

## **NEW YORK CITY BUSINESS INTEGRITY COMMISSION**

### **NOTICE OF ADOPTION OF FINAL RULE ON PENALTY SCHEDULE FOR VIOLATION OF BIC RULES**

NOTICE IS HEREBY GIVEN in accordance with the requirements of section 1043 of the New York City Charter and exercising the authority vested in the Commission by sections 1043(a) and 2101(b) of the New York City Charter that the New York City Business Integrity Commission (“BIC” or the “Commission”) has adopted the Penalty Schedule for Violation of BIC Rules set forth below. BIC published a Notice of Opportunity to Comment on the proposed rule in the *City Record* on June 18, 2018. On July 24, 2018, BIC held a public hearing on the proposed rule. No comments were received prior to or during the public hearing, and no changes have been made to the originally published version.

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

Penalties for violations of BIC’s rules that relate to public wholesale markets, the seafood distribution areas, market businesses, labor unions, and labor organizations operating in seafood distribution areas in New York City were set forth in OATH’s rules at 48 RCNY § 3-108. OATH, in conjunction with the Mayor’s Office of Operations, determined that penalty schedules used in the adjudication of agency rule violations, which were previously promulgated by the Environmental Control Board, should instead be issued by the respective agencies. The enforcement agencies possess the expertise to adopt appropriate penalties based on the severity of each violation and its impact on public safety. BIC has incorporated the current Market Penalty Schedule into its own rules. Simultaneously, under a separate rulemaking, OATH is proposing a companion rule to repeal the BIC penalties currently set forth within the OATH rules.

Incorporating the penalty schedule into BIC’s rules will make it more accessible to the public, as it will then be included within the same title and chapter as the rules cited in BIC’s summonses. BIC is also adding penalties to the existing penalty schedule that do not currently appear in the current Market Penalty Schedule. Finally, this rule will clarify the Commission’s current rules by explaining the penalty schedule and the existence of mail-in penalties.

The amendments are intended to accomplish the following:

- Distribute several provisions of the penalty schedule, formerly found within 48 RCNY § 3-108, among various sections of Title 17;
- Add text to explain repeat penalties;
- Add text to explain the “mail-in penalties” process;
- Add text specifically enumerating the penalties for failure to register a wholesale seafood business that is operating outside the market area;
- Adjust penalty amounts for several violations; and

● Add penalties to the schedule for violations of 17 RCNY §§ 11-19(a)(3)-(9), (11)-(14), including penalties for:

- Improper disposal of litter, rubbish, or refuse;
- Public urination and/or defecation,
- Improper damage, removal, or destruction of property,
- Engagement/instigation of fight or other disturbance,
- Commission of injurious act,
- Possession of dangerous instruments and/or explosives,
- Gambling
- Sale of prohibited items,
- Discharge into tidal water, sewage, or drainage,
- Causing damage to or clogging of drains or sewers, and
- Disobeyance of lawful order of employee of Commission or City

New material is underlined; deleted text is in [ ] brackets.

Section 1. Section 11-22 of Title 17 of the Rules of the City of New York is amended to read as follows:

**§ 11-22. Fines and Penalties.**

(a) The Commission may issue a summons to any person, including a wholesale business, market business, or wholesale trade association, or any of their principals, employees, agents or officers, for the violation of any provision of Chapter 1-B of Title 22 of the Code or this subchapter. Any person who violates any such provision shall be subject to the civil and criminal fines and penalties and injunctive relief as provided in section 22-258 of the Code.

(b) A wholesale business, market business, or wholesale trade association shall be jointly and severally liable for any violation of Chapter 1-B of Title 22 of the Code or of this subchapter committed by any of its officers, employees and/or agents acting within the scope of their employment.

(c) All penalties are in dollar amounts. Repeat penalties apply to violations of the same subdivision penalty schedule description. Second, third, fourth, fifth and subsequent (“subs.”) violations are defined as a violation by the same respondent on a date within five years of the date of occurrence of the previous violation.

(d) An asterisk (\*) in the penalty schedule denotes availability of a mail-in penalty. Mail-in penalties are only available for a first offense. Where a mail-in penalty exists in this penalty schedule for the cited violation, a respondent may admit to the violation charged and pay the penalty by mail in the manner and time directed by the summons. Payment in full is deemed an admission of liability and no further hearing or appeal will be allowed. Where a respondent is permitted to admit and pay by mail but fails to do so prior to the original hearing date written on the violation, the respondent will have the option of paying the mail-in penalty, plus a late admit fee of \$30.00, within 30 days of the mailing date of the default order issued against respondent.

(e) The table below sets forth the penalties imposed in connection with summonses issued by the Commission in public wholesale markets. Particular violations are classified as indicated in the following table:

| <u>Code/Rule Section</u>   | <u>Description</u>   | <u>Mail-In Penalty</u> | <u>1st Offense Penalty After Hearing</u> | <u>Repeat Penalty</u>   | <u>Default Penalty</u> |
|----------------------------|--|------------------------|--|---|------------------------|
| <u>17 RCNY § 11-06(a)</u>  | <u>Failure to obtain identification card</u>                                     | <u>None</u>            | <u>350</u>                               | <u>2nd 750</u><br><u>3rd 1,500</u><br><u>Subs. 3,000</u>  | <u>10,000</u>          |
| <u>17 RCNY § 11-06(c)*</u> | <u>Failure to produce ID card upon demand</u>                                    | <u>250</u>             | <u>500</u>                               | <u>2nd 500</u><br><u>3rd 1,000</u><br><u>4th 2,500</u><br><u>5th 5,000</u><br><u>Subs. 10,000</u> | <u>10,000</u>          |
| <u>17 RCNY § 11-09(a)*</u> | <u>Improper transfer of registration number</u>                                  | <u>3,000</u>           | <u>5,000</u>                             | <u>Subs. 10,000</u>   | <u>10,000</u>          |
| <u>17 RCNY § 11-09(b)*</u> | <u>Failure to affix and prominently display registration certificate</u>         | <u>500</u>             | <u>1,000</u>                             | <u>2nd 1,500</u><br><u>3rd 2,500</u><br><u>4th 5,000</u><br><u>Subs. 10,000</u>                   | <u>10,000</u>          |
| <u>17 RCNY § 11-09(c)*</u> | <u>Failure to maintain books, records, etc.</u>                                  | <u>1,500</u>           | <u>2,500</u>                             | <u>2nd 3,000</u><br><u>3rd 5,000</u><br><u>Subs. 10,000</u>                                       | <u>10,000</u>          |
| <u>17 RCNY § 11-09(c)*</u> | <u>Failure to retain books, records, etc., and make available for inspection</u> | <u>500</u>             | <u>750</u>                               | <u>2nd 1,000</u><br><u>3rd 2,500</u><br><u>4th 5,000</u><br><u>Subs. 10,000</u>                   | <u>10,000</u>          |
| <u>17 RCNY § 11-</u>       | <u>Failure to notify Commission of material</u>                                  | <u>1,500</u>           | <u>2,500</u>                             | <u>2nd 5,000</u>  | <u>10,000</u>          |

|                                |  |              |               |   |               |
|--------------------------------|--|--------------|---------------|---|---------------|
| <u>15(a)*</u>                  | <u>changes of info submitted in application</u>                                |              |               | <u>Subs.</u><br><u>10,000</u>   |               |
| <u>17 RCNY § 11-16(c)*</u>     | <u>Unauthorized sublease of registration number, premises, and/or business</u> | <u>3,000</u> | <u>5,000</u>  | <u>Subs.</u><br><u>10,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(1)*</u> | <u>Interference with lawful duties of Market Manager or his/her staff</u>      | <u>None</u>  | <u>10,000</u> | <u>Subs.</u><br><u>10,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(1)*</u> | <u>Interference with/obstruction of orderly function of Market</u>             | <u>3,000</u> | <u>5,000</u>  | <u>Subs.</u><br><u>10,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(2)*</u> | <u>Interference with/obstruction of any operation, etc., of registrant</u>     | <u>750</u>   | <u>1,000</u>  | <u>2nd</u><br><u>2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(3)*</u> | <u>Improper disposal of litter, rubbish, or refuse</u>                         | <u>250</u>   | <u>350</u>    | <u>2nd 500</u><br><u>3rd 1,000</u><br><u>Subs.</u><br><u>10,000</u>             | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(4)*</u> | <u>Public urination and/or defecation</u>                                      | <u>350</u>   | <u>500</u>    | <u>2nd</u><br><u>1,500</u><br><u>3rd 3,500</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(5)*</u> | <u>Improper damage, removal, or destruction of property</u>                    | <u>500</u>   | <u>1,000</u>  | <u>2nd</u><br><u>2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(6)*</u> | <u>Engagement/instigation of fight or other disturbance</u>                    | <u>1,000</u> | <u>1,500</u>  | <u>2nd 3,500</u><br><u>3rd 7,000</u><br><u>Subs.</u><br><u>10,000</u>           | <u>10,000</u> |
| <u>17 RCNY § 11-19 (a)(7)*</u> | <u>Commission of any act injurious to any person, animal or property</u>       | <u>1,000</u> | <u>1,500</u>  | <u>2nd 3,500</u><br><u>3rd 7,000</u><br><u>Subs.</u><br><u>10,000</u>           | <u>10,000</u> |
| <u>17 RCNY § 11-19</u>         | <u>Possession of dangerous instruments and/or</u>                              | <u>1,000</u> | <u>1,500</u>  | <u>2nd 3,500</u>  | <u>10,000</u> |

|   |  |              |              |   |               |
|---|--|--------------|--------------|---|---------------|
| <u>(a)(8)*</u>                                      | <u>explosives</u>  |              |              | <u>3rd 7,000</u><br><u>Subs.</u><br><u>10,000</u>   |               |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(9)*</u>  | <u>Gambling</u>  | <u>250</u>   | <u>350</u>   | <u>2nd 1,500</u><br><u>3rd 3,000</u><br><u>4th 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(10)*</u> | <u>Misrepresentation of</u><br><u>merchandise offered for sale</u>   | <u>500</u>   | <u>1,000</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u>                     | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(11)*</u> | <u>Sale of prohibited items</u>  | <u>750</u>   | <u>1,500</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u>                     | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(12)*</u> | <u>Discharge into tidal water,</u><br><u>sewage, or drainage that</u><br><u>may result in the pollution</u><br><u>of water</u> | <u>250</u>   | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 2,500</u><br><u>4th 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(13)*</u> | <u>Causing damage to or</u><br><u>clogging of drains or sewers</u>   | <u>250</u>   | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 2,500</u><br><u>4th 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(14)*</u> | <u>Disobeyance of lawful order</u><br><u>of employee of Commission</u><br><u>or City</u>                                       | <u>750</u>   | <u>1,500</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u>                     | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(a)(14)*</u> | <u>Violation any lawful notice</u><br><u>of Commission or other</u><br><u>City agency</u>                                      | <u>750</u>   | <u>1,500</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u>                     | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(b)(3)*</u>  | <u>Conducting of business</u><br><u>using unregistered name</u>  | <u>3,000</u> | <u>5,000</u> | <u>Subs.</u><br><u>10,000</u>   | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u>                    | <u>Violation of any applicable</u><br><u>Federal, State, or City law</u>   | <u>1,000</u> | <u>1,500</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u>  | <u>10,000</u> |

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|---|---|--------------|--------------|---|---------------|
| <u>(b)(4)*</u>                                      | <u>or regulation</u>  |              |              | <u>Subs.</u><br><u>10,000</u>   |               |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(b)(8)*</u>  | <u>Threat or attempt to</u><br><u>intimidate any customer</u>   | <u>1,500</u> | <u>3,000</u> | <u>2nd 5,000</u><br><u>3rd 7,500</u><br><u>Subs.</u><br><u>10,000</u>                                       | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(b)(11)*</u> | <u>Employment of individuals</u><br><u>without approved ID cards</u>                                    | <u>3,000</u> | <u>5,000</u> | <u>Subs.</u><br><u>10,000</u>   | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(b)(12)*</u> | <u>Use of</u><br><u>unregistered/uninsured</u><br><u>vehicle</u>  | <u>500</u>   | <u>750</u>   | <u>2nd 1,000</u><br><u>3rd 2,500</u><br><u>4th 5,000</u><br><u>Subs.</u><br><u>10,000</u>                   | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(b)(13)*</u> | <u>Engagement in an unfair</u><br><u>labor practice</u>   | <u>1,000</u> | <u>1,500</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u>                                       | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-19</u><br><u>(b)(15)*</u> | <u>Violation or failure to</u><br><u>comply with any order or</u><br><u>directive of the Commission</u> | <u>375</u>   | <u>500</u>   | <u>2nd</u><br><u>750</u><br><u>3rd</u><br><u>1,000</u><br><u>Subs.</u><br><u>10,000</u>                     | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-25(a)*</u>                | <u>Failure to obey and/or</u><br><u>comply with traffic</u><br><u>directions</u>                        | <u>250</u>   | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 2,500</u><br><u>4th 5,000</u><br><u>Subs.</u><br><u>10,000</u>                   | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-</u><br><u>25(b)*</u>     | <u>Obstruction of traffic</u>   | <u>250</u>   | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>4th 2,500</u><br><u>5th 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>17 RCNY</u><br><u>§ 11-25(c)*</u>                | <u>Failure to remove disabled</u><br><u>vehicle</u>   | <u>250</u>   | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>4th 2,500</u><br><u>5th 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |

|                                |   |             |              |   |               |
|--------------------------------|---|-------------|--------------|---|---------------|
| <u>17 RCNY § 11-25(e)*</u>     | <u>Failure to comply with traffic laws</u>  | <u>500</u>  | <u>1,000</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u><br><u>Subs.</u><br><u>10,000</u> | <u>10,000</u> |
| <u>Admin. Code § 22-252(a)</u> | <u>Failure to obtain identification card</u>  | <u>None</u> | <u>500</u>   | <u>2nd 1,500</u><br><u>3rd 2,500</u><br><u>Subs.</u><br><u>5,000</u>  | <u>5,000</u>  |
| <u>Admin. Code § 22-253(a)</u> | <u>Failure to register wholesale and/or market businesses,</u>                        | <u>None</u> | <u>1,000</u> | <u>2nd 2,500</u><br><u>Subs.</u><br><u>5,000</u>                      | <u>5,000</u>  |
| <u>Admin. Code § 22-262</u>    | <u>Failure to surrender and/or cease using registration certificate and/or number</u> | <u>None</u> | <u>5,000</u> | <u>Subs.</u><br><u>5,000</u>  | <u>5,000</u>  |
| <u>Admin. Code § 22-262</u>    | <u>Failure to surrender and/or cease using identification card</u>                    | <u>None</u> | <u>1,500</u> | <u>2nd 2,500</u><br><u>Subs.</u><br><u>5,000</u>                      | <u>5,000</u>  |

§ 2. Section 12-27 of Title 17 of the Rules of the City of New York is amended to read as follows:

**§ 12-27. Fines and Penalties.**

(a) The Commission may issue a summons to any person, including a loading or unloading business, wholesale seafood business, seafood delivery business, or any of their principals, employees, agents or officers, for the violation of any provision of Chapter 1-A of Title 22 of the Code or of this subchapter. Any person who violates any such provision shall be subject to the civil and criminal fines and penalties and injunctive relief as provided in section 22-215 of the Code.

(b) A loading or unloading business, wholesale seafood business or seafood delivery business shall be jointly and severally liable for any violation of Chapter 1-A of Title 22 of the Code or of this subchapter committed by any of its officers, employees and/or agents acting within the scope of their employment.

(c) All penalties are in dollar amounts. Repeat penalties apply to violations of the same subdivision penalty schedule description. Second, third, fourth, fifth and subsequent (“subs.”) violations are defined as a violation by the same respondent with a date of occurrence within five years of the date of occurrence of the previous violation.

(d) An asterisk (\*) below denotes availability of a mail-in penalty. Mail-in penalties are only available for a first offense. Where a mail-in penalty exists in this penalty schedule for the cited violation, a respondent may admit to the violation charged and pay the penalty by mail in the manner and time directed by the summons. Payment in full is deemed an admission of liability and no further hearing or appeal will be allowed. Where respondent is permitted to admit and pay by mail but fails to do so before the original hearing date written on the violation, the respondent will have the option of paying the mail in penalty, plus a late admit fee of \$30.00, within 30 days of the mailing date of the default order issued against respondent.

(e) The table below sets forth the penalties imposed in connection with Summonses returnable. Particular violations shall be classified as indicated in the following table:

| <u>Code/Rule Section</u>                 | <u>Description</u>   | <u>1st Offense Penalty</u> | <u>Repeat Penalty</u>                        | <u>Default Penalty</u> |
|--|--|----------------------------|--|------------------------|
| <u>17 RCNY § 12-04(a)</u>                | <u>Failed to obtain identification card</u>                        | <u>350</u>                 | <u>2nd 750<br/>3rd 1,500<br/>Subs. 3,000</u> | <u>10,000</u>          |
| <u>17 RCNY § 12-04(f)</u>                | <u>Failed to display identification card</u>                       | <u>250</u>                 | <u>2nd 500<br/>3rd 750<br/>Subs. 1,000</u>   | <u>10,000</u>          |
| <u>17 RCNY § 12-06(a)</u>                | <u>Operated an unloading business without a license</u>            | <u>2,500</u>               | <u>2nd 5,000<br/>Subs. 7,500</u>             | <u>10,000</u>          |
| <u>17 RCNY § 12-06(b)</u>                | <u>Operated a loading business without a license</u>               | <u>2,500</u>               | <u>2nd 5,000<br/>Subs. 7,500</u>             | <u>10,000</u>          |
| <u>17 RCNY § 12-10(a)</u>                | <u>Failed to maintain required insurance (Licensee)</u>            | <u>500</u>                 | <u>2nd 750<br/>3rd 1,000<br/>Subs. 3,000</u> | <u>10,000</u>          |
| <u>17 RCNY § 12-10(b)</u>                | <u>Unauthorized transfer of license</u>                            | <u>1,500</u>               | <u>2nd 3,000<br/>Subs. 5,000</u>             | <u>10,000</u>          |
| <u>17 RCNY § 12-11</u>                   | <u>Failed to comply with conditions in unloading license</u>       | <u>500</u>                 | <u>2nd 750<br/>3rd 1,000<br/>Subs. 2,500</u> | <u>10,000</u>          |
| <u>17 RCNY § 12-11(a)(3)/<br/>(b)(1)</u> | <u>Unloaded outside approved, designated and/or assigned areas</u> | <u>100</u>                 | <u>2nd 250<br/>3rd 500<br/>Subs. 1,000</u>   | <u>10,000</u>          |
| <u>17 RCNY § 12-11(b)(3)</u>             | <u>Failed to unload in required order,</u>                         | <u>500</u>                 | <u>2nd 750<br/>3rd 1,000<br/>Subs. 2,500</u> | <u>10,000</u>          |
| <u>17 RCNY § 12-11(b)(4)</u>             | <u>Refused to unload trucks in approved or assigned unloading</u>  | <u>500</u>                 | <u>2nd 750<br/>3rd 1,000</u>                 | <u>10,000</u>          |



|                                  |  |              |  |               |
|----------------------------------|--|--------------|--|---------------|
|                                  | area   |              | <u>Subs. 2,500</u>   |               |
| <u>17 RCNY § 12-11(c)(1)</u>     | <u>Charged rates in excess of those specified in unloading license (Unloader)</u>            | <u>1,000</u> | <u>2nd 1,500</u><br><u>3rd 2,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-11(c)(1)</u>     | <u>Failed to post rates in appropriate locations (Unloader)</u>                              | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>     | <u>10,000</u> |
| <u>17 RCNY § 12-11(c)(2)</u>     | <u>Failed to verify bill of lading/obtain signature/record license number (Unloader)</u>     | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>     | <u>10,000</u> |
| <u>17 RCNY § 12-11(c)(3)</u>     | <u>Failed to keep/make available weekly records (Unloader)</u>                               | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 1,500</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-11(d)(1)</u>     | <u>Unloader engaged in business/activity interfering with unloading business (Unloader)</u>  | <u>1,000</u> | <u>2nd 1,500</u><br><u>3rd 2,500</u><br><u>Subs. 5,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-11(d)(2)</u>     | <u>Interfered with market manager (Unloader)</u>   | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-11(d)(2)</u>     | <u>Obstructed unloading process (Unloader)</u>   | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-11(d)(3)</u>     | <u>Requested/accepted unauthorized fees and/or gratuities (Unloader)</u>                     | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 12-11(d)(3)</u>     | <u>Charged unauthorized fees (Unloader)</u>  | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 12-11(d)(5)(xi)</u> | <u>Violated or failed to comply with any order or directive of the Commission (Unloader)</u> | <u>500</u>   | <u>2nd 750</u><br><u>Subs 1,000</u>                        | <u>10,000</u> |
| <u>17 RCNY § 12-12</u>           | <u>Failed to comply with loading license conditions (Loader)</u>                             | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 1,500</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-12(a)(1)</u>     | <u>Failed to post copies of rates (Loader)</u>   | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>     | <u>10,000</u> |
| <u>17 RCNY § 12-12(a)(2)</u>     | <u>Charged rates in excess of those specified in loading license (Loader)</u>                | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 1,500</u><br><u>Subs. 3,000</u> | <u>10,000</u> |

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| <u>17 RCNY § 12-12(b)(1)</u>     | <u>Unauthorized use of a loading area (Loader)</u>  | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 12-12(b)(2)</u>     | <u>Loaded outside designated hours (Loader)</u>   | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(3)</u>     | <u>Charged fees not specified in license (Loader)</u>   | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(3)</u>     | <u>Solicited or accepted unauthorized gratuities (Loader)</u>                                       | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(5)</u>     | <u>Refused to perform loading services when space is available (Loader)</u>                         | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(6)</u>     | <u>Forced another to use or prevented another from using loading services (Loader)</u>              | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(6)</u>     | <u>Solicited, threatened, and/or agreed to refuse loading services (Loader)</u>                     | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(7)</u>     | <u>Moved or interfered with any vehicle, (Loader)</u>   | <u>250</u>   | <u>2nd 500</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-12(c)(9)(xi)</u> | <u>Violated or failed to comply with any order or directive of the Commission (Loader)</u>          | <u>500</u>   | <u>2nd 750</u><br><u>Subs 1,000</u>                      | <u>10,000</u> |
| <u>17 RCNY § 12-13(a)/(b)</u>    | <u>Operated wholesale seafood or seafood delivery business without registration from Commission</u> | <u>2,500</u> | <u>2nd 5,000</u><br><u>Subs. 7,500</u>                   | <u>10,000</u> |
| <u>17 RCNY § 12-15(b)(2)</u>     | <u>Failed to affix and prominently display name and/or registration number (Wholesaler)</u>         | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u>   | <u>10,000</u> |
| <u>17 RCNY § 12-15(c)(1)</u>     | <u>Failed to keep and/or make available records, bills, etc. (Wholesaler)</u>                       | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u><br><u>Subs. 3,000</u> | <u>10,000</u> |
| <u>17 RCNY</u>                   | <u>Failed to submit proof of worker's compensation</u>  | <u>500</u>   | <u>2nd 750</u><br><u>3rd 1,000</u>                       | <u>10,000</u> |

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| § 12-15(d)                | coverage (Wholesaler)   |       | Subs. 3,000                         |        |
| 17 RCNY<br>12-15(g)       | Failed to procure/maintain payment bond (Wholesaler)  | 500   | 2nd 750<br>3rd 1,000<br>Subs. 3,000 | 10,000 |
| 17 RCNY<br>§ 12-16(a)     | Operated a seafood delivery operation in non-designated area (Deliverer)                            | 250   | 2nd 500<br>3rd 750<br>Subs. 1,000   | 10,000 |
| 17 RCNY<br>§ 12-16(b)(1)  | Failed to possess a valid driver's license as required by Vehicle and Traffic Law (Deliverer)       | 250   | 2nd 500<br>3rd 750<br>Subs. 1,000   | 10,000 |
| 17 RCNY<br>§ 12-16(b)(2)  | Operated vehicle without a valid registration, inspection sticker and/or insurance card (Deliverer) | 250   | 2nd 500<br>3rd 750<br>Subs. 1,000   | 10,000 |
| 17 RCNY<br>§ 12-16(b)(2)  | Failed to display sticker on vehicle, (Deliverer)   | 250   | 2nd 500<br>3rd 750<br>Subs. 1,000   | 10,000 |
| 17 RCNY<br>§ 12-16(e)/(f) | Failed to maintain required liability insurance (Wholesaler/Deliverer)                              | 500   | 2nd 750<br>3rd 1,000<br>Subs. 3,000 | 10,000 |
| 17 RCNY<br>§ 12-16(c)     | Offered seafood for resale to public without wholesale registration (Deliverer)                     | 1,500 | 2nd 2,500<br>Subs. 5,000            | 10,000 |
| 17 RCNY<br>§ 12-16(c)     | Offered seafood for resale to public without wholesale registration (Deliverer)                     | 1,500 | 2nd 2,500<br>Subs. 5,000            | 10,000 |
| 17 RCNY<br>§ 12-17(a)     | Failed to comply with order of market manager regarding safety/order/health in market area          | 1,500 | 2nd 2,500<br>Subs. 5,000            | 10,000 |
| 17 RCNY<br>§ 12-18(a)(1)  | Committed an act prohibited in the seafood distribution area  | 1,000 | 2nd 2,500<br>Subs. 5,000            | 10,000 |
| 17 RCNY<br>§ 12-19        | Committed an act prohibited to wholesalers and seafood deliverers in the seafood distribution area  | 1,500 | 2nd 3,000<br>Subs. 7,500            | 10,000 |
| 17 RCNY<br>§ 12-19(a)     | Solicited unloader to unload out of order (Wholesaler)  | 250   | 2nd 500<br>3rd 750<br>Subs. 1,000   | 10,000 |

|                               |  |              |  |               |
|-------------------------------|--|--------------|--|---------------|
| <u>17 RCNY § 12-19(c)</u>     | <u>Authorized another to use business name (Wholesaler)</u>  | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(c)</u>     | <u>Unauthorized transfer of registration number (Wholesaler)</u>   | <u>1,000</u> | <u>2nd 2,500</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(d)</u>     | <u>Authorized another to use registration number (Wholesaler)</u>  | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(e)</u>     | <u>Subleased or allowed use of premises by unregistered person (Wholesaler)</u>                            | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(e)</u>     | <u>Allowed another to place seafood in stand space (Wholesaler)</u>  | <u>1,000</u> | <u>2nd 2,500</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(f)</u>     | <u>Conducted business under unregistered name (Wholesaler)</u>   | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(g)</u>     | <u>Discard of seafood in violation of applicable federal, state, and city regulations (Wholesaler)</u>     | <u>1,500</u> | <u>2nd 3,000</u><br><u>Subs. 5,000</u>                     | <u>10,000</u> |
| <u>17 RCNY § 12-19(o)</u>     | <u>Violation or failure to comply with any order or directive of the Commission (Wholesaler/Deliverer)</u> | <u>500</u>   | <u>2nd 750</u><br><u>Subs 1,000</u>                        | <u>10,000</u> |
| <u>17 RCNY § 12-21(a)</u>     | <u>Failure to notify Commission of changes in registration information (Wholesaler/Deliverer)</u>          | <u>500</u>   | <u>2nd 1,000</u><br><u>3rd 2,500</u><br><u>Subs. 5,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-21(a)/(b)</u> | <u>Failure to notify Commission of material change in license information (Licensee)</u>                   | <u>1,000</u> | <u>2nd 1,500</u><br><u>3rd 2,500</u><br><u>Subs. 5,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-21(c)</u>     | <u>Failure by licensee to provide notice of addition of principal</u>                                      | <u>1,000</u> | <u>2nd 2,000</u><br><u>3rd 3,000</u><br><u>Subs. 5,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-21(c)</u>     | <u>Failure to notify Commission of proposed addition of principal</u>                                      | <u>1,000</u> | <u>2nd 1,500</u><br><u>3rd 2,500</u><br><u>Subs. 5,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-23(c)</u>     | <u>Failure to surrender license upon suspension or revocation</u>  | <u>2,500</u> | <u>Subs. 5,000</u>   | <u>10,000</u> |
| <u>17 RCNY</u>                | <u>Failure to surrender</u>  | <u>1,000</u> | <u>2nd 2,500</u>   | <u>10,000</u> |

|                                |  |              |  |               |
|--------------------------------|--|--------------|--|---------------|
| <u>§ 12-23(c)</u>              | <u>identification card upon suspension/revocation of registration (Wholesaler/Deliverer)</u>                               |              | <u>Subs. 5,000</u>                                     |               |
| <u>17 RCNY § 12-23(d)</u>      | <u>Failure to surrender photo identification card</u>  | <u>1,000</u> | <u>2nd 2,500</u><br><u>3rd 5,000</u>                   | <u>10,000</u> |
| <u>17 RCNY § 12-30(a)</u>      | <u>Failure to obey and comply with any traffic direction of any police officer or employee of the Commission</u>           | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-30(b)</u>      | <u>Obstruction of traffic within the market and/or stopping of a vehicle or other conveyance in a non-designated place</u> | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u> | <u>10,000</u> |
| <u>17 RCNY § 12-30(c)</u>      | <u>Failure to remove disabled vehicle</u>  | <u>250</u>   | <u>2nd 500</u><br><u>3rd 750</u><br><u>Subs. 1,000</u> | <u>10,000</u> |
| <u>Admin. Code § 22-252(a)</u> | <u>Failure to obtain identification card (for 11 to 30 days)</u>   | <u>2,500</u> | <u>Subs. 5,000</u>                                     | <u>5,000</u>  |
| <u>Admin. Code § 22-253(a)</u> | <u>Failure to register wholesale and/or market businesses (single day)</u>   | <u>1,000</u> | <u>2nd 2,500</u><br><u>Subs. 5,000</u>                 | <u>5,000</u>  |
| <u>Admin. Code § 22-253(a)</u> | <u>Failure to register wholesale and/or market businesses 2 to 10 days</u>   | <u>2,500</u> | <u>Subs. 5,000</u>                                     | <u>5,000</u>  |
| <u>Admin. Code § 22-253(a)</u> | <u>Failure to register wholesale and/or market businesses for 11 to 30 days</u>  | <u>3,500</u> | <u>Subs. 5,000</u>                                     | <u>5,000</u>  |
| <u>Admin. Code § 22-262</u>    | <u>Failure to surrender and/or cease to use registration, certification and/or number (single day)</u>                     | <u>2,500</u> | <u>Subs. 5,000</u>                                     | <u>5,000</u>  |
| <u>Admin. Code § 22-262</u>    | <u>Failure to surrender and/or cease to use registration, certification and/or number for 2 to 10 days</u>                 | <u>3,500</u> | <u>Subs. 5,000</u>                                     | <u>5,000</u>  |
| <u>Admin. Code § 22-262</u>    | <u>Failure to surrender and/or cease to use registration, certification and/or number for</u>                              | <u>5,000</u> | <u>Subs. 5,000</u>                                     | <u>5,000</u>  |

|                             |   |              |  |              |
|-----------------------------|---|--------------|--|--------------|
|                             | <u>11 and 30 days</u>   |              |  |              |
| <u>Admin. Code § 22-262</u> | <u>Failure to surrender and/or cease to use identification card (single day)</u>      | <u>1,000</u> | <u>2nd 2,500</u><br><u>Subs. 5,000</u> | <u>5,000</u> |
| <u>Admin. Code § 22-262</u> | <u>Failure to surrender and/or cease to use identification card for 2 to 10 days</u>  | <u>2,500</u> | <u>Subs. 5,000</u>                     | <u>5,000</u> |
| <u>Admin. Code § 22-262</u> | <u>Failure to surrender and/or cease to use identification card for 11 to 30 days</u> | <u>3,500</u> | <u>Subs. 5,000</u>                     | <u>5,000</u> |

Section 3. Section 13-04 of Title 17 of the Rules of the City of New York is amended to read as follows:

**§ 13-04. Wholesaler Registration Required.**

(a) No person [shall] may operate a wholesale seafood business in the City of New York, outside the market area, without having first registered with the Commission and having received a registration or registration number from the Commission.

(b) Any person who violates § 13-04(a) will be subject to civil and criminal fines and penalties and injunctive relief as follows: For the first such violation, a civil penalty of \$2,500; for the second such violation, a penalty of \$5,000; and for subsequent violations, a penalty of \$7,500; and for a default, a penalty of \$10,000.

[(b)] (c) An application for a registration or renewal thereof [shall] must be made on a form prescribed by the Commission. The application form [shall] must be certified under penalty of perjury and signed by all the principals of the applicant business. If a renewal application is not submitted to the Commission with the time period as required by the Commission, the Commission may reject the renewal application and instead require the applicant to file a new application in accordance with the provisions pertaining [top] to the application process as set forth in Chapter 1-A of Title 22 of the Code and this subchapter.