AUDIT AT A GLANCE

The Business Integrity Commission's Oversight of the Carting Industry

What questions did the audit look at?

- Did the New York City Business Integrity Commission (BIC) effectively monitor and enforce compliance in the commercial waste carting industry?

Why does it matter for New Yorkers?

New York City's commercial waste carting industry serves tens of thousands of businesses and plays a major role in public safety and environmental health. BIC is responsible for overseeing this industry, ensuring that companies operate safely.

The audit found that while BIC improved the timeliness of processing violations and complaints, it lacks a clear and consistent enforcement framework (i.e., defined standards and escalation criteria) to address repeated violations. Between January 2021 and December 2024, BIC issued 7,641 charges. Nearly half of these were concentrated among 140 companies; however, only five companies were subject to further measures, such as audits, imposition of monitors, or license revocation. Even in cases when enforcement was escalated (such as the imposition of a monitor), companies continued to incur violations after monitorships ended, indicating that interventions did not result in sustained compliance. The agency also lacked formal policies and risk-based criteria to guide its enforcement and determine when stronger measures should be taken.

Without consistent oversight and consistent enforcement, companies with repeated violations may continue to operate dangerously, which may put both pedestrians and workers at risk. Inconsistent enforcement may also disadvantage companies that follow the rules, undermining fair competition in the industry. Strengthening BIC's enforcement approach is critical to improving safety and protecting New Yorkers from preventable harms tied to unsafe carting practices.

What changes did the agency commit to make following the audit?

- BIC partially agreed to several recommendations aimed at improving its approach to enforcement, including strengthening its criteria and reviewing the list of 140 "chronic violators" identified in the audit.

AUDIT FINDINGS

- 7,641 violations were issued form 2021 to 2024, with nearly half concentrated among just 140 companies.
- Only five repeat violators were audited and just one had its license revoked.
- BIC conducted very few audits, with just two initiated between 2022 and 2024.
- BIC lacked formal policies or risk-based criteria to determine when enforcement escalation is warranted.

	Audit Recommendations	Agency Response
1	Group and analyze violations by risk and severity and set clear risk-based thresholds for when repeated, high-risk, and/or safety or integrity related violations and/or crashes could trigger consideration of enhanced oversight. Ensure consideration and decisions are documented.	DISAGREED
2	Develop and implement comprehensive Standard Operating Procedures that define when and how BIC should escalate enforcement. These procedures should establish clear, consistent criteria for all enforcement actions—including audits, monitorships, and license revocations—and include quantitative and qualitative benchmarks (e.g., number of crashes, integrity-related violations, or repeated inspection failures) that trigger review for higher-level sanctions.	DISAGREED
3	Review the 140 companies identified as chronic violators in this audit against the newly established criteria to determine whether additional enforcement actions or post-monitorship follow-up reviews are warranted.	PARTIALLY AGREED[1]
4	Adopt formal, risk-based criteria for selecting companies to audit and develop a written audit procedures manual to standardize audit steps and ensure consistent quality.	PARTIALLY AGREED[2]
5	Set annual audit targets focused on high-risk companies and repeat offenders and seek adequate staffing and resources to support greater coverage and improve timeliness of audit completion	PARTIALLY AGREED[3]

[1] BIC stated that it would only review the 140 companies identified by the Comptroller as “chronic violators” through its usual two-year renewal and background investigation processes.

[2] BIC acknowledged that handwritten procedures are necessary, but asserted that “establishing ‘criteria’ to determine which companies are chosen for an audit is not possible due to the nature of our investigatory process and the case-by-case, quasi-judicial reasoning required for decision-making.”

[3] BIC agreed that adequate staffing and resources are needed across the agency and particularly in the Audit Unit.