S T A T E O F N E W Y O R K

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I N A S S E M B L Y

March 24, 2014

Introduced by M. of A. SCARBOROUGH -- read once and referred to the Committee on Governmental Operations

AN ACT directing the comptroller to prepare an audit of certain New York city regulatory agencies to assess the impact of certain enforcement actions on small businesses

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The New York state deputy comptroller for the city of New York shall prepare or cause to be prepared an audit of the following agencies in the city of New York: the department of consumer affairs, the department of environmental protection, the department of buildings, the department of health and mental hygiene, the fire department, and the environmental control board. Such audit shall be done in collaboration with the New York city comptroller's office. The audit shall consist of a review of the fines, tickets and regulatory penalties imposed by the above named agencies on small businesses in New York city. For the purposes of this act a "small business" shall be defined as having up to 100 employees. The audit shall examine the amount of revenue collected by the above named agencies from small businesses and the change in such revenue collected from the previous year. The audit shall also include the number of agency personnel dedicated or added for enforcement purposes. The efficiency of the enforcement and regulatory actions should be examined to determine the extent to which they fostered or increased compliance with the relevant laws, rules and regulations; whether the actions were of material benefit to the consumers or the public that these businesses served; whether the enforcement actions were effective in changing improper behavior; and whether the main effect was to raise revenue for the city of New York. The audit should examine the impact of these enforcement actions on the businesses and on the public.

The audit shall separately assess violations that are clearly health or safety violations from other violations, and examine whether in non-health or safety violations, improved compliance might be achieved by offering a first-time "opportunity to cure" in selected situations as

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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opposed to the immediate imposition of sanctions or fines. The audit shall make recommendations for policy or legislative initiatives, or changes in practices, that would improve the quality of service offered by businesses and received by the public, as well as maintaining the viability of businesses to operate safely, profitably and in compliance with the laws in the city of New York.

The audit report shall be submitted on March 31st following the year being audited to the governor, the mayor of the city of New York, the speaker of the New York state assembly, the speaker of the New York city council, the temporary president of the senate, the chairs of the senate and assembly committees on economic development, and small businesses, and the chairs of the committee on economic development and on small business in the New York city council.

S 2. This act shall take effect immediately.