

## **New York City Department of Consumer and Worker Protection**

### **Notice of Adoption**

Notice of Adoption to add new rules to implement a recent state law that amended provisions of the New York City Charter (“Charter”) relating to the docketing of judgments in certain enforcement proceedings brought by the Department.

NOTICE IS HEREBY GIVEN PURSUANT TO THE AUTHORITY VESTED IN the Commissioner of Consumer and Worker Protection by Sections 1043 and 2203(f) of the Charter and Section 20-104(e) of the New York City Administrative Code, and in accordance with the requirements of Section 1043 of the New York City Charter, that the Department of Consumer and Worker Protection (“Department”) adds Sections 6-06 and 6-07 of Title 6 of the Rules of the City of New York.

This rule was proposed and published on April 14, 2021. A public hearing was held on May 14, 2021. No comments were received.

### **Statement of Basis and Purpose of Rule**

The Department is adding new rules to implement a recent state law amending provisions of the Charter relating to the docketing of final decisions or orders and of default judgments in certain enforcement proceedings brought by the Department.

The state law, Chapter 205 of the Laws of 2020, amended Section 2203(h) of the Charter to allow the Department to docket final decisions and orders in civil court. This change allows final decisions and orders to be enforced without additional court proceedings, in the same manner as money judgments entered and docketed in civil lawsuits. The state law also allows a consumer or worker to request that the Department assign to him or her a final decision or order awarding him or her monetary damages, restitution, or other equitable relief. This assignment would allow the consumer or worker, rather than the Department, to docket and enforce the final decision or order.

The state law also allows a respondent who receives notice of a default judgment in certain enforcement proceedings brought by the Department to avoid the docketing of that judgment, by both requesting a stay of the default judgment for good cause shown and either requesting a new hearing or pleading guilty to the charges in the default judgment.

These new rules implement the state law by:

- Creating a procedure to allow a consumer or worker to request the assignment of a final decision or order; and
- Creating a procedure to allow a respondent who receives notice of a default judgment in certain enforcement proceedings brought by the Department to avoid the docketing of that judgment, by both requesting a stay of the default judgment for good cause shown and either requesting a new hearing or pleading guilty to the charges in the default judgment.

New material is underlined.

[Deleted material is in brackets.]

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

## Rule Amendment

Section 1. Subchapter A of Chapter 6 of Title 6 of the Rules of the City of New York is amended by adding two new sections 6-06 and 6-07 to read as follows:

### **§ 6-06 Assigning and Docketing Final Decisions or Orders.**

If a final decision or order authorizes restitution, imposes an award of monetary damages, or provides equitable relief to a consumer or worker, the consumer or worker may request that the Department assign the final decision or order, or the portion of it that awards such restitution, monetary damages, or equitable relief, to the consumer or worker. To make such a request, the consumer or worker must complete the form available on the Department's website and submit the form to the Department by mail or email within 180 days of the date on which the final decision or order was issued; provided, however, that the deadline to submit such a request shall be tolled while a judicial proceeding challenging the final decision or order is pending.

### **§ 6-07 Default Judgments.**

A Respondent may, within 30 days of receiving notice from the Department that a final default judgment has been issued against the Respondent and that the Department intends to enter and docket that judgment, both (a) request a stay of the default judgment for good cause shown, and (b) either request a new hearing at OATH or plead guilty to the charges in the default judgment. To make such a request, the Respondent must complete the form available on the Department's website and submit the form to the Department by mail or email. Before submitting such a request, however, the Respondent must first move to vacate the default judgment at OATH pursuant to 48 RCNY § 1-45 or § 6-21, or any successor rule thereto.