

**New York City Council**  
**Hon. Julie Menin, Speaker of the Council**  
**Hon. Linda Lee, Chair, Finance Committee**  
**Hon. Harvey Epstein, Chair, Consumer and Worker Protection Committee**

**Report on the Fiscal 2027 Preliminary Plan,  
the Fiscal 2027 Preliminary Capital Commitment Plan, and the Fiscal 2026  
Preliminary Mayor’s Management Report for the Committee on Consumer  
and Worker Protection**

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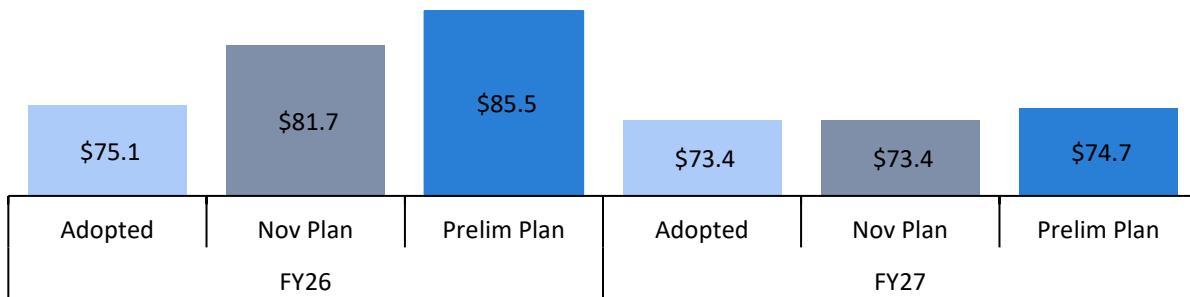
## **Fiscal 2027 Preliminary Plan**

### *Department of Consumer and Worker Protection Budget Overview*

The Department of Consumer and Worker Protection (DCWP or the Department) is responsible for protecting the economic interests of both consumers and workers throughout the City. The Department of Consumer and Worker Protection leverages its authority to bring New Yorkers real economic relief and protect them from predatory, deceptive, and unfair practices that violate their consumer and workers’ rights. This includes pioneering cutting-edge protections, such as the City’s Consumer Protection Law, Protected Time Off Law, Fair Workweek Law, and Delivery Worker Laws, including the Minimum Pay Rate for delivery workers. Through licensing more than 45,000 businesses in over 45 industries, DCWP ensures fair competition and a level playing field for responsible small businesses. The Department has seen several changes to its budget since the release of the Fiscal 2026 Adopted Plan in June 2025, driven by increased spending in Fiscal 2026 on a student loan assistance program.

The Preliminary Financial Plan for Fiscal 2026-2030 (Preliminary Plan) includes a proposed Fiscal 2027 budget of \$74.7 million for DCWP, which is \$1.3 million (1.8 percent) more than its \$73.4 million Fiscal 2027 budget in the November Plan. DCWP’s \$85.5 million Fiscal 2026 budget in the Preliminary Plan is \$3.9 million (4.8 percent) more than its \$81.7 million Fiscal 2026 budget in the November Plan. The current Fiscal 2027 budget is \$330,568 less than the \$75.1 million Fiscal 2026 budget at adoption. The difference reflects lower Other Than Personal Services (OTPS) spending (including the absence of one-year Council discretionary funding), partially offset by new spending on Personal Services (PS).

### Comparison of the Last Three Financial Plans



Dollars in Millions

Source: New York City Office of Management and Budget

## DCWP Financial Summary

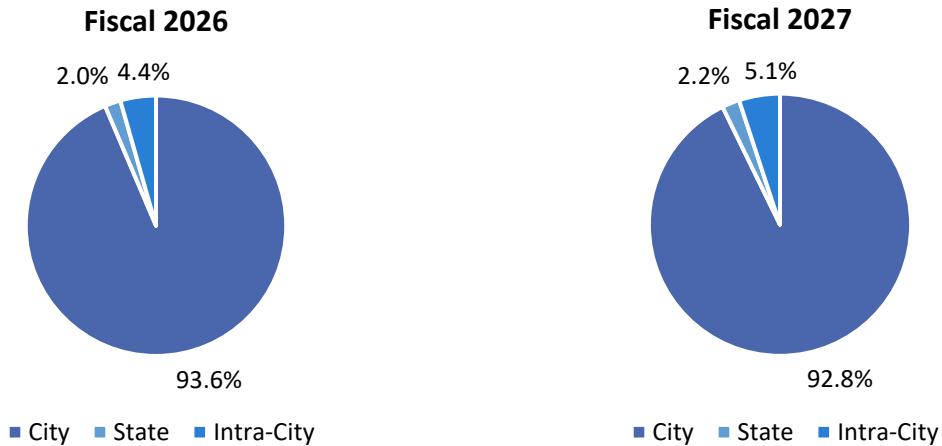
Dollars in Thousands	FY24	FY25	FY26	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27 - FY26
<b>Budget by Program Area</b>						
Administration	\$16,923	\$16,812	\$17,600	\$17,600	\$17,774	\$174
Licensing/Enforcement	17,142	16,366	19,251	19,703	20,186	936
Other Than Personal Services	33,840	32,820	38,220	48,236	36,780	(1,440)
<b>TOTAL</b>	<b>\$67,905</b>	<b>\$65,998</b>	<b>\$75,071</b>	<b>\$85,539</b>	<b>\$74,740</b>	<b>(\$331)</b>
<b>Funding</b>						
City Funds			\$69,673	\$80,066	\$69,342	(\$331)
State			1,620	1,695	1,620	0
Intra-city			3,777	3,777	3,777	0
<b>TOTAL</b>	<b>\$67,905</b>	<b>\$65,998</b>	<b>\$75,071</b>	<b>\$85,539</b>	<b>\$74,740</b>	<b>(\$331)</b>
<b>Budgeted Headcount</b>						
Administration	167	183	176	224	213	37
Licensing/Enforcement	233	223	299	260	271	(28)
<b>TOTAL</b>	<b>400</b>	<b>406</b>	<b>475</b>	<b>484</b>	<b>484</b>	<b>9</b>

\*The difference of Fiscal 2026 Adopted Budget compared to Fiscal 2027 Preliminary Budget.

Source: New York City Office of Management and Budget

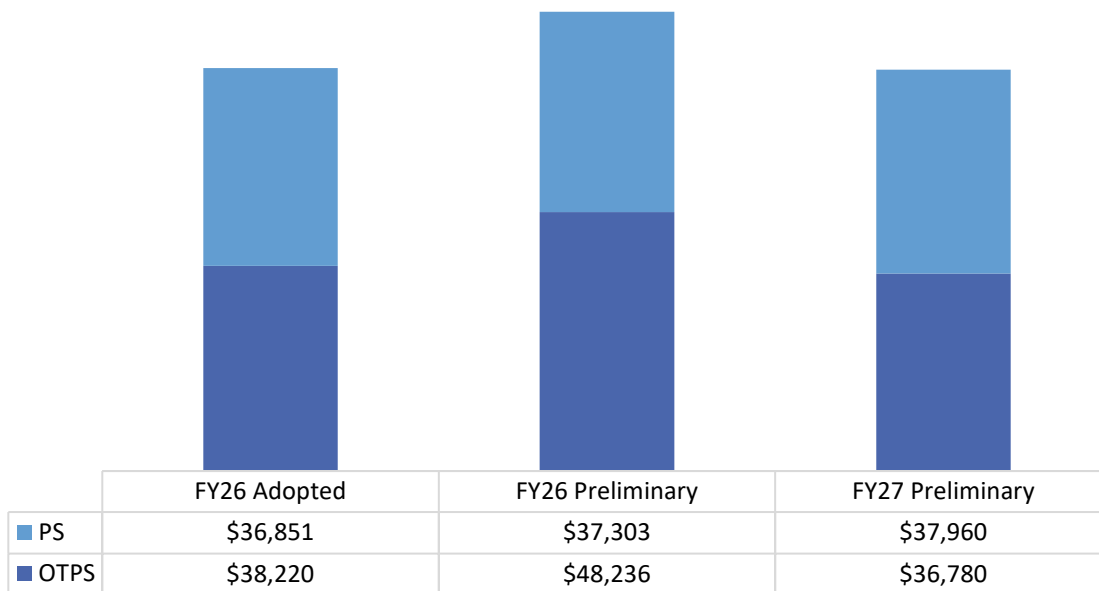
## Budget by Funding Source

Fiscal 2027 City Funds: 92.8 percent



Source: New York City Office of Management and Budget

## Personal Services (PS) and Other Than Personal Services (OTPS)



Dollars in Thousands

Source: New York City Office of Management and Budget

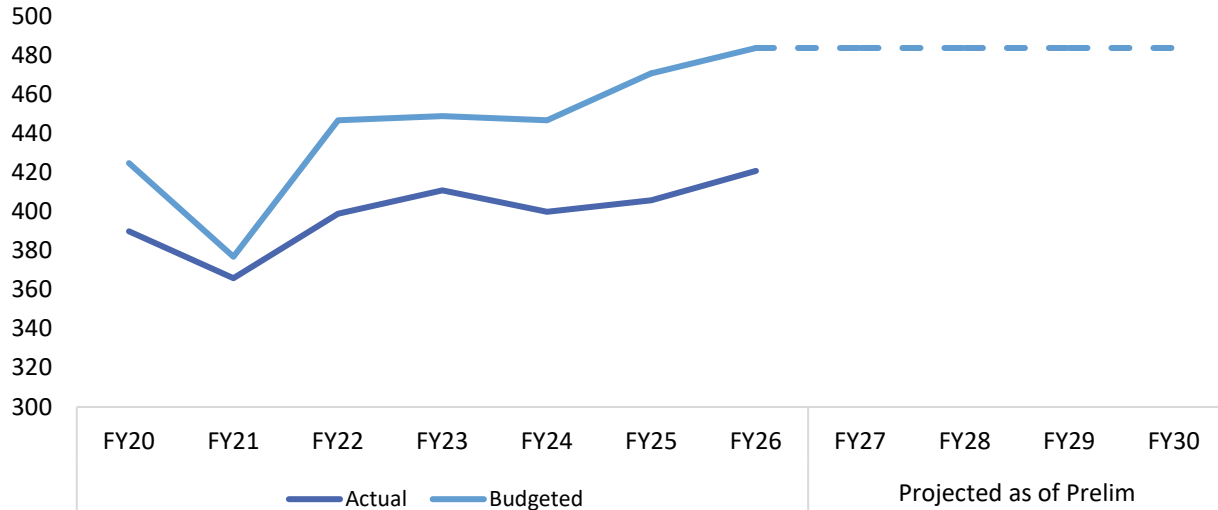
## Headcount

FY26 Budgeted Full-Time Positions: 484

FY27 Budgeted Full-Time Positions: 484

Actual Headcount as of January 2026: 421    Vacancy Rate as of January 2026: 13.0 percent

**Budgeted and Actual Headcount FY20-FY30**



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 Fiscal 2026 where budgeted headcount is as of the Preliminary Plan and actual headcount is as of January 2026.

## DCWP Contract Budget

Fiscal 2027 Contract Budget: \$23.4 million

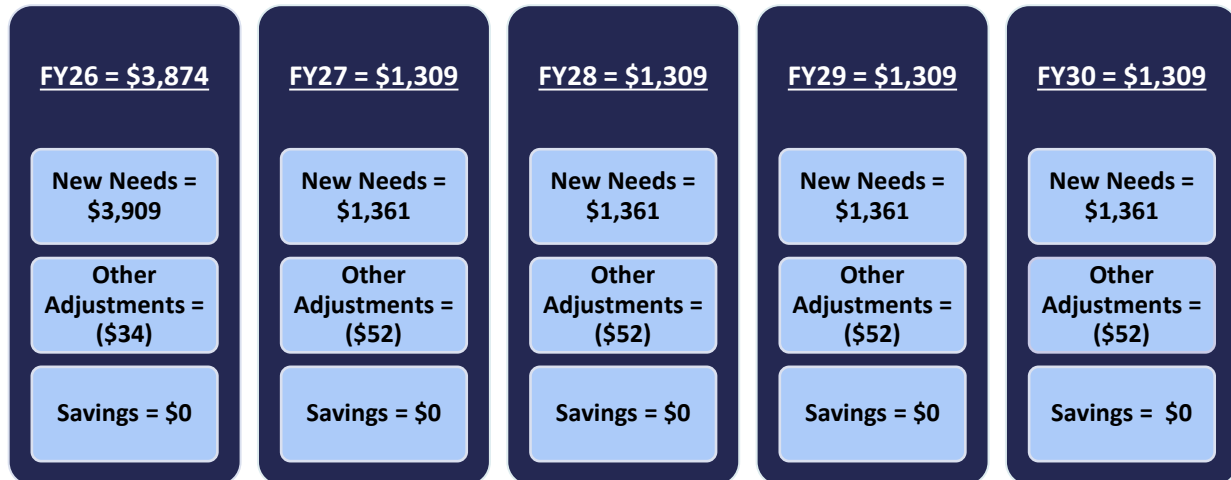
Number of Contracts in Fiscal 2027: 27

Dollars in Thousands

Category	FY26 Adopted	Number of Contracts	FY27 Preliminary	Number of Contracts
Contractual Services - General	\$25,283	23	\$23,037	25
Security Services	360	1	360	1
Training Program for City Employees	6	1	6	1
<b>TOTAL</b>	<b>\$25,649</b>	<b>25</b>	<b>\$23,403</b>	<b>27</b>

Source: New York City Office of Management and Budget

## Preliminary Plan Changes



*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.*

### Significant Preliminary Plan Changes New Needs

- Student Loan Counseling.** The Preliminary Plan includes an additional \$3 million in City tax-levy (CTL) in Fiscal 2026 to support student loan counseling services. This funding is allocated to an existing contract with Summer, a student loan and education assistance vendor, and brings total spending on the program to \$9.5 million. The addition covers services rendered by Summer in the 3rd quarter. Another \$3 million is expected to cover the 4th quarter. The program is not funded in Fiscal 2027.
- Delivery Worker Protection.** The Preliminary Plan includes an additional \$570,307 for nine additional positions in Fiscal 2026 and \$1.0 million baselined starting in Fiscal 2027, all City funding for the delivery worker protection program. The cost in Fiscal 2026 reflects prorated salaries for partial year hiring. The new positions include three inspectors, two research scientists, one computer systems manager, and three agency attorneys. These roles, housed within the Office of Labor and Policy Standards, will strengthen the agency's capacity to respond to, investigate, and litigate (where appropriate) complaints related to the legislative expansion of delivery worker protections.
- Indirect Cost Rate Funding Adjustment.** The Preliminary Plan includes an additional \$338,204 in baselined City funding starting in Fiscal 2026 to fund the re-estimate of the indirect cost rate for contracted providers. This increase is the result of the Mayor's Office

of Management and Budget (OMB) assessment of the indirect rates for human service contracts.

### Other Adjustments

- **Cost of Living Adjustment Technical Adjustment.** The Preliminary Plan includes a City funds reduction of \$34,149 in Fiscal 2026 and a baselined reduction of \$51,995 starting in Fiscal 2027 to right size the cost-of-living adjustment.

## Preliminary Mayor's Management Report

The Preliminary Mayor's Management Report (PMMR) for Fiscal 2026 reports on four service areas and eight goals for DCWP. Noteworthy metrics that were reported are detailed below.

- **Inspections.** DCWP conducted 19,668 inspections in the first four months of Fiscal 2026, 400 fewer inspections (approximately 2.0 percent) than the 20,068 inspections conducted during the same period in Fiscal 2025. Between Fiscal 2025 and Fiscal 2026, licensed business category inspections decreased by 15 percent, while non-licensed business category inspections increased by approximately 93.0 percent, rising from 4,959 in the first four months of Fiscal 2025 to 9,578 in the same period in Fiscal 2026. Tobacco-related inspections decreased by approximately 40.8 percent, falling from 10,761 in the first four months of Fiscal 2025 to 6,371 in the same period in Fiscal 2026, which correlates with a 35.1 percent decrease in tobacco program summonses, from 5,091 in Fiscal 2025 to 3,302 in Fiscal 2026.
- **Consumer Restitution.** In the first four months of Fiscal 2026 DCWP secured over \$1.8 million in consumer restitution, a 46 percent increase from nearly \$1.3 million secured during the same period in Fiscal 2026. This increase is largely attributable to the Department issuing a final decision in an employment agency case that included a significant consumer restitution award.
- **Worker Protection Complaints.** Worker protection complaints received by DCWP increased by 65 percent to 675 in the first four months of Fiscal 2026 (from 408 in the same period in Fiscal 2025), likely due to increased worker awareness following publicized settlements. Meanwhile, investigations opened by DCWP rose 9 percent between the same periods (from 138 in Fiscal 2025 to 151 in Fiscal 2026). DCWP's median time to assess complaints/open investigations decreased by 42 percent to 42 days in the first four months of Fiscal 2026 (from 72 days in the same period in Fiscal 2025). This metric can vary depending on complaint volume and investigation complexity. The Department was able to close 164 investigations in the first four months of Fiscal 2026, a 12 percent increase from the 146 closed in the same period the year before), while median time to close investigations decreased 6 percent to 99 days (from 105 days) in the same periods.

- **Worker Restitution.** The number of workers determined to be entitled to restitution rose significantly, increasing by 34.0 percent to a total of 2,078 employees in the first four months of Fiscal 2026. The total amount of restitution assessed for workers also grew substantially, from \$1,976,923 in the first four months of Fiscal 2025 to \$2,481,203 in the same period in Fiscal 2026, a 26.0 percent increase. In addition to the increase in restitution, the total value of civil penalties collected also grew. Civil penalties reached \$243,144 in the first four months of Fiscal 2026, reflecting an 18.0 percent increase compared with the amount collected during the same period in Fiscal 2025.

## Budget Issues and Concerns

- **Mayoral Announcements.** Mayor Mamdani announced plans to double the budget of DCWP in order to strengthen worker protections and enforcement, emphasizing the importance of this funding in advancing labor rights and worker safety and reflecting the Administration’s commitment to improving working conditions. However, the Preliminary Plan does not reflect a doubling of DCWP’s budget; in fact, the Department’s Fiscal 2027 budget in the Preliminary Plan is about \$330,000 less than the \$75.1 million Fiscal 2026 Adopted Budget. The Administration should clarify if a substantial increase is still planned, and if so, what types of investments are being considered, for example in licensing, worker protection enforcement, or free public services like tax preparation.
- **Vacancy Rates.** DCWP currently has a 13.0 percent vacancy rate, which is significantly higher than the citywide vacancy rate of 5.8 percent. The Department has had a similar vacancy rate each year since Fiscal 2022. It appears that DCWP may be facing ongoing challenges related to recruitment and retention. High numbers of vacant positions could have implications for the Department’s ability to fully meet operational demands.

## Miscellaneous Revenue

- The Preliminary Plan includes approximately \$17.2 million of DCWP’s miscellaneous revenue in Fiscal 2027, \$1.3 million less than the Fiscal 2026 Adopted Budget.
- The difference is largely attributable to the lower budgeted revenue from Consumer Protection Licenses which are budgeted at \$5.6 million in Fiscal 2027. The difference is largely attributable to the fact that Consumer Protection Licenses are on a two-year renewal period and Fiscal 2027 is estimated to have fewer licenses in need of renewal.

*Dollars in Thousands*

Revenue Sources	FY24 Actual	FY25 Actual	FY26 Adopted	Preliminary Plan		*Difference FY27-FY26
				FY26	FY27	
Consumer Protection Licenses	\$5,134	\$5,666	\$6,800	\$6,800	\$5,600	(\$1,200)
Fees on Sidewalk Cafes	0	2,104	0	0	0	0
Bingo and Games of Chance	38	75	50	50	50	0
Weights and Measures Inspection Fee	553	624	801	801	743	(58)
Review/Consent Filing Fees	(221)	0	0	0	0	0
Photo ID and Exam Fees	109	102	187	187	123	(64)
Consumer Protection Fines	13,809	10,863	9,750	9,750	9,750	0
State Tobacco Program	1,426	1,148	800	800	800	0
Minor Sales	24	15	100	100	100	0
<b>TOTAL</b>	<b>\$20,872</b>	<b>\$20,597</b>	<b>\$18,488</b>	<b>\$18,488</b>	<b>\$17,166</b>	<b>(\$1,322)</b>

*\*The difference of Fiscal 2027 Preliminary Budget compared to Fiscal 2026 Adopted Budget.*

*Source: New York City Office of Management and Budget*

## Supporting Budget Charts

### Budget Actions in the November and Preliminary Plans

*Dollars in Thousands*

	FY26			FY27		
	City	Non-City	Total	City	Non-City	Total
<b>DCWP Budget as of the Adopted FY26 Plan</b>	<b>\$69,673</b>	<b>\$5,397</b>	<b>\$75,070</b>	<b>\$68,033</b>	<b>\$5,397</b>	<b>\$73,430</b>
<b>Changes Introduced in the November 2025 Plan</b>						
<b>New Needs</b>						
Student Loan Services Expansion	\$6,500	\$0	\$6,500	\$0	\$0	\$0
<b>Subtotal, New Needs</b>	<b>\$6,500</b>	<b>\$0</b>	<b>\$6,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Adjustments</b>						
NYC Service Adjustment	\$19	\$0	\$19	\$0	\$0	\$0
NYS-DORIS LGRMIF DCWP Grant	0	75	75	0	0	0
<b>Subtotal, Other Adjustments</b>	<b>\$19</b>	<b>\$75</b>	<b>\$94</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, All Changes in November 2025 Plan</b>	<b>\$6,519</b>	<b>\$75</b>	<b>\$6,594</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>DCWP Budget as of the November 2025 Plan</b>	<b>\$76,192</b>	<b>\$5,472</b>	<b>\$81,664</b>	<b>\$68,033</b>	<b>\$5,397</b>	<b>\$73,430</b>
<b>Changes Introduced in the FY27 Preliminary Plan</b>						
<b>New Needs</b>						
Delivery Worker Protections Expansion	\$570	\$0	\$570	\$1,023	\$0	\$1,023
Indirect Cost Rate Funding Adjustment	338	0	338	338	0	338
Student Loan Counseling Services	3,000	0	3,000	0	0	0
<b>Subtotal, New Needs</b>	<b>\$3,908</b>	<b>\$0</b>	<b>\$3,908</b>	<b>\$1,361</b>	<b>\$0</b>	<b>\$1,361</b>
<b>Other Adjustments</b>						
Cost of Living Adjustment Technical Adjustment	(\$34)	\$0	(\$34)	(\$52)	\$0	(\$52)
<b>Subtotal, Other Adjustments</b>	<b>(\$34)</b>	<b>\$0</b>	<b>(\$34)</b>	<b>(\$52)</b>	<b>\$0</b>	<b>(\$52)</b>
<b>TOTAL, All Changes in the FY27 Preliminary Plan</b>	<b>\$3,874</b>	<b>\$0</b>	<b>\$3,874</b>	<b>\$1,309</b>	<b>\$0</b>	<b>\$1,309</b>
<b>DCWP Budget as of the FY27 Preliminary Plan</b>	<b>\$80,066</b>	<b>\$5,472</b>	<b>\$85,538</b>	<b>\$69,342</b>	<b>\$5,397</b>	<b>\$74,739</b>

*Source: New York City Office of Management and Budget*

## Budget by Program Area

<b>Administration</b>						
<i>Dollars in Thousands</i>						
	FY24	FY25	FY26	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27-FY26
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$384	\$298	\$0	\$0	\$0	\$0
Additional Gross Pay - Labor Reserve	260	0	0	0	0	0
Full-Time Salaried - Civilian	16,130	16,398	17,552	17,552	17,725	173
Overtime - Civilian	33	26	28	28	28	0
P.S. Other	1	0	0	0	0	0
Unsalariated	115	89	21	21	22	1
<b>Subtotal</b>	<b>\$16,923</b>	<b>\$16,812</b>	<b>\$17,600</b>	<b>\$17,600</b>	<b>\$17,774</b>	<b>\$174</b>
<b>TOTAL</b>	<b>\$16,923</b>	<b>\$16,812</b>	<b>\$17,600</b>	<b>\$17,600</b>	<b>\$17,774</b>	<b>\$174</b>
<b>Funding</b>						
City Funds			\$17,600	\$17,600	\$17,774	\$174
<b>TOTAL</b>	<b>\$16,923</b>	<b>\$16,812</b>	<b>\$17,600</b>	<b>\$17,600</b>	<b>\$17,774</b>	<b>\$174</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	167	183	176	224	213	37
<b>TOTAL</b>	<b>167</b>	<b>183</b>	<b>176</b>	<b>224</b>	<b>213</b>	<b>37</b>

*\*The difference of Fiscal 2027 Preliminary Budget compared to Fiscal 2026 Adopted Budget.*

*Source: New York City Office of Management and Budget*

<b>Licensing/Enforcement</b>						
<i>Dollars in Thousands</i>						
	FY24	FY25	FY26	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27-FY26
<b>Spending</b>						
<b>Personal Services</b>						
Additional Gross Pay	\$316	\$302	\$46	\$46	\$46	\$0
Additional Gross Pay - Labor Reserve	156	3	0	0	0	0
Fringe Benefits	0	0	212	16	212	0
Full-Time Salaried - Civilian	16,637	15,904	18,906	19,554	19,842	936
Full-Time Salaried - Uniformed	0	1	0	0	0	0
Overtime - Civilian	33	156	87	87	87	0
<b>Subtotal</b>	<b>\$17,142</b>	<b>\$16,366</b>	<b>\$19,251</b>	<b>\$19,703</b>	<b>\$20,186</b>	<b>\$936</b>
<b>TOTAL</b>	<b>\$17,142</b>	<b>\$16,366</b>	<b>\$19,251</b>	<b>\$19,703</b>	<b>\$20,186</b>	<b>\$936</b>
<b>Funding</b>						
City Funds			\$14,492	\$14,945	\$15,428	\$936
State			1,418	1,418	1,418	0
Intra City			3,340	3,340	3,340	0
<b>TOTAL</b>	<b>\$17,142</b>	<b>\$16,366</b>	<b>\$19,251</b>	<b>\$19,703</b>	<b>\$20,186</b>	<b>\$936</b>
<b>Budgeted Headcount</b>						
Full-Time Positions - Civilian	233	223	299	260	271	(28)
<b>TOTAL</b>	<b>233</b>	<b>223</b>	<b>299</b>	<b>260</b>	<b>271</b>	<b>(28)</b>

*\*The difference of Fiscal 2027 Preliminary Budget compared to Fiscal 2026 Adopted Budget.*

*Source: New York City Office of Management and Budget*

<i>Dollars in Thousands</i>						
	FY24 Actual	FY25 Actual	FY26 Adopted	Preliminary Plan		*Difference
				FY26	FY27	FY27-FY26
<b>Spending</b>						
<b>Other than Personal Services</b>						
Contractual Services	\$11,491	\$10,778	\$25,649	\$22,840	\$23,403	(\$2,246)
Contractual Services - Professional Services	15,084	12,700	0	12,700	0	0
Fixed & Misc. Charges	1	1	11	0	10	(1)
Other Services & Charges	6,251	7,501	10,233	10,712	11,556	1,323
Property & Equipment	208	346	148	409	187	39
Supplies & Materials	807	1,495	2,179	1,575	1,624	(556)
<b>Subtotal</b>	<b>\$33,840</b>	<b>\$32,820</b>	<b>\$38,220</b>	<b>\$48,236</b>	<b>\$36,780</b>	<b>(\$1,440)</b>
<b>TOTAL</b>	<b>\$33,840</b>	<b>\$32,820</b>	<b>\$38,220</b>	<b>\$48,236</b>	<b>\$36,780</b>	<b>(\$1,440)</b>
<b>Funding</b>						
City Funds			\$37,580	\$47,521	\$36,140	(\$1,440)
State			202	277	202	0
Intra City			437	437	437	0
<b>TOTAL</b>	<b>\$33,840</b>	<b>\$32,820</b>	<b>\$38,220</b>	<b>\$48,236</b>	<b>\$36,780</b>	<b>(\$1,440)</b>