

**REPORT ON LEGISLATION BY  
THE CONSUMER AFFAIRS COMMITTEE AND  
THE CIVIL COURT COMMITTEE**

**Int. 1622-2019**

**Council Members Lander, Chin, Ayala, Rosenthal, Brannan, Adams, Levine, Powers, Torres, Cabrera, Richards, Gibson and Salamanca (by request of the Mayor)**

A LOCAL LAW to amend the administrative code of the city of New York, in relation to remedying fraudulent, deceptive and unconscionable business practices

**Int. 1609-2019**

**Council Members Torres, Brannan, Lander, Chin, Ayala, Koslowitz, Adams, Louis, Levine, Powers, Rosenthal, Cabrera, Richards, Gibson and Salamanca (by request of the Mayor)**

A LOCAL LAW to amend the charter and administrative code of the city of New York, in relation to changing the name of the Department of Consumer Affairs to the Department of Consumer and Worker Protection, and to repeal sections 20-a and 2204 of the New York city charter, and to repeal subdivision b of section 20-9016 of chapter 1 of title 20-A of the administrative code of the city of New York in relation thereto

**THESE BILLS ARE APPROVED**

The Consumer Affairs Committee and the Civil Court Committee of the New York City Bar Association submit this report in support of much-needed updates to enable New York's consumer protection and worker protection agency to accomplish its mission. The Committees comment on two pieces of legislation pending before the City Council, Int. 1622-2019 and Int. 1609-2019. These bills recognize the modern world.

Int. 1622-2019 will improve New York City's Consumer Protection Law to help the Department of Consumer Affairs (DCA) protect New Yorkers.<sup>1</sup> It will clarify that digital and electronic statements, omissions, and certifications can give rise to deceptive trade practices. It will clarify that it is a deceptive trade practice to fail to provide translated documents where, for example, a consumer transaction was primarily negotiated in a language other than English. This provision must not become a burden on small businesses, so it is important to retain the requirement that translated documents must be provided to the consumer only when the transaction was not primarily negotiated in English.

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<sup>1</sup> Int 1622-2019: Remedying fraudulent, deceptive and unconscionable business practices. The New York City Council. <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3996242&GUID=90F743E1-0D5C-4FEB-BE0C-935C6C29D661&Options=Advanced&Search=>. (All links in this letter were last visited on April 20, 2020).

Int. 1622-2019 will clarify that restitution is a remedy DCA can seek on behalf of consumers for cases filed at the Office of Administrative Trials and Hearings (OATH). It also updates penalties for consumer deception that have not changed since 1969: updating penalties from \$50-\$350 per violation to \$350-\$2,500, and from \$500 for a knowing violation to \$3,500 for a knowing violation or the third separate violation within a 3-year period. As DCA Commissioner Salas testified to the New York City Council, “penalties that were effective in 1969 are less so in 2019.”<sup>2</sup> The proposed legislation “updates the penalty amounts to levels equivalent to where they were in 1969, after adjusting for inflation.”<sup>3</sup>

We also write to support Int. 1609-2019, which makes crucial changes to New York City’s Charter and Administrative Code to enable the agency to shoulder its increased burden.<sup>4</sup> It changes the DCA’s name to the Department of Consumer and Worker Protection (DCWP) in the NYC Charter and in the New York Administrative Code. It clarifies the DCWP’s powers to seek restitution on behalf of consumers and workers related to any law within its jurisdiction. It clarifies the DCWP’s powers to conduct on-site inspections to enforce any law within its jurisdiction. Finally, it delivers on the promise of worker protection by codifying the Office of Labor Policy and Standards and the Paid Care division as divisions within DCWP.

Particularly in light of what we are seeing in New York with respect to consumer fraud, price gouging and dissemination of misinformation in connection with the COVID-19 public health crisis, it is more important than ever to modernize protections for consumers and workers in New York City.

We welcome the opportunity to work with the City Council in passing these important statutes.

Consumer Affairs Committee  
Darren A. Bowie, Chair

Civil Court Committee  
Shanna Tallarico, Chair

April 2020

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<sup>2</sup> “Testimonies Before the Committee on Consumer Affairs and Business Licensing, Hearing on Int. 1622-2019 and 1609-2019.” <https://legistar.council.nyc.gov/View.ashx?M=F&ID=7977419&GUID=6F946ACE-0013-4C5E-8486-F917AA0D0351>. (December 16, 2019).

<sup>3</sup> *Id.*

<sup>4</sup> Int 1609-2019: Changing the name of the Department of Consumer Affairs to the Department of Consumer and Worker Protection. <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3983141&GUID=F3370B22-9D76-401A-91BC-23736DBAA0EC&Options=ID%7CText%7COther%7C&Search=1609>.