



Legislation Text

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Int. No. 499-A

By Council Members Koslowitz, Kallos and Rivera

A Local Law to amend the administrative code of the city of New York, in relation to allowing corporations, partnerships and other business entities to obtain newsstand licenses; and to repeal section 20-241 of the administrative code of the city of New York

Be it enacted by the Council as follows:

Section 1. Subdivision f of section 20-228 of the administrative code of the city of New York, as added by local law 5 for the year 2013, is amended to read as follows:

f. Stoop line stand. A stand or booth operated on a sidewalk for the sale or display of the articles enumerated in subdivision b of section 20-233 of this subchapter, which shall be subject to the restrictions and requirements of sections 20-233 through [20-241] 20-241.1 of this subchapter.

§ 2. Section 20-228 of the administrative code of the city of New York is amended by adding a new subdivision g, to read as follows:

g. Dependent child. A child or stepchild who is financially dependent on a parent or guardian.

§ 3. Section 20-229 of the administrative code of the city of New York, as amended by local law 64 for the year 2003, is amended to read as follows:

§ 20-229 License required. a. No person shall [maintain or] operate a newsstand or newsstands unless licensed pursuant to this subchapter, and unless [the operation of the newsstand is his or her principal employment] such person has no other income, excluding investment income, which exceeds the income such person earns from the operation of the newsstand or newsstands; provided, however, that if such person is a corporation, partnership, limited liability company or other association, each shareholder of such corporation,

each partner of such partnership, each member of such limited liability company or each principal of such other association, respectively, shall have no other income, excluding investment income, which exceeds the income such shareholder, partner, member or principal earns from the operation of such newsstand or newsstands. No license shall be issued to [an individual] a person for the operation of a newsstand that is not a replacement newsstand and that has been constructed and installed by a franchisee pursuant to a franchise unless such operator has reimbursed such franchisee for the costs of construction and installation of such newsstand as determined by the department in accordance with paragraph two of subdivision c of section [20-241.1] 20-241 of the code.

b. 1. No person shall be issued more than two licenses to operate a newsstand pursuant to this subchapter.

2. For purposes of determining the number of licenses held by a person pursuant to paragraph 1 of this subdivision, the following provisions shall apply:

(a) A natural person shall be deemed to hold the license issued in the name of such natural person's dependent child, a partnership in which such natural person is a partner, a corporation in which such natural person is an officer, director or shareholder, or a limited liability company in which such natural person is a member, manager or officer.

(b) A corporation shall be deemed to hold the license issued in the name of:

(1) An officer, director or shareholder of such corporation;

(2) Another corporation where such corporation and such other corporation share a common officer, director or shareholder, or such corporation or any of its officers, directors or shareholders has any direct or indirect interest in such other corporation;

(3) A limited liability company where such corporation or any of its officers, directors or shareholders is a member, manager or officer of such limited liability company, or such corporation or any of its officers,

directors or shareholders has any direct or indirect interest in such limited liability company; or

(4) A partnership where such corporation or any of its officers, directors or shareholders is a partner in such partnership, or such corporation or any of its officers, directors or shareholders has any direct or indirect interest in such partnership.

(c) A limited liability company shall be deemed to hold the license issued in the name of:

(1) A member, manager or officer of such limited liability company;

(2) Another limited liability company where such limited liability company and such other limited liability company share a common member, manager or officer, or such limited liability company or any of its members, managers or officers has any direct or indirect interest in such other limited liability company;

(3) A corporation where such limited liability company or any of its members, managers or officers is an officer, director or shareholder in such corporation or such limited liability company or any of its members, managers or officers has any direct or indirect interest in such corporation; or

(4) A partnership where such limited liability company or any of its members, managers or officers is a partner in such partnership, or such limited liability company or any of its members, managers or officers has any direct or indirect interest in such partnership.

(d) A partnership shall be deemed to hold the license in the name of:

(1) A partner of such partnership;

(2) Another partnership where such partnership is a partner in such other partnership, such partnership and such other partnership share a common partner, or such partnership or any of its partners has any direct or indirect interest in such other partnership;

(3) A corporation where such partnership or any of its partners is an officer, director or shareholder in such corporation, or such partnership or any of its partners has any direct or indirect interest in such corporation; or

(4) A limited liability company where such partnership or any of its partners is a member, manager or officer in such limited liability company, or such partnership or any of its partners has any direct or indirect interest in such limited liability company.

c. No person applying for or holding a newsstand license shall rent or attempt to rent the newsstand to another person.

§ 4. Section 20-232 of the administrative code of the city of New York, as amended by local law 80 for the year 2021, is amended to read as follows:

§ 20-232 Revocation. In addition to any other basis for [revoking] revocation, a newsstand license may be revoked upon a finding by the commissioner that the location listed in such license was not utilized for a period of two consecutive months or more [or], that the newsstand licensee is not using the stand primarily for the sale of newspapers and periodicals, or that the newsstand licensee rented or attempted to rent the newsstand to another person. If the commissioner chooses to exercise such power of revocation, the commissioner shall first notify the licensee of an anticipated revocation in writing and afford the licensee thirty days from the date of such notification to correct the condition. The commissioner shall notify the licensee of such thirty-day period in writing. If the licensee proves to the satisfaction of the commissioner that the condition has been corrected within such thirty-day period, the commissioner shall not revoke such license. The commissioner shall permit such proof to be submitted to the commissioner electronically or in person. The licensee may seek review by the commissioner of the determination that the licensee has not submitted such proof within fifteen days of receiving written notification of such determination.

§ 5. Section 20-241 of the administrative code of the city of New York is REPEALED and section 20-241.1 of such code is renumbered section 20-241.

§ 6. Section 20-241.2 of the administrative code of the city of New York is renumbered section 20-241.1.

§ 7. The department shall mail the following information to each newsstand licensee prior to their next

license renewal: (i) an explanation of the process by which such licensee may convert their newsstand license to one held by a corporation, partnership, limited liability company or other association, including the requirements of sections 20-110 and 20-111 of this code; and (ii) the requirements of licensees to engage in business as a retail dealer, pursuant to subchapter 1 of this chapter, and as an electronic cigarette retail dealer, pursuant to subchapter 35 of this chapter, that would be imposed on such licensee as a result of holding each such license as a corporation, partnership, limited liability company or other association.

§ 8. This local law takes effect 120 days after it becomes law, except that section 7 of this local law takes effect immediately.

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