

BUSINESS INTEGRITY COMMISSION

Daniel D. Brownell, Commissioner/Chair



WHAT WE DO

The Business Integrity Commission (BIC) regulates and monitors the trade waste hauling industry and the wholesalers and businesses operating in the City's public wholesale markets, and ensures the integrity of businesses in these industries. Through vigorous background investigations of license and registration applications, the establishment of standards for services and conduct of business, and long-term criminal investigations, BIC carries out its mandate to make certain that these regulated industries and businesses remain free of organized crime and other forms of corruption. BIC protects New York City consumers by ensuring that businesses in certain industries and markets act in an honest way. By fostering an open marketplace, BIC ensures that businesses in those industries and markets are protected from unfair competition. BIC also has the authority to regulate the shipboard gambling industry.

FOCUS ON EQUITY

The mission of the Business Integrity Commission (BIC) is to eliminate organized crime and other forms of corruption from the industries BIC regulates: the wholesale food markets and the commercial trade waste industry. By fostering an open marketplace, BIC ensures that the regulated businesses are able to compete fairly and that the marketplaces are free from the criminal activity that once dominated them. By ensuring businesses in our regulated industries operate with good character, honesty and integrity, BIC helps maintain a fair marketplace for all businesses that have contact and work with our regulated companies.

OUR SERVICES AND GOALS

SERVICE 1 Regulate the City's commercial waste hauling industry.

- Goal 1a Ensure that all businesses in the commercial waste hauling industry abide by the law.
- Goal 1b Process license and registration applications for the waste hauling industry in a timely manner.

SERVICE 2 Regulate businesses in and around the City's public wholesale markets.

- Goal 2a Ensure that businesses in and around public wholesale markets abide by the law.
- Goal 2b Process registration applications for public wholesale businesses in a timely manner.

HOW WE PERFORMED IN FISCAL 2014

SERVICE 1 Regulate the City's commercial waste hauling industry.

Goal 1a Ensure that all businesses in the commercial waste hauling industry abide by the law.

In Fiscal 2014 total unlicensed violations issued by BIC decreased by 17 percent and overall violations issued dropped by 23 percent. The decrease in violations issued for unlicensed activity violations is likely attributable to the success of BIC's continued enforcement efforts over the past few fiscal years. BIC's targeting of unlicensed activity has resulted in businesses being better aware of the obligation to obtain a license or registration before transporting trade waste. The decrease in overall violations is also attributable to the fact that BIC has been focusing its enforcement resources on long-term, larger scale investigations, with those cases increasing by 39 percent in Fiscal 2014. Finally, BIC ensures that the trade waste industry remains free from corruption by denying license or registration applications in cases where an applicant company has integrity issues. Not only do these denials result in bad actors being prohibited from transporting trade waste in the City, but they further signal to the regulated industries that there will be zero tolerance for criminal behavior and corruption. BIC denied six trade waste hauling companies in Fiscal 2014.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
★Violations issued to private waste haulers	1,672	1,280	1,601	1,145	883	*	*	Neutral	Down
★Violations issued - Other (not licensees or registrants)	996	581	271	245	203	*	*	Neutral	Down
Waste hauling background investigations completed	1,289	1,088	998	1,267	911	*	*	Up	Down
★Total waste hauling applications denied (%)	3.7%	3.6%	3.6%	3.9%	3.9%	*	*	Neutral	Neutral
Waste hauling complaints received	1,218	592	594	534	519	*	*	Neutral	Down

★ Critical Indicator "NA" - means Not Available in this report ↕ shows desired direction

Goal 1b Process license and registration applications for the waste hauling industry in a timely manner.

Overall, BIC has made progress over the last two fiscal years to improve customer service and provide timely processing of licensing and registration applications, particularly for those applicants with sound business records. BIC continues to make improvements to internal review procedures, administration, data management and assignment protocols. However, due to the deployment of the new NIMBUS system and the time required for its users to acclimate their practices, processing times for some applications slightly increased. In Fiscal 2014 the average processing time for waste hauling licenses increased nine percent, but the average time to process registrations decreased 14 percent from the previous year. The processing times for both remained significantly lower than the Fiscal 2014 targets.

In Fiscal 2014 the number of pending trade waste hauling applications increased by 58 percent and the average age of pending trade waste applications increased by 12 percent from the previous year. To a large extent, these increases were due to the fact that these applications are comprised of a higher concentration of the most complex and involved type. It is vital that, particularly with respect to these complex applications, BIC conduct thorough investigations and carefully consider a number of indicators in order to ensure that an applicant has the requisite good character, honesty and integrity. This process often involves significant amounts of time, but BIC plans to maintain an internal commitment to reduce the number of its pending cases.

In Fiscal 2014 BIC transitioned from a legacy database system to a new cloud-based system, NIMBUS, to process and manage applications and records. The required training and transition time for agency staff did result in increases in some processing times and in total pending applications. However, BIC anticipates these numbers coming down noticeably in Fiscal 2015 as the system is better utilized, more efficient and streamlined.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
★Average time to approve waste hauling licenses (days)	184	155	175	136	148	190	175	Down	Down
★Average time to approve waste hauling registrations (days)	127	99	112	100	86	120	105	Down	Down
★Average age of pending waste hauling applications (days)	167	167	168	198	221	190	180	Down	Up
★Waste hauling applications pending	336	363	419	331	523	300	300	Down	Up
Waste hauling licenses approved	133	95	103	146	92	*	*	Up	Down
Waste hauling registrations approved	943	860	747	960	678	*	*	Up	Down

★ Critical Indicator "NA" - means Not Available in this report ↕ ↑ shows desired direction

SERVICE 2 Regulate businesses in and around the City's public wholesale markets.

Goal 2a Ensure that businesses in and around public wholesale markets abide by the law.

Violations issued to wholesale businesses decreased by 41 percent in Fiscal 2014. This is a result of targeting enforcement resources primarily on larger-scale investigations and unregistered activity. By prioritizing enforcement in this manner, and by continuing to work collaboratively with other government and law enforcement agencies, BIC is best able to ensure that the City's wholesale markets are free from crime and corruption, and are healthy and competitive marketplaces.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
Violations issued at public wholesale markets	417	345	323	134	79	*	*	Neutral	Down
Violations admitted to or upheld at the Environmental Control Board (%)	NA	NA	93.8%	88.5%	94.0%	*	*	Up	NA
★Public wholesale market applications denied (%)	2.2%	1.9%	2.2%	3.0%	3.2%	*	*	Neutral	Up
Public wholesale market background investigations completed	265	397	726	593	217	*	*	Up	Neutral

★ Critical Indicator "NA" - means Not Available in this report ↕ ↑ shows desired direction

Goal 2b Process registration applications for public wholesale businesses in a timely manner.

As mentioned above, BIC has made operational commitments to improving customer service and processing of applications with the deployment of NIMBUS. In Fiscal 2014 BIC approved 20 percent fewer wholesale market registrations than in Fiscal 2013, while average processing time remained unchanged. BIC does not determine the volume of registrants, and Fiscal 2014 was most likely a lower volume year due to the renewal cycles of the market businesses. The average age of pending public wholesale market applications has increased by four percent.

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
★Average time to approve public wholesale market registrations (days)	226	221	221	151	152	200	200	Down	Down
Average age of pending public wholesale market applications (days)	159	267	243	246	256	*	*	Down	Up
Public wholesale market registrations approved	114	80	50	85	68	*	*	Up	Down

★ Critical Indicator "NA" - means Not Available in this report ↕ ↑ shows desired direction

AGENCY CUSTOMER SERVICE

Performance Indicators	Actual					Target		Desired Direction	5yr Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15		
Customer Experience									
Letters responded to in 14 days (%)	75%	100%	100%	100%	100%	*	*	Up	Up
E-mails responded to in 14 days (%)	100%	100%	100%	100%	100%	*	*	Up	Neutral
Completed customer requests for interpretation	50	27	218	109	56	*	*	Neutral	Up
Average wait time to speak with a customer service agent (minutes)	13:3	4	2:5	2:95	2	*	*	Down	Down
CORE facility rating	98	98	98	95	93	*	*	Up	Neutral

AGENCY RESOURCES

Resource Indicators	Actual					Plan ¹		5-year Trend
	FY10	FY11	FY12	FY13	FY14	FY14	FY15	
Expenditures (\$000,000) ²	\$6.9	\$6.9	\$6.8	\$7.0	\$7.7	\$7.6	\$7.0	Up
Revenues (\$000,000)	\$5.5	\$6.8	\$5.8	\$7.1	\$6.3	\$6.3	\$6.0	Up
Personnel	48	72	72	72	64	83	81	Up
Overtime paid (\$000)	\$45	\$70	\$57	\$48	\$40	\$42	\$24	Down

¹Authorized Budget Level "NA" - Not Available in this report ²Expenditures include all funds.

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

None.

ADDITIONAL RESOURCES

For more information on the agency, please visit: www.nyc.gov/bic.