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DE BLASIO ADMINISTRATION REDUCES FINES ASSESSED BY CONSUMER AFFAIRS ON BUSINESSES IN HALF, CUTS VIOLATIONS ISSUED BY ONE THIRD OVER PAST YEAR

NEW YORK—Mayor Bill de Blasio and Department of Consumer Affairs Commissioner Julie Menin today announced onerous fines assessed on small businesses have been cut in half, fulfilling the Mayoral pledge to reduce fines as well as violations and reduce revenue from these fines by \$5 million. Fines assessed have declined from \$32.5 million to just over \$15.7 million, and violations reduced from 19,409 to 11,923.

These reductions of violations and costs of fines on businesses, coupled with the City’s Small Business First initiative, are making City government more responsive and accessible to business owners’ needs.

“A thriving city of diverse neighborhoods depends on small businesses to create jobs, serve their communities, and enrich the city’s economy. Small businesses need support and resources – not onerous fines for violations that don’t pose any risk to consumers,” said **Mayor de Blasio**. “Reducing these fines is a bedrock of our effort to make it easier to open and operate a small business in New York City, and I’m proud to see our fair reforms translate in the numbers.”

“Our Mayor cares deeply about the livelihood of the city’s businesses and prioritized DCA to reduce onerous fines through education, fairness and transparency, not on the backs of small businesses,” said **DCA Commissioner Julie Menin**. “The reforms we implemented have translated into more than \$5 million going directly back into the pockets of small business owners allowing them to reinvest their hard-earned money.”

Under Mayor de Blasio’s leadership, the City is expanding education of small businesses, including services in multiple languages and resources for both online and in one-stop shops as well as simplifying City rules and compliance processes to help further reduce the regulatory burden and fines and violations on small businesses.

Since implementing the Small Business Relief Package last July, Consumer Affairs:

- Cut the number of violations issued to businesses by more than one-third, from 19,409 in Fiscal Year 2014 to 11,923 in the last fiscal year.
- Reduced fines assessed by more than half from over \$32.5 million in Fiscal Year 2014 to just over \$15.7 million in Fiscal Year 2015.

This was done by issuing warnings for violations that don’t cause immediate consumer harm, decreasing the number of counts per violation and offering lower settlement amounts. Consumer Affairs additionally issued 3,632 ‘curable violations’ in 2014 – allowing businesses to correct first-time violations for many signage violations. These reductions were made while at the same time securing 70 percent more in restitution for consumers.

Previously, some neighborhoods were overburdened by inspectors, while others were under-inspected. Consumer Affairs implemented the use of an internal mapping technology to ensure equitable distribution of inspections across the city. During the months prior to mapping implementation, approximately 40 percent of

patrol inspections significantly targeted stores that had recently been inspected. Since implementing the mapping tool, only 3 percent of patrol inspections target recently inspected stores.

As part of Small Business First, the City today also announced the launch of a new online tool to help businesses comply with New York City codes and regulations and avoid fines and violations by providing information on how to avoid the most common fines, tickets and citations issued to businesses in specific sectors. Business owners can access the online tool at on.nyc.gov/commonviolations.

“Government should not be in the business of hurting someone's business, especially not our small businesses, which stand tall as the backbone of our borough's economic future and represent the livelihoods of millions of New Yorkers. We need to be focused on a regulatory environment that values proactive education over punitive measures, while at the same time holding egregious actors that put consumers at risk accountable. I thank Mayor de Blasio for his vision and DCA Commissioner Menin for her leadership on reducing unnecessary fines on our small businesses and strengthening their potential to help our communities grow,” said **Brooklyn Borough President Eric Adams**.

“Small businesses in our city are under pressure, and we need to work together to relieve that burden at every level of government,” said **Manhattan Borough President Gale A. Brewer**. “Fines should be there to enforce the rules, not to extract huge sums from small business owners for City coffers. I congratulate the Mayor and Commissioner Menin for making good on their pledge. I will continue to work with Mayor de Blasio and City agencies on further reforms to help small businesses survive and thrive, so the character and variety they bring to our city's streets isn't lost,” she added.

“I want to congratulate Mayor Bill de Blasio and Department of Consumer Affairs Commissioner Julie Menin for their work in protecting, supporting, and informing small business owners on their responsibilities and rights under the law. I am especially thankful for their implementation of the Small Business Relief Package and for designing reforms to promote fairness and reduce fines for our small businesses,” said **Bronx Borough President Ruben Diaz, Jr.**

“The Small Business Relief Package promotes fairness and transparency in enforcement and eases the heavy burdens already carried by our small businesses,” said **Queens Borough President Melinda Katz**. “Thriving local businesses are good for our families, therefore good for Queens,” she added.

“Small businesses are the backbone of our local economy. For years, excessive fines had burdened small businesses across the city, impeding economic growth and creating an environment that was not business-friendly. Right now, we are at a point where businesses are shutting their doors because of the costs of doing business in this city. I applaud DCA Commissioner Julie Menin for her leadership in the implementation of the Small Business Relief Package, and for reducing DCA's revenue from fines by \$5 million. The success of these reforms demonstrates that City government can provide much-needed relief to small businesses while ensuring consumers are protected,” said **Council Member Rafael L. Espinal, Chair of the Committee on Consumer Affairs**.

“Commissioner Menin and her staff set about reducing small business fines with great dedication and have accordingly achieved their goal. This is worthy of congratulations. By emphasizing education, using warnings and levying financial penalties only as a last resort to protect public safety, New York City is remaking itself into a small business partner, rather than a punisher. By continuing down this road, we will ensure that our city continues to be a place where entrepreneurship thrives,” said **Council Member Robert E. Cornegy, Jr., Chair of the Committee on Small Business**.

“I'm proud of the progress that we've made in reducing the burden on our small businesses. Too many small business owners in my community have horror stories of receiving outrageous fines for easily curable violations. Mayor de Blasio and Commissioner Menin understand that to combat inequality and build a truly sustainable New York, we must take concrete steps to ensure that our small businesses can survive and thrive. I commend them for everything they've accomplished with the Small Business Relief Package, and look forward

to working with them to make our city a model for how government and small business can work together,” said **Council Member Costa Constantinides**.

“I am pleased to have an ongoing dialogue with Commissioner Menin to facilitate our shared mission of making our City more business-friendly. Following Hurricane Sandy, businesses in my district were severely impacted, and many had to close down. Commissioner Menin has taken a proactive approach to ensuring the revitalization of our waterfront community. I am grateful to Mayor de Blasio and Commissioner Menin for their continued commitment to ensuring that small businesses flourish and for reducing arbitrary fines against them,” said **Council Member Chaim Deutsch**.

“Small businesses in my district had been ransacked by the previous administration's policy of nickel-and-diming owners for petty infractions,” said **Council Member Daniel Dromm**. “Our city cannot afford to place this unfair financial burden on our small business owners, many of whom are immigrants and have dedicated their life savings to providing the top-notch dining and shopping experiences that attract visitors from all over the world. By reducing onerous, unnecessary fines, our City has taken an enlightened approach to enforcement - one that is based on education rather than punishment. I want to thank Mayor de Blasio and Commissioner Menin for implementing these progressive, common-sense reforms, which will ultimately improve the lives of all New Yorkers,” he added.

“Small businesses are the heart and soul of our communities. By reducing frivolous fines that only hurt these businesses, we are ensuring that the businesses that provide so much culture, character, and economic opportunities to our neighborhoods can thrive,” said **Council Member Mathieu Eugene**. “I commend the decision of the Department of Consumer Affairs to reduce the violations and fines issued to small businesses and I am deeply appreciative for Mayor Bill de Blasio's commitment to prioritizing this issue,” he added.

“I applaud Mayor Bill de Blasio and Department of Consumer Affairs Commissioner Julie Menin for their commitment to reducing punitive fines on our city's small businesses,” said **Council Member Vincent Gentile**. “Since the enactment of the Small Business Relief Package last summer, fines are down by \$5 million across the board. This is a victory for small business owners and a victory for equity and fairness. Our business owners essentially keep our city running, it's about time city government worked for them,” he added.

“If we're going to keep our neighborhoods whole, we must help our small businesses,” said **Council Member Corey Johnson**. “Both mom-and-pop stores and restaurants are facing unprecedented competition from corporate chains, and common-sense regulations will help them compete against corporations with unlimited resources. I commend Mayor de Blasio and Commissioner Menin for taking action to reduce the burden on our small businesses,” he added.

“Doing business is tough in New York City, especially for small mom-and-pop stores, who must balance city, state, and federal regulations. The Small Business Relief Package is a step in the right direction and has had a direct impact on the brick-and-mortar stores that are struggling to contend with regulatory burdens in addition to rising rents, taxes, and a competitive online market. Many thanks to Mayor de Blasio and the Department of Consumer Affairs for taking steps to ensure the longevity of our small business community,” said **Council Member Peter Koo**.

“As a member of both the committees on Small Business and Consumer Affairs, I have worked on the problem of alleviating overly aggressive enforcement of violations against small business owners by City inspectors for many years. It is gratifying to see the significant reduction in violations and collections. The City Council, in conjunction with Mayor de Blasio and DCA Commissioner Menin, will continue to work toward creating a more conducive environment for small businesses,” said **Council Member Karen Koslowitz**.

“These reforms save small businesses from what was a mess of costly and burdensome regulation,” said **Council Member Rory I. Lancman**. “The more than 50% reduction in fines assessed shows that the Mayor the Council and the Commissioner are truly committed to helping businesses succeed,” he added.

“Small businesses are the engine of New York City's economy, and I know that they face challenges every day. The Department of Consumer Affairs' efforts to reduce fines and increase transparency and fairness have resulted in measurable changes that will help small businesses reinvest in their enterprises, employees, and communities. Reducing these fines, which became quite burdensome over the last decade, has been a top priority of mine since being elected to office. I have already heard feedback from small-business owners in my district who have noticed - and appreciate - the changes undertaken in the last year. I thank Mayor de Blasio and Commissioner Menin for taking these steps, and I look forward to continued collaboration with them,” said **Council Member Debi Rose**.

“As the Council Member who proudly represents some of the City's most prominent commercial corridors, including Arthur Avenue and Fordham Road, I commend Mayor de Blasio and Commissioner Menin for ending the “gotcha” game of draconian fines against mom-and-pop businesses, many of which have been struggling to survive. Today's announcement represents a long-overdue, decisive reset in the relationship between City government and small businesses,” said **Council Member Ritchie Torres**.

“The significant reforms announced today will go a long way to provide relief for our City’s small businesses,” said **Council Member Paul Vallone**. “When our small businesses prosper, it’s good for the whole city. I applaud Commissioner Menin and Mayor de Blasio for recognizing that changes needed to be made and for fulfilling their commitment to small businesses,” he added.

“Mayor de Blasio and Commissioner Menin are sending a strong and positive message to the city’s business community through the reduction of punitive fines and citations on small businesses,” said **Kathryn Wylde, President & CEO of the Partnership for New York City**. “Employers are far more likely to invest in business growth and job creation when city government shows that it is working to reduce unnecessary costs and create a more hospitable business climate,” she added.

“The Manhattan Chamber of Commerce is thrilled to hear of the reduction in fines and we applaud DCA Commissioner Menin for her work with the business community to address nuisance fines and to help educate small business owners to better understand the rules and regulations,” said **Nancy Ploeger, President of the Manhattan Chamber of Commerce**. “We hope to see further decreases as the Commissioner continues to work closely with the business community,” she added.

“On behalf of business owners across Brooklyn and all of New York City, I commend and thank Mayor Bill de Blasio and Department of Consumer Affairs Commissioner Julie Menin for their efforts to reduce the financial burden on small businesses,” said **Carlo A. Scissura, President & CEO of the Brooklyn Chamber of Commerce**. “When Mayor de Blasio took office, he emphasized the importance of decreasing fines and unnecessary regulations on small businesses – which is the top priority of owners – and by enacting two dozen reforms, lowering the number of violations by 7,000 and cutting the dollar amount of assessed fines in half, his Administration has clearly delivered on his promises. Thanks to their commitment, New York City is now a better place to live and own a business,” he added.

“Thank you to Mayor de Blasio and Commissioner Menin for providing an atmosphere for our small businesses to thrive. The Bronx Chamber of Commerce has partnered with Departments of Consumer Affairs and Small Business Services to host a series of educational workshops for business owners on navigating government agencies and regulatory practices. The Small Business Relief Package and Small Business First Initiative will help and protect small businesses,” said **Michelle Dolgow, Executive Director of the Bronx Chamber of Commerce**.

“Fines have been a big burden for our small businesses for a long time. Mayor de Blasio promised to reduce these fines and I am thrilled to see him deliver on his promises, together with Commissioner Julie Menin. This is no doubt one of the most important small business initiatives I have seen in a long time,” said **Quenia Abreu, President & CEO of the New York Women’s Chamber of Commerce**.

“The Jamaica Center BID continues to partner with our businesses on mutually beneficial solutions to improve the consumer shopping experience on Jamaica Avenue, New York City's most vibrant shopping district. We commend Mayor de Blasio's and Commissioner Menin's commitment to working with - not against - our businesses, to help them thrive,” said **Rhonda Binda, Executive Director of the Jamaica Center Business Improvement District.**

“The Greater Flushing Chamber of Commerce is grateful to Mayor de Blasio for making common-sense reforms to the City's small business inspection policies. As a result, our members and other local entrepreneurs can work together with the Department of Consumer Affairs to ensure that our customers are safe and our businesses thrive. We are partners in the shared prosperity of our city,” said **Simon Gerson, President of the Greater Flushing Chamber of Commerce.**

“I want to congratulate Mayor de Blasio and Commissioner Menin for these great accomplishments that continue to help ease the burdens facing the City's small business community. With this significant reduction in the number of fines issued to small businesses and the creation of initiatives like the Department of Small Business Service's Small Business First, the Administration continues to demonstrate its commitment to supporting the City's small business community,” said **Michael Lambert, Executive Director of the Bedford Stuyvesant Gateway Business Improvement District and Co-chair of the NYC BID Association.**

“Small businesses have been struggling for many reasons, particularly because of the rise of e-commerce, which has had a significant impact on brick-and-mortar businesses. All efforts to enable business owners to focus on growth and creating jobs are crucial, and DCA's Small Business Reform Package is a true example of such efforts. Earlier this year, DCA came to the Westchester Square BID and consulted many businesses on what they could change to avoid unnecessary violations and the businesses were truly grateful for the education. To take care of our businesses, we must be sure that our businesses can also take care of themselves – and that is exactly what Mayor de Blasio and Commissioner Menin are doing,” said **Lisa Sorin, Executive Director of Westchester Square Business Improvement District.**

“I'd like to applaud the Mayor's and Commissioner Menin's efforts to support small businesses in the city. The \$5 million fine reduction is being put back into the pockets of small businesses and hopefully encourages more entrepreneurs to start their ventures in this great city,” said **Justin Yu, President of the Chinese Chamber of Commerce.**

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