

New York City Department of Sanitation

Notice of Adoption of Amendment to Rules Relating to Collection of Commercial Waste

NOTICE IS HEREBY GIVEN in accordance with the requirements of Section 1043 of the New York City Charter and pursuant to the authority vested in the Commissioner of the Department of Sanitation by sections 753 and 1043(a) of the New York City Charter and Titles 16 and 16-B of the New York City Administrative Code that the Department adopts the following amendment of rules relating to the collection of commercial waste. The Department published a Notice of Opportunity to Comment on the proposed rule in the City Record on August 1, 2025. On September 2, 2025, the Department held a public hearing on the proposed rule.

Statement of Basis and Purpose of Proposed Rule

In 2019, New York City enacted Local Law 199 requiring the establishment of a new program for the collection of commercial waste. The program, known as the Commercial Waste Zones (CWZ) program, is a safe, efficient, and competitive collection program designed to provide high-quality service to New York City businesses while advancing the City's waste diversion and sustainability goals. Pursuant to Local Law 199, codified in Title 16-B of the New York City Administrative Code ("Administrative Code"), the geographic area of New York City has been divided into 20 "commercial waste zones." Following a request for proposals, the Department selected three private carters (entities that are licensed to collect waste from commercial establishments) to provide commercial waste collection services within each CWZ and five carters to provide containerized commercial waste collection services from dumpsters and compactors Citywide. The selected carters are referred to as "awardees." The Department's contracts with the awardees, entered into pursuant to section 16-1002(a) of the Administrative Code include standards for pricing, customer service, safety, environmental health, and requirements to promote the City's commitment to recycling and sustainability.

On January 2, 2025, the Department implemented the first CWZ—Queens Central. Following the implementation of Queens Central, the Department undertook a review of the CWZ rules to identify potential improvements based on lessons learned from implementing the first CWZ. The Department also established the implementation start date and final implementation date for the next two CWZs to be implemented after Queens Central—Bronx East and Bronx West. Through these rules, the Department implements the improvements detailed below and establishes the implementation start date and final implementation date for the next two CWZs to be implemented.

Section one of this rule amends subdivision b of section 20-02 of Title 16 of the Rules of the City of New York (RCNY), which sets forth CWZ implementation dates. Section 16-1002(e)(3)

of the Administrative Code requires the Department to issue rules setting forth an implementation start date and a final implementation date for each CWZ established. Different implementation start dates and final implementation dates may be established for different CWZs. This section of the rule establishes the implementation start date and final implementation date for the next two CWZs, Brooklyn South and Queens Northeast, to be implemented after the Bronx East and Bronx West CWZs.

Section two of this rule adds a new section 20-04 to subchapter A of chapter 20 of Title 16 of the RCNY, relating to mergers, acquisitions, consolidations, and assignments. Section 5-05(b)(2) of Title 17 of the RCNY requires trade waste removal, collection, or disposal businesses licensed by the Business Integrity Commission (BIC) to apply to BIC for review of all transactions involving the acquisition, selling, or merging with another trade waste removal, collection, or disposal business. New section 20-04 clarifies the Department's authority to review all transactions involving a merger, acquisition, consolidation, or similar transaction that results in an effective change in control over an awardee, or over substantially all of an awardee's assets within New York City. This section also requires awardees to notify the Department of any applications made to BIC for authorization for a merger, acquisition, consolidation, or similar transaction pursuant to 17 RCNY § 5-05(b)(2) in addition to those transactions awardees must submit to the Department for review. Since the CWZ awardees were selected in January 2024, multiple entities have sought to engage in acquisitions that would impact the CWZ program and result in consolidation within the commercial waste hauling industry. In order to preserve adequate competition in the industry, the City Council, in Local Law 199 of 2019, created a structure that included a maximum number of zones any awardee could service and allowed for up to three awardees to service a single zone. See Administrative Code § 16-1002(a). Consolidation of awardees could undermine this structure. New section 20-04 of Title 16 of the RCNY clarifies that the Department may review certain transactions to ensure that any transaction that results in an effective change in control over an awardee, or over substantially all of an awardee's assets within New York City, is consistent with the goals of Local Law 199.

Paragraphs (1) and (4) of subdivision (b) of section 5-05 of Title 17 of the RCNY require BIC licensees to apply to BIC for review of all transactions involving the assignment of customer contracts. However, BIC licensees are not required to apply to BIC for review of such transactions within implemented CWZs. New section 20-04 requires awardees to apply to the Department for review of such transactions within implemented CWZs and requires awardees to notify the Department of customer contract assignments in non-implemented CWZs. This section requires awardees to notify a customer within 15 calendar days following the date such customer's contract

has been assigned and permits customers to terminate their contract with an awardee without penalty on 30 calendar days' notice during the 90 calendar day period following that assignment.

Section 16-1002(c)(13) of the Administrative Code requires the Department to include in its contracts with awardees the option for an awardee to subcontract with no more than two designated carters in each CWZ to assist in providing commercial waste collection services to that awardee's customers. New section 20-04 also requires awardees to notify a customer within 15 calendar days following the date that an awardee subcontracted with a designated carter to begin servicing that customer, and permits customers to terminate their contract with an awardee without penalty on 30 calendar days' notice during the 90 calendar day period following the subcontract to a designated carter.

Section three amends 16 RCNY § 20-20(f), which provides for the Department to assign an awardee to any commercial establishment in a CWZ that fails to enter into a written agreement with an awardee. Section 16-116(a)(2) of the Administrative Code requires that, absent an exemption, every commercial establishment must contract with an awardee for the CWZ the commercial establishment is located in by the final implementation date of that CWZ. Section 16-1002(e)(4) of the Administrative Code permits the Department to assign commercial establishments that fail to enter into such a contract to an awardee for such CWZ. As amended, subdivision (f) of section 20-20 of Title 16 of the RCNY clarifies that the Department must consider language access needs within a CWZ as a whole and removes the requirement that the Department consider the maximum approved rate an awardee can charge.

Section three of this rule also adds a new subdivision (g) to section 20-20 of Title 16 of the RCNY, relating to the assignment to awardees of commercial establishments that store waste in certain large containers. Section 20-26(e) sets forth the processes and terms of service that apply for customers who are assigned to an awardee pursuant to 16 RCNY § 20-20(f), including that the awardee is required to provide such customers commercial waste collection service at the level of service described in 16 RCNY § 20-22(a). However, this level of service is only applicable to curbside service, and curbside service is not a practical solution for customers that generate very large amounts of waste. Therefore, new subdivision (g) permits the Department to assign a customer that the Department has determined stores its waste in a container that has a capacity of 10 cubic yards or more to either a zone awardee (which can offer either curbside service or containerized service within a particular commercial waste zone) or a containerized commercial waste awardee (which can offer containerized service throughout the City) for containerized commercial waste collection services. New subdivision (g) further specifies that the process and

terms of service set forth in 16 RCNY § 20-26(e) apply to each such customer, except that the Department must determine the minimum level of service required for that customer.

Section four of the rule amends 16 RCNY § 20-21(c)(2), which lists all additional fees awardees are permitted to charge customers. Paragraph (2) of subdivision (c) does not permit awardees to charge customers an early termination fee when a customer seeks to end their contract with an awardee before the end of the contract term. This amendment permits awardees to charge such a fee to customers after the first 30 calendar days of a contract, with certain limitations.

Section five of the rule amends 16 RCNY § 20-22(b), which sets forth the procedure awardees must use to suspend or terminate service to a customer for non-payment. Paragraph (3) of subdivision (b) requires awardees to send a notice to such a customer stating that the customer may seek Department review of the awardee's decision to suspend or terminate service by submitting a request to the Department in writing no later than 120 days after receipt of the notice. This section of the rule reduces the number of days during which a customer can submit such a request to the Department from 120 days to 60 calendar days.

Section six of the rule amends 16 RCNY § 20-26(c), relating to standard contract forms. Paragraph (1) of subdivision (c) requires awardees to submit to the Department for legal review their written standard contract form. This section of the rule expands the scope of the review the Department can conduct of awardees' standard contract form from "legal review" to "review" and provides that the Department may require awardees make changes to their standard contract form at any time. This section of the rule also requires awardees to provide notice to the Department when an awardee enters into a contract with a customer that deviates from the awardee's standard contract form approved by the Department.

Section seven of the rule amends 16 RCNY § 20-26(e)(1), relating to level of service provided by awardees assigned to commercial establishments, to conform with amendments made by section four of this rule.

Section eight of the rule amends 16 RCNY § 20-27, relating to CWZ billing requirements. Subdivision (b) of section 20-27 requires awardees to use a form approved by the Department for the bill, statement, or invoice an awardee provides its customers. This section of the rule provides that the Department may require awardees to make changes to their bill, statement, or invoice form at any time.

Section 20-27(c) of Title 16 of the RCNY requires awardees to conduct a waste survey for customers that are billed using a "flat" (average weight/volume) billing method no later than 90 calendar days after the date of the first invoice that uses such "flat" billing method. Paragraph (1)

of subdivision (c) requires that the waste survey measure the average amount of waste collected from a customer broken out by waste stream. Paragraph (4) of subdivision (c) requires that the waste survey be conducted according to a form prescribed by the Department. Section eight of the rule increases the time in which awardees must conduct the initial waste survey from 90 calendar days to 180 calendar days after the date of the first invoice using a “flat” billing method and permits awardees to satisfy the initial waste survey requirement with a waste survey conducted within the year preceding the date on which the awardee and the same customer enter into an agreement for commercial waste collection services in an implemented CWZ. This section of the rule also clarifies that waste surveys for each waste stream are not required to be conducted during the same 30 calendar day period. This section of the rule further permits awardees to use their own waste survey form so long as the form is approved by the Department and to round the total amount of waste collected during a single billing period for “flat” billing customers to the nearest 1 cubic yard or 100 pounds. Finally, this section of the rule permits awardees to use a scale for waste surveys that displays the actual weight in five-, ten-, or twenty-pound increments, or other increments approved by the Department.

Section nine of the rule amends 16 RCNY § 20-52(b), relating to commercial waste vehicle inspections. Paragraph (1) of subdivision (a) of section 20-52 of Title 16 of the RCNY prohibits awardees from operating a commercial waste vehicle unless the vehicle has passed an inspection at least once during the preceding six months, and paragraph (2) of such subdivision requires such inspection be recorded on an inspection report prescribed by the Department. Subdivision (b) of section 20-52 of Title 16 of the RCNY also requires awardees to conduct a daily inspection of their commercial waste vehicles but does not specify the form that awardees are required to use for that inspection. This section of the rule specifies that the form of the daily inspection report must also be prescribed by the Department.

Section ten of the rule amends 16 RCNY § 20-57, relating to commercial waste working safety training. Section 16-1008(a) and (b) of the Administrative Code require awardees to provide an initial 40 hours of worker safety training to all vehicle operators, laborers, and helpers who are directly assigned to the collection, removal, transport, or disposal of commercial waste, 16 hours of which must be classroom instruction. Section 16-1008(e)(1) of the Administrative Code further requires awardees to provide an annual refresher training to all workers. Subdivision (b) of section 20-57 of Title 16 of the RCNY requires that annual refresher training be no less than eight hours for vehicle operators, laborers, and helpers who are directly assigned to the collection, removal, transport, or disposal of trade waste, but does not specify how much of that training must be classroom training. This rule requires that three of the eight hours of refresher training for those

employees must be classroom instruction and clarifies that all classroom instruction must be live, in-person, instruction that provides for the opportunity for hands-on training for attendees.

Section eleven of the rule amends 16 RCNY § 20-62(a), which requires awardees to generate and submit certain reports, notifications, or certifications to the Department. This section of the rule changes the annual due date for five such reports from February 1 following the final implementation date of a CWZ to August 1 following the final implementation date, in order to align with the August 1 due date for the annual report awardees are required to submit to the Department pursuant to 16 RCNY § 20-62(a)(19). This rule also removes the requirement that awardees submit collection route data to the Department on a monthly basis following the final implementation date of a CWZ, since such data is unnecessary given the other telematics provisions in the rules. Finally, this rule requires awardees to notify the Department within ten calendar days of the suspension or revocation of the driver's license of any employee of the awardee or awardee's designated carter(s) whose job duties include operating a vehicle and requires awardees to certify quarterly to the Department that they are complying with federal and state driver license and controlled substance and alcohol testing and reporting requirements.

Section twelve of the rule amends 16 RCNY § 19-103, which provides a penalty schedule. Section 16-116(d)(i) of the Administrative Code provides that the penalty for a commercial establishment failing to enter into a contract for commercial waste collection services when required to do so is no less than \$50 and no more than \$100. This rule sets the penalty for such conduct at \$100 and adds that penalty to the existing table of penalties in 16 RCNY § 19-103.

The Department received written and oral comments from a total of five commenters on the proposed rule. In response to the comments regarding section 4 of the rule, the Department added language describing how an awardee may calculate the early termination fee when a customer seeks to end their contract with an awardee before the end of the contract's term. The Department additionally clarified in section 2 of this rule the time frame in which a customer may terminate such contract without a termination fee when its contract has been assigned, or service by a new designated carter has begun.

Some commenters expressed concern about the overall feasibility of mandatory waste surveys. As the waste survey requirement was added in a prior rule, such comments are not directly relevant to this rule. DSNY's experience and expertise in this area suggests that the waste survey requirement is necessary to ensure that customers are billed appropriately. The amendments adopted in this rule will make it easier for awardees to comply with these requirements.

DSNY's authority for these rules is found in Section 753 and Section 1043(a) of the New York City Charter and Title 16-B of the New York City Administrative Code.

New material is underlined.

[Deleted material is in brackets.]

"Shall" and "must" denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

§ 1. Subdivision b of section 20-02 of Title 16 of the Rules of the City of New York is amended to read as follows:

(b) Awardees for one or more of the commercial waste zones set forth in subdivision (a) of this section and for citywide containerized service are authorized to commence service in the awarded zones on the following implementation start [and final implementation] dates:

Zone name	Implementation start date	Final implementation date
Queens Central	September 3, 2024	January 2, 2025
Bronx East	October 1, 2025	November 30, 2025
Bronx West	October 1, 2025	November 30, 2025
<u>Queens Northeast</u>	<u>January 1, 2026</u>	<u>February 28, 2026</u>
<u>Brooklyn South</u>	<u>January 1, 2026</u>	<u>February 28, 2026</u>

§ 2. Subchapter A of chapter 20 of Title 16 of the Rules of the City of New York is amended by adding a new section 20-04, to read as follows:

§ 20-04 Mergers, Acquisitions, Consolidations, and Assignments.

(a) An awardee must submit to the Department for authorization any transaction involving a merger, acquisition, consolidation, or similar transaction that results in an effective change in control over an awardee, or over substantially all of an awardee's assets within New York City, no later than 60 calendar days before such transaction is to take effect. A request for approval of such transaction must be submitted in writing to the Department, and such transaction must not take effect unless and until it has been authorized by the Department. The Department may

decline to approve any such transaction that would impair an awardee's ability to fulfill its obligations pursuant to its agreement with the Department or that would be otherwise inconsistent with the purposes of Title 16-B of the Administrative Code, including but not limited to a transaction that would impair competition by resulting in more than 1 awardee in any commercial waste zone being under common ownership or control or resulting in common ownership or control over awardees that together have entered into agreements to provide services in more than 15 commercial waste zones.

(1) If the Department has declined to approve a transaction pursuant to this subdivision, an awardee may submit a revised proposed transaction, no later than 60 calendar days before such transaction is to take effect, that addresses the Department's concerns by proposing to relinquish previously awarded zones, or otherwise ensuring that the transaction is consistent with the purposes of Title 16-B of the Administrative Code.

(b) An awardee must notify the Department within 5 calendar days when the awardee has applied to the Business Integrity Commission for authorization of a merger, acquisition, consolidation, or similar transaction pursuant to 17 RCNY § 5-05(b) other than a transaction covered by subdivision a of this section.

(c) Any assignment of a contract with a customer or similar transaction affecting a customer within a commercial waste zone after the final implementation date in such zone must be submitted to the Department for authorization 60 calendar days before such assignment or similar transaction is proposed to take effect. A request for approval of such assignment or similar transaction must be submitted in writing to the Department, and such assignment or similar transaction must not take effect unless and until it has been authorized by the Department. The Department may prohibit any such transaction that would impair an awardee's ability to fulfill its obligations pursuant to its agreement with the Department, or is otherwise inconsistent with the purposes of Title 16-B of the Administrative Code.

(1) Any customer has the right to terminate its contract without incurring any fee within 90 calendar days following the assignment of a contract with such customer to another commercial waste removal business or a similar transaction affecting such customer within a commercial waste zone after the final implementation date in such zone, or within 90 calendar days after an awardee subcontracts with a designated carter to provide commercial waste removal services to such customer within such a zone. Service will end 30 calendar days after a customer provides an awardee with notice of termination unless the customer and awardee agree that service will end at an earlier date.

(2) An awardee that has been assigned a contract with a customer for commercial waste removal services within a fully implemented commercial waste zone, or an awardee that has subcontracted with a designated carter to provide commercial waste removal services to a customer, must notify, within 15 calendar days following the effective date of such assignment or subcontract, each party to a contract of such assignment, subcontract, or similar arrangement, and of the right of such party to terminate such contract without incurring any fee upon 30 calendar days' notice within 90 calendar days following such assignment, subcontract, or similar arrangement. Such notification must be by certified mail with the receipt of delivery retained by the awardee and must be upon a form approved or prescribed by the Department.

(d) An awardee must notify the Department within 5 calendar days when it has applied to the Business Integrity Commission for authorization of a subcontracting, assignment, or similar arrangement pursuant to 17 RCNY § 5-05(b) affecting customers located outside of a fully implemented commercial waste zone.

§ 3. Subdivision f of section 20-20 of Title 16 of the Rules of the City of New York is amended, and a new subdivision (g) is added, to read as follows:

(f) If a commercial establishment fails to enter into a written agreement with a zone awardee selected for the zone in which such commercial establishment is located or a containerized commercial waste awardee in accordance with the requirements of this section by the final implementation date for such zone, the Department will assign a zone carter to such commercial establishment and the processes and terms of service set forth in subdivision (e) of 16 RCNY § 20-26 shall apply unless the assignment is made pursuant to subdivision (g) of this section. The assignment of a particular awardee to a commercial establishment is at the Department's discretion, and factors that the Department will consider include, but are not limited to, effect on route efficiency, language access needs within such zone, awardee capacity, [maximum rate,] number of customers already served in the zone, and other factors deemed relevant by the Department.

(g) If a commercial establishment fails to enter into a written agreement with a zone awardee selected for the zone in which such commercial establishment is located or a containerized commercial waste awardee in accordance with the requirements of this section by the final implementation date for such zone, and the Department has determined that the commercial establishment stores its waste in a container that has a capacity of 10 cubic yards or more, the Department may assign a zone awardee or a containerized commercial waste awardee to such

commercial establishment for containerized commercial waste collection services. The processes and terms of service set forth in subdivision (e) of 16 RCNY § 20-26 shall apply except that the Department shall determine the required minimum level of service for such commercial establishment.

§ 4. Paragraph 2 of subdivision c of section 20-21 of Title 16 of the Rules of the City of New York is amended to read as follows:

(2) An awardee may impose fees only for the following:

- (i) Cleaning containers or compactors;
- (ii) Delivery, replacement or removal of carts or containers;
- (iii) Rental of compactors or roll-off containers;

NOTE: Rental fees for containers or dumpsters other than compactors and roll-offs are prohibited by Administrative Code § 16-1002(c)(2);

- (iv) Rental of equipment other than containers/dumpsters;
- (v) Collection service that requires entry inside the building, other than service in and out of a loading dock;

[(v)] (vi) A requested pick-up outside of standard service hours;

[(vi)] (vii) A requested pick-up time within a window of less than two hours where a pick-up window is specified in the agreement;

[(vii)] (viii) A return rate, if an awardee must return to provide service based on a customer created condition, after following all applicable procedures set forth in 16 RCNY § 20-24;

[(viii)] (ix) Overfilled containers, after following all applicable procedures set forth in 16 RCNY § 20-24;

[(ix)] (x) Designated recyclable materials or source separated organic waste with contamination of at least 10 percent, after following all applicable procedures set forth in 16 RCNY § 20-24;

[(x)] (xi) If a driver has to wait due to a customer created delay in excess of 15 minutes, documented with GPS technology;

[(xi)] (xii) Late payment;

[(xii)] (xiii) Insufficient funds, including but not limited to a bounced check or an electronic transfer that fails due to insufficient funds in the customer's account;

[(xiii)] (xiv) Payment made by credit card if the following conditions are met:

(A) The fee must not exceed 3% of the amount charged for services; and

(B) The awardee must offer an alternate form of electronic payment, such as direct bank to bank transfer, with no added fee for the customer;

[(xiv)] (xv) Commercial waste generation audit services in accordance with the awardee's Zero Waste Plan; [and]

(xvi) Early termination, which is not to be charged within the first 30 calendar days after a contract's effective date or where a customer has a right to terminate its contract without incurring any fee pursuant to 16 RCNY § 20-04(c)(1), and which shall not exceed the amount provided in this subparagraph:

(A) For purposes of this subparagraph, when a contract has been in effect for three or more months, the average monthly bill shall be calculated by averaging the customer's last three monthly bills, and when a contract has been in effect for less than three months, the average monthly bill shall be calculated by averaging all of the customer's monthly bills;

(B) Where not more than one year remains in the contract, the early termination fee shall not exceed the customer's average monthly bill; and

(C) Where more than one year remains in the contract, the early termination fee shall not exceed the customer's average monthly bill multiplied by the years remaining in the contract, which shall be calculated by adding the number of whole years remaining on the contract and, if applicable, the fraction of a year remaining in the contract, such fraction to be determined by dividing the number of whole months remaining in the contract in excess of a whole year by 12. For example, if one year and six months remain on a contract, the maximum early termination fee would be calculated by multiplying the customer's average monthly bill by one and one-half (1.5); and

[(xiv)] (xvii) Any other fees approved by the Department in accordance with the procedures set forth in the awardee's agreement with the Department pursuant to which the awardee is operating.

§ 5. Subdivision b of section 20-22 of Title 16 of the Rules of the City of New York is amended to read as follows:

(b) Suspension or termination of service for non-payment.

(1) An awardee may suspend or terminate commercial waste collection service to a commercial establishment within a zone for which the awardee has been awarded an agreement if the commercial establishment is a current customer and owes full or partial payment to the

awardee for services rendered for more than 45 calendar days and the awardee has followed the procedures set forth in this subdivision.

(2) When a current customer has failed to pay the full amount due for 30 calendar days, the awardee must notify the customer in writing that the account is past due, and that nonpayment may result in service suspension or termination, including the timeframe when such suspension or termination may occur.

(3) After at least 45 calendar days of non-payment, the awardee may suspend or terminate service by notifying the customer by certified mail of such suspension or termination and the reason therefor. Such notice shall state that the customer may seek Department review of the awardee's decision to suspend or terminate service by submitting such request to the Department in writing no later than [120] 60 calendar days after receipt of such notice, along with evidence that service should not be suspended or terminated, and a copy of the postmarked certified mail receipt. The customer must also send a copy of such review request to the awardee.

§ 6. Subdivision c of section 20-26 of Title 16 of the Rules of the City of New York is amended to read as follows:

(c) (1) A standard contract form that an awardee proposes to use with its customers must be submitted to the Department within 60 calendar days of entering into an agreement with the Department pursuant to § 16-1002 of the Administrative Code. An awardee must submit any subsequent changes in the standard contract to the Department 30 calendar days prior to implementing such change. The Department will [perform a legal] review [of] each awardee's standard contract and may require changes to such standard contract form prior to its use by the awardee pursuant to the procedures described in such agreement with the Department. At any time after the Department has initially approved an awardee's standard contract form, the Department may require such awardee to make changes to such form, and such awardee shall use such amended form to sign up customers after the Department requires such changes, except as provided in paragraph (2) of this subdivision.

(2) Nothing in this subdivision shall be construed to prevent an awardee and a customer from negotiating terms at variance with the standard contract, except that an awardee must not vary such contract in any manner inconsistent with Title 16-A of the Administrative Code and any rules promulgated thereunder or Title 16-B of the Administrative Code and any rules promulgated thereunder, and must provide notice to the Department of such negotiated contract within 30 calendar days of its effective date.

§ 7. Subdivision e of section 20-26 of Title 16 of the Rules of the City of New York is amended to read as follows:

(e) (1) If a customer has been assigned to the awardee by the Department pursuant to paragraph (4) of subdivision (e) of § 16-1002 of the Administrative Code or rules promulgated pursuant to such section, the standard contract that the awardee has submitted to the Department pursuant to subdivision (c) of this section shall be deemed to be in effect, and the awardee shall provide commercial waste collection service at the level of service described in paragraph (2) of subdivision (a) of 16 RCNY § 20-22 at the maximum rates the awardee is authorized to charge pursuant to the awardee's agreement with the Department pursuant to § 16-1002 of the Administrative Code, unless and until such customer and such awardee negotiate alternative terms by following the procedures in subdivision (d) of this section or the customer selects a different awardee pursuant to paragraph (4) of subdivision (e) of § 16-1002. Notwithstanding any other provision of this paragraph, (i) the Department may require that an awardee provide up to five days of refuse collection to a commercial establishment that has been assigned to such awardee as provided in this paragraph if the Department determines that such commercial establishment requires commercial waste collection service at a higher level of service than that described in subparagraph (i) of paragraph (2) of subdivision (a) of 16 RCNY § 20-22, and (ii) the level of service described in paragraph (2) of subdivision (a) of 16 RCNY § 20-22 does not apply to a commercial establishment that the Department has determined stores its waste in a container that has a capacity of 10 cubic yards or more pursuant to subdivision (g) of 16 RCNY § 20-20.

§ 8. Section 20-27 of Title 16 of the Rules of the City of New York is amended to read as follows:

§ 20-27 Billing and Payment.

(a) An awardee must provide a consolidated bill, statement, or invoice at least once every month to every customer. Such bill, statement or invoice may be provided electronically, unless the customer requests a paper version. Such bill, statement or invoice must include all costs for services provided, including if an awardee uses one or more subcontractors to provide services to the customer. Such bill, statement, or invoice must conspicuously contain all of the following:

- (1) The awardee's name, address, telephone number, and Business Integrity Commission license number;
- (2) The customer's name and complete address;

(3) The maximum rates the awardee is authorized to charge such customer pursuant to the awardee's agreement with the Department entered into pursuant to § 16-1002 of the Administrative Code with a statement indicating that the rates so identified are maximum legal rates and that lower rates may be lawfully charged;

(4) The negotiated rate on which the bill, statement, or invoice is based, broken down into the component parts of such rate, including the rates based on frequency of collection of refuse, designated recyclable materials and source separated organic waste, if applicable, and the rates based on volume or weight of refuse, designated recyclable materials and source separated organic waste collected, if applicable;

(5) A notice to customers as follows: "NOTICE TO CUSTOMERS – The maximum rates that may be charged by your commercial waste removal business are regulated by the New York City Department of Sanitation. If you should have a question or a complaint concerning commercial waste removal, contact the New York City Department of Sanitation";

(6) An itemized list of actual charges being imposed detailing:

(i) The number of weekly pick-ups of each waste stream;

(ii) The weight or volume of refuse, designated recyclable materials and source separated organic waste, if any, removed, and the charge for such weight or volume of such waste, broken down by waste stream, or, where the customer is being charged on a "flat" or "average" billing rate, the estimated volume or weight of refuse, designated recyclable materials and source separated organic waste, if any, removed, and the charge for such estimated weight or volume of such waste, broken down by waste stream, along with a statement as to the method by which the estimated volume or weight was determined, and the date the most recent waste survey was completed;

(iii) Any additional charges or fees imposed; and

(7) a separate statement of sales tax collected.

(b) Such bill, statement or invoice must be on a form approved by the Department. The Department may require an awardee to make changes to such form at any time, including after the Department has approved such form.

(c) If an awardee utilizes a "flat" billing method for a customer, whether based on weight or on volume, the awardee must provide a waste survey for such customer no later than [90] 180 calendar days after the date of the first invoice that utilizes a "flat" billing method, provided that a waste survey conducted by the awardee no earlier than 1 year prior to entering into an agreement with a customer pursuant to 16 RCNY § 20-26 may fulfill the requirements of this subdivision. The waste survey may be conducted by the awardee or a trade waste broker or other third party. All

future invoices must be based on the most recently completed waste survey, and any overpayments by a customer prior to the completion of the initial waste survey according to the results of the waste survey must be reimbursed by the awardee to the customer within 60 calendar days of the completion of the waste survey. Awardees are not required to provide reimbursements based on subsequent waste surveys following the initial waste survey and are not permitted to retroactively seek additional payments from customers based on the results of the waste survey. Prior to the start of a waste survey, an awardee must inform the customer in writing when the survey will be conducted, and of the customer's right to participate in the survey by independently monitoring the waste collected during the survey period. The waste survey must:

- (1) measure the average amount of waste collected from a customer, either in volume or by weight, broken out by waste stream;

- (2) be conducted over a period of 30 calendar days, or four consecutive collections of each waste stream, whichever period is longer, unless a period of 30 calendar days would result in surveying each waste stream more than eight times. In that case, the waste survey will be conducted over calendar 30 days, on varying days of the week, during each week of the 30 calendar-day period, with the result that each waste stream is measured no more than eight times. Waste surveys for different waste streams may be conducted during different 30 calendar day periods;

- (3) be provided at no cost to the customer;

- (4) be conducted according to a form prescribed or approved by the Department;

- (5) be recorded and sent to the customer within 10 calendar days after the waste survey is completed, and a copy must be retained by the awardee for five years.

(d) An awardee must perform an additional waste survey pursuant to this section if a customer requests an additional waste survey within 90 calendar days of such request, however, an awardee is not obligated to provide more than two waste surveys at no cost to the customer within any 12-month period.

(e) For purposes of a "flat" billing method:

- (1) if the total amount for a waste stream surveyed for a single billing period is under 1 cubic yard or 100 pounds, the measurement may be rounded up to 1 cubic yard or 100 pounds;

- (2) if the total amount for a waste stream surveyed for a single billing period is over 1 cubic yard or 100 pounds, and the total amount is 0.5 cubic yards or more beyond the last whole cubic yard or 50 pounds or more beyond the last whole 100-pound increment, an awardee may round up the total volume or weight to the next highest cubic yard or 100 pounds, respectively;

(3) if an awardee rounds up the total volume or weight pursuant to paragraph (2) of this subdivision, such awardee must also round down the total amount for a waste stream to the next lowest cubic yard or 100-pound increment when the volume is less than 0.5 cubic yards beyond the last whole cubic yard or less than 50 pounds beyond the last whole 100-pound increment, respectively.

(f) If an awardee and a customer agree that the customer produces less than one cubic yard or less than 100 pounds per billing period of a given waste stream, the awardee is not required to conduct a waste survey of that waste stream;

[(e)] (g) An awardee must not submit a false or misleading waste survey to a customer or prospective customer.

[(f)] (h) If an awardee plans to utilize a “flat” billing method based on weight, or charge customers based on the actual weight of a customer’s waste, the awardee must use weighing devices, whether owned, rented or borrowed by the awardee, that are accurate to within five percent. Such devices may display weight in five-, ten-, or twenty-pound increments, or other increments approved by the Department. Awardees who use the services of a person or entity to weigh a customer’s waste have the responsibility of insuring that the weighing devices used by such person or entity are accurate to within five percent. The weight of a customer’s waste shall be determined net of the weight of the can, container, dumpster or other rigid container in which it is placed by the customer.

[(g)] (i) (1) An awardee may only accept cash payments from a customer for the collection, removal, or disposal of commercial waste:

(i) At the awardee's primary office location or primary garage for storing commercial waste vehicles; or

(ii) At a customer service location that has been approved by the Department.

(2) Under no circumstances may an awardee accept cash payments for such services at the customer's business location.

(3) An awardee must provide a receipt to the customer for all cash payments.

(4) An awardee may not charge a customer any additional fees or charges for processing or accepting non-cash payments for commercial waste collection, removal or disposal services, except as authorized pursuant to subparagraph (xiii) of paragraph (2) of subdivision (c) of 16 RCNY § 20-21.

[(h)] (j) An awardee may not charge new or existing customers for payments not collected from other customers.

[(i)] (k) The awardee shall not assess new customers for payments owed from a previous customer. The awardee shall not charge existing customers in full or in part for payments owed from other customers.

§ 9. Subdivision b of section 20-52 of Title 16 of the Rules of the City of New York is amended to read as follows:

(b) A commercial waste vehicle must not be operated unless the operator of such vehicle is satisfied such vehicle is in safe operating condition. An awardee must require the operator of such vehicle to inspect such vehicle following each day's work and to prepare a daily inspection report that identifies such vehicle and any defect that would affect the safety of operation of such vehicle. Each such inspection must be recorded on an inspection report form prescribed by the Department. Such daily inspection report must cover at a minimum the following parts and accessories: service and parking brakes, steering mechanism, tires, wheels and rims, sideguards, coupling devices, mirrors, lighting devices and reflectors, horn, windshield wipers, and emergency equipment. Copies of such daily inspection reports must be kept in the corresponding vehicle in accordance with the requirements of subdivision c of 16 RCNY § 20-50. The operator of such vehicle must review the most recent daily inspection report and determine whether required repairs have been made when evaluating the condition of such vehicle.

§ 10. Section 20-57 of Title 16 of the Rules of the City of New York is amended to read as follows:

§ 20-57 Worker Safety Training Requirements.

(a) All workers must receive safety training as outlined in § 16-1008 of the Administrative Code.

(b) Subsequent annual training, as required by § 16-1008(e)(1) of the Administrative Code, must consist of no less than 8 hours for vehicle operators, laborers and helpers who are directly assigned to the collection, removal, transport or disposal of trade waste, of which no fewer than 3 hours shall be dedicated to classroom instruction. For all other workers, such subsequent annual training must consist of no less than 2 hours.

(c) All classroom instruction required by this section and § 16-1008 of the Administrative Code must be conducted live and in-person with the opportunity for hands-on training.

§ 11. Subdivision a of section 20-62 of Title 16 of the Rules of the City of New York is amended to read as follows:

(a) Awardees. Each awardee must generate and submit the following required reports, notifications or certifications to the Department in a timely manner. Such reports, notifications and certifications must be provided in the form, manner and frequency specified by the Department. Nothing in this section precludes the imposition of additional requirements related to reporting, notification or certification pursuant to Title 16-B of the Administrative Code, other provisions of these rules, or the awardee's agreement.

(1) Waste generation estimates and waste characterization studies, if any, shall be the subject of a report submitted on [February] August 1 following the final implementation date, and annually thereafter;

(2) [Collection route data must be submitted monthly following the final implementation date;

(3)] During the applicable transition period, the following must be reported, in accordance with the requirements of the awardee's agreement:

(i) Customer register, on a daily basis;

(ii) Notification of completion of transition period deliverables as required by the agreement; and

(iii) Additional reporting as required by the Department.

[(4)] (3) Following the final implementation date, changes in customer registers must be submitted weekly. In addition, a report showing the rates charged to customers in the previous calendar year, broken down by waste stream, including customer identification number, customer name, and customer address must be submitted on August [February] 1 following the final implementation date, and annually thereafter, and each such report must also discuss general trends and reasons for changes in rates, if rates changed during the calendar year;

[(5)] (4) Following the final implementation date, investments in vehicles, facilities or infrastructure, both sustainable and non-sustainable, shall be the subject of a report submitted on [February] August 1 following the final implementation date, and annually thereafter; and such report must discuss progress made to date toward advancing the city's zero waste and sustainability goals;

[(6)] (5) Commencing upon the implementation start date, warnings or violations issued by local, state, or federal agencies for violating local, state or federal law must be submitted monthly, except that environmental, health, and safety violations, including but not limited to violations issued by the Department of Environmental Protection (DEP), Department of Environmental Conservation (DEC), Environmental Protection Agency (EPA), Occupational

Safety and Health Administration (OSHA), New York City Police Department (NYPD), the Department of Transportation (DOT), and the New York State Police, must be submitted immediately, and the resolution status of each shall be the subject of a report submitted on [February] August 1 following the implementation start date, and annually thereafter, which report must include a description of the steps taken to resolve each such warning or violation, as well as the amount of any penalties imposed by the issuing agency and payment status;

[(7)] (6) Commencing upon the implementation start date, workplace injuries, as well as injuries resulting from activities related to commercial waste removal, whether such injured person is an employee, consultant, customer, member of the public, or other, must be reported immediately. Injuries and accidents shall be the subject of a report submitted on [February] August 1 following the implementation start date, and every six months thereafter. The report must list all injuries and accidents during the applicable period, broken down by the type of incident and the type of injuries, as well as any actions taken by the awardee to prevent future injuries and accidents;

[(8)] (7) Prior to the implementation start date, the names and job descriptions of employees who are subject to the training requirements of § 16-1008 of the Administrative Code, and the dates upon which such training was received, along with a certification that the requirements of § 16-1008 have been met, must be submitted within 180 calendar days after the execution of the agreement, and annually thereafter in accordance with 16 RCNY § 20-57. For employees of designated carters approved after the execution of the agreement, such names and job descriptions of employees, dates upon which training was received, and certification must be provided within 180 calendar days after the date on which the Department approves the designated carter as a subcontractor.

[(9)] (8) Commencing upon the implementation start date, the names of employees hired from the Department's displaced employees list and the date of each such hire must be provided within five business days after hire.

[(10)] (9) Following the final implementation date, the dump ticket, delivery receipt, and final disposition information required to be collected by 16 RCNY § 20-34 must be submitted monthly.

[(11)] (10) Information regarding customer service issues must be submitted monthly by each awardee commencing on the final implementation date. Such information must include, for all customers, any non-collections and the reasons therefor; any additional fees imposed and the reasons therefor; and a list of customers to which the awardee or any of its designated carters provided notifications of significant designated recyclable material content in refuse.

[(12)] (11) A preparedness report must be provided prior to the implementation start date in accordance with the requirements of each awardee's agreement. Such report must demonstrate the awardee's ability to meet the requirements of all laws, rules and contractual obligations.

[(13)] (12) A certification of accuracy must be provided by each awardee prior to the awardee's agreement effective date, in accordance with the requirements of each awardee's agreement.

[(14)] (13) Notification must be provided of any complaint, investigation or audit by the business integrity commission regarding an awardee's license or regarding its trade waste collection service operations, proceedings to suspend or terminate such license, material changes to such license or status of such license, and those of its designated carters or subcontractors, if any. Additionally, notification must also be provided to the Department of any complaint, investigation or audit made by any local, state or federal agency. These notifications must be provided to the Department immediately upon such occurrence. Suspension or revocation of a license or registration must be reported immediately.

[(15)] (14) Notification of any breach or event of default of an awardee's subcontractor that may impact worker safety or public safety, if any, must be provided immediately, along with a statement of the potential effect on services or the public. The awardee must keep the Department apprised of updates and resolution.

[(16)] (15) Notification of any non-safety related material breach or event of default of an awardee's subcontractor, if any, must be provided within two business days, along with a statement of the probable effect on services. The awardee must keep the Department apprised of updates and resolution.

[(17)] (16) A report related to assignment of additional zones during the term of an awardee's agreement must be provided, as applicable. Prior to the Department's offer or assignment of an additional zone to the awardee, where such additional zone has become available after an awardee's agreement has been executed, a report containing assurances and information regarding customer transition must be submitted promptly upon request of the Department. Upon commencement of service in the new zone, the awardee must provide biweekly updates to the Department on the smooth and orderly transition of the new zone for a period of 90 calendar days unless such update requirements are modified by the Department.

[(18)] (17) Upon termination or expiration of the agreement, the awardee must provide copies of all books, records, documents and material specifically related to the agreement that the Department requests be turned over, must provide an inventory of all containers and

equipment on the property of customers or public property within 10 calendar days, and within 90 calendar days, must provide a final statement and report relating to the agreement in a form prescribed by the Department.

[(19)] (18) An annual report must be prepared summarizing the status of the awardee's operations, evaluating the awardee's compliance with its commercial waste zone plans as provided by the awardee's agreement, and addressing whether these plans are sufficient or should be modified. The annual report for the prior fiscal year (the period from July 1 through June 30) must be submitted by August 1 of each year.

[(20)] (19) Notification must be provided to the Department of the name and address of each and every customer within 3 business days of an awardee observing any of the following conditions:

- (i) Customers not using containers in accordance with 16 RCNY § 1-02.4; or
- (ii) Customers placing bags of source separated designated recyclable materials in a container with bags containing, but not limited to, non-designated recyclable materials and putrescible solid waste.

(20) Notification must be provided to the Department within 10 calendar days of the suspension or revocation of the driver's license of any person whose job duties include operating a vehicle on behalf of an awardee or designated carter.

(21) A certification must be provided to the Department on the last day of each calendar quarter on a form prescribed by the Department confirming an awardee's compliance with federal and state driver licensing requirements, and controlled substance and alcohol use testing and reporting requirements.

[(21)] (22) Any other reports, notifications or certifications requested by the Department, in accordance with applicable law and upon receipt of appropriate notice.

§ 12. The table set forth in section 19-103 of Title 16 of the Rules of the City of New York is amended by adding a line in numerical order, to read as follows:

Section of Law	Description	Offense	Penalty	Default Penalty
<u>16-116(a)(2)</u>	<u>Failure to enter into agreement w/ CWZ awardee</u>		<u>100</u>	<u>100</u>