Notice of Public Hearing and Opportunity to Comment on Proposed Rules

What are we proposing? The Department of Consumer and Worker Protection ("DCWP" or "Department") is proposing to amend the penalty schedules concerning the towing of vehicles and booting of motor vehicles.

When and where is the hearing? DCWP will hold a public hearing on the proposed rule. The public hearing will take place at 11AM on March 11, 2024. The public hearing will be accessible by phone and videoconference.

- To participate in the public hearing via phone, please dial +1 646-893-7101
- To participate in the public hearing via videoconference, please follow the online link:
 - o <u>http://tinyurl.com/24t6nb3c</u>
 - Meeting ID: 241 874 499 105
 - Passcode: pdPsBa

How do I comment on the proposed rules? Anyone can comment on the proposed rules by:

- Website. You can submit comments to DCWP through the NYC rules website at http://rules.cityofnewyork.us.
- Email. You can email comments to Rulecomments@dcwp.nyc.gov.
- **By speaking at the hearing.** Anyone who wants to comment on the proposed rule at the public hearing must sign up to speak. You can sign up before the hearing by emailing Rulecomments@dcwp.nyc.gov. You can also sign up on the phone or videoconference before the hearing begins at 11AM on March 11, 2024. You can speak for up to three minutes.

Is there a deadline to submit comments? Yes. You must submit any comments to the proposed rule on or before March 11, 2024.

What if I need assistance to participate in the hearing? You must tell DCWP's External Affairs division if you need a reasonable accommodation of a disability at the hearing. You must tell us if you need a sign language interpreter. You may tell us by email at Rulecomments@dcwp.nyc.gov. Advance notice is requested to allow sufficient time to arrange the accommodation. Please tell us by March 4, 2024.

Can I review the comments made on the proposed rules? You can review the comments made online on the proposed rules by going to the website at <u>http://rules.cityofnewyork.us/</u>. A few days after the hearing, all comments received by DCWP on the proposed rule will be made available to the public online at <u>http://www1.nyc.gov/site/dca/about/public-hearings-comments.page</u>.

What authorizes DCWP to make this rule? Sections 1043 and 2203(f) of the New York City Charter and sections 19-169(b), 19-169.1(m), and 19-169.2(k) of the New York City Administrative Code authorize the Department of Consumer and Worker Protection to make these proposed rules. This proposed rule was included in the Department of Consumer and Worker Protection's regulatory agenda for this Fiscal Year.

Where can I find DCWP's rules? The Department's rules are in title 6 of the Rules of the City of New York.

What laws govern the rulemaking process? DCWP must meet the requirements of section 1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of section 1043 of the City Charter.

Statement of Basis and Purpose of Proposed Rule

The Department of Consumer and Worker Protection ("DCWP" or "Department") is proposing to amend 6 RCNY § 6-36, the penalty schedule for the towing of vehicles, by adding additional charges to the penalty schedule.

DCWP is also proposing to amend 6 RCNY § 6-37, the penalty schedule for the booting of motor vehicles, by adding additional charges to the penalty schedule. DCWP is making these amendments to ensure DCWP's towing and booting penalty schedule includes all towing and booting charges for which DCWP is authorized to issue violations, including those in Title 19 of the New York City Administrative Code.

Sections 1043 and 2203(f) of the New York City Charter and sections 19-169, 19-169.1, and 19-169.2 of the New York City Administrative Code authorize the Department of Consumer and Worker Protection to make these proposed rules. Pursuant to Section 1043(d)(iii) of the New York City Charter, this rule is exempt from review under Section 1043(d) of the New York City Charter.

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.

Section 1. Section 6-36 of subchapter B of chapter 6 of title 6 of the Rules of the City of New York is amended as follows:

§ 6-36 Towing Vehicles Penalty Schedule.

All citations are to [Title 20 of] the Administrative Code of the City of New York or Title 6 of the Rules of the City of New York.

Unless otherwise specified, the penalties set forth for each section of law or rule shall also apply to all subdivisions, paragraphs, subparagraphs, clauses, items, or any other provision contained therein. Each subdivision, paragraph, subparagraph, clause, item, or other provision charged in the Notice of Violation shall constitute a separate violation of the law or rule.

Unless otherwise specified by law, a second or third or subsequent violation means a violation by the same respondent, whether by pleading guilty, being found guilty in a decision, or entering into a settlement agreement for violating the same provision of law or rule, within two years of the prior violation(s).

In certain cases, the Department may ask for license suspension or revocation, as permitted by statute. If a respondent is found in violation of multiple provisions that require a suspension period, the suspension periods shall run concurrently.

The parties shall be authorized to present evidence to mitigate the license revocation or suspension period within the date range marked by two asterisks (**).

Citation	Violation Description	First Violation	First Default	Second Violation	Second Default	Third Violation	Third Default
Admin. Code § 20-496	Unlicensed Activity	\$2,250	\$3,000	\$2,700	\$3,000	\$10,000	\$10,000
Admin. Code § 20-500	Failure to comply with insurance requirements	to 15 day	\$2,500 (plus 15 day suspension)	\$3,000 (plus 0 to 30 day suspension)**	\$3,000 (plus 30 day suspension)	\$3,500 (plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-501	Improper inspection of tow trucks	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
Admin. Code § 20-503	Failure to comply with license plate requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
Admin. Code § 20-507	Improper posting of required information	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)

		-					
Admin. Code § 20-509	Failure to comply with rates requirements	\$2,250	\$3,000	\$2,700	\$3,000	\$10,000 (plus revocation)**	\$10,000 (plus revocation)
Admin. Code § 20-509.1	Failure to comply with arterial tow rates requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-510	Improper authorization to tow vehicles	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-511	Failure to properly remove vehicle obstructing traffic	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
Admin. Code § 20-512	Failure to comply with licensee obligation to perform service	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-514	Failure to comply with repair requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-515	Engaging in prohibited acts	\$2,250	\$3,000	\$2,700	\$3,000	\$10,000	\$10,000
Admin. Code § 20-516	Improper recordkeeping	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-517	Improper transfer of license	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
Admin. Code § 20-518	Failure to comply with Directed Accident Response Program (DARP) program requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-518(b)(2)	Unauthorized response	\$2,250	\$3,000	\$2,700	\$3,000	\$10,000 (plus revocation)**	\$10,000 (plus revocation)
Admin. Code § 20-519	Failure to comply with Rotation Tow Program (ROTOW) program requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-520	Improper removal of a disabled vehicle on a highway	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-520.1(b)	Failure to comply with prerequisite requirements for city towing programs	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875(plus revocation)**	\$3,500 (plus revocation)
Admin. Code § 20-527	Failure to comply with credit card requirement	\$2,250	\$3,000	\$2,700	\$3,000	\$10,000 (plus revocation)**	\$10,000 (plus revocation)
Admin. Code § 20-528(a)	Improper police precinct notification	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-362	Failure to comply with towing license requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-363	Failure to comply with the obligations of a tow truck licensee	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-364	Improper application for a tow truck operator's license	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-365	Failure to comply with the obligations of a licensed tow truck operator	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-366	Failure to meet the responsibilities to provide towing services	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500

			r	r		r	
6 RCNY § 2-367	Improper authorization to tow	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY	Failure to comply with Consumer Bill of Rights	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
§ 2-367.1	requirements						
6 RCNY § 2-368	Improper rates and charges	\$2,250	\$3,000	\$2,700	\$3,000	\$10,000	\$10,000
6 RCNY	Failure to comply with						
§ 2-369	the authorization to repair requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY	Improper arterial	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
§ 2-370							
6 RCNY § 2-371	Failure to comply with Directed Accident Response Program (DARP) requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-372	Failure to comply with Rotation Tow Program (ROTOW) requirements	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY	Failure to comply with	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
§ 2-373	program requirements						
6 RCNY § 2-374	Improper primary or adjacent zones	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY	Failure to comply with						
§ 2-375	the requirements of the tow truck industry fund	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-377	Failure to comply with the duties pertaining to the nonconsensual towing of vehicles from private property	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
6 RCNY § 2-378	Improper maintenance of records in electronic format	\$1,875	\$2,500	\$2,375	\$3,000	\$2,875	\$3,500
<u>Admin. Code § 19-169(c)(1)</u>	Towing without written authorization from owner or lessee of property	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169(c)(2)</u>	<u>Towing an occupied</u> vehicle	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169(c)(3)</u>	Towing vehicle in excess of distance permitted by law	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169(c)(4)</u>	Failure to notify police precinct within 30 minutes of vehicle's arrival at storage site	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
Admin. Code § 19-169(c)(5)	Overcharging for disconnecting attached vehicle	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169(c)(6)</u>	Failure to allow owner to inspect vehicle before accepting its return	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169(c)(7)</u>	Failure to comply with notice provisions of lien law	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169(d)</u>	Refusing to remove vehicle without just cause	<u>\$100</u>	<u>\$100</u>	<u>\$200</u>	<u>\$200</u>	<u>\$500</u>	<u>\$500</u>
<u>Admin. Code § 19-169.1(a)</u>	Overcharging for removal of vehicle from private property	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>

		1		1			
<u>Admin. Code § 19-169.1(a)</u>	Failing to follow posted instructions when removing vehicle from private property	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(b)</u>	Improper sign posted for removal of vehicles	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(c)</u>	Removal of vehicle from private property without written authorization from property owner or agent	<u>\$500</u>	<u>\$500</u>	<u>\$1.000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(d)</u>	Removal of vehicle while it was occupied	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(e)</u>	Storage of vehicle in excess of distance permitted by law	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(f)</u>	Failure to notify police precinct within 30 minutes of vehicle removal	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(g)</u>	Failure to notify about disconnection rights	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(g)</u>	Overcharging for disconnecting attached vehicle	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(h)</u>	Failure to allow owner to inspect vehicle before accepting its return	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
Admin. Code <u>§ 19-169.1(i)</u>	Charging for improper removal of a vehicle	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-169.1(k)</u>	Towing of city vehicles	<u>\$500</u>	<u>\$500</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>

Section 2. Section 6-37 of subchapter B of chapter 6 of title 6 of the Rules of the City of New York is amended as follows:

§ 6-37 Booting of Motor Vehicles Penalty Schedule.

All citations are to [Title 20 of] the Administrative Code of the City of New York or Title 6 of the Rules of the City of New York.

Unless otherwise specified, the penalties set forth for each section of law or rule shall also apply to all subdivisions, paragraphs, subparagraphs, clauses, items, or any other provision contained therein. Each subdivision, paragraph, subparagraph, clause, item, or other provision charged in the Notice of Violation shall constitute a separate violation of the law or rule.

Unless otherwise specified by law, a second or third or subsequent violation means a violation by the same respondent, whether by pleading guilty, being found guilty in a decision, or entering into a settlement agreement for violating the same provision of law or rule, within two years of the prior violation(s).

In certain cases, the Department may ask for license suspension or revocation, as permitted by statute. If a respondent is found in violation of multiple provisions that require a suspension period, the suspension periods shall run concurrently.

Citation	Violation Description	First Violation	First Default	Second Violation	Second Default	Third and Subsequent Violation	Third and Subsequent Default
Admin. Code	Linliconsod booting activity	\$750	\$1.000	\$900	\$1.000	\$1,000	\$1,000
§ 20-531	Unlicensed booting activity	φ <i>1</i> 50	φ1,000	\$900	φ1,000	φ1,000	\$1,000

				1			
Admin. Code § 20-534	Failure to maintain records as required	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
Admin. Code § 20-535	Improper charge for release of vehicle; failure to release vehicle within prescribed time or at prescribed place	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-401	Failure to comply with signage requirements	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-402	Improper form or content of vehicle window stickers	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-403	Improper practices for acceptance of credit card payments	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-404(b)	Failure to disclose name, phone number and address of each officer, director, principal or stockholder	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-404(d)	Failure to notify DCA within 15 days of change of address	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-405	Failure to notify DCA within 10 days of change in offers or directors or transfer of capital stock	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-406	Failure to post license at place of business	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-407	Failure to provide employees with identification badge in required form; failure to maintain record of identification badges issued; failure of employee to display identification made upon request	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-408	Failure to maintain records or to issue receipts in required form	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
6 RCNY § 2-409	Failure to notify DCA of change in fees charged or properties served	\$750	\$1,000	\$900	\$1,000	\$1,000	\$1,000
<u>Admin. Code § 19- 169.2(b)</u>	Unlicensed person engaged in booting	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19- 169.2(c)(1)</u>	Insufficient number of signs posted by owner	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-</u> <u>169.2(c)(2)</u>	Failure to post proper signs on private streets and at intersections with public streets warning of booting	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19- 169.2(c)(3)</u>	Charging more than posted rate for release of booted vehicle	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-</u> 169.2(c)(4)	Booting a vehicle without a proper contract with the owner of the property where the vehicle is parked	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-</u> 169.2(d)	Booted legally parked vehicle	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin Code § 19- 169.2(e)</u>	Failure to attach sticker with booting company's contact information and warning that attempt to move vehicle may damage it	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1.000</u>

<u>Admin. Code § 19-</u> <u>169.2(f)</u>	Failure to provide signed receipt containing required information	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
<u>Admin. Code § 19-</u> <u>169.2(g)</u>	Charging fee for improper booting	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>
	Failure to release vehicle within 30 minutes of request, after payment of charge	<u>\$750</u>	<u>\$1,000</u>	<u>\$900</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>