

New York City Business Integrity Commission

NOTICE OF ADOPTION OF FINAL RULE GOVERNING MAXIMUM RATES FOR TRADE WASTE REMOVAL

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 of the New York City Charter, and by sections 16-504 and 16-519 of Title 16-A of the Administrative Code that the New York City Business Integrity Commission (“BIC” or “Commission”) adopts the following rule governing the maximum rates permitted to be charged by a licensee for the collection, removal, disposal, or recycling of trade waste. BIC published a Notice of Opportunity to Comment on the proposed rule in the *City Record* on February 19, 2016. On March 21, 2016, BIC held a public hearing on the proposed rule.

Statement of Basis and Purpose of Final Rule

Under section 2101 of the New York City Charter, the Commission is authorized to regulate the trade waste industry and ensure businesses are able to operate in an honest and competitive environment free from the influences of organized crime and criminality. BIC is also authorized under sections 16-504(b) and (i) and 16-519 of the Administrative Code to set by rule the maximum rates by weight and by volume that trade waste haulers can charge for the removal of putrescible and recyclable commercial waste. Rates were last adjusted in 2013.

In accordance with section 16-519 of the Administrative Code, any change that BIC proposes to the maximum rates must be based upon a fair and reasonable return to the licensees who provide waste removal services to commercial establishments in New York City while also protecting those using these services from excessive or unreasonable charges. To achieve this balance, BIC established an administrative procedure that provides more transparency, standardization and regularity in the rate-setting process. Pursuant to 17 RCNY § 5-02(f), BIC held a hearing on October 30, 2015, relating to the maximum rates charged by a licensee for the collection, removal, disposal, or recycling of trade waste. The hearing was attended by representatives of the trade waste industry and other interested parties, some of whom testified at the hearing and submitted written testimony.

The Commission has carefully evaluated the evidence provided throughout the process including the oral statements made at the October 30, 2015 and March 21, 2016 hearings and the written statements provided both prior to and at those hearings. Having reviewed the Producer Price Index, as well as the other factors enumerated in 17 RCNY § 5-02(g), BIC will increase the current maximum rate allowed to be charged by the trade waste haulers by 3.3%. The new maximum rates are:

- \$18.87 per cubic yard
- \$12.38 per 100 pounds

New material is underlined.

[Deleted material is in brackets.]

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the text below, unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Subdivision (a) of section 5-02 of subchapter E of Chapter 1 of Title 17 of the Rules of the City of New York is amended to read as follows:

(a) A trade waste removal business shall not demand, charge, exact, or accept rates for the collection, removal, disposal, or recycling of trade waste greater than the following maximum rates:

(1) [~~\$18.27~~] \$18.87 per cubic yard.

(2) [~~\$11.98~~] \$12.38 per 100 pounds.

(3) Exempt Waste. This subdivision shall not apply to the removal of construction and demolition debris, infectious medical waste, covered electronic equipment as defined in § 421 of chapter 16 of the Code, waste from grease interceptors as defined in § 19-119(a) of title 15 of the Rules of the City of New York and paper that is collected for the purpose of shredding or destruction by the licensee.