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

Before the Committee on Consumer and Worker Protection Hearing on Introductions 428, 494, 877, 1193, 1294, 1332

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Introduction

Good afternoon, Chair Menin, and members of the Committee on Consumer and Worker Protection. My name is Carlos Ortiz, I am the Deputy Commissioner of External Affairs at the Department of Consumer and Worker Protection (DCWP). Today, I am joined by Deputy Commissioner for the Office of Labor Policy and Standards, Elizabeth Wagoner, and Associate General Counsel, Andrew Schwenk. Thank you for the opportunity to testify before the committee today on these bills related to our consumer and worker protection efforts.

Protecting New Yorkers

DCWP is a key resource for all New Yorkers, providing fundamental consumer and worker protections, and financial empowerment programming across the five boroughs. We are dedicated to ensuring that consumers who have been exploited or deceived 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. These protections and resources are available to all New Yorkers regardless of immigration status. Under Commissioner Mayuga's tenure, we have delivered more than \$1.9 billion back to New Yorkers through our protections, policies, and programming.

Consumer Protections

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, we have consistently leveraged our authority to protect New Yorkers from deceptive business practices and secure financial restitution for consumers whose rights have been violated in the marketplace. In the last few years, our efforts have played a role in securing more than \$28 million in financial restitution and debt relief for consumers.

DCWP's licensing laws and rules, paired with robust education and outreach, play a critical role in safeguarding our city's consumers and maintaining industry standards across more than 45,000 businesses in 40 license categories. Recently, we implemented a new licensing category for the hotel industry, we testified in support of strengthening consumer protection laws in the storage warehouse industry¹, and we adopted new rules to improve the consumer restitution process in the home improvement industry. Under these rules, we simplified the process for consumers to receive compensation from the Home Improvement Contractor Business Trust Fund. Since adopting these rules in 2023, we have approved more than 180 claims, distributing nearly \$1.7 million to consumers. And, with the more recent expansion of our rules, more consumers will now be able to receive compensation and in greater amounts.

Worker Protections

Alongside our work in the consumer protection space, we are also a national leader in the enforcement of worker protections, serving as the City's central resource for workers in New York City. DCWP enforces key municipal workplace laws that provide workers with greater stability in their schedules, income, and jobs. We ensure compliance with these essential workplace laws and secure restitution for workers who have faced violations in the workplace. Our Fair Workweek-Just Cause law is an integral protection prohibiting the firing

 $^{^1\} https://www.nyc.gov/assets/dca/downloads/pdf/partners/Advocacy-Testimony-Intros-495-1016-1231-1290-1308-1311.pdf$

or reduction of the hours of a worker by more than 15% without just cause. This law has provided the agency with a deep understanding of the ramifications of unjust firings, and the importance of stable employment. Our enforcement of protections for food delivery workers also contributes to our depth of knowledge about the app delivery industry and the job insecurity these workers face. Recently, we updated our Worker Bill of Rights, a comprehensive guide for workers on their rights in the workplace, spanning city, state and federal labor laws.

In June 2023, the City announced the nation's first of its kind minimum pay rate for food delivery workers that apps classify as independent contractors, a significant advancement of workers' rights in New York City in the 21st Century. To implement this groundbreaking protection, DCWP conducted a comprehensive study of the industry, and considered thousands of comments from delivery workers, apps, restaurants, researchers, elected officials and other members of the public. Before the minimum pay rate was implemented, these workers received poverty-level compensation for their work, averaging approximately \$5.00 per hour before tips. After the apps began paying the minimum pay rate, tens of thousands of workers saw their pay increase dramatically. Since then, the minimum pay rate has increased to a rate of \$21.44 per hour. As a result, apps have paid workers over \$1 billion more than they would have without the minimum pay rate. This money not only supports some of the lowest-wage families in New York City, but also goes directly back into our local economy. The agency will continue to stand shoulder to shoulder with delivery workers and ensure their rights to fair and dignified pay are protected.

Introduction 428

Turning to today's legislation, Introduction 428 would require those who are required to post construction permits to post information, developed by DCWP, on how workers can file a wage theft complaint, as well as other information on worker rights related to wage theft under state law. We support this legislation. However, rather than create another distinct notice for businesses to post at the worksite, we recommend utilizing DCWP's new Workers' Bill of Rights poster by requiring the permit holder to post this document. As always, we remain eager to partner with Council on ways to educate New Yorkers on their rights in the workplace.

Introduction 877

Introduction 877 would clarify that DCWP shall enforce applicable consumer protection provisions against plumbers, electricians, and other such professionals. We support council's intent to protect consumers from deceptive practices in New York City. However, the Consumer Protection Law, DCWP's signature law prohibiting deceptive business practices, already applies to all businesses, including those not required to be licensed as a Home Improvement Contractor. Therefore, this amendment is unnecessary for DCWP to investigate claims against non-licensed businesses. We are supportive of the reporting outlined outline in the bill but would like to provide clarifying language to streamline that tool. We look forward to working with Council and our colleagues at DOB on ensuring that information on violating businesses is shared collaboratively.

Introduction 1193

Introduction 1193 would require home improvement contractors to disclose whether there are any permits foreseeably required to perform the work specified in the contract and, if so, which permits are required, how to obtain the permits, and how owners can verify the status of any permits. We support Council's efforts to better regulate this industry and believe this legislation will provide more visibility and will further assist consumers when working with Home Improvement Contractors. We defer to the Department of Buildings regarding the watch list that is in the legislation.

Introduction 1294

Introduction 1294 would require DCWP to create a website containing publicly available identifying information of all individuals that have been convicted of committing larceny by deed theft in New York City.

While we understand that this is an important issue impacting communities across the city, we do not have any authority related to deed theft enforcement nor to the conviction of individuals engaging in deed theft. As we have previously testified, there are better equipped agencies in the city that are able to provide assistance to victims of deed theft. For example, the City's District Attorneys' offices have access to the information required by the bill.

Introduction 494

Introduction 494 would prohibit the imposition of late fees for self-storage units. We support this legislation. As we previously testified, further regulation in the storage warehouse industry is beneficial to consumers. However, we do have certain amendments such as a longer implementation period, particularly as the Council considers other legislative changes in this industry. For example, we recently testified in support of legislation sponsored by Chair Menin, Introduction 1290, that would include self-storage businesses in our storage warehouse license category. Such a protection should apply to the entire category. We look forward to working with Council to further protect consumers utilizing self-storage warehouses.

Introduction 1332

Finally, Introduction 1332 would prohibit app-based delivery services from deactivating app-based delivery workers, unless due to just cause or for a bona fide economic reason. We strongly support this bill because arbitrary and unfair deactivations for app-based delivery workers are incredibly harmful to workers, and their families. The protections in this bill will also make the dangerous jobs of delivery workers' safer, and will improve street safety for all New Yorkers. We routinely receive complaints from delivery workers about wrongful deactivations for issues outside their control, like traffic conditions and other workplace dangers. For example, one worker reported he was deactivated when he was hit by a car and hospitalized. Another reported being deactivated when he was robbed on the job and as a result was unable to complete a delivery. Many other workers have reported unfair deactivations after one instance of late delivery due to factors beyond the workers' control, and in spite of otherwise excellent job performance. We have provided an anonymized sample of worker narratives about deactivations as an appendix to this testimony.

We would like to provide amendments to the bill to ensure that we are reducing arbitrary deactivations and strengthening the protections for workers. This includes a severance pay provision for workers to disincentivize arbitrary terminations, as well as provide workers with an essential financial lifeline in their time of need. We also recommend streamlined complaint and arbitration procedures, and a reinstatement requirement for workers that apps layoff for non-performance-based reasons. We are excited to work with Council on this incredibly necessary protection for delivery workers.

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 all of you to continue protecting New Yorkers from harm in both the workplace and the marketplace. I welcome any questions you may have for further discussion.

Appendix: Delivery Worker Narratives on Arbitrary Deactivations

We have received complaints about arbitrary deactivation from workers for UberEats, DoorDash, Grubhub, Relay, HungryPanda, Fantuan, Instacart, and GoPuff. These narratives have been lightly edited for clarity and to protect workers' anonymity.

- I had an accident [in 2025]. A car hit me. I was in the bicycle lane. The light was green and the car ran the red light. It seemed that the driver was in a hurry to pick up his children from school while I was working. They took me to [the hospital] in an ambulance. They treated me and gave me treatment for the injuries I had. It is worth mentioning that when I had the accident, I managed to communicate by message to the chat of the Relay application to let them know that I had had the accident, for which they responded that they were sorry for the inconvenience and that they would proceed to deactivate me from the application.
- I was robbed while doing a delivery. I notified Uber and they fired me saying I prolonged deliveries. Once I sent in the police report proving what happened, they then told me the decision was final and it was determined that I prolonged deliveries. I continued to send proof that wasn't true and then they changed the reason to "they received multiple reports that my behavior didn't align with the community guidelines." They basically made up a reason to deactivate my account after I was robbed.
- The DoorDash Operations Team deactivated my access to the app, because they claim I wasn't driving my car as fast enough, when picking up and dropping off deliveries while adhering to NYC traffic laws.
- DoorDash deactivated my account. I never got a chance to dispute the lateness violations because DoorDash gave me the violations days after completing the delivery. Traffic and bad weather is no reason for late violations. Having multiple violations is what got my account deactivated. I feel violated as if DoorDash used me and []replaced me. Now I'm unable pay my taxes as I have no source of income.
- Trabajé para Uber de comida y hace meses me desactivaron mi cuenta injustamente. Por que cumplía con todo mis calificaciones altas fui a la oficina de Uber pero como no hablo inglés no me dieron importancia. Y sigo con mi cuenta desactivado permanentemente y es injusto por que no me dieron la oportunidad de defenderme. Me quitaron el pan de cada día para mi familia injustamente necesito que me ayuden por dios.
 - Translation from Spanish: I worked for UberEats, and months ago they unfairly deactivated my account. Because I met all the requirements and had high qualifications, I went to the Uber office, but since I don't speak English, they didn't give me the time of day. And my account is still permanently deactivated, and it's unfair because they didn't give me the opportunity to defend myself. They unfairly took away my family's daily bread. For God's sake, I need you to help me.
- In 2025 I was wrongfully deactivated from Doordash. I had [done thousands of] deliveries for them, was a top dasher and platinum with outstanding ratings, on time deliveries, 100[%] completion ratings, great acceptance rate and customer ratings. They accused me of misuse [of merchandise return procedures], however I returned everything to [the store], gave receipts to prove it and money was returned to their company [] card. I have not been able to get anyone to help me with this. I appeal[ed] twice and was denied. I made DoorDash a full-time job. I reach[ed] out to a few lawyers but no one will help.
- Uber deactivated my account because I was very late with the delivery of the package. It was the fault of blocked roads and bridges in New York because there was 2024 TCS New York City Marathon November 3, 2024. I got into huge traffic, the roads were closed everywhere, I could not deliver the package on time, and so Uber thought that I committed fraud increasing the delivery time and they blocked my account.
- UberEats just deactivated my account for nothing wrong I did. Every time I try to connect to support, they are giving me a new reason. I asked them many times to tell me which orders were the reason and they don't want to give me the answer so I can tell them about it. I didn't do anything wrong. The last

- time, UberEats support told me it was because I have cancelled many orders. But I just showed him my profile, and my cancelation rate is zero.
- I have been working with Uber since 2021, almost three years with more than thirteen thousand orders. Last August, I received an email permanently deactivating my account, according to them, due to many complaints from clients that I did not deliver their orders. Totally false. I consider it unfair that they left me without a job and questioned my integrity by saying without basis that I did not deliver the orders. They say that you can appeal but they do not give credit to the driver, they simply deactivate your account and they take away your job. I am an honest and hard-working man who does not need to play with the support of my home by not delivering a meal. This company does not support its drivers. Please help us by being our voice.
- They falsely deactivated me for "fraudulently prolonging trip time," accusing me of intentionally delaying, even though most of my trips are within the time they estimated, even earlier, with the exception of traffic. There is nothing I can do when there's traffic due to Labor Day Parade or an accident ahead blocking two lanes. It's slanderous to call this a fraud. It's as though they encourage drivers to break traffic laws to meet their time estimates because in NYC, traffic is normal, there will be a car in front sometimes going too slow. But my on-time rate has been good, with the exception of a few trips that had traffic issues. It took away my livelihood to make money to take care of the bills. I have never cancelled a delivery once I got the food, and my trips were on time.
- Instacart deactivated my account, because there is a big problem with the app system. They suspended my account with fake reasons. I did nothing wrong, I have worked on Instacart for 4 years, I don't understand why they deactivated my account. I also sent them the evidence. But they didn't respond.
- They deactivated my account using the pretext that I altered the time in purchases and deliveries. This is false, since if I go to a supermarket and put all the items in the cart, and there are more people in the checkout line, I can't get ahead of them. And if leaving the supermarket I find traffic on the highway I can't fly over the other cars, and if the weather conditions are not the best I can't exceed the speed since I could have or cause an accident.
- DoorDash deactivated my account because I did not support their request for everyone to send protest emails to council members in response to the new [worker pay] measures soon to be implemented in New York City.
- This morning I was deactivated from my DoorDash account. The exact reason they have in the email provided was "continued, repeated instances where you prolonged pickup and/or delivery times." I have very good ratings, I always pick up and deliver food as fast as I can. The only times I'm even remotely late for anything is through traffic or weather out of my control. Sometimes it can be difficult to navigate certain apartment complexes or shop in new markets that I haven't been to before, to navigate for items for the customer, but I always do it quickly and as fast as possible.