

# The Council of the City of New York

Hon. Melissa Mark-Viverito  
Speaker of the Council

Hon. Julissa Ferreras  
Chair, Committee on Finance

Hon. Ben Kallos  
Chair, Committee on Governmental  
Operations



Latonia McKinney, Acting Director

John Russell, Unit Head

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## Report on the Fiscal Year 2015 Executive Budget for the Office of Administrative Trials and Hearings May 30, 2014

### Executive Budget Highlights

- **OATH Fiscal 2015 Budget.** OATH's proposed Fiscal 2015 Expense Budget totals \$35.3 million to fund the four tribunals that make up OATH. Personal Services funding totals \$27.5 million and provides for 250 full-time positions.
- **Administrative Tribunal Fine Revenues.** OATH generates revenues for the City through the collection of fines issued by the tribunals for various violations. Revenues totaled \$135.7 million in Fiscal 2013.

<i>In Thousands</i>	<b>Actual</b>			<b>Planned</b>	
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
ECB Fines	\$87,174	\$94,888	\$87,173	\$89,805	\$89,260
DOHMH Fines	45,631	53,639	41,548	36,350	30,000
TLC Fines	10,416	11,270	6,995	6,300	7,471
<b>TOTAL</b>	<b>\$143,221</b>	<b>\$159,797</b>	<b>\$135,716</b>	<b>\$132,455</b>	<b>\$126,731</b>

- **Decrease in Projected Revenue for Restaurant Fines.** The 2015 Financial Plan includes a decrease of \$15 million in DOHMH projected revenue, due in large part to the Council's efforts to reform the City's restaurant grading system. In October 2013, the Council passed legislation that improved the oversight and performance of the restaurant inspection system. On March 21, 2014, Speaker Melissa Mark-Viverito and the Health Department announced new restaurant grading rules designed to reduce fines and provide additional educational resources to help restaurants maintain high health standards throughout New York City.
- **ECB Outstanding Debt.** Uncollected Environmental Control Board fines total hundreds of millions. Both the Law Department and the Department of Finance are charged with recovering this outstanding debt. The Law Department targets the biggest violators and the Department of Finance pursues the debt through the use of a collection agency.

## Office of Administrative Trials and Hearings Overview

This report provides an overview of the Office of Administrative Trials and Hearings' Fiscal 2015 Budget, and a review of initiatives included in the Executive Budget. Appendix 1 reports the changes made to the Fiscal 2014 and Fiscal 2015 budgets since adoption of the Fiscal 2014 Budget.

### OATH Financial Summary

<i>Dollars in Thousands</i>	FY12 Actual	FY13 Actual	FY14 Adopted	FY14 as of FY15 Exec. Budget	FY15 Exec. Budget	*Change FY14 - FY15
<b>Spending</b>						
<b>Personal Services</b>	<b>\$24,348</b>	<b>\$24,130</b>	<b>\$27,505</b>	<b>\$27,505</b>	<b>\$27,505</b>	<b>\$0</b>
Full-Time Salaried – Civilian	13,918	14,594	15,526	15,526	15,526	0
Other Salaried & Unsalaries	9,843	8,897	11,434	11,434	11,434	0
Additional Gross Pay	527	600	505	505	505	0
Overtime - Civilian	60	39	40	40	40	0
<b>Other Than Personal Services</b>	<b>\$6,116</b>	<b>\$6,595</b>	<b>\$7,507</b>	<b>\$7,718</b>	<b>\$7,819</b>	<b>\$312</b>
Supplies and Materials	1,557	1,357	1,780	1,453	1,762	(18)
Property and Equipment	513	745	561	482	562	1
Other Services and Charges	2,257	\$2,465	3,104	3,178	3,415	310
Contractual Services	1,773	\$2,022	2,061	2,605	2,081	19
Fixed and Misc. Charges	15	6	0	1	0	0
<b>Total</b>	<b>\$30,464</b>	<b>\$30,725</b>	<b>\$35,012</b>	<b>\$35,223</b>	<b>\$35,324</b>	<b>\$312</b>
<b>Funding</b>						
City Funds			\$35,012	\$35,223	\$35,324	\$312
<b>Total</b>	<b>\$30,464</b>	<b>\$30,725</b>	<b>\$35,012</b>	<b>\$35,223</b>	<b>\$35,324</b>	<b>\$312</b>
<b>Budgeted Headcount</b>						
<b>Full-Time Positions - Civilian</b>	<b>238</b>	<b>248</b>	<b>248</b>	<b>250</b>	<b>250</b>	<b>2</b>

\*Change from Fiscal 2014 Adopted to Fiscal 2015 Executive Budget.

The Executive Budget for OATH includes \$35.3 million for Fiscal 2015. Personal Services funding comprises approximately 78 percent of the agency's total Fiscal 2015 budget and provides for 248 full-time positions. OATH's Contract Budget totals \$2.1 million for 19 contracts and accounts for 27 percent of the agency's total OTPS budget.

## Tribunals

The chart below summarizes the Fiscal 2015 budgets of the four administrative tribunals.

**FY 2015 Executive Budget**

<i>In Thousands</i>	<b>PS</b>	<b>OTPS</b>	<b>Total</b>	<b>Headcount</b>
OATH	\$4,054	\$2,121	<b>\$6,175</b>	47
DOHMH Health	4,800	459	<b>5,259</b>	48
TLC	2,859	198	<b>3,057</b>	26
ECB	15,792	5,041	<b>20,833</b>	129
<b>Total</b>	<b>\$27,505</b>	<b>\$7,819</b>	<b>\$35,324</b>	<b>250</b>

### **OATH Tribunal**

The OATH Tribunal conducts disciplinary, disability, and adjudicatory hearings for City agencies. Hearings conducted by the OATH tribunal include: disciplinary cases brought by City agencies against civil service employees; matters pertaining to licensing, regulatory and enforcement authority, including cases involving City contractors; holders of various City licenses and loft tenants and their landlords; and hearings conducted after the New York City Police Department (NYPD) seizes vehicles of drivers accused of crimes.

### **DOHMH Health Tribunal**

The OATH Health Tribunal provides hearings for individuals and businesses charged with violating laws relating to or affecting health within New York City. The OATH Health Tribunal does not issue Notices of Violation (NOVs) and does not conduct inspections. The Tribunal schedules about 65,000 cases each year. Most of the cases involve public health and environmental sanitation, with the largest number of cases coming from inspections of food service establishments.

### **Taxi and Limousine Commission (TLC) Tribunal**

The TLC Tribunal is responsible for holding hearings on tickets that are issued by the TLC, NYPD and the Port Authority of NY/NJ. These tickets are issued to TLC licensees and non-licensees for violations of NYC laws and TLC rules and regulations. The TLC Tribunal is not a part of the TLC. Tribunal judges do not work for the TLC and are independent, impartial decision-makers.

### **Environmental Control Board (ECB)**

ECB is the City's largest tribunal, and holds 200,000 hearings annually on quality of life and public safety charges that are filed by 13 different agencies, including the Department of Buildings, the Fire Department, the Department of Environmental Protection and the Department of Sanitation.

## Appendix 1: OATH Budget Actions since Fiscal 2014 Adoption

<i>Dollars in Thousands</i>	FY 2014			FY 2015		
	City	Non-City	Total	City	Non-City	Total
<b>OATH Adopted Fiscal 2014 Budget</b>	<b>\$35,012</b>	<b>\$0</b>	<b>\$35,012</b>	<b>\$35,014</b>	<b>\$0</b>	<b>\$35,014</b>
<b>Other Adjustments</b>						
Additional Phone Lines	\$142	\$0	\$142	\$143	\$0	\$143
Heat, Light and Power Adjustment	69	0	69	61	0	61
Lease Adjustment	0	0	0	106	0	106
<b>Total All Changes</b>	<b>\$211</b>	<b>\$0</b>	<b>\$211</b>	<b>\$310</b>	<b>\$0</b>	<b>\$310</b>
<b>OATH Executive Fiscal 2015 Budget</b>	<b>\$35,223</b>	<b>\$0</b>	<b>\$35,223</b>	<b>\$35,324</b>	<b>\$0</b>	<b>\$35,324</b>