

Fiscal Impact Statement Prepared By New York City Mayor's Office of Management and Budget



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Disclaimer: This fiscal impact statement is a preliminary estimate and subject to change based upon further data analysis or changes in bill text. This legislation is summarized as understood by the administration as of the date this statement was prepared and does not include or consider subsequent text changes. This fiscal impact statement is not legally binding on the administration. "Total" columns represent the respective sum over a four-year period; note that fiscal impacts continue after year four. Unless otherwise stated, information used in the preparation of this Fiscal Impact Statement is sourced from the agencies impacted and the NYC Mayor's Office of Management and Budget.

Proposed Intro No. / Title: *Int 1132 / In relation to geographically targeted regulatory compliance services for small businesses*

Committee: Committee on Small Business

Sponsors: Feliz, Williams

Summary of Legislation: This bill would require the Department of Small Business Services (SBS), together with the Office for Administrative Trials and Hearings (OATH) to determine, on an annual basis, the most common types of regulatory violations issued to businesses in each Community District. SBS would also be required to develop specially tailored regulatory compliance services for small businesses in each Community District, and to annually report on its findings, programming, and recommendations in relation to geographic trends in regulatory compliance challenges.

Effective Date: 180 days after enactment

First Fiscal Year Legislation Takes Effect: Fiscal Year 2026

First Fiscal Year with Full Impact: Fiscal Year 2026

Agencies Impacted: Department of Small Business Services, Office of Administrative Trials and Hearings

Fiscal Impact Analysis

A. Total Impact (Expense and Revenue)

| | Fiscal Year 1 | Fiscal Year 2 | Fiscal Year 3 | Fiscal Year 4 | Total |
|---------|---------------|---------------|---------------|---------------|---------------|
| Expense | (\$1,600,000) | (\$1,600,000) | (\$1,600,000) | (\$1,600,000) | (\$6,400,000) |
| Revenue | 0 | 0 | 0 | 0 | 0 |
| Total | (\$1,600,000) | (\$1,600,000) | (\$1,600,000) | (\$1,600,000) | (\$6,400,000) |

Date Prepared:

January 27, 2025

B. Expense

| | Fiscal Year 1 | Fiscal Year 2 | Fiscal Year 3 | Fiscal Year 4 | Total |
|--------------|----------------------|----------------------|----------------------|----------------------|---------------|
| Expenditures | (\$1,600,000) | (\$1,600,000) | (\$1,600,000) | (\$1,600,000) | (\$6,400,000) |

Impact on Expenditures (Expense):

It is anticipated that SBS would require \$1,500,000 in annual Personnel Services (PS) resources for 20 staff (at an average salary of \$75,000) to establish a regulatory compliance infrastructure dedicated to analyzing over 600,000 summonses issued every year to determine which are issued to business and to aggregate based on geographic location. The required staff would include a mix of data analysts, administrative support staff, supervisors, and IT support.

Additionally, it is anticipated SBS would require \$5,000 per staff in annual Other Than Personnel Services (OTPS) resources for administrative costs.

C. Revenue

| | Fiscal Year 1 | Fiscal Year 2 | Fiscal Year 3 | Fiscal Year 4 | Total |
|---------|----------------------|----------------------|----------------------|----------------------|--------------|
| Revenue | 0 | 0 | 0 | 0 | 0 |

Impact on Revenue:

There is no anticipated impact on revenue.

D. Capital

| | Fiscal Year 1 | Fiscal Year 2 | Fiscal Year 3 | Fiscal Year 4 | Total |
|--------------|----------------------|----------------------|----------------------|----------------------|--------------|
| Expenditures | 0 | 0 | 0 | 0 | 0 |

Impact on Expenditures (Capital):

There is no anticipated impact on capital expenditures.