



New York City Council

Hon. Adrienne Adams, Speaker of the Council

Hon. Menin, Chair, Consumer and Worker Protection Committee

**Report on the Fiscal 2026 Preliminary Plan,
the Fiscal 2026 Preliminary Capital Commitment Plan and the Fiscal 2025 Preliminary Mayor's Management Report for
the Department of Consumer and Worker Protection**

Tanisha S. Edwards, Chief Financial Officer and Deputy Chief of Staff

Richard Lee, Director

Jonathan Rosenberg, Managing Deputy Director

Chima Obichere, Deputy Director

Eisha Wright, Deputy Director

Paul Scimone, Deputy Director

Elizabeth Hoffman, Assistant Director

Prepared By: Glenn Martelloni, Financial Analyst

Jack Storey, Unit Head

Fiscal 2026 Preliminary Plan

FY25 FY26

**\$2.4
million
since
Adopt.**



**\$386,000
since
Nov.**



**\$5.1
million
since
Adopt.**



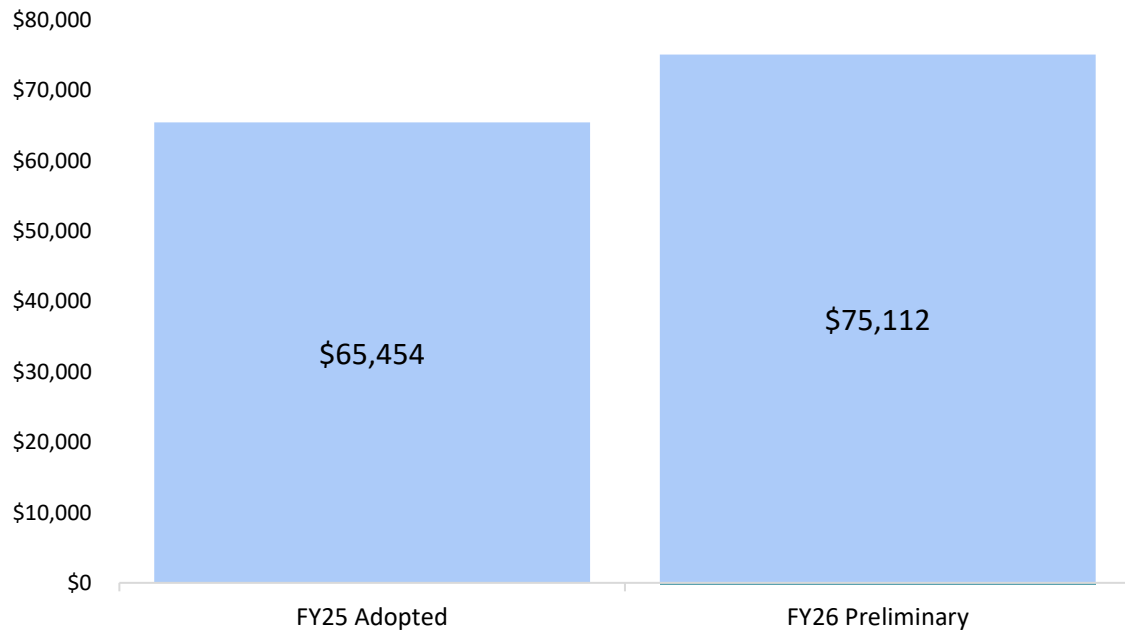
**\$5.1
million
since
Nov.**



Department of Consumer and Worker Protection Budget Overview

The Preliminary Financial Plan for Fiscal 2025-2029 (Preliminary Plan), includes a proposed Fiscal 2026 budget of \$75.1 million for the Department of Consumer and Worker Protection (DCWP or the Department). DCWP's Fiscal 2026 budget in the Preliminary Plan is \$5.1 million (6.7 percent) greater than its \$70.0 million Fiscal 2026 budget in the November Financial Plan. The Fiscal 2026 Preliminary Budget is \$9.7 million greater than the Fiscal 2025 Adopted Budget.

Difference between FY25 Adopted and FY26 Preliminary



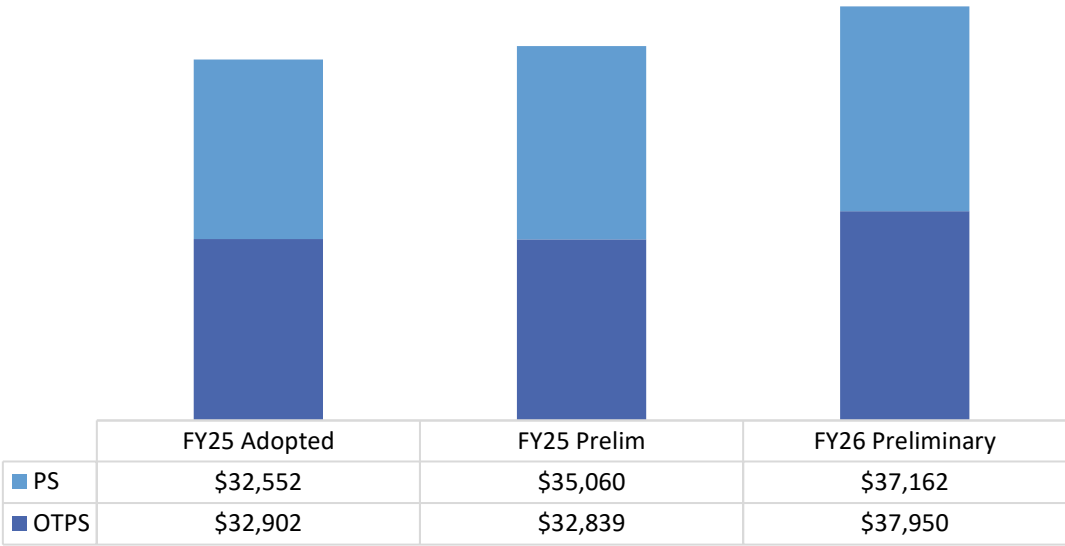
Dollars in Thousands

Source: New York City Office of Management and Budget

PS and OTPS:

PS:
\$37.2 million

OTPS:
\$38.0 million



Dollars in Thousands
Source: New York City Office of Management and Budget

Agency
Financial
Summary

Dollars in Thousands	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26 - FY25
Budget by Program Area						
Administration	\$15,846	\$16,923	\$17,223	\$17,223	\$17,600	\$377
Licensing/Enforcement	16,361	17,142	15,329	17,837	19,562	4,233
Other Than Personal Services	35,699	33,840	32,902	32,839	37,950	5,048
TOTAL	\$67,906	\$67,905	\$65,454	\$67,899	\$75,112	\$9,658
Funding						
City Funds			\$59,796	\$62,240	\$69,403	\$9,607
State			1,932	1,932	1,932	0
Intra-city			3,727	3,727	3,777	51
TOTAL	\$67,906	\$67,905	\$65,454	\$67,899	\$75,112	\$9,658
Budgeted Headcount						
Administration	180	167	176	212	176	0
Licensing/Enforcement	231	233	278	259	299	21
TOTAL	411	400	454	471	475	21

*The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.
Source: New York City Office of Management and Budget

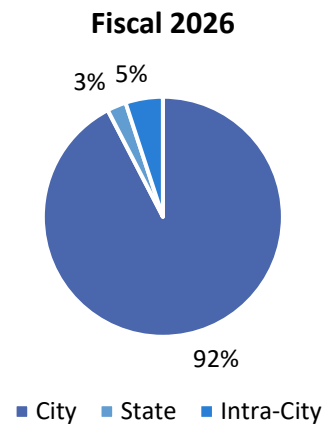
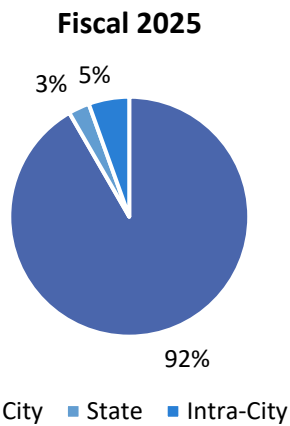
Agency
Contract
Budget:

FY26 Contract
Budget:
\$26.9 million

Number of
Contracts in
FY26: 25

Dollars in Thousands				
Category	FY25 Adopted	Number of Contracts	FY26 Preliminary	Number of Contracts
Contractual Services - General	\$22,127	1	\$26,505	23
Security Services	360	2	360	1
Temporary Services	20	1	0	0
Cleaning Services	62	1	0	0
Training Program for City Employees	11	1	6	1
Professional Services Other	2	1	0	0
TOTAL	\$22,582	7	\$26,871	25

Agency Budget by Funding Source



Source: New York City Office of Management and Budget

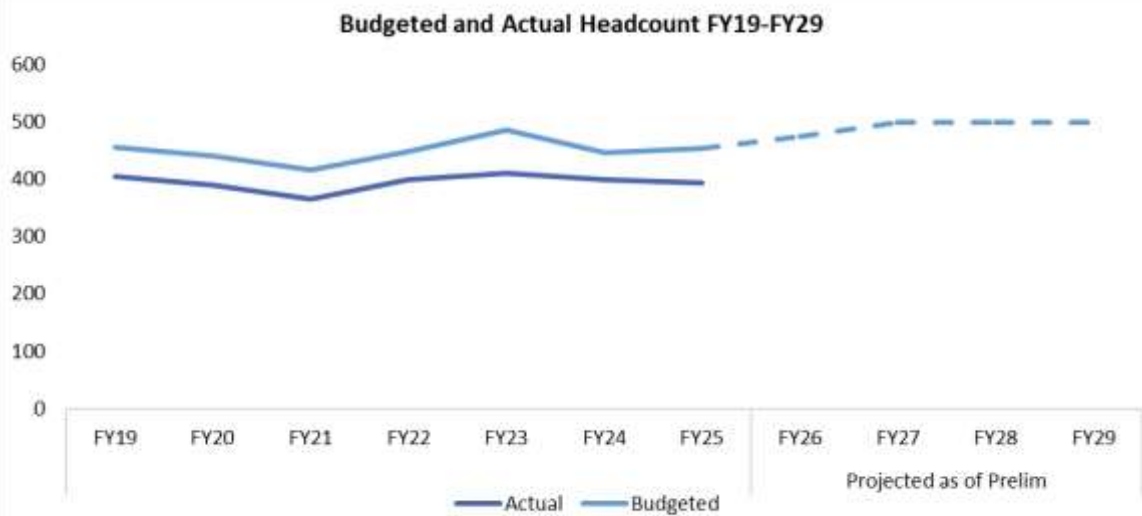
Budgeted Headcount:

FY26 full-time positions 475

FY25 full-time positions 454

Actual Headcount as of January: 394

Vacancies as of January: 60



Source: New York City Office of Management and Budget

Note: Budgeted and actual headcounts are as of the end of the fiscal year, except for FY26 where budgeted headcount is as of the Preliminary Plan and actual headcount is as of January 2025.

Preliminary Plan Changes

FY25 = \$386

New Needs = \$386

Other Adjustments = \$0

Savings = \$0

FY26 = \$5,063

New Needs = \$5,063

Other Adjustments = \$0

Savings = \$0

FY27 = \$5,603

New Needs = \$5,063

Other Adjustments = \$0

Savings = \$0

FY28 = \$8,628

New Needs = \$8,628

Other Adjustments = \$0

Savings = \$0

FY29 = \$9,123

New Needs = \$9,123

Other Adjustments = \$0

Savings = \$0

Dollars in Thousands

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

<p>FY26</p> <p>Changes in Preliminary Plan:</p> <p>Total: \$5.1 million</p> <p>New Needs: \$5.1 million</p> <p>Other Adjustments: \$0</p>	<p>Significant Preliminary Plan Changes</p> <p>New Needs</p> <ul style="list-style-type: none"> • Broker Fees and Hotel Licensing. The Preliminary Plan includes an additional \$277,290 in Fiscal 2025 and a baselined increase of \$711,000 starting in Fiscal 2026 for costs associated with 11 additional headcount positions for broker fees and hotel licensing enforcement. These positions include two inspectors, two attorneys, two assistants, four associates and one administrative associate. Seven positions are for enforcement, while four are for licensing. DCWP has begun engaging with stakeholders and holding public hearings on the implementation of the new Hotel Licensing law. DCWP expects to generate fee-based revenue from the law and the additional headcount provides the effectiveness to provide the revenue generation. • Financial Empowerment for All. The Preliminary Plan includes an additional \$108,684 in Fiscal 2025 and \$4.4 million in Fiscal 2026 and in the outyears for the Office of Empowerment (OFE). OFE assists low-income New Yorkers by providing financial education and counselling. The allocated funding increases headcount by six in Fiscal 2025 for two analysts, one photographer, one officer, one research assistant, and one attorney, and baselines ten total positions starting in Fiscal 2026. The additional headcount in Fiscal 2026 includes two analysts and two computer specialists. The increase in funding will also provide for the implementation of the Youth Financial Empowerment Initiative, which will launch in the winter of 2026 in 15 local communities. By 2029 it will expand to reach 34 council districts.
<p>Preliminary Mayor's Management Report</p>	<p>The Fiscal 2025 Preliminary Mayor's Management Report (PMMR) reports on four service areas and eight goals for DCWP. DCWP's service areas include: 1) Protecting and advocating for consumers and ensuring businesses comply with applicable laws and regulations; 2) Assisting and educating businesses about their contributions towards a fair marketplace for all; 3) Educating and empowering New Yorkers with low incomes; and 4) Protecting and advocating for workers. Noteworthy metrics are detailed below.</p> <ul style="list-style-type: none"> • Inspections – DCWP conducted 20,068 inspections in the first four months of Fiscal 2025, this is a 43 percent increase when compared to the same period of Fiscal 2024. Between Fiscal 2024 and 2025 licensed business category inspections increased by 158 percent while non-licensed business category inspections decreased by 30 percent. The decrease in non-licensed business inspections is due to a redirection of resources to tobacco and other license category enforcement. Tobacco-related inspections more than doubled due to the re-prioritized efforts. • Consumer Restitution – In the first four months of Fiscal 2024, DCWP was able to secure \$249,900 in restitution for consumers increasing to \$1,017,058 in the same period in Fiscal 2025. This more than 300 percent increase is attributable to an increase in mediations resolved in Fiscal 2025. • Minor Tobacco Compliance – The compliance rate of restricting sales of tobacco products to minors increased by nine percent in the first four months of Fiscal 2025 when compared to Fiscal 2024. The compliance rate is now 95 percent, which is higher than any year in recent history. This can be attributed to an increase in enforcement as well as educational efforts.

- **Application Submissions**– The percent of license applications submitted via the new online license application portal, which was released in Fiscal 2024, increased by 18 percent between the first four months of Fiscal 2024, when the Department received 41 percent of their applications online, to 59 percent in the same time frame in Fiscal 2025. This is attributed to the convenience and ease of use of the new portal.

Budget Issues and Concerns

- **Protect and Advocate for Workers** – DCWP received 312 complaints in the first four months of Fiscal 2024 increasing to 408 in Fiscal 2025 during the same period. However, the number of investigations DCWP opened decreased from 167 to 138 during the same periods and the median days to assess complaints nearly tripled from 28 to 72 days. DCWP protects and advocates for workers by resolving issues lodged against companies for violations of consumer and workers’ rights laws. The increase in the number of complaints coupled with the increase in the days to assess complaints by DCWP is concerning as it is indicative of either a lack of adequate staffing or a reduction in the effectiveness of DCWP’s efforts.
- **Vacancy Rates** – The Department of Consumer and Worker Protection currently has a 13.2 percent vacancy rate. The vacancy rate is above the average for New York City agencies. DCWP is an enforcement and licensing agency whose mandate is to protect New York City’s workers and consumers; this high vacancy rate can negatively affect the agency's ability to do its job.

Budget Actions in the November and Preliminary Plans

<i>Dollars in Thousands</i>	FY25			FY26		
	City	Non-City	Total	City	Non-City	Total
DCWP Budget as of the Adopted FY25 Plan	\$59,796	\$5,657	\$65,453	\$64,340	\$5,708	\$70,048
Changes Introduced in the November 2024 Plan						
New Needs						
	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal, New Needs	\$0	\$0	\$0	\$0	\$0	\$0
Other Adjustments						
City Service Corps	(\$46)	\$0	(\$46)	\$0	\$0	\$0
PS Adjustment	2,104	0	2,104	0	0	0
Subtotal, Other Adjustments	\$2,058	\$0	\$2,058	\$0	\$0	\$0
Savings						
	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal, Savings	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, All Changes in November 2024 Plan	\$2,058	\$0	\$2,058	\$0	\$0	\$0
DCWP Budget as of the November 2024 Plan	\$61,854	\$5,657	\$67,511	\$64,340	\$5,708	\$70,048
Changes Introduced in the FY26 Preliminary Plan						
New Needs						
Broker Fees and Hotel Licensing	\$277	\$0	\$277	\$711	\$0	\$711
Financial Empowerment for All	109	0	109	4,352	0	4,352
Subtotal, New Needs	\$386	\$0	\$386	\$5,063	\$0	\$5,063
Other Adjustments						
	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal, Other Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
Savings						
	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal, Savings	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, All Changes in the FY26 Preliminary Plan	\$386	\$0	\$386	\$5,063	\$0	\$5,063
DCWP Budget as of the FY26 Preliminary Plan	\$62,240	\$5,657	\$67,898	\$69,403	\$5,708	\$75,112

Source: New York City Office of Management and Budget

Units of Appropriation (U/A)

Administration						
<i>Dollars in Thousands</i>						
	FY23 Actual	FY24 Actual	FY25 Adopted	Preliminary Plan		*Difference
				FY25	FY26	FY26-FY25
Spending						
Personal Services						
Additional Gross Pay	\$349	\$384	\$0	\$0	\$0	\$0
Additional Gross Pay - Labor Reserve	276	260	0	0	0	0
Full-Time Salaried - Civilian	15,085	16,130	17,063	17,063	17,552	489
Overtime - Civilian	37	33	142	142	28	(114)
P.S. Other	1	1	0	0	0	0
Unsalaries	98	115	19	19	21	2
Subtotal	\$15,846	\$16,923	\$17,223	\$17,223	\$17,600	\$377
TOTAL	\$15,846	\$16,923	\$17,223	\$17,223	\$17,600	\$377
Funding						
City Funds			17,223	17,223	17,600	\$377
TOTAL	\$15,846	\$16,923	\$17,223	\$17,223	\$17,600	\$377
Budgeted Headcount						
Full-Time Positions - Civilian	180	167	176	212	176	0
TOTAL	180	167	176	212	176	0

*The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.

Source: New York City Office of Management and Budget

Licensing/Enforcement						
<i>Dollars in Thousands</i>						
	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Spending						
Personal Services						
Additional Gross Pay	\$264	\$316	\$46	\$46	\$46	\$0
Additional Gross Pay - Labor Reserve	540	156	0	0	0	0
Fringe Benefits	0	0	523	523	523	0
Full-Time Salaried - Civilian	15,449	16,637	14,673	17,181	18,906	4,233
Full-Time Salaried - Uniformed	15	0	0	0	0	0
Overtime - Civilian	83	33	87	87	87	0
Unsalaries	10	0	0	0	0	0
Subtotal	\$16,361	\$17,142	\$15,329	\$17,837	\$19,562	\$4,233
TOTAL	\$16,361	\$17,142	\$15,329	\$17,837	\$19,562	\$4,233
Funding						
City Funds			\$10,311	\$12,801	\$14,492	\$4,182
State			1,729	1,747	1,729	0
Intra City			3,289	3,289	3,340	51
TOTAL	\$16,361	\$17,142	\$15,329	\$17,837	\$19,562	\$4,233
Budgeted Headcount						
Full-Time Positions - Civilian	231	233	278	259	299	21
TOTAL	231	233	278	259	299	21

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget

Other Than Personal Services						
<i>Dollars in Thousands</i>						
	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Spending						
Other Than Personal Services						
Contractual Services	\$12,328	\$11,491	\$22,580	\$10,809	\$26,871	\$4,291
Contractual Services - Professional Services	15,007	15,084	2	12,700	0	(2)
Fixed & Misc. Charges	9	1	11	1	11	0
Other Services & Charges	6,391	6,251	9,779	7,520	9,983	204
Property & Equipment	655	208	136	433	187	51
Supplies & Materials	1,310	807	395	1,376	899	504
Subtotal	\$35,699	\$33,840	\$32,902	\$32,839	\$37,950	\$5,048
TOTAL	\$35,699	\$33,840	\$32,902	\$32,839	\$37,950	\$5,048
Funding						
City Funds			\$32,262	\$32,216	\$37,310	\$5,048
State			202	185	202	0
Intra City			437	437	437	0
TOTAL	\$35,699	\$33,840	\$32,902	\$32,839	\$37,950	\$5,048

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.
Source: New York City Office of Management and Budget*

Miscellaneous Revenue

- The Preliminary Plan includes approximately \$18.5 million of DCWP miscellaneous revenue in Fiscal 2026, \$1.3 million greater than the Fiscal 2025 budget at Adoption.
- The increase is attributable to an additional \$1.2 million of revenue from consumer protection licenses, which are budgeted at \$6.8 million in Fiscal 2026.
- DCWP reported higher actual revenue receipts than was anticipated in Fiscal 2024. Consumer Protection fines were the agencies largest miscellaneous revenue source, increasing by \$1.1 million from Fiscal 2023.

<i>Dollars in Thousands</i>						
Revenue Sources	FY23	FY24	FY25	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26-FY25
Consumer Protection Licenses	\$6,154	\$5,134	\$5,600	\$5,600	\$6,800	\$1,200
Fees on Sidewalk Cafes	0	0	0	2,104	0	0
Bingo and Games of Chance	28	38	50	50	50	0
Weights and Measures Inspection Fee	514	553	743	743	801	58
Photo ID and Exam Fees	110	109	123	123	187	64
Consumer Protection Fines	12,718	13,809	9,750	9,750	9,750	0
State Tobacco Program	2,230	1,426	800	800	800	0
Minor Sales	31	24	100	100	100	0
TOTAL	\$21,785	\$21,093	\$17,166	\$19,270	\$18,488	\$1,322

**The difference of Fiscal 2026 Preliminary Budget compared to Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget