



NOTE ON THE FISCAL 2022 EXECUTIVE BUDGET FOR THE
COMMITTEE ON CONSUMER AFFAIRS AND BUSINESS LICENSING

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Department of Consumer and Worker Protection Overview

This report presents a review of the Department of Consumer and Worker Protections (DCWP or the Department) Fiscal 2022 Executive Budget. The section below presents an overview of the Department's budget and how it has changed during Fiscal 2021, followed by a review of the significant budget actions introduced in the Fiscal 2021 Executive Budget.

For additional information on the DCWP's budget and its various programs, please refer to the Fiscal 2022 Preliminary Budget Report for the Department of Consumer Affairs at: <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2021/03/866-DCWP.pdf>

Below is a summary of DCWP's Financial Plan by program area, funding source and headcount compared to its Fiscal 2021 Adopted Budget.

Table 1: DCWP Financial Summary

<i>Dollars in Thousands</i>	FY19	FY20	FY21	Executive Plan		*Difference
	Actual	Actual	Adopted	FY21	FY22	FY21-FY22
Personal Service						
Adjudication	\$611	-	-	-	-	-
Administration	9,237	13,489	12,320	12,537	15,473	\$3,153
Licensing/Enforcement	17,701	14,619	16,065	14,418	15,151	(913)
Subtotal	\$27,549	\$28,108	28,385	26,959	30,624	\$2,239
Other Than Personal Services						
Contractual Services	\$927	\$1,112	\$1,747	\$8,694	\$1,795	\$48
Fixed & Misc. Charges	11	-	1	1	1	-
Other Services & Charges	13,237	11,301	12,385	6,779	12,884	499
Property & Equipment	142	362	119	462	119	-
Supplies & Materials	407	652	899	493	898	(1)
Subtotal	\$14,725	\$13,428	15,152	16,431	15,698	\$546
TOTAL	\$42,274	\$41,536	43,536	43,388	\$46,322	\$2,786
Funding						
City Funds	-	-	39,655	39,313	\$42,440	\$2,786
State	-	-	1,932	1,932	1,932	-
Intra City	-	-	1,950	2,142	1,950	-
TOTAL	\$42,274	\$41,536	\$43,536	\$43,388	\$46,322	\$2,786
Budgeted Headcount						
Adjudication	1	-	-	-	-	-
Administration	117	164	154	137	208	54
Licensing/Enforcement	287	226	256	240	240	(16)
TOTAL	405	390	410	377	448	38

*The difference of Fiscal 2021 Adopted Budget compared to Fiscal 2022 Executive Budget.

The Department of Consumer and Worker Protections' Fiscal 2022 Executive Budget totals \$46.3 million, including \$30.6 million in Personal Services (PS) funding to support 448 full-time (FT) positions. Approximately \$42.5 million, or 91.6 percent of DCWP's budget, is City tax-levy funding, with State and Intra-City funding sources representing the remainder of the Department's Fiscal 2022 Executive Budget. DCWP's Fiscal 2022 budget is \$2.7 million more than its Fiscal 2021 Adopted Budget of \$43.5 million. This increase is primarily associated with the additional new need of \$3 million to support 40 general vendor enforcement agents.

For additional information on budget actions since the Fiscal 2021 Adopted Budget, please refer to Appendix A.

Changes in the Executive Budget

New Needs

DCWP's Fiscal 2022 Executive Plan introduces additional funding of \$3 million to support 40 new general vendor enforcement staff. In January 2021, the Council passed a local law Int. No. 1116-B to expand the availability of food vendor permits, to create an office of street vendor enforcement, and to establish a street vendor advisory board. This additional funding is in response to the Council's Preliminary Budget request for additional staffing at the street vendor enforcement office.

Other Adjustments

The Executive Plan recognizes mainly City funding of \$315,000 in Fiscal 2021 and \$84,000 in Fiscal 2022 in Other Adjustments, which are as follows.

- **MS Enterprise Licensing Agreement Realignment.** DCWP's Fiscal 2021 budget includes \$312,000 for technology service contracts.
- **Lease Adjustment.** The Executive Plan includes baselined funding of \$80,000 beginning in Fiscal 2022 for increased lease expenditures at the Department's offices at 42 Broadway.
- **Collective Bargaining Adjustments.** The Executive Plan includes baselined funding of \$4,000 beginning in Fiscal 2021 in collective bargaining adjustments.

Cost Savings Program

The Department has not identified any savings in the Executive Financial Plan.

Miscellaneous Revenue

The Department's projected miscellaneous revenue streams for Fiscal 2022 total \$19.9 million, which is an increase of \$300,000 when compared to the Fiscal 2022 Preliminary Plan. Historically, the majority of DCWP revenue is generated from consent fees on sidewalk cafes, however the Fiscal 2022 Executive Plan does not recognize revenue from fees on sidewalk cafes in compliance with the legislation requiring the waiver of payments due as a response to COVID-19. Moreover, most enforcement activities were paused due to COVID-19 restrictions, and the subsequent prioritization of community outreach, resulting in fewer cases overall.

Of the total miscellaneous revenue projected in Fiscal 2022, \$9.3 million will come from licenses, \$6.4 million from consumer protection fines and \$1.8 million from youth tobacco enforcement fines.

For additional information regarding DCWP's miscellaneous revenue streams, please refer to Appendix B.

Contracts

The Department's Fiscal 2022 Executive Contract Budget totals \$1.7 million for six contracts, accounting for 11.4 percent of DCWP's Fiscal 2022 OTPS Budget. Contracts for General Contractual Services comprise the vast majority (approximately 95 percent) of DCWP's total Contract Budget for Fiscal 2022.

For additional information regarding DCWP's Contract Budget, please refer to Appendix C.

Appendix 1: Fiscal 2022 Budget Actions since Fiscal 2021 Adoption

<i>Dollars in Thousands</i>	Fiscal 2021			Fiscal 2022		
	City	Non-City	Total	City	Non-City	Total
DCWP Budget as of the Fiscal 2021 Adopted Budget	\$39,655	\$3,881	\$43,536	\$40,187	\$3,881	\$44,068
Other Adjustments						
City Funds - Adjustments	(\$144)	-	(\$144)	(\$6)	-	(\$6)
Intra-City Adjustments	-	\$192	\$192	-	-	-
Subtotal, Other Adjustments	(\$144)	\$192	\$48	(\$6)	-	(\$6)
Savings						
Hiring Freeze (November)	(\$118)	-	(\$118)	(\$157)	-	(\$157)
Hiring & Attrition Management (Prelim)	(509)	-	(509)	-	-	-
OTPS Savings (November)	-	-	-	(526)	-	(526)
Telecom Savings (November)	-	-	-	(224)	-	(224)
Subtotal , Savings	(\$627)	-	(\$627)	(\$907)	-	(\$907)
Total All Changes	(\$771)	\$192	(\$579)	(\$913)	-	(\$913)
DoITT Budget as of the Fiscal 2022 Preliminary Budget	\$38,884	\$4,073	\$42,957	\$39,274	\$3,881	\$43,155
New Needs - Fiscal 2022 Executive						
General Enforcement Vendor	\$115	-	\$115	\$3,082	-	\$3,082
Subtotal New Needs	\$115	-	\$115	\$3,082	-	\$3,082
Other Adjustments						
City Funds Adjustments	\$315	-	\$315	\$84	-	\$84
Intra-City Adjustments	-	1	1	84	1	1
Subtotal Other Adjustments		\$1	\$	\$	\$1	\$85
Total All Changes	\$430	\$1	\$ 431	\$	\$1	\$3,167
DoITT Budget as of the Fiscal 2022 Executive Plan	\$39,314	\$4,074	\$43,388	\$42,440	\$3,882	\$46,322

Appendix B: Fiscal 2022 Miscellaneous Revenue Streams

DCWP Miscellaneous Revenue					
Title	FY21	FY22	FY23	FY24	FY25
Consumer Protection Licenses	\$5,200	\$9,311	\$7,700	\$9,311	\$7,700
Bingo and Games of Chance	50	50	50	50	50
Weight/Measures Inspection Fees	500	801	743	801	743
Review/Consent Filing Fees	300	300	300	300	300
Photo ID & Exam Fees	123	187	123	187	123
Consumer Protection Fines	5,500	6,400	6,400	6,400	6,400
State Tobacco Program	350	800	800	800	800
Minor Sales	50	100	100	100	100
Youth Tobacco Enforcement	1,822	1,822	1,822	1,822	1,822
Gasoline Inspection	\$110	\$110	\$110	\$110	\$110
Total	\$14,005	\$19,881	\$18,148	\$19,881	\$18,148

Appendix C: Contract Budget as of Fiscal 2022 Executive Budget

DCWP Fiscal 2022 Executive Contract Budget						
<i>Dollars in Thousands</i>						
Category	Fiscal 2021 Adopted	# of Contracts	Fiscal 2022 Preliminary	# of Contracts	Fiscal 2022 Executive	# of Contracts
Contractual Services General	\$1659	1	\$1,707	1	\$1,708	1
Security Services	59	2	59	2	59	2
Temporary Services	20	1	20	1	20	1
Training Program for City Employees	6	1	6	1	6	1
Professional Svcs. Other	2	1	2	1	2	1
Total	\$1,747	6	\$1,795	6	\$1,795	6