	Up
Revenues (\$000,000)	\$32.7	\$34.5	\$33.6	\$22.1	\$13.5	\$17.3	\$17.6	Down
Personnel	391	393	405	390	366	377	448	Neutral
Overtime paid (\$000)	\$267	\$377	\$293	\$147.0	\$114	\$114.0	\$114	Down
¹ Actual financial amounts for the current fiscal year are not yet final. Final fiscal year actuals, from the Comptroller's Comprehensive Annual Financial Report, will be reported in the next PMMR. Refer to the "Indicator Definitions" at nyc.gov/mmr for details. ² Authorized Budget Level ³ Expenditures include all funds "NA" - Not Available * None								

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 FY20 ¹ (\$000,000)	Modified Budget FY21 ² (\$000,000)	Applicable MMR Goals ³
Personal Services - Total	\$28.1	\$27.1	
001 - Administration	\$13.5	\$12.6	All
002 - Licensing and Enforcement	\$14.6	\$14.4	1b, 1c, 2a, 2b, 4a
Other Than Personal Services - Total	\$13.4	\$16.4	
003 - Other than Personal Services	\$13.4	\$16.4	All
Agency Total	\$41.5	\$43.5	
¹ Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2020. Includes all funds. ² City of New York Adopted Budget for Fiscal 2021, as of June 2021. Includes all funds. ³ Refer to agency goals listed at front of chapter. "NA" Not Available * None			

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- The 2019 income tax filing period was extended by the Internal Revenue Service through July 15, 2020, so the numbers reported under Goal 3a for 'Tax returns filed through the citywide Tax Credit Campaign' include 2,061 tax returns filed between July 1 and July 15, 2020 for tax year 2019 and all returns filed for tax year 2020. The number of returns filed during the 2020 tax season was 71,640.
- Goal 2a has been renamed 'Ensure that business licensing is efficient' to more accurately reflect the operational nature of agency work related to business licensing.
- During the first ten months of Fiscal 2021, Lorelei Salas served as DCWP Commissioner; Sandra Abeles was appointed Acting Commissioner in May 2021 and Peter Hatch was appointed Commissioner in September 2021.
- Equity NYC indicators are identified with a burst (*). These indicators are also reported in the Social Indicators and Equity Report (SIER) and explore the economic, social, environmental, and physical health of New York City across race/ethnicity, gender, location, and income.

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>
- 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>
- The Social Indicators and Equity Report, EquityNYC:
<http://equity.nyc.gov/>

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

