



# sanitation

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March 11, 2015

Honorable Melissa Mark-Viverito  
Speaker, New York City Council  
City Hall  
New York, NY 10007

Dear Speaker Mark-Viverito:

Pursuant to Section 1043(b) of the New York City Charter, the New York City Department of Sanitation ("DSNY") submits to you a copy of its final rule amending the rules governing the recovery of refrigerants.

The Commissioner of DSNY is authorized to adopt rules relating to the disposal of waste pursuant to section 753 of the New York City Charter. Pursuant to § 16-485 of the New York City Administrative Code, the Commissioner is authorized to promulgate such rules as are necessary to implement the provisions of Local Law 69 of 2013.

Enacted in August 2013, Local Law 69 makes manufacturers of refrigerant-containing appliances responsible for the lawful recovery of refrigerants from their appliances when their appliances are discarded by residents. As provided for in the law, the Department will continue to provide its own refrigerant removal program in which manufacturers can participate for a fee. The fee imposed by this rule will allow the Department to recover a portion of the program costs incurred through servicing the manufacturers' appliances.

Subsequent to the enactment of Local Law 69, a lawsuit challenging the legality of Local Law 69 was brought against the City of New York. As a result of the settlement of this lawsuit, DSNY is amending its rules governing refrigerant recovery. The amendments clarify existing provisions of the rules and lower the fee amount from twenty dollars to fifteen dollars for each appliance that DSNY services and recovers refrigerants.

DSNY has published a Notice of Opportunity to Comment on the rule in the *City Record* on January 26, 2015 and held a hearing on the proposed rule on February 27, 2015. The final rule is being published in the *City Record* today and the rule will become effective on April 10, 2015.

Sincerely,

A handwritten signature in blue ink that reads "Robert Orlin".

Robert Orlin

cc: Kathryn Garcia, Commissioner  
Emma Wolfe, Director, Mayor's Office of Intergovernmental Affairs  
Honorable Antonio Reynoso, Chair, NYC Council Committee on Sanitation & Solid Waste  
Steven Goulden, Law Department, Senior Counsel (2014 RG 103)



THE CITY OF NEW YORK  
**LAW DEPARTMENT**  
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Hon. Kathryn Garcia  
Commissioner  
Department of Sanitation

Re: Recovery of Refrigerants from Discarded Appliances

No. 2014 RG 103

Dear Commissioner Garcia:

Pursuant to New York City Charter § 1043 subd. c, the above-referenced rule has been reviewed and determined to be within the authority delegated by law to your agency.

Sincerely,

A handwritten signature in blue ink that reads "Steven J. Goulden".

STEVEN GOULDEN  
Senior Counsel  
Division of Legal Counsel

cc: Ellen Cooper (DSNY)

**New York City Department of Sanitation**

**NOTICE OF ADOPTION OF FINAL RULES AMENDING THE RULES GOVERNING  
THE RECOVERY OF REFRIGERANTS**

**NOTICE IS HEREBY GIVEN** in accordance with the requirements of section 1043 of the New York City Charter and pursuant to the authority vested in the Commissioner of the Department of Sanitation by section 753 of the New York City Charter and section 16-485 of the New York City Administrative Code that the Department adopts the following amendments to the rules governing the recovery of refrigerants. The Department published a Notice of Opportunity to Comment on the proposed rules in the *City Record* on January 26, 2015. On February 27, 2015 the Department held a public hearing on the proposed rules.

## **Statement of Basis and Purpose of Rule**

Local Law 69 of 2013 makes original equipment manufacturers (“OEMs”), as defined by the law, responsible for the lawful recovery of refrigerants from their refrigerant-containing appliances when those appliances are discarded by residents. Local Law 69 was enacted in August 2013. Subsequently, a lawsuit challenging the validity of Local Law 69 was brought against the City of New York. As a result of the settlement of this lawsuit, the Department of Sanitation (DSNY) has adopted the following amendments to Chapter 17 of Title 16 of the Rules of the City of New York.

Specifically, the amendments:

- Add certain new definitions and clarify existing defined terms;
- use the term “responsible party,” defined as a brand owner or manufacturer, in place of the term “original equipment manufacturer”;
- clarify the responsibilities of a responsible party;
- place additional requirements on the DSNY with regard to the information that must be contained in the biannual bill sent to a responsible party;
- establish a process by which a responsible party can challenge the biannual bill issued by the department;
- state that it will be a violation, punishable by a fine of \$500, for any responsible party to dispose of a refrigerant-containing appliance without arranging for the lawful recovery of the appliance’s refrigerants, as provided by Local Law 69; and
- state that enforcement proceedings may be brought as civil actions or in a proceeding before the Environmental Control Board.

DSNY’s authority for these rules is found in sections 753 and 1043(a) of the New York City Charter and section 16-485 of the New York City Administrative Code.

New material is underlined.

[Deleted material is in brackets.]

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

Section 1. Chapter 17 of Title 16 of the Rules of the City of New York is amended to read as follows:

### Chapter 17

#### RECOVERY OF REFRIGERANTS

§17-01 Definitions. When used in this chapter:

"Appliance" means any device that contains refrigerants and can be used for household purposes including, but not limited to, room air conditioners, portable air conditioners, dehumidifiers, refrigerators, refrigerator-freezers, water coolers, or freezers.

"Appliance type" means any of the following categories of appliances: air conditioners, dehumidifiers, refrigerators, water coolers, or freezers.

"Brand owner" means a person or entity whose brand name appears on an appliance sold, offered for sale or distributed in the city.

"Manufacturer" means a person or entity who manufactures or has manufactured an appliance sold, offered for sale or distributed in the city.

["Original equipment manufacturer" ("OEM") means (1) a person or entity whose brand name appears on an appliance sold, offered for sale or distributed in the city or (2) a person or entity who manufactures or has manufactured an appliance sold, offered for sale or distributed in the city.]

"Orphaned product" means an appliance for which no brand owner or manufacturer exists.

"Recover" or "recovery" means to remove refrigerants from an appliance in such a way that the refrigerants are not released into the atmosphere pursuant to subpart F of part 82 of title 40 of the code of federal regulations.

"Refrigerants" means any substances consisting in whole or in part of a class I or class II ozone-depleting substance, which are used for heat transfer purposes and provide a cooling effect, including, but not limited, to chlorofluorocarbons, hydro-chlorofluorocarbons, or any other substitute substance as may be defined by the United States environmental protection agency. A class I or class II ozone-depleting substance shall be those substances as defined by the United States environmental protection agency in section 602 of the United States clean air act. A "substitute substance" shall be any environmental protection agency approved replacement for a class I or II ozone-depleting substance in a refrigeration or air-conditioning end-use. Refrigerants shall not include (1) any substance that the administrator for the United States environmental protection agency has determined can be safely vented, released or disposed of pursuant to 42 U.S.C. 7671g(c)(2) or (2) one or more of the following substances used alone or in combination with other compounds: CFC-11, CFC-12, CFC-113, CFC-114 or CFC-115.

"Residential generator" means any person, entity, agency, or institution in the city of New York that receives solid waste or recycling collection service from the department.

"Responsible party" means (1) a brand owner or (2) a manufacturer.

"Room air conditioner" means any electrical appliance that has a compressor, a condenser, an evaporator and a fan to cool and dehumidify the surrounding air and that is capable in ordinary usage of being mounted in a window or through a wall.

"Serviced by the department" means the recovery of refrigerants by the department from appliances that are set out for department collection in the city of New York and in compliance with applicable federal, state and local regulations.

§17-02 [OEM] Responsibility for Recovery.

(a) On or after July first, two thousand fourteen, [OEMs] responsible parties shall be responsible for the lawful recovery of refrigerants from their appliances that are disposed of by residential generators.

(b) [An OEM] A responsible party may elect to (i) establish its own refrigerant recovery program, (ii) participate with other [OEMs] responsible parties in a refrigerant recovery program or (iii) have its appliances serviced by the department under the department's refrigerant recovery program. No program established pursuant to paragraph (i) or (ii) of this subdivision may include curbside collection of appliances. All such programs must comply with applicable federal, state and local regulations regarding the lawful recovery of refrigerants.

§17-03 [OEM] Registration Requirements.

(a) By July first, two thousand fourteen, [OEMs] responsible parties must register with the department on a form provided by the department. Such form may be obtained from the department's website or by written request to:

[Bureau of Waste Prevention, Reuse and Recycling]

Bureau of Recycling and Sustainability  
ATTN: Refrigerant Recovery Program  
New York City Department of Sanitation  
44 Beaver Street, 6th Floor  
New York, NY 10004

(b) Such registration shall include:

(1) the name and billing address of the [OEM] responsible party;

(2) a statement indicating whether the [OEM] responsible party has elected to (i) establish its own refrigerant recovery program, (ii) participate with other [OEMs] responsible parties in a refrigerant recovery program, or (iii) have its appliances serviced by the department in the refrigerant recovery program provided pursuant to subdivision a of section 16-482 of the Administrative Code of the City of New York;

(3) a list of all brand names currently owned by and/or licensed to the [OEM] responsible party. If a manufacturer licenses the right to market and sell all models of an appliance type from the brand owner, it shall list all such appliance type(s) by brand;

(4) If [an OEM] a responsible party has elected to establish or participate in a refrigerant recovery program pursuant to paragraph one or two of subdivision b of section 16-481 of the Administrative Code of the City of New York, the registration shall also include:

(i) the name, title and contact information of the person designated by the [OEM] responsible party as the liaison for its refrigerant recovery program;

(ii) a toll-free telephone number and/or the address of a website where residential generators may obtain information regarding the [OEM's] responsible party's refrigerant recovery program; and

(iii) a brief description of the [OEM's] responsible party's refrigerant recovery program.

#### §17-04 Departmental Refrigerant Recovery Program.

(a) The department shall provide a refrigerant recovery program for appliances set out for department collection by residential generators. The department shall charge [OEMs] the responsible party a fee of [twenty] fifteen dollars for each of their appliances serviced by the department.

(b) The department shall bill [OEMs] responsible parties biannually for their appliances that are serviced by the department. The department shall provide [an OEM] a responsible party with a statement indicating how many of its appliances were serviced by the department. [If practicable,] [t]The department shall also provide the [OEM] responsible party with information indicating the number of the [OEM's] responsible party's appliances the department serviced by type [of appliance], the district where the appliances were serviced, the date on which the appliances were serviced, and [if available,] the serial or model numbers of the appliances serviced by the department. Payment of any fees not challenged in good faith pursuant to paragraph (1) of subdivision (c) of this section shall be due no later than [30] sixty days, plus an additional five days for bills that are mailed for delivery by the United State Postal Service, after the date the department issued the bill. Such date will be included in the bill. [The department shall first seek to bill the OEM whose brand name appears on the appliance sold, offered for sale or distributed in the city. If the department is unable to find the brand name, the department shall seek to bill the OEM who manufactures or has manufactured the appliance sold, offered for sale or distributed in the city.] The department shall first seek to bill the brand owner and then the manufacturer. However, if a manufacturer that licenses the right to market and sell all models of an appliance type from a brand owner (1) registers with the department as a responsible party, (2) lists any such appliance type on its registration form pursuant to paragraph (3) of subdivision (b) of section 17-03 and (3) provides the department a billing address within the United States, the department shall first seek to bill the manufacturer/licensee. If the manufacturer/licensee fails to timely pay a bill pursuant to this paragraph, the department may bill the brand owner. If the department determines that an appliance is an orphaned product or the department does not record a serial or model number for the appliance serviced, then no responsible party shall be billed.

(c) (1) No later than sixty days, plus an additional five days for bills that are mailed for delivery by the United States Postal Service, after a biannual bill is issued by the department, a responsible party may submit a challenge in good faith to fees contained in a biannual bill by sending a letter setting forth the specific reasons why the responsible party believes the fees are inaccurate or without legal basis and any necessary documentation or evidence to substantiate the challenge to:

Deputy Commissioner for Legal Affairs  
New York City Department of Sanitation  
125 Worth Street, Room 710  
New York, NY 10013

(2) The department shall issue an initial response to any timely challenge submitted by a responsible party within sixty days of receipt. Such initial written response may be, but need not be, the Deputy Commissioner for Legal Affairs' final determination. If the department does not respond within sixty days, then the responsible party shall not be obligated to pay the disputed fees. The department shall issue a final determination when, in its discretion, it has determined the merit of the challenge. The department shall notify the responsible party of such final determination and shall make any necessary adjustments or corrections to the bill. Any remaining payments shall be due within thirty days after the date of issuance of such final determination.

[(c)] (d) The department shall provide a list on its website of all [OEMs] responsible parties that elect to (i) establish refrigerant recovery programs, or (ii) participate with other [OEMs] responsible parties in refrigerant recovery programs. Such list shall include a toll-free telephone number and/or a link to the address of a website where residential generators may obtain information regarding the [OEMs'] responsible parties' refrigerant recovery program, if such telephone number or website address has been provided to the department as required by section 17-03 of this chapter. If the department is aware of any appliance take-back program serving city residents that is sponsored by a utility company, it shall provide on such list a link to the address of the website for such utility-sponsored program.

#### §17-05 Annual Reporting.

(a) By July first, two thousand fifteen and annually thereafter, [an OEM] a responsible party who elects to (i) establish its own refrigerant recovery program or (ii) participate with other [OEMs] responsible parties in a refrigerant recovery program shall submit to the department an annual report on a form provided by the department. Such form may be obtained from the department's website or by written request to:

[Bureau of Waste Prevention, Reuse and Recycling]

Bureau of Recycling and Sustainability  
ATTN: Refrigerant Recovery Program  
New York City Department of Sanitation  
44 Beaver Street, 6th Floor  
New York, NY 10004

(b) [An OEM's] A responsible party's annual report shall include:

(1) a brief description of the [OEM's] responsible party's refrigerant recovery program and any changes thereto;



- (2) a listing of the [OEM's] responsible party's current brand names;
- (3) the number of appliances by appliance type and the total tonnage of appliances by appliance type serviced under the [OEM's] responsible party's refrigerant recovery program; and
- (4) the volume of refrigerants by refrigerant type recovered under the [OEM's] responsible party's refrigerant recovery program.

§17-06 Enforcement.

(a) It shall be a violation of this section for [an OEM] a responsible party to fail to submit a registration or annual report required by this chapter. Any such violation shall be punishable by a fine of two hundred [and] fifty dollars per violation.

(b) It shall be a violation of this section for [an OEM] a responsible party or its agent to remove refrigerants from appliances that are serviced pursuant to [an OEM's] a responsible party's refrigerant recovery program in a manner that does not comply with subpart F of part 82 of title 40 of the code of federal regulations. Any such violation shall be punishable by a fine of five hundred dollars per violation.

(c) It shall be a violation for any responsible party or its agent to dispose of an appliance as solid waste in the city unless arrangements have been made for the lawful recovery of refrigerants. Any such violation shall be punishable by a fine of five hundred dollars per violation.

(d) The civil penalties prescribed in this subdivision shall be recoverable in a civil action brought in the name of the Commissioner or in a proceeding returnable before the Environmental Control Board.