



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
QUEENS COUNTY CARTING INC.
TO OPERATE AS A TRADE WASTE BUSINESS**

Introduction

On or about August 18, 2023, Queens County Carting Inc. (“Queens County Carting” or the “Applicant”) (BIC #3659) applied to the New York City Business Integrity Commission (the “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 “Instant 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 (“Admin. 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 or renewal exemption application focuses on determining whether the Applicant possesses 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”).

On September 3, 2024, the Commission’s staff issued and served on the Applicant a 12-page Revised Notice to the Applicant of the Grounds to Deny the Registration Renewal Application of Queens County Carting Inc. to Operate as a Trade Waste Business (the “Notice”). The Applicant was given 10 business days to respond. *See* 17 RCNY § 2-08(a). The Applicant did not submit any response. Based on the record as to the Applicant, the Commission now denies

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

Queens County Carting Inc.'s registration renewal application because the Applicant lacks good character, honesty and integrity based on the following independently sufficient reasons:

- 1. The Applicant Failed to Disclose Anthony LaPuma Sr. as a Principal; and**
- 2. Undisclosed Principal, Anthony LaPuma Sr., Has Been Convicted of Attempted Falsifying Business Records, a Crime Directly Related to the Trade Waste Industry.**

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. Co.); *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 (or "C & D") debris, must apply to the Commission for an exemption from the licensing requirement. Admin. Code § 16-505(a). 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; and
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 id.* at § 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 C & D debris) has no entitlement to, and no property interest in a license or registration; the Commission is vested with broad discretion to grant or deny a license or registration application. *Sanitation & Recycling Indus., Inc. v. City of New York*, 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

Procedural History

On or about November 25, 2009, the Applicant applied for an exemption from the licensing requirement for the removal of C & D debris. *See* November 25, 2009 Application for Exemption from Licensing Requirement for Removal of Construction and Demolition Debris of Queens County Carting (the “Initial Application”). The Applicant disclosed Michael R. Bilik (“Bilik”) as its only principal. *See* Initial Application.

On or about September 27, 2010, the Commission granted the Initial Application and issued a registration to the Applicant. *See* September 27, 2010 Registration Order. The term of the registration was two years. *Id.* In 2012, 2014, 2017, 2019, and 2021, the Applicant filed registration renewal applications (the “Renewal Applications”). *See* August 17, 2012, September 3, 2014, September 6, 2017, August 29, 2019, and August 3, 2021 Registration Renewal Applications. In each of those applications, the Applicant disclosed Bilik as its only principal. *See Id.*

On or about April 5, 2022, the staff of the Commission issued and served a “Notice to the Applicant of the Grounds to Deny the Registration Renewal Application of Queens County Carting Inc. to Operate as a Trade Waste Business” (the “Notice”). On or about June 6, 2022, the Applicant responded to the Notice by submitting a three-page letter from the Applicant’s attorney (the “Response”). Among other things, in the Response, the Applicant’s attorney stated that “... of course, after receiving the BIC staff recommendation in April of 2022, [the Applicant] decided to

immediately sever all ties with Anthony LaPuma and terminated his latest employment and removed him as a signatory on bank accounts. Mr. LaPuma is now receiving NYS Unemployment benefits – hardly the ‘stuff’ of an alleged ‘corporate principal.’” *See* Response at 2.

On August 18, 2023, the Applicant filed the Instant Renewal Application. On the Instant Renewal Application, the Applicant disclosed Bilik as its only principal. *See* Instant Renewal Application at 8.

The Applicant

On or about July 16, 2013, the Applicant disclosed to the Commission that it employed Anthony LaPuma (“LaPuma Sr.”) as a vehicle operator. *See* July 16, 2013 Letter from Applicant to the Commission. The Applicant continued to disclose LaPuma Sr. as a vehicle operator on the Applicant’s September 3, 2014, September 6, 2017, and August 3, 2021 Renewal Applications.² *See* Renewal Application, dated September 3, 2014, at 11; *see also* Renewal Application, dated September 6, 2017, at 13. In the instant renewal application, the Applicant disclosed LaPuma Sr. both as a “Yard Supervisor” and as a vehicle operator. *See* Instant Renewal Application at 10-11. Yet, the Applicant sought to minimize LaPuma Sr.’s involvement in its business – both in applications it filed with the Commission and in sworn testimony – and never disclosed him as a principal.³

Until recently, the Applicant disclosed LaPuma Sr. only as a vehicle operator. *See* July 16, 2013 Letter from Applicant to the Commission. Later, in sworn testimony, Bilik described LaPuma Sr. as a driver for the Applicant, and as someone who acted as a “yard supervisor” for the Applicant. *See* March 8, 2017 Bilik Transcript at 32. In a later sworn interview, Bilik described LaPuma Sr.’s role as being “a yard manager, or the office manager, general operations manager,” and a “right-hand man” to Bilik. *See* March 12, 2020 Bilik Transcript at 10. During this time, LaPuma Sr.’s complete role with the Applicant’s business was never reflected in renewal applications filed with the Commission. *See* Renewal Application, dated September 3, 2014 at 11; *see also* Renewal Application, dated September 6, 2017 at 13. In the August 3, 2021 Renewal Application, LaPuma Sr. was identified as an “Operational Manager,” an “On Call, Semi Retired” employee, and an “Emergency Only” vehicle operator. *See* August 3, 2021 Renewal Application at 12, 28-29. Although the Commission was previously informed that the Applicant “immediately sever[ed] all ties with Anthony LaPuma [Sr.] and terminated his latest employment...,” the Instant Renewal Application, indicates that LaPuma Sr. is currently the “yard supervisor” and is a vehicle operator. *See* Instant Renewal Application at 10-11. None of the applications, including the Instant Renewal Application, disclosed LaPuma Sr. as a principal. *See* Renewal Application, dated September 3, 2014; *see also* Renewal Application, dated September 6, 2017; Renewal Application, dated August 3, 2021; Instant Renewal Application.

² LaPuma Sr. was not disclosed in the 2019 Registration Renewal Application. *See* Registration Renewal Application dated August 29, 2019.

³ The definition of “principal” (which is included in the instructions for the application) includes corporate officers and directors, all stockholders holding ten percent or more of the outstanding shares of the corporation *and all other persons participating directly or indirectly in the control of such business entity*. *See* Admin. Code § 16-501(d) (italics added).

Notwithstanding LaPuma Sr.'s purported job titles, the Applicant's business records reflect consistent involvement by LaPuma Sr. in the Applicant's finances. These records establish that LaPuma Sr. exercised or exercises direct control over the operations of the Applicant's business – which makes him a principal. LaPuma Sr. has exercised control over three of the Applicant's corporate bank accounts. He is or was an “authorized signer” for the Applicant's bank account at TD Bank. *See* TD Bank Certificate of Corporate Resolution for account ending in 988. LaPuma Sr. was given signing authority over this account just two months after his employment was disclosed to the Commission. *Id.* Additionally, on or about September 24, 2015, LaPuma Sr. opened a second Applicant bank account, and was able to access and control it. *See* Sussex Bank Signature Card dated September 24, 2015 for account ending in 770. On November 6, 2017, the Applicant opened a third bank account, and LaPuma Sr. is listed as an “owner/signer” for that account. *See* Sussex Bank Signature Card dated November 6, 2017 for account ending in 346. In relation to this third bank account, the Applicant submitted corporate resolutions to the bank, which identified Bilik as the corporate “secretary” and LaPuma Sr. as the “other officer” of the Applicant. *See* Corporate Resolutions, Sussex Bank, dated November 6, 2017, account ending in 346. Thus, LaPuma Sr. not only exercised direct control over the Applicant's bank accounts, but he also admitted to being an “officer” of the Applicant in the corporate resolutions. *See id.*

Moreover, LaPuma Sr. also transferred funds between another entity that he controls, A.J. Services, and the Applicant's bank accounts. Bilik provided sworn testimony to the Commission on three occasions – March 8, 2017, March 12, 2020, and March 10, 2021. In his 2020 testimony, Bilik stated that he knew that LaPuma Sr. owned A.J. Services and assumed that entity operated out of LaPuma Sr.'s home. *See* March 12, 2020 Bilik Transcript at 16. Importantly, the Applicant's bank account ending in 346 was opened with an initial check deposit of \$10,811 from LaPuma Sr.'s company – A.J. Services. *See* A.J. Services check dated November 6, 2017. And between June 5, 2014 and February 8, 2019, A.J. Services received payments from the Applicant totaling \$341,337. *See* checks issued to A.J. Services from Applicant's bank accounts. Although the memos on the majority of these checks state that the payments are for “consulting services,” Bilik claimed to be completely unaware of what services A.J. Services performs. Nor could he explain why the Applicant provided \$341,337 to LaPuma Sr.'s company. *See* March 12, 2020 Bilik Transcript at 12 (“I don't know exactly what [A.J. Services] are. I've done business with them. I don't know exactly what they are. They send work my way sometimes.”).

Anthony LaPuma Sr.'s History in the Trade Waste Industry

On or about November 8, 2007, LaPuma Sr. – along with his wife, Lisa LaPuma, Salvatore Lombardo, and LaPuma Sr.'s company, Kat Demolition & Karting Company (“Kat Demolition”) – were charged by the Queens District Attorney's Office in a 27-count indictment on charges of arson, grand larceny, attempted grand larceny, falsifying business records, offering a false instrument for filing, conspiracy, and enterprise corruption. *See* Indictment 2593/2007, Supreme Court of the State of New York, Queens County (the “Queens County Indictment”). The indictment alleged that LaPuma Sr., who was disclosed as a former principal and then employed on paper as an operator of vehicles by Kat Demolition, was, in reality, a manager who made decisions concerning the company. *Id.* at 3. Furthermore, the defendants, including LaPuma Sr., “agreed to withhold their roles in the company from the Business Integrity Commission by means of false filings and the creation of phony business records.” *Id.* at 3. The District Attorney's Office

asserted that Kat Demolition was a Criminal Enterprise as defined in Penal Law (P.L.) § 460.20, with a principal purpose to “acquire money illegally by means of carting trade waste with an illegally obtained ‘Class II Registration’ (license) obtained by the filing of false documents with the New York City Business Integrity Commission, and by further engaging in theft, arson, attempted extortion, and intimidation to drive a rival carter out of business to obtain his carting equipment and real property for use in their use in their illegally ‘licensed’ business.” *Id.* at 4.

In the criminal case, LaPuma Sr.’s co-defendant, Salvatore Lombardo, threatened a competing carter, City Haul Carting Inc. (“City Haul”), on behalf of Kat Demolition (LaPuma Sr.’s company), in order to intimidate the principals of City Haul into giving up their office/garage space and containers. The relationship between Kat Demolition and Salvatore Lombardo was never disclosed to the Commission. *See* Queens District Attorney Press Release, dated November 8, 2007. These threats then escalated to actual violence when, on September 23, 2006, two of City Haul’s vehicles were set on fire. *See* Queens County Indictment. The fire was preceded by a phone call to City Haul in which City Haul was informed that its trucks would be “torched.” *Id.* During the course of the criminal investigation, the Commission and the New York City Police Department introduced an undercover officer who acted as the “new owner” of City Haul. *Id.* Salvatore Lombardo later approached the undercover officer and demanded that City Haul leave the garage location while “at the same time making a slashing motion across his neck and throwing his hands up like he was about to strike the undercover officer.” *Id.*

The Commission found that there had been false or fraudulent information submitted in Kat Demolition’s registration application, and the Commission suspended Kat Demolition’s Class 2 registration. *See* November 8, 2007 Emergency Suspension Order. The Emergency Suspension Order specifically referenced the fact that Kat Demolition had disclosed only one principal (Lisa LaPuma). *Id.* LaPuma Sr. ultimately pleaded guilty to Attempted Falsifying Business Records in the First Degree (P.L. §§ 110, 175.10), a class A misdemeanor, and was sentenced to a one-year conditional discharge on or about June 25, 2008.⁴ *See* Certificate of Disposition of Indictment 2593/2007, dated October 6, 2015.

Q.C.C. Maintenance Inc.

Other entities controlled by LaPuma Sr. include Q.C.C. Maintenance Inc. (“QCC Maintenance”). A review of business records establishes that QCC Maintenance is intertwined with the Applicant.⁵ *See* Sussex Bank Certification of Beneficial Owners for account ending in 634. Between July 14, 2016 and August 28, 2019, QCC Maintenance transferred over \$2,500,000 to the Applicant. Over the same period of time, the Applicant transferred \$500,000 back to QCC Maintenance. *See* Checks and Transfer Slips between Applicant and QCC Maintenance. Of the more than two million dollars transferred to the Applicant from QCC Maintenance, \$506,550 was described as a “loan” in checks written between July 14, 2016 and December 31, 2017. Bilik testified that QCC Maintenance was a “client” of the Applicant’s and that other than in the case of a “clerical error, billing mistake,” the Applicant would have no reason to make payments to QCC

⁴ The charges against Kat Demolition and Lisa LaPuma were dismissed. *See* Kat Demolition Certificate of Disposition, dated October 1, 2015; *see also* Lisa LaPuma Certificate of Disposition, dated October 1, 2015.

⁵ QCC Maintenance’s use of the Applicant’s initials is another indication that QCC Maintenance is an affiliate of the Applicant.

Maintenance. *See* March 12, 2002 Bilik Transcript at 20. Additionally, between June 1, 2014 and June 31, 2014, 51 checks totaling \$63,600 were issued from the Applicant's corporate accounts to LaPuma Sr.'s other company, Kat Demolition. *See* Applicant's bank account statements.

QCC Maintenance and the Applicant also shared personnel. On the August 3, 2021 Renewal Application, the Applicant disclosed Emily Franco ("Franco") as the Office Manager of the Applicant. *See* August 3, 2021 Renewal Application at 11. In addition to being an employee of the Applicant, Franco identified herself as an employee of QCC Maintenance to a bank. *See* March 6, 2019 email from Emily Franco to Sussex Bank. In another email exchange, a Sussex Bank employee sent an email to the Applicant stating, "Please see the attached form for QCC Maintenance Inc. Anthony can you please provide your signature on the highlighted portion." *See* April 11, 2019 email from Sussex Bank employee to the Applicant. Franco's response demonstrated that she considered LaPuma Sr. to be an authorized decisionmaker/signer for Queens County Carting: "As per our conversation, Anthony and Mike will be in later this afternoon to sign the paperwork." *See* April 11, 2019 email from Franco to Sussex Bank employee. Furthermore, the Applicant and QCC Maintenance provided the same business telephone number to Sussex Bank. *See* Sussex Bank Customer Identification Program forms for QCC Maintenance and Queens County Carting. Despite these emails, Bilik attempted to distance the Applicant from QCC Maintenance when he testified that QCC Maintenance and the Applicant do not "share" employees. *See* March 12, 2002 Bilik Transcript at 20.

Sworn Testimony of Anthony LaPuma Sr.

On or about September 27, 2019, the Commission directed the Applicant to produce LaPuma Sr. for sworn testimony. *See* Letter from Commission staff to Applicant dated September 27, 2019. The Applicant refused to produce LaPuma Sr. for testimony, and stated that LaPuma Sr. was no longer employed by the Applicant. *See* Letter from John L. Russo, Esq. to Commission staff dated October 8, 2019.

On or about October 21, 2019, the Applicant provided Commission staff with a letter signed by Bilik. In the letter, Bilik identified himself as the "sole owner" of the Applicant business and stated that the Applicant had stopped employing LaPuma Sr. 2½ years earlier. *See* Letter from Bilik to Commission Staff, dated October 21, 2019. The letter also stated that before he resigned from the Applicant, LaPuma Sr. was the Applicant's "Operations Manager," and was responsible for "scheduling, dispatching, maintenance, and filling in as a backup driver when needed." *Id.* This was the first time that the Applicant had identified LaPuma Sr. to the Commission as the Applicant's "Operations Manager."

Two years later, shortly before filing the August 3, 2021 Renewal Application, the Applicant told the Commission that LaPuma Sr. was again employed by the Applicant – as its "Operations Manager" and as a vehicle operator. *See* June 21, 2021 email from Applicant to Commission staff. After the Commission was informed of LaPuma Sr.'s return to the Applicant, the Commission again demanded that the Applicant produce LaPuma Sr. for sworn testimony. *See* Letter from Commission staff to Applicant dated February 7, 2022.

During his sworn testimony on February 28, 2022, LaPuma Sr. stated that he left the Applicant's business and was no longer employed there after he received his last paycheck in 2015

and started QCC Maintenance. See February 28, 2022 LaPuma Sr. transcript at 48. This statement was contrary to the Applicant's October 21, 2019 letter that stated that LaPuma Sr. had stopped working for the Applicant 2½ years earlier. See Letter from Bilik to Commission Staff, dated October 21, 2019. The testimony is also inconsistent with the Applicant's statement that LaPuma Sr.'s last paycheck was issued by the Applicant on January 20, 2017. See E-mail from John L. Russo, Esq. to Commission staff dated December 5, 2019.

The Applicant's financial records further detail the role that LaPuma Sr. continued to play in the Applicant's business operations after the purported termination of his employment. On November 6, 2017, LaPuma Sr. opened a corporate bank account in the name of the Applicant. See Sussex Bank Signature Card dated November 6, 2017 for account ending in 346. Additionally, despite LaPuma Sr. stating in his sworn interview that he did not sign any checks on behalf of the Applicant while he was working at QCC Maintenance, the Applicant's financial records reveal that LaPuma Sr. did in fact sign two checks (issued to QCC Maintenance) on behalf of the Applicant in early 2018, totaling over \$10,000. See February 28, 2022 LaPuma Sr. transcript at 43; see also Check #3289 issued February 12, 2018 and Check # 3380 issued March 1, 2018.

The Applicant's financial records also reveal that the Applicant paid LaPuma Sr.'s former company, Kat Demolition, over \$63,000 – despite LaPuma Sr.'s statement that there would be no reason for the Applicant to make payments to Kat Demolition. See Checks from Applicant to Kat Demolition; see also February 28, 2022 LaPuma Sr. transcript at 33. Throughout his sworn testimony, LaPuma Sr. attempted to obfuscate the relationship between the Applicant and the other companies that he controls. LaPuma Sr. denied that the Applicant and QCC Maintenance had any “joint financial arrangements,” stating the Applicant and QCC Maintenance were two separate and distinct entities. See February 28, 2022 LaPuma Sr. transcript at 42, 76 (describing the companies as “night and day”).

LaPuma Sr. was also unable to recall how much money was transferred from QCC Maintenance to the Applicant. See February 28, 2022 LaPuma Sr. transcript at 41. LaPuma Sr. initially stated that he could not remember if A.J. Services had done any work for the Applicant. See February 28, 2022 LaPuma Sr. transcript at 50. Later in his testimony, LaPuma Sr. stated that A.J. Services did some “small work” for the Applicant. LaPuma Sr. further stated that he was not sure how much A.J. Services was paid for this “small work,” and that a payment of over \$100,000 would “be a lot.” See February 28, 2022 LaPuma Sr. transcript at 51-53. As detailed above, the Applicant's financial records contradict LaPuma Sr.'s testimony.

Basis for Denial

1. The Applicant Failed to Disclose Anthony LaPuma Sr. as a Principal.

All applicants must provide truthful and non-misleading information to the Commission. The failure to do so is a ground for denial of the application. See Admin. Code §§ 16-509(a)(1), 16-509(b); *Attonito v. Maldonado*, 3 A.D.3d 415 (1st Dept. 2004), *leave denied*, 2 N.Y.3d 705 (2004); *Breeze Carting Corp. v. The City of New York*, 52 A.D.3d 424, 860 N.Y.S.2d 103 (1st Dept. 2008). Local Law 42 sets forth a broad definition of a principal, which includes all “persons participating directly or indirectly in the control of such business entity.” See Admin. Code § 16-501(d).

The Applicant's Initial Application and renewal applications were false and misleading, as none of them disclosed LaPuma Sr. as a principal. LaPuma Sr. exercised direct control over the Applicant business by virtue of his authority to access the Applicant's bank accounts, and thus is a principal of the Applicant. Moreover, large amounts of money were transferred between the Applicant and other businesses that LaPuma Sr. controls – and the Applicant provided no explanation for these transactions despite having been given the opportunity to do so. Finally, LaPuma Sr. admitted his role as a principal of the Applicant when he signed forms relating to the Applicant's bank accounts.

LaPuma Sr. was also an undisclosed principal of Kat Demolition, a company that had its registration suspended by the Commission. Similar to the false and misleading information provided by the Applicant, the nature of LaPuma Sr.'s position with Kat Demolition was also concealed from the Commission. In both cases, LaPuma Sr. was disclosed only as a "vehicle operator," "driver," or "Operational Manager" when, in reality, he was a principal of both companies.

It is likely that the Applicant deliberately concealed LaPuma Sr.'s status as a principal from the Commission because of his criminal history that is directly tied to the trade waste industry. Information regarding who is in control of an applicant business, who has contact with customers and who is responsible for oversight of an applicant's activities is crucial to the Commission's mission to ensure proper oversight of the carting industry. A hallmark of LaPuma Sr.'s time in the trade waste industry is the consistent and deliberate obscuring of his actual role within a company. The failure of the Applicant to provide truthful and non-misleading information to the Commission about who is a principal of the company is evidence that the Applicant lacks good character, honesty and integrity. The Applicant did not dispute this point. Thus, the failure to disclose Anthony LaPuma as a principal of the Applicant constitutes an independently sufficient ground upon which the Commission denies this application.

2. Undisclosed Principal, Anthony LaPuma Sr., Has Been Convicted of Attempted Falsifying Business Records, a Crime Directly Related to the Trade Waste Industry.

The Commission may refuse to issue a license or registration to an applicant that lacks "good character, honesty and integrity." *See* Admin. Code § 16-509(a). In making a determination regarding an applicant's good character, honesty, and integrity, the Commission may consider prior convictions of the Applicant (or any of its principals) for crimes which, considering the factors set forth in Section 753 of the Correction Law, would provide a basis for refusing to issue a license or registration. *See* Admin. Code §16-509(a)(iii); *see also* Admin. Code §16-501(a). Those factors are:

- (a) The public policy of this state, as expressed in [the Correction Law], to encourage the licensure . . . of persons previously convicted of one or more criminal offenses.
- (b) The specific duties and responsibilities necessarily related to the license . . . sought.

- (c) The bearing, if any, the criminal offense or offenses for which the person was previously convicted will have on his fitness or ability to perform one or more such duties and responsibilities.
- (d) The time which has elapsed since the occurrence of the criminal offense or offenses.
- (e) The age of the person at the time of occurrence of the criminal offense or offenses.
- (f) The seriousness of the offense or offenses.
- (g) Any information produced by the person, or produced on his behalf, in regard to his rehabilitation and good conduct.
- (h) The legitimate interest of the public agency . . . in protecting property, and the safety and welfare of specific individuals or the general public.

N.Y. Correction Law §753(1).

LaPuma Sr. pleaded guilty to Attempted Falsifying Business Records in the First Degree and was sentenced to a Conditional Discharge. *See* P.L. §§ 110, 175.10, 65.05. Despite the State’s public policy to encourage the licensure and employment of persons previously convicted of one or more criminal offenses, *id.* at § 753(1)(a), as demonstrated below, the Correction Law factors weigh heavily in favor of denying the Instant Renewal Application based on LaPuma Sr.’s conviction. LaPuma Sr. was convicted of a Class A misdemeanor, punishable by up to one year in prison. *See* P.L. §§ 10.00(4), 110, 175.10. The crime is a “racketeering activity,” as the Penal Law defines that term. *See* P.L. §§ 110, 175.10, 460.10(1)(a). Commission of a racketeering activity is particularly serious, given the history of the trade waste industry and the reasons the Commission was formed, *i.e.*, to expel organized crime and other corruption from the trade waste industry. Thus, Attempted Falsifying Business Records in the First Degree is a serious offense under the Correction Law. *See* Correction Law § 753(1)(f).

Among the specific duties and responsibilities required of all applicants is the disclosure of truthful information throughout all of its dealings with the Commission. *See* Admin. Code § 16-509(a)(i); *see also* 17 RCNY § 1-09. In addition to the fact that the Applicant failed to meet this duty by hiding LaPuma Sr.’s role in the company, it is clear that LaPuma Sr. – a principal of the Applicant, albeit undisclosed – lacks the ability to meet this obligation of candor as a result, at least in part, of his conviction. *See* Correction Law § 753(1)(b), (c). LaPuma Sr.’s crime involved the trade waste industry in the City of New York. LaPuma Sr. attempted to forge documents related to container sales in order to facilitate larceny. An attempt to forge documents so ubiquitous and necessary in the trade waste industry speaks to LaPuma Sr.’s unfitness to continue to operate in the industry. *See* Correction Law § 753(1)(c). If an individual with LaPuma’s criminal history were allowed to continue to exert control over a trade waste business and that business were granted a Commission registration, it would undermine the public’s confidence in the industry’s integrity.⁶ *See* Correction Law § 753(1)(h). LaPuma Sr. engaged in this criminal

⁶ To date, Commission staff has not received information regarding LaPuma Sr.’s rehabilitation or good conduct. *See* Correction Law § 753(1)(g).

conduct at the age of 44, and while approximately 16 years have passed since he entered his plea of guilty, the ongoing concealment of information regarding LaPuma Sr.'s role within the Applicant's business demonstrates how relevant the conviction continues to be, and how cognizant of that fact the Applicant, Bilik and LaPuma Sr. are. *See* Correction Law § 753(1)(d), (e). The Applicant did not dispute this point. The Commission denies Queens County Carting Inc.'s registration renewal application on this independently sufficient ground.

Conclusion


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

This registration denial is effective in 14 days. Queens County Carting Inc. may not operate as a trade waste business in the City of New York beginning on January 22, 2025.


Dated: January 8, 2025

SEE NEXT PAGE FOR SIGNATURES

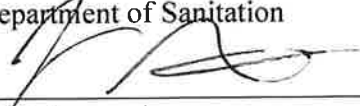
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Elizabeth Crotty
Commissioner and Chair



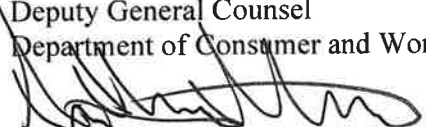
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Assistant Commissioner
Department of Sanitation



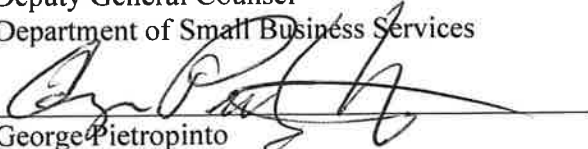
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