



THE CITY OF NEW YORK  
OFFICE OF THE MAYOR  
NEW YORK, NY 10007

**FOR IMMEDIATE RELEASE**

June 6, 2013

No. 189

[www.nyc.gov](http://www.nyc.gov)

**MAYOR BLOOMBERG ANNOUNCES NEW YORK'S HIGHEST COURT  
UNANIMOUSLY UPHOLDS STATE LAW AUTHORIZING LIVERY STREET HAIL  
SERVICE AND ADDITIONAL ACCESSIBLE YELLOW TAXICABS**

*Decision Upholds Constitutionality of State Law Against Challenges by Taxi Medallion Owners  
and Lenders*

Mayor Michael R. Bloomberg, Taxi and Limousine Commission Chairman David Yassky and Corporation Counsel Michael A. Cardozo praised today's New York State Court of Appeals unanimous decision upholding a State law authorizing the City's establishment of street hail livery service in Brooklyn, Queens, the Bronx, Staten Island and northern Manhattan, as well as the City's sale of 2,000 additional medallions for wheelchair-accessible yellow taxicabs, which is expected to generate approximately \$1 billion in City revenue over the next few years.

"With this decision, we can finally bring safe, reliable taxi service to the four and a half boroughs that don't currently have it," said Mayor Bloomberg. "That's a victory for everyone who lives in, works in or visits New York City. This will also advance our efforts to make taxi service available to people with disabilities, by adding 2,000 wheelchair-accessible yellow cabs to the streets."

In three related cases, *Metropolitan Taxicab Board of Trade v. Bloomberg*, *Taxicab Services Assoc. v. State of New York*, and *Greater New York Taxicab Assoc. v. State of New York*, members of the yellow taxi industry and other plaintiffs alleged that the law was unconstitutional, claiming that the New York State Legislature enacted the State law in violation of certain procedural and substantive requirements of the New York State Constitution. Last fall, after State Supreme Court Justice Arthur Engoron ruled the State law to be invalid, the City and State were granted permission by the New York State Court of Appeals to bypass review by a mid-level State appeals court and take a direct appeal to the Court of Appeals. Reversing the Supreme Court today, in an opinion by Judge Pigott, the Court of Appeals declared the State law constitutional. In doing so, the Court found that the State law is designed to advance a substantial State interest in improving access to street-hail transportation throughout the five boroughs – especially for disabled people and people who live or spend in time areas of New York City historically underserved by the yellow taxi industry.

"TLC is eager to move forward with its street hail livery service program so that street hail service is available in areas of the City where yellow taxicabs rarely go," said Chairman

(more)

Yassky. “We are also eager to put more wheelchair-accessible for-hire cars on the road and look forward to working with the disability advocacy community to implement all of the progressive programs for service to the disabled already in motion.”

“In our view, the Court correctly held that the State law advances a substantial State concern with improved access to for-hire transportation throughout the City,” said Corporation Counsel Cardozo. “We also believe that the Court was right to reject all of the plaintiffs’ arguments regarding the constitutionality of the State law.”

In its 22-page decision, the Court unanimously rejected all of the plaintiffs’ arguments. The State law “plainly furthers” important State goals, the Court reasoned, including the provision of “[e]fficient transportation services in the State’s largest City and international center of commerce.” Justice Abdus-Salaam, who joined the Court after these cases were briefed and argued, took no part in the decision.




The plaintiffs in the three cases included trade associations and members of the yellow taxicab industry, credit unions that lend money to finance medallion purchases, and City Council Member Lewis A. Fidler. Participants in the livery industry favoring and opposing the State law intervened as defendants and plaintiffs, respectively. Participating as *amicus curiae*, Manhattan Borough President Scott Stringer supported the City’s position.

As amended in February 2012, the State law challenged in these lawsuits authorizes the City to establish a Hail Accessible Interborough License (HAIL) program, to provide safe, reliable and lawful street-hail service in areas of the City underserved by yellow taxicabs. The unmet demand for street-hail service in those areas has been met by livery cabs (which are not presently licensed to accept street hails) and illegal “gypsy” cabs. Under the HAIL program, HAIL-licensed livery cars can respond to street hails in Manhattan north of E. 96th Street and W. 110th Street and in Brooklyn, Staten Island, the Bronx, and Queens (except at LaGuardia and Kennedy Airports). The State law authorizes TLC to issue up to 18,000 HAIL vehicle licenses during a three-year period, 20 percent of which must be for wheelchair-accessible vehicles. In addition, the State law authorizes the City to issue, and sell at public auction, 2,000 new licenses (known as medallions) for wheelchair-accessible yellow taxicabs. Beyond increasing the availability of wheelchair-accessible yellow taxicabs in the City, the issuance of these 2,000 new medallions should generate over \$1 billion in revenues for the City.

Expressing concern over the balance between State and local power, the plaintiffs in each case argued that the State lacked constitutional authority to pass the law without a “home rule message” from the City Council. Some of the plaintiffs also asserted that the State law violates the New York Constitution’s “Exclusive Privileges Clause” by limiting eligibility for the new HAIL licenses.

Law Department Senior Counsel Scott Shorr represented the City in the New York State Court of Appeals. Other Law Department attorneys working on the case include Robin Binder, Ave Maria Brennan, Gabriel Taussig, Carrie Noteboom, Kathleen Schmid, Christopher Reo, Christine Billy, and Spencer Fisher. TLC attorneys who worked on this matter include Meera Joshi, Christopher Wilson, and Sherryl Eluto.

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