



The City of New York
Department of Investigation
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**DOI ANNOUNCES RESULTS OF RANDOM INTEGRITY TESTS ON 20 NYC TAXI DRIVERS,
FINDING EACH CHARGED THE APPROPRIATE RATE**

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced the results of integrity tests this month to determine if taxi drivers were charging customers the appropriate rates. An investigation last year led to charges against 59 taxi drivers for overcharging passengers, and has so far resulted in 49 convictions. As a proactive measure, DOI conducted 20 random integrity tests during the month of August, a busy tourist season in the City, in which undercover investigators posed as passengers to see if proper rates were being charged – 10 involved trips from one City borough to another, and 10 involved trips to or from Manhattan and JFK International Airport. In each, the proper rate was charged. DOI undercover investigators did observe seven drivers who violated City Taxi and Limousine Commission ("TLC") rules and regulations, such as talking on a cell phone, failing to display a hack license, failing to activate the meter in a trip to JFK, and refusing to drive to Staten Island. Those drivers and the findings of the report have been forwarded to TLC Commissioner David Yassky. A copy of the report is attached.

DOI Commissioner Rose Gill Hearn said, "The results of these twenty random integrity tests by DOI show appropriate rates were charged by taxi drivers. By contrast to last year's problems with overcharging, we believe the GPS units in taxis, public awareness about appropriate rates, and the deterrent effect of last year's arrests have had a positive impact for tourists and residents."

TLC Deputy Commissioner for Administration Conan Freud said, "I'd like to thank Commissioner Gill Hearn and her staff for their continued vigilance on this important consumer issue. It is heartening for us to know that the drivers tested performed their services with the integrity that we expect of our licensees."

The integrity tests were conducted by DOI's Office of Inspector General for TLC.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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Get the worms out of the Big Apple. To report someone ripping off the City, call DOI at (212) 825-5959.



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MEMORANDUM

**TO: David Yassky, Commissioner
New York City Taxi & Limousine Commission**

**FROM: Rose Gill Hearn, Commissioner
New York City Department of Investigation**

DATE: August 18, 2011

RE: Integrity Tests Of Yellow Medallion Taxi Drivers

Following allegations in 2010 that taxi drivers were illegally overcharging passengers out-of-town rates for trips within the City, as you know, an investigation was conducted that showed widespread abuse. Specifically, the evidence included information obtained from TLC's Taxicab Passenger Enhancement Program ("T-PEP"), which has the ability to collect and transmit trip record data electronically via GPS technology. This information was used to determine when the rate for out-of-town trips, Rate 4, was enabled within City limits. Additionally DOI conducted more than 100 interviews of taxi drivers and members of the public, and collected credit card information from the T-PEP system that assisted in identifying victims. The evidence led to felony and misdemeanor charges brought against 59 taxi drivers in September 2010. There have been 49 convictions to date.

This month, during the busy tourist season, DOI investigators conducted random integrity tests of yellow medallion taxi drivers to determine if the drivers were charging passengers the proper rates. These tests were both a proactive measure and prompted by a concern that some overcharges in trips from the airports may have been taking place. The following is the result of that series of integrity tests.

During the month of August 2011, DOI conducted twenty random integrity tests on yellow medallion taxi drivers in which undercover investigators acting as passengers, made observations to ascertain whether the taxi drivers were charging the proper rates. The undercover investigators also assessed whether the taxi drivers were otherwise in compliance with TLC's rules and regulations.

Ten of the twenty undercover operations consisted of trips that commenced in one City borough and ended in another City borough, *e.g.*, Manhattan to the Bronx Zoo; Manhattan to the Brooklyn Botanical Gardens; Manhattan to Reiss Park in Queens; and Manhattan to Snug Harbor in Staten Island. The taxi drivers tested in those ten "borough to borough" integrity tests, each charged the appropriate rate, Rate 1, for those trips.

The remaining ten undercover operations consisted of trips to or from Manhattan and JFK International Airport. All ten of the taxi drivers tested in the airport integrity tests, each charged the appropriate rate, Rate 2, which is a flat rate of \$45.00.

Fortunately, all twenty of the undercover operations demonstrated no overcharge, perhaps due to the presence of the GPS, public awareness about the differing rates, and deterrence from last year's arrests. DOI did observe seven drivers who failed to follow and/or violated various other TLC rules and regulations including talking on a cell phone; failure to display a hack license in the taxi; failure to turn in property left in a taxi; refusing to go to Staten Island; failure to activate the meter in one of the JFK trips; and failure to immediately activate the meter. My office will refer the full details to your office for whatever administrative action you deem appropriate, and for TLC to do reminders about adherence to the rules and regulations.