



The City of New York
BUSINESS INTEGRITY COMMISSION
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Daniel D. Brownell
Commissioner and Chair

**OPENING STATEMENT OF NOAH D. GENEL,
DEPUTY COMMISSIONER OF LEGAL AFFAIRS AND GENERAL COUNSEL
THE NEW YORK CITY BUSINESS INTEGRITY COMMISSION**

Friday, June 3, 2016 at 10:00 a.m.

100 Church Street, 2nd Floor, Conference Room No. 2-160A, New York, NY 10007

Good morning and welcome to today's public hearing. My name is Noah D. Genel. I am the Deputy Commissioner of Legal Affairs and General Counsel of the New York City Business Integrity Commission, or BIC for short. Thank you for attending today's hearing.

BIC is conducting this hearing pursuant to the requirements set forth by the City Administrative Procedure Act, commonly referred to as "CAPA." The purpose of this hearing is to receive comments from the public on BIC's proposed rules regarding Commercial Recycling and the Collection of Organic Waste. BIC published the proposed rules in the City Record on May 4, 2016. We also disseminated a copy of the rules via e-mail to all New York City local elected officials, all 59 community board managers, several media organizations in the City and other interested parties. Lastly, we posted the proposed rules both on BIC's and the NYC Rules' websites.

In summary, BIC is proposing to amend various sections of Title 17 of the Rules of the City of New York to coincide with certain changes that the Department of Sanitation ("DSNY") made to its rules regarding the collection of commercial recycling and organic waste from

commercial establishments. Since BIC regulates the private carters who provide trade waste and recycling collection, our proposed rules dictate procedures that private carters would be required to follow when collecting and disposing of source-separated organic waste, as well as designated recycling materials from commercial establishments.

As background information to this hearing, DSNY is responsible for regulating the businesses generating the waste. The BIC rules refers to those businesses as “commercial establishments.” Commercial establishments are required to recycle designated materials, such as glass, metal, plastics and paper in accordance with DSNY’s commercial recycling rules. On February 5, 2016, DSNY published in the City Record the adopted rules, which revised the City’s current commercial recycling rules to simplify the requirements, making them more understandable and easier to follow. The new rules eliminate the distinction between business types and applies the same recycling rules to all businesses. Compliance with the new commercial recycling rules will begin on August 1, 2016, but DSNY does not intend to begin enforcement until August 1, 2017.

Given that businesses will have to follow new commercial recycling rules, BIC must now synchronize our rules, which apply to the private carters who provide collection services to the commercial establishments. Specifically, BIC’s proposed rules would allow certain private carters two new options for collecting recyclables. The first collection procedure is known as single stream collection and recycling, which is when all designated recyclable glass, metal, plastic and paper are placed in the same clear bags or bins by a business. Private carters would be authorized to collect recyclables via this method once it is demonstrated to the satisfaction of the BIC that the carting company has the ability to utilize single stream collection and recycling. The second collection method is known as co-collection of recyclables, which is when

designated recyclable glass, metal, and plastic are separated from designated paper by the business, but the private carter is permitted to place the separated recyclable materials into the same compartment of the collection vehicle. Furthermore, under the new rules, the private carters would be required to issue new decals to the businesses they serve. The decals are provided to the carters by BIC and will still reflect the name of the carter, contact information and days of scheduled pick-ups. The decals will now also indicate if the private carter will be utilizing single stream collection and recycling or co-collection of recyclables. Altogether, the goal of these rules is to help make commercial recycling uniform and easier to manage while also significantly increasing the diversion of recyclables away from landfills.

In addition to new commercial recycling rules, DSNY also promulgated new rules regarding the disposal of organic waste. On December 18, 2015, DSNY published in the City Record the adopted rules governing organic waste generated by commercial establishments. Organic waste makes up approximately one-third of the waste generated by food-generating businesses in New York City. This organic material can be converted into soil-enhancing compost or used as an energy source in aerobic and anaerobic digesters. Pursuant to Local Law 146 of 2013, in mid-2015, the Sanitation Commissioner evaluated whether there was sufficient regional organics waste processing capacity to require that certain food-generating businesses in the City, or a subset of them, arrange with their private carters to engage in alternative methods for handling organic waste separated by the businesses. After extensive site visits and research into active private organics waste processing facilities in the region, DSNY identified that there is limited organics processing capacity available, and will require certain food-generating businesses in the City to separate their organic waste for collection and handling by their private carters. Designated covered establishments must begin to source-separate their organic waste

from their other trash and refuse beginning on July 19, 2016. DSNY will not begin enforcement of the organics rules via the issuance of violations until January 19, 2017.

Given that designated covered establishments will have to source-separate their organic waste, BIC must follow suit and propose new rules for carters who service the covered establishments. With regard to the commercial organic waste collection, our proposed rules would prohibit private carters from commingling source-separated organic waste with solid waste or designated recyclables. The private carter would be required to transport such organic waste to either an organic waste processing facility for the purposes of composting, aerobic digestion or anaerobic digestion; or a putrescible transfer station, which handles source-separated organic waste. Furthermore, under the proposed new rules, the private carters would be required to issue a new decal to the business who receives organic waste collection services.

That concludes the summary of the proposed rule changes at issue at this hearing. You may present an oral statement for the record or submit written comments concerning the proposed rule changes. Additionally, BIC has been accepting written comments on the proposed rule since the publication in the City Record and will continue to do so through the close of business today, June 3, 2016.

BIC will make available a copy of any written comments that are received in connection with today's hearing on its website next week. BIC will carefully review and consider all comments and submissions and make changes, if BIC deems them necessary. The proposed rules will go into effect 30 days after they are published in the City Record. We anticipate publication to be later this month, barring any unforeseen complications.

I will begin calling those of you who wish to speak this morning in the order in which you have signed in. When you speak, please state your full name and affiliation, and speak

slowly and clearly so that the court reporter can understand and accurately transcribe your statement. We ask that you limit your statement to five minutes.