Department of Consumer Affairs

Jonathan Mintz
Commissioner

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[redacted]

Re: [redacted] Inc. and need for a scrap metal processor license

To Whom It May Concern:

I am writing in reply to your request for a letter of interpretation with regard to Scrap Metal Processors. Specifically, you asked whether your company, which purchases, reuses, recycles, and resells items such as copper, aluminum, stainless steel, air conditioning units, motors, aluminum signs, radiators, computer monitors, printers, and keyboards, requires a Scrap Metal Processor License or other license from the NYC Department of Consumer Affairs ("the Department"). Your company requires a Scrap Metal Processor license.

New York State law requires an entity engaged in scrap metal processing to comply with Article 6-C of the General Business Law ("GBL") and to obtain a license from the relevant municipal licensing authority. In New York City, pursuant to GBL § 69-f and the New York City Administrative Code ("Code") Section 20-104(e)(1)(ii) the Department is the local licensing agency responsible for licensing scrap processors.

The Code does not define "Scrap Processor". The Department looks to Article 6-C of the GBL Section 69–e (2) for the definition of "Scrap Processor." Section 69-e (2) provides that a "Scrap Processor is one "operating and maintaining a 'scrap metal processing facility.'" A "scrap metal processing facility" is defined by Section 69-e(1) as "an establishment engaged primarily in the purchase, processing and shipment of ferrous and/or non-ferrous scrap, the end product of which is the production of raw material for remelting purposes for steel mills, foundries, smelters, refiners, and similar users." Your company is a "Scrap Processor" because it purchases, reuses, recycles, and resells "ferrous and/or non-ferrous scrap", some of which, according to your letter, is shipped to other scrap buyers.

I hope I have satisfactorily answered your question.

Sincerely,

[redacted]