|  |  |
| --- | --- |
|  | **The Council of the City of New York**  **Finance Division**  Latonia Mckinney, Director  **Fiscal Impact Statement**  **Proposed Intro. No: 724-A**  **Committee:** Consumer Affairs and Business Licensing |
| **Title:** A Local Law to amend the administrative code of the city of New York, in relation to requiring that bail bond agents make certain disclosures | **Sponsor:** The Speaker (Council Member Johnson) and Council Members Williams, Lancman, Van Bramer, Dromm, Powers, Levine, Espinal, Cohen and Rivera |

**Summary of Legislation:** Proposed Intro. 724-A would require the Department of Consumer Affairs (Department) to produce a consumer bill of rights regarding bail bond agents, and to make it available in a downloadable format on the Department’s website in English and six other designated citywide languages. The bill would also require bail bond agents to post a sign where transactions occur listing their license number, registered name, all addresses and phone numbers, and the name of any sublicensee. Before entering into a contract with a consumer, bail bond agents would be required to provide a copy of the consumer bill of rights, which would need to be signed and dated by the consumer, and a flier with all of the information listed on the sign. In addition, all receipts and contracts must be provided to consumers and must contain certain minimum information. The bail bond agent would also be required to maintain electronic or paper copies of receipts, contracts, and signed copies of the consumer bill of rights for at least five years, and maintain records of the names of anyone employed or subcontracted to interact with consumers for a period of three years. The bail bond agent would be required to make copies of any of the aforementioned documents/records at the request of the Department for inspection. Bail bond agents found in violation of this bill would be liable for a civil penalty ranging from $500 to $5,000.

**Effective Date:** This local law would take effect 180 days after it becomes law, except that the commissioner of consumer affairs may take such measures as are necessary for the implementation of this local law, including the promulgation of rules, before such date.

**Fiscal Year in Which Full Fiscal Impact Anticipated:** Fiscal 2020

**Fiscal Impact Statement:**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Effective FY19** | **FY Succeeding Effective FY20** | **Full Fiscal Impact FY20** |
| **Revenues** | $0 | $0 | $0 |
| **Expenditures** | $0 | $0 | $0 |
| **Net** | $0 | $0 | $0 |

**Impact on Revenues:** It is anticipated that there would be no impact on revenues resulting from the enactment of this legislation because even though the legislation would impose civil penalties, full compliance with the legislation is expected.

**Impact on Expenditures:** It is anticipated that there would be no impact on expenses resulting from the enactment of this legislation because the Department would use existing resources to implement the requirements of this legislation.

**Source of Funds to Cover Estimated Costs:** N/A

**Source of Information:** New York City Council Finance Division

**Estimate Prepared by:** Andrew Wilber, Financial Analyst, Finance Division

**Estimate Reviewed by:** John Russell, Unit Head, Finance Division

Regina Poreda Ryan, Deputy Director, Finance Division

Nathan Toth, Deputy Director, Finance Division

Rebecca Chasan, Counsel, Finance Division

**Legislative History:** This legislation was introduced by the City Council as Intro. 724 on March 22, 2018 and was referred to the Committee on Consumer Affairs and Business Licensing. A joint hearing was held by the Committee on Consumer Affairs and Business Licensing and the Committee on Justice System on May 2, 2018, and the bill was laid over. The legislation was subsequently amended and the amended version, Proposed Intro. 724-A, will be voted on by the Committee on Consumer Affairs and Business Licensing on July 17, 2018. Upon successful vote by the Committee, the bill will be voted on by the full Council on July 18, 2018.

**Date Prepared:** July 10, 2018