THE CITY OF NEW YORK
TRADE WASTE COMMISSION
253 BROADWAY, 10TH FLOOR
NEW YORK, NEW YORK 10007

DECISION OF THE TRADE WASTE COMMISSION DENYING THE APPLICATION OF JOE'S SANITARY HAULAGE AND RUBBISH REMOVAL, INC. FOR A LICENSE TO OPERATE AS A TRADE WASTE BUSINESS

Joe's Sanitary Haulage and Rubbish Removal, Inc. ("Joe's" or the "Applicant") has applied to the New York City Trade Waste Commission (the "Commission") for a license to operate as a trade waste business pursuant to Local Law 42 of 1996. See Title 16-A of the New York City Administrative Code ("Admin. Code"), § 16-508. Local Law 42, which created the Commission to license and regulate the trade waste removal industry in New York City, was enacted to address pervasive organized crime and other corruption in the commercial carting industry, to protect businesses using private carting services, and to increase competition in the industry and thereby reduce prices.

Local Law 42 authorizes the Commission to refuse to issue a license to any applicant that it determines, in the exercise of its discretion, lacks good character, honesty, and integrity. See Admin. Code §16-509(a). The law identifies a number of factors that, among others, the Commission may consider in making its determination. See id. §16-509(a)(i)-(x). These illustrative factors include the applicant's commission of racketeering acts and its failure to provide truthful information to the Commission in connection with the license application. See id. §16-509(a)(i), (v). Based upon the record as to the Applicant, the Commission finds that Joe's lacks

good character, honesty, and integrity, and denies the license application for the following independently sufficient reasons:

(1) the Applicant engaged in racketeering activity in connection with the carting industry – specifically, criminal combination in restraint of trade and competition – by conspiring to receive and accepting money from another carting company in compensation for the loss of a customer; and

(2) the Applicant failed to disclose its criminal activity on its license application.

I. BACKGROUND

A. The New York City Carting Industry

Virtually all of the more than 200,000 commercial business establishments in New York City contract with private carting companies to remove and dispose of their refuse. Historically, those services have been provided by several hundred companies. For the past forty years, and until only recently, the private carting industry in the City was operated as an organized crime-controlled cartel engaging in a pervasive pattern of racketeering and anticompetitive practices. The United States Court of Appeals for the Second Circuit has described that cartel as "a 'black hole' in New York City's economic life":

> Like those dense stars found in the firmament, the cartel can not be seen and its existence can only be shown by its effect on the conduct of those falling within its ambit. Because of its strong gravitational field, no light escapes very far from a "black hole" before it is dragged back . . . [T]he record before us reveals that from the cartel's domination of the carting industry, no carter escapes.

Sanitation & Recycling Industry, Inc. v. City of New York, 107 F.3d 985, 989 (2d Cir. 1997) ("SRI") (citation omitted).

Extensive testimonial and documentary evidence adduced during lengthy City Council hearings addressing the corruption that historically has plagued this industry revealed the nature of the cartel: an entrenched anti-

competitive conspiracy carried out through customer-allocation agreements among carters, who sold to one another the exclusive right to service customers, and enforced by organized crime-connected racketeers, who mediated disputes among carters. See generally Peter Reuter, Racketeering in Legitimate Industries: A Study in the Economics of Intimidation (RAND Corp. 1987). After hearing the evidence, the City Council found:

(1) "that the carting industry has been corruptly influenced by organized crime for more than four decades";

(2) "that organized crime's corrupting influence over the industry has fostered and sustained a cartel in which carters do not compete for customers";

(3) that to ensure carting companies' continuing unlawful advantages, "customers are compelled to enter into long-term contracts with onerous terms, including 'evergreen' clauses";

(4) "that the anti-competitive effects of this cartel have resulted, with few exceptions, in the maximum [legal] rates . . . being the only rate available to businesses";

(5) "that businesses often pay substantially higher amounts than allowed under the maximum rate because carters improperly charge or overcharge for more waste than they actually remove";

(6) "that organized crime's corrupting influence has resulted in numerous crimes and wrongful acts, including physical violence, threats of violence, and property damage to both customers and competing carting firms";

(7) "that recent indictments have disclosed the pervasive nature of the problem, the structure of the cartel, and the corruption it furthers through the activities of individual carters and trade associations";

(8) "that unscrupulous businesses in the industry have taken advantage of the absence of an effective regulatory scheme to engage in fraudulent conduct"; and

(9) "that a situation in which New York City businesses, both large and small, must pay a 'mob tax' in order to provide for removal of trade waste is harmful to the growth and prosperity of the local economy."

Local Law 42, § 1.

The criminal cartel operated through the industry's four leading New York City trade associations, the Association of Trade Waste Removers of Greater New York ("GNYTW"), the Greater New York Waste Paper Association ("WPA"), the Kings County Trade Waste Association ("KCTW"), and the Queens County Trade Waste Association ("QCTW"), all of which were controlled by organized crime figures for many years. See, e.g., Local Law 42, §1; United States v. International Brotherhood of Teamsters (Adelstein), 998 F.2d 120 (2d Cir. 1993). As the Second Circuit found, regardless of whatever limited legitimate purposes these trade associations might have served, they "operate[d] in illegal ways" by "enforc[ing] the cartel's anticompetitive dominance of the waste collection industry." SRI, 107 F.3d at 999.

In June 1995, all four trade associations, together with seventeen individuals and twenty-three carting companies, were indicted as a result of a five-year investigation into the industry by the Manhattan District Attorney's Office and the New York Police Department. See People v. Association of Trade Waste Removers of Greater New York Inc., et al., Indictment No. 5614/95 (Sup. Ct. N.Y. Cty.) The defendants included capos and soldiers in the Genovese and Gambino organized crime families who acted as "business agents" for the four trade associations, as well as carters closely associated with organized crime and the companies they operated.

More carting industry indictments followed. In June 1996, both the Manhattan District Attorney and the United States Attorney for the Southern District of New York obtained major indictments of New York metropolitan area carters. The state indictments, against thirteen individuals and eight companies, were (like their 1995 counterpart) based upon undercover operations, including electronic surveillance intercepts, which revealed a trade waste removal industry still rife with corruption and organized crime influence. The federal indictment, against seven individuals and fourteen corporations associated with the Genovese and Gambino organized crime families (including the brother and nephew of Genovese boss Vincent "Chin" Gigante), included charges of racketeering, extortion, arson, and

bribery. See United States v. Mario Gigante et al., No. 96 Cr. 466 (S.D.N.Y.). In November 1996, the Manhattan District Attorney announced a third round of indictments in his continuing investigation of the industry, bringing the total number of defendants in the state prosecution to thirty-four individuals, thirty-four companies, and four trade waste associations.

The accuracy of the sweeping charges in the indictments has been repeatedly confirmed by a series of guilty pleas and jury verdicts. On October 23, 1996, defendant John Vitale pleaded guilty to a state antitrust violation for his participation in the anticompetitive criminal cartel. In his allocution, Vitale, a principal of the carting company Vibro, Inc., acknowledged that he turned to the trade associations, and specifically to Genovese capo Alphonse Malangone and Gambino soldier Joseph Francolino, to obtain their assistance in preventing a competitor from bidding on a "Vibro-owned" building, 200 Madison Avenue in Manhattan.

On January 27, 1997, Angelo Ponte, a lead defendant in the state prosecution and the owner of what was once one of New York City's largest carting companies, pleaded guilty to attempted enterprise corruption and agreed to a prison sentence of two to six years and to pay $7.5 million in fines, restitution, and civil forfeitures. In his allocution, Ponte acknowledged the existence of a "property rights" system in the New York City carting industry, enforced by a cartel comprised of carters and their trade associations through customer allocation schemes, price fixing, bid rigging, and economic retaliation, for the purpose of restraining competition and driving up carting prices and carting company profits. His son, Vincent J. Ponte, pleaded guilty to paying a $10,000 bribe to obtain a carting contract to service an office building. Both defendants agreed to be permanently barred from the New York City carting industry.

On January 28, 1997, Vincent Vigliotti became the fourth individual defendant to plead guilty to carting industry corruption charges. Two carting companies and a transfer station run by Vigliotti's family under his auspices pleaded guilty to criminal antitrust violations. In his allocution, Vigliotti confirmed Ponte's admissions as to the scope of the criminal antitrust conspiracy in the carting industry, illustrated by trade association-enforced compensation payments for lost customers and concerted efforts to deter competitors from entering the market through threats and economic retaliation. Vigliotti agreed to serve a prison term of one to three years, to

pay $2.1 million in fines, restitution, and civil forfeitures, and to be permanently barred from the New York City carting industry.

On February 13, 1997, the KCTW, which included the Applicant among its members, pleaded guilty to criminal restraint of trade and agreed to pay a $1 million fine, and four individuals who were officers of or otherwise closely associated with the KCTW, as well as their affiliated carting companies, pleaded guilty to corruption charges. The Brooklyn carters who were the KCTW's principal representatives -- president Frank Allocca and vice-president Daniel Todisco -- pleaded guilty to attempted enterprise corruption, as did Brooklyn carter Dominick Vulpis; each of their defendant companies pleaded guilty to criminal restraint of trade. Brooklyn carter and KCTW secretary Raymond Polidori also pleaded guilty to criminal restraint of trade, as did two related companies controlled by Polidori. These individual defendants agreed to pay fines ranging from $250,000 to $750,000, to serve sentences ranging from probation to 4½ years in prison, and to be permanently barred from the New York City carting industry. The same day, Manhattan carters Henry Tamily and Joseph Virzi pleaded guilty to attempted enterprise corruption and agreed to similar sentences, fines, and prohibitions. All six defendants confirmed the existence of the criminal cartel and admitted to specific instances of their participation in it – one of which involved the Applicant and is described in detail below.

On February 24, 1997, defendants Michael D'Ambrosio, Robros Recycling Corp., and Vaparo, Inc. all pleaded guilty in allocutions before New York Supreme Court Justice Leslie Crocker Snyder. D'Ambrosio pleaded guilty to attempted enterprise corruption, and his companies pleaded to criminal antitrust violations.

On July 21, 1997, Philip Barretti, another lead defendant in the state prosecution and the former owner of New York City's largest carting company, pleaded guilty to two counts of attempted enterprise corruption and agreed to a prison sentence of 4½ to 13½ years and to pay $6 million in fines, restitution, and civil forfeitures. Frank Giovinco, former head of the WPA, pleaded guilty to attempted enterprise corruption and agreed to a prison sentence of 3½ to 10½ years. Carters Paul Mongelli and Louis Mongelli also pleaded guilty to attempted enterprise corruption, and agreed to prison sentences of four to twelve and $3^1/_3$ to ten years, respectively. All four defendants agreed to be permanently barred from the New York City

carting industry. On the same day, Philip Barretti, Jr. and Mark Barretti pleaded guilty to an environmental felony and commercial bribery, respectively, and agreed to be sentenced to five years probation. The Barretti and Mongelli carting companies also pleaded guilty at the same time. A few days later, the WPA pleaded guilty to criminal restraint of trade.

In the federal case, on September 30, 1997, Thomas Milo, a Gambino family associate, and his company, Suburban Carting, among others, pleaded guilty to federal charges of conspiracy to defraud the United States and to make and file false and fraudulent tax returns, and, respectively, to defraud Westchester County in connection with a transfer station contract and to violate the Taft-Hartley Act by making unlawful payments to a union official. In their allocutions, Suburban and Milo admitted that one objective of the conspiracy was to conceal the distribution of cartel "property rights" profits by engaging in sham transactions.

The pleas of guilty to reduced charges by the state defendants took place in the context of an ongoing prosecution of the entire enterprise corruption conspiracy, in which testimony had begun in March 1997. The remaining defendants were the GNYTW, Gambino soldier Joseph Francolino and one of his carting companies, Genovese capo Alphonse Malangone, and two carting companies controlled by defendant Patrick Pecoraro (whose case, together with the case against the QCTW, had been severed due to the death of their attorney during the trial). On October 21, 1997, the jury returned guilty verdicts on enterprise corruption charges – the most serious charges in the indictment – against all six of the remaining defendants, as well as guilty verdicts on a host of other criminal charges. On November 18, 1997, Francolino was sentenced to a prison term of ten to thirty years and fined $900,000, and the GNYTW was fined $9 million.

On January 21, 1998, Patrick Pecoraro pleaded guilty to attempted enterprise corruption and agreed to serve a prison sentence of one to three years, to pay a $1 million fine, and to be barred permanently from the New York City carting industry. On the same day, the QCTW pleaded guilty to a criminal antitrust violation and agreed to forfeit all of its assets. Numerous other guilty pleas have followed.

In sum, it is far too late in the day for anyone to question the existence of a powerful criminal cartel in the New York City carting industry. Its

existence has been proven beyond a reasonable doubt. The proof at trial also established conclusively that the cartel which controlled the carting industry for decades through a rigorously enforced customer-allocation system was itself controlled by organized crime, whose presence in the industry was so pervasive and entrenched – extending to and emanating from all of the industry's trade associations, which counted among their collective membership virtually every carter – that it could not have escaped the notice of any carter. These criminal convictions confirm the judgment of the Mayor and the City Council in enacting Local Law 42, and creating the Commission, to address this pervasive problem.

B. Local Law 42

Upon the enactment of Local Law 42, the Commission assumed regulatory authority from the Department of Consumer Affairs (the "DCA") for the licensing and registration of businesses that remove, collect, or dispose of trade waste. See Admin. Code §16-503. The carting industry quickly challenged the new law, but the courts have consistently upheld Local Law 42 against repeated facial and as-applied constitutional challenges by New York City carters. See, e.g., Sanitation & Recycling Industry, Inc. v. City of New York, 928 F. Supp. 407 (S.D.N.Y. 1996), aff'd, 107 F.3d 985 (2d Cir. 1997); Universal Sanitation Corp. v. Trade Waste Comm'n, 940 F. Supp. 656 (S.D.N.Y. 1996); Vigliotti Bros. Carting Co. v. Trade Waste Comm'n, No. 115993/96 (Sup. Ct. N.Y. Cty. Dec. 4, 1996); Fava v. City of New York, No. CV-97-0179 (E.D.N.Y. May 12, 1997); Imperial Sanitation Corp. v. City of New York, No. 97 CV 682 (E.D.N.Y. June 23, 1997); PJC Sanitation Services, Inc. v. City of New York, No. 97-CV-364 (E.D.N.Y. July 7, 1997).

Local Law 42 provides that "it shall be unlawful for any person to operate a business for the purpose of the collection of trade waste . . . without having first obtained a license therefor from the Commission." Admin. Code §16-505(a). After providing a license applicant with notice and an opportunity to be heard, the Commission may "refuse to issue a license to an applicant who lacks good character, honesty and integrity." Id. §16-509(a). Although Local Law 42 became effective immediately, trade waste removal licenses previously issued by the DCA remained valid pending decision by the Commission on timely filed license applications. See Local Law 42, §14(iii)(1). Joe's holds a DCA license and timely filed an application for a license from the Commission.

As the United States Court of Appeals has definitively ruled, an applicant for a trade waste removal license under Local Law 42 has no entitlement to and no property interest in a license, and the Commission is vested with broad discretion to grant or deny a license application. SRI, 107 F.3d at 995; see also Daxor Corp. v. New York Dep't of Health, 90 N.Y.2d 89, 98-100, 681 N.E.2d 356, 659 N.Y.S.2d 189 (1997). In determining whether to issue a license to an applicant, the Commission may consider, among other things, the following matters, if applicable:

(i) failure by such applicant to provide truthful information in connection with the application;

(ii) a pending indictment or criminal action against such applicant for a crime which under this subdivision would provide a basis for the refusal of such license, or a pending civil or administrative action to which such applicant is a party and which directly relates to the fitness to conduct the business or perform the work for which the license is sought, in which cases the commission may defer consideration of an application until a decision has been reached by the court or administrative tribunal before which such action is pending;

(iii) conviction of such applicant for a crime which, considering the factors set forth in section seven hundred fifty-three of the correction law, would provide a basis under such law for the refusal of such license;

(iv) a finding of liability in a civil or administrative action that bears a direct relationship to the fitness of the applicant to conduct the business for which the license is sought;

(v) commission of a racketeering activity or knowing association with a person who has been convicted of a racketeering activity, including but not limited to the offenses listed in subdivision one of section nineteen hundred sixty-one of the Racketeer Influenced and Corrupt Organizations statute (18 U.S.C. § 1961 et seq.) or of an offense listed in subdivision one of section 460.10 of the penal law, as such statutes may be amended from

time to time, or the equivalent offense under the laws of any other jurisdiction;

(vi) association with any member or associate of an organized crime group as identified by a federal, state or city law enforcement or investigative agency when the applicant knew or should have known of the organized crime associations of such person;

(vii) having been a principal in a predecessor trade waste business as such term is defined in subdivision a of section 16-508 of this chapter where the commission would be authorized to deny a license to such predecessor business pursuant to this subdivision;

(viii) current membership in a trade association where such membership would be prohibited to a licensee pursuant to subdivision j of section 16-520 of this chapter unless the commission has determined, pursuant to such subdivision, that such association does not operate in a manner inconsistent with the purposes of this chapter;

(ix) the holding of a position in a trade association where membership or the holding of such position would be prohibited to a licensee pursuant to subdivision j of section 16-520 of this chapter;

(x) failure to pay any tax, fine, penalty, [or] fee related to the applicant's business for which liability has been admitted by the person liable therefor, or for which judgment has been entered by a court or administrative tribunal of competent jurisdiction.

Admin. Code § 16-509(a)(i)-(x).

II. DISCUSSION

Joe's filed an application for a trade waste removal license with the Commission on August 29, 1996. The Commission's staff conducted an investigation of the Applicant. On September 15, 1999, the staff issued a 17-page recommendation that Joe's' license application be denied. On October

1, 1999, the Applicant submitted a response to the staff's recommendation consisting of a 16-page affidavit of one of its principals, a 13-page affidavit of one of its attorneys, and various exhibits. The Commission has considered the staff's recommendation and the Applicant's response. For the reasons discussed below, the Commission finds that Joe's lacks good character, honesty, and integrity, and denies this license application.

A. Joe's Engaged in Racketeering Activity in Connection with the Carting Industry

Evidence obtained during the undercover criminal investigation of the City's commercial carting industry, confirmed by evidence obtained during the staff's investigation of the Applicant, demonstrates that Joe's participated in and benefited from the mob-run cartel's anticompetitive property-rights system. As detailed below, Joe's, represented by the leadership of one of the corrupt local trade associations, the KCTW, demanded, received, and accepted money from another carting company as compensation for the Applicant's loss of a customer. Such transactions are criminal and formed the principal basis of the successful prosecution of the City's carting industry for enterprise corruption.

1. The Criminal Investigation

An important factor in the success of the criminal investigation of the City's carting industry was the cooperation in the investigation of Chambers Paper Fibres Corp. ("Chambers"). The cooperation of this carting company provided law enforcement with a window on the inner workings of the cartel. In May 1992, as a result of having won a competitive bid to service a Manhattan office building previously served by Barretti Carting, Chambers was victimized by arson, and its president, Salvatore Benedetto, was physically assaulted a month later. See Search Warrant Affidavit of Det. Joseph Lentini, sworn to June 5, 1995 ("Lentini Aff."), ¶¶ 9-11, 13. Because Chambers was not a member of one of the local trade associations, it enjoyed no protection against this type of retaliation. Beginning in May 1992, an undercover detective posed as a relative of Sal Benedetto and an employee of Chambers. Id. ¶ 12.

In 1992, Chambers was servicing the Fayva retail shoe store chain. Several carting companies, including the Applicant, had previously serviced Fayva stops. In January 1993, KCTW president Frank Allocca met with Sal Benedetto and the undercover detective and demanded that Chambers return the Fayva stops to those carters. See Lentini Aff. ¶ 16. In February 1993, Allocca and KCTW secretary Raymond Polidori, claiming to be speaking "for the industry in Brooklyn," repeated the demand to the undercover detective. Id. ¶ 17. Polidori warned, "[F]or every action, there's a reaction." Id. Allocca suggested that Chambers join the KCTW as a way of resolving such disputes. See id.

In April 1993, at a meeting also attended by Polidori and KCTW vice-president Daniel Todisco, Allocca explained the rules of KCTW membership to the undercover detective. Lentini Aff. ¶ 19. Allocca stated that if a member claimed that another member had "taken" a customer, then the association would help resolve the complaint. Id. If Chambers joined, other KCTW members could make claims against it for any customers it had "taken" within the previous five years. Id. Chambers joined the KCTW, paying dues as of September 1993. See id. ¶ 55.

In early June 1994, the undercover detective met with Allocca and Todisco at the KCTW, where they agreed that Chambers would pay the previous Fayva carters a multiple of 30 times the monthly gross revenue from the Fayva stops. Lentini Aff. ¶¶ 68-69. (This multiple was increased to 40:1 a few weeks later. Id. ¶¶ 69, 74.) Allocca told the undercover detective that Chambers could make two monthly payments of 10% each and pay the balance later. Id. ¶ 69. Allocca also imposed the condition that if any of the Fayva stores vacated the premises, the stop would revert to the carter that serviced it previously. Id. At another meeting at the KCTW later that month, Allocca gave the undercover detective a list of nine carters that had previously serviced fifteen Fayva stores now serviced by Chambers. Id. ¶ 74. Allocca said that Chambers must pay $12,800 per store to these carters, for a total of $192,000 for all fifteen stores. Id. Four days later, on June 28, the undercover detective paid the first installment on the Fayva stops by handing an envelope containing checks totaling $18,000 to Allocca in a stairwell at the GNYTW. Id. ¶ 77.

On August 4, 1994, at a meeting at a diner, Allocca and Todisco informed the undercover detective of additional claims against Chambers being made by other KCTW members that had serviced Fayva stores.

Lentini Aff. ¶ 83. On August 11, the undercover detective made a second round of Fayva payments to Todisco on a Manhattan street corner. Id. ¶ 84. One of the eleven checks he gave to Todisco was payable to "Joe's Carting" in the amount of $1,200 and was deposited into an account in the Applicant's name. Id.

In September 1994, the undercover detective told Allocca that Chambers could not make all of the scheduled Fayva payments and asked whether Chambers could "refinance" the obligation by stretching the payments out over eighteen months. See Lentini Aff. ¶¶ 96-97. The next month, at a meeting at a Manhattan restaurant, Gambino soldier and GNYTW business agent Joseph Francolino (who described himself as "the fucking boss") introduced the undercover detective to Genovese capo Alphonse Malangone (who "runs Brooklyn" as the KCTW's "administrator"). Id. ¶¶ 100, 102, 104. Malangone later granted the request for refinancing. Id. ¶¶ 110-11. On October 19 at the KCTW, the undercover detective delivered another round of Fayva compensation payments, including a check payable to "Joe's Carting" for $600, which was deposited in the Applicant's bank account. Id. ¶ 105. On December 14, 1994, the undercover detective gave Allocca several more Fayva checks at a KCTW Christmas party, including one payable to Joe's in the amount of $600, which also was deposited into the Applicant's bank account. Id. ¶ 125.

2. The Criminal Prosecution

As discussed above, the criminal investigation resulted in the June 1995 indictment of numerous carting industry participants, including KCTW president Frank Allocca, KCTW vice-president Daniel Todisco, KCTW secretary Raymond Polidori, and the KCTW itself. Count 1 of the indictment, which described these and the other defendants as part of a cartel constituting a criminal enterprise, charged all of the defendants with the crime of enterprise corruption, in violation of Penal Law § 460.20(1)(a). See People v. GNYTW, et al., Indictment No. 5614/95 (Sup. Ct. N.Y. Cty.), at 2-69.

In February 1997, Allocca and Todisco each pleaded guilty to the crime of attempted enterprise corruption, a felony. See People v. Allocca, et al., Indictment No. 5614/95 (Sup. Ct. N.Y. Cty.), Tr. of Plea (Feb. 13, 1997), at 7-21. In their allocutions, Allocca and Todisco admitted that they committed the crimes alleged in Pattern Acts 1, 38, and 44 supporting Count

1 of the indictment. Pattern Act 38 related specifically to Allocca's and Todisco's role in obtaining compensation payments from Chambers for carters that had previously serviced the Fayva shoe store chain, in violation of sections 340 and 341 of the General Business Law, which prohibit combinations in restraint of trade and competition. See id. at 9-12. Allocca and Todisco admitted that they and Polidori demanded such payments, totaling $192,000, on behalf of fifteen KCTW member carters. Id. at 10-11, 19. Later that day, Polidori pleaded guilty to Count 39 of the indictment, which charged the felony of combination in restraint of trade and competition in connection with the Fayva compensation payments. See People v. Polidori, et al., Indictment No. 5614/95 (Sup. Ct. N.Y. Cty.), Tr. of Plea (Feb. 13, 1997), at 3-8.

3. The Applicant's Account of Events

Joe's did not disclose the Fayva compensation payments that it received in its license application, which it submitted in August 1996 (prior to the 1997 guilty pleas described above).[1] Joe's apparently learned several months later that the Commission knew about the payments when, in December 1996, Joe's received the staff's recommendation to deny its application for a waiver of Local Law 42's contract–terminability provision. In response, Joe's admitted losing a Fayva stop and that Allocca negotiated compensation payments for Joe's. See Affidavit of Kenneth Occhiogrosso, sworn to December 30, 1996, ¶ 29. Those payments, totaling $4,200, were deposited into the Applicant's bank account. Id. ¶ 31.

On May 7, 1997, the staff deposed Kenneth Occhiogrosso, one of the Applicant's principals, in connection with its license application. Occhiogrosso testified that Joe's was a member of the KCTW from 1954 to 1996. Dep. Tr. at 21. He further testified that Joe's began servicing a Fayva shoe store in Brooklyn in late 1988, pursuant to a five-year contract to pick up both garbage and cardboard. Id. at 33-34. During the first year of the contract term, a carter from the Bronx began picking up the cardboard by arrangement with the customer. Id. at 34-35. Joe's continued to pick up the garbage but reduced its monthly charge to the customer from $480 to $135 to reflect the diminished service. Id. at 35-36. At that time, Joe's made no attempt to pursue any legal remedies it might have had, such as a claim

[1] The license application form specifically calls for such information. See Part II, Questions 2-3.

against the customer for breach of contract or against the other carter for tortious interference with contract. See id. at 37, 39-40.

About four years later, in 1993, Allocca called Occhiogrosso, confirmed that Joe's had serviced a Fayva stop, and told him that the KCTW was negotiating compensation payments with Chambers for the Fayva stops. Dep. Tr. at 38, 41. Allocca said that he would get back to Occhiogrosso after the negotiations had concluded. Id. at 41-42.[2]

It did not seem unusual to Occhiogrosso that the KCTW was negotiating unsolicited on Joe's' behalf because the association was acting on behalf of all of its members that had serviced Fayva stops. See Dep. Tr. at 43. Occhiogrosso knew that the KCTW mediated and settled disputes between carters over customers. Id. at 62-65.

A few months later, Occhiogrosso went to the KCTW at Allocca's behest and met with him. Dep. Tr. at 44-45. Allocca told him that the KCTW had settled the Fayva dispute with Chambers and gave him a check from Chambers for $600 or $1,200, which Occhiogrosso understood to be the first of a number of compensation payments. Id. at 47-49. This process – Allocca calling Occhiogrosso down to the KCTW to give him a compensation check from Chambers for $600 or $1,200 – was repeated several times during the ensuing months. Id. at 53-57. Occhiogrosso testified that Joe's received four to six checks for a total of $4,200. Id. at 55. On one occasion, his brother Robert Occhiogrosso, also a principal of Joe's, collected one of the checks from Ralph Morea at the office of Brooklyn Carting. See id. at 65-66, 115-16.

* * *

The Commission may refuse to issue a license to an applicant that has committed a racketeering act, including any predicate crime listed in New York's Organized Crime Control Act. See Admin. Code § 16-509(a)(v); N.Y. Penal Law § 460.10(1). Among those crimes are felonies under Article 22 of the General Business Law. See Penal Law § 460.10(1)(b). Among those felonies is combination in restraint of trade and competition, in

[2] Occhiogrosso was somewhat surprised to hear from Allocca so long after Joe's lost the Fayva stop. See Dep. Tr. at 42-43. Indeed, Joe's apparently had not lost the stop to Chambers (which was based in Brooklyn) but, rather, to a Bronx carter. Id. at 38-39.

violation of section 340 of the General Business Law. See N.Y. Gen. Bus. Law § 341.

By agreeing to receive and accepting multiple payments from Chambers in compensation for the loss of part of the revenue from a Fayva stop, Joe's engaged in a combination in restraint of trade and competition, and thereby engaged in racketeering activity within the meaning of Local Law 42. Allocca, Todisco, and Polidori all pleaded guilty to felonies based upon the Fayva transaction. Joe's has admitted accepting these payments from another carter ostensibly in competition with it. This type of compensation arrangement epitomized the anticompetitive cartel's modus operandi. These facts plainly support a finding that Joe's lacks good character, honesty, and integrity, and the denial of its license application.

The Applicant's proffered defense of its criminal cartel participation is feeble. First, Joe's contends that, because it was not indicted in the carting industry prosecution, the Manhattan District Attorney has "determined" that Joe's did not commit any crimes. See Affidavit of Emanuel R. Gold, sworn to October 1, 1999 ("Gold Aff."), ¶¶ 2, 39; Affidavit of Margarite Occhiogrosso, sworn to October 1, 1999 ("Occhiogrosso Aff."), ¶¶ 5, 26. This contention is frivolous. There are many factors pertinent to a prosecutor's decision not to seek an indictment that are wholly unrelated to the question of actual guilt or innocence. Among those factors are the limited resources available to the prosecutor, changing law-enforcement priorities, and the existence and willingness of other government agencies to take appropriate enforcement action. In any event, however, in this case Joe's has admitted engaging in activity that clearly constitutes a crime under the governing law.

Next, Joe's asserts that it was a "victim" of "entrapment." See Gold Aff. ¶¶ 4, 6, 44. This assertion is fanciful in the extreme. No one duped the Applicant into taking cartel compensation payments; it knew what they were and happily accepted them. Joe's contends, curiously, that its share of the total agreed-upon compensation for the Fayva stops should have been $12,800 and that because it received payments totaling only $4,200, it was "used" by the KCTW leadership. See id. ¶¶ 7, 44. There is, however, no reason why all of the KCTW members that had serviced Fayva stops should have received the same amount of compensation from Chambers; some members serviced more than one stop, and the same stop may have been serviced by different members at different times. According to the

Applicant's records, it had been servicing a Fayva stop for well under a year when it lost the cardboard business to another carter. See Response Ex. D. Joe's received about one year's worth of compensation for the loss.[3] Whether Joe's got its allotted share of illegal payments or instead got something less is irrelevant to the fact and seriousness of the Applicant's participation in the anticompetitive cartel's "property rights" system.

Indeed, the Applicant's response to the staff's recommendation discloses for the first time (and contrary to the sworn testimony before the Commission of one of its principals, Kenneth Occhiogrosso, see Dep. Tr. at 33-34) that Joe's did not have a contract to service the Fayva stop for which it received compensation payments. See Occhiogrosso Aff. ¶ 43. Thus, when it took the money, Joe's knew that it could not be characterized as legitimate payment in settlement of a bona fide legal claim for tortious interference with contract. Joe's now asserts that it was being paid for its "good will in the Fayva account." Id. This assertion is groundless. As United States District Judge David G. Trager recently observed:

> There [have] been legislative findings that the whole industry was operated in a corrupt way and . . . so the value of [a carting company's] good will was dependent upon the operation of this corrupt industry.
>
> . . . the way the system worked, everyone got the benefit of it . . .

Acwell Private Sanitation Service, Inc. v. Trade Waste Comm'n, No. CV-99-5096 (E.D.N.Y. Aug. 27, 1999), Tr. of Conference/Motion at 20-21. Put another way, there is no such thing as customer goodwill in an industry operating as an anticompetitive cartel under a property-rights system.[4]

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[3] The Applicant's records also show that these compensation payments from Chambers were misleadingly characterized as payments for "recyclables," suggesting a buyer-seller relationship between the two companies. See id.; see also Occhiogrosso Aff. ¶¶ 43-44. There obviously was no such thing.

[4] Joe's observes that it did not pay the KCTW $370 per month over a period of decades ("a large sum of money") merely to receive "a few meager thousand dollars" in compensation payments from Chambers. See Gold Aff. ¶¶ 5, 44; Occhiogrosso Aff. ¶ 11. We do not disagree. Joe's, like its fellow KCTW members, joined the association and paid dues so that companies like Chambers, who chose to compete for customers, would be the rare exception and not the general rule. The example of Chambers and other "outlaw" carters who did not join the local mob-controlled trade associations also vitiates the Applicant's cynical assertion that "to stay in business for all of these years it had to belong" to the KCTW and therefore "was more victim than perpetrator." Gold Aff. ¶ 6.

Apparently in an attempt to show that it did not participate in or benefit from the property-rights system, Joe's has submitted data on customers it has lost, customers it has gained, and price reductions it has given to customers. See Response Exs. A-C.[5] These submissions are immaterial to the Applicant's demonstrated criminal activity and are of little or no probative value generally. For example, Joe's lists twenty-six customers that it lost in non-bid situations before the enactment of Local Law 42; the earliest entry on the list is from January 1993. See id. Ex. A. The submission is silent on the critical question whether the customers were lost to other carters or simply because they moved away. Similarly, Joe's lists seventy-one customers that it gained before Local Law 42 was enacted; the earliest entry is from March 1992. See id. Ex. B. Again, the submission is silent on the critical question whether the customers were acquired through competition against the carters servicing them or simply because they were new businesses in the Brighton Beach area served by Joe's – which, in the Applicant's words, has "exploded with the influx of Russian immigrants" and "become much more densely populated." Occhiogrosso Aff. ¶ 23. Finally, Joe's lists nine customers to whom it gave price reductions before Local Law 42 was enacted; the earliest listed entry is from July 1993. See Response Ex. C. The number of price reductions is an insignificant 2% of the Applicant's customer base of approximately 450, see Occhiogrosso Aff. ¶ 24, and the magnitude of those reductions is quite modest in comparison to the seventeen price reductions which Joe's has offered its customers since the passage of Local Law 42. See Response Ex. C. All in all, nothing in these submissions contradicts the Applicant's own understated assessment that "the Brighton Beach carting market historically has not been intensely competitive." Occhiogrosso Aff. ¶ 28.

The Applicant's basic response to the fact that it committed a crime at the core of the cartel's property-rights system is that it was a mere "mistake" or "minor error." See Gold Aff. ¶ 13; Occhiogrosso Aff. ¶¶ 46-47. There was nothing mistaken or insignificant about Joe's' acceptance of cartel compensation payments. The Applicant knew what the payments were for and how the system worked; both of its principals who were active in the business were involved in the crime. Under these circumstances, Joe's

[5] These data contradict Joe's' license application, which stated that Joe's had not lost or acquired any customers during the entire period of its membership in the KCTW (from 1954 to 1996). See Lic. App. at 8.

cannot meet the licensing standard of "good character, honesty and integrity."

B. Joe's Failed to Provide Truthful Information to the Commission in Connection with Its License Application

Part II, Question 2 of the license application form asks whether, during the period of its membership in any of the indicted trade associations, the applicant ever sold, purchased, or otherwise acquired or lost any routes or customer locations. Joe's checked "No" in response. Lic. App. at 8. Subparts (a) through (g) of Question 2 ask for details if the answer is yes. In particular, subparts (d) and (e) ask, respectively, for the price or other remuneration paid or received for each transaction and for a description of the role the trade association or any of its representatives played in the sale, purchase, acquisition, or loss. Joe's responded "N/A" (i.e., "not applicable") to each subpart. Id. at 8-10.

Part II, Question 3 asks whether, during the period of its membership in any of the indicted trade associations, the applicant ever had a dispute with another trade waste business concerning, among other things, servicing a customer or customer location or stop. Joe's again checked off "No." Lic. App. at 10. Subparts (a) through (g) ask for details concerning any such dispute, including the role any individual played in its resolution. Joe's responded "N/A" to each subpart. Id. at 10-12.

The evidence recounted above demonstrates that the Applicant's responses to these questions were false or, at best, materially misleading. Joe's lost a Fayva cardboard stop while it was a KCTW member and plainly viewed that loss as a violation of its "right" to the stop. Several years later, while still a KCTW member, Joe's received $4,200 to settle its dispute over the right to service that stop.

Joe's has little to say in response to this evidence. The Applicant notes that its application was completed by Kenneth Occhiogrosso without the assistance of an attorney. See Gold Aff. ¶ 11. However, the questions at issue here were straightforward and should not have posed any difficulty for Mr. Occhiogrosso, who has some college education. See Occhiogrosso Aff. ¶ 21. His mother says that she does not know what was in her son's mind when he answered those questions, id. ¶ 7, and her son has not submitted anything to the Commission that would shed light on the matter. In any

event, all three of the Applicant's principals (Kenneth, Margarite, and Robert Occhiogrosso) executed sworn certifications that they had read and understood the questions contained in the license application and that to the best of their knowledge the Applicant's responses to those questions were "full, complete and truthful."

An applicant's failure to provide truthful information to the Commission in connection with its license application constitutes grounds for denial of the application. See Admin. Code § 16-509(a)(i). On this independent basis as well, the Commission denies Joe's' license application.

* * *

Much of the Applicant's response to the staff's recommendation is taken up by the related assertions that Joe's was not given sufficient guidance by the staff concerning the status and prospects of its license application and that the Commission should defer acting upon the license application and, instead, allow Joe's to pursue a sale of its assets. See, e.g., Gold Aff. ¶¶ 16-34; Occhiogrosso Aff. ¶¶ 16-17, 50-56. We note at the outset that neither of these assertions implicates any rights of the Applicant under Local Law 42 or the Commission's rules. Joe's does not contend that the staff violated the law or the rules in its handling of the license application. And it is settled law that the Commission may decline to defer action on a company's license application in favor of a sale application. See Patano Brothers, Inc. v. Trade Waste Comm'n, 251 A.D.2d 254 (1st Dep't 1998) (per curiam); Tocci Brothers, Inc. v. Trade Waste Comm'n, 251 A.D.2d 160 (1st Dep't 1998) (per curiam); see also Grasso Public Carting, Inc. v. Trade Waste Comm'n, 250 A.D.2d 454 (1st Dep't 1998) (per curiam). Indeed, Joe's does not even have a sale application pending before the Commission. We nonetheless believe it appropriate, in response to the Applicant's vituperative complaints, to set the record straight.

On April 4, 1997, the Commission denied Joe's' application for a waiver of Local Law 42's contract-terminability provision. Among the grounds relied upon in the Commission's decision was the company's receipt of illegal cartel compensation payments. On July 11, 1997, Joe's' then counsel, Rosenman & Colin LLP, submitted to the Commission an executed letter of intent between Joe's and WM of New York, Inc. ("Waste Management"), pursuant to which Waste Management would acquire Joe's' assets. In a cover letter, Jane J. Ferrall of the Rosenman firm advised that

the parties anticipated entering into a definitive agreement within the next two weeks and stated that she was "hopeful that the transaction will obviate the need for the Commission's staff to make any recommendation with respect to [Joe's'] pending license application."

On October 21, 1997, in advisory correspondence addressed generally to the industry, the Commission discussed a number of licensing and sale issues and stated the following:

> A number of carters are (or should be) aware that the Commission staff is prepared to recommend denial of their license applications. Although a waiver denial does not necessarily indicate the likelihood of a license denial, in many waiver denial decisions, the Commission has set forth information that strongly suggests that the applicant lacks good character, honesty, and integrity. In such cases and in the absence of any change in circumstances, if an applicant files a sale application at a late stage in the licensing investigation, conservation of Commission resources may dictate completion of the licensing process first.

On December 16, 1997, Joe's and Waste Management jointly submitted an application seeking approval of the sale of Joe's' assets to Waste Management. Waste Management later decided not to proceed with the transaction.[6]

On May 27, 1998, Robert Occhiogrosso telephoned then Deputy Commissioner for Enforcement Marybeth Richroath. He told her that Waste Management had decided not to go forward with the purchase of Joe's' assets and inquired whether the company would be able to remain in the industry or should seek another buyer. Ms. Richroath referred the inquiry to then Deputy Commissioner for Licensing Chad Vignola. On May 28, 1998, Mr. Vignola spoke with Joe's' then new counsel, Gerald Padian, about the Applicant's situation. Mr. Vignola advised Mr. Padian that, in light of the fact that Joe's had accepted cartel compensation payments, it was highly unlikely that the staff would recommend licensure, even if Kenneth

[6] Contrary to the Applicant's contention (see Gold Aff. ¶ 53; Occhiogrosso Aff. ¶ 15), its contemplated sale was not "scuttled" due to any federal intervention or determination that Waste Management had violated the antitrust laws.

Occhiogrosso (the principal most directly involved in the illegal transaction) were to sever his ties with the company.

On October 8, 1998, new counsel for Joe's, Emanuel Gold, wrote to the Commission requesting that it take action on Joe's' license application. On October 18, 1998, Mr. Vignola wrote to Mr. Gold and advised that it had been the staff's understanding that Joe's "intended to pursue a sale of its assets rather than its license application." Mr. Vignola further advised Mr. Gold that the staff would review the license application in due course and notify him of any change in the status of the application. On October 21 and November 23, 1998, Mr. Gold wrote to Mr. Vignola asking for a "timetable" for the staff's completion of its investigation of Joe's' license application. On December 7, 1998, Mr. Vignola wrote back to Mr. Gold, advising him that it was not possible to provide such a timetable and that the end result of the staff's investigation might well be the Commission's denial of the license application. Mr. Vignola again advised Mr. Gold that the staff would notify him of any change in the status of the application.

Beginning on May 26, 1999, Special Counsel Belina Anderson spoke by telephone with Mr. Gold on a number of occasions. On June 2, 1999, Ms. Anderson advised Mr. Gold that the staff would likely soon be preparing a license denial recommendation and that, if Joe's wished to pursue the sale of its assets, it should do so promptly. Mr. Gold requested a meeting to discuss the possible licensure of the Applicant. Ms. Anderson advised Mr. Gold that a meeting would not be productive, inasmuch as the staff already had considered the types of licensing conditions proposed. From the staff's perspective, it could recommend to the Commission only two courses of action: denial of the license application or approval of a sale application. In light of the Applicant's criminal activity and material non-disclosures concerning that activity, the staff could not recommend licensure, with or without conditions.

Thus, by the early summer, Joe's had been on notice for more than one year that (i) the staff was highly likely to recommend license denial, (ii) the company could likely avoid such a recommendation by submitting a sale application within a reasonable time, and (iii) it might well lose that opportunity if it unreasonably delayed in submitting the application. Indeed, Joe's' submission of a letter of intent in July 1997 and a sale application in December 1997 strongly indicates that it has been aware of these facts for two years or more. Nonetheless, during the approximately eighteen months

following Waste Management's decision not to acquire Joe's' assets, the company did not submit another sale application to the Commission, nor even suggest to the staff that it was having difficulty finding another buyer. Instead, Joe's apparently decided to pursue its license application.

On September 15, 1999, the staff issued its license denial recommendation. On September 17, at Mr. Gold's request, the staff provided him with copies of documents cited and relied upon in the recommendation. Also on that date, the Commission granted counsel's request, in light of the Jewish holiday and Hurricane Floyd, for a brief extension of time in which to submit a response to the recommendation. On September 28, Mr. Gold wrote to Ms. Anderson, purporting to summarize his prior dealings with the staff and requesting a meeting and a two-week extension of time (to October 15) in which to submit a response to the recommendation. The meeting took place later that day; present were Mr. Gold, Ms. Anderson, and the Commission's Executive Director. The meeting was not productive.[7] As to the request for another extension, the Executive Director informed Mr. Gold that Joe's should submit its response on the October 1 due date and that, if counsel believed then that more time was needed, he should explain why in the response. On October 1, Joe's submitted a lengthy response that covered all of the issues raised by the staff's recommendation. On the issue of an additional extension of time, Mr. Gold said only that he had no doubt that "more could be said." Gold Aff. ¶ 15.

In sum, we believe that the Applicant was treated fairly by the staff and, indeed, was provided substantial guidance concerning its licensing prospects. Joe's, which was represented by counsel throughout this entire process, was afforded more than ample opportunity to submit a viable sale application to the Commission but did not do so, opting instead to pursue its license application. The Commission to date has not deferred acting upon any license application in favor of a sale application submitted after the staff has issued a license denial recommendation. We see no reason to treat Joe's,

[7] In the staff's view, Mr. Gold's account of this meeting (see Gold Aff. ¶¶ 31-40) is rife with inaccuracies. We need not examine these matters in detail. The staff reiterated its position to Mr. Gold, and nothing he said in the meeting changed its position or would have changed its position if said a year ago. We note that the Executive Director has confirmed that he did not suggest to Mr. Gold that, because Joe's had "got caught" engaging in one illegal cartel compensation scheme, it probably had committed other crimes. Rather, Mr. Gold was told that, because Joe's had in fact "got caught," the staff could not ignore this serious criminal activity in assessing the company's license application.

which has not even submitted a sale application, any differently, and the goals of Local Law 42 would not be served thereby.[8]

III. CONCLUSION

The Commission is vested with broad discretion to refuse to issue a license to any applicant that it determines lacks good character, honesty, and integrity. For the independently sufficient reasons described above – the Applicant's participation in the cartel through its acceptance of illegal compensation payments, and its failure to disclose those crimes on its license application – the Commission concludes that Joe's lacks good character, honesty, and integrity, and denies its license application.

This license denial decision is effective fourteen days from the date hereof. In order that the Applicant's customers may make other carting arrangements without an interruption in service, Joe's is directed (i) to continue servicing its customers for the next fourteen days in accordance with its existing contractual arrangements, and (ii) to send a copy of the attached notice to each of its customers by first-class U.S. mail by no later than October 12, 1999. Joe's shall not service any customers, or otherwise operate as a trade waste removal business in New York City, after the expiration of the fourteen-day period.

[8] Finally, we note that Joe's has requested an evidentiary hearing. Neither the Constitution nor Local Law 42 affords a carting license applicant the right to an evidentiary hearing on its application. See SRI, 107 F.3d at 995; Litod Paper Stock Co. v. City of New York, No. 11054/97-001 (Sup. Ct. N.Y. Cty. June 19, 1997), slip op. at 3 (citing SRI). Moreover, in light of the essentially uncontroverted nature of the material facts in this matter, an evidentiary hearing is not warranted.

Dated: October 8, 1999

THE TRADE WASTE COMMISSION

Edward T. Ferguson, III
Chair

Kevin P. Farrell
Sanitation Commissioner

Edward J. Kuriansky
Investigation Commissioner

Jules Polonetsky
Consumer Affairs Commissioner

Deborah R. Weeks
Acting Business Services Commissioner

THE CITY OF NEW YORK
TRADE WASTE COMMISSION
253 BROADWAY, 10TH FLOOR
NEW YORK, NEW YORK 10007

October 8, 1999

NOTICE TO CUSTOMERS OF JOE'S SANITARY HAULAGE AND RUBBISH REMOVAL, INC. REGARDING TERMINATION OF CARTING SERVICE

Dear Carting Customer:

The New York City Trade Waste Commission, which regulates private carting companies in the City, has denied the application of Joe's Sanitary Haulage and Rubbish Removal, Inc. ("Joe's") for a license to collect trade waste. **As of October 23, 1999, Joe's will no longer be legally permitted to collect waste from businesses in New York City. If Joe's is collecting your waste, you will have to select another carting company to provide you with that service by October 23, 1999.**

The Commission has directed Joe's to continue providing service to its customers through October 22, 1999. **If your service is interrupted before October 23, call the Commission at 212-676-6275.**

There are approximately 250 carting companies that are legally permitted to collect waste from businesses in New York City. There are several ways that you can find out which ones are willing to service customers in your neighborhood:

- **Find out which company is servicing your neighbor**. A carting company cannot, without a business justification satisfactory to the Commission, refuse to service you if it already has another customer that is located within 10 blocks of your business.

- **Consult public directories, such as the Yellow Pages.**

- **Call the Commission at 212-676-6275 for a list of licensed carters.**

To assist you further, we have given all 200 plus carting companies in New York City a list of all of Joe's customers, including yourself.

The carting industry is changing for the better and **prices have been falling over the past three years**. Customers that shop around have been able to cut their carting bills by a third, and often by a half or more. You should use this opportunity to get the best rates and service by **soliciting bids from at least four carting companies** before signing a carting contract.

You have many rights under Local Law 42 of 1996, which Mayor Rudolph W. Giuliani signed to address the corruption and anticompetitive practices that have long plagued the commercial waste industry in New York City, including:

- The right to be offered a contract by your carting company. A **form carting contract** that has been approved by the Commission may be obtained by calling the Commission at (212) 676-6208.

- The right to be charged a reasonable rate for waste removal services. The City sets the maximum rates that carting companies can charge. The City in 1997 reduced the maximum rates for the removal of trade waste to **$12.20 per loose cubic yard** and $30.19 per pre-compacted cubic yard. Most businesses dispose of loose waste; only businesses that have trash-compactors dispose of pre-compacted waste. Businesses that dispose of loose trash in bags filled to 80% of capacity (as many businesses do) may not be legally charged more than:

  $2.66 for each **55** gallon bag of trash
  $2.42 for each **50** gallon bag of trash
  $2.17 for each **45** gallon bag of trash
  $1.93 for each **40** gallon bag of trash
  $1.59 for each **33** gallon bag of trash
  $1.45 for each **30** gallon bag of trash

- These rates are only **maximum** rates. Customers are encouraged to "shop around" and get bids from four or more carting companies to find a good price. Businesses should be able to get rates below $10.00 per loose cubic yard and $25.00 per pre-compacted cubic yard. You may also want to insist upon the right to terminate your contract with the carter on thirty days' notice. (There is no requirement that you give the same right to the carting company.)

If you have any questions or complaints about commercial waste hauling in New York City, call the Commission at 212-676-6275.

Edward T. Ferguson, III
Chair and Executive Director