



The City of New York
BUSINESS INTEGRITY COMMISSION
100 Church Street · 20th Floor
New York · New York 10007

**DECISION OF THE BUSINESS INTEGRITY COMMISSION DENYING THE
REGISTRATION RENEWAL APPLICATION OF STEP-MAR CONTRACTING CORP.
TO OPERATE AS A TRADE WASTE BUSINESS**

Introduction

On or about January 8, 2018, Step-Mar Contracting Corp. (the “Applicant”) (BIC #1587) applied to the New York City Business Integrity Commission to renew an exemption from licensing requirements and a registration to operate a trade waste business “solely engaged in the removal of waste materials resulting from building demolition, construction, alteration or excavation” (the “2018 Renewal Application”).¹ Local Law 42 of 1996 authorizes the Commission to review and make determinations on such exemption applications. *See* Title 16-A, New York City Administrative Code § 16-505(a).

After a review of a trade waste registration renewal application, if the Commission grants the renewal of the exemption from the Commission’s trade waste licensing requirements, the applicant will be issued a registration renewal. *See id.* at § 16-505(a)-(b). The Commission’s review of an initial exemption application or an application to renew such an exemption focuses on determining whether the applicant possesses business integrity, *i.e.*, good character, honesty and integrity. *See* Title 17, Rules of the City of New York (“RCNY”) § 1-09 (prohibiting numerous types of conduct reflecting lack of business integrity, including violations of law, knowing association with organized crime figures, false or misleading statements to the Commission, and deceptive trade practices); Admin. Code § 16-504(a) (empowering the Commission to issue and establish standards for issuance, suspension, and revocation of licenses and registrations); Admin. Code § 16-509(a) (authorizing the Commission to refuse to issue licenses or registrations to applicants lacking “good character, honesty and integrity”).

The Commission has reviewed the 2018 Renewal Application and has conducted a background investigation of the Applicant. As part of the Commission’s investigation, the Commission tried several times to take principal Mario Jacovino’s testimony. After the Commission agreed with Jacovino’s requests to adjourn his testimony several times, the Applicant sought to withdraw the application rather than testify, thereby effectively obstructing the Commission’s investigation. *See infra* at 8-10.

¹ “Trade waste” or “waste” is defined at Admin. Code § 16-501(f)(1) and includes “construction and demolition debris.”

On January 7, 2020, the Commission's staff issued and served the Applicant with a nine-page Notice of the Grounds to Recommend that the Registration Renewal Application of Step-Mar Contracting Corp. be denied (the "Notice"). The Applicant was given 10 business days to respond. *See* 17 RCNY § 2-08(a). On January 7, 2020, the Applicant's attorney requested the record that the staff relied upon in the recommendation. *See* email from the Hon. Robert K. Holdman ("Holdman") to the Commission dated January 7, 2020. On January 8, 2020, the Commission's staff provided the Applicant's attorney with the record. *See* letter from the Commission's staff to Holdman dated January 8, 2020. On January 21, 2020, the Applicant's attorney requested, and the Commission's staff consented to an extension of time to January 27, 2020 for the Applicant to submit its response. *See* email from the Commission's staff to Holdman dated January 21, 2020. On January 27, 2020, the Applicant submitted its response, which consisted of a four-page unsigned letter from its attorney. *See* Applicant's response, dated January 27, 2020 (the "Applicant's Response").

The Commission has completed its review of the 2018 Renewal Application, having carefully considered both the Notice and the Applicant's Response. Based on the record herein, the Commission denies the Applicant's registration renewal application because the Applicant lacks good character, honesty, and integrity based on the following two independently sufficient grounds:

- 1. The Applicant knowingly failed to provide information to the Commission; and**
- 2. The Applicant and its principal, Mario Jacovino, provided the Commission with false and misleading information on its applications.**

Background and Statutory Framework

Every commercial business establishment in New York City must contract with a private carting company to remove and dispose of the waste it generates, known as trade waste. Historically, the private carting industry in the City was operated as a cartel controlled by organized crime. As evidenced by numerous criminal prosecutions, the industry was plagued by pervasive racketeering, anticompetitive practices and other corruption. *See, e.g., United States v. Int'l Brotherhood of Teamsters (Adelstein)*, 998 F.2d 120 (2d Cir. 1993); *People v. Ass'n of Trade Waste Removers of Greater New York Inc.*, Indictment No. 5614/95 (Sup. Ct. N.Y. Cty.); *United States v. Mario Gigante*, No. 96 Cr. 466 (S.D.N.Y.); *People v. Ass'n of Trade Waste Removers of Greater New York*, 701 N.Y.S.2d 12 (1st Dep't 1999). The construction and demolition debris removal sector of the City's carting industry specifically has also been the subject of significant successful racketeering prosecutions. *See United States v. Paccione*, 949 F.2d 1183, 1186-88 (2d Cir. 1991), *cert. denied*, 505 U.S. 1220 (1992); *United States v. Cafra*, No. 94 Cr. 380 (S.D.N.Y.); *United States v. Barbieri*, No. 94 Cr. 518 (S.D.N.Y.).

The Commission is charged with, among other things, combating the influence of organized crime and preventing its return to the City's private carting industry, including the construction and demolition debris removal industry. Instrumental to this core mission is the licensing scheme set forth in Local Law 42, which created the Commission and granted it the power and duty to license and regulate the trade waste removal industry in New York City. Admin. Code § 16-505(a). This regulatory framework continues to be the primary means of ensuring that

an industry once overrun by corruption remains free from organized crime and other criminality, and that commercial businesses that use private carters can be ensured of a fair, competitive market.

Pursuant to Local Law 42, a company “solely engaged in the removal of waste materials resulting from building demolition, construction, alteration or excavation,” also known as construction and demolition debris, must apply to the Commission for an exemption from the licensing requirement. *Id.* If, upon review of an application, the Commission grants an exemption from the licensing requirement, it issues the applicant a Class 2 registration. *Id.* at § 16-505(a)-(b). Before issuing a registration, the Commission must evaluate the “good character, honesty and integrity of the applicant.” *Id.* at § 16-508(b); *see also id.* at § 16-504(a). An “applicant” for a license or registration means both the business entity and each principal of the business. *Id.* at § 16-501(a).

The Administrative Code provides an illustrative list of relevant factors for the Commission to consider in determining whether to grant an application for a license or registration:

1. failure by such applicant to provide truthful information in connection with the application;
2. 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;
3. 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;
4. 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;
5. 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;

6. 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;

7. 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;

8. 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;

9. 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;

10. 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;

11. failure to comply with any city, state or federal law, rule or regulation relating to traffic safety or the collection, removal, transportation or disposal of trade waste in a safe manner.

Id. at § 16-509(a)(i)-(xi). *See also id.* at § 16-504(a).

The Commission also may refuse to issue a license or registration to any applicant who has “knowingly failed to provide information or documentation required by the Commission . . . or who has otherwise failed to demonstrate eligibility for a license.” *Id.* at § 16-509(b). *See also* 16-509(a)(i) (failure to provide truthful information in connection with application as a consideration for denial); *Elite Demolition Contracting Corp. v. The City of New York*, 4 N.Y.S.3d 196, 125 A.D.3d 576 (1st Dep’t 2015); *Breeze Carting Corp. v. The City of New York*, 52 A.D.3d 424 (1st Dep’t 2008); *Attonito v. Maldonado*, 3 A.D.3d 415 (1st Dep’t) (Commission may deny an application for an exemption “where the applicant fails to provide the necessary information, or knowingly provides false information”); *leave denied* 2 N.Y.3d 705 (N.Y. 2004). In addition, the Commission may refuse to issue a license or registration to an applicant that “has been determined to have committed any of the acts which would be a basis for the suspension or revocation of a license.” *Id.* at § 16-509(c); *see also id.* at § 16-504(a). Finally, the Commission may refuse to

issue a license or registration to any applicant when the applicant or its principals have previously had a license or registration revoked. *Id.* at § 16-509(d); *see also id.* at § 16-504(a).

An applicant for a private carting license (including a registration for hauling construction and demolition debris) has no entitlement to and no property interest in a license or registration and the Commission is vested with broad discretion to grant or deny a license or registration application. *Sanitation & Recycling Indus., Inc.*, 107 F.3d 985, 995 (2d Cir. 1997); *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).

Statement of Facts

The Applications

On or about December 27, 2001, the Applicant applied to the Commission for an exemption from licensing requirements and a registration to operate as a trade waste business that removes construction and demolition debris. *See* Application for Exemption From Licensing Requirement for Removal of Construction and Demolition Debris (the "Registration Application"). On or about February 10, 2004, the Commission granted the Applicant an exemption and issued it a class 2 registration. *See* Registration Order issued to Step-Mar Contracting Corp. (the "Registration Order"). The Applicant's registration was effective for two years and expired on February 28, 2006. *See id.*

On or about February 10, 2006, the Applicant filed its first Renewal Application for a License or Registration as a Trade Waste Business. *See* 2006 Renewal Application for License or Registration as a Trade Waste Business (the "2006 Renewal Application"). Between February 27, 2008 and January 28, 2016, the Applicant filed five more renewal applications. *See* 2008 Renewal Application, dated February 27, 2008 (the "2008 Renewal Application"); 2010 Renewal Application, dated February 23, 2010 (the "2010 Renewal Application"); 2012 Renewal Application, dated March 1, 2012 (the "2012 Renewal Application"); 2014 Renewal Application, dated December 30, 2013 (the "2014 Renewal Application"); 2016 Renewal Application, dated January 28, 2016 (the "2016 Renewal Application"). The Commission granted each of these renewal applications.

On January 8, 2018, the Applicant filed its seventh Renewal Application for a License or Registration as a Trade Waste Business. *See* 2018 Renewal Application. This denial notice addresses the 2018 Renewal Application.

The sole principal disclosed by the Applicant is Mario Jacovino ("Jacovino"). *See* 2006 Renewal Application at 6; 2008 Renewal Application at 5; 2010 Renewal Application at 7; 2012 Renewal Application at 7; 2014 Renewal Application at 7; 2016 Renewal Application at 8; 2018 Renewal Application at 8. On each of the seven renewal applications, Jacovino certified that the "information given in response to each question and in the attachments is complete and truthful." *See* 2006 Renewal Application at 9; 2008 Renewal Application at 9; 2010 Renewal Application at 12; 2012 Renewal Application at 12; 2014 Renewal Application at 12; 2016 Renewal Application at 13; 2018 Renewal Application at 15. Each of the above-mentioned renewal applications asked the following question:

Has the applicant or any of the applicant's principals, employees, affiliates, or representatives knowingly associated in any manner with any member or associate of organized crime?

The Applicant falsely answered this question in the negative on each of the renewal applications. See 2006 Renewal Application at 4; 2008 Renewal Application at 4; 2010 Renewal Application at 5; 2012 Renewal Application at 5; 2014 Renewal Application at 5; 2016 Renewal Application at 6; 2018 Renewal Application at 6. Those answers were false because Jacovino has associated with Andrew Campos ("Campos"), who has been publicly identified by law enforcement as a member of the Gambino organized crime family.

The Applicant's Response did not provide any evidence to refute this assertion besides making a self-serving statement that "Mr. Jacovino did not lie on his BIC or WSWC applications." See Applicant's Response at 2. In fact, the Applicant's Response confirmed that in addition to associating with Campos, Jacovino has had relationships with Vinny Artuso, who has been publicly identified as a soldier in the Gambino crime family, and with Steven Crea, who has been publicly identified as the underboss of the Lucchese crime family. See Applicant's Response at 3; *Oversight Hearing on Organized Crime Strike Forces*, United States House of Representatives, Committee on the Judiciary, June 20, 1989 at 115; Superseding Indictment, *United States v. Madonna, et. al.*, 17 Cr. 89 (S.D.N.Y. 2017). We note that although the Notice did not address Jacovino's relationship with organized crime figures Artuso and Crea, the Notice did discuss Jacovino's relationship with Richard Martino, who has been publicly identified as a soldier in the Gambino crime family and has an extensive criminal history. See *infra* at 9.

Andrew Campos

In 2004, Campos was charged by the United States Attorney's Office for the Eastern District of New York ("EDNY") with, among other offenses, racketeering for various crimes, including committing a massive scheme to defraud users of adult entertainment websites and telephone services of over \$80 million. See Superseding Indictment, *United States v. Locascio, et. al.*, 03 CR 304 (CBA) (E.D.N.Y. 2004) ("2004 Superseding Indictment"). The 2004 Superseding Indictment identified Campos as an associate of the Gambino crime family. See *id.* at 4. On February 14, 2005, Campos pled guilty to one count of wire fraud conspiracy, in violation of 18 U.S.C. § 371, for which he was sentenced principally to 21 months' imprisonment and ordered to pay \$300,000 in forfeiture. See letter in support of EDNY motion for permanent orders of detention, dated December 5, 2019, at 10.

On December 5, 2019, Campos was indicted by the EDNY again, and was charged with, among other offenses, racketeering conspiracy for various crimes, including wire fraud, money laundering, tax evasion, extortionate collection of credit, and obstruction of justice. See Indictment, *United States v. Barca, Jr., et. al.*, 19 CR 575 (E.D.N.Y. 2019) (the "2019 Indictment"). In addition to other criminal conduct, Campos and others were charged with paying bribes and kickbacks to employees of numerous construction companies and real estate developers. In exchange, these employees took steps to benefit CWC, including awarding contracts and approving change orders to add or delete from the original scope of a contract. In addition, Campos

and others used threats of violence to collect at least \$100,000 from a victim. *See* EDNY press release, dated December 5, 2019.

The 2019 Indictment identified Campos as a captain in the Gambino crime family. *See* 2019 Indictment at 5. The EDNY further described Campos as a “powerful captain” who helped the Gambino crime family investigate the circumstances surrounding the murder of Francesco “Frank” Cali, who, at the time of his death on March 13, 2019, was the underboss of the Gambino crime family. *See* letter in support of EDNY motion for permanent orders of detention, dated December 5, 2019. The EDNY also stated that Campos, as a “dedicated member” of the Gambino family, “has a network of criminal associates that he can direct to commit crimes on his behalf.” *See id.* Campos has also been the subject of numerous press accounts in which he has been named as a member or associate of organized crime. *See* Mike Bruner, *Alleged Mobsters Guilty in Vast Net, Phone Fraud*, NBC NEWS, February 15, 2005; *see also* Jerry Capeci, *P. Diddy and His Gangster*, NEW YORK SUN, June 16, 2005; *see also* Andrew Denney and Bruce Golding, *Case Against Reputed Mob Members Shows Gambino Family is ‘thriving’: Feds*, NEW YORK POST, December 5, 2019; *see also* Jerry Capeci and Larry McShane, *Try Talking Your Way Out of This One: Three Years After Swearing He Was Going Straight, Real Estate Exec Charged as Gambino Family Cohort*, NEW YORK DAILY NEWS, December 14, 2019.

Although Campos was identified as an associate of the Gambino crime family in a 2004 indictment and as a captain of the Gambino crime family in a 2019 indictment, the Applicant’s Response sought to minimize Campos’s status by stating that “Campos has been alleged (and just recently charged) with being a member of Organized Crime.” *See* Applicant’s Response at 2. Yet, the evidence, as recounted above, establishes the fact that Campos is a powerful member of the Gambino crime family.

Interview by Westchester Solid Waste Commission

On September 20, 2019, Jacovino was interviewed by the Westchester Solid Waste Commission (“WSWC”). *See* transcript of interview of Mario Jacovino, dated September 20, 2019 (“WSWC Transcript”). During that interview, Jacovino stated that he knew Campos to be associated with organized crime. *See* WSWC Transcript at 20-21. Jacovino explained that he (Jacovino) “owns a property” in Mount Vernon with Campos’s wife, and that Campos is “actually a builder and developer and he’s excellent at what he does, and was going to develop the property.” *Id.* at 21-22. When asked why Jacovino owns this property with Campos’s wife and not with Campos, Jacovino stated:

Truthfully because of his, you know, what – because of him. He can’t get any – they won’t allow him to do anything. He can’t do any banking. He can’t get on anything or anything like that. So, I’m on it with his wife.

Id. at 23. When asked if he thought that it was a problem to do business with Campos through Campos’s wife, Jacovino responded “no.” *Id.* Yet Jacovino did not inform the WSWC that, in addition to partnering on the Mount Vernon property, Jacovino has other business connections to Campos. For instance, according to records from the New York City Department of Buildings

("DOB"), Jacovino owned a property at 366 East 155th Street, Bronx, New York. *See* DOB Application Details Printout. That property had construction performed on it by Campos and CWC Contracting Corp. *See* DOB Work Permit. CWC Contracting Corp. was owned by Campos. *See* EDNY press release, dated December 5, 2019. Also, according to DOB records, the construction superintendent on the project was Campos, and Campos's business name was "CWC Consultants, Inc." *See* DOB Work Permit Application.

Another example of Jacovino's business relationship with Campos involved the property located at 706 Courtlandt Avenue, Bronx, New York. Campos's company CWC Contracting Corp performed construction work for Jacovino at this address. *See* DOB Work Permit. Additionally, Jacovino owns the property located at 1111 Longwood Avenue, Bronx, New York. According to DOB records, the permittee business for construction work at this site was City Wide Consultants, Inc., and the name of the permittee was Campos's sister, Lisa Campos. *See* DOB Work Permit. The Applicant also actually employs Lisa Campos.² *See* 2018 Renewal Application at 11.

The Applicant's Response emphasized that Jacovino's partnership with Campos through Campos's wife to develop a Mount Vernon property was a "previous outside partnership" and that Jacovino divested himself of the partnership after the WSWC made him aware that he must do so. *See* Applicant's Response at 2. Yet, the Applicant's Response also acknowledged that Campos and Jacovino knew that "Campos' history could cause issues with licensing and permits for the project, so an agreement was reached to form a partnership for the property between Mr. Jacovino and Mrs. Campos."³ *See id.* Moreover, the Applicant's Response did not address the fact that in addition to the Mount Vernon property, Jacovino and Campos did business concerning a property on 155th Street in the Bronx and on Courtlandt Avenue in the Bronx. Similarly, no mention was made of the business relationship concerning the property located on Longwood Avenue in the Bronx or the fact that the Applicant employs Campos's sister.

Refusal to Provide Testimony to the Commission

As part of the Commission's investigation in connection with the 2018 Renewal Application, the Commission's staff attempted on several occasions to take Jacovino's sworn testimony. On October 28, 2019, the Commission's staff advised the Applicant that it wished to take Jacovino's testimony on November 13, 2019. *See* letter from the Commission's staff to the Applicant dated October 28, 2019. The staff's October 28, 2019 letter advised Jacovino that his "failure to appear for the sworn interview and provide information and/or documentation ... is an adequate ground on which to deny" the 2018 Renewal Application. *Id.* On November 11, 2019, the Applicant's attorney sent an email to the Commission requesting that Jacovino's testimony be adjourned for two weeks. *See* email from Holdman to the Commission. The Commission's staff granted the Applicant's request, adjourning Jacovino's testimony to December 3, 2019. *See* email from Holdman to the Commission.

² Lisa Campos's LinkedIn profile states that she is the Office Manager / HR Manager / Construction Manager for City Wide Consultants, Inc. *See* Lisa Campos LinkedIn profile.

³ This is a clear admission that Jacovino knew that he should not enter into a business relationship with Campos and that he took measures to disguise that relationship.

On November 26, 2019, the Applicant's attorney sent an email to the Commission requesting that Jacovino's testimony be adjourned a second time – to December 17, 2019. *See* email from Holdman to the Commission dated November 26, 2019. On November 27, 2019, the Commission's staff again agreed to adjourn Jacovino's testimony to December 17, 2019. In doing so, the Commission's staff reminded the Applicant that "failure to appear for the sworn interview and provide the information and/or documentation required by the Commission ... is an adequate ground on which to deny an application." *See* email from Commission's staff to Holdman dated November 27, 2019.

On December 16, 2019, the Commission's staff sent an email to the Applicant's attorney to confirm Jacovino's appearance the next day. *See* email from Commission to Holdman dated December 16, 2019. At 4:17 p.m. on December 16, 2019, the Applicant's attorney sent an email to the Commission stating that Jacovino "respectfully requests a withdrawal of the renewal of his BIC license application." *See* email from Holdman to the Commission. The Commission declined the Applicant's request to withdraw the application and confirmed Jacovino's appearance to provide testimony on December 17, 2019. *See* letter from the Commission to Holdman dated December 16, 2019. Again, the Commission reminded the Applicant that Jacovino's "failure to appear and provide testimony is an adequate ground upon which to deny Step-Mar's" registration renewal application. *See id.* The next day, Jacovino appeared at the Commission's offices with his attorney. However, his attorney again requested that the application be withdrawn and refused to allow Jacovino to testify. *See* transcript of proceeding dated December 17, 2019.

Had Jacovino testified as required, the Commission's staff would have asked him questions about several subjects including, but not limited to, his relationships with members and associates of organized crime, including business relationships with such individuals. In addition to questions about the extent of his relationship with Campos, the staff would have asked questions about, among others, his relationship with Richard Martino. Martino has been publicly identified as a soldier in the Gambino crime family.⁴ Jacovino was observed with Martino in March 2018, *see* surveillance photograph, but failed to disclose any association with Martino to the Commission or the WSWC.

In the Applicant's Response, the Applicant took issue with the Commission staff's description of the history leading to Jacovino's failure to provide the Commission with testimony. *See* Applicant's Response at 4. Although the Applicant's attorney stated that he did "not appreciate any intimation that there was... a strategic plot to avoid the meeting," the Notice contained a simple and accurate description of the facts – that the Applicant twice requested to postpone Jacovino's sworn testimony, and that the Commission's staff granted both of those requests – that led to Jacovino's failure to provide testimony and cooperate with the investigation. *See id.* Ultimately, the Applicant did not contest any of these facts.

⁴Richard Martino has been publicly identified by the EDNY as a soldier in the Gambino crime family and has an extensive criminal history. *See* letter in support of EDNY motion for permanent orders of detention, dated December 5, 2019. In 2005, Martino was sentenced to 108 months' imprisonment for a massive fraud scheme with Campos and also for extorting a business associate, including by having him viciously beaten and pistol-whipped. In addition, in 1985, Martino was convicted after trial of Criminal Possession of a Weapon in the Third Degree, for which he was sentenced to two to four years' imprisonment. Also, in February 1980, Martino pleaded guilty to Attempted Robbery in the Second Degree, for which he was sentenced to five years' probation. *See id.*

Basis for Denial

1. The Applicant knowingly failed to provide information to the Commission.

The Commission has the power and duty “[t]o investigate any matter within the jurisdiction conferred by [Local Law 42] and [has] full power to compel the attendance, examine and take testimony under oath of such persons as it may deem necessary in relation to such investigation, and to require the production of books, accounts, papers and other evidence relevant to such investigation.” Admin. Code § 16-504(c). On numerous occasions, the Applicant hindered the Commission’s requests for its principal to appear to provide sworn testimony, culminating in the Applicant’s willful failure to provide requested information.

The Commission may refuse to grant a registration if an applicant “has knowingly failed to provide the information and/or documentation required by the commission . . .” Admin. Code. § 16-509(b). The Applicant was advised throughout that the failure to answer the Commission’s questions under oath is an adequate ground on which to deny the registration renewal application. Yet, Jacovino – the Applicant’s sole principal – refused to provide sworn testimony in connection with the 2018 Renewal Application. In the Applicant’s Response, the Applicant did not dispute the fact that Jacovino refused to provide testimony. Instead, the Applicant renewed its request to withdraw its application instead of cooperating with the investigation. That request was denied on December 16, 2019 and is denied here. Accordingly, the Commission denies the 2018 Renewal Application on this independently sufficient ground.

2. The Applicant and its principal, Mario Jacovino, provided the Commission with false and misleading information.

All applicants must provide truthful and non-misleading information required by the Commission pursuant to the Commission’s rules and regulations. *See* Admin. Code §16-509(b). A knowing failure to do so is a ground for denial of the application. *See id.*

The Applicant provided false and misleading information to the Commission when it stated on each of the seven renewal applications it filed every two years from 2006 to 2018 that its principal – Jacovino – did not knowingly associate in any manner with any member or associate of organized crime. Those answers were false: Jacovino knowingly associated with at least two members or associates of organized crime. Most notably, Jacovino clearly had an ongoing business relationship with at least one high-ranking member of the Gambino crime family – Campos – and with a relative of Campos’s. In addition to doing business with Campos, Jacovino helped conceal Campos’s involvement in the Mount Vernon project because – as Jacovino admitted – Campos could not put his name on any banking documents. The concealment of Campos’s involvement in the Mount Vernon project and other projects also helped Jacovino. Concealing his relationship with Campos – a well-known and powerful member of the Gambino crime family – was important if the Applicant intended to be registered by the Commission.

In sum, the Applicant and Jacovino provided false and misleading information to the Commission and its staff on numerous occasions, through certified answers in multiple renewal applications. This conduct establishes that the Applicant lacks the requisite good character,

honesty and integrity to operate a trade waste business in New York City. The Applicant's Response did not provide any compelling arguments on this point. For this independently sufficient reason, the Commission denies the 2018 Renewal Application.

Conclusion

The Commission is vested with broad discretion to refuse to issue a license or an exemption from the license requirement to any applicant it determines lacks good character, honesty and integrity. The record as detailed herein demonstrates that the Applicant lacks those essential qualities. Accordingly, based on the two independently sufficient grounds detailed above, the Commission denies Step-Mar Contracting Corp.'s 2018 Renewal Application.

This registration denial is effective immediately. Step-Mar Contracting Corp. may not operate as a trade waste business in the City of New York.

Dated: February 25, 2020

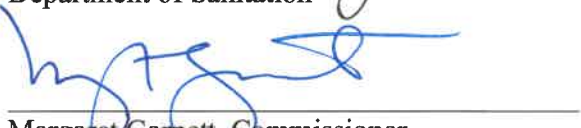
THE NEW YORK CITY
BUSINESS INTEGRITY COMMISSION



Noah D. Genel
Commissioner and Chair



Kathryn Garcia, Commissioner
Department of Sanitation



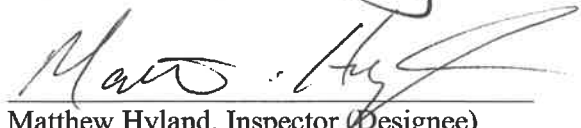
Margaret Garnett, Commissioner
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Lorelei Salas, Commissioner
Department of Consumer and Worker Protection



Andrew Schwartz, Deputy Commissioner (Designee)
Department of Small Business Services



Matthew Hyland, Inspector (Designee)
New York City Police Department