

What Companies Should Know About NYC's \$131.5 Million Delivery Worker Settlement

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New York City's [recently announced \\$131.5 million settlement](#) with a major delivery platform is significant for both its size and what it reveals about the Department of Consumer and Worker Protection's (DCWP) emergence as a consequential enforcement agency. The September 2026 settlement resolved DCWP's allegations that certain delivery workers were underpaid or paid late. The company [disputed aspects of DCWP's methodology](#) and attributed many of the alleged payment issues to technical problems or inaccurate worker banking information. Nevertheless, the company chose to settle rather than litigate the matter, agreeing to provide \$115.5 million to approximately 260,000 workers and pay \$16 million in civil penalties and fines. The mayor's office characterized the agreement as the "largest worker settlement" in the city's history.

Companies with operations in New York City should be aware that DCWP is rapidly ramping up investigations by coordinating closely with other city agencies and relying on sophisticated data analytics. Companies should consider assessing whether their compliance programs, data-retention practices and internal escalation procedures are equipped to respond to this developing enforcement environment.

DCWP gears up for broader enforcement

Since late 2025, several developments have laid the groundwork for DCWP's increasingly assertive enforcement posture. These include new leadership, closer coordination with other city agencies and growing reliance on data analytics.

Leadership appointments

Before assuming office, then-mayor-elect Zohran Mamdani made it clear that his administration would seek aggressive enforcement of city labor and consumer protection laws. He [appointed Lina Khan](#), the former Federal Trade Commission (FTC) chair known for her aggressive enforcement of antitrust laws, as co-chair of his transition team. According to news reports, Khan [led a team](#) that "spent weeks scouring New York City's laws to find dormant or underused mayoral authority that could allow Mr. Mamdani to take action in a hurry." In July, [Mamdani appointed Khan](#) to chair New York City's Economic Development Corporation.

In his [second executive order](#), Mamdani created the position of First Deputy Mayor for Economic Justice to oversee an array of agencies, including those responsible for consumer and worker protection. Mamdani [appointed Julie Su](#), who served as acting secretary of labor during the Biden administration, to the position. He also [appointed Samuel A.A. Levine](#) – former director of the FTC's Bureau of Consumer Protection – as commissioner of DCWP.

New coordination frameworks

The administration has paired these personnel choices with new frameworks for interagency coordination. At the end of August, [Mamdani, Levine and Su announced a memorandum of understanding with Manhattan District Attorney Alvin Bragg](#), allowing for closer coordination on investigations and enforcement relating to wage violations, tenant protections and fraud targeting immigrants. While DCWP has long referred matters to the Manhattan district attorney for criminal review, the new partnership will allow for increased information- and data-sharing, as well as coordination on investigative actions and parallel civil and criminal proceedings.

The administration soon expanded this coordination across city agencies. On September 3, 2026, the mayor issued [Executive Order No. 20](#) directing Su to "crack[] down on worker abuse" by maximizing cooperation and information-sharing among city agencies. DCWP, the Taxi and Limousine Commission and the Commission on Human Rights are directed to coordinate with Su to conduct "proactive investigations" of suspected workplace violations even in the absence of any complaints. The agencies will prioritize employers with histories of noncompliance, particularly those with large numbers of low-wage workers.

Growing role of data analytics

On September 16, 2026, [Levine announced the creation of the Research and Analytics Division](#) (RAD) within DCWP. The new division will provide “data science and technologist support to DCWP investigations” and is expected to have 36 staff members by FY 2028, including “data scientists, technologists, and PhD economists.” As Khan stated in the press release, “Hiring technologists and data analysts at the FTC turbocharged our work. DCWP’s new unit should be a model for cities and states across the country.”

One of [RAD’s first initiatives](#) will be to lead DCWP’s partnership with the Workers Justice Project and the Workers’ Algorithm Observatory to develop software that allows delivery workers to share their trip and earnings data directly with the agency. The initiative is funded by \$4.3 million of the \$131.5 million settlement.

DCWP’s expanding enforcement and regulatory agenda

Since January, DCWP has quickly ramped up its enforcement efforts. In the first nine months of the Mamdani administration, DCWP negotiated [settlements totaling \\$13.2 million](#) against companies for alleged labor and consumer protection violations. [One such settlement](#) involved \$2.1 million in restitution and \$218,000 in fines against four companies for allegedly failing to provide sufficient advance notice of work schedules or failing to provide paid protected time off. In the [first 100 days alone](#), DCWP filed multiple lawsuits relating to consumer protection issues, including undisclosed fees, overbilling and false advertising. DCWP also sent nearly 60,000 “compliance warnings,” including “subscription trap” warnings to nearly 200 gyms.

DCWP has also [advanced its agenda through rulemaking](#) – including by adopting the “Click-to-Cancel” rule that “prohibits subscription traps” and proposing rules targeting so-called junk fees.

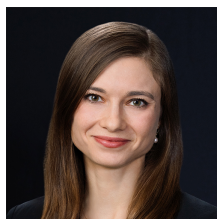
Key takeaways

- DCWP has demonstrated its willingness to vigorously enforce New York City’s labor and consumer protection laws. Companies should anticipate greater coordination between DCWP and other city agencies, along with increased use of data analytics in DCWP’s identification and investigation of potential violations.
- Companies with operations in New York City should consider strengthening their compliance programs with respect to consumer and worker protection laws. Compliance programs designed for prior enforcement practices may no longer be sufficient given this administration’s willingness to invoke new or underused authorities and pursue novel enforcement theories.
- Given the city’s directive to investigate alleged wage and workplace violations proactively – even without a complaint – companies may wish to conduct privileged compliance reviews related to those issues.

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