



Legislation Details (With Text)

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Title: A Local Law to amend the administrative code of the city of New York, in relation to home improvement business and contractor licenses for applicants with wage nonpayment or underpayment violations

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Attachments: 1. Summary of Int. No. 728, 2. Int. No. 728, 3. March 10, 2026 - Stated Meeting Agenda, 4. Hearing Transcript - Stated Meeting 3-10-26

Date	Ver.	Action By	Action	Result
3/10/2026	*	City Council	Introduced by Council	
3/10/2026	*	City Council	Referred to Comm by Council	

Int. No. 728

By Council Members De La Rosa, Restler, Aldebol and Brewer

A Local Law to amend the administrative code of the city of New York, in relation to home improvement business and contractor licenses for applicants with wage nonpayment or underpayment violations

Be it enacted by the Council as follows:

Section 1. Section 20-392 of the administrative code of the city of New York, as amended by local law number 65 for the year 1997, is amended to read as follows:

§ 20-392 Fines; issuance, renewal, suspension, and revocation of license. a. The commissioner shall have the power to impose a fine not to exceed [one thousand dollars] \$1000 upon a licensee [and/or] or suspend or revoke a license, or both, or deny an application for the issuance or renewal of a license for any [one] 1 or more of the following causes:

1. Fraud, misrepresentation, or bribery in securing a license[.];
2. The making of any false statement as to a material matter in any application for a license[.];

3. The person or the management personnel of the contractor are untrustworthy or not of good character [.];

4. The business transactions of the contractor have been or are marked by a practice of failure to timely perform or complete its contracts, or the manipulation of assets or accounts, or by fraud or bad faith, or is marked by an unwholesome method or practice of solicitation of business from owners[.];

5. Failure to display the license as provided in this subchapter[.];

6. Failure to comply with any demand or requirement lawfully made by the commissioner[.];

7. When an agent or employee of a licensee has been guilty of an act of omission, fraud, or misrepresentation and the licensee has approved or had knowledge thereof[.];

8. Violation of any provision of this subchapter or any rule or regulation adopted hereunder or for performing or attempting to perform any act prohibited by this subchapter[.];

9. Violation of any provision of subchapters [one] 1, [two] 2, or [three] 3 of title [twenty-six] 26 or subchapter [one] 1 of title [twenty-seven] 27 of this code, or any rule adopted thereunder or for performing or attempting to perform any act prohibited by such subchapters, provided that the commissioner shall suspend or revoke the license of any licensee who continues to work in violation of a stop-work notice or order issued pursuant to section 26-118 [of this code.]; or

10. Any final judgment or determination of an applicant's violation of article 6 of chapter 31 of the labor law in relation to the nonpayment or underpayment of wages to employees, or a history of such violations.

b. In addition to any of the powers that may be exercised by the commissioner pursuant to this subchapter and chapter [one] 1 of this title, the commissioner, after notice and an opportunity to be heard, may refuse to issue or renew, or may suspend or revoke, a license required under this subchapter if the applicant or licensee, or any of its principals, officers or directors, or any of its stockholders owning more than [ten] 10 percent of the outstanding stock of the corporation has been convicted of a crime which, in the judgment of the commissioner, has a direct relationship to such person's fitness or ability to perform any of the activities for

which a license is required under this subchapter or has been convicted of any other crime which, in accordance with article [twenty-three-a] 23-a of the correction law, would provide a justification for the commissioner to refuse to issue or renew, or to suspend or revoke, such license.

§ 2. Section 28-401.8 of the administrative code of the city of New York, as amended by local law number 126 for the year 2021, is amended to read as follows:

§ 28-401.8 Investigation of applicant. Every applicant for a license or certificate of competence issued pursuant to this chapter shall submit to investigation as directed by a governmental entity in order to determine the applicant's character and fitness and in accordance with the rules of the department. Such investigation shall take into consideration any final judgment or determination of an applicant's violation of article 6 of chapter 31 of the labor law in relation to the nonpayment or underpayment of wages to employees, or a history of such violations. The applicant shall furnish the department with payment for the actual cost of conducting the background investigation. Failure to provide all requested and completed documents or any other information necessary for completion of the investigation in a timely fashion will constitute an incomplete application and will result in a denial of the license or certificate of competence.

§ 3. Section 401.12 of the administrative code of the city of New York, as amended by local law number 77 for the year 2023, is amended to read as follows:

§ 28-401.12 Renewal of license or certificate of competence. Applications for renewal of a license or certificate of competence shall be accompanied by the renewal fee and such additional information as the commissioner may require, and shall be made at least 30 days but not more than 90 days prior to the expiration date of same. Applications for renewal of a license or certificate of competence submitted within 30 days prior to the license expiration date shall be considered late and subject to applicable late renewal fees. Applicants shall provide evidence satisfactory to the department that he or she is fit to perform the work authorized by the particular license as provided by department rule. Applications for renewal are subject to investigation by the Department, provided that such investigation shall consider any final judgment or determination of an applicant's violation of article 6 of chapter 31 of the labor law in relation to the nonpayment or underpayment of wages to employees, or a history of such violations. The failure of an individual to renew his or her license or certificate of competence shall have the effect of cancellation of the license or certificate of competence upon expiration, and the holder of a seal issued by the department shall immediately surrender such seal to the department. A person who fails to renew a license or certificate of competence within the time period set forth in this section may apply for late renewal of such license pursuant to section 28-401.13. The department may, following notice and an opportunity to be heard, refuse to renew a license or certificate of competence on any grounds on the basis of which it could deny, suspend or revoke such license.

§ 4. Section 28-401.19 of the administrative code of the city of New York, as amended by local law number 128 for the year 2024, is amended to read as follows:

§ 28-401.19 Suspension or revocation of license or certificate of competence. The commissioner shall have the power to suspend or revoke a license or certificate of competence, [and/or] to impose a fine not to exceed \$25,000 for each finding of violation, [and/or] to order any holder thereof to repair damage resulting from any

act or omission as set forth in this chapter or in rules, or any combination thereof, for any of the following:

1. Fraud or deceit in obtaining or renewing a license or seal, certificate of competence, certification, registration, or permit;
2. The making of a material false or misleading statement on any form or report filed with the department or other governmental entity;
3. The failure to file a statement, report or form required by law to be filed;
4. Willfully impeding or obstructing the filing of a statement, report or form of another required by law to be filed;
5. Fraudulent dealings or misrepresentation;
6. Negligence, incompetence, lack of knowledge or fitness, or disregard of this code and related laws and rules;
7. Failure to comply with this code or any order, rule, or requirement lawfully made by the commissioner including failure to cooperate with investigations related to the trade for which the individual is licensed conducted by the commissioner or other government entity;
8. Failure to comply with any order, rule, regulation, or requirement lawfully made by the commissioner of environmental protection or commissioner of transportation pertaining to water services, house connections, street openings, [street/lane] street or lane closures, or sidewalk closures that relate to requirements of this code;
9. A practice or pattern of failing timely to perform or complete contracts relating to home improvements as defined by section 20-386 [of the administrative code] or a practice of abandoning contracts on residential buildings containing [four] 4 dwelling units or less;
10. Failure to provide documents, including payroll records, workers compensation or other insurance documents, employee timekeeping records and corporate tax returns, required by the commissioner;
11. Engaging or assisting in any act that endangers the public safety and welfare;
12. Conviction of a criminal offense where the underlying act arises out of the individual's professional dealings with the city or any other governmental entity;
13. Poor moral character that adversely reflects on [his or her] the individual's fitness to conduct work regulated by this code;
14. Failure to pay outstanding fines, penalties, or fees related to the individual's professional dealings with the city or any other governmental entity;
15. The unauthorized removal of documents from the department;
16. Repeated failure to be prepared for or attend scheduled meetings with the department as provided by rule; [or]

17. Failure to notify the department in accordance with section 28-401.18.1[.];
18. With respect to general contractor registration, upon a finding that the applicant or registrant or a business entity in which one of the applicant's or registrant's principals, officers, or directors is a principal, officer, or director has engaged in any of the acts set forth in items 1 through 17 or 21 or any of the following:
 - 18.1. Fraud, misrepresentation, or bribery in securing a sign-off of work or a temporary or permanent certificate of occupancy[.];
 - 18.2. A practice on the part of the registrant of failure to timely perform or complete its contracts for the construction of new residential structures containing no more than [three] 3 dwelling units, or the manipulation of assets or accounts, or fraud or bad faith[.];
 - 18.3. Approval or knowledge on the part of the registrant of an act of omission, fraud, or misrepresentation committed by [one] 1 or more agents or employees of the registrant, and failure to report such act to the department[.];
 - 18.4. The applicant or registrant, or any of its principals, officers, or directors, or any of its stockholders owning more than [ten] 10 percent of the outstanding stock of the corporation has been convicted of a crime which, in accordance with article [twenty-three-a] 23-a of the correction law, is determined to have a direct relationship to such person's fitness or ability to perform any of the activities for which a registration is required under this article[.]; or
 - 18.5. The applicant or registrant, or any of its principals, officers, or directors has been or is a principal, officer, or director of a registered general contractor whose registration has been revoked.
19. Contract work by holders of special electrician's licenses[.];
20. Failure to demonstrate fitness to engage in the trade for which the individual is licensed[.]; or
21. Any final judgment or determination of an applicant's violation of article 6 of chapter 31 of the labor law in relation to the nonpayment or underpayment of wages to employees, or a history of such violations.

§ 4. This local law takes effect immediately.

APM

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