



# **Fiscal 2009 Preliminary Budget Hearings**

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## **❖ Committee on Consumer Affairs**

*March 2008*

### **Scheduled To Testify:**

- *Department of Consumer Affairs*
- *Business Integrity Commission*

*Hon. Christine C. Quinn  
Speaker of the Council*

*Hon. David I. Weprin, Chair  
Committee on Finance*

*Hon. Leroy G. Comrie, Chair  
Committee on Consumer Affairs*

*James Caras, Acting Director  
Finance Division*

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**DEPARTMENT OF CONSUMER AFFAIRS (866)**

**Agency Operations**

The Department of Consumer Affairs (DCA) seeks to foster an honest marketplace. DCA resolves individual consumer complaints, obtains restitution for consumers, and sues recidivist vendors. DCA issues more than 63,000 licenses in 55 categories of businesses, and enforces license regulations, weights and measures regulations and the Consumer Protection Law through inspections. Through multiple media events, speaking engagements, public hearings, its Website and brochure distribution, DCA ensures that the public and businesses are educated about their rights and responsibilities under the Consumer Protection and License Laws.

**AGENCY FUNDING OVERVIEW**

<b>Agency Funding Sources</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>Fiscal 2008 Current Modified</b>	<b>Fiscal 2009 Preliminary Budget</b>
City	\$18,039,097	\$18,039,097	\$14,871,984
Other Categorical	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0
State	\$117,180	\$117,180	\$117,180
Community Development	\$0	\$0	\$0
Federal-Other	\$0	\$0	\$0
Intra-City	\$1,295,076	\$3,600,853	\$1,295,076
<b>Total</b>	<b>\$19,451,353</b>	<b>\$21,757,130</b>	<b>\$16,284,240</b>

**HEADCOUNT OVERVIEW**

<b>Headcount</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>6/30/2008 Forecast</b>	<b>Fiscal 2009 Preliminary Budget</b>
City	286	272	239
Non-City	0	0	0
<b>Total</b>	<b>286</b>	<b>272</b>	<b>239</b>

**AGENCY HIGHLIGHTS**

The Fiscal 2009 Preliminary Budget proposes \$16.2 million in City-tax levy funding for the Department of Consumer Affairs, a \$3.2 million decrease when compared to the Fiscal 2008 Adopted Budget. This net change reflects the City's cost-savings efforts. The State funding of \$117,180 is to conduct gasoline fuel pumps inspections.

## Fiscal 2009 Preliminary Budget Report

### UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The City Charter requires that U/As represent the amount appropriated for Personal Services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity, or institution.

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Modified as of 1/24/2008	Fiscal 2009 Preliminary Budget
001	Administration	\$1,993,762	\$1,993,762	\$2,012,463
002	Licensing/Enforcement	\$10,984,360	\$10,984,360	\$9,080,352
004	Adjudication	\$2,051,124	\$2,051,124	\$2,069,318
	<b>Total PS</b>	<b>\$15,029,246</b>	<b>\$15,029,246</b>	<b>\$13,162,133</b>
003	Other Than Personal Services	\$4,422,107	\$6,727,884	\$3,122,107
	<b>Total OTPS</b>	<b>\$4,422,107</b>	<b>\$6,727,884</b>	<b>\$3,122,107</b>
	<b>Total Agency</b>	<b>\$19,451,353</b>	<b>\$21,757,130</b>	<b>\$16,284,240</b>

### FUNDING ANALYSIS

The increase in funding for the administration and adjudication unit of appropriation reflects collective bargaining costs. The decrease in funding for the licensing/enforcement unit of appropriation reflects the City's cost-savings efforts in the hiring freeze and vacancy reduction program. The decrease in funding for the other than personal services unit of appropriation reflects the City's cost-savings efforts in reducing miscellaneous spending within the Office of Financial Empowerment. More details are given in the preliminary budget action analysis.

### PRELIMINARY BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as per October Plan</b>	<b>\$18,039</b>	<b>\$2,305</b>	<b>\$20,344</b>	<b>\$15,560</b>	<b>\$0</b>	<b>\$15,560</b>
<b>January Plan PEGs</b>						
Hiring Freeze and Vacancy Reduction Program	(\$120)	\$0	(\$120)	(\$759)	\$0	(\$759)
<b>Total PEGs</b>	<b>(\$120)</b>	<b>\$0</b>	<b>(\$120)</b>	<b>(\$759)</b>	<b>\$0</b>	<b>(\$759)</b>
<b>January Plan Other Adjustments</b>						
Collective Bargaining-CWA Local 1180	\$71	\$0	\$71	\$71	\$0	\$71
CEO Remote Tax Preparation Sites	\$372	\$0	\$372	\$0	\$0	\$0
Lease Adjustment	\$21	\$0	\$21	\$0	\$0	\$0
Heat, Light, and Power	(\$1)	\$0	(\$1)	\$0	\$0	\$0
Miscellaneous	\$0	\$3,718	\$3,718	\$0	\$1,412	\$1,412
<b>Total Other Adjustments</b>	<b>\$463</b>	<b>\$3,718</b>	<b>\$4,181</b>	<b>\$71</b>	<b>\$1,412</b>	<b>\$1,483</b>
<b>Total Preliminary Budget Changes</b>	<b>\$343</b>	<b>\$3,718</b>	<b>\$4,061</b>	<b>(\$688)</b>	<b>\$1,412</b>	<b>\$724</b>
<b>Agency Budget as per January Plan</b>	<b>\$18,382</b>	<b>\$3,718</b>	<b>\$22,100</b>	<b>\$14,872</b>	<b>\$1,412</b>	<b>\$16,284</b>

### Preliminary Budget Action Analysis

#### Programs to Eliminate the Gap (PEGs)

- **Hiring Freeze and Vacancy Reduction Program.** The Fiscal 2009 Preliminary Budget decreases the Department's budget by \$120,000 in Fiscal 2008 and \$758,000 in Fiscal 2009. This program reflects the City's cost savings effort through reducing staffing levels and maintaining staff vacancies as determined by the Department.

#### Other Adjustments

- **Collective Bargaining.** There is an adjustment for the CWA Local 1180 members of \$71,000 in Fiscal 2008 and the outyears for collective bargaining costs.

**BUSINESS INTEGRITY COMMISSION (829)**

**Agency Operations**

The Business Integrity Commission (BIC), a consolidation of the Trade Waste Commission and the Gambling Control Commission, is the regulatory body charged with licensing and overseeing the private carting industry, which includes over 100 commercial carters, the 200 plus businesses in the city’s seven public wholesale markets, and shipboard gambling, all of which have traditionally been susceptible to incursion by organized crime. BIC vets applicants wishing to operate in New York City and maintains regulatory oversight with the objective of ensuring the continuing honesty of its licensees.

**AGENCY FUNDING OVERVIEW**

<b>Agency Funding Sources</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>Fiscal 2008 Current Modified</b>	<b>Fiscal 2009 Preliminary Budget</b>
City	\$5,874,519	\$5,874,519	\$5,882,409
Other Categorical	\$0	\$0	\$0
Capital IFA	\$0	\$0	\$0
State	\$0	\$0	\$0
Community Development	\$0	\$0	\$0
Federal-Other	\$0	\$0	\$0
Intra-City	\$0	\$0	\$0
<b>Total</b>	<b>\$5,874,519</b>	<b>\$5,874,519</b>	<b>\$5,882,409</b>

**HEADCOUNT OVERVIEW**

<b>Headcount</b>	<b>Fiscal 2008 Adopted Budget</b>	<b>6/30/2008 Forecast</b>	<b>Fiscal 2009 Preliminary Budget</b>
City	66	68	67
Non-City	0	0	0
<b>Total</b>	<b>66</b>	<b>68</b>	<b>67</b>

**AGENCY HIGHLIGHTS**

The Fiscal 2009 Preliminary Budget proposes \$5.9 million in City-tax levy funding for the Business Integrity Commission, an \$8,000 increase when compared to the Fiscal 2008 Adopted Budget.

**UNITS OF APPROPRIATION**

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency’s spending plans. The City Charter requires that U/As represent the amount appropriated for Personal Services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity, or institution.

## Fiscal 2009 Preliminary Budget Report

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Modified as of 1/24/2008	Fiscal 2009 Preliminary Budget
001	Personal Services	\$4,206,297	\$4,206,297	\$4,214,187
002	Other Than Personal Services	\$1,668,222	\$1,668,222	\$1,668,222
	<b>Total Agency</b>	<b>\$5,874,519</b>	<b>\$5,874,519</b>	<b>\$5,882,409</b>

### FUNDING ANALYSIS

The increase in funding for the personal services unit f appropriation reflects collective bargaining costs.

### PRELIMINARY BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as per October Plan</b>	\$5,875	\$0	\$5,875	\$5,775	\$0	\$5,775
<b>January Plan PEGs</b>						
Hiring Freeze and Vacancy Reduction Program	(\$37)	\$0	(\$37)	(\$149)	\$0	(\$149)
<b>Total PEGs</b>	<b>(\$37)</b>	<b>\$0</b>	<b>(\$37)</b>	<b>(\$149)</b>	<b>\$0</b>	<b>(\$149)</b>
<b>January Plan New Needs</b>						
Additional Investigators & Legal Personnel	\$82	\$0	\$82	\$233	\$0	\$233
<b>Total New Needs</b>	<b>\$82</b>	<b>\$0</b>	<b>\$82</b>	<b>\$233</b>	<b>\$0</b>	<b>\$233</b>
<b>January Plan Other Adjustments</b>						
Collective Bargaining for CWA Local 1180	\$23	\$0	\$23	\$23	\$0	\$23
<b>Total Other Adjustments</b>	<b>\$23</b>	<b>\$0</b>	<b>\$23</b>	<b>\$23</b>	<b>\$0</b>	<b>\$23</b>
<b>Total Preliminary Budget Changes</b>	<b>\$68</b>	<b>\$0</b>	<b>\$68</b>	<b>\$107</b>	<b>\$0</b>	<b>\$107</b>
<b>Agency Budget as per January Plan</b>	<b>\$5,943</b>	<b>\$0</b>	<b>\$5,943</b>	<b>\$5,882</b>	<b>\$0</b>	<b>\$5,882</b>

### Preliminary Budget Action Analysis

#### Programs to Eliminate the Gap (PEGs)

- **Hiring Freeze and Vacancy Reduction Program.** The Fiscal 2009 Preliminary Budget decreases the Department's budget by \$36,000 in Fiscal 2008, \$148,000 in Fiscal 2009, \$174,000 in Fiscal 2010, and the outyears. This program reflects the City's cost savings effort through reducing staffing levels and maintaining staff vacancies as determined by the Commission.

#### New Needs

- **Additional Investigators and Legal Personnel.** The Fiscal 2009 Preliminary Budget increases the Commission's budget by \$82,000 in Fiscal 2008, and \$233,000 in Fiscal 2009 and the outyears for five additional positions to meet their investigation and legal personnel needs.

### **Other Adjustments**

- **Collective Bargaining.** There is an adjustment for the CWA Local 1180 members of \$23,000 in Fiscal 2008 and the outyears for collective bargaining costs.