Transcript of the Meeting of the
Nyc Taxi and Limousine Commission
Held on Monday, March 21, 2005
40 Rector Street - 5th Floor
Borough of Manhattan
Meeting convened at 9:49 a.m.

PRESENT

MATTHEW W. DAUS, Chairman
ELLIOT SANDER Commissioner
NOACH DEAR Commissioner
IRIS WEINSHALL Commissioner
ELIAS AROUT Commissioner
HARRY RUBINSTEIN, Commissioner
CHARLES FRASER, General Counsel
CHARLES TORTORICI Deputy General Counsel
PROCEDINGS

CHAIRMAN DAUS: All right, good morning, everyone. Sorry for the late start. I'm pleased to start our meeting with a personnel announcement.

Sitting to my left is our new General Counsel, Charles Fraser, welcome, Charles. I want to talk a little bit about his background, for those of you who don't know him. I've known him several years in a professional capacity.

He's a graduate of Harvard University and Columbia Law School. After law school he worked for a firm in the private sector called Breed Abbott & Morgan, I think the name has probably changed by now, where he practiced securities trademark and public instruction.

Then he entered Government service working for the State Attorney General's Office as an Assistant Attorney General and he was involved with cases involving employment law, civil rights, housing, as well as
Then Chuck -- right -- Chuck is what he prefers, was appointed to the Office of Administrative Trials and Hearings as an Administrative Law Judge, also known as OATH, it's the New York City Administrative Trial Office and he served there for several years, not only in that capacity, but also as counsel to the Chief Administrative Law Judge and those were additional responsibilities that included rule making, legislation and some policy making, in addition to serving as an ALJ.

Then Chuck went over to the Buildings Department, where we actually worked very closely with him. He was Assistant Commissioner for Enforcement at Buildings and he actually helped us when I was General Counsel develop a protocol for padlock proceedings, because a lot of people we were padlocking were moving out of business establishments and into apartment buildings where it was beyond our regulations, so Chuck and his staff at Buildings Department and our staff developed a protocol, which is technically still in place to go over to the building owner and issue a
violation for allowing an unlicensed car service
operating out of a residential facility.

Then Chuck went back to OATH as a Supervising Administrative Law Judge and he was appointed, was so confident in TLC that he left his term of office to join us. We're very pleased about that.

A lot of cases Chuck presided over included personnel, contracts, land use, human rights regulatory disputes and also licensing cases. Some of you who have been around at the TLC for a while may remember Judge Fraser issuing many decisions in the area of zappers.

There was a point of time when zappers were a big problem in the yellow cab industry and there were many revocation proceedings brought against not only drivers but medallion owners for allowing the use of these devices and prior to the criminal law being passed at the state level that we lobbied hard for there were a lot of decisions that were being issued at OATH and Chuck does have experience as a Judge there hearing those cases and he did get involved in some of TLC's regulatory issues as he was at OATH.
So he's no stranger to us, but welcome aboard, thank you for joining us. You are official as of today. Would you like to say any words?

MR. FRASER: No speeches. I'm glad to be here, I look forward to working with you all. Today is my first day, so I have the advantage of not actually being expected to know anything and hopefully by next month that will be a little bit different. Thank you very much.

CHAIRMAN DAUS: Welcome aboard. Good luck.

(Applause.)

CHAIRMAN DAUS: I'd also like to take this opportunity to congratulate and thank Charles Tortorici, our Deputy General Counsel, you did an admirable job of holding the fort down. He did a great job considering the staff and resources you had available to you. Part of issue that Charles -- uh-oh, we have two Charleses now. What we worked out, Charles Fraser prefers to be called Chuck and Charles Tortorici prefers to be called Charles, so that's how we don't get them confused.

But anyway, Charles, and now Chuck will be...
dealing with some attrition that we've had at the legal department. We plan to hopefully hire some new staff to get back up to speed and we have a lot of issues and a lot of challenges that we're facing and we're also dealing with the loss of a very, very dear friend, Barbara Fogel, who really was a key and integral part of that department morale-wise. So it's been a very long and difficult time over the last couple of months, we've been dealing with a lot of challenges, but I think there's a light at the end of the tunnel, as we told staff our Friday, and I'm confident we'll begin to build our legal team with both Chuck and Charles.

So congratulations, and thank you, Chuck and Charles, you really did a great job.

(Appause.)

CHAIRMAN DAUS: I'd also like to spend a second having a moment of silence -- well, not a moment of silence, but to extend condolences on the passing of two people that you may or may not know. Christie Nicholas, the president of New York City & Company, her mother, Mary Ford Lotodano, passed away recently and
also for those of you who don't know, Vinny Sapone's brother, Frank Sapone passed away. I believe the services are being held now, unfortunately, so if you wish to pay your respects to those people, I want to make sure everybody knows about it.

On Friday, we testified before the City Council for a routine preliminary budget hearing. I distributed a copy, actually, it's not only on the website, but for the audience, as well as a copy to the Commissioners. The FY 2006 budget is $25,836,230, it's not a tremendous difference from last year and if anybody has any questions about the testimony, Commissioners and whatnot, I'd be happy to address them after the meeting.

Item 3, Nassau County reciprocity. We've had some discussion at the last meeting, Victor Dizengoff, who is here today, as well as Commissioner Dear, let me follow up and give you what's happened since then.

March 7th, I was scheduled to meet with Commissioner Bogsted from Nassau County to come down and take a visit of our facility. He wanted to see how we
inspect cabs, he's tremendously interested in it, and
discuss other items. Unexpectedly, he did not show, he
had some issues he had to deal with of a legislative
nature. However, his deputy or assistant, Joe Chierchio
showed also with Steve Hanson, who I believe is an
attorney with the General Counsel of Nassau County,
Consumer Affairs Division. They not only regulate
taxi, but a lot of other businesses in Nassau County.
We did have a bit of a discussion on the
issues. We provided and they acknowledged receipt of a
copy of the Westchester County reciprocal agreement or
MOU that we have with them to serve as a guideline or
basis for even making a proposal to us at this point.
Again, we don't have an official position at this point.
A lot of groundwork and research has to be done by
Nassau County, really the ball is in their court and
they basically acknowledged that at the meeting. They
did not have all the information we were looking for to
see whether they even have the authority to sit down and
discuss this matter at length as of yet. They did
promise that they would do so and come back to us.
We've also gotten the New York City Law
Department office of Corporation Counsel involved.
There has been an attorney assigned to handle this and
work with our legal department. This is one of the
issues Chuck will be getting up to speed on. Charles
has been handling it to date.

We are at this point pursuant to our
discussion of March 7th waiting for them to put together
a list of all the different towns, villages and
municipalities in Nassau County, what they require for
licensing per their rules and regs, what they can do and
what they can't do. Until we get that list we're kind
of at a standstill. They did give assurances to us,
though, if they were able to work something out, they
would have to enter into a memorandum of understanding
between the Nassau County Legislature and each and every
single municipal entity within Nassau County. It seems
like a lot of paperwork, but they assured us that if
they were able to reach an agreement, that they would be
able to carry it out with full authority from the State
Legislature. We're going to check that for ourselves in
consultation with the law department, but that's
basically where we left it off.

So we were waiting for them to get back to
us with those details. We're really at a loss to have
further discussions until they come back and tell us
this is what we have, this is what we don't have; this
is what we can and can't do. We'll try to get that
together in the next two or three weeks.

Yes, Commissioner?

COMM. DEAR: As a result, they now have a moratorium for the fee or they want to continue, they want to charge us $750?

CHAIRMAN DAUS: There was a lawsuit that was commenced by the Black Car Systems Corporation, Victor Dizengoff on behalf of the black cars, against the Nassau County entity in Nassau Supreme Court, there was an agreement between the parties to extend it for 57 days.

COMM. DEAR: Okay.

CHAIRMAN DAUS: Which means that the $750 licensing fee per vehicle has been put on hold until April 29th unless some type of other arrangement is met by that. So until April 29th, they'll be reverting, Commissioner Dear, back to the $5 fee per vehicle and then after that, it remains to be seen what happens.

COMM. DEAR: What happens after that, that's what I want to know.

CHAIRMAN DAUS: It's going to depend on
whether an agreement is reached. If no agreement is reached, it's possible the parties may agree to extend the date, but we'll see what happens.

COMM. DEAR: Why can't we again use our leverage, which we do have, to extend it instead of everybody spending all kinds of monies through the courts?

CHAIRMAN DAUS: Well, we've done that. We've extended basically the opportunity for discussions. But we can't have an intelligent discussion unless they tell us what they -- they weren't even able to tell us which municipalities do what. They weren't prepared to discuss it with us.

COMM. DEAR: I understand that.

CHAIRMAN DAUS: In terms of using our leverage, if you want to call it that, we made good faith efforts, the Commissioner is invited to come here any time to discuss the issues. We were expecting to meet him that day, he wasn't there, but we're confident the staff will be having discussions in the future.

We have a 60-day window and the Law Department is involved, so I think there's been
significant progress in terms of dealing with the issue.

How we ultimately end up with it is a call not just for
us but the administration. This is an intermunicipal
agreement. The TLC can't enter into an agreement
necessarily with another county without getting
appropriate levels of approval and that's not something
that we're even at at this point. We're not at that

COMM. DEAR: Why didn't the Law Department
commence the lawsuit? Why did we have to do private
enterprise?

CHAIRMAN DAUS: I don't know if we have
standing to do that.

COMM. DEAR: Why not? We license them.
Could we check it? We now have a beautiful, very
intelligent, respected General Counsel, let him look
into it.

CHAIRMAN DAUS: Okay, it will be his first
research issue. Also, just because we have standing,
doesn't mean necessarily we agree we should be suing
anybody.
COMM. DEAR: Why?

CHAIRMAN DAUS: That's a policy decision. I think we have to discuss that.

COMM. DEAR: Of the Board? Of our Commission?

CHAIRMAN DAUS: The Corporation Counsel makes the decision on whether to sue other entities, it's his decision.

COMM. DEAR: Or could the Commission make a decision.

CHAIRMAN DAUS: I don't know that, but I know that the ultimate decision has to rest with Corp Counsel, so either he can do it on his own or we could agree to do it and he would do it. I'm not certain that's in our best interests. We should discuss that before we get involved. I believe the Black Car Assistance Corporation is well adept in representing the interests of the black car industry, and I believe that they have. If it wasn't for Victor and his group, we wouldn't have this moratorium.

COMM. DEAR: We have a responsibility to protect our licensees, our people. We go out -- just
like we go after them, we also have to protect them. If
there is unfair competition among other people and other
areas are siding with us, then we have a right, we
should protect them, be out there protecting them,
that's what we're about.

I would like to see us, if we can, sue. I'd
like to have a discussion about this at the next
Commission meeting and I'd like to see. If not, let the
Commission itself make a decision. The Corporation
Counsel is the lawyer for their client, we are their
client, we have to make a decision what we want to do.

CHAIRMAN DAUS: We'll have a breakdown in
terms of what we believe are the legal nuances here.

COMM. DEAR: We have this Commission, if you

look at the history on it, as long as I'm on it, it's
everything yellow, yellow, yellow. I want to see other
colors, too. I'm pushing black cars, other car
services. We have to start thinking about other parts
of the agency that we license, and we should make sure
that we deal with, and the outer boroughs are as
important to me as Manhattan, and that's why to me black
cars are important and that's why car services are important to me.

Chairman Daus: As I believe, with all due respect, they are to every Commissioner. I think we have been dealing with these issues. I don't know if I agree with you on that, but for the record, I do agree with you on the issue of protecting the industry to a certain extent, but I think the overriding issue is protecting the public.

When it comes down to it, we need to protect the passengers to make sure if there's any agreement that's potentially entered into, someone gets into a car that's dispatched from Nassau County, that the drivers are drug tested, they have proper levels of insurance.

That to me as Chair and Commissioner are the important things.

Comm. Dear: I agree with you.

Chairman Daus: Though all of our interests are aligned on this one, I think we see things eye to eye so far, the real issue is Nassau County has to do its homework. Unless you have a contrary suggestion, Commissioner Dear, I don't see what we can possibly do
at this point when they can't even set up a meeting and
tell us "we know what our towns and municipalities are
doing." They don't.

We asked them, "Could you give us a list of
the different towns and municipalities, what they do and
don't do?" They didn't know.

You can call and meet, call and meet, but I
hope you understand our frustration that this is not
something that's a task that we can accomplish until
they're ready to come to the table and propose that
information, unless you have another suggestion.

COMM. DEAR: I have. I just said. One is
to take a standing in Court, join them in the lawsuit,
and number two is do enforcement. If we're not happy
with the way they conduct their operation and they're
not safe enough according to our standards, then you
know what, very simple, every car that comes in, we have
a right to inspect it, to make sure it lives up to our
standards, because we have a concern, we have a concern
that you're picking up passengers, even though they're
Nassau County people, you're dropping off in our
district and picking up in our district. They have a
right for their safety.

Believe me, if we want to find a way, we
can. If you go ahead and let them know we're going to
be tough on this, we're going to start enforcing, I
guarantee in 24 hours you'll have a deal.

CHAIRMAN DAUS: Let's take that under
advisement. Chuck, if you can hopefully by the next
meeting get some kind of legal read on the authority of
the Commission with respect to the potential of the
lawsuit, do we have standing, if so, if we decided to
sue, if that's where we got to as an administrative, and
as a TLC who makes the decision, does it require a TLC
vote, does the Corporation Counsel, a lot of preliminary
research can't do any harm and then we'll discuss the
enforcement issue and hopefully we'll continue to meet
and talk to Victor and explore this issue and make sure
we can try to do everything we can to diplomatically
resolve it. I think that's the best way to resolve.

Next on the agenda, just to remind everyone,
especially in the yellow cab industry, that we've
extended our S&E hours of the Safety and Emissions
Division from Monday to Friday until 7 p.m. We would
like to get more business, I think we can handle some
more. I'm hoping that the word will get out further.
We have copies of the Industry Notice 05-10 dated March 8, 2005, it's outside and we'll continue to try to get maybe the industry, Allen, the trade papers to publicize this a little bit more. In particular, reinspections, hackups and the retrieval of confiscated credentials are the services we're offering during those extended hours.

The next item is just a quick update on March Madness. We have an on-line appointment form that we've put on the website. We have an industry notice that details the procedures, it's going quite well, from what I was advised by Andy and Barbara, industry notice 05-08 dated February 24th, '05 is on our website, you can get a copy here.

There's an online form where you can register and get appointments. We've been keeping those appointments, I understand new applications and transfers have been handled in an average of three days, and renewals have been scheduled for the next business today. So far, so good. I want to commend the licensing staff for doing an exemplary job. We have full operations mode with additional employees working in a particular area with faxes and are doing quite well.
I also want to thank Sarah Meyers for getting involved with that as well. Thank you.

The service improvements RFP. Just a quick update on where we are with this. The RFP was issued on March 2nd of 2005. The bidders conference was held with Lou Tazzi and Andy Salkin overseeing it last Monday. We have some comments and we have a transcript if anybody on the Commission would like a copy, we would be happy to give it to you.

Public comments and questions will continue to be accepted by our ACCO, our Agency Chief Contracting Officer is handling the RFP at this point, his name is Louis Tazzi, he prefers and we all prefer rather than having telephone questions that you send an e-mail to rfp@tlc.nyc.gov. We prefer to get the e-mails and Lou prefers to respond via e-mail.

You have until March 29 to continue, if you're an interested bidder, to pose questions about the RFP. The proposals at this time are due on May 10, 2005, and Commissioner Giannoulis couldn't be here today due to a family issue. However, we had some discussions at our last Commission meeting and we had some
subsequent meetings which I want to briefly report on.

On Wednesday, March 16, as per an agreement that we reached with Commissioner Giannoulis, we had a meeting with various lawyers from the Corporation Counsel's office, as well as our counsel and DOT counsel to try to answer some of the questions he posed at the last meeting.

We did agree to clarify that it was our intention at the last meeting, basically, to get the input of the Commissioners and to have an open discussion and get clarity on proposing rules in the future, but what was important to Commissioner Giannoulis, I guess, the point he was making and he's not here, but hopefully at the next meeting we can make sure he's clear on it. What he was unclear on is whether he was being put on the spot to vote on something that he had to vote on, number one, and number two, that it was making a policy statement that we were definitely going to do advertising, and what we did clarify and I think we reached an agreement on, the lawyers advised Commissioner Giannoulis, that the
resolution that we voted on at the last meeting was not
a resolution to say that the Commissioners are
definitely going to consider advertising, commit to
advertising, but that we were going to consider it and
we could ultimately decide not to go with advertising as
a means to pay for the equipment.

That's something that's a possibility, and
that was basically his main point, as far as I could
understand, and again, he's not here so I can't speak
for him, but the clarity is, is that the Chair had the
authority all along to just do this on his or her own,
but in accordance with the Charter, however, what we did
is in light of the way we've been getting the
Commissioners more involved with things, bringing items
up before the Commissioners to get their approval or if
not their approval, their comments on certain things
before we initiate them, and that was in direct response
to a lot of concerns that Commissioners had voiced to me
over the years.

So that's basically what it was. The
Corporation Counsel advised that the Chair is the CEO, I
could have done it, did the entire RFP on my own.
However, I chose to get the Commissioners' input. That's why we had the discussion, the vote on the resolution. I want to be sure the industry understands this is something most of the Commissioners are behind and this is a process we agree with, because it's a very public process and that was basically it.

So I'm sure if Commissioner Giannoulis has more concerns, he'll raise them in the future, but I'm very satisfied that everything the staff and the lawyers advised on was entirely legal. I sat in for hours on meetings even before the last Commission meeting, but last Wednesday we had a two-hour meeting with Commissioner Giannoulis and about five or six lawyers, I believe. We went over every scenario, every question was asked. He may still respectfully disagree with us, but I'm very, very confident on the actions we took. So for the record that's the clarification.

Anybody have any questions about that?

Okay.

The only other thing I'd like to point out about that, is just for further edification for the
record, the reason why the Commissioners, according to
the Law Department can and should not really be involved
in any aspect of this procurement is because we sit as
an appeals body. If a vendor for any contract that the
TLC enters into is found non-responsible, let's say they
have some type of problem, they haven't paid their fines
with the Finance Department or they've done something
that's wrong that renders them non-responsible, any
other agency, the way it works, the agency head serves
as an appeal officer.

Because of the way we're structured, the Law
Department advised this Commission and the DOT counsel
as well serves as appellate body or as an agency head
for purposes of procurement. So we are not and should
not be involved in the selection of any people who are
bidding on an RFP. There's a Proposal Review Committee
that's set up with several different agencies involved,
and that's something that the ACCO will ultimately make
the decision.

If there's an appeal from that decision, and
it's possible it could be, the appeal comes before the
Commission. So I want to remind the Commissioners, and
give my advice to the Commissioners, the best thing to
do is stay out of it entirely. I would recommend no
Commissioners have any conversations, lunch or any other
contact with vendors or potential bidders on this RFP
that are of a substantive nature that have anything to
do with the issues involving customer service
improvements. That's my advice.

If you have any further questions about what
you should or should not be doing, I would contact Chuck
and/or the Conflicts of Interest Board, Wayne Hawley,
the General Counsel as well, if you want an opinion on
whether you can meet with somebody, but I'm just
appealing to you as Chair, to give you my advice, which
is the best thing for the Commission and each and every
one of you is to let the professionals, the people
sitting on the Committee do their work, meet with the
people, make the recommendations and to preserve the
integrity of the Commission, plus to stay away from any

potential bidders and any conversations with them of a
substantive nature, because we technically kind of serve
in almost a quasi judicial capacity, if there is an
Any questions on that? Okay.

Two final, quick items. Livescan, the fingerprinting system, thanks to the persistence of Commissioner Arout, I know it's taken longer than we ever thought it would, but Lou Tazzi ordered it, it's in, actually at the facility, as Barbara informed me, but what we're waiting for now -- and this is important, is to put security into the system and we're waiting for DoITT to help us with that -- security into the system to make sure that the data that's being transmitted in and out which is of a very personal nature to people when you're being fingerprinted and your criminal history comes up, is secure that it gets transmitted without people hacking into it and getting access to that data.

That's the only thing we're waiting for and we'll certainly let you, Commissioner Arout and for everybody to know when it's up and running. But it's physically located there, being tested and programmed.

So thank you for your assistance.

COMM. AROUT: Thank you.
CHAIRMAN DAUS: Last, but not least, a tentative date for our next Commission meeting is Wednesday, May 4th at 9:30 a.m. Wednesday, May 4th will be confirmed via e-mail, the website and New York City Record. We may have some rule making at the time and we'll have some information for you about that.

COMM. SANDER: The April date is canceled?

CHAIRMAN DAUS: Yes, well, we did not announce to the public, we were looking at a date in April, but due to holidays and all of that, the April meeting is canceled. Any questions on that?

The next item on the minutes is the adoption of the minutes of the March 5 meeting. Do we have a motion?

COMM. AROUT: Make a motion.

COMM. WEINSHALL: Second.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: They're approved unanimously. I think we have minutes of one of our prior meetings available?

MR. TORTORICI: Yes, they're in the back.

CHAIRMAN DAUS: Which date is that?

MR. TORTORICI: That's the January 24th minutes.
CHAIRMAN DAUS: The January 24th, 2005
minutes, which are approved, are copied and available to
the general public.
Item three. We now have some staff
presentations. I would like to introduce our First
Deputy Commissioner, Andy Salkin, as well as Meg
Scheding, who works with Andy.
DEP. COMM. SALKIN: Thank you,
Commissioners. We're going to make this quick so we can
go on.
The staff has been working on a look at our
adjudications process and trying to understand what
exactly happens and how the whole process breaks down
and one of the things that I think was brought before
the Commission before for conversation was the idea of
improving, to improve the adjudication process, to make
a more standardized fine process.
So today I want to kind of introduce the
concept, kind of talk about the presentations we're
going to be able to offer over the next couple of
Commission meetings and then Meg is going to get a
little bit more into detail about particular aspects of
this presentation.
Can you hear me and can you see it?
terminal is not working.

DEP. COMM. SALKIN: Everybody else, can you see the presentation? So we call this look at examining fines, the goal is to increase efficiency and making everything better.

The belief that we have is we can actually make adjudications more efficient. Efficient means providing fair and better treatment to the people that we're serving, while at the same time being able to make the entire process kind of more equitable and kind of along those lines.

So, definitions. I want everyone to kind of understand where we're going, we're going to talk about this a little bit. Right now there are two types of penalties that we issue for violations. There are monetary violations and they come in two forms right now, in the TLC summonses. You can either get a fixed fine, so it might cost you $50 if you don't have a license and you're driving a commuter van or there might be a range, 150 to $200 if your seat belts aren't in
Transcript of Comm Mtg 032105.txt

21      working order. We want to look at this aspect and say
22      maybe it's better if everything has a set number.
23                  In addition to having a set range or set
24      monetary fine, you may also have a suspension,
25      revocation or some points added to your license for this

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1      behavior. Again, some of these are fixed, and some have
2      a range and we want to look at this and see if there's a
3      way to make things more efficient by fixing them and
4      putting them in a place based on Commission feedback.
5                  The next slide shows us the general universe
6      of what we're talking about. There are over 3300 rules
7      the Commission has in its rule book. 770 of these
8      actually have fines associated with them. 240 of the
9      770 have some type of suspension or revocation in
10     addition to monetary problems. So looking at those that
11     have set fines, meaning that it's a set number, 500 have
12     set numbers and 270 have ranges, and 90 of the 500 have
13     fixed suspensions and 150 have range suspensions.
14      Again, when we look at this, we're saying what's the
15     impact on the adjudications process by having these
16     range summonses and what is the actual adjudication
17     process, does it make sense, is it flowing quickly, are
people being held out a long time, the person doesn't
get heard for several months after the case, and does
the inspector have the ability to remember exactly what
happened. So are we giving fair adjudications or not?
So when we break it down, look at fiscal
year 2003 and 2004, we see that there is a total number
of 170,000 closed hearings, and this represents kind of
a hearing that had a guilty or a not guilty plea

associated with it. If you look a little further, you
see that 105,000 of these summonses there was a guilty
plea associated with it. If you take it a little bit
further, you see that about 83,000 of these 105 were
actually settled by mail or by the person walking up
that day and kind of paying and then going home.
So if you go to the next slide. The
question for us is, there's 105 summonses that led to
guilty, but if people are willing to pay up front and
they don't need to appear, but yet we're scheduling a
hearing, we're making them show up, perhaps there's
another way we can look at this.
Out of the 83,000, 66,000 people actually
showed up to TLC, went to the window, paid the fine and went home. In the process, we still scheduled a hearing, had judges' time taken up, inspectors' time taken up, and more importantly we took time out from the person who should have been out in the field serving the passengers of New York.

I guess there's a better way, if they wanted to, if the person has a summons, if they wanted to, they could plead guilty, pay their fine and go about their business. A lot of times people said to me, "I know I'm guilty, I know I did the wrong thing. I want to just pay the summons and get on with it."

Again, we're keeping that in mind as we go forward. Again, the goal here is to improve customer service by making the hearings and the things that go on in the court actual hearings that people want to be involved with.

We believe by doing that, by cutting down the amount of traffic in the hearing room, we can get a lot achieved. If those 105,000 people who knew they were guilty chose not to come to court, we would have basically saved 100,000 hearings over the year, which
would have cut the number of hearings in half. Which to
me is important because it would have meant the judges
could have spent the appropriate amount of time, the
inspectors could have thought about it correctly and
perhaps we could have gotten to the person who had the
violation even quicker, meaning it would have been more
fresh in memory and it would have been overall a better
adjudication process.
That's the general concept, that's the
framework in which we're going to have the rest of the
conversation. The rest of the conversation is really a
three-part conversation. Today we're going to go over
the first part.
Again, under the guise of looking at
efficiency and fairness, we're going to talk today about
looking at the rules that have ranges of fines, whether
it's monetary or fixed, and then going forward. We're
going to look at standardizing similar rules across
different industries.
Again, we have the same fine for a driver in
a taxicab should be the same fine for a driver in an
Before I turn it over to Meg, I want to thank Meg and Jason and Deputy Commissioner Eckstein for looking at this, along with Sarah Meyers. We appreciate any feedback you may have, because we're trying to make this better and I think you guys offer a lot of expertise and experience.

So if you don't have any questions for me, I'll turn it over to Meg and Meg will start the next part of the presentation.

CHAIRMAN DAUS: Thank you, Andy.

Good morning, Meg.

MS. SCHEDING: Can you hear me? As Andy suggested before, we're going to just be talking about Project 1 today, and we split Project 1 in two parts, as there are two parts to a fine, the monetary amount and non-monetary amount. The way we want to address this is by talking about efficiency first and then fairness. So the first phase is addressing the efficiency issues, i.e., the monetary amount.
What we did is we took a look at the violations summary for the past two fiscal years and looked at how the rules behave. If you look right now, as Andy mentioned, there are 774 rules that come with fines and there are 170,000 that were closed. Of those closed, meaning they were completely adjudicated to a final disposition, there were 105,000 that were found guilty, whether by plea or at a hearing.

If you look at the set fines, the rules that already have set fines, there are 502 and that's about 65 percent of the rules that already have fines. If you look at the percentage of those rules that are closed, it's 84 percent, or 144,000, and the number of closed guilty is 96,000, which is 91 percent of the total number of closed guilty for rules with fines.

Then if you contrast that to the number of range rules, or the rules that have range fines, there's 272 that currently have range fines. There are 35 percent of the total amount of rules. The difference is, is that the number of closed in total is only 26,000, which is 16 percent of the number of total closed for the past two fiscal years.
If you go even further, you look at the number of closed guilty, only 9 percent of the total of closed guilty of the past two fiscal years were rules with range fines. So if we look at the behavior, set fines seem to be able to be adjudicated quicker or in an easier manner, and we figured that we would have potential savings, as Andy mentioned, about 100,000 hearings, if people, if they could by default come in and plead guilty and not have to schedule a hearing, we would create efficiency that way.

So what we identified is the problem right now is because it's a range fine, it requires a respondent to come in and schedule a hearing whether or not they believe they're guilty or not, so that forces the respondent to come into TLC and it unnecessarily taxes our adjudication system right now with unneeded hearings and crowded courtrooms.

So the goal for Phase 1 of increasing efficiency is to provide the respondents with a clearly defined penalty, i.e., a set amount, and giving the respondents the option to respond in person or remotely, eventually and that would eliminate the need for some hearings.

And the way we thought we could do this is by setting the monetary amount. In doing this, we
wanted to create a formula that would be revenue neutral
and fair, but also efficient, and so the method that we
use is we looked at all closed guilty violations. These
are, again, only decisions that we could collect, we
contract the collections for, and we took all of the
past two fiscal years, the guilty violations, we
analyzed how much was issued, how much was paid and the
range for each of the fines.

So what we decided to do was create a
formula by taking the minimum of each rule's range, so
for example, it was 100 to 250, we took the minimum,
which was 100 and added 16 percent to 100 which would be
116.

An example of this is Rule 107A, which is a
vehicle must be currently licensed by TLC. Right now
under the current rules the range is 50 to 350, and we
set the fine at 65 by using that formula.

If you look at the next slide just to insure
it is revenue neutral, we looked at all the fines
issued, whether or not, whatever the violation was, all
of the range rules and looked at the percent change of
revenue and it was less than 1 percent. But you may be
asking, well, what if a rule is really egregious, should
particular, is to look at the non-monetary penalties

which is the next part, Phase 2, which is addressing the

fairness formulas.

While revenue neutral is designed to be

fair, it does not account for the severity of the rule.

So what we had adjudications do is put all range rules

into a tier system, what we classified as public safety

rules, to address the fairness of a rule and whether or

not the monetary non-monetary penalties should be a

certain amount. Just to clarify, public safety rules

are egregious. They usually include violations that

deal with crime, integrity, insurance, general public

safety, and they often include suspension, revocation

and points.

So what adjudications did is they grouped

the rules by type. They put them into seven tiers and I

can go over each one and give an example, if you would

like. You can look at the slide.

Tier 1 is a violent offense. What we did is

set the non-monetary penalty which right now could range
from suspension, no suspension to revocation and set it at a mandatory revocation.

Tier 2 we classified that as public trust and each rule has a set non-monetary amount so it could be revocation or suspension of ten, thirty days or till compliance.

Tier 3 was licensee conduct. Those had different ranges of suspension and we set them each for suspension from five to thirty days or until compliance.

The lesser tiers, which we consider Tier 3 through 7, a lot of them don't have suspensions, so, for example, Tier 4 is equipment safety violations. Some of them have suspension, some of them don't have any suspension.

Tier 5 is failure to comply with a directive. That also does not have a non-monetary penalty and that could be a set non-monetary suspension of five days until compliance or new suspension.

The last one is Tier 6, which is owes money.

We set each rule to have a non-monetary penalty of suspension till compliance and possibly a monetary
penalty and the last one is Tier 7, which deals with
customer service and that's just a monetary penalty, so
there will be no suspensions or revocations.
So are there any questions about the tiers
so far? Okay.
So we took each of the range rules. We set
them with a non-monetary penalty, which we just went
over, but we also had to set them for their monetary
penalty. As I said, we set a 16 percent formula and
came up with a scheme. However, we decided to set
different tiers to monetary amounts.
If you look at Tier 1, which is a violent
offense, we don't have a monetary amount associated, but
the non-monetary amount is revocation. We felt that was
egregious enough. If you look at the revenue impact,
it's only a change of $1,500.
Tier 2, instead of taking it as a formula or
the minimum amount, we decided we should put it to the
maximum of the range, monetary amount, and also the
percent change is high, it's really not a large amount
of money.
And the last four tiers, Tiers 3 through 7,
we implemented the revenue neutral formula and it was almost revenue neutral at less than 2 percent.

So if you look at Tier 1 and Tier 2, those are based on fairness, egregiousness of penalties and how severe a fine is, and Tiers 3 through 7 deal with efficiency, that's why we used the revenue neutral 16 percent formula.

So, in conclusion, as Andy mentioned, what we're trying to do for setting the monetary and non-monetary amounts is to create consistent policies for TLC staff and for our licensees and customers. So now we'll have penalties that are revenue neutral in some cases and penalties that are appropriate for the severity of the crime.

In addition, in terms of our operations, we are creating efficiencies. Licensees can choose not to schedule hearings, they don't have to come into the court, which is clearing up the courtroom, allowing our staff to deal with other priorities, putting more drivers on the streets and just creating better customer service in general.
CHAIRMAN DAUS: Do the Commissioners have any questions? Commissioner Sander.

COMM. SANDER: First a comment, then a question.

First, the comment is that overall I think this is long overdue. I want to congratulation the Agency for putting forward this framework. I certainly agree with the benefits that you have laid out, long overdue.

Just as an aside, too, just curious and I agree with the point to be revenue neutral and this is not the point of this exercise, but any comments as you looked at the fines for these, is there any recommendation here for us to also take another look at any issues related to these fines? You've obviously been working on this, obviously, we don't want to do that now, but for the future, do you have any recommendation about anything else we need to do in addition to adopting this proposal?

DEP. COMM. SALKIN: You obviously can't do this exercise without saying, wow, that fine seems out of date and maybe is inappropriate.
Again, there are three parts to this project. Today we're just talking about the monetary and the suspension revocation piece, so these are the values as they stand today.

The next presentation, we'll probably do both at our next Commission meeting, our upcoming Commission meeting, one is equal fine for equal crime across the industry and the third part is going to be implementation. That's the part where we envision not only revisiting the process and how we kind of work with summonses and issue summonses, but also are the summonses the appropriate summons.

We hope by kind of organizing this whole process it will be very easy for the Commission to see, "Wait a second, why is that a Tier 6? That should really be a Tier 1." There's a real problem here and we should work to fix that.

So we figured by cleaning it up it will become more clear. When it becomes more clear, that's when we'll go through the exercise of making it better.

COMM. SANDER: I can't speak for the
details, but, again, upon a conceptual level that seems
excellent.

CHAIRMAN DAUS: Certainly the details will
come.

Any other questions? Okay, I want to again
not only reiterate the statements of my colleague,
Commissioner Sander, but I want to thank you, Andy. You
and your staff have done a great job on this. This is
one of the items that have been sitting around as a
concept. I know we briefed the Commissioners, it never
went anywhere, but now it's been given a lot of thought
and a real professional presentation and I would
envision that this is a great opportunity for the
Commissioners to have input as we go along through these
presentations as we draft the rules at the same time.

DEP. COMM. SALKIN: I want to be clear, the
goal here is to have rule making at the end of the
process. So this is a beginning, nothing's been drafted
and your input would make the process a lot better.

COMM. AROUT: Are the Commissioners going to
get copies of this or are you going to wait until the
end to give us a complete copy to study it?

DEP. COMM. SALKIN: You're absolutely
welcome to this presentation. It will be available next
month.

COMM. AROUT: I think it would be good if we
got it now.

DEP. COMM. SALKIN: Mind you, we're talking
about potential changes to 772 rules, so that exercise
is going to obviously be intense.

COMM. SANDER: Put "draft" on top of it.

DEP. COMM. SALKIN: Absolutely.

CHAIRMAN DAUS: It's a great opportunity for
Chuck to learn our rules as well. Welcome to the TLC.

Thank you again, Andy, you did a great job.

Next item is item 4, base licensing
application review.

What I thought we did last time worked
pretty well, unless any Commissioners have any comments
I'd like to do that.

Barbara, maybe we can read through each base
and if any Commissioner has a question about a
particular base, raise your hand and we'll go back to
them. And we'll couple all those we agree on. Okay?

Commissioner Schechter.

DEP. COMM. SCHECHTER: Thank you.

Good morning Commissioners, Mr. Chair.

I have before us today 23 bases who have
submitted renewal applications. We have renewed these applications and recommended renewal for all 23. I'll begin reading them.

1431 Car Services.

COMM. DEAR: I'd like to set that aside.

DEP. COMM. SCHECHTER: A.C.A. Car and Limousine Service.

American Dream Car Service?

COMM. AROUT: I'd like to set that aside, please. American Dream.

CHAIRMAN DAUS: A.C.A. is all right.

DEP. COMM. SCHECHTER: Areas Two Transportation, Big D Royal Car Service, Black Pearl, Brownstone Radio Group, Golden Town Car and Limousine Service.

COMM. DEAR: Set it aside, please.


CHAIRMAN DAUS: I have issues with that one.

24 Service, Inc., Stillwell Avenue, Inc.
25 COMM. AROUT: Put aside, please.

42

1 DEP. COMM. SCHECHTER: Stillwell?
2 COMM. AROUT: Yes.
4 COMM. AROUT: Put that aside, please.
5 DEP. COMM. SCHECHTER: And Yes Express Inc.
6 CHAIRMAN DAUS: Okay. I'd like to make a motion to vote on the, for approval of the following bases that the Commissioners seem to have no issue with.
8 Do I have a second to the motion?
9 COMM. SANDER: Second.
CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Any opposed? It passes unanimously.

Commissioner, could we go back to the first problematic one?

DEP. COMM. SCHECHTER: First problem one is 1431, base number B00983.

COMM. DEAR: I didn't get a violation -- do they have less violations, more violations?

DEP. COMM. SCHECHTER: Less.

COMM. DEAR: Instead of $3,200 they owe $1,400?

DEP. COMM. SCHECHTER: $1,400.

COMM. DEAR: Still unlicensed drivers, no decal --

DEP. COMM. SCHECHTER: I see three violations of unlicensed drivers in the two-year period.

COMM. DEAR: Hold on a second, what's on the third page. I'm talking about total.

DEP. COMM. SCHECHTER: Yes?

COMM. DEAR: Yes, what?
DEP. COMM. SCHECHTER: I'm sorry, I'm sorry, it's five. Five violations.
COMM. DEAR: Five violations of unlicensed drivers.
DEP. COMM. SCHECHTER: No, I'm sorry.
COMM. DEAR: More.
DEP. COMM. SCHECHTER: Let's go back, I apologize, because this was a recent correction.
For 1431, we have one page of violations only, and within that one page, we see only two violations of dispatching unlicensed drivers for a total fine amount of those two and all the other violations of $1,400.
COMM. DEAR: You have also one that says they operated illegal base station.
DEP. COMM. SCHECHTER: It appears that they were operating while on suspension.
COMM. DEAR: Good, so -- I want to recommend that we deny this one.
DEP. COMM. SCHECHTER: They have one such violation.
COMM. DEAR: I want to make a recommendation to deny this base their license.

CHAIRMAN DAUS: Does anybody second that?

COMM. RUBINSTEIN: How do we just go and deny --

COMM. DEAR: Somebody who has so many violations --

COMM. RUBINSTEIN: I need more than this, I'm sorry.

COMM. DEAR: That means anybody could just operate --

COMM. RUBINSTEIN: No, I can't say "yes" or "no", I can't randomly feel, without information do this.

COMM. DEAR: What information? A person here is operating, he's defying us, operating, sending unlicensed drivers, operating without a license to operate a base station, and you want him to continue.

What are we all about, then?

DEP. COMM. SALKIN: Comments, Mr. Chair?

CHAIRMAN DAUS: I agree with you to a certain extent. I have legal concerns about just being
consistent in our decision making. I mean, I totally
agree with you on the concept.

I mean, there has to come a point where we
start denying these licenses, especially since, and this
is known as Three Guys Car Service is the d/b/a of this
base. It's got seven cars. It's not like it's got a
thousand cars, it's seven cars, and it's got a pretty
bad record. Then again, there are worse records that
we've approved of licensure to give them a second
chance.

COMM. DEAR: I'm willing to set this aside.

I'll do my own thing. I'm going to call them up. I
guarantee they're operating with a lot more cars than
you think and operating an illegal place. Seven cars,
with that many violations, I guarantee they're operating
big time.

Rockaway Parkway, to have a storefront is
not cheap, they must be doing something. That's what I
understand what our staff is doing, I'll go myself, I'll
go make a call right now, send me a car over here, I
guarantee they'll send a straight plate car.
COMM. RUBINSTEIN: I think we have to be consistent. Last time we did this --

COMM. DEAR: But how much more --

COMM. RUBINSTEIN: -- we had a lot more negative input from the previous base, which we gave some time to rectify their problem, and here we're just, boom, saying it's over. That's all I'm saying. I'm not saying that necessarily what you're saying is wrong, but as a Commission, we all agree that we have to remain consistent.

CHAIRMAN DAUS: I would agree with Commissioner Rubinstein.

COMM. AROUT: I'd have to say the same thing. I agree with you, but I remember at the last meeting that they were going to send out a business letter to these people to control what's happening, and if it continues, then we will revoke their license. So I'd have to go that way as of now.

COMM. DEAR: My problem is, is that there is no sense, there's no rhyme or reason of how we go about and we approve these people. Here's a guy with seven cars, has all these violations, and he's still in
business. I have to tell you something, I'm telling
you, he has a whole bunch of illegal cars with straight
plates. I ask for enforcement --

CHAIRMAN DAUS: If we could have our First
Deputy address this, because a lot of enforcement does
go out there. Could you talk a little bit about that?

DEP. COMM. SALKIN: At the last Commission
meeting and one of the previous Commission meetings, one
of the things we talked about is the idea we have to be
consistent over the bases that we're reviewing right
now. These are bases that were given the old
application, if you will, for TLC and they were already
kind of in the review process and we asked for them back
from City Council.

So I think one of the things we do as we
review, there are about 120 or so and we're right in the
middle of doing this review, was to bring up issues and
have a conversation with the Commissioners. I think the
dialogue we're having today is very significant.

And we want to take out of this what is the
piece that you're concerned about out, and this is the
part we want to put in the new application and in the
new application they will be held accountable for other
behavior other than what they've been held accountable for in the past.

COMM. RUBINSTEIN: I would like to and I hope the other Commissioners go along with me on this, I would make a motion to get a representative of our inspectors in here and I would like them to discuss exactly what they're looking for, what they feel is violations and not, what is significant. I'd really like to get an overview of what is going on in the field.

I as a Commissioner can succinctly say I am not familiar with the techniques that are used and I see here that this particular base has seven vehicles, and if I look at it from a mathematical equation, okay, seven vehicles, three years, six or seven fines? That does not add up to a great deal.

But, maybe in terms of context, maybe in terms of the way inspectors give out fines, maybe these are egregious fines, I do not know. So I would like to make a motion to say let's get some more information about this. Let's find out if these are significant or if they're not.

CHAIRMAN DAUS: I don't think we need to have a formal vote on it, but in terms of request, I don't see any problem with that at all and I certainly
think that other Commissioners who aren't as involved as I am with the day-to-day and don't see what the enforcement does, I think it would certainly benefit. I know Commissioner Arout has come to some of our MAPP meetings and have seen some of the presentations, so I think it's a great idea to get enforcement to come here and talk about it. I don't think we need an official motion for it, but I certainly agree with you and that's fine Commissioner Rubinstein, but I do believe we have a motion on the floor. I don't believe you got a second for it. Does anybody second it?

All right, we understand your point, Commissioner Dear, but the motion fails. All I can do at this point is say that I totally understand where you're coming from. I'm there mentally and philosophically, but from a legal standpoint in terms of consistency and fairness to the bases, as a Commission we voted consistently over the last two meetings to send a message to the bases; saying we're looking at you now, we expect you to put a business plan in place and show us how you're going to do your job over the next two
years, and if you don't do what you're supposed to do,
then we're going to come back and be denied licensure.

COMM. SANDER: Mr. Chairman, what is the

Chairman Daus: Barbara, how much time did
we give them?

Dep. Comm. Schechter: We did see one of the
bases whose renewal application was considered at the
last meeting. He did come in. His business plan is due
on March 25th.


Dep. Comm. Schechter: For 1431, we could
arrange a meeting tomorrow for him to come in the
following week and then give him, as with the others,
three weeks to develop a comprehensive plan that would
address all the outstanding issues.

Comm. Sander: Is there anything we want to
be more specific of in terms of what they will convey to
this group?

Comm. Dear: The issue I have with this is
what's the minimum amount of cars a base is supposed to
have?
CHAIRMAN DAUS: It's ten. However, the law when it was passed had a grandfather clause in it, so that if you had less than ten prior to the law being passed, then you were carried over. I asked the same question, licensing staff, Bill and Barbara keep track of that and that's one of these bases.

DEP. COMM. SCHECHTER: That's January 1, 1988 and this base was in business prior to that date.

COMM. SANDER: Commissioner Dear is questioning whether there are not more than ten vehicles.

DEP. COMM. SCHECHTER: As of today they have seven.

COMM. DEAR: They have seven legally.

That's one issue.

The second issue, I'm telling you, they're not operating with seven vehicles. No one operates seven vehicles and stays in business on Rockaway Parkway and I'm asking now, to verify -- forget about, before you bring them in, to do a very thorough investigation to make sure that they're not operating a hundred
vehicles, all straight plates and all kinds of other plates going on.

Again, this is not fair to the others. I'll
tell you right now. I'm not voting "yes" on this, I'm
going to vote "no" on this, I don't care. I'm going to
continue to be against anybody who operates or defies us
and sends out straight plates. To me, you talk about
public safety, that's the worst public safety issue.
God forbid one person gets killed or a serious accident
in one of those cars, it's going to be all over the

And you see the conditions of these cars? I
see them all over my neighborhood, wherever I go and I
keep on calling, I even call our First Deputy
Commissioner, I keep bugging him whenever I'm on the
road, I see an LA plate, a straight plate. They laugh,
they don't care and we keep on renewing it.
I want some kind of undercover
investigation. I want to somehow go after them.
CHAIRMAN DAUS: It's a good point,
Commissioner Dear, and I agree with you. We did have an
incident last year with Staten Island, Staten Island Car
Service, and we put that base out of business with a number of other bases.

Just so the Commissioners feel more comfortable, when we're renewing licenses, it's a different function. There's nothing preventing us, Commissioner Dear, from going out and continuing enforcement and there are procedures available to revoke licenses like we that out on Staten Island when there were two or three bases way out of line and engaging in the kind of misconduct you're describing.

I would ask Andy to meet with Joe Mendolo.

It would be great if we had a briefing for the other Commissioners on what we do and how we do it, but there's nothing to prevent us from going forward, Andy, and enforce the law on bases we view as concerned bases.

DEP. COMM. SALKIN: Can I ask a question of the Commissioners?

One idea I believe was thrown out at the time we first started doing the reviews was perhaps setting up some type of teeth in the penalties so if people while they're on, while their license is still
active, they get a certain number of penalties and violations that are egregious in nature, that they immediately go on suspension.

Right now we don't have that kind of ladder, if you will, the persistent driver protocol, program. If that's something you're interested in, we could work on developing something, present a theory to the Commission for rule making.

COMM. SANDER: That's a great idea.

CHAIRMAN DAUS: We're talking about having a point system for bases. You get X number of violations where you dispatch unlicensed vehicles; one, two, three strikes you're out. Whatever you think is appropriate.

That's really the only standpoint myself and my fellow colleagues are coming from. We want to be consistent and fair.

How can I in good faith, with all due respect to you Commissioner Dear, deny this license when I let a license be renewed last month that was ten times worse.

COMM. DEAR: There was one license where every public official was against it, we all got hot
under the color and we voted against it. I guarantee
you, take that list of violations and this list of
violations we have before us now, I guarantee you it was
probably exactly the same.

CHAIRMAN DAUS: That had different issues,
though. That one had congestion --

COMM. DEAR: Listen, I've been there, I know
what it's all about. You get a few complaints, a few
residents, all of a sudden everybody gets on top of it,
they come to us, we just went along with the flow. I
have to tell you, it's no different that someone over
here. So we weren't consistent before.

COMM. AROUT: Mr. Chairman, I just want to
say to Andy, this is a great idea, try to get this in
the new rules. After they have so many tickets for X
amount of things, they be brought into the Commission to
explain their reason for all these unlicensed vehicles
or whatever it might be. I think -- but this is a good
idea what we have right now, and like, to renew them all
and give them a warning of what we're doing.

DEP. COMM. SALKIN: I think hopefully down
the road we'll have a new application that has kind of a
new vision from the Commission saying what's good and
what's bad and the bases will know what's bad, so when
they come up for renewals --

COMM. DEAR: If we are starting to look at
the renewal process, the whole new procedure, let's look
into new cars and cleaning up that whole industry.

CHAIRMAN DAUS: You mean vehicle retirement
for the FHV industry?

COMM. DEAR: Absolutely.

CHAIRMAN DAUS: So one motion did not carry.

Is there another motion on the table? All
right, I'll make one.

I'd like to against my better judgment,
renew this base license with the caveat that we actually
go out there and make sure that they give us a business
plan and also we should send enforcement to this base at
some point.

COMM. AROUT: I second that.

COMM. SANDER: Is it not possible to table
this until we have a review of their business plan and
engage in some of this activity?

CHAIRMAN DAUS: We could do that.

COMM. RUBINSTEIN: What was done to the
previous base where we gave them time?

CHAIRMAN DAUS: I just have concerns,
because I think, quite frankly, I'm looking at the
record here and I believe there are a couple of other
bases here that are just as bad, if not worse.

COMM. DEAR: Right, let's bring them all in,
see if they're serious, then we could vote on it.

COMM. RUBINSTEIN: My question is what did
we do to the base --

COMM. DEAR: This is all new.

CHAIRMAN DAUS: We approved them.

COMM. DEAR: We could change it. We don't
have a track record of six years. This is new for us.

CHAIRMAN DAUS: I understand the point.

There's a motion on the floor --

COMM. AROUT: Second.

CHAIRMAN DAUS: -- to approve it with the
caveat of some enforcement, but also the caveat of
having a business plan like we did the last few months.

All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: Opposed?

COMM. DEAR: I vote no.

CHAIRMAN DAUS: Commissioner Dear votes no.

It's approved.
DEP. COMM. SALKIN: Point of clarification.

The way this process works, a positive vote of the Commission today is subsequently followed up with a letter to the base letting them know that their license is good in ninety days, and what we do with the people who have to kind of come in and prove is we kind of give them, this is a grace period. They have ninety days to figure it out, and if they don't, and they don't meet the wishes of the Commission, their license is rejected.

COMM. RUBINSTEIN: Could you repeat that?

DEP. COMM. SALKIN: They have ninety days from the point that you vote today until their license is renewed. What we're trying to do, not to keep business moving, but let them know you have to do this, based on the Commission's desire. In this case, your license can get renewed, it was passed by the Commission, but you need to do the following things, and if you fail to do so to a satisfactory level, you will be denied.

Now, The thing that Commissioner Sander pointed out, perhaps bringing the base back for a vote
in front of the Commission, and you're welcome to do
that, but I just want to point out that you sort of set
that in motion, they have to perform up to your desire.

COMM. DEAR: Could we now take this
recommendation of Commissioner Sander to make this a
policy of ours that anyone has a history of extensive
violations to come up with a business plan before it
comes for a vote before us, and don't even put it on the
agenda. Come in with a business plan then come before
us for a vote.

DEP. COMM. SALKIN: Again, right now, we
don't have a way for the staff to determine what is
egregious violations, because the past practice has been
you can get violations, you go through adjudications and
you pay your fine.

What you're saying now is you want to have
some definition and in order to for us do that we need
to engage in rule making, because we're impacting the
public in a different fashion.

It's not a bad idea, it's one that gets
reiterated every time we do this, but it's not one we're
capable of using under these particular applications.

CHAIRMAN DAUS: That's a point well taken.

COMM. SANDER: So what needs to occur to make that happen?

DEP. COMM. SALKIN: Well, what we were kind of under, the intention here, there's about 120 bases that were called back from City Council and the idea was they would no longer go to the City Council review, they would come to the Commission as kind of the ultimate deciding point and with these bases, we were instructed that we have to use the old application. So what you're getting today is we're about what, 60 plus bases into this, so we're about halfway there.

The idea that we viewed it as going through 120 was through the process, we were going to get to what the new application should be, we were going to make changes on the application and as long as we're allowed to do something based on the codes that were already passed in the APP code and TLC rules, we were going to ask for additional things.

The business plan we believe is clearly something the TLC can ask for, given the current rules.
Telling the base they're suspended because their overall
number of summonses they have look like that they're
egregious, is something the rules don't give the staff
the authority to do.

So based on the feedback we've been getting
today, and through the last few meetings, is something
we'll begin to make recommendations to the Commission on
what rules we think -- I guess the point system is
something everyone talked about.

COMM. SANDER: What time frame would be

reasonable --

DEP. COMM. SALKIN: You're talking about 25
hearings, we're hopefully going to be doing more, 25
bases a month for a Commission meeting. I guess the
goal is to have that done sometime in midsummer or early
summer and after that, it would be new bases, new
applications, and so the idea is we'd like to have
ideally rule making done in time for that.

So we'll start work on, sounds like a point
system we could start working on.

CHAIRMAN DAUS: Sounds like a good plan.
On the remaining applications that have been identified, I just looked at them. I view them as having the same issues as we had for Three Guys. Unless anybody has any comments, that they seem to be bad records and they seem to fall under the same general category as Three Guys, unless anybody feels otherwise.

Okay, in light of that discussion, I'd like to couple the remaining bases for a motion to approve with the same caveat we did for Three Guys.

COMM. RUBINSTEIN: I just have a question. Is there any one of these bases, is there any one these bases that stand out more in violations in terms of other ones in comparison, because I'd like that known for the record.

CHAIRMAN DAUS: Yes, I think Mexicana, I'm a little insulted, to be honest with you, with Mexicana Car Service. This is a base we relied on to deliver service during the Queens bus strike and while there was some drivers there who did an admirable job, I was under the mistaken assumption this base was doing a great job. Now I'm looking at their record, I have
tremendous concerns about them. While I may have
publicly lauded them in the past, upon looking more
closely at their record I have concerns and I think
Mexicana needs to clean up their record with respect to
these other bases, but that one stands out.

Any others stand out for particular mention?

American Dream.

COMM. DEAR: They all do.

CHAIRMAN DAUS: American Dream has a pretty
bad record, too.

COMM. DEAR: Base violations.

CHAIRMAN DAUS: They're all in the "bad"
category. For the record that's American Dream Car
Service, Golden Town Car and Limo, Mexicana High Class,
Stillwell Avenue, also known as TJ's Car Service,
Washington Radio Dispatcher.

With that caveat, that they provide a

business plan and that we also conduct some followup
enforcement on these bases, I'd like to make a motion to
approve those bases for now.

DEP. COMM. SCHECHTER: That's including
CHAIRMAN DAUS: Yes, we already voted on that, though. Is there a second?

COMM. AROUT: I second.

CHAIRMAN DAUS: All in favor?

(Chorus of "Ayes.")

CHAIRMAN DAUS: What about Lee?

COMM. RUBINSTEIN: We only need four.

CHAIRMAN DAUS: It would be better with Lee.

COMM. AROUT: May I make a comment? I'm very impressed with these car services and limousine services. Like Melmac, they have 22 vehicles, not one fine. These people deserve a medal. Not a scratch on them.

CHAIRMAN DAUS: Assuming enforcement has not been visiting.

COMM. DEAR: I don't know where Lee is. Leave it open until he comes back. I'm voting for the record "no."

CHAIRMAN DAUS: Commissioner Dear votes "no," everybody else but Commissioner Sander votes "aye," and we're waiting for Commissioner Sander to
reenter the room.

Some of these have been in business for many, many years and some of them have no violations. So I would echo that. You complain about the people who aren't doing the right thing I think we should laud those who are doing a good job. Harbor View, Hillside 24 Hour Dispatch, and some of the others here and that's that. So we'll wait for Lee to come back in. Any other issues or questions?

COMM. RUBINSTEIN: I want to reiterate that inquiry, perhaps you said, that we could have prior to our meeting an inspector or series of reports filling us in on what's vital what's not, what are some of the procedures they use and what really would be pertaining to important violations in this area.

CHAIRMAN DAUS: Sure, it's a great idea.

We'll try to throw that together?

DEP. COMM. SALKIN: I was thinking perhaps what we could do is work on a presentation with a point system and with that kind of define --

COMM. RUBINSTEIN: Even prior to that, have an inspector come in and say --

DEP. COMM. SALKIN: Part of that would be a
presentation to the Commission saying, "Here's the
rules, here's how we interpret them, here's what they
look like from the field perspective, from the
adjudication perspective."

I think we could work through that and get
to the right conclusions.

CHAIRMAN DAUS: How is the new processes
working with the bases we approved so far? You said one
was asked to submit a plan so far?

DEP. COMM. SCHECHTER: One was called in and
was asked to submit a plan by this Friday.

CHAIRMAN DAUS: So we haven't looked at them
yet.

DEP. COMM. SCHECHTER: No, we're just
letting them know what we're looking at and what's
expected from them. Then we have six more expected to
come in next month, also told what is expected of them.

CHAIRMAN DAUS: I think it would be helpful
for the Commissioners.

Okay, hi, Lee. We had a motion on the
floor, everybody has voted except for you and that was
to take all the other bases that I identified, including
American Dream, Golden Town Car Limo, Mexicana High
Class, Stillwell Avenue and Washington Radio Dispatcher,
which we all believe have similar records to Three Guys
Car, they're all bad, no issues of congestion and quality of life brought up, bad records and we coupled them in the same category, we all voted to, except for Noach voted against, to approve these bases with the caveats they provide a business plan and we conduct enforcement of those particular bases.

COMM. SANDER: Looks like I'm the fifth vote.

CHAIRMAN DAUS: Okay, thank you, so all of those bases are approved with those caveats and that concludes our base licensing menu for today.

The last item is a motion to close the meeting. Do we have a motion?

COMM. AROUT: Motion to adjourn.

CHAIRMAN DAUS: Second. All in favor?

(Chorus of "Ayes."

CHAIRMAN DAUS: Okay, we're adjourned until May 4th.

(Time noted: 11:06 a.m.)

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CERTIFICATION

I, LINDA FISHER, a Registered Professional Shorthand Reporter and a Notary Public, do hereby certify that the foregoing is a true and accurate transcription of my stenographic notes.

I further certify that I am not employed by nor related to any party to this action.

LINDA FISHER,
Shorthand Reporter