

**Testimony of Assistant Commissioner Carlos A. Ortiz
New York City Department of Consumer and Worker Protection**

**Before the Committee on Consumer and Worker Protection
Hearing on Consumer Financial Experiences in the Retail Industry and
Introductions 374, 1049 and 1097**

February 11, 2025

Introduction

Good morning, Chair Menin, and members of the Committee on Consumer and Worker Protection. My name is Carlos Ortiz, I am the Assistant Commissioner for External Affairs at the Department of Consumer and Worker Protection (DCWP). Today, I am joined by our Associate General Counsel, Andrew Schwenk. Thank you for the opportunity to testify before the committee today on these bills and our consumer protection work.

Protecting New Yorkers

DCWP provides fundamental consumer and worker protections, and financial empowerment programming to New Yorkers. We strive to ensure that consumers who have been deceived or exploited have recourse, that workers have a passionate defender of their rights, and that all New Yorkers have the support they need to improve their financial health. We are immensely proud of the work our agency accomplishes, day in and day out, for our city. In the last three years, under Commissioner Mayuga's leadership, we have helped deliver more than \$1 billion back to New Yorkers.

Consumer Protection

Since our landmark Consumer Protection Law was enacted in 1969, we have been the nation's leading municipal consumer protection agency. For nearly sixty years now we have consistently leveraged our authority to protect New Yorkers from deceptive business practices, securing financial restitution for consumers whose rights have been violated by bad actors in the marketplace. In the last few years, our agency has conducted more than 140,000 inspections of businesses across the city and have issued nearly 50,000 summonses for violations of the law. These efforts have played a role in the recovery of about \$25 million in financial restitution and debt relief for consumers.

We are dedicated to providing protections to New Yorkers, while working to facilitate compliance amongst businesses with the laws that we enforce. Businesses across the five boroughs have access to our educational materials, as well as direct outreach from our team. In the last several years we have hosted nearly 400 business engagement and outreach events, reaching more than 30,000 business owners. Our Visiting Inspector Program, or VIP, provides new licensees the opportunity to receive an educational visit from one of our inspectors. In the last three years we have been able to provide nearly 7,000 VIP inspections to new businesses across the city. Last year we opened up our Visiting Inspector Program to all brick-and-mortar

retail businesses that are required to be in compliance with our laws, regardless of whether we license their business category. We look forward to working with council to continue our mission of protecting consumers across the city while uplifting and educating our City's small businesses.

Introduction 374

Turning to today's legislation, Introduction 374 would prohibit businesses in New York City from setting a minimum dollar value greater than \$10 for the acceptance of credit cards in selling, leasing, renting or loaning consumer goods or services to the public. All businesses that accept credit cards would also be required to post a notice of such prohibition on or near any fixed point of sale terminal and DCWP would be authorized to enforce civil penalties for violations.

DCWP currently requires businesses to post signage disclosing any limitations on a consumer's use of a credit card. We support prohibiting a minimum dollar value that is greater than \$10. However, we have concerns that requiring businesses to post an additional sign describing that the minimum value for using a card cannot be greater than \$10, as well as the current penalties outlined in the bill, could be overly burdensome. Additionally, it is important for our operations that complainants continue to use the 311 system and DCWP's online portal, including with assistance from our staff, in submitting complaints to the agency, rather than a new webmail complaint form. We look forward to working with Council on this legislation.

Introduction 1049

Introduction 1049 would require businesses to disclose a preauthorization hold in connection with the sale or offer for sale of any petroleum product for use in motor vehicles or motorboats. We support the intent of this legislation, and its efforts to ensure New Yorkers have access and can utilize their money. We are interested to hear more from Council and all impacted stakeholders today.

Introduction 1097

Introduction 1097 would require retail stores that currently accept credit or debit cards to accept flexible benefits cards distributed by health insurance providers. DCWP would also be required to conduct outreach and education on this requirement. This bill tackles a new issue for the agency, and we are looking forward to hearing from affected consumers, businesses, and Council on the potential impacts of this legislation. Not only to ensure that consumers can shop at their local stores, but also to make sure we do not impose any undue new costs on businesses.

Conclusion

Thank you for the opportunity to testify before your committee on our essential work uplifting New Yorkers, and today's legislation. We look forward to working with you all to further our efforts to protect New Yorkers in the marketplace. I welcome any questions you may have for further discussion.