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NEW YORK CITY TAXI AND LIMOUSINE COMMISSION  
MEETING  
held on Tuesday, March 30, 2004  
at  
40 Rector Street  
New York, New York

MATTHEW DAUS, COMMISSIONER/CHAIR

TANKOOS REPORTING COMPANY, INC.	
305 Madison Avenue	142 Willis Avenue
Suite 449	P.O. Box 347
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1 APPEARANCES:

2 ELIAS AROUT, Commissioner  
NOACH DEAR, Commissioner  
3 HARRY GIANNOULIS, Commissioner  
STANLEY E. MICHELS, Commissioner  
4 HARRY RUBINSTEIN, Commissioner  
ELLIOT SANDER, Commissioner  
5 ALBERTO TORRES, Commissioner  
IRIS WEINSHALL, Commissioner  
6 PETER M. MAZER, General Counsel

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P R O C E E D I N G S

(9:30 a.m.)

CHAIRMAN DAUS: Good morning, I want to thank everybody for coming this morning. I am going to give you a brief description of the agenda for today and then we will commence the public hearing process on the rule making before the Commission today. We have gone through a very long process to get to this point and we have some major decisions to discuss today. There are many people in this room who contributed to this process which has led to good, well thought out rules, and I want to thank you for your participation. We look forward to hearing your comments.

Most notably, I would like to thank all the TLC Commissioners here today as well as Mayor Bloomberg for their input and their guidance.

Now we will proceed to the two items on the agenda. Item One, approval of minutes from the February 26, 2004 meeting.

COMMISSIONER AROUT: Motion to accept.

CHAIRMAN DAUS: Commissioner Arout has a motion to accept. Do we have a second?

COMMISSIONER TORRES: Before we do

25 that, on page 7 at the top, if you can just check,

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1 it says "Commissioner Torres stated that a fare  
2 increase was intended to proportionately benefit the  
3 industry."

4 I don't know if I said that or if  
5 Commissioner Salkin said that, if you could double  
6 check. You don't have to do it now. I don't recall  
7 saying that.

8 CHAIRMAN DAUS: We can double-check that  
9 for you if you like and we can take a vote on it in  
10 a little while.

11 COMMISSIONER TORRES: Well, we can  
12 approve and make a modification.

13 CHAIRMAN DAUS: Okay, if it is  
14 different, we will come back to it.

15 Do we have a second?

16 COMMISSIONER WEINSHALL: Second.

17 CHAIRMAN DAUS: All in favor?

18 (Chorus of "Ayes.")

19 CHAIRMAN DAUS: Any opposed?

20 (No response.)

21 CHAIRMAN DAUS: Okay.

22 So, Peter, if we could have somebody  
23 check the transcript while the meeting goes on and

24 report back to us.

25 Item Two: Report of actions taken at the

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1 February 26, 2004 executive session.

2 Peter, could you please give us a report.

3 MR. MAZER: Yes. There were two cases  
4 on the agenda at the executive session. The first  
5 was a repeal of the revocation against Staten Island  
6 Car Service, case 0007. The commission has voted  
7 five/nothing to affirm the penalty of license  
8 revocation and the fine that was imposed by the  
9 Chair. Commissioner Arout recused himself on that  
10 proceeding.

11 The second case before the Commissioners  
12 was the appeal of Aonate Clodate (ph.),  
13 A.O.N.A.T.E., hack license 496295. The Commission  
14 has voted unanimously to modify the penalty to  
15 provide for a six-month license suspension, a fine  
16 of \$500 and license probation.

17 Those are the only two cases that were  
18 before the Commissioners at the executive session.

19 CHAIRMAN DAUS: Thank you ,Peter.

20 Now we will proceed to the Chair's  
21 report. I will be brief. First, on the medallion  
22 sale. Our outreach for the medallion sale is

23 certainly in full swing at this point.

24 We have held a total of five  
25 informational seminars, on in each borough of the

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1 city over the past few weeks. Over 1,000 people  
2 have attended these seminars. We have also held  
3 three technical bidders workshops which have been  
4 well attended by over 100 people so far. Over 2,000  
5 people are part of our bidders' mailing list and  
6 have asked for information and bid packages for the  
7 medallion sale. We are very optimistic that so many  
8 people have shown interest in the sale thus far.

9 In preparation for the sale and as  
10 mandated by our rules, the TLC set the minimum upset  
11 prices for the medallion sale as follows: An  
12 unrestricted individual medallion will have a  
13 minimum upset price of \$233,000. The restricted  
14 individual medallions, which are CMG or accessible  
15 medallions will have a minimum upset price of  
16 \$210,000. For the corporate mini fleets which are  
17 sold in lots of two, there will be a minimum upset  
18 price of \$550,000, and for restricted medallion  
19 corporate lots, the minimum upset price will be  
20 \$495,000 per lot.

21 The medallion auctions are scheduled to

22 take place at the Tishman Auditorium, which is  
23 located at 66 West 12th Street between Fifth and  
24 Sixth Avenues. There is a flier that is in the back  
25 if you would like to take it which has all the

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1 details and parking information.

2 The corporate bids will be accepted from  
3 April 12th through April 15th and will be opened on  
4 April 16th. The second auction will take place for  
5 individual medallions, and that will be accepted  
6 from April 19th to the 22nd. The bids will be  
7 opened on April 23rd.

8 During March of 2004, for your  
9 information, individual medallions sold for an  
10 average of \$249,000, which is down \$1,000 from  
11 February of '04. There were 16 individual medallion  
12 sales. On the corporate side, there were 5  
13 corporate medallions sold to date in March, and they  
14 sold at an average of \$280,000, which is virtually  
15 the same as their February average price.

16 On Operation Street Hail, I just want to  
17 make a few policy statements and comments on  
18 enforcement. I would like to take this opportunity  
19 to announce a new stepped-up enforcement plan that  
20 will go into effect after the sale of the first 300

21 medallions. We believe there is a real need for  
22 these new medallions to service the public,  
23 especially in the central business district where we  
24 often hear from constituents that taxis are  
25 difficult to find.

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1 To protect the yellow taxi's exclusive  
2 right to pick up street hails, especially with 900  
3 medallions added to the mix, it is imperative that  
4 the TLC commit more resources to preventing the  
5 illegal hails that have become pervasive in the CBD.  
6 While the details of the new operation are still  
7 being fleshed out, in the next few weeks we will  
8 announce a new enforcement effort and we will work  
9 with our Commissioners on that as well.

10 That concludes the Chair's report.

11 Any questions?

12 Okay, we will proceed to the public  
13 hearing.

14 COMMISSIONER DEAR: Can I add? The last  
15 time you made a report, there were two issues that  
16 you talked about. One was with regard to the  
17 insurance issues with the livery cars and the vans  
18 that was resolved. I understand that it has not  
19 been resolved and it is an ongoing issue and

20 something that I would like to raise.

21 We should have a hearing on, or whatever  
22 we have to do, after today obviously, and let's deal  
23 with that issue as well.

24 The second issue is we had a conversation  
25 in regard to enforcement in regard to the new

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1 handicap car service that you talked about that you  
2 are going to do enforcement on with regard to livery  
3 services. It's important, it's imperative that not  
4 only do we inform them, but we start beginning to do  
5 enforcement, because this is a rule that has been in  
6 existence prior to 9/11 and something that I think  
7 we should absolutely deal with. And I hope again  
8 after today that we can pay attention to that.  
9 That's a very, very important issue.

10 CHAIRMAN DAUS: I certainly,  
11 Commissioner Dear, I concur with your concerns. I  
12 believe the insurance issue is an ongoing issue. We  
13 have only hit the tip of the iceberg in our efforts.  
14 We looked forward to working with you and the other  
15 Commissioners, Commissioner Arout especially, on  
16 that issue.

17 On the accessibility, I totally agree  
18 that we need to have enforcement. We have a plan.

19 In the interest of time because of the hefty agenda  
20 we have, I did not report on that. But at the next  
21 meeting I certainly will and we will flesh that out  
22 in some more detail.

23 COMMISSIONER DEAR: But not just  
24 warnings.

25 CHAIRMAN DAUS: Yes. In the interest of

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1 time, though, Commissioner Dear, I would appreciate  
2 it --

3 COMMISSIONER DEAR: Okay.

4 CHAIRMAN DAUS: But we will flesh these  
5 issues out tremendously in the next couple of  
6 months.

7 COMMISSIONER MICHELS: Before you talk  
8 about medallions, without asking you to answer a  
9 question, I just want you to put a note that I asked  
10 and requested again we look into the accessibility  
11 issue my colleague is talking about, and also the  
12 clean air issue and the use of hybrid electric  
13 vehicles.

14 CHAIRMAN DAUS: It is duly noted.

15 COMMISSIONER MICHELS: Thank you.

16 CHAIRMAN DAUS: I would like to take a  
17 few moments to make a few comments about the

18 proposed service improvements before the Commission.  
19 There are four major improvements being proposed by  
20 the TLC, all of which will provide a great benefit  
21 to the consumer.

22 We tried to cover four major areas when  
23 developing these improvements: finding a taxi,  
24 riding in a taxi, ensuring a good ride and paying  
25 the fare.

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1 Specifically, the improvements are as  
2 follows: The first improvement. First, finding a  
3 taxi. Group rides, many of you are familiar with  
4 the group ride sites that are permitted in our  
5 rules. One program in operation runs from York  
6 Avenue on the upper east side to Wall Street on  
7 weekday mornings, also known as "The Wall Street  
8 Run." It has been a big success and benefits both  
9 drivers and passengers.

10 Drivers pick up a group of riders on York  
11 Avenue at two different sites and are permitted to  
12 charge a flat rate that is higher than what the  
13 metered amount would be for a single ride. Each  
14 passenger, however, is paying a lower rate than they  
15 would normally pay for taking their own taxi  
16 downtown. We have found that there is demand for

17 this type of service in other parts of the city, and  
18 we are certainly hoping to pass a rule today, and  
19 hear from the public on it today, that would allow  
20 for more of these group ride stands to be set up  
21 throughout the city.

22 Item Two, riding in a taxi. Scratch and  
23 cloud resistant partitions. Another rule we hope to  
24 pass today is one that will improve the experience  
25 for passengers while they are riding inside the

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1 vehicle. Most of the partitions currently in yellow  
2 taxis are cloudy and scratched, making it difficult  
3 for passengers to see the road as well as the hack  
4 license. The rule proposed today takes advantage of  
5 new technology that allows partitions to be both  
6 cloud and scratch resistant for their useful  
7 lifetime. This will be a benefit for customers who  
8 will have a clearer and open view when sitting in  
9 the back seat.

10 The third rule proposal, ensuring a good  
11 ride, involves electronic trip sheets and passenger  
12 information screens. It has also been referred to  
13 as our technology proposals. Two other improvements  
14 are the transmission on an electronic trip sheet and  
15 the installation of passenger information screens.

16 Electronic trip sheets will change an antiquated,  
17 difficult process, that of driver's filling out trip  
18 sheets manually, to one where information about  
19 vehicle location, trip duration and frequency, as  
20 well as fare amount could be automatically  
21 collected.

22 The passenger information monitors will  
23 provide the passenger with information about their  
24 trip. At a minimum, passengers will be able to  
25 follow the route that they traveling on an accurate,

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1 up-to-date map which includes details of all the  
2 five boroughs of New York City. This monitor will  
3 enable us to replace the generic paper maps that are  
4 currently laminated and placed in the rear of the  
5 taxis.

6 Finally, paying the taxi fare. Credit  
7 and debit card acceptance. In order to enable  
8 passengers to have a variety of options available to  
9 them when paying for their trip, another proposed  
10 rule will mandate that every taxicab be equipped  
11 with a device to accept credit cards and debit cards  
12 for payment. We believe this is a necessary  
13 component of paying for virtually any service in the  
14 21st Century and will be especially useful for

15 tourists and travelers coming from the airports.

16 In terms of the process, before we  
17 proceed to the public hearing because I know many of  
18 you have comments on the process, I would like to  
19 answer some of your questions in advance on the  
20 process for implementing improvements. In the event  
21 that these improvement pass, it is critical that the  
22 TLC engage in a process that is well-defined and  
23 public. The process should include both leadership  
24 and cooperation from the Commissioners and all parts  
25 of the industry.

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1 To this end, I will be proposing a  
2 generic rule change for inclusion in all the  
3 customer service improvements that will require the  
4 Chair to take all standards and policy decisions  
5 back to the Commissioners for their input and for  
6 their approval. In addition, TLC will commit to  
7 implementing the following: First, hiring a  
8 dedicated project manager charged with the  
9 successful implementation of approved service  
10 enhancements. Also establishing a subcommittee of  
11 interested TLC Commissioners to actively stay  
12 abreast of this process and the decision making  
13 involved.

14                   Also, we would like to have an ongoing  
15                   dialogue with the TLC, the industry and private  
16                   sector in the form of open meetings. We want to  
17                   work together also with our sister agencies to  
18                   establish an intra-city task force that will include  
19                   TLC, the Department of Transportation and the  
20                   Department of Information and Technology also known  
21                   as DoIT\*\*.

22                   We would like to charge these committees  
23                   with outlining major policy decisions in time for  
24                   the July Commission meeting of this year. We also  
25                   like to develop parameters for a pilot program,

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1                   approval, disapproval, evaluation at some point.  
2                   And from July until February of 2005, the TLC will  
3                   evaluate pilots that come forward and are presented  
4                   to us. It is our hope that by next April 2005, the  
5                   TLC will have standards and policies well defined  
6                   for each of the customer service items passed today.  
7                   This will leave more than six months for final  
8                   implementation leading up to the November 1, 2005  
9                   goal of having all service improvements installed.

10                   Before we commence the public hearing, I  
11                   would like to apologize, we have a packed audience,  
12                   we also have an overflow room, and I would like to

13 talk a little about, because we have a long day  
14 ahead of us I would like to talk about protocol and  
15 ask for your indulgence. We have given five minutes  
16 for everybody to speak on all of our rule proposals  
17 combined that I have just described for you.

18 We would ask that if it is possible for  
19 you to make your points in less than five minutes,  
20 that you do so. I would also ask the Commissioners,  
21 in the interest of time and efficiency, if you have  
22 any questions of the speakers, to just raise your  
23 hand quickly, and in the order that you raise your  
24 hand, we will make a note of it, and we will get  
25 around to you so that you can ask your question.

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1 But I would like to actually, unless we have any  
2 other comments, proceed to the public hearing.

3 Okay, for the record, there are five  
4 proposals under consideration, they are grouped  
5 together for comment for up to five minutes for each  
6 individual.

7 The first is the proposed amendment to  
8 the taxicab specifications requiring that partitions  
9 be clear and scratch resistant.

10 The second is a proposed amendment to  
11 the taxi owners' rules to extend the use of group

12 ride and pickup locations.

13 Number three is the proposed amendment to  
14 the taxi specs owners' rules and drivers' rules to  
15 mandate the installation of vehicle locator, text  
16 messaging, video monitor, electronic trip sheet and  
17 credit/debit card equipment.

18 Item four, proposed amendment to the taxi  
19 owners' rules to increase various rates of fare.

20 And item five, proposed amendments to the  
21 taxi owners' rules to adjust maximum lease rates  
22 that may be charged to drivers.

23 These rules were published in the City  
24 Record and have been available on our website and I  
25 believe they have been certainly adequately

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1 distributed to all. We would like to start first  
2 with our pre-registered speakers and with our  
3 petitioners. The first one is Mr. Ronald Sherman,  
4 the President of MTBOT.

5 I would like to commend and thank you and  
6 your organization for all the fine work you have  
7 done in getting us to this point.

8 MR. SHERMAN: Thank you, Commissioners.

9 Good morning, commissioners. My name is  
10 Ron Sherman, I am president of Metropolitan Taxicab

11 Board of Trade. I am testifying in favor of a 26  
12 percent fare increase which is long overdue. In  
13 addition, MTBOT requests an overall \$118 increase in  
14 the weekly lease cap, which is \$68 more than the  
15 proposed \$50 increase. I urge the Commissioners to  
16 approve both of these increases today.

17 Traditionally, fare increases have been  
18 split 50/50 between the driver and the owner, and in  
19 1996 the split was 60/40 in favor of the driver.  
20 However, we have been experiencing acute driver  
21 shortages for the last several years. Due to these  
22 unique circumstances that have only been intensified  
23 by eight long years without a fare increase as well  
24 as a difficult licensing process, we believe that in  
25 order to attract and retain drivers it is necessary

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1 to give drivers 85 percent of this increase.

2 However, the fact remains that our  
3 operating costs have skyrocketed over the last eight  
4 years and will not be significantly offset by this  
5 increase, nor would it cover service improvements  
6 which we are told will cost \$1,500 per taxi. What  
7 we will hopefully be able to do is increase our  
8 lease fees just enough so that for at least the next  
9 couple of years our garages can continue to operate

10 24/7 double shift operations which provide an entry  
11 level opportunity for thousands of drivers in the  
12 taxi industry.

13 We are hopeful that this one-time  
14 unusually large boost to driver incomes will  
15 strengthen other industry so that the TLC can  
16 support an increase in lease fees in the future. If  
17 we cannot achieve a better balance, our fleets will  
18 simply not be able to continue serving our thousands  
19 of drivers, our hundreds of mechanics and personnel,  
20 and our millions of passengers through our unique  
21 24/7 per shift operations. We will be forced to  
22 shift our mode of operation where the driver will  
23 have to bear the expense of operating a taxicab.

24 To quote the TLC's own brochure, under  
25 the headline, "The American Dream Realized," quote,

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1 "Many new Americans enter the taxicab industry each  
2 year, leasing taxicabs by the shift initially but  
3 steadily moving up the career ladder."

4 We must not let down future generations  
5 of new drivers and present day part-time drivers by  
6 ignoring the financial needs of the companies that  
7 provide these opportunities. Thank you.

8 CHAIRMAN DAUS: Thank you, Mr. Sherman.

9 Next speaker is Ms. Bhairavi Desi from  
10 the New York Taxi Workers Alliance, petitioner.

11 Good morning, Ms. Desi, and thank you  
12 very much for all of your hard work on behalf of you  
13 and your organization.

14 MS. DESI: Thank you, Commissioner.  
15 Gosh, it has been a long time, but imagine me saying  
16 that it is actually good to be in the TLC this  
17 morning.

18 This has been a long time, a raise that  
19 we have been waiting for eight long years. I think  
20 in order for drivers to get the raise, and I am very  
21 heartened to hear Mr. Sherman say that they believe  
22 that in order to retain drivers, 85 percent of the  
23 increase needs to go to them. If that is the case,  
24 then the lease caps have to stay the same. As it is  
25 now, people are beginning at a negative of \$130

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1 every single day. Imagine going to work beginning  
2 at negative, and, so, no matter what happens in the  
3 middle of your shift, regardless of the ability of  
4 fares, if your car breaks down, there is a family  
5 emergency, a crisis. I have seen drivers who in the  
6 middle of a shift, if they have had an accident or  
7 if they have been assaulted, I have seen people

8 taken to emergency rooms but they still have to pay  
9 that lease out, because it's given out at the  
10 beginning of that day before there is an opportunity  
11 to earn any money.

12 So in order for the TLC to ensure that  
13 this raise goes to the drivers, the leases have to  
14 stay the same. So the Taxi Workers Alliance, and  
15 you know that our position has been we actually  
16 think that the lease cap is high. We actually think  
17 that the cap needs to be lowered, but in the  
18 interest of moving things forward, we want the lease  
19 cabs to at least stay the same, and certainly not to  
20 go above the 3.4 percent increase which is on the  
21 table right now.

22 Secondly, in terms of the fare raise, the  
23 surcharge in the nighttime needs to remain. Every  
24 other industry pays night workers more. The taxi  
25 industry needs to establish and maintain that same

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1 kind of a standard for the night workers of this  
2 industry. We appreciate the \$1 surcharge in the  
3 rush hour. We know it's experimental but it's  
4 necessary to keep the night surcharge in order to  
5 properly reward night labor similarly to daytime  
6 labor.

7                   In terms of the fare increase further, we  
8                   think there should be an increase in the waiting  
9                   time yield. Our compromise proposal has been at  
10                  least increase it by 40 cents every 90 seconds as  
11                  opposed to the 120 seconds. The yield has not gone  
12                  up since 1990 but drivers are not working under 1990  
13                  traffic conditions, so we think that the yield on  
14                  the meter needs to go up under the waiting time  
15                  conditions.

16                  Also drivers under the waiting time yield  
17                  currently would be grossing \$12 per hour, but their  
18                  operating costs are above \$12 per hour. In terms of  
19                  the service improvements, I would like to comment  
20                  specifically on the credit card proposal. Our  
21                  concern with it, and I understand in today's economy  
22                  to remain competitive I understand wanting to  
23                  increase, you know, allowing passengers to pay  
24                  through credit card. But we feel that some kind of  
25                  a minimum requirement for credit card use should be

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1                  established similar to the establishment that many  
2                  small businesses and even bigger businesses such as  
3                  restaurants have.

4                  We also think that there has to be a way  
5                  to allow garage drivers to finish their shift before

6 returning the car to the garage if the reader  
7 becomes inoperable. As it is now written, if you  
8 are a daily lease driver and the credit card machine  
9 becomes inoperable, you are supposed to return to  
10 the garage. So that would mean that your entire  
11 shift would pretty much be gone and not every garage  
12 has a system by which to credit drivers for money  
13 that they lost. The only credit system I am aware  
14 of is one where they allow you to work a couple of  
15 extra hours to earn back that money that you may  
16 have lost. And that's really not a credit system.

17 Next I think that we need to require  
18 garages and brokers to consider collecting the  
19 weekly payments at the end of the week. If drivers  
20 are going to be paying out in cash but a significant  
21 amount of their income is not going to be coming  
22 back in cash, the negative that they begin with  
23 every week needs to be lowered in addition to asking  
24 the garage and brokers to collect the weekly  
25 payments at the end of the week.

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1 Lastly, I would like to say that we are  
2 very appreciative particularly of the Mayor's  
3 statements. Mayor Bloomberg has said repeatedly,  
4 particularly over the past few months, that he

5 believes that a living wage standard needs to be  
6 established in this industry in order to retain  
7 drivers who work on average 60 to 70 hours a week  
8 with no healthcare, no pension, no paid time off, no  
9 basic security that other workers in this economy  
10 have. And so we appreciate his sentiment and I  
11 think for that to become a reality, this fare  
12 increase needs to go through with the night  
13 surcharge being maintained and the lease caps being  
14 maintained at the same level. Thank you.

15 CHAIRMAN DAUS: Thank you.

16 Any questions?

17 COMMISSIONER RUBINSTEIN: I would like  
18 to defer to our counsel, because in my understanding  
19 the night charge did go back in.

20 MR. MAZER: Well, right now the rule  
21 proposal eliminates the night surcharge, but at the  
22 end of the public hearing we can --

23 CHAIRMAN DAUS: You would have the  
24 authority to make a motion to amend.

25 COMMISSIONER RUBINSTEIN: I just want to

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1 mention to you, it's in the process.

2 MS. DESI: Okay, thank you.

3 COMMISSIONER TORRES: I have one

4 question with regard to the credit cards. How does  
5 it work now? You are saying if the credit card  
6 system is not working, they have to return the  
7 vehicle?

8 MS. DESI: I believe that's the way it  
9 is written in the present rule. Mr. Mazer can  
10 correct me if I am wrong. My understanding is that  
11 if in the middle of the shift, the rule would say  
12 that if the machine becomes inoperable, you are  
13 supposed to go and get it fixed. You cannot keep  
14 working if the machine is inoperable.

15 COMMISSIONER TORRES: Second question  
16 is: When do they get paid? When do they receive  
17 their monies from the credit card company?

18 MS. DESI: That's a question I think  
19 that the TLC would have to answer to.

20 I would assume that the way the garages  
21 may work it out is that if you are a daily lessee, I  
22 would imagine that when you go back to the shift and  
23 you have the receipt as to how much of the fare went  
24 in through the credit card, that you would be given  
25 that money back in cash by the garage because they

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1 are going to be collecting it through the credit  
2 card system.

3 I think part of our concern would be for  
4 weekly drivers, if they are going to have to wait  
5 for an entire week to collect back, then I think  
6 that's going to add to the negative which they are  
7 beginning at by paying out the lease payments and  
8 for the gas.

9 COMMISSIONER TORRES: Thank you.

10 MS. DESI: You're welcome.

11 COMMISSIONER MICHELS: May I ask,  
12 Commissioner, these four proposals including the one  
13 we were just talking about, these will be done by  
14 pilot projects which will take into consideration  
15 the suggestions made just now?

16 CHAIRMAN DAUS: Certainly. As I  
17 indicated in my opening statement, because we want  
18 technology to develop, as time goes on, within six  
19 to eight months, if we pass these rules and there is  
20 an expressed intention of the Commission to put all  
21 of these technology initiatives, including credit  
22 cards together, it is our hope that technology  
23 companies will come forward and help us, TLC staff,  
24 to make recommendations to the Commission, which  
25 would include, hopefully, some of the concerns that

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1 Ms. Desi has pointed out at that point.

2                   COMMISSIONER MICHELS: I am also  
3                   concerned about the statements about things we have  
4                   to look into. She made some very good points.

5                   CHAIRMAN DAUS: Absolutely. Hopefully,  
6                   we can at some point be able to address those  
7                   concerns as the process moves along.

8                   COMMISSIONER MICHELS: We don't want to  
9                   do anything that will lower the amount of earnings  
10                  of these workers.

11                  CHAIRMAN DAUS: I don't think anybody  
12                  wants that. That's not our intention.

13                  COMMISSIONER GIANNOULIS: I think to the  
14                  point of saving time, as people ask us questions,  
15                  the rules as they are designed simply outline that  
16                  we have a desire to establish this by 2005, that by  
17                  2005 they shall exist in taxis.

18                  There is nothing in here particularly  
19                  about standards. That's something we will vote  
20                  again on at a later date. All standards, all  
21                  specifications. And I am sure we will be talking  
22                  about it more than once in future hearings. Today  
23                  really the question should be, should there be these  
24                  things by 2005 is really what we are voting on.

25                  COMMISSIONER MICHELS: I want to make

1           sure that the public doesn't think we are putting  
2           something into effect right now.

3                       COMMISSIONER GIANNOULIS:    That is why I  
4           even brought this up, right.

5                       I also think in terms of getting into the  
6           details of the credit cards, this wouldn't be  
7           probably the best time to do that.

8                       CHAIRMAN DAUS:    I also concur with  
9           Commissioner Giannoulis, and that is one of the  
10          reasons why I made the opening statement that I did.  
11          If you do have comments that address that, in the  
12          interest of moving the meeting along, because we  
13          have a lot of people who would like to be heard, I  
14          would appreciate if you could understand what our  
15          intentions are, and there will be no need to address  
16          it again.

17                      The next speaker is Mr. Fernando Mateo  
18          from the New York State Federation of Taxi Drivers.

19                      Good morning.

20                      MR. MATEO:    Good morning, Commissioners.  
21          Thank you for allowing us to speak at this hearing.

22                      The New York State Federation of Taxi  
23          Drivers has worked very, very hard, as you know, to  
24          secure a fare increase for its members.  We believe  
25          as an organization that taking away the 50 cent

1 night surcharge is like really taking away from the  
2 increase that we want to give the drivers. So the  
3 50 cent fare increase is something that you should  
4 really consider keeping there, otherwise you will  
5 deter drivers from servicing the public that rides  
6 at night.

7 Driving at night is a very dangerous job,  
8 it's a very lonely job, so I think that the  
9 incentive of keeping the 50 cents there is very,  
10 very important.

11 We have repeatedly said that drivers  
12 should get the bulk of the fare increase. It's only  
13 fair. They have children that they have to send to  
14 college. They have medical bills that they have to  
15 pay. And just basically to support their families,  
16 I think it's very important that these drivers keep  
17 the bulk of the increase. But we have to also  
18 understand that an increase that doesn't make sense  
19 will take jobs away from certain people.

20 There are certain people that go to  
21 school, go to college and drive part-time. There  
22 are certain senior citizens that can't work 70 hours  
23 a week anymore. There are women that have to take  
24 their children to school and pick them up at school.  
25 And if we tear down what we are trying to build

1 here, what we are going to do is take away a lot of  
2 jobs at the same time. So I believe that the lease  
3 cap should be reconsidered. I believe that we need  
4 fleet owners that are going to provide these types  
5 of jobs for people that want to drive a cab. So I  
6 believe that Ms. Desi is totally wrong. I don't  
7 think she understands what she is saying. I don't  
8 think that she understands the impact that this will  
9 have, and I think that she needs to rethink her  
10 thoughts a little bit more because they really don't  
11 make any sense.

12 I don't see how you can take jobs away  
13 from people and at the same time give a fare  
14 increase and lose a huge percentage of the drivers  
15 that are out there. This fare increase is well  
16 overdue, as we all know. It's been approximately  
17 ten long years. Major corporations have given their  
18 executives and their employees numerous raises  
19 during that period of time. And I think that it's  
20 unfair that we had to wait so long to get a fare  
21 increase.

22 We also need -- we cannot allow for these  
23 jobs to leave the industry. I believe that putting  
24 out 900 new medallions requires new drivers,  
25 requires new blood, requires more opportunity. I

1 would like to see that the 900 medallions that will  
2 be auctioned over the next three years, that 60  
3 percent of those medallions go to individuals, not  
4 to fleet owners, not to people that just want to  
5 rack up all these medallions. We believe that  
6 Hispanics and Blacks have always been left out of  
7 the mix. We haven't been given a fair opportunity  
8 to own these medallions, and I think this is the  
9 right time for you to revisit and for you to  
10 understand that fleet owners should not get 60  
11 percent. Drivers should get 60 percent.

12 I also ask that out of the 900 medallions  
13 that will be issued, that 300 of them be set aside  
14 for those who didn't have opportunities in the past.  
15 300 of these medallions should be set aside and  
16 auctioned to Hispanics, Blacks and minorities that  
17 work the outer boroughs. The outer boroughs have no  
18 yellow cab service, therefore, that is why livery  
19 cabs provide illegal street hails to those  
20 passengers because we haven't given them the  
21 opportunity to own and operate they are own  
22 medallion.

23 We also would like to see some of the  
24 rules and regulations that you are imposing on  
25 yellow cab drivers, to also impose it on other

1 industry drivers like livery drivers. For example,  
2 there are partitions where the passenger can't see  
3 the driver because they are in really bad shape. So  
4 if you are going to apply this rule and this  
5 regulation to yellow cabs, apply it to livery cabs  
6 as well. Sometimes I believe that this Commission  
7 forgets about the millions of people that live in  
8 the outer boroughs that also ride cabs. They may  
9 not be yellow cabs, but they are livery cabs.

10 And we believe that credit cards for  
11 livery cabs should also be mandatory. We believe  
12 that the clear partitions -- Commissioner, that was  
13 a brilliant, an excellent idea -- should also be  
14 imposed. And I believe that inner city people  
15 deserve the same treatment that tourists and wealthy  
16 people from midtown Manhattan are currently getting.  
17 We must increase the quality of the service. Just  
18 like we are increasing it for medallions, we should  
19 also increase it for livery drivers.

20 Finally, you are giving the opportunity  
21 for people to come in the industry and own a  
22 medallion. If you don't have a hack license, you  
23 can't participate. It's very difficult for people  
24 that speak English fluently but can't read and write  
25 English, it is unfair to them the way the testing of

1 getting a hack license is being done. We believe  
2 and we hope that we are able to bring in new people,  
3 people that speak Spanish, people that can speak  
4 English, into the industry by making it a little  
5 easier for them to participate and achieve the  
6 American dream. Right now I think that giving the  
7 test solely in English is wrong because it excludes  
8 a whole group of people. They should speak English  
9 because they need to communicate with the passenger,  
10 but I don't think that they need to read or write  
11 college level paper in order to pass an exam. So I  
12 would also like that during the process of putting  
13 these 900 medallions out, that we also reconsider  
14 making it a little more accessible to people because  
15 really we are discriminating against them without  
16 even knowing it, because I know that you wouldn't do  
17 that knowing that you are doing it.

18 So I just want to thank you very much. I  
19 would like for you to please take our opinion into  
20 consideration, and I believe that the lease cap  
21 should be reconsidered and that the 50 cent night  
22 charge is a most. We have fought for that and we  
23 will continue to fight for that. And I just want to  
24 say thank you.

25

CHAIRMAN DAUS: Thank you, Mr. Mateo.

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1 Any questions? Commissioner Michels,  
2 Commissioner Dear and the Commissioner Torres.

3 COMMISSIONER MICHELS: Not really a  
4 question, but Mr. Mateo, you referred to the outer  
5 boroughs, which is a term which I don't like. You  
6 can refer to the other boroughs. You are certainly  
7 including Washington Heights and Inwood and they are  
8 part of Manhattan.

9 MR. MATEO: Well, if you ask a tourist  
10 where Washington Heights is, they really wouldn't  
11 know.

12 COMMISSIONER MICHELS: I have spent a  
13 long time trying to convince people that there is  
14 life above 96th Street.

15 MR. MATEO: I agree with you, Stanley.  
16 You know that I spend a lot of time up there and I  
17 lived up there and I believe they are entitled to  
18 good, quality service.

19 COMMISSIONER MICHELS: I know you  
20 understand what I said and I know you believe what I  
21 said.

22 COMMISSIONER AROUT: Mr. Mateo, not to  
23 hold this up, but you referred to the outer

24 boroughs. I recall many years ago when we tried  
25 putting taxicabs and medallions, especially on

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1 Staten Island and I am sure in the other outer  
2 boroughs, it doesn't warrant medallions. They can't  
3 survive, the medallions, in the outer boroughs. So  
4 for you to say that they should be in the outer  
5 boroughs, it's just impossible. They can't survive  
6 out there.

7 And as far as partitions are concerned,  
8 for-hire vehicles have the option of a camera or a  
9 partition, so they do have partitions if they want  
10 them. It's up to them.

11 MR. MATEO: I think that you are  
12 mistaken in both issues. Number one, yellow cabs  
13 don't work the area, therefore, they don't know.

14 COMMISSIONER AROUT: Because there is no  
15 money in the outer boroughs as a medallion.

16 MR. MATEO: That is not true. I  
17 disagree, but it's a matter of opinion. I disagree  
18 with you.

19 COMMISSIONER AROUT: You can disagree  
20 with me. I am just giving you my personal opinion.  
21 Thank you very much.

22 CHAIRMAN DAUS: Mr. Mateo, I have to

23 point out that we certainly are sensitive to the  
24 needs of the other boroughs outside of Manhattan,  
25 since an overwhelming majority of Commissioners, I

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1 am not going to name the one or two who live in  
2 Manhattan, the overwhelming majority of  
3 Commissioners live in the other boroughs including  
4 myself.

5 COMMISSIONER MICHELS: Including upper  
6 Manhattan.

7 CHAIRMAN DAUS: That's correct.  
8 Commissioner Dear, you are next.

9 MR. MATEO: I just need to finish  
10 answering the last part of the second question.

11 Secondly, the partitions are optional to  
12 owner-operators. If you lease your vehicle, you  
13 must have a partition in the car. So the cameras  
14 are only optional to owner-operators, not to people  
15 that ride their car and also lease it, just to clear  
16 the record.

17 CHAIRMAN DAUS: Thank you, Mr. Mateo.  
18 Commissioner Dear and then Commissioner Torres.

19 COMMISSIONER DEAR: Mr. Mateo, I am glad  
20 to be sitting here agreeing with you. I am glad  
21 that we could agree on some issues, including the

22 test given in Spanish and other languages. I 100  
23 percent absolutely agree with you because this is an  
24 immigrant community that tends to come into this  
25 business. And I am sure that my grandparents and

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1 the other immigrant parents and grandparents when  
2 they came that they did at one point drive a car,  
3 that they did not have to read and write English.  
4 At least they could communicate.

5 Now with the new technology that they  
6 have, they could probably with a sign language put  
7 in the computer where do you want to go and you have  
8 to follow a little arrow to take you there, too.  
9 So, absolutely, I hope, and I did speak to the  
10 Chairman about this many times and I continue to  
11 fight for this. I think that you are on the right  
12 track on that.

13 With regard to the medallions, I must say  
14 I agree with you that the other boroughs -- by the  
15 way, the other boroughs was coined, I remember 25  
16 years ago entering politics and this was started by  
17 then Howie Golden who was always concerned about the  
18 fact that we referred to Manhattan as the city and  
19 the other boroughs as not part of Manhattan. So  
20 it's a concern to all of us, so I will continue with

21 that tradition that we are the other boroughs, not  
22 the outer boroughs.

23 And in our case, I represent Brooklyn, we  
24 have a big come back with new ball teams and  
25 everything else coming to town. But with regard to

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1 medallions, it does work in the other boroughs  
2 because we have an excellent experiment going on now  
3 in Queens.

4 MR. MATEO: Thank you.

5 COMMISSIONER DEAR: It is doing very  
6 well and I would like it to come to Brooklyn and the  
7 other places.

8 CHAIRMAN DAUS: I certainly agree with  
9 you on the Brooklyn point. I was born and raised  
10 there and still live there. But in the interest of  
11 time, Commissioner Dear, I think if we could just  
12 sum with your questions, I would appreciate it.

13 COMMISSIONER DEAR: Listen, everybody  
14 else comes up here --

15 CHAIRMAN DAUS: We have a very long  
16 hearing.

17 MR. MATEO: Let him ask his question.

18 COMMISSIONER DEAR: Either we treat all  
19 the Commissioners fairly and with respect --

20 CHAIRMAN DAUS: I am just concerned that  
21 we are going to start losing members of the public  
22 who have a right to be heard, and I would just ask  
23 that we try to keep the questions relevant and  
24 germane to the topic.

25 COMMISSIONER DEAR: I respectfully

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1 request that you deal with all the Commissioners  
2 equally and with the same respect.

3 CHAIRMAN DAUS: And we are. It's just  
4 off topic. We are not talking about --

5 COMMISSIONER DEAR: If you stop talking,  
6 I would be able to finish my comments.

7 CHAIRMAN DAUS: Commissioner Torres?

8 COMMISSIONER DEAR: Excuse me?

9 CHAIRMAN DAUS: You are not finished?

10 COMMISSIONER DEAR: No, I did not end.

11 I just ask for a little respect, Mr. Chairman.

12 CHAIRMAN DAUS: We are just in the  
13 interest of moving --

14 COMMISSIONER DEAR: Again, stop already.

15 CHAIRMAN DAUS: Could you finish your  
16 comments, please.

17 COMMISSIONER DEAR: Yes.

18 CHAIRMAN DAUS: Thank you.

19                               COMMISSIONER DEAR:    The medallions that  
20                               we are talking about today, that you raise these  
21                               issues, are very important to us.  And I will  
22                               continue to raise those issues s as well.  I just  
23                               want you to know this is something I am glad you  
24                               raised.

25                               Do you feel clearly that by giving

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1                               opportunities to people who are driving the  
2                               illegals, as you would say, an opportunity for them  
3                               to drive yellows, would that help resolve the issues  
4                               of us having illegals not doing the pickups that  
5                               they are doing right now?

6                               MR. MATEO:    When you say "illegals,"  
7                               they are not illegals because they do have a livery  
8                               license to do drive so they are not illegal, but I  
9                               do understand the question.

10                              I believe that 300 medallions over a  
11                              three-year period is not enough.  We had requested  
12                              for there to be 500 medallions over a ten-year  
13                              period of time.  That would put enough yellow cabs  
14                              in I call them outer boroughs because we have been  
15                              treated like outer borough all this time and we  
16                              still are treated like outer borough people, so I am  
17                              going to continue to use the words outer borough,

18       okay.

19                       We believe that outer borough people  
20       would use the yellow cab service if they were there.  
21       And you are absolutely right, we did put together a  
22       pilot program that is working and is working well.  
23       And I really appreciate, Commissioner Dear, the  
24       comments that you did make, because I think it can  
25       only help the minority community, the Hispanic and

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1       African American community, achieve the American  
2       dream.

3                       So I hope I answered your question.

4                       CHAIRMAN DAUS:    Thank you.

5                       Commissioner Torres?

6                       COMMISSIONER TORRES:   I just have one  
7       quick question.  You made reference to a quality of  
8       life.  Would you and your organization be in support  
9       of a mandatory retirement program for for-hire  
10      vehicles similar to the yellows?

11                      MR. MATEO:    I believe that maybe our  
12      life should be a little bit longer but not as long  
13      as what it is because it endangers people in our  
14      community, it endangers the well being of children.  
15      When you have an old car providing service, you  
16      never know when a tire is going to fly off on the

17 highway and a family is going to get killed. So we  
18 certainly do support newer cars, we support what  
19 commission Matthew Daus proposed, which was great,  
20 clear partitions so that the passenger can see who  
21 is driving with them.

22 And we also propose not only a safety  
23 program so that they know how to better protect  
24 themselves, but an educational program as well. A  
25 lot of the things you do for yellow cab drivers, we

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1 agree with, and a lot of things that you don't with  
2 livery cabs drivers, we disagree with. I think that  
3 we need to bring both drivers a little closer  
4 together. And we should have a universal hack  
5 license, not just one. If a livery driver wants to  
6 switch over to the yellow cab industry, he should be  
7 able to do that.

8 They take most of tests, they take drug  
9 tests, they take a certain quality of life test that  
10 the Commission does. If we take it a little  
11 further, I think it will give us a more universal  
12 area and it would give our people, our industry,  
13 more opportunity to look at the other side of the  
14 coin, which is driving a yellow cab and providing  
15 better service for New Yorkers.

16 CHAIRMAN DAUS: Thank you.

17 The next speaker is Mr. Vinny Sapone, the  
18 representative of the League of Mutual Taxi Owners.

19 MR. SAPONE: Thank you. Good morning,  
20 Mr. Chairman and to all the Commissioners.

21 My name is Vincent Sapone, I am the  
22 managing director of the League of Mutual Taxi  
23 Owners better known as LOMTO. We were established  
24 in 1934 and we have a bona fide membership of  
25 approximately 3,400 men and the majority of our

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1 people are Blacks, Hispanics, Indians, Pakistanis,  
2 Chinese, and you name it. They are all minorities.  
3 These guys work seven days a week, they save 10, 20  
4 percent and they bought their medallion. They  
5 didn't get it for nothing. That's the way it works  
6 and that's the way it should work.

7 I thank you for giving LOMTO the  
8 opportunity to speak today, and I thank you for  
9 considering maintaining that 50 cent night  
10 surcharge. I think it's great that it's on your  
11 mind that you are going to do something about it.

12 Also what I would like to recommend, I  
13 think the Commission should look more strongly at  
14 the waiting time. It comes to \$12 an hour and it's

15        been there maybe for 15, 16 years that way. And  
16        when you get done paying your expenses, it is \$6 an  
17        hour, these guys work very hard. These guys work  
18        very hard and that is no money at all. You want  
19        qualified drivers, you have to pay them. When my  
20        company looked for me, they had to pay me because I  
21        was qualified. You have to get pay money to get  
22        guys to drive out there. That is the way it is.

23                    The sad story is that we waited eight  
24        years to get an increase. Now is we do more than  
25        the 26 percent we might have the public down our

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1        back, but they have to understand, it has been too  
2        long. I would like to propose to see a fare  
3        increase every three years of 10 percent. We won't  
4        go on the table for two years discussing a raise  
5        that will automatically come, and the public  
6        wouldn't get mad because it costs them another  
7        quarter instead of another \$2. It's as simple as  
8        A,B C.

9                    Also as far as the credit cards, I know  
10       this is the 21st Century and I know it's coming and  
11       I know it probably has to be, but before we do it,  
12       we must have pilot programs testing to see if it  
13       works. There were a lot of things implemented in

14 the taxi industry during the McKechnie years that  
15 were a flop, that didn't work. We don't want to  
16 give you your first flop, Mr. Daus, you know what I  
17 am saying, so I think we should study it more.

18 CHAIRMAN DAUS: You are not insinuating  
19 I was part of that flop?

20 MR. SAPONE: No, no, you were just  
21 sitting on the side like Mazer is.

22 CHAIRMAN DAUS: I don't consider it a  
23 flop. With all due respect, I disagree --

24 MR. SAPONE: Well, there were certain  
25 items that were a flop, like the talking taxi.

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1 CHAIRMAN DAUS: If it wasn't for  
2 Commissioner McKechnie --

3 MR. SAPONE: Oh, I love her, don't get me  
4 wrong.

5 CHAIRMAN DAUS: -- we would not have had  
6 such a turn around in this industry. I think  
7 everybody in this room realizes that.

8 MR. SAPONE: I am not saying no. You  
9 are right. But it has to work both sides, it has to  
10 be for the workers and for the public. Not just the  
11 public. Because if it wasn't for the workers, the  
12 public would hoofing it, not riding it.

13                   And what are we going to do about gas  
14                   increases? What's going to be with that? Before  
15                   you know it, this increase is going to be eaten up.

16                   By the way, with the credit cards, going  
17                   back to that, I lost control there, I didn't mean to  
18                   get excited. Maybe somehow we should use what they  
19                   use in the Transit, a Metrocard. Where you can use  
20                   the same card. Why go with American Express or  
21                   anybody like that?

22                   Whose paying for these meters? It's  
23                   going to cost \$1,000 a meter. The GPS is going to  
24                   cost maybe \$1,500. Who is paying for that? What  
25                   kind of increase are my members are going to get,

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1                   really? I mean, I appreciate the 26 percent. I  
2                   don't want to do anything to stop it, but when you  
3                   figure it out, we are giving a lot back. And to  
4                   give the control of the GPS to the customer is very  
5                   wrong.

6                   The TLC will make a lot of money with  
7                   summonses on this plan here because when the driver  
8                   is driving, the customer is going to say, "Turn  
9                   right. Turn left. You are going the wrong way."  
10                  And he says, "I can't," the sign 50 feet up in the  
11                  air on the poles says no right turns, but she can't

12 see that from the back. So I guarantee there is  
13 going to be a lot of complaints. I can't see how we  
14 give the passengers a map. I think that's crazy, I  
15 really do.

16 I mean, you want to give it to the  
17 drivers, I am not agreeing with that, maybe it's a  
18 good thing, fine. But to give it to the passenger,  
19 you might as well give them the steering wheel.  
20 It's ridiculous.

21 Now let me tell you something. My father  
22 had a hack license since 1932 or '34. I still have  
23 it. And I got one from '67. And when my father  
24 came here, he went to school to learn how to pass  
25 the test. He learned how to pass the test.

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1 Again, I am going to repeat myself. My  
2 organization is all minorities. Everyone, including  
3 myself, worked two jobs to get a down payment to buy  
4 one medallion. 99 percent of my guys own one  
5 medallion and they worked very hard for it. It  
6 wasn't given to them. And as far as the lease cap  
7 goes, it is really not my issue but I have to say  
8 something. When a man invests all his money in the  
9 business and he has to increase salaries and he has  
10 to pay higher property taxes and everything goes up,

11 he is entitled to some kind of increase on this cap.  
12 That's all I have to say. Thank you.

13 CHAIRMAN DAUS: Thank you, Vinny.

14 The next speaker is Mr. David Pollock.

15 MR. POLLOCK: I am going to yield to Mel  
16 Miller.

17 CHAIRMAN DAUS: Okay, we are back in the  
18 Assembly? You are not going to try to get 10  
19 minutes, are you?

20 MR. MILLER: No. Just my basic lack of  
21 patience, that is why Mr. Pollock yielded to me.

22 Commissioners, I will be very brief  
23 because I think that the Commission and the staff of  
24 the Commission, who we haven't mentioned really,  
25 have done a remarkable job in trying to reconcile a

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1 whole group of interests, which is an art. What  
2 they have done for the first time is really do some  
3 basic research which we never really had done  
4 before. Be it lease caps, be it rate increases, be  
5 it the costs of what really makes this industry run  
6 or not. Basically, how you make a profit and how  
7 you don't and what costs really are.

8 So if we talk about the past, and the  
9 past is now over, I think that the staff is to be

10 congratulated on rules 4 and 5. I am not competent  
11 technologically to talk about rules 1 through 3. I  
12 really don't know enough about it. The only thing I  
13 do know is we really have to look at the cost  
14 because cost estimates have been as low as 1,500 but  
15 as high as 4,500 depending on who you talk to.

16 But on rules 4 and 5, the overall  
17 recommendations that have been made to the  
18 Commission are a group of compromises that makes  
19 sense that are based upon a series of facts that  
20 were look at very carefully on a very good analysis.  
21 Obviously, in no group of rules will everybody agree  
22 on everything, because if everybody agreed on  
23 everything we will have reached the ultimate heights  
24 and we never reach the ultimate heights.

25 There have been some suggestions from the

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1 drivers on 5 percent, on restoring the 50 cents.  
2 Metropolitan has come and said there is a little  
3 more needed to be done on lease caps and, obviously,  
4 you don't have to be a genius to see a compromise  
5 which talks about 50 cents back at night and maybe a  
6 little more on the lease cap end.

7 I represent the Committee for Taxi  
8 Safety, and it's somewhat different. Our lease

9 managers do everything from double shift in some  
10 cases to DOV in some cases and to weeklies. A whole  
11 gamut of operations. And although there maybe some  
12 disagreements within various sectors of the  
13 industry, our Board, which is made up of all sectors  
14 of the industry, overall feel they can strongly  
15 support 4 and 5 perhaps with some modifications on  
16 the lease cap and on the 50 cent night surcharge,  
17 both of which seems to make sense to us.

18 Not in terms of the technology as it  
19 operates, but in terms of the technology as it will  
20 be introduced pursuant to these rules, we would  
21 second Mr. Michels' call for some real  
22 thoughtfulness about it, not only in terms of the  
23 availability of the technologies but on the ways  
24 they are implemented. Since cars are hacked up over  
25 a period of years, we believe that if you decide to

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1 go ahead with these technologies, the best  
2 implementation is when you rehack a car. It's the  
3 cheapest, it's the most efficient, and it will avoid  
4 double costs in some instances where a car may have  
5 a year of life let, you introduce the new technology  
6 and you have to reintroduce it again when rehack up  
7 a new car.

8                   So from that perspective, we just ask the  
9                   Commission to take a look at implementation once you  
10                  are assured that the technology really works.

11                  I think my remarks are more geared to the  
12                  future instead of the past because the past is over.  
13                  We have to introduce some system, and I don't know  
14                  the best system. Rent stabilization has a system,  
15                  the PSE has a system for increases in utility rates,  
16                  but a system that is systemic so that we can review  
17                  costs on a periodic basis so we are not faced with  
18                  eight years of nothing. Both from the point of view  
19                  of the public, from the point of view of the  
20                  industry. And we can do that logically. It doesn't  
21                  have to be automatic because costs shift and costs  
22                  change. Sometimes costs are stable, sometimes we  
23                  get a spike. And there should be some procedure  
24                  within the Commission where maybe once a year or  
25                  once in two years, you redo the kinds of review of

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1                  costs that you just did to achieve this particular  
2                  raise.

3                  I think it will avoid the rancor. I  
4                  think it will the make the industry and the  
5                  Commission even closer partners as we proceed to the  
6                  future. I think ultimately what we want, at least

7 in the Committee for Taxi Safety, and I am sure  
8 everybody in the industry wants an ongoing working  
9 relationship between the industry and the  
10 Commission, that we work together for the ends that  
11 we all hope to achieve by creating what is the  
12 second most important mass transit system in the  
13 City of New York, which is the yellow taxi industry.

14 Once again, I just want to congratulate,  
15 I don't know if the staff is all here, but I know  
16 that a couple of the staff members have worked so  
17 hard and so diligently over the last year, and they  
18 really, really are entitled to be congratulated for  
19 a job very well done. Thank you.

20 CHAIRMAN DAUS: I think we all second  
21 that motion.

22 Commissioner Dear?

23 COMMISSIONER DEAR: Hi, Mel, Mr.  
24 Speaker.

25 MR. MILLER: I am also from Brooklyn, so

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1 I am also outer borough even though I live in  
2 Manhattan.

3 COMMISSIONER DEAR: We will forgive you  
4 for leaving Brooklyn.

5 The review. How often do you think this

6 review should take place?

7 MR. MILLER: Annually may be too much.  
8 First of all, it is burdensome and it has to be done  
9 in detail, but I think if you did a real review  
10 every two years, if we would have done it every two  
11 years since the last increase, I think we would have  
12 ultimately probably been at the same point very  
13 slowly, without the dislocation. I don't think this  
14 would be a controversial hearing.

15 COMMISSIONER DEAR: And whose numbers do  
16 we use and where do we get the information?

17 MR. MILLER: I think the process that  
18 was used this time, at least the part of the process  
19 that I am aware of, I know the staff sat down with  
20 the various components of the industry, took a look  
21 at the costs and came to certain conclusions, not  
22 always agreed with but nobody is going to agree on  
23 everything. I think the process worked kind of  
24 well.

25 Whether you can formalize a process or

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1 create indexes. Obviously, as you know, in rent  
2 control you have a heat index, mortgage rates, real  
3 estate taxes, so on and so forth create an index.  
4 And the index is then, of course, depending on how

5 bad it gets for either the tenants or the landlords,  
6 are modified somewhat. But I think you may be able  
7 to create a cost index for the industry which  
8 includes cost of repairs, cost of cars, cost of  
9 gasoline and everything that you use to determine  
10 this increase.

11 The one cost that was not used and is  
12 purely market determined is you have to realize that  
13 lease managers, and even those who run fleets who  
14 manage other people's medallions, do pay them. And  
15 that cost varies over the years also, just like any  
16 other cost. Now that's been pretty much free  
17 market. Seems to work pretty well, but all I am  
18 saying is if we can create an index, you have a  
19 hearing based upon the costs every two years, I  
20 think it would probably be better for everyone,  
21 because even if there was an increase that was  
22 necessary, it would be a lot more modest than 26  
23 percent.

24 CHAIRMAN DAUS: Just a point of  
25 information, Commissioner Dear, there is a mechanism

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1 in our rules for review of lease caps every two  
2 years. With regard to the fare increase, there  
3 isn't and it would require an amendment to the City

4 Charter.

5 COMMISSIONER DEAR: To the City Charter.

6 CHAIRMAN DAUS: An amendment to the City  
7 Charter would be required, that's correct.

8 COMMISSIONER DEAR: That means we can't  
9 make a rule today or any day asking that we review  
10 these fare increases on any type of basis?

11 CHAIRMAN DAUS: Not unless the City  
12 Charter is amended.

13 COMMISSIONER DEAR: Peter, do you agree  
14 with that?

15 MR. MAZER: Certainly, it is not on the  
16 agenda for today, so it would have to be published  
17 and noticed.

18 CHAIRMAN DAUS: Peter, just the legal  
19 opinion, is it an accurate statement that the New  
20 York City Charter would need to be amended in order  
21 to accomplish what Mr. Miller is suggesting?

22 MR. MAZER: I believe that would be  
23 correct.

24 MR. MILLER: Because the components are  
25 set --

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1 MR. MAZER: The components are set in  
2 the City Charter.

3 COMMISSIONER DEAR: One last thing, with  
4 regard to 3 and 4.

5 MR. MILLER: I think it's 4 and 5.

6 COMMISSIONER DEAR: No, it is 3 and 4,  
7 the video monitor trip sheet. There was an  
8 amendment made to change the timetable and also the  
9 way the rules are set forth to us in the original  
10 rules that were published.

11 Are you okay with those?

12 MR. MILLER: I haven't seen the  
13 timetable rules, and I am not really familiar. Mike  
14 Levine will testify on that.

15 I think what we are really saying is  
16 first we have to make sure it's practicable.  
17 Secondly, that there is enough availability so we  
18 are not stuck with one provider of service so there  
19 is some price competition. And, thirdly, as it's  
20 introduced, we believe that the best way  
21 to introduce new technology is as you hack up new  
22 vehicles only because it's the least expensive and  
23 it gives you some lead time. Because once we do  
24 this, you know there will be improvements on an  
25 annual basis once the technology is out there and

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1 there is a market.

2                   So anything that makes the introduction  
3                   more sensible and gives us the ability to make sure  
4                   that the technology really works for the public as  
5                   well as for lease managers and medallion owners, I  
6                   think that will be helpful. And I am talking only  
7                   in terms of cooperation between the Commission and  
8                   the industry just so that it works the way you want  
9                   it to work. Because we did do some experiments, and  
10                  I know Ronnie, Metropolitan experimented, if you  
11                  remember because you were around at the time, with  
12                  the natural gas. And it cost them a fortune and it  
13                  was a disaster and they ended up losing a  
14                  significant amount of money.

15                  So all I am saying is we should take care  
16                  as we proceed with the new technology, which could  
17                  be terrific. Credit cards are available in Europe,  
18                  I just came back and they are used and it seems  
19                  fairly quick. At least the one taxi I was in.

20                  CHAIRMAN DAUS: Do you have any further  
21                  questions, Commissioner Dear?

22                  COMMISSIONER DEAR: No.

23                  CHAIRMAN DAUS: Commissioner Michels and  
24                  then Commissioner Torres.

25                  COMMISSIONER MICHELS: You mentioned

1 the various indexes that go into it. One additional  
2 amount that should be included is cost of living.

3 MR. MILLER: Yes, if you are looking and  
4 there is a concern, and I think the Commission  
5 should understand the industry is concerned with  
6 driver's income. If we don't have drivers, you  
7 can't make money in the medallion taxi industry, so  
8 obviously if the cost of living is going up X  
9 percent and you want to make sure your drivers are  
10 able to get an increase, if it's possible to do an  
11 index or create a model to get around it.

12 You are smart people here, you can figure  
13 out a way, but I think drivers' incomes, obviously,  
14 have to be part of it.

15 COMMISSIONER MICHELS: Maybe the trigger  
16 should be based on the cost of living index looking  
17 into the other factors.

18 MR. MILLER: You could, but that's your  
19 decision. I can make suggestions. All I am saying  
20 is I think the industry feels very strongly, they  
21 don't want to go through this eight years. It breed  
22 animosity. It was not good for relationships  
23 between the governing body and the industry and the  
24 people who work in the industry. That if there is a  
25 set system that everybody perceives as fair, I think

1 we take away a lot of the tension.

2 I think it's healthy for the industry,  
3 which I think really carries as many people every  
4 day as buses do in the City of New York, if I  
5 remember the numbers. The Commissioner of  
6 Transportation is giving me a funny look so I could  
7 be wrong.

8 COMMISSIONER SANDER: It's about a  
9 third.

10 COMMISSIONER WEINSHALL: It's about a  
11 third.

12 COMMISSIONER SANDER: MTA carries 1.5.

13 MR. MILLER: And we are about a half a  
14 million. It's a big number, it's a big piece --

15 COMMISSIONER MICHELS: You are right, it  
16 is an integral part of the transportation system of  
17 the City of New York. We know that and we  
18 understand that.

19 COMMISSIONER RUBINSTEIN: Just quickly,  
20 I think Peter may have misspoke regarding the  
21 Charter. For the next meeting or the meeting after,  
22 if Peter could take a look and answer speaker's  
23 question, which I think is a very good idea. Thank  
24 you for that idea. If we could set up an index  
25 for the future. I don't see what the conflict in

1 the Charter is, but I don't want to debate the  
2 Charter right now.

3 COMMISSIONER WEINSHALL: I just want to  
4 say that in conjunction with this fare increase,  
5 that the consultant that was hired created a number  
6 of economic models and now maybe those economic  
7 models can be used to create this type of process  
8 that you have in mind.

9 MR. MILLER: That's true, without  
10 Charter amendment, because they wouldn't become  
11 determinative. They can be suggestive.

12 CHAIRMAN DAUS: We will request, in  
13 light of the concerns of the Commissioners, an  
14 official opinion from the Law Department on the  
15 topic. It has been fleshed through, I am not just  
16 saying this off the cuff, and analyzed before. But  
17 we will take a fresh look at it.

18 COMMISSIONER DEAR: You are telling me  
19 that the charter dictates when we could have fare  
20 increases?

21 CHAIRMAN DAUS: The Charter dictates  
22 process including factors and how it goes about.  
23 The concern is --

24 COMMISSIONER DEAR: Does it say how long  
25 you can do it?

1 CHAIRMAN DAUS: No, it doesn't.

2 COMMISSIONER DEAR: It just says the  
3 process so that is exactly what we are saying. If  
4 it tells you you can't do it, what is the process?  
5 We are saying to review it every so often.

6 CHAIRMAN DAUS: Being a lawyer,  
7 Commissioner, you know that it can be a little bit  
8 more tricky than that in terms of interpreting the  
9 issue of preemption. And we have had discussions  
10 with the Law Department in the past where it has  
11 come up. In light of the concerns from the policy  
12 standpoint, we will request an official legal  
13 opinion from them because they do look at the  
14 legislative history behind the enactment of the  
15 Charter and a lot of other factors in order to  
16 determine whether, in fact, the way it is written  
17 would preempt us from doing this. I am not ruling  
18 it out.

19 COMMISSIONER GIANNOULIS: Thank you, Mr.  
20 Chairman.

21 CHAIRMAN DAUS: The next speaker is Bill  
22 Lindauer.

23 MR. LINDAUER: Hello, remember me?

24 CHAIRMAN DAUS: Now we remember.

25 MR. LINDAUER: Yes. I may not be your

1 worst nightmare but at least I try.

2 I am Bill Lindauer, I remind the Chairman  
3 of the Education Policy Panel's fate when they  
4 defied the Mayor. And the Mayor has championed our  
5 fight for economic justice. No decent fare hike for  
6 drivers and Mike will say, "Take a hike." I am sure  
7 he would love a cab strike during the Republican  
8 Convention.

9 The proposal is a promising start but it  
10 falls way short of fulfilling the Mayor's promise.  
11 Until our goal is achieved, we will be tireless. We  
12 will be relentless. We will in your face like a  
13 ophthalmologist. Be warned, we will be even more  
14 obnoxious than your brother-in-law.

15 The tawdry tradition of garage/TLC  
16 collusion must and will end. We are united and  
17 strong as never before. Ronald Sherman of Midtown  
18 Taxi does not live or work in Commissioner Deer's  
19 district but he gave him \$6,000 for a congressional  
20 run. I am sure it was out of the goodness of his  
21 generous heart. Yes, we will search for skeletons  
22 in everyone's closet. We will root out the  
23 festering sore of sleaziness and corruption.

24 We are sophisticated. We are determined.

25 No, we are obsessed. But if it's Tuesday, it's meet

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1 the oppressed, so I ask a guard to please hand out a  
2 blank index card to each of the Commissioners,  
3 including the Chairman, and write down what you  
4 think is a liveable income for drivers either on an  
5 hourly or annual basis. Is this much to ask? I  
6 don't think so.

7 CHAIRMAN DAUS: We have pads, thank you.

8 MR. LINDAUER: Will everybody please  
9 write down what they think is a liveable income for  
10 drivers? This is what the goal of the hearing is,  
11 I understand, right, to provide a liveable income  
12 for drivers. But we may have a difference in what  
13 our definition of a liveable income is. So I want  
14 to know if we have the same definition.

15 I tend to doubt we have the same  
16 definitions. Anyway, I hope people will give me a  
17 list at the end. Are you sure you don't want index  
18 cards? Will anybody please cooperate?

19 CHAIRMAN DAUS: We are fine, thank you.

20 MR. LINDAUER: You are fine. I think it  
21 is a matter of knowledge. We want this knowledge  
22 about your thinking. I think it is imperative and  
23 it is a point of public information. If we don't

24 know what we are talking about when we say liveable  
25 income, then we are talking gibberish.

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1 All right, don't cooperate. Don't be  
2 democratic. Let's get down to specifics. Waiting  
3 for fare hikes, Mr. Obnoxious here.

4 MR. POLLOCK: I resent this. This is  
5 the second time --

6 CHAIRMAN DAUS: Could we have order,  
7 please.

8 Mr. Lindauer, please complete your  
9 thoughts.

10 MR. LINDAUER: Let's get down to  
11 specifics. Waiting for a fare hike should not be  
12 like waiting for Guidel (ph.). Come on, a fare hike  
13 only once a decade? You are driving drivers into  
14 destitution.

15 Your morale bankruptcy have left many of  
16 us, including myself, into financial bankruptcy. I  
17 could easily be homeless despite working six days a  
18 week. Out of dire economic need and with the greedy  
19 encouragement of garages, some drivers are working  
20 18 hour days. Don't you think that jeopardizes  
21 public safety?

22 Secondly, almost all night workers earn

23 about 10 percent more. The night surcharge is much  
24 higher, even double the meter in many other cities.  
25 We have to have the night surcharge.

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1 Thirdly, in New York, the cost of living  
2 is about 117 percent more than average American  
3 city. The Wall Street Journal reports the average  
4 hotel rate in New York is \$273 a night. In L.A. it  
5 is 171, in Chicago it is 167. The Mayor has said  
6 you should expect to pay more for everything in New  
7 York City. Of course, there is one glaring  
8 exception, cabs.

9 Cab fares are so dirt cheap, you are  
10 forcing MTA fares to go up to cover revenue losses.  
11 The MTA reports a four percent ridership loss.  
12 Crane's reports a four percent cab ridership gain.  
13 Get the connection?

14 Extremely important is the waiting time.  
15 Time is money except when driving a New York cab.  
16 Waiting time is \$22 an hour in Vegas, \$30 in Boston,  
17 only 200 miles away, \$45 an hour in San Francisco.  
18 \$12 in New York. We must either be in the Twilight  
19 Zone or living in a third world country.

20 I am sure Ms. Weinshall will initiate  
21 bold, imaginative ways to limit traffic. But until

22 then, drivers are being punished. Moreover,  
23 drivers' incomes are among the lowest of cabbies  
24 anywhere. Gas price have soared but we can't pass  
25 along the cost. This false hike should have been

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1 four years ago.

2 Media, pay attention to this one: Over  
3 the last eight years, we have lost a whole year's  
4 worth of income just from the gas hike. Do the  
5 math. Above all, lease cabs must, I repeat, must be  
6 lowered or at least frozen; otherwise, only the  
7 Florida condo wintering, Hamptons summering, tennis  
8 week, country clubbing, John George dining wealthy  
9 winers, also known as garage owners, will be the  
10 beneficiary.

11 But I make a proposal here. You want  
12 these technological improvements --

13 CHAIRMAN DAUS: Mr. Lindauer, I am  
14 sorry, but your time has expired.

15 MR. LINDAUER: Just a couple of minutes,  
16 please.

17 CHAIRMAN DAUS: I am sorry.

18 MR. LINDAUER: Show me some respect,  
19 please.

20 CHAIRMAN DAUS: I am trying.

21 MR. LINDAUER: I am a veteran driver for  
22 30 years. Show me some respect. I demand respect.

23 CHAIRMAN DAUS: Sir, could you please  
24 sum up?

25 MR. LINDAUER: Yes. I propose that for

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1 the sale of one medallion, you can finance all these  
2 technological improvements you want owners and  
3 garages to make on their cabs. Is that too much to  
4 ask? From the sale of one new medallion, you can  
5 pay for all these improvements. There is no reason  
6 owners or garages should have to bear the burden of  
7 this.

8 And I am no friend of these people, you  
9 know.

10 CHAIRMAN DAUS: Thank you.

11 Mr. Lindauer, I would really appreciate  
12 it if you could sum up quickly, because there are  
13 many, many people, including drivers, who would like  
14 to be heard.

15 MR. LINDAUER: We need a fare hike in  
16 our pockets now. And we will come back next year,  
17 if necessary, if gasoline prices soar or the cost of  
18 income rises. We will be in your face. Be warned,  
19 we will not roll over and play dead. We will not

20 accept any crap the Board offers us.

21 CHAIRMAN DAUS: Thank you.

22 MR. LINDAUER: You're welcome.

23 CHAIRMAN DAUS: Next speaker is Mr. Vjay  
24 Bali. Is Mr. Bali in the overflow room?

25 Okay, the next speaker is Christopher

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1 Lynn, former TLC Chairman Christopher Lynn. Is  
2 Chris here?

3 Mr. Steve Seltzer? He is in the other  
4 room, okay, we will wait for him.

5 CHAIRMAN DAUS: For people in the  
6 overflow room as well I am going to call the next  
7 three speakers who are on the list, and if you could  
8 just be geared up and ready to go, we would  
9 appreciate it.

10 After Steve Seltzer, we have Mr. Kevin  
11 Fitzpatrick, then Biju Mathews and Professor Edward  
12 Rogoff.

13 By the way, we are also going to be  
14 making an announcement that we will be breaking for  
15 lunch at 11:45 a.m. and resuming the public hearing  
16 promptly at 12:30 p.m.

17 Professor Rogoff, you can start and then  
18 we will go back to Steve, Kevin and Biju.

19 MR. ROGOFF: Thank you, Mr. Chairman.

20 The TLC plan to sell 900 taxi medallions  
21 and raise the fare by 26 percent to \$350 million is  
22 a misguided match of shortsighted transportation  
23 policy and faulty fiscal planning. It will do  
24 nothing for riders or for underpaid taxi drivers.

25 Selling new medallions will raise \$200

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1 million for the City, but at loan-shark rates.  
2 Raising the fare will increase already high  
3 medallion prices and it will put more than a  
4 thousand non-medallion cab operators, virtually all  
5 of whom are Black and Hispanic entrepreneurs, out of  
6 business.

7 Because medallion owners increase lease  
8 rates after a fare hike, little of this \$350 million  
9 fare increase will go to the drivers. Your attempt  
10 to regulate leasing rates is a useless exercise in  
11 an industry that functions on cash. By selling 900  
12 medallions over three years, the City expects to net  
13 \$200 million. But the cost of this one-time revenue  
14 boost is a \$350 million annual increase in fares.  
15 This is like borrowing money and charging cab riders  
16 175 percent in annual interest.

17 Because the city has grown and the number

18 of cabs has not over 50 years, non-medallion cab  
19 services have developed to meet the unfilled demand.  
20 Your study asserts that the 900 new cabs will  
21 confine themselves exclusively to areas currently  
22 served by medallion cabs. This simply defies  
23 history and logic. Most of the time, cabs compete  
24 for passengers much more than passengers compete for  
25 cabs. With 900 new cabs, the medallion cab industry

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1 will expand the areas they cruise and they will take  
2 business away from minority owned cabs and car  
3 services. This will mark an unfortunate major blow  
4 to minority entrepreneurship in New York City.

5 If you really believe that your actions  
6 will improve service to the public and earnings for  
7 drivers, you should have a system to measure its  
8 results, and let your actions be held accountable to  
9 your promises. But you have no such system. Your  
10 plan will not improve the taxicab system. If this  
11 misguided plan is adopted, the only difference  
12 riders will notice will be that their pockets have,  
13 again been picked by public regulators who only  
14 serve private interests. Thank you.

15 CHAIRMAN DAUS: Commissioner Sander?

16 COMMISSIONER SANDER: Professor Rogoff,

17 you said that you thought that this increase would  
18 put 1,000 non-medallion drivers out of work. On  
19 what basis do you make -- did you come to that  
20 conclusion?

21 MR. ROGOFF: The long haul of history  
22 shows that as the number of medallions was held  
23 steady and the city grew, the areas that medallion  
24 cabs serviced --

25 COMMISSIONER SANDER: I understand that

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1 logic.

2 MR. ROGOFF: Well, isn't it logical that  
3 if you reverse this process and increase the number  
4 of medallions, that the area that medallion cabs  
5 serve will increase? It won't increase a whole lot,  
6 but it will increase some. And of the 40,000  
7 non-medallions cabs, most of whom are owned by  
8 minority entrepreneurs, some percentage of them will  
9 be put out of business. Because the city promotes  
10 medallions cabs as the primary desirable means of  
11 transportation in the city.

12 COMMISSIONER SANDER: Professor, the way  
13 you got 1,000 is because we are increasing --

14 MR. ROGOFF: I think 1,000 is a very low  
15 number because medallion cabs operate 24 hours a

16 day, seven days a week. Non-medallion cabs usually  
17 don't. So probably the number is more like 1,500 or  
18 2,000. But just to be conservative, I am putting  
19 1,000 on it.

20 CHAIRMAN DAUS: Commissioner Michels? .

21 COMMISSIONER MICHELS: Professor, are  
22 you basing any of your conclusions on studies that  
23 you have made?

24 MR. ROGOFF: Yes.

25 COMMISSIONER MICHELS: Did you make

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1 these studies yourself?

2 MR. ROGOFF: Some of them, yes.

3 COMMISSIONER MICHELS: And have you  
4 provided that information to the Commission.

5 MR. ROGOFF: Yes, they are all publicly  
6 published.

7 COMMISSIONER MICHELS: Have you provided  
8 this Commission recent studies?

9 MR. ROGOFF: Yes.

10 COMMISSIONER SANDER: I would request  
11 that we see copies of that.

12 CHAIRMAN DAUS: Actually, as part of the  
13 medallion sale process, we did not receive,  
14 according to general counsel, any comments from you,

15 Professor.

16 MR. ROGOFF: That's correct.

17 COMMISSIONER SANDER: I would certainly  
18 be interested in seeing it. I am respectfully  
19 somewhat skeptical about some of the conclusions  
20 that you have made here.

21 MR. ROGOFF: Okay.

22 CHAIRMAN DAUS: We will give it a fare  
23 look. Thank you.

24 Next speaker, we will go back in time,  
25 Steve Seltzer are you here?

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1 By the way, I just want to thank the  
2 Commissioners. I appreciate you being deferential  
3 and quick with your questions and keeping them  
4 germane to topic. I would ask the speakers also to  
5 try to keep to only the rule proposals when you  
6 speak and try to not stray and go into other areas  
7 because there are a lot of people who would like to  
8 speak on topic who we want to have heard.

9 By the way, Steve has provided to the  
10 Commissioners comments that we gave you in advance  
11 of the hearing. Written comments.

12 MR. SELTZER: My name is Steve Seltzer,  
13 I was a fleet driver for about 30 years. Sometime

14 ago I submitted in writing comments on the proposed  
15 ed fare hike. These comments included a piece I had  
16 written in 1974 showing the discrepancies between  
17 rosy predictions of fare increases from earlier fare  
18 hikes and the actual immediate drop in revenue and  
19 only gradual return to pre-hike levels.

20 The formula used to predict the response  
21 to a fare hike and the title of that piece was "The  
22 Resistance Factor." When I mentioned the phrase to  
23 Mr. Salkin who showed us those slides at the last  
24 meeting, he did not recognize it, so, obviously, in  
25 30 years the method of predicting rider response to

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1 fare hikes has changed. But I don't see any reason  
2 to believe that the actual rider response has  
3 changed. And the, thankfully, shorter letter  
4 accompanying that piece asked you to freeze any  
5 lease cap increases for six months or a year until  
6 you could see whether the revenue per car has  
7 actually risen.

8 I am afraid that letter did not make  
9 clear that I oppose lease cab increases per se, but  
10 if you are going to go ahead with it, at least  
11 postpone them until ridership recovers from the fare  
12 hike.

13                   Why I am opposed to increasing lease caps  
14                   at all goes back only ten years to 1994 when this  
15                   Commission, under Chairman Fidel Delgalle (ph.)  
16                   rejected the fare hike application in part on the  
17                   grounds that the owners' profits from 25 to 40  
18                   percent were sufficient to absorb costs. When the  
19                   Commission did raise the fares in 1996, it was  
20                   partly because then Chairman Christopher Lynn  
21                   refused to look at profits saying he thought the  
22                   industry should not be subject to, quote, "an  
23                   economic strip search." The very phrase concedes  
24                   that looking at profits might be embarrassing.

25                   So here we are in a still new century and

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1                   I hear no discussion of profits. And we have a  
2                   Commission which proposes or agrees to increase the  
3                   supply of cabs and simultaneously raise the price of  
4                   a ride. As I said before, if only we could  
5                   persuade OPEC to increase its oil production  
6                   whenever it tries to raise its price. I have my  
7                   doubts. And I am glad I am not driving anymore.

8                   If I have any time left, I would like to  
9                   explain that I came across the 1974 piece in the  
10                  process of preparing some 20 shell fee, draw fee and  
11                  pile fee for taxi union and taxi rank and file files

12 to give to the NYU Labor Archives. Thank you.

13 COMMISSIONER WEINSHALL: Is Kevin  
14 Fitzpatrick here.

15 MR. FITZPATRICK: Hello, how are you  
16 doing? My name is Kevin Fitzpatrick, I am a taxi  
17 driver and an organizer for the New York Taxi  
18 Workers Union. It is an organization of over 5,000  
19 real bona fide cab drivers.

20 I would like to talk first about group  
21 riding. We are in favor of it. We think it's a  
22 good idea. We think it should be extended to the  
23 outer boroughs. Whenever we talk to the Beeps, the  
24 first complaint is, where are the yellow cabs? Of  
25 course, we all know if you live in an outer borough,

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1 you can't get a yellow cab. And group riding might  
2 be a way to help this. This is a personal opinion  
3 but I think the way it do it, really, is to put back  
4 radios in yellow cabs. This way you have a good  
5 chance of getting business in the outer boroughs.

6 Secondly, the technology things. Okay,  
7 you know, we are going to get credit cards whether  
8 we want them or not. This is the 21st Century. I  
9 am not going to talk about the problems, we can talk  
10 about them later. As to the other GPS technology,

11 well, is it going to work. Secondly, okay, the map  
12 in the car. Well, remember the average American  
13 can't find Iraq on a map. The average New Yorker  
14 nowadays doesn't know, remember the musical, "On the  
15 Town," midtowns up and the Battery is down. They  
16 don't know that.

17 VOICE: Bronx is up and the Battery is  
18 down.

19 MR. FITZPATRICK: Sorry, I should know  
20 that, I was born in the Bronx.

21 But you are going to give them a map to  
22 try to figure out where they are going to go. I  
23 think as a test, we should let them pick their  
24 route. They will wind up in Hoboken.

25 Let's get to what we are really concerned

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1 about, the fare increase. First of all, I would  
2 like to thank Mayor Bloomberg and Commissioner  
3 Weinshall. And I would like to also thank  
4 Commissioner Weinshall's staff. I was told not to  
5 use names, but they know who they are. They did an  
6 excellent job. And for the first time in 30 years I  
7 think somebody is worried about what taxi drivers  
8 make.

9 It's an unfortunate thing that since the

10 TLC has been set up, it has been on the cutting edge  
11 of cutting labor costs, which means cutting labor  
12 salaries. Since the TLC has been set up, we know  
13 drivers who have lost pensions, they have lost  
14 health insurance, they have lost vacations. And  
15 what did we get? We got the wonderful system of  
16 recent. Now we have a medallion that was worth  
17 15,000 in 1971, now it's worth over \$300,000. Let  
18 me tell you, drivers' incomes haven't gone up 2,000  
19 percent.

20 Okay, now we are getting into a  
21 situation, now we realize that the drivers' income  
22 has to go up. Even the MTBOT says that they  
23 shouldn't get their 50 percent. Why not? Because  
24 they know they are not going to get it. I think we  
25 all remember the scam that pulled after September

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1 11th. Remember the hearing in December 2001 when  
2 they wanted to raise the cost of leasing a cab on a  
3 day to \$126. I think we all remember what business  
4 was like a couple of months after September 11th.  
5 You were grossing 7, \$8 an hour. I had a day when I  
6 made a \$1.50 after that. I went and bought a cup of  
7 coffee and I gave the waitress \$1.50. She said,  
8 "That's a big tip." I said, "I've always wanted to

9 give a whole day's salary as a tip."

10 Let's get back to now. I would like to  
11 talk about expenses. There are 12,287 medallion  
12 taxicabs in New York City. That's approximately 25  
13 to 30,000 drivers. 25 to 30,000 drivers. I would  
14 like to ask how much is paid in social security  
15 costs by the owners of those medallions? This is a  
16 normal business expense. You would think 25,000  
17 employees, would the figure be \$120 million, \$150  
18 million, \$75 million?

19 It's zero, nada, zippo. There are  
20 expenses, yes, most other people have to pay them.  
21 We hear about the expenses about meter paper. I  
22 remember when Commissioner Lynn made the receipts  
23 mandatory, they were talking about how the expense  
24 of the meter paper was going to break them. I think  
25 we always hear this from the MBTOT. The slightest

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1 increase in cost, they are going to be living in  
2 garbage cans in the Bowery. No, not the Bowery, I  
3 guess they will be living in East New York.

4 Anyway you gentlemen, and ladies, you  
5 Commissioners, you have a chance to change 30 years  
6 of driver income going down. As we said, this is a  
7 first step but it's an important first step. We

8 would like you to vote.

9 CHAIRMAN DAUS: Mr. Fitzpatrick, could  
10 you please sum up.

11 MR. FITZPATRICK: Okay. No increase in  
12 leases and night surcharge and get the fare  
13 increase.

14 Thanks a lot for your attention.

15 CHAIRMAN DAUS: Thank you, sir.  
16 Commissioner Giannoulis has a question.

17 COMMISSIONER GIANNOULIS: Just as a  
18 point of clarity. I have heard four people thank  
19 Mayor Bloomberg for I am not exactly sure what yet.  
20 Just in case people don't understand, five of the  
21 members of this Commission are actually appointed by  
22 the City Council. And any good things or bad things  
23 that might occur today, the majority of this  
24 Commission is appointed by the City Council.

25 And in reference to your particular

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1 issues, I see an order in here that has 37 City  
2 Council members calling for a living wage for  
3 drivers.

4 MR. FITZPATRICK: We thank the City  
5 council too.

6 COMMISSIONER GIANNOULIS: I didn't hear

7 anybody mention that and I think it is important  
8 that we recognize that.

9 MR. FITZPATRICK: My mistake. I thank  
10 the City Council, too, all 37 members.

11 CHAIRMAN DAUS: I think I can speak on  
12 behalf of all the Commissioners to say that it is  
13 our intention to give all drivers a living wage,  
14 it's just how we get to that amount.

15 Thank you, sir.

16 The next speaker is Mr. Biju Mathews from  
17 the Taxi Alliance.

18 MR. MATHEWS: Good morning to all the  
19 commissioners. Amongst the distribution of tasks, I  
20 am from the New York Taxi Workers Alliance and I am  
21 also a researcher. I have been working with the  
22 Taxi Alliance for the past seven or eight years.

23 Among the distribution of tasks, it was  
24 my task to thank the 37 City Council members who  
25 signed the letter of support seeking a liveable

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1 income for taxi drivers. Also, I just want to point  
2 out to all the Commissioners here that there is an  
3 overflow room which is packed with drivers, there  
4 are 50 to 70 drivers sitting there. And  
5 downstairs, outside the building, there are still

6 drivers still trying to get into the building. We  
7 seem to have somehow willy-nilly implemented a  
8 system where the suits are here and the drivers are  
9 everywhere else.

10 I want to start with the fare increase  
11 because whether we like it or not, that's the issue  
12 at hand. I am glad that Ron Sherman came up here  
13 and said 85/15 is fine. In 1996 that was fine when  
14 it went the other way around, so I presume this time  
15 around 85/15 in favor of the drivers is fine. I am  
16 glad he said that, in spite of still saying that a  
17 50/50 is kind of the most desirable, I am glad he  
18 conceded to the fact 85/15 is acceptable.

19 If 85/15 is acceptable, I just want to  
20 make a simple point. The current lease caps, there  
21 is enough of a gap between what the leases that are  
22 currently being charged are and what the current  
23 lease caps are. For instance, if you take the  
24 medallion only lease, the lease cap is 741, the  
25 current lease rates going at this point in the

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1 market is somewhere between 650 and 675, 680. So  
2 there is a gap of around anywhere between 60 to \$80  
3 out there, which will be enough and more to make up  
4 the 15 percent.

5                   If you take weekly garage leases, 617 is  
6                   the lease cap. If you look at the distinction  
7                   between what is currently being charged, it is  
8                   anywhere between 525 to 580. So, again, there is a  
9                   big gap of 140 to around \$70 difference there, which  
10                  is enough and more for the 15 percent. So bare  
11                  minimum, no lease increase. As a matter of fact, I  
12                  would go further and say, given that we are looking  
13                  at a gas price hike, given that we are looking at a  
14                  summer where business is likely down, we should not  
15                  only not have a lease cap increase, not only should  
16                  we freeze the lease caps where they are, but we  
17                  should for the first six months freeze the lease  
18                  rates where they are so that drivers can actually  
19                  recover from eight years of not getting a raise and  
20                  actually make some money, and then get into that  
21                  situation wherein their costs are going up. I think  
22                  that should be the most logical proposal. A  
23                  complete stop to the lease caps as they stand, and  
24                  also a six-month freeze on the current lease rates  
25                  staying where they should be staying.

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1                   The other two points that I wish to make  
2                   is one regarding the technology. In my other life I  
3                   also happen to be a professor of information

4 technology. And I want to make a very specific set  
5 of points about the electronic trip sheets. The  
6 electronic trip sheets has a set of benefits, we  
7 acknowledge that. But there are big problems if you  
8 use electronic trip sheets as part of enforcement.  
9 The problems are very simple. We need to consider  
10 the fact that when you are using the GPS system  
11 within a mass transit structure like implementing in  
12 all cabs, you are going to be forced to use a lost  
13 cost GPS.

14 Low cost GPSs have error rates. Even if  
15 you take an error rate of .01 percent, you will end  
16 up with the GPS system making at least six to 10  
17 errors per day. If you make 6 to 10 errors per day,  
18 that is the life of a driver if that is the driver  
19 who gets pulled up before a court and that is being  
20 used. So unless we can ensure that a GPS system is  
21 put into place which has zero errors, we are going  
22 to crucify some innocent driver or the other, and  
23 even crucifying one innocent driver is not  
24 acceptable. That's a simple point.

25 The other point about this GPS business

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1 is that it is a DOD, Department of Defense  
2 technology, and there is something called selective

3 availability. Selective availability is a  
4 technology that comes with GPS which is meant to  
5 create an error, and it was put into place by the  
6 Department of Defense so as to ensure that nobody  
7 else uses the system. Right now DOD has it turned  
8 off which is why all the commercial interests can  
9 use it. But the DOD has not said it is not going  
10 to switch it back on. So we put that technology  
11 into place and tomorrow DOD decides that it needs  
12 it, we are going to be sitting on a piece of  
13 technology that we don't know what to do with.

14 There are lots of other alternatives, Geo  
15 Star, Glonass, Precision Pointing System, et cetera,  
16 and a whole bunch of other alternatives that you  
17 need to look into and come to that important thing.  
18 No tolerance for error, that's going to be a crucial  
19 one if you really want to use it for drivers.

20 One last comment which will take me 30  
21 seconds. I hear a lot of ribbing going on here, I  
22 simply want to make a point that if Mr. Mateo says  
23 that he doesn't understand us, it should be clear  
24 that the reason he doesn't understand it is because  
25 multi-millionaires don't normally understand poor

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2                   CHAIRMAN DAUS:    Thank you.  The next  
3                   three speakers are Bruce Schaller, former  
4                   Councilmember Walter McCaffrey and then Jason Diaz,  
5                   in that order.

6                   Mr. Schaller, good morning.

7                   MR. SCHALLER:    Good morning.  I am Bruce  
8                   Schaller of Schaller Consulting in Brooklyn, New  
9                   York.  I would like to speak briefly on the credit  
10                  card rule proposal.  I have prepared a report that  
11                  analyzes the proposed rule.  I believe all members  
12                  of the Commission have received this.  I have  
13                  additional copies if anyone needs one.

14                 The report looked at likely usage of  
15                  credit cards in cabs; the cost, which is a very  
16                  important factors here and will really affect how  
17                  the program develops; the experience in other cities  
18                  and rates of usage in other cities; and the same for  
19                  200 or 250 cabs that presently have credit card  
20                  capability in New York City.  We took a sample of  
21                  rides and looked at the results.  We specifically  
22                  talk in the report about the process of moving from  
23                  here to having credit cards and debit cards used in  
24                  each cab.

25                 I am not going to go through all the

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1 points in this. I think you have had a chance to  
2 review this. Many of the key findings and  
3 recommendations that we made in terms of process,  
4 the Chair has outlined and incorporated in his  
5 remarks at the beginning. So we are very gratified,  
6 I think we are all kind of on the same page here.  
7 We have had some good discussions with staff.

8 CHAIRMAN DAUS: It's pretty much what  
9 you recommended, from what I understand.

10 MR. SCHALLER: Yes. The one point I  
11 wanted to emphasize here, is I think the importance  
12 of focussing on the process on meeting performance.  
13 On setting and then meeting performance standards in  
14 the course of development and approval of  
15 specifications, addressing policy issues including a  
16 surcharge on the fare and whether advertising is  
17 permitted up front which will affect a great deal  
18 how the systems are developed, and to focus on the  
19 process and the standards and not the deadline.

20 A focus just on the deadline, which is  
21 the one thing that is in the rule, may work fine but  
22 it also may lead down the wrong path here. That's  
23 the basic point I wanted to make. I would be happy  
24 to answer any questions as well.

25 CHAIRMAN DAUS: Commissioner Giannoulis?

1                   COMMISSIONER GIANNOULIS:     A very quick  
2                   question.  If we were to pass the rule, part of the  
3                   belief is that we have to establish rules for people  
4                   to begin to develop technology.  Do you agree with  
5                   that?  You were just talking about a deadline.

6                   MR. SCHALLER:     I think the deadline  
7                   clearly sets forth the Commission's intent here, and  
8                   that's good.  And a deadline is a good thing to move  
9                   everything forward on a schedule.

10                  I think the key thing here is to have a  
11                  process where the decisions are made in the right  
12                  part of the process and that enough time is given  
13                  for the development, the testing, the evaluation.  
14                  That there be clear standards against which the  
15                  pilots are evaluated, that that is published and set  
16                  forth.  And that it all come back to the Commission,  
17                  which I think you are making that change in the  
18                  rule.  That it all comes back for approval at a  
19                  public hearing, after public hearing at the  
20                  Commission level.  I think that's a good process.

21                  CHAIRMAN DAUS:     Commissioner Sander and  
22                  then Torres.

23                  COMMISSIONER SANDER:  Mr. Schaller, good  
24                  to see you.  You perhaps heard former Speaker Miller  
25                  recommend an annual review of expenses, an annual or

1 bi-annual rate increase. You served before I think  
2 as Director of Policy for TLC a while back. I would  
3 be curious, briefly, if you could give us your  
4 views, if you ever looked at the issue of regular  
5 reviews by the TLC for rate increases and any  
6 comments that you have about that or the process.

7 MR. SCHALLER: Sure. I would agree that  
8 probably a bi-annual review, every two years would  
9 be appropriate. It is more than you need. And, in  
10 fact, while I was at the TLC, we reviewed the rate  
11 of fare in 1986 which led to the '87 fare increase  
12 of 22 percent. We reviewed revenue and expenses in  
13 1988. We reviewed in 1990 or late '89 which led up  
14 to the 1990 fare increase of 12 percent. And then  
15 we reviewed in '92 and '94. So we actually had at a  
16 staff Level a two-year review cycle of expenses and  
17 revenue, which in some cases led to proposal and  
18 adoption of a fare increase, and in some cases led  
19 to nothing.

20 In one case we had a hearing and then the  
21 Commission chose not to increase the fare. So a  
22 variety of outcomes. But I think that two-year  
23 cycle, I would recommend to you, and it is something  
24 that has been done successfully before.

25 COMMISSIONER SANDER: I tend to agree

1 with you.

2 COMMISSIONER TORRES: In our proposal,  
3 there appears to be like an 18-month period for  
4 implementation.

5 What would you suggest would be an  
6 appropriate timetable, considering that there may  
7 have to be a pilot program to see if this works  
8 because I remember there were issues with regards to  
9 the air-conditioning system. Is 18 months  
10 sufficient?

11 MR. SCHALLER: I think 18 months is  
12 aggressive, I think it is probably doable. I  
13 wouldn't say it can't be done. I think the way the  
14 Chair laid out the time points along the way was  
15 quite good. And as long as you can keep moving at  
16 that, having a staff person hired, bringing a  
17 variety of resources, other agencies. All those  
18 things are good elements here that may make it very  
19 much possible to do that in that time frame.

20 The point I was trying to make earlier is  
21 not to let the deadline drive skipping over parts of  
22 the process or rushing through it.

23 COMMISSIONER TORRES: In your opinion,  
24 is the technology to the point or is it available  
25 where we can all of this under one system, the

1 credit card, the GPS, as opposed to having different  
2 components?

3 MR. SCHALLER: Well, the technology is  
4 there. You've got the credit card meters, you've  
5 GPS, you've got monitors. I think each of the  
6 elements is there.

7 The hard part is not the hardware, the  
8 technology. It's making it work in a taxi  
9 environment, number one, and it is the human factors  
10 of having drivers, for example, ready and willing to  
11 accept credit card payment. So I think working out  
12 the other parts of this, the system part, the  
13 environment and the human factors part, those are  
14 the larger challenges here. Not to say the  
15 technology is easy, but I think the technology is  
16 probably the easier part of this. Looking at  
17 technology in the more narrow definition.

18 CHAIRMAN DAUS: Commissioner Weinshall?

19 COMMISSIONER WEINSHALL: Mr. Schaller,  
20 you are sort of an expert on the taxi industry; am I  
21 correct?

22 MR. SCHALLER: I appreciate your saying  
23 that. If I can quote you, I will happily do so.

24 COMMISSIONER WEINSHALL: Have you done  
25 any research into other cities and what other cities

1 have done vis-a-vis credit cards and Global  
2 Positioning Systems and having monitors in cabs?

3 MR. SCHALLER: Yes. Let me just expand  
4 on that a little bit.

5 Credit card capability in taxicabs is  
6 pretty common in major fleets across the United  
7 States. Typically, the driver pays around 5  
8 percent, so for \$100 worth of credit card charges,  
9 he gets 95. The only place that I am aware of in a  
10 major city that has mandated it is Chicago. They  
11 are in the midst of that, they mandated it in terms  
12 of time line in 2001 and are planning now to start  
13 to enforce in June of this year. I think it can be  
14 done more quickly here in the sense of the  
15 technology is further advanced.

16 On the other side, they are holding off  
17 on the enforcement for independent owner-operators  
18 which is a small part of their industry and a very  
19 large part of the industry here. In terms of GPS, I  
20 am not aware of GPS being used in cabs from a  
21 regulatory mandate standpoint. It is fairly  
22 commonly used again in large fleets for dispatch  
23 purposes. And I would be particularly concerned  
24 about how GPS works in the canyon environment here.

25 I have heard through some testing that the ability

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1 to get your location determined is not consistently  
2 there.

3 CHAIRMAN DAUS: Commissioner Michels?

4 COMMISSIONER MICHELS: I am interested  
5 in the Chicago experience in terms of revenues. I  
6 am very interested to see whether or not this will  
7 result in an increase in revenue for both the  
8 industry and the drivers.

9 MR. SCHALLER: In terms of revenue to  
10 the cab industry?

11 COMMISSIONER MICHELS: And to the  
12 drivers.

13 MR. SCHALLER: Right. There is no clear  
14 documented evidence as to how it has affected  
15 revenue. Drivers say the tips are larger,  
16 particularly for longer trips. We found the same  
17 thing in the cabs that have credit card meters in  
18 New York, a number of drivers have said the tips  
19 were larger for longer trips.

20 Whether people use a cab instead of some  
21 other means of transportation because of credit card  
22 availability, I think is too early to tell in the  
23 implementation of these. In a couple of the fleets

24 that have credit card capability in Chicago and  
25 other cities, including the ones in New York, the

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1 rate of usage has been under five percent of trips.  
2 So, clearly, it makes a difference here if it is  
3 mandated for all the cabs and you can be reasonably  
4 sure of being able to use a credit card in a cab,  
5 you will have a higher rate of usage.

6 COMMISSIONER MICHELS: That's one of the  
7 factors we have to consider before we implement it.  
8 If we find out that there is less revenue, it  
9 doesn't make any sense.

10 COMMISSIONER WEINSHALL: Mr. Michels, I  
11 think one of the issues that we will clearly have to  
12 look at, as Mr. Schaller said, the City of Chicago  
13 is now first mandating it and there will be a wealth  
14 of information that we will be able to get from  
15 them, clearly, in the year and a half before we  
16 hopefully put this into the cabs. So I think that  
17 that will be a sharing that we will be able to  
18 partake of.

19 CHAIRMAN DAUS: I concur with  
20 Commissioner Weinshall. And, in fact, in addition  
21 to the mandate that we just discussed, there are  
22 many other taxi fleets in cities that have it

23 voluntarily, including Pittsburgh, Denver, Houston,  
24 Austin, San Antonio. And also there are forms of  
25 mandatory credit cards in Los Angeles, Boston,

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1 Seattle, San Diego and St. Louis. And we have also  
2 had our own pilot program.

3 Michael Levine was kind enough to equip  
4 many of the cabs in his fleet, and we found that  
5 most of the trips were longer trips but that the  
6 equipment worked quite well. But, certainly, there  
7 will be improvements made.

8 Commissioner Sander, you had a comment?

9 COMMISSIONER SANDER: Yes, actually, a  
10 brief question.

11 In the last hearing we had a  
12 conversation, a very brief but I think important  
13 conversation philosophically about the roles of the  
14 fleets vis-a-vis DOVs and so forth. And I would be  
15 very interested if you could comment on your view  
16 and your view assessment of the role of the fleets  
17 and what do you think the impact will be, either  
18 from a transportation standpoint or from other  
19 standpoints, were the size and the role of the  
20 fleets in the industry to further decline and so  
21 forth?

22                   Or to put it more simply, does it make a  
23                   difference from a policy standpoint in terms of what  
24                   kinds of distribution you have in terms of owners,  
25                   DOVs, fleets and so forth?

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1                   MR. SCHALLER:    If I can just make a  
2                   comment.  I was not planning to speak on the topic,  
3                   but I think one of the great strengths of the taxi  
4                   industry in New York is the diversity of types of  
5                   operations going from the individual independent  
6                   owner-driver on the one side to the fleet on kind of  
7                   the other end of that spectrum, with a number of  
8                   other forms of operation in between.

9                   And if you look over the history of the  
10                  taxi industry over the last 40 or 50 years, you see  
11                  that some operators have done better at some points  
12                  in history and others in other times.  So if all  
13                  your eggs were in one basket, so to speak, when  
14                  things got bad in one sector, things would have been  
15                  worse overall than otherwise.  I think the fleets in  
16                  particular are really a key member, a key part of  
17                  the industry.  In particular for new drivers coming  
18                  in, for those who want to work part time, for those  
19                  who don't want to commit to buying a car, to driving  
20                  six or seven days a week.

21                   And I think you are aware of another  
22                   report I did in this area recently that emphasized  
23                   the importance of the fleets and maintaining the  
24                   financial viability of the fleets in a  
25                   non-discriminatory way, vis-a-vis other parts of the

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1                   industry.

2                   CHAIRMAN DAUS:    Thank you, Mr. Schaller.  
3                   Thank you for your study, the Commissioners have a  
4                   copy of it and we appreciate it.

5                   Next speaker is former Councilmember  
6                   Walter McCaffrey.   Welcome back.

7                   MR. McCAFFREY:    Thank you very much, Mr.  
8                   Chairman, members of the Commission, it is a delight  
9                   to be before you.   It is a little unusual for me  
10                  having been on this side.   I have been in some of  
11                  your capacities and it is good to see my former  
12                  colleagues.

13                  In reference to the issue in terms of  
14                  credit card acceptance, one of the things that I  
15                  think is very, very much appreciated is to hear  
16                  views that were articulated by the Chairman at the  
17                  start of this hearing.   It is essential for the  
18                  concept to take place based upon pilot studies that  
19                  will demonstrate and will figure out problems that

20 are going to be encountered in the implementation.  
21 That is essential if the public is to feel  
22 comfortable with this.

23 It is not in any way a goal to have  
24 technology put in place that will not be used by the  
25 public. And there are challenges all the time when

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1 new opportunities are afforded to convince the  
2 public that it's worthwhile for them to be involved  
3 in it. And we certainly saw, for example, when ATM  
4 cards came out that it was very difficult to  
5 convince large numbers of users who had cards to use  
6 them. So one of the things that you want to know is  
7 that at the end day, the process has resulted in  
8 something that they will feel comfortable with.

9 There are technological challenges there.  
10 Certainly, Mayor Bloomberg has raised the issue in  
11 terms of blind spots in the city, and, indeed, DoIT  
12 and Department of Consumer Affairs are charged with  
13 that responsibility by looking at that. Senator  
14 Schumer has looked at that in terms of the City of  
15 New York, that there are major challenges in that  
16 regard. And in due fairness to my friends in the  
17 City council, my former colleagues, that was an item  
18 that was raised over the years also. So these are

19 items that have to be adjusted.

20 At the end of the day, the public can be  
21 cynical. We saw, for example, when the E-911 system  
22 was put in place, everyone thought there was going  
23 to be a great benefit brought about. They expected  
24 it to come about quickly. They expected to have  
25 confidence in that. Yet, today, they still do not

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1 have that, despite the fact that they have been  
2 paying for it for a very, very long period of time.

3 I think one of the things that is  
4 important for us to understand in this process here  
5 is that there are many individuals who come forward  
6 with great expertise. And it is again very  
7 important here that the Department of Transportation  
8 and DoIT will be involved in bringing their  
9 expertise in reviewing this with the TLC. It is  
10 very, very important that we have interested parties  
11 who have, quite frankly, in some cases a vested  
12 interest, but at the same time very significant  
13 expertise to be involved in the process here also.  
14 So that is something which I think is to be lauded.

15 And I understand the question of brevity  
16 will be appreciated, so let me just say that I am  
17 delighted to hear as exhibited in the colloquy

18 between Commission members Giannoulis and Michels  
19 the issue of having this all come back to the  
20 Commission for final determination. I compliment  
21 you on that and I thank you very much for the  
22 opportunity to testify.

23 CHAIRMAN DAUS: Former Councilmembers  
24 want to say something. Commissioner Michels?

25 COMMISSIONER MICHELS: I just want to

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1 compliment my former colleague. It's always a  
2 pleasure to listen to his wisdom. We appreciate  
3 your being here and giving us your wisdom.

4 MR. McCAFFREY: Thank you.

5 CHAIRMAN DAUS: Commissioner Dear?

6 COMMISSIONER DEAR: Welcome. With  
7 regard to this new technology, I know you've raised  
8 it, is there, from your perspective, I know we have  
9 heard it from many different people, is there  
10 somewhere right now that something is working that  
11 has been implemented for some period of time?

12 MR. McCAFFREY: As you will hear from  
13 our next speaker, the city system is one that is not  
14 being used very, very much. The participation rate  
15 is dramatically low. And I think part of that is  
16 because the public is unaware of it. If you say to

17 the average taxi passenger, "Do you realize you can  
18 pay by credit card?" They say, "Huh?"

19 So I think there are some problems there.  
20 There are then problems also with the technology and  
21 there are problems of the ease of use by the driver  
22 in terms of the technology, which either discourages  
23 or encourages participation. So those are all  
24 factors as we look here in terms of the city, and I  
25 think the Schaller report ends up giving a pretty

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1 good analysis of that in terms of what the flaws  
2 are. The hope is that Chicago will end up being a  
3 way in which we will have some additional  
4 information.

5 But at the moment there isn't something  
6 that is fully there. That's why the pilot concept  
7 is very, very important to ensure that you will have  
8 that.

9 COMMISSIONER DEAR: Obviously, there are  
10 many programs out there. What I am trying to get is  
11 if there is anybody who has something that is almost  
12 foolproof that has been proven already.

13 MR. McCAFFREY: I will let the next  
14 speaker testify to that.

15 COMMISSIONER DEAR: Okay, thank you.

16 CHAIRMAN DAUS: The next three speakers  
17 are Jason Diaz, Cory Gottlieb and Joseph Giannetto.

18 MR. DIAZ: My name is Jason Diaz, I am  
19 handing out my remarks to you. I have been involved  
20 with cabs and technology for the last eight years.  
21 I founded a non-profit organization called Cab Watch  
22 where we got now 7,500 cab drivers, livery drivers  
23 to use wireless technology to report crimes and  
24 emergencies. We work closely with the Chair and the  
25 TLC and have had success with many thousands of

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1 calls to 911.

2 Today, though, I am talking with a  
3 different hat. I have been working with one of the  
4 credit card providers to bring their solutions to  
5 the taxis in New York, and we are very excited about  
6 the possibility of credit card and debit card  
7 capabilities. But in order to do so, I am glad to  
8 hear the focus on process because we need to be very  
9 careful about what we are going to do.

10 One of the big reasons why is on page 3  
11 here, is that the estimated costs for the first five  
12 years is about \$100 million. That's including both  
13 the upfront investment and the wireless and credit  
14 card fees. So we are talking about a 5 to 10

15 percent increase in the annual expense, as well as  
16 you are dealing with, according to Bruce Schaller's  
17 report, another 100 to \$250 million worth of cab  
18 rides now being paid with credit cards. So it is  
19 very important to have a system here that meets the  
20 criteria and the safety standards so that this  
21 doesn't become a white elephant or creates abuse.  
22 That was sort of my first point.

23 My second point is to try to learn from  
24 previous taxi technology initiatives here from TLC.  
25 I know in the last ten years or so, the taxi meters

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1 with receipt printers were involved,  
2 air-conditioning in the rear of the cab, the talking  
3 taxi program, the taxi TV program, as well as the  
4 existing credit card taxi meters. I think there are  
5 definitely some things that were done right and some  
6 things that probably could have been done better, so  
7 it's key to make sure that we take the best  
8 practices from those processes.

9 I was glad to hear the Chairman address  
10 the process because it sounded like you would  
11 address some of the questions and issues that might  
12 have been a problem in the past.

13 The third point I wanted to make was the

14 idea of creating criteria and standards. Just  
15 mandating credit card acceptance in taxis is not  
16 enough. One of the things that is in the Schaller  
17 report is looking at some of the current credit card  
18 taxi meters on the road today. Although they  
19 technically work, and if we tried them here they  
20 would, work, Schaller found that only 13 percent of  
21 these credit card taxi meters worked in the real  
22 world.

23 Why is that? Some issues about  
24 transaction speed. It took about ten times longer  
25 than the cash. A lot of drivers didn't know how to

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1 use the system. There is driver resistance about  
2 paying the fees of these credit cards, as well as  
3 the wireless transactions failed a third of the  
4 time, as well as the passenger's credit number and  
5 expiration date was printed on the receipt which is  
6 a big security issue. If you read in the papers,  
7 just a month ago a cab driver was arrested in  
8 Stamford for basically copying those numbers and  
9 running up \$7,500 worth of charges.

10 So without key criteria and standards, we  
11 are going to get a system that is prone for  
12 potential issues like this. One of the key things

13 that I like to stress in this process is that the  
14 Commission creates more than just we want to do  
15 credit cards in cabs, but there are specific  
16 standards like we want the transaction to be able to  
17 done not in two and a half minutes but in ten  
18 seconds or so, as well as security.

19 So my last page here is one of proposed  
20 regulatory changes. A lot of these have already  
21 been talked by Matt. Basically doing the evaluation  
22 process with clear criteria. Going back to the  
23 Commission with standards, as well as having a  
24 minimum number of vendors that can solve those  
25 technology solutions so that there aren't issues

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1 about having a sole provider, as well as integrating  
2 and involving folks like myself and other folks in  
3 the industry to ensure that we get something that  
4 meets all the needs of the passengers and the  
5 drivers and the Commission alike.

6 So that was sort of my proposed remarks  
7 on the regs. I can talk a little about some of  
8 things to answer Commission Dear's response about  
9 what systems have worked. The one fool-proof system  
10 that has worked in other markets is one that I think  
11 addresses an immediate need but not necessarily a

12 future need. That is, at some airports instead of  
13 credit card machines in the taxis themselves, they  
14 have credit card machines at the taxi stands. Since  
15 the surveys show that most rides are for the airport  
16 and so by having credit card machines at the  
17 airport, which is something that a bunch of cities  
18 do already, basically the passenger can swipe their  
19 credit card, you have a connection there, the  
20 passenger gets a credit card receipt, and then at  
21 the end of the ride, the driver writes in the fare  
22 and tolls, the passenger rights in the tip and they  
23 sign it. Then when the cabbie comes back to his  
24 fleet or the taxi holding pen, they will be able to  
25 get cash.

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1 So that is an immediate way to address  
2 the most important need and sort of that works that  
3 I know of.

4 COMMISSIONER WEINSHALL: Thank you, Mr.  
5 Diaz.

6 Any questions?

7 COMMISSIONER GIANNOULIS: Just a quick  
8 point of reference. I received, and we all did, a  
9 letter from you. For you and everybody else  
10 involved in this business as we go into the next

11 year and half, we are going to see a lot of folks  
12 who want to become vendors, it would be helpful if  
13 we could get some background material on the  
14 entities and companies, because none of us here are  
15 experts, I don't think, on this side of the world.  
16 So I think it would be helpful for us to have some  
17 context.

18 I am just saying this to everybody who is  
19 interested because we are not experts, so as we see  
20 and hear people, it will be interesting to find out.

21 MR. DIAZ: Absolutely.

22 COMMISSIONER WEINSHALL: Thank you.

23 Is Cory Gottlieb here?

24 MR. GOTTLIEB: Good morning, I guess is  
25 still in order. My name is Cory Gottlieb, I am with

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1 Global Vision Interactive. We first introduced a  
2 fully interactive computer into New York City  
3 taxicabs as part of the in-taxi video program from  
4 last year. While that program ran its course and  
5 was since canceled, we certainly have learned a lot  
6 about technology in cabs, how challenging it is to  
7 do it successfully. And the reaction that we got  
8 from the public was incredible.

9 The press that we have seen from around

10 the world proved that what we are about to undertake  
11 here in New York City will be heavily scrutinized by  
12 everybody in the industry both in New York and  
13 around the world. We receive press from CNN, Time  
14 Magazine, Reuters. Press from Italy, Japan. We  
15 have successfully implemented our system in Chicago  
16 and we have received full legislative approval for  
17 implementation in Boston and San Francisco, and we  
18 continue to work towards other cities in the U.S.

19 I am very happy to be standing here  
20 today, while again the in-taxi video program was  
21 canceled, I am happy to see that the Commission has  
22 taken some very positive aspects of what we learned  
23 through that program and is looking to move forward  
24 into the future of technology. I am sure some of  
25 you got the opportunity to read my letter that I

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1 sent to the Commission last week.

2 One of the nice things about standing  
3 here as one of the later speakers of the morning is  
4 that I don't have to repeat a lot of the good points  
5 there were made. Jason Diaz I thought made some  
6 excellent points about the process. So I can now go  
7 through my thoughts pretty quickly.

8 When implementing technology, it is our

9 opinion that you need to either do it right or not  
10 do it at all. An inexpensive or poorly built system  
11 that's expected to do very intricate maneuvers in a  
12 moving taxicab with temperature ranges probably  
13 between 120 degrees Farenheit and down probably into  
14 the negatives in terms of temperature, cabs going  
15 over pot holes, intermittent power supplies, when  
16 the driver turns the car off or the driver turns the  
17 car on, you never know because it's in the driver's  
18 control. Being able to do all of these processes  
19 requires a very intricate system.

20 So the first point I would like to make  
21 is if we are going to implement technology, we  
22 applaud the comments that Commissioner Daus made  
23 before about forming a subcommittee, having a  
24 project manager on board as a point person, having  
25 open meetings with I guess people like myself and

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1 industry experts. I would like to become part of a  
2 task force, if that's possible. An open meeting is  
3 nice but having people with the expertise in this  
4 industry to work closely with the regulators, I  
5 think, would probably be a little bit more  
6 effective.

7 CHAIRMAN DAUS: By the way, you and your

8 company and many of other companies are to be  
9 commended, I think, for taking the bold step of  
10 asking us to pilot close to like a year and a half  
11 ago. So I thank you for that.

12 MR. GOTTLIEB: Sure.

13 And, again, let's take what we have  
14 learned from the pilot. We obviously spent a lot of  
15 money in the pilot. That pilot program was really  
16 not for us. In hindsight which is always 20-20, we  
17 put what at that time was a \$4,000 computer system.  
18 Obviously, costs have gone down since then. But we  
19 put a \$4,000 interactive computer in taxicabs and we  
20 were in the same business as other companies putting  
21 in \$300 and \$400 portable DVD players that gave the  
22 passenger no control.

23 Our system allowed the passenger to turn  
24 it off if they didn't want to see the system,  
25 allowed them to control the volume, and allowed them

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1 to totally control their experience. We had over  
2 20,000 positive responses each month on our on-  
3 screen survey just by passengers touching our screen  
4 and speaking to the positive experience that they  
5 had with our system. Yet, we were put with other  
6 companies or other systems that weren't as

7           technologically advanced as ours and were a lot less  
8           expensive. So, therefore, the program in its  
9           entirety was viewed as something that needed to be  
10          canceled.

11                        So we applaud the forward thinking of the  
12          Commission to put real technology in and do it in  
13          such a way that it makes sense. I echo the  
14          sentiments of Bruce Schaller. He mentioned that it  
15          is not about the absolute time line here. The first  
16          part of the process needs to clearly define exactly  
17          what you want this technology to do. And I will  
18          just read a couple -- is that five minutes already?

19                        In conclusion, I just want to say that we  
20          did implement systems that work. We are looking  
21          forward to the future. We are looking forward to  
22          this and we just want to make sure that it is  
23          handled in the proper fashion.

24                        CHAIRMAN DAUS:    Than you.

25                        Commissioner Torres and then Commissioner

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1          Dear.

2                        COMMISSIONER TORRES:    I just have a  
3          couple of points of clarification in your letter  
4          where you make reference to the GPS system. You say  
5          is there going to be a dead reckoning requirement

6 for all cars?

7 What does that mean?

8 MR. GOTTLIEB: A few speakers before me  
9 already mentioned some of the challenges with GPS  
10 technology in a cavernous environment of sky  
11 scrapers. One of the software programs that you can  
12 put in place with GPS which costs additional money  
13 is a program which when the signal is lost, it  
14 calculates where the signal is lost, the direction  
15 the vehicle is going in, the speed at which it was  
16 moving, and makes calculations as to where you are  
17 or where the GPS unit is even though you might not  
18 have a GPS signal at that point in time.

19 COMMISSIONER SANDER: Has that been  
20 proven to work in New York City traffic?

21 MR. GOTTLIEB: I don't know. Dead  
22 reckoning is something that has been around for  
23 quite sometime with GPS. I don't know who is  
24 working on it in New York City or not.

25 COMMISSIONER WEINSHALL: It is not a

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1 traffic issue; it's a building issue.

2 COMMISSIONER SANDER: I know it is the  
3 canyon effect, but the speaker is referring to  
4 something that would compensate for that based on

5        what it senses, the speed and what have you. But  
6        with the just unpredictable nature of traffic  
7        congestion, which the Commissioner certainly is  
8        familiar with, I am just curious as to how that  
9        technology would work.

10                    COMMISSIONER TORRES:    Then you state,  
11        "Is there going to be one central location where all  
12        vehicles will be displayed?" I understand that.  
13        "If so, is it in realtime?"

14                    What does that mean?

15                    MR. GOTTLIEB:    The issue of having all  
16        of these electronic trip sheets being sent to a  
17        central location brings up a lot of issues. One is  
18        data storage. If everything is going to be coming  
19        in from 13 or 14,000 different cabs on several  
20        different types of vendor units, there has to be one  
21        standard for the delivery of such data. And what is  
22        it? Is it going to be done the day after, is it  
23        going to be done in realtime so that you can see a  
24        cab is on 23rd and Third now.

25                    And we need to know that as technology

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1        people because the type of technology needed in  
2        order to do that rather than waiting a day or a week  
3        or a month is significant.

4                   COMMISSIONER TORRES:    My last question.  
5       Where you say, "What is the optimum size and  
6       functionality of the two in-vehicle screens," are  
7       there going to be two screens?

8                   MR. GOTTLIEB:    My understanding was  
9       there needs to be a screen for the driver for some  
10      type of text messaging and there needs to be some  
11      type of screen facing the passenger.

12                  COMMISSIONER TORRES:    Okay, thank.

13                  CHAIRMAN DAUS:    Commissioner Dear?

14                  COMMISSIONER DEAR:    Cory, thank you for  
15      your presentation.  I guess you are glad you are  
16      here.  I have to tell you I think you were treated  
17      shabbily and I think you should have been treated a  
18      lot differently.  You and the others, that you had  
19      to go through because you came forward to do the  
20      test and the next thing you know the plug is pulled.  
21      I guess pay back is we are here back again on this  
22      issue.

23                  The concern that I have is how do we  
24      implement, your program as opposed to others, how do  
25      we implement something that we don't have to go

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1      through this cycle again?  I know that you are going  
2      to have to all come back to us, but are you prepared

3 to say, are there systems out there that are  
4 fool-proof, that we won't come back with egg on our  
5 face?

6 MR. GOTTLIEB: Let me echo the Mayor's  
7 comments the other day when he was asked about the  
8 failure of the 911 system, technology is great but  
9 nothing is fool-proof. We need to work towards 100  
10 percent fool-proof if we can.

11 Is there a system in place? If I  
12 understand everything the Commission is looking for,  
13 our system is already capable of 90 percent of those  
14 types of things. But, again, the process, I think,  
15 was well thought ought by a few of the speakers  
16 here. In order to not have egg on your face, we  
17 need to take each step of the process along the way  
18 and complete it. First define what is necessary,  
19 what the Commission would want. Then you need to  
20 sit down with industry experts to find out how it  
21 actually can be implemented, what are going to be  
22 the challenges, and develop the time lines.

23 COMMISSIONER DEAR: And the cost?

24 MR. GOTTLIEB: The cost of?

25 COMMISSIONER DEAR: In the sense of each

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1 cab. We are talking about up to \$1,500. Is that a

2 reasonable amount of money?

3 MR. GOTTLIEB: I think we have heard  
4 numbers between 1,500 and \$4,000.

5 COMMISSIONER DEAR: What do you think?  
6 You're in the business.

7 MR. GOTTLIEB: My particular system  
8 right now is about \$3,000, but that price is  
9 expected to go down. And we, of course, have a way  
10 owners can make money from the system eventually.  
11 And that's with the Commission allowing for the sale  
12 of advertising.

13 COMMISSIONER DEAR: Let's not talk about  
14 the industry, the fleets, that they could advance  
15 this money, if you want to say that. But you still  
16 have to remember that a good portion of this  
17 industry are driver-owned vehicles. So they are  
18 going to have make some of the investment.

19 Like Vinny was saying before, where are  
20 they going to come up this kind of money? If they  
21 invest let's say \$3,000 first time around or \$2,000,  
22 and six months later or a year later you need new  
23 equipment and it now down to \$1,000. So they  
24 already lost on their investment. I know you are  
25 talking about advertising, but the small operator,

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1       how is he going to get into the deal about the  
2       advertising as well?

3                   MR. GOTTLIEB:  I think if there is a cost  
4       of equipment and then there is the ability to bring  
5       revenue in based on that equipment, then you can  
6       work certain type of arrangements for different  
7       individuals or different fleets that everybody can  
8       benefit.

9                   I am not here to negotiate terms, but if  
10      there is money coming in because of this technology,  
11      that money can be shared.

12                   COMMISSIONER DEAR:  So you are saying  
13      the companies that have this equipment want to make  
14      a deal with an individual driver.  I am not talking  
15      about the fleets.  I am talking now about the  
16      individual owner.  Where is he going to make that  
17      deal?

18                   Is that possible what you are saying,  
19      that a company, your company will say, I want to put  
20      this out to all drivers, if you want to come me, I  
21      will put it in for nothing plus I will give you a  
22      few dollars each week, whatever it is?  So that is  
23      possible?

24                   MR. GOTTLIEB:  My system is agnostic as  
25      to whether it belongs in a fleet vehicle or a

1 driver-owned vehicle.

2 COMMISSIONER DEAR: You don't want to  
3 talk about agnostics.

4 MR. GOTTLIEB: We don't care if it goes  
5 into a fleet or if goes into DOV. The point is if  
6 you allow the technology to produce revenue, that  
7 should help offset costs for everybody, whether they  
8 be fleets or driver-owned vehicles.

9 CHAIRMAN DAUS: Thank you, Mr. Gottlieb.

10 We have some very hungry Commissioners.  
11 We are going to have a lunch break now. We will be  
12 back at 12:30 sharp. In the interest of moving  
13 things along, the next three speakers are Joe  
14 Giannetto, Michael Voloz and John Prosnit. And what  
15 I am going to ask you to do is to take the list of  
16 speakers that we have not gone through yet and post  
17 them in the order that they signed up outside, so  
18 this way you can get an idea of where you stand and  
19 maybe come back at the appropriate time.

20 We are now in recess.

21 (Lunch recess taken.)

22 COMMISSIONER WEINSHALL: We are going to  
23 get started now. Joe Giannetto is the first speaker  
24 this afternoon.

25 MR. GIANNETTO: Good afternoon. My name

1 is Joseph Giannetto, I am before you today  
2 representing the Metropolitan Taxicab Board of  
3 Trade. I will offer testimony in connection with  
4 TLC's proposed rule making to mandate that certain  
5 improvements be made to taxicab service. Let me  
6 begin by saying that the Metropolitan Taxicab Board  
7 of Trade supports service improvements and  
8 technology serves to enhance the delivery of taxicab  
9 service throughout New York City and it has a bona  
10 fide business purpose and facilitates governmental  
11 administration and regulation.

12 As a result of the proposed rule making,  
13 the MTOBT on behalf of its member fleet operators  
14 has begun its due diligence process in an effort to  
15 identify the best technology that can be implemented  
16 in the most cost effective manner and that can  
17 actually meet the goals and objectives of the TLC.  
18 We have already met with the city's leading  
19 manufacturer of credit card taxi meters. We have  
20 also resumed our discussions with a supplier of the  
21 interactive passenger display monitors. We have  
22 scheduled presentations by global companies that  
23 provide the for-hire vehicle communications and  
24 wireless payment solutions, as well as companies  
25 that provide an interim alternative credit card

1 voucher process.

2 Now I mention this to highlight MTOBT's  
3 commitment to leadership in advancing the interests  
4 of the taxicab industry in New York City. Now the  
5 requirement that taxicabs accept credit cards and  
6 debit cards is apparently widely accepted. I was a  
7 member of the TLC and a proponent of this  
8 requirement when the credit card taxi meter pilot  
9 project was first introduced. We worked closely  
10 with the manufacturer to ensure that the proposed  
11 system could readily process wireless credit card  
12 transactions relatively quickly, cost effectively,  
13 and in a manner that was as a passengers friendly as  
14 the technology allowed.

15 Together we struck a balance that allowed  
16 the project to enter a pilot stage and it allowed  
17 taxicab owners to voluntarily equip their cabs with  
18 a credit card taxi meter. There were many hurdles  
19 to overcome. Many of those obstacles, or should I  
20 say challenges, still exist today and they become  
21 more critical in light of a governmental mandate  
22 that all cabs be equipped to accept credit cards and  
23 debit cards.

24 In the interest of time, rather than go  
25 into all the nuances associated with the costs of

1 the credit card acceptance proposal and the other  
2 proposed service enhancements, I will keep my  
3 comments short. However, I will submit a more  
4 detailed written report which will also include  
5 comments on the proposed rules to establish  
6 temporary group ride locations and the delegation of  
7 the powers of the Commission to the Chairperson.

8 The requirements for credit card and  
9 debit card acceptance, text messaging, the  
10 collection and transmission of trip data, the  
11 proposed passenger information monitor and new  
12 partitions represent a substantial cost to taxicab  
13 owners. We were told that the cost of these  
14 enhancements would not exceed \$1,500. However, our  
15 preliminary estimates at the moment total over  
16 \$4,500 on equipment alone. This does not include  
17 the administrative and maintenance costs associated  
18 with these proposals.

19 It's noted that the TLC has stated that  
20 it considered the cost of these improvements when  
21 making its proposal with respect to the rate of  
22 fare. And we haven't even touched upon policy  
23 issues, like whether or not we will be allowed to  
24 use advertising as part of the proposed system.

25 That will have an impact as well.

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1 Now it's obvious that much work needs to  
2 be done to develop standards and specifications  
3 customized to the New York City taxi industry. A  
4 carefully designed and managed program to develop  
5 tests and evaluate various technologies and  
6 equipment must be established by the TLC, and  
7 apparently the Chairperson has said that he will do  
8 just that. Moreover, it is imperative that  
9 specifications and standards be approved by the  
10 Commission in its normal rule making process.

11 The language in the proposed rules which  
12 sets a specific date for installation of all this  
13 equipment without specifications and standards and  
14 without a well-documented due diligence process is  
15 of great concern to us. We concur with Speaker  
16 Miller's comments that the installation of the  
17 proposed enhancements be done at hack up. We are  
18 happy to hear that the Chairperson has said that the  
19 TLC will establish a working committee consisting of  
20 qualified individuals from both the public and  
21 private sector to evaluate existing technologies and  
22 to create those technical specifications and  
23 standards.

24                   Toward that end, MTOBT is committed to  
25                   assist the Commission and stands ready to serve on

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1                   such a committee when it is formed. Thank you very  
2                   much.

3                   CHAIRMAN DAUS:    Thank you, Joe.  
4                   Commissioner Torres?

5                   COMMISSIONER TORRES:   I just have a  
6                   question. The installations date is November 2005.  
7                   In your discussions with people from the industry,  
8                   is that a realistic date?

9                   MR. GIANNETTO:    As you heard fromm  
10                  previous speakers, it could be a realistic date. It  
11                  depends on the work of the committees. It depends  
12                  on all the work that begins now and moves along this  
13                  process. Properly evaluate the existing technology  
14                  to see what other available options exist. It could  
15                  be done. I am not saying that it can't, but a lot  
16                  of work needs to be done to develop those  
17                  specifications and standards.

18                  COMMISSIONER TORRES:    What would be the  
19                  time table, for example, if we are going to do a  
20                  pilot in one or two units to see how it will work on  
21                  the streets. When should that be done, 12 months  
22                  before, six months?

23 MR. GIANNETTO: Before the  
24 implementation date of November 2005?

25 COMMISSIONER TORRES: If it takes us

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1 three months to meet and go through all this and  
2 putting it together and then installing it. It's  
3 six months before we have it in cars.

4 MR. GIANNETTO: The Taxi Commission has  
5 had a process where they have piloted programs for  
6 up to a year before they make a final determination.  
7 Is that necessary for some of the technology that we  
8 will be researching? I don't know, but the culture  
9 has been up to a year before they decide whether or  
10 not such a project or such a technological  
11 enhancement can be mandated in taxicab service. But  
12 that's just one range.

13 COMMISSIONER TORRES: Thank you.

14 CHAIRMAN DAUS: Thank you, Joe.

15 Next speaker is Michael Voloz.

16 MR. VOLOZ: Mr. Chair, Metropolitan has  
17 been well represented by Ron Sherman and Joe  
18 Giannetto.

19 CHAIRMAN DAUS: They certainly have.

20 I will also ask, and you don't have to do  
21 this but I would very much appreciate it, I noticed

22 on the sign-up sheet, there are several people from  
23 the same organization. If there is any way to have  
24 one person speak on your behalf and cover all your  
25 points, or if not, pare it down so that there is not

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1 redundancy so that we can move the meeting along, we  
2 would greatly appreciate that.

3 The next speaker is John Prosnit from  
4 Senator Tom Duane's office.

5 MR. PROSNIT: Thank you. My name is  
6 John Prosnit. I am representing State Senator Tom  
7 Duane from the 29th District in Manhattan.

8 Cities across the nation including Los  
9 Angeles, Boston, Denver, Chicago and Las Vegas, have  
10 given high priority to programs that focus on clean  
11 energy as well as wheelchair accessible taxicabs.

12 It is time that New York join these cities in  
13 advancing these two crucial issues. New Yorkers  
14 deserve nothing less. The rights of the differently  
15 abled must be respected. Environmental concerns  
16 must also be heard.

17 I understand and appreciate the need for  
18 medallion purchasers and taxicab operators to make a  
19 profit on their investments. I also understand and  
20 appreciate the need to provide taxi rides at a

21 reasonable cost to consumers. We can achieve all  
22 these goals. Today's car companies are producing  
23 vehicles that are both economically viable and  
24 environmentally sound and wheelchair friendly. With  
25 the addition of new taxicabs as a result of the

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1 upcoming medallion sale and with the increased  
2 funding from a fare increase, this is a perfect  
3 opportunity for New York City to, one, ensure that  
4 all of its residents have the same ability to use  
5 taxis; and, two, limit the amount of dangerous fumes  
6 and toxins that are present in the air.

7 I urge the Taxi and limousine Commission  
8 to act to improve both wheelchair accessibility and  
9 energy efficiency in this city. Thank you.

10 CHAIRMAN DAUS: Mr. Ed Sloan from  
11 Business Payment Systems. Actually, the next three  
12 speakers are all from Business Payment Systems, Ed  
13 Sloan, Joseph Glass and Neil Scott.

14 MR. SLOAN: My name is Ed Sloan.  
15 Business Payment Systems is a national sales  
16 organization selling credit card terminals, credit  
17 card processing, debit card processing. Physically  
18 we are from the electronic payments industry.

19 One main point I would like to say from

20 our observation of the credit card industry, and  
21 there have been many studies done across many  
22 industries, and that is that taxis will make more  
23 money when they begin to accept credit cards. And  
24 we believe that it will make this sector financially  
25 much stronger and we congratulate the Commission for

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1 this new rule requiring credit card acceptance.

2 The numbers range from 20 to 50 percent  
3 increased sales as a result of accepting credit  
4 cards. Obviously, it depends on the industry and we  
5 will what happens with New York City taxicabs.

6 One main point we would like to make, as  
7 has been said many times, this is a very technology  
8 driven industry. We have seen multiple changes in  
9 the pace of changes of the technology that is  
10 required to accept and process credit and debit  
11 cards rapidly over the years. And we are already  
12 seeing that there will be many increases in the  
13 coming years. The reason I make that point is, as  
14 Jason Diaz said, there is going to be a very large  
15 investment in technology that is going to be  
16 required in order to implement these changes.

17 The worst thing that can happen, in our  
18 view, is that three years down the road because of

19 additional changes that have hit the market, half  
20 these terminals won't work and the investment will  
21 have been a waste of money and they would have to  
22 buy new terminals. To give you an example, how many  
23 of us were using pin pads entering our debit cards  
24 ten years ago. Not very many of us. Today when you  
25 go to the supermarket, almost every supermarket asks

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1 if you are paying by debit card which is one-third  
2 of the cards on the market. And they ask you for  
3 your pin number. That's a change that if it had not  
4 been foreseen, then many of the terminals that could  
5 not accommodate pin pads had to be replaced.

6           There are many other changes like this,  
7 and what I would request, and I welcome the fact  
8 that this is already happening, that members and  
9 representatives of the electronic payment industry  
10 like us be involved in the process of establishing  
11 the specifications and making sure this technology  
12 is ready for changes that are going to be happening.  
13 And we would be happy to share some more of our  
14 insights about that.

15           Another issue is that the electronic  
16 payments industry and credit card processing is very  
17 highly regulated both federally and at the state

18 level, and there are many ideas that have been  
19 raised here that, in fact, would not be in  
20 compliance with the FTC's rules or with federal  
21 rules or with Visa and Master Card regulations. I  
22 can give you one example that has been floated in  
23 discussions. That is when the passenger pays by  
24 credit card, let's just charge them more. That  
25 would not be in compliance Visa and Master Card

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1 regulations as an example. There are many other  
2 examples like this which is why it is important to  
3 involve representatives of our industry.

4 One small point about something that was  
5 raised earlier about when a driver would get paid.  
6 Just as an industry standard, the credit card  
7 processors will transfer the funds into a bank  
8 account within two business days of the day of the  
9 transaction. How that gets reconciled between the  
10 owner and the driver, that's really a business  
11 question that would have to be addressed.

12 COMMISSIONER MICHELS: I don't dispute  
13 anything you say, but can you tell me how you  
14 believe it is going to make more money for the  
15 drivers? What factors are you looking at?

16 MR. SLOAN: There are definite

17 passengers who would take taxicabs that don't take  
18 taxicabs now just by virtue of the fact that they  
19 accept credit cards. For example, there are  
20 employers that will reimburse their employees for  
21 taking car service at night. It would cheaper in  
22 many cases for them to take taxis, but they don't do  
23 it because they want to be able to track their  
24 expenses using a corporate credit card. I know I  
25 was an employee and I had a situation like that in

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1 the city. It always baffled us, why are employers  
2 willing to pay more money for car service. But it  
3 is because they don't want to have to deal with  
4 games that happen with cash transactions.

5 COMMISSIONER MICHELS: Have you done any  
6 studies on this?

7 MR. SLOAN: No, we have not, and I am  
8 not aware of any studies.

9 COMMISSIONER MICHELS: Do you think the  
10 pilot ought to include a study on this?

11 MR. SLOAN: Absolutely.

12 COMMISSIONER MICHELS: Thank you.

13 CHAIRMAN DAUS: Thank you.

14 Joseph Glass. You are from the same  
15 company as Mr. Sloan?

16 MR. GLASS: Yes, I am.

17 Good afternoon. My name is Joseph Glass.

18 I am the vice president of sales and marketing for  
19 Business Payment Systems. I first want to  
20 congratulate the Taxi and Limousine Commission on  
21 actually proposing these changes that will benefit  
22 the drivers, the owners and the passengers of the  
23 taxis here in Manhattan.

24 Just in reviewing the mandate, there a  
25 couple of areas that I wanted a little clarification

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1 from the Commission, if possible. In terms of the  
2 pilot program that a lot of people have been  
3 discussing, I just wanted to know I guess how soon  
4 it may actually happen and if there will be  
5 incentives to any fleet owner, owner-operator, what  
6 have you, actually involved in the pilot program, as  
7 well as will the Taxi and Limousine Commission  
8 actually be proposing any particular group of  
9 participants to be involved in this pilot program,  
10 or is it going to be a random pick of companies?

11 Obviously, we all want the programs to be  
12 able to succeed and we need to work out whatever  
13 kinks may be in the system prior to the November  
14 2005 deadline, and it's in our best interest,

15 really, to kind of get the ball moving and start the  
16 process of the pilot program sooner rather than  
17 later. The other question that really is going to  
18 kind of guide the way that the industry is going  
19 toward is the advertising with the credit card  
20 terminals, the debit card terminals, GPS, et cetera.

21 I strongly implore the Commission to kind  
22 of make the decision one way or the other so that  
23 anyone one who is currently developing hardware will  
24 be able to know if we are going to go one way or the  
25 another regarding advertising. It puts companies

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1 that have been developing hardware without  
2 advertising at a serious disadvantage to companies  
3 that will be offering advertising. And in order to  
4 be on an even playing field with the owners  
5 especially and the drivers, if we have some sort of  
6 guidance from the Commission in the near term, we  
7 would all be able to better move ahead.

8 CHAIRMAN DAUS: Those are appropriate  
9 concerns. Just to reiterate, as I stated when we  
10 started the meeting, our time line is as follows:  
11 We will be making those major policy decisions,  
12 hopefully, by July of this year. That's our time  
13 line. We will be including companies such as yours

14 and anyone else who wants to participate in the  
15 process in a Request For Information response and we  
16 will be working with the industry and the  
17 Commissioners, and between July and February of '05,  
18 that will be the pilot program testing period and we  
19 hope by April 2005 to be able come back to the  
20 Commission and say this is exactly what I, as Chair,  
21 am recommending to them after having gone through  
22 this whole process.

23 MR. GLASS: Will there be any incentives  
24 to the pilot companies to actually want do this?  
25 Because there are 600 cabs right now --

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1 CHAIRMAN DAUS: Incentives will be part  
2 of the dialogue and part of the policy decision  
3 including advertising, how is the payment structure  
4 going to work, who is going to get the money and  
5 how. All of those policy decisions will be made as  
6 the year moves on.

7 MR. GLASS: Okay, thank you.

8 CHAIRMAN DAUS: Neil Scott from Business  
9 Payments Systems, if you are here?

10 No. Next three speakers are Bill  
11 Schiotis, Joe Choi and Bernardo Celerino.

12 MR. SCHIOTIS: I am Bill Schiotis, good

13           afternoon.

14                         First, I would like thank the Commission  
15           for the opportunity to speak here today and to  
16           congratulate all of you for your vision and  
17           foresight in imposing new rules for service  
18           enhancements in the New York City taxi industry.  
19           Given the limitations of time here today, I will  
20           attempt to briefly summarize our position. Please  
21           refer to the attachments which I believe were  
22           distributed. You should have some additional  
23           details attached to the copies that Mr. Applebaum  
24           helped me with this morning.

25                         As you know, Taxi Tronic, along with our

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1           sister company Metro Shop, are based here in New  
2           York City and are a stable and trusted part of the  
3           New York City taxi industry. We have been TLC  
4           licensed vendors and leading service providers to  
5           the NYC taxi industry for nearly two decades and  
6           have every intention of retaining our New York City  
7           base well into the foreseeable future. We are the  
8           firm that pioneered automated credit card acceptance  
9           in New York City taxis as well as nationally.

10                         Based upon our experience in conducting  
11           pilot programs, having received approvals of our

12 credit card meters and implementation of credit card  
13 acceptance systems, we view this part of the  
14 proposed ruling as a beneficial service enhancement  
15 for all parties and the riding public in particular.  
16 Taxi Tronic has dedicated significant resources in  
17 our infrastructure to ensure the most consistently  
18 successful mobile transaction processing available  
19 today. We have built redundant back-up systems and  
20 provide live customer service for the rare  
21 occurrence when a driver might experience difficulty  
22 processing a transaction.

23 We have even developed an algorithm  
24 whereby in an effort to reduce transaction time at  
25 the end of the trip, the customer can swipe their

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1 card at the beginning of trip for preauthorization.  
2 We have also made acquiring a merchant account  
3 acquiring air time, managing credit card  
4 transactions on line, et cetera, extremely simple.  
5 It has been our experience that functioning as a  
6 faciliator for the merchant, particularly in the New  
7 York City market, enhances the acceptance of such  
8 automated programs.

9 Given our experience, we would like to  
10 make the following recommendations: We strongly

11 recommend that the key component for such a system  
12 is to have all credit card devices integrated with  
13 the taxi meter so that all relevant trip and  
14 transaction data be accurate and free from any human  
15 interface issues. It is also important to know that  
16 such integration will provide for additional data  
17 collection, i.e., fares, extras, tolls, start time,  
18 end time, date, distance, et cetera.

19               Number two, we strongly suggest that the  
20 rule take advantage of having of toll charges  
21 automated via the meter, particularly given the  
22 mandate that every taxi be equipped with E-ZPass.  
23 We propose that the rule require that card readers  
24 be placed in the passenger compartment of the taxi.  
25 This placement ensures that the credit card doesn't

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1 leave the passenger's possession, reducing the  
2 possibility of fraud. It also eliminates the  
3 possibility of compromising the safety of the driver  
4 when a window must be opened for them to accept the  
5 credit card.

6               We propose that the ruling state at least  
7 two major credit cards are accepted for payment,  
8 rather than all major credit cards, as stated in  
9 what we looked at. This will allow merchants to

10 retain their competitive edge and their ability to  
11 negotiate with credit card companies for rates and  
12 fees, et cetera. I would like to add to that that  
13 towing companies are mandated to accept two and not  
14 all under the DOT mandates.

15 We recommend that there be uniformity of  
16 specifications to any rule. As has been the case  
17 with all other taxi equipment products, i.e., the  
18 voice reminders, taxi meters, et cetera. It has  
19 been our experience that when there is no uniformity  
20 in the specifications of such systems and hardware,  
21 drivers and passengers are never able to develop a  
22 sense of familiarity and comfortability with these  
23 systems. We are also aware that the success of the  
24 credit card program is dependent upon the drivers  
25 acceptance of and ability to use the system. Our

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1 experience has shown that the mandate should include  
2 driver training. Experience has taught us that once  
3 the driver is familiar with the ease of use of our  
4 system and understands how greatly the benefits  
5 outweigh any perceived disadvantages to credit card  
6 acceptance, they eagerly participate in the program.

7 As to the issue of passenger information  
8 monitors, Taxi Tronic has had a great deal of

9 success in providing new technology solutions and  
10 equipment to the New York City taxi industry. It  
11 has been our experience that the TLC will typically  
12 test or pilot new technologies prior to their  
13 approval, mandate or implementation. We would  
14 suggest that the same approach be taken with the  
15 passenger information monitor to define whether  
16 they, in fact, provide any benefit to the industry  
17 and riding public.

18 Given the recent termination of a rear  
19 monitor hardware pilot due to the lack of passengers  
20 enthusiasm, this approach would be more equitable  
21 and would not subject owners to the significant  
22 expense of installing these units should the program  
23 be terminated again. I would like once again to ask  
24 the Commission to refer to our prior written  
25 submittals for examples.

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1 We do have another registered speaker and  
2 I am sure there is going to be some questions, and I  
3 would like to defer to him. Mr. Amos Tomal is also  
4 here. He is a registered speaker, but since we are  
5 trying to speed things up.

6 CHAIRMAN DAUS: That would be great,  
7 thank you.

8 COMMISSIONER GIANNOULIS: I have a  
9 question. The rule that's before us and the rules  
10 that allow the meters, the credit card meters to  
11 begin with, they don't say that you have to have all  
12 credit cards.

13 CHAIRMAN DAUS: It says all major credit  
14 cards.

15 COMMISSIONER GIANNOULIS: Well, the rule  
16 that I am reading doesn't say that. It says must be  
17 capable of accepting major credit cards.

18 CHAIRMAN DAUS: I think that was the  
19 intent. And some of the comments including I think  
20 it was David Byers comments, had noted that there  
21 are DOT regulations that deal with various companies  
22 who are required to have at least two, thereby  
23 sparking the potential for competition between the  
24 companies vying for the vendor.

25 MR. SCHIOTIS: In addition to that, not

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1 every merchant can get a merchant account with every  
2 credit card company.

3 COMMISSIONER GIANNOULIS: What am I  
4 missing here? He is saying that the rule says all  
5 credit cards.

6 CHAIRMAN DAUS: That's correct.

7 COMMISSIONER WEINSHALL: The intent was  
8 all major credit cards.

9 CHAIRMAN DAUS: But we are hearing some  
10 comments from the industry, some of the written  
11 comments in particular pointed out that there are --

12 COMMISSIONER GIANNOULIS: So the changed  
13 rule does not say all; is that correct?

14 CHAIRMAN DAUS: We didn't change it.

15 COMMISSIONER GIANNOULIS: The rule  
16 that's in front of us.

17 CHAIRMAN DAUS: It does not say all.  
18 It's kind of vague but I believe the intent at the  
19 time was to allow all types of major credit cards to  
20 be mandated in the cabs. That was the intent when  
21 it was drafted. Some of the comments from the  
22 industry indicated that might not be the best thing.

23 COMMISSIONER GIANNOULIS: I happen to  
24 agree with that position, but that still doesn't  
25 answer my question.

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1 The rule that is in front of us that we  
2 are going to vote on, hopefully, says that, and this  
3 relates to people who have credit cards in their  
4 cars right now, it says must be capable of accepting  
5 major credit cards. It doesn't say all major credit

6 cards. So if this gentleman or a driver has a  
7 machine that accepts only two credit cards, he is  
8 not in violation if I vote for this rule.

9 Is that correct?

10 CHAIRMAN DAUS: Peter, if Commissioner  
11 Giannoulis wants to effectuate what we just  
12 discussed --

13 COMMISSIONER GIANNOULIS: No, I just  
14 don't know the answer to the question.

15 You understand what I am saying, Counsel,  
16 right?

17 MR. MAZER: Yes. The rule says "must be  
18 capable of accepting major credit cards and debit  
19 cards as payment for fare." The question is, how  
20 does the Commission define major credit cards.  
21 That's a policy decision

22 COMMISSIONER GIANNOULIS: My question  
23 is: If this rule gets passed today, there are  
24 people who are driving in the streets right now with  
25 credit card machines, correct?

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1 MR. MAZER: By this rule would become  
2 effective on November 1, 2005, so it wouldn't  
3 supersede any rule that is on the books today until  
4 November 5, 2005, at which time the Commission would

5 already have enacted specifications that are more  
6 specific.

7 COMMISSIONER GIANNOULIS: That's fine.  
8 So people driving today would not be in violation?

9 COMMISSIONER WEINSHALL: No.

10 COMMISSIONER MICHELS: And the  
11 specifications will delineate the major credit  
12 cards.

13 CHAIRMAN DAUS: The specifications will  
14 address that issue outright, clearly, specifically.

15 COMMISSIONER GIANNOULIS: Thank you.

16 CHAIRMAN DAUS: Mr. Jae Choi.

17 MR. CHOI: I represent an organization  
18 called Easy Taxi that specializes in electronic  
19 payment and payment technology solutions for  
20 taxicabs. Upon reviewing the proposed mandate, I  
21 have the following comments for your consideration.

22 First, the proposed mandate unequivocally  
23 provides that the text messaging equipment and  
24 passenger information monitor equipment are subject  
25 to the approval by the Chairperson of TLC based on

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1 the specs as set forth in the proposed paragraph A  
2 of subdivision E of paragraph 3-03 and subdivision C  
3 of paragraph 3-07 respectively. However, no such

4 language is present for the equipment relating to  
5 electronic payment, which leads me to form an  
6 implausible belief that one did not obtain an  
7 approval from TLC in supplying electronic payment  
8 terminals to taxicabs. And it also begs the  
9 question of whether there will be a separate rule  
10 for such, especially if terminals are designed to be  
11 permanently affixed inside the taxicabs or even  
12 whether the terminals will be allowed or required to  
13 be permanently installed in the taxicabs.

14 The second issue I would like to raise,  
15 and this is an issue that we just touched upon. The  
16 word "major" is not defined anywhere. Although we  
17 have an idea of what a major credit card is, I think  
18 there has to be a definitive definition for that  
19 word. Also I would like to know, and I think  
20 Chairperson Daus has addressed this, whether there  
21 will be a certain minimum number of major credits  
22 cards that need to be accepted.

23 CHAIRMAN DAUS: That is a valid point we  
24 are going to look into that. Also DOT has done  
25 something similar, so we will look at how they did

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1 it as well.

2 MR. CHOI: In that regard, I guess I

3 would like to know if it will be allowed for one  
4 taxicab to accept, for example, Visa and Master  
5 Card, and another taxicab to accept only Master Card  
6 or American Express and Discover, and whether that  
7 is a good thing for the public. Because the public,  
8 people may not have American Express. They may only  
9 have Visa or Master Card. And when they get into a  
10 cab, they are going to have to know whether this cab  
11 accepts American Express or just Visa and Master  
12 Card. These issues, I believe, need to be  
13 addressed.

14 CHAIRMAN DAUS: No question. It is a  
15 good point. It is an issue and as we move forward  
16 with the specifications, we will have to balance the  
17 interest of the riding public having access to major  
18 credit cards and also balance that with the interest  
19 of the drivers and the owners, making sure there is  
20 enough competition to drive the cost down to a  
21 reasonable level. But that's not something we are  
22 looking at today, but, hopefully, as the  
23 specifications are drafted next year.

24 MR. CHOI: Thank you.

25 CHAIRMAN DAUS: Thank you.

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1 Bernardo Celerino. And the next three

2 speakers are Amos Baffour-Gyau, Erhan Tuncel and  
3 Joseph Morrone.

4 MR. CELERINO: Good afternoon,  
5 Commissioners. I am a driver since 1989. The 26  
6 percent fare increase offered by TLC is reasonable,  
7 but it is not reasonable to wait eight years to do a  
8 job that New York City Rental Guidelines Board is  
9 doing every year since 1968 to keep the real estate  
10 market active.

11 It is not very active, TLC members here  
12 today seem to ignore the existence of Section 2304-B  
13 of the New York City Charter that authorizes the TLC  
14 Board of Commissioners to prescribe, revise and  
15 otherwise regulate reasonable rates of fare. But  
16 the general counsel of TLC, Mr. Peter Mazer is aware  
17 of this Section. Conspiracy is a felony, and I am  
18 willing to cooperate in any investigation to help my  
19 job.

20 I believe that the auction of the new  
21 medallions will be a rip off against new owners.  
22 Explanation upon request. Technology does not  
23 always work well for drivers and owners.  
24 Explanation upon request. TLC counsel members  
25 approve in 1990 a not in motion time of \$12 an hour

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1 that then was already outdated. Today \$12 an hour  
2 not in motion time is criminal.

3 Why? Taxi drivers, in spite of TLC's  
4 point of view, are still humans, entitled to work  
5 safely behind the wheel eight-hour shifts. I have  
6 no objection of the TLC's proposals of \$129 for some  
7 night shifts. This means \$16.10 an hour. That plus  
8 \$2 an hour in gasoline will go to \$18 an hour  
9 operating costs. This means working and still  
10 losing \$6 an hour. The American dream in reverse.  
11 Thank you.

12 This will cause more accident to recoup  
13 money and more complaints from passengers invited to  
14 leave the taxi in bad traffic conditions. If TLC  
15 agrees to a minimum wage of \$6 an hour, then not in  
16 motion should be \$24 an hour or 40 cents a minute,  
17 which is lower than other cheaper cities in America.  
18 Thank you again.

19 I can notice that the fare increase of  
20 1996 came with 400 medallions that we, the industry,  
21 didn't want. This fare increase comes with 900 more  
22 medallions that we also don't want. Is there a new  
23 modus operandi in TLC that every time they give a  
24 late fare it has to come with more medallions to  
25 hurt my job?

1                   Please, keep the 50 cents nighttime  
2                   surcharge. There should be a minimum charge per  
3                   person, that should be taken into consideration in  
4                   New York. Another thing, we don't want to lose  
5                   passengers from JFK with this \$49 proposal. The \$35  
6                   should be stayed and \$15 extra per passenger should  
7                   be added.

8                   Group rides should be back in both  
9                   Laguardia and JFK for at least the price of the bus  
10                  to Grand Central plus the subway.

11                  Somebody contacted me today because this  
12                  is person lost their license a few years ago because  
13                  he did something wrong and he would like to take his  
14                  license back. Maybe if you can give him an  
15                  opportunity to go back in business, it's up to you.

16                  Also, if you can take into the  
17                  consideration the fact that new meters should be  
18                  reprogrammable to any credit card processing  
19                  companies to avoid monopoly. I thank you very much  
20                  for your time.

21                  CHAIRMAN DAUS: By the way, there is a  
22                  process for someone who has lost their license to  
23                  get it back. And they have to go before the  
24                  Administrative Law Judge and I would make that  
25                  decision, but they have to file a new application.

1 So I would urge you to do that.

2 MR. CELERINO: Thank you. I will tell  
3 that person.

4 Any questions, please?

5 CHAIRMAN DAUS: Thank you, Mr. Celerino.

6 Next speaker is Amos Baffour.

7 Erhan Tuncel.

8 MR. TUNCEL: Good afternoon,  
9 Commissioners, Chairman. I am honored to have the  
10 opportunity to speak before you. My name is Erhan  
11 Tuncel, I am an owner-driver. I am here to testify  
12 on behalf of all taxi drivers whether they own their  
13 medallion or lease them. I am asking you to approve  
14 the proposed 26 percent fare hike which is  
15 desperately needed by the taxi industry.

16 Eight long years have passed since the  
17 last one. This fare hike is necessary for us to  
18 keep up with the inflation of cost of being in the  
19 business and living in New York City. I have a  
20 couple of concerns about the proposed fare hike. It  
21 is said that 50 cents night surcharge will be in  
22 place with a dollar surcharge between the hours of 4  
23 p.m. and 8 p.m.

24 I believe that's a good idea to add  
25 a dollar surcharge for the evening rush hour. This

1 will be incentive to work between 4 p.m. and 8 p.m.  
2 even though the city traffic is at its worst between  
3 those hours. Most drivers will take breaks to  
4 change oil during the evening rush hour to avoid  
5 dealing with the traffic. Evening rush hour  
6 surcharge will make more cabs available for the  
7 riding public.

8 But you must know on the other hand, to  
9 give an incentive to work night the shift which has  
10 been historically proven to be more dangerous by  
11 eliminating the 50 cents night surcharge.

12 Since time is limited, I will skip a few  
13 issues that I have which I feel very obligated to  
14 speak about this next issue that concerns me very  
15 deeply, not only as a cab driver but as a New  
16 Yorker. The issue is illegal pickups. I realize at  
17 the beginning of the hearing you mentioned that  
18 enforcement will be increased. Within the past  
19 years, we are seeing more enforcement on illegal  
20 pickups. I commend you, Taxi and Limousine  
21 Commission, for increasing your effort.

22 But you must increase enforcement even  
23 more so to protect us, but more importantly, to  
24 protect the riding public. Illegal pickups going on  
25 in the city streets, the airports, in front of New

1 York City hotels. The New Yorker 34th and 8th,  
2 Grand Hyatt at 42nd and Lex, Roosevelt at 45th and  
3 Madison, just to name a few. The front of these  
4 hotels are always crowded with town cars who are  
5 bribing the doormen to lure naive unsuspecting  
6 tourists into taking very expensive rides to the  
7 airports in uninsured, unsafe cars with drivers that  
8 they have no way of identifying. These illegal cabs  
9 and taxis also cause excessive traffic delays and  
10 backups by parking in no standing zones, therefore,  
11 taking up a space needed for pick up or discharge of  
12 the passengers who are staying at these hotels.

13 Also at the airports more cooperation is  
14 needed from the Port Authority Police Department  
15 with regard to illegal drivers. These drivers are  
16 soliciting rides out in the open in front of  
17 everybody's eyes. They will ask the public if they  
18 need a taxi, even when the police officers, yellow  
19 taxi drivers and the yellow taxi dispatchers are  
20 present and can hear the whole conversation. Yellow  
21 cab drivers are not permitted by law to solicit a  
22 ride if they are not seated in their cabs. All PAPD  
23 has to do is apply the same law to all drivers and  
24 this problem would be solved 100 percent.

25 When I attended taxi academy six years

1 ago, I remember the instructor telling me that I  
2 will be the Ambassador of New York City. We, the  
3 cab drivers, do our part serving the tourists who  
4 come to our wonderful city by providing them a fair,  
5 safe and often enjoyable ride to their destinations.  
6 Our Mayor and Governor spend millions of our tax  
7 dollars to promote tourism through our media and  
8 advertisements all over the world and United States.  
9 New York City's economy heavily depends on tourism.  
10 How can we let these greedy drivers and doormen  
11 undermine our collective effort?

12           Within a tourist visits New York City,  
13 the first and the last person they will speak to is  
14 most likely to be an illegal driver or a greedy  
15 doorman at a New York City hotel. These doormen are  
16 trusted by tourists for directions, recommendations  
17 for activities, restaurants and transportation.  
18 They take advantage of this trust by luring the  
19 tourist into taking a ride with town cars to  
20 airports. The tourists are overcharged by these  
21 illegal drivers, jobs are taken away from  
22 hard-working, honest yellow cab drivers.

23           I wish I had time to tell you some of the  
24 horror stories I have heard from the passengers of

25 these vehicles. Taxi and Limousine Commission

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1 started the flat rate from JFK into Manhattan to  
2 protect tourists from greedy yellow cab drivers. I  
3 think it was a great idea.

4 I have just a minute left, please.

5 CHAIRMAN DAUS: If you could sum up.

6 MR. TUNCEL: Yes.

7 Now you must do more by eradicating this  
8 illegal activity from our streets and airports to  
9 protect the tourists, whether they are coming to our  
10 wonderful city or leaving it. Tourists getting  
11 ripped off by greedy doormen and illegal drivers  
12 after having a marvelous time in our city is like  
13 having a bad cup of coffee after an excellent meal  
14 at the restaurant, you only remember how bad the  
15 coffee was.

16 People who visit New York City should  
17 leave with joyful memories so that they want to come  
18 back and tell their friends how awesome our city  
19 was. We are depending on you and we are counting on  
20 you. Thank you very much.

21 CHAIRMAN DAUS: Thank you, Mr. Tuncel.

22 I appreciate your comments.

23 COMMISSIONER RUBINSTEIN: Just briefly,

24 I commend the driver for bringing up this issue.  
25 This has been a pet peeve of mine for a long time, I

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1 go to an airport and all of a sudden some guy is  
2 basically corralling people into a town car. I have  
3 been the victim of it, I have seen it, and I would  
4 like to say I am on your side. We are doing  
5 everything, I think, possible to end this.

6 I don't feel that drivers circling around  
7 when it's raining in the 80s or 90s on the east  
8 side, picking up people as they are standing, not  
9 even knowing who these people are. I myself flagged  
10 down a police officer with a town car that looked  
11 like it was falling apart to find out that this was  
12 a driver who had no insurance and just had a person  
13 in the back seat ready to go who knows where. So I  
14 commend the driver for bringing up this issue.

15 CHAIRMAN DAUS: Thank you.

16 Next speaker is Joseph Morrone. And the  
17 next three speakers are Tahiru Ali, Juan Perez and  
18 Alexander Dale.

19 MR. MARRONE: Thank you and good  
20 afternoon. I am an owner-driver, I have had my hack  
21 loans for over 36 years.

22 I commend the Commission on the proposal

23 4 to 8 p.m. surcharge. I believe, however, that it  
24 should also be in effect from 7 to 10 a.m. weekday  
25 mornings as this is also a peak demand period and,

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1 therefore, time when much illegal street hail pickup  
2 activity occurs.

3 To those speaking against the  
4 implementation of this proposal, I ask you to  
5 consider the fact that it was proposed 17 years ago,  
6 and if put in place then, we probably would not have  
7 as big a problem as we have today with illegal  
8 pickups. I think therefore that for the long term  
9 health of the medallion taxi industry as a whole,  
10 rush hour surcharges should be in place.

11 Regarding the waiting time, the fact that  
12 it has remained stagnant at \$12 per hour for 14  
13 years is unconscionable. Especially in light of  
14 traffic conditions that have worsened. Whether an  
15 owner-driver or lessee, about half of our income is  
16 for expenses. We are therefore close to minimum  
17 wage when the meter is in waiting time mode. While  
18 I do not want to see this fare increase delayed any  
19 further than it has been, and I would not want to  
20 see other components of the fare structure proposal  
21 lowered, I think at least some increase in waiting

22 time is warranted.

23 Now I think some years ago the Consumer  
24 Affairs wanted the industry on the rate and calendar  
25 door to put the waiting time in terms of a minute

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1 regardless what the unit is. So currently I think  
2 it says 20 cents per minute, although the unit is 30  
3 cents. With that in mind, a small increase from 20  
4 to 25 cents per minute which creates the \$15 per  
5 hour would go a long way towards making for a more  
6 relaxed, thus a more likely safer driver, while  
7 increasing the average fare 25 cents and a few  
8 percentage points, most fares would increase less  
9 because the majority of fares are below the average.

10 At 25 cents per minute, the proposed 40  
11 cent unit would change every 96 seconds, which  
12 currently changes every 90 seconds, and when the  
13 vehicle is stopped or going less than 7.5 miles per  
14 hour, currently 8 miles per hour. I mailed this  
15 information last week to the Commission. I don't  
16 know if you have received it or not, those comments.  
17 And especially in light of the increase in gas  
18 prices, I think a couple more percent on this fare  
19 increase is warranted, especially the waiting time.

20 One would think that if the TLC wants to

21 retain experienced drivers, it would review the fare  
22 every couple of years. Let's hope this is the case  
23 in the future.

24                   Regarding Mr. Rogoff's and Mr. Mateo's  
25 comments about the borough work and racial issues, I

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1 have heard this for over 30 years I have been in the  
2 industry. I don't see any yellow cabs cruising  
3 Little Neck, Queens, I don't see them cruising  
4 Staten Island. We work where the business is. I  
5 work in Brooklyn, why I would subject myself to  
6 fighting the traffic coming and going into Manhattan  
7 every day? We have to maximize our income,  
8 therefore, we work in the central business district.

9                   Now a lot of the literature I saw in the  
10 Papers and all said the average fare would go from  
11 6.85 to 8.45. That's \$1.60 difference which  
12 calculates 23.3 percent, not 26 percent. Although  
13 in the literature today I saw, I think it is 8.65 it  
14 would go to, the average fare. So I don't want to  
15 nitpick or hold up anything, I know it's a long day  
16 for everyone, but I've seen 2.8 miles calculated,  
17 I've seen 2.6 miles, I've seen 5 minutes of waiting  
18 time, I've seen 4.77 minutes of waiting time. The  
19 waiting time in this new average fare, if you take 5

20 minutes at 40 cents every two minutes, is only going  
21 to click 80 cents. Now it clicks 90 cents. On the  
22 average ride in the waiting time, it's actually  
23 going down.

24 So I don't think -- I know unfortunately  
25 too much is political in this industry, but we

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1 deserve that couple more percent minimal to make it  
2 \$15 an hour waiting. Although, ideally, it should  
3 be more but I think the public and everyone could  
4 live with an extra quarter. Thank you.

5 CHAIRMAN DAUS: Thank you.

6 Mr. Tahiru Ali?

7 Mr. Juan Perez?

8 Alexander Dale?

9 Jamie Encalada?

10 Hyman Krauss.

11 MR. KRAUSS: Yes.

12 CHAIRMAN DAUS: The next three speakers,  
13 by the way, are Tarig Baig, Sha and Schechter  
14 Chowdhery.

15 MR. KRAUSS: I want to thank the  
16 Commission for considering the raise that we so  
17 strongly need but I am going to make it very quick,  
18 I don't think I will even be speaking three minutes,

19 I just want to bring up a couple of points. Some  
20 have been brought up but I want to rehash it and  
21 emphasize the need.

22 The 50 cent surcharge now in place from  
23 8:00 to 6:00 at night should definitely stay in  
24 place, if for no other reason, it gives an incentive  
25 for the night driver to continue to work these

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1 hours. Statistics show that as the night  
2 progresses, I know from my standpoint, after 10:00  
3 at night, you have to hustle to get a fare. I am  
4 driving a cab now for 34 years, I only have a  
5 five-digit hack number. I have been driving a long  
6 time.

7 CHAIRMAN DAUS: Do you own your own cab?

8 MR. KRAUSS: I used to own my own cab.  
9 I sold it in '84 and for the rest of the time I have  
10 been driving a black car. I had to give that up for  
11 health reasons because my wife is very ill, so I  
12 gave the radio up. I am leasing the radio without  
13 the car and I am driving a fleet now, leasing  
14 part-time, three days a week.

15 And I know that business is not like it  
16 was 30 years ago, particularly at night. Except for  
17 Friday and Saturday, after 11 o'clock, it's all

18 over. So the night driver typically goes out at  
19 5:00, he is leasing the car for 12 hours but there  
20 isn't 12 hours work out there, he has to make as  
21 much as he can by midnight, because after midnight  
22 it's all over. So the very minimum is we should  
23 keep that 50 cent surcharge out there so he can make  
24 that extra income between 8:00 and 6:00. Those are  
25 graveyard hours. They are very dangerous. They go

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1 to very dangerous neighborhoods.

2 The type of clientele, you know, the  
3 people you pick up after 2 o'clock in the morning on  
4 a Friday night, I don't have to tell you what goes  
5 on after 2 o'clock in the morning on a Friday night.  
6 They are jumping on top of cars, they don't even let  
7 you gas up to get the gas. You have all kinds of  
8 characters that we have to deal with it. I even go  
9 a step further and I think that the 50 cent  
10 surcharge should be 24 hours on the weekends,  
11 Saturday and Sundays.

12 This will help not only the cab drivers,  
13 but especially on the day shift, it will help the  
14 fleet owners and the fleet drivers. Because they  
15 have a lot of trouble getting drivers to work  
16 Saturday day shift and Sunday day shift. The night

17 shift, there is not much of a problem, but the day  
18 shift is typical, I go to the garage I see 50 cabs  
19 on the street. 50 cabs that they are not getting  
20 out.

21 CHAIRMAN DAUS: So it is your opinion  
22 that with the surcharge --

23 MR. KRAUSS: It will help to get more  
24 drivers to work the weekends. They cannot get the  
25 cabs out on the weekends during the day shift.

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1 CHAIRMAN DAUS: In your opinion, they  
2 have less drivers --

3 MR. KRAUSS: They will have more drivers  
4 to work the day shift on Saturday and Sunday with  
5 the 50 cent surcharge being included. The 50 cent  
6 surcharge should be in effect Saturday and Sunday,  
7 24 hours.

8 Another thing I want to point out very  
9 quickly. I am sure you are aware that the black car  
10 industry charges people to make extra stops, some of  
11 which are excessive. If you go off route, it's \$8  
12 stop, en route it's \$5.00 a stop. Now it is known  
13 that the black car industry, the car service  
14 industry in the outer boroughs, if you are making  
15 more than one stop, they are charging you extra for

16 the stop. Now I don't think the stop should be  
17 excessive, I think it should be fair.

18 I come across very often when I am  
19 working, especially in the rush hours and I get  
20 people in the cab, we are making two stops, we are  
21 making three stops. This is 4 o'clock in the  
22 afternoon, you are dropping the people off. And  
23 that poor person on a rainy day that is waiting on  
24 the street for a taxi has to be told -- you can't  
25 avoid going on. You take the people where they want

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1 to go, but the fact is when we make an extra stop  
2 and that person is waiting to get into the cab, we  
3 are losing the \$2 drop on the meter.

4 Now what I am suggesting, and I don't  
5 know whether it could be done now but it should be  
6 definitely considered sometime in the future, that  
7 When you make extra stops, particularly in the rush  
8 hours with people, the driver should get at least  
9 the \$2 drop or whatever the drop being on that meter  
10 to continue on with the trip. Now I will explain  
11 the math. Officially tipping isn't required, it's a  
12 luxury. But realistically speaking, when you are  
13 losing that extra drop when a person makes a stop in  
14 the rush hour, you are not just losing the extra

15 drop, you are losing the extra potential tip, too.  
16 But that doesn't count because you can't assume  
17 tips, but you can assume the drop. When you make  
18 stops in a rush hour, I think we should be getting  
19 the drop on the meter.

20 I would like to bring out that I think  
21 all cabs eventually in the future should be the  
22 large cabs, the Odyssey or whatever those vans are.

23 CHAIRMAN DAUS: The Siena.

24 MR. KRAUSS: Right.

25 The reason I say that -- just one more

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1 minute.

2 CHAIRMAN DAUS: I need you to sum up, if  
3 you could. You made some very, very good points.

4 MR. KRAUSS: We have partitions in the  
5 car for a purpose, for the safety of the driver.  
6 Very, very important.

7 Now if you have somebody sitting in the  
8 front seat with the driver, the purpose of that  
9 partition is wiped out because that fourth person  
10 that is in the driver's seat could be that person  
11 that has .357 magnum to point at your head, okay.  
12 So with these larger cabs that could hold four or  
13 five passengers behind the driver would make it

14 unnecessary for the cab driver to have that  
15 passenger sitting in the front seat.

16 CHAIRMAN DAUS: That is something that  
17 is in our rules. We will take that into  
18 consideration.

19 MR. KRAUSS: I think all the cabs, not  
20 just 10 percent, 100 percent of the fleet.

21 CHAIRMAN DAUS: You made some very good  
22 points, but we do, in the interest of time, have  
23 other speakers.

24 MR. KRAUSS: Again, I thank all you  
25 people and the City Council and Mayor Bloomberg for

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1 considering this increase.

2 CHAIRMAN DAUS: Thank you, Mr. Krauss.

3 Tarig Baig is the next speaker and the  
4 next three speakers are Sha, Schechter Chowdhery and  
5 Linda Rosado.

6 MR. BAIG: Good afternoon, Chairman and  
7 Commissioners. If someone in this meeting wants to  
8 take example of being a New York City driver, I am  
9 the good example. Let me tell you why.

10 I have been driving cab since 1996. Two  
11 months ago I had accident, I fell in snow and I  
12 broke my arm. You can see it. In these two months,

13 I do not have any compensation cover me because I  
14 did not fell on the cab or I wasn't hurt because I  
15 was driving a cab, because I fell in front of my  
16 door. I went to the unemployment, they couldn't  
17 verify my job. They say unable to verify your job  
18 so we cannot pay you any unemployment. I pay my  
19 taxes every year.

20 But the other reason I want to make one  
21 more point good example of me, right now if any  
22 volunteer wants to search my pocket, you can see it,  
23 I do not have a penny in pocket. I want to thank my  
24 friend who buy me a \$7 Metrocard to get here to  
25 speak up. If any volunteer want to come up here and

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1 wants to search my wallet, you can search my wallet  
2 and you can take my one ATM card and you can try it.  
3 It won't work, I will guarantee you.

4 I know the garage people and brokers,  
5 they are talking about the lease increase. I guess  
6 that they should get their fair share with us, but  
7 first I want the garage people to look at their  
8 cabs. They have to look at the cabs that they are  
9 providing as a service to drivers. They are the  
10 dirtiest cabs the garage provides to the drivers.  
11 There is no brakes fixed. They have a problem with

12 the engine all the time. They have problem with the  
13 air-condition all time. They also have a problem  
14 with the alignment and other stuff. You see the  
15 cabs are broken all the time on the streets.

16 Another thing about the brokers who lease  
17 the medallion, okay, if I buy the car and i lease a  
18 medallion, anything happen on the street, I lost the  
19 time. Whether it is one day, two hours or one  
20 minute, I don't gate paid for. I don't got  
21 reimbursed from broker or anybody. When I have any  
22 emergency, they don't pay me for anything, not even  
23 a penny. Two months ago I had a problem, I hit the  
24 pole in the snow and I broke my car. It cost me  
25 \$2,000 to fix it. When I got the car, the broker

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1 clearly told me, "If you pay \$50 extra every week,  
2 we reimburse you. Any damage to car, we fix your  
3 car." So I went to the broker, and the broker told  
4 me, "I'm sorry, this is not the case. What is  
5 covered is if someone hits you and then we make a  
6 claim on behalf of you and then we get you money  
7 from the other driver. We cannot get you money from  
8 the pole. So we are sorry for that."

9 The brokers are misinforming the drivers  
10 whenever they sign the lease. You have to be lawyer

11 or paralegal to understand the lease. They don't  
12 tell you to read this. They just tell you "Sign by  
13 the X." The driver signs by the X because they need  
14 to work. They want to go to work right away and  
15 make some money.

16 The other point about the illegal pickup  
17 in front of hotels, that's a good issue he brought  
18 up. Thank you for him, I am not going to talk about  
19 this issue anymore.

20 Other thing is group riding to airport.  
21 I guess this should be considerable. And other  
22 issue is night surcharge. This is a good idea to  
23 keep it there. And waiting time should be 40 cents  
24 every 90 seconds, not every 120 seconds. And the  
25 big issue because every issue is a big issue for the

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1 drivers, is the lease increase. We want to get some  
2 fair share for the brokers and the garage people,  
3 but not 50/50. It should be considerable at 15 and  
4 85, because they already have a monopoly, they  
5 already are charging the too high leases to the  
6 drivers. You have to work your butt off to make  
7 even New York City living standards. Thank you very  
8 much.

9 CHAIRMAN DAUS: Commissioner Giannoulis?

10 COMMISSIONER GIANNOULIS: Are you a  
11 member of any organization?

12 MR. BAIG: I am not the member. I just  
13 want to thank the New York Taxi Workers Alliance.  
14 She just found out two weeks ago. I am unemployed  
15 for two months and nobody is there to help me and  
16 she just gave me a volunteer job to do something to  
17 pay me some money.

18 COMMISSIONER GIANNOULIS: I am  
19 sympathetic to your issues, and I don't want to  
20 waste time here, but I have been on this Commission  
21 for a few years, I constantly hear drivers come in  
22 here and trash fleet owners and brokers, really  
23 personal, nasty stuff. I have yet to hear in three  
24 years the other side of the industry come in and say  
25 that drivers are criminals or they don't have their

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1 licenses or they stole my money or they left my cab  
2 dirty.

3 I had this conversation with somebody  
4 from the group yesterday, the dialogue would be a  
5 lot more productive if it was a lot less personal  
6 and more to the point. Because, me personally, I am  
7 not interested in that kind of dialogue. This isn't  
8 a question, it's my comment. I think in the future

9 it would be a lot more productive if you do not  
10 attack people personally and get into bad guys and  
11 good guys. Let's just stay on the substance.

12 MR. BAIG: Okay.

13 COMMISSIONER MICHELS: Mr. Baig, could  
14 you return, please?

15 MR. BAIG: Yes.

16 COMMISSIONER MICHELS: I have been  
17 waiting for somebody like you to come up and testify  
18 because I think, and I don't know the answer to it,  
19 but I think there should be something, some  
20 unemployment benefits, health benefits. Something  
21 has to be done in this industry if we are going to  
22 get drivers and we are going to get people who are  
23 responsible, we need somebody to create a better  
24 atmosphere for the worker.

25 CHAIRMAN DAUS: Do you know about our

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1 health insurance program?

2 MR. BAIG: We need the people --

3 CHAIRMAN DAUS: Have you applied for the  
4 Health Stat Program?

5 MR. BAIG: No.

6 CHAIRMAN DAUS: If you see Alan Fromberg  
7 in the back of the room, he is standing there with

8 the gray suit, he will go over the application with  
9 you now. You may qualify, and if that is the case,  
10 you will have your health insurance.

11 MR. BAIG: Whatever we pay the lease, it  
12 should cover it. It should pay the Social Security  
13 and the Medicare and other stuff.

14 CHAIRMAN DAUS: We understand your point  
15 and we all feel the same way. I think we all agree  
16 we are doing everything we can to maintain the  
17 drivers' autonomy and independence, but also to do  
18 what we can to sign them up for the city health  
19 program.

20 I tend to agree with Commissioner  
21 Giannoulis, a lot of time drivers come here, and  
22 this has nothing to do with you, they complain that  
23 this fleet owner did this to me. And there is a  
24 process and we have actually chased after those  
25 drivers after the meeting and asked them to file

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1 complaints on the 8th floor, and they refuse to do  
2 it. So it works both ways. I really think that if  
3 there is some abuse going on out there, we have a  
4 process here to deal with that. I am not saying  
5 anything against you personally, but I agree with  
6 Commissioner Giannoulis, I don't really ever see the

7 fleet owners coming in here and the owners of the  
8 lease management companies complaining about  
9 drivers. In fact, all I do is get letters  
10 commending them. That's their work force, they do  
11 care about them.

12 Commissioner Michels brings up some good  
13 points, the city is doing a lot to help drivers not  
14 only with a liveable wage, but we have signed up  
15 5,000 drivers who now have health insurance thanks  
16 to the Governor and the Mayor and the program they  
17 put into place. We, working with the Mayor's  
18 office, signed those people up. They now have their  
19 health insurance.

20 COMMISSIONER MICHELS: It seems to me  
21 that we could do more to make sure the drivers like  
22 this gentleman here know about that program. I am  
23 not saying we are not doing it. What I am trying  
24 to say is it doesn't have anything to do with you.  
25 I don't disagree with anything you said here. But I

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1 think the industry will be healthier if we have a  
2 force out there of drivers who are receiving all of  
3 these benefits. I think it's so important that  
4 these workers, and I think it would be good for the  
5 industry, for both the drivers and the owners, and

6 good for the City of New York to have a force of  
7 drivers out there who do have unemployment  
8 insurance, have health insurance, pension benefits  
9 and Social Security. I don't know how we go about  
10 it, but I think that is the end we should be  
11 seeking.

12 CHAIRMAN DAUS: Stanley, I think you  
13 just made the case for a living wage, and I would  
14 support that.

15 COMMISSIONER MICHELS: Not if they don't  
16 provide those benefits. We need living wage and  
17 those benefits.

18 CHAIRMAN DAUS: Thank you, sir. Hope  
19 your arm is feeling better.

20 The next speaker is Sha. The next three  
21 speakers are Schechter Chowdhery, Linda Rosado and  
22 Clifford Adler.

23 MR. SHA: Good afternoon, Chairperson,  
24 Commissioners, ladies and gentlemen, media. Thank  
25 you very much.

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1 First of all, I came from that house  
2 where I have no objection to take oath in the public  
3 hearing. And I think Ms. Rice will listen to me  
4 now. I am talking about Condaleeza Rice.

5                   The second thing I want to comment, thank  
6                   you very much, Mr. Speaker, when you were talking to  
7                   the particular Chairperson, you mention one word,  
8                   "respect." That's the whole thing being a driver  
9                   that I need from you, sir. You just let me know how  
10                  can I be more productive for the city, I will obey  
11                  you. I am using the word "obey" intentionally  
12                  because that's what I want to do because I choose  
13                  this land to be my adopted mother land, and I have  
14                  to do more than other people who are born over here  
15                  to show me that I am a good human.

16                  I have the same pain for the Harlem guy  
17                  and I have the same pain for the poor guy in Iraq.  
18                  So, gentlemen, when I arrive over here, I have no  
19                  support of my father over here because I don't have  
20                  any home over year. But I start from the scratch  
21                  and I try to be a nice gentleman in the society.  
22                  But when I become a driver, I am concerned with the  
23                  family of the driver. And they told you when I come  
24                  to the TLC course, any reason. I feel that what I  
25                  need from them, respect.

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1                   Why I came over here, Mr. Chairman, just  
2                   to show you when you have a nice government on the  
3                   top level, when we are talking about, okay, we know

4 your problem and we are going to listen to you. Not  
5 to call you terrorist like Guillain. So this is a  
6 change which I welcome, and I welcome my Speaker and  
7 my City Council, the first time in 50 years or  
8 whatever years, they accepted any driver opinion in  
9 their consult, I think if I am not wrong, and I  
10 welcome that.

11 Most of the things which senior drivers  
12 and people with the industry, they are talking about  
13 the new industry. I am the old man, I am talking  
14 about as a driver, think about me first, please. I  
15 am not going to be flying and I am not piloting  
16 F-16. Let me know how can I go to Adams Street and  
17 John Street or something. Think about that way.  
18 Spend more money on how can I get incentive. At JFK  
19 Kennedy Airport, after the bribes when I pick  
20 somebody and there is a beautiful girl, "Are you  
21 going to city, too? Okay, you can share the cab."  
22 I take them from JFK, then I drop them 63rd Street.  
23 Another lady told me, "Take me to 72nd Street," and  
24 she pay me \$3.00. I pick them from JFK. Think  
25 about it this way. Give me some incentive so that I

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1 can feel good that I am picking somebody.

2 One point which I want to clear with you,

3       sir, City of New York and anybody who touch this  
4       land, he or she is not a chief. They want to show  
5       their humanity. You know why I can live on this \$12  
6       an hour you talk about before, because of the  
7       generosity of the people. They give us their money,  
8       \$1, \$2, 50 cents, I still remember the grandma, she  
9       had only quarter, because she is born in 1930, at  
10      that time quarter was good. And she gave me the  
11      quarter tip, but she said, "God bless you." I want  
12      to say thank you to that grandma, too, at this  
13      moment.

14                   And that is the same thing I want to ask  
15      you. We have a new government. He is talking about  
16      the nice things, he is accepting ideas. You were  
17      chairperson, you were the last government and you  
18      know what you did with us. I remember. I remember  
19      that woman, and I will never forget. We may forgive  
20      them. But, please, for you special, that's on the  
21      record. Do something which we will feel that you  
22      are thinking about us. You are not thinking about  
23      the machinery, we are human, we have the families.

24                   CHAIRMAN DAUS:    Sir, are you in favor of  
25      our proposals? Are you suggesting anything

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1       different?

2                   MR. SHA:    After my discussion, if you  
3                   don't understand, sir, with all respect, what I  
4                   need, incentive. Taking the \$1 out, that is not  
5                   incentive. This is very simple. I have to fight  
6                   and I want to ask you, please, like the other guy  
7                   told you, the guy who hustles, he will go down  
8                   inside the airport terminal. Please. I know my  
9                   time is up, I see the red light, but this is all my  
10                  thing and it is under oath. I have no objection.  
11                  Thank very much for your time.

12                  CHAIRMAN DAUS:   Thank you, have a good  
13                  day.

14                  Next speaker -- I'm sorry, Commissioner  
15                  Rubinstein?

16                  COMMISSIONER RUBINSTEIN:   If the driver  
17                  could come back for a moment. I vehemently and  
18                  strongly object to your reference that Mayor  
19                  Guillain considered you and other drivers  
20                  terrorists. I think that's a real statement to  
21                  make. And I want to tell you that's incorrect,  
22                  never was true and never is true. I just want to  
23                  state that for the record.

24                  MR. SHA:    Thank you very much for your  
25                  kindness and your truthfulness.

1                   CHAIRMAN DAUS:    I would like to concur  
2                   with that statement.  Also everybody keeps  
3                   mentioning Diane McKechnie's name.  Even though I  
4                   was counsel, I fully support every single thing she  
5                   did when it came to reforming the industry that day  
6                   in '98.  Maybe one or two things I disagreed with,  
7                   but I think, looking back, even though we had our  
8                   issues and we dealt with the Council afterwards,  
9                   Noach and Speaker Vallone, I think we ended up with  
10                  a good middle ground.

11                  I think that the industry has been made  
12                  better because of that and I would ask people to  
13                  stop making references about Diane McKechnie.  I  
14                  know it is your right to do it.  When you make  
15                  reference to me, I was counsel, but I do support  
16                  what she did.  I believe that Mayor Guilliani had  
17                  the best of intentions and I never heard him say  
18                  what you say that he said.  He did not say that and  
19                  he cared about the drivers, just as this Mayor does  
20                  as well as the City Council does.  Everybody wants  
21                  to do the right thing.

22                  Talking about what happened five or six  
23                  years ago, while I respect your opinion I strongly  
24                  disagree with it, and we need to move forward.

25                  MR. SHA:    If you give me 30 seconds,

1 because you talk to me.

2 CHAIRMAN DAUS: Fine.

3 MR. SHA: Gentleman, young man and  
4 handsome guy, you know why I am talking to you?  
5 Because I think we are here to serve the city, and  
6 you have a long way to go and maybe many successes  
7 waiting for you. Thank God we are in this  
8 democratic country. But still we have the law. Why  
9 we are talking openly in this public hearing is  
10 because you know that when you make some wrong thing  
11 and you are bad. You don't need to please your  
12 Mayor. You are public servant. That is the  
13 difference.

14 CHAIRMAN DAUS: I am not saying it for  
15 that reason. I really think that things were made  
16 better. The drug testing, the point system, I think  
17 those things were good.

18 Now is everything that we did when Diane  
19 was here good? Not necessarily, there were some  
20 mistakes that we made, but for the most part, I  
21 think the industry is better. I would just  
22 appreciate it because you are not the first person  
23 to make this comment, that we move on. We have a  
24 tremendous future ahead of us. And we have a lot of  
25 speakers, by the way, so we need to move on.

1                   MR. SHA:    Commissioner, it is not  
2                   personal. We just want to tell this public that we  
3                   respect the public servant, not the servant of the  
4                   Mayor.

5                   CHAIRMAN DAUS:   We are all public  
6                   servants and we thank you for that comment.

7                   Schechter Chowdhery. Next three speakers  
8                   are Linda Rosado, Clifford Adler and Michael Levine.

9                   MR. CHOWDHERY:   Good afternoon. My name  
10                  is Schechter Chowdhery, I wear two hats, I am a taxi  
11                  broker and an owner of a limousine company.

12                 The reason I am here is to congratulate  
13                 you on the initiative you have taken on the  
14                 technology side, but I believe that you need to go  
15                 about it slowly. And also the first point which I  
16                 believe you need to handle is write up the specs in  
17                 a very clear way exactly what you want to achieve.  
18                 The reason I am saying that is the black car  
19                 industry is quite familiar with it and has been  
20                 doing all these things for a long time and we  
21                 understand how challenging a job it is. I have been  
22                 working on a product for my company for the last two  
23                 years.

24                 CHAIRMAN DAUS:   What's the name of your  
25                 company?

1 MR. CHOWDHERY: Elite Limousine. I have  
2 been doing it for about two years and I have about  
3 60 units on a pilot run being tested with GPS, with  
4 credit cards and the LCD display. I believe it has  
5 been a challenging job but the technology is there,  
6 the prices are there. It can be done but you need  
7 to sit and specifically specify the product before  
8 we start making it, before we can pilot.

9 CHAIRMAN DAUS: Are you an independent  
10 contractor or are you an employee of Elite  
11 Limousine?

12 MR. CHOWDHERY: I am president.

13 CHAIRMAN DAUS: And you developed this  
14 software and this technology?

15 MR. CHOWDHERY: Yes, we have dispatching  
16 software with the electronic debit card, you can  
17 read very easily. I believe that is a great idea,  
18 it will relieve unnecessary work on the TLC and the  
19 drivers to communicate lost items. This is a great  
20 ideas but we need to spec it out properly. That's  
21 all I am saying.

22 CHAIRMAN DAUS: Thank you, sir.

23 COMMISSIONER GIANNOULIS: Sir, it might  
24 be helpful, I know you are busy, but we would all  
25 appreciate it if you take some time to write down

1 some of these ideas that you have and some of these  
2 experiences that you have with the technology and  
3 share it with us. It would be helpful.

4 MR. CHOWDHERY: Sure, thank you, I will  
5 do it.

6 CHAIRMAN DAUS: Linda Rosado?  
7 Clifford Adler?  
8 Michael Levine?

9 Next three speakers are Leon Attschuler,  
10 Asrad Zamon and Jahangeer Allan.

11 MR. LEVINE: Ladies and gentlemen, my  
12 name is Michael Levine, I am vice president of  
13 Ronard Leasing Taxi Fleet. I am also vice president  
14 of the Committee for Taxi Safety. But the comments  
15 I make here are my own and nobody else's. I speak  
16 for myself, and it used to be this side of the room  
17 that would breathe a sigh of relief at that, but now  
18 it's this side of the room.

19 I am basically here to speak about  
20 technology issues, as most of you know, I have been  
21 testing a lot of them over the past couple of years  
22 so I probably have more experience with them than  
23 anybody else and I can give you some practical  
24 answers as to some of the questions that have been

25 asked up here. I first want to address some quick

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1 questions to some of the other issues, though.  
2 There was a lot of talk about the lease cap, I think  
3 most people don't realize that if you don't raise  
4 the lease cap at some point, even though the drivers  
5 are making more money, the product that goes out on  
6 the street is going to be worse. If you take a  
7 restaurant and average all the prices in the  
8 restaurant industry and say we will take an average  
9 meal price and go up 15 percent from that and that's  
10 what a restaurant can charge, you are going to go  
11 Peter Lugers and get a Happy Meal, and that's not  
12 going to make anybody happy.

13 Also some of those organizations that  
14 claim that owners don't really need a fare increase,  
15 I encourage you, please come, lease all of my  
16 medallions from me, go buy cars and see what the  
17 costs actually are running a fleet. And you will  
18 know that while we understand what the drivers'  
19 problems are, you need to take a look and see what  
20 the fleet owners' problems are as well. That being  
21 said, let's move on to technology.

22 I was working with my daughter a couple  
23 of nights ago and she had that project that

24 everyone's kid gets at some point where you have to  
25 make a volcano. And the sheet said, "Build a

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1 volcano, put this in," and so we did. But it didn't  
2 give us any specifications and so what happened is  
3 we wound up with Bart Simpson with a hole in his  
4 head and he breathed fire out of his nose, which was  
5 really innovative and it looked great, but it  
6 wasn't, I don't think, what they imagined to begin  
7 it. I think that is a lot of the problem that we  
8 are going to have with the specs here, there really  
9 are no specs. We have to go back and see what the  
10 problems of the usage were with the test project in  
11 order to answer what we need to do going forward.

12 Mr. Diaz mentioned, I am just going to  
13 try to answer some questions and comments from  
14 people before. Mr. Diaz mentioned that only 13  
15 percent of transactions are viable. I don't know  
16 where he got that number from, but empirically we  
17 have seen that over 90 percent of the transactions  
18 are viable. And we set up a system whereby if the  
19 communications in the car doesn't work, a driver can  
20 call in with his telephone, give us the numbers and  
21 we run it through our computer right away, which  
22 adds another 5 percent to the viability. So right

23 now it is about 95 percent viable. And the others,  
24 we have had very few fraudulent credit card issues.  
25 We have had very few situations where when the

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1 credit card didn't work, driver didn't get cash.

2           Although the biggest complaint that we  
3 have had from drivers is that on a long fare, when  
4 you are going out to Westchester or Jersey where the  
5 communications aren't going to work, we need to have  
6 some ability to pre-approve a credit card because a  
7 driver will take a flat fare for like \$60, and they  
8 get to the destination and the guy will swipe his  
9 credit card, and whether he knows or not, or whether  
10 the communications don't work, the card doesn't work  
11 for some reason and now they are stuck.

12           If the guy is at the airport, he should  
13 be able to pre-approve the credit card, show that  
14 there is money on there, and then take him to his  
15 destination. Because if the guy doesn't have cash  
16 in his pocket, you are going to have a fight at the  
17 other end of the trip. That's the biggest problem  
18 that we have had overall.

19           The actual cost of the system if you have  
20 to buy a new meter and put the whole thing in  
21 including the GPS, right now is somewhere around

22 \$1,200. The GPS we have just begun testing, it is  
23 probably 12, #1,300, somewhere in that range. That  
24 is not including the screen in the back seat,  
25 although it was very interesting to me that when

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1 they were testing the pilot program for the screens  
2 in the back seat, the companies were offering us  
3 \$100 apiece to put them in the back of our car, and  
4 now they are telling us that it is going to cost us  
5 \$2,500 to put in the back of car. So I don't know  
6 what's going on with that.

7 But it's about 12 to \$1,3100, including  
8 the GPS which we are just beginning to test now.  
9 The problem is everybody who has GPS in their car  
10 knows that some places in Manhattan, GPS works, and  
11 some places it doesn't. And somebody mentioned  
12 earlier some systems to enhance the GPS, and I think  
13 one of the systems that Taxi Tronic had talked to me  
14 about is you could by a gyroscope in your car which  
15 tells you which direction you are going, and if you  
16 are hooked into the meter, the meter is hooked into  
17 the transmission cable and it can tell you how fast  
18 the car is going. So you can basically estimate  
19 from that between hits of the GPS where the car is  
20 going.

21                   What problems have we seen so far? We  
22                   have had no communication problems, but like I said,  
23                   we can call into the garage. Many drivers have  
24                   asked in addition to pre-approval, for a minimum  
25                   fare for usage. I haven't seen too many trips under

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1                   \$10, but there are some where somebody gets in the  
2                   car, gets a \$4 fare and pulls out a credit card.  
3                   And when there is a 30 cent transaction fee on top  
4                   of the percentage the driver is paying, it gets  
5                   expensive on a \$4 fare. I think if we make like a  
6                   \$10 minimum fare and with the fare increase, that  
7                   should satisfy most of the trips so we really  
8                   shouldn't have too many issues with that.

9                   Installation and cost issues, I think  
10                   part of the problem people have with the proposal is  
11                   the time frame doesn't allow for retirement of  
12                   vehicles. So, for instance, if it costs me \$250 to  
13                   install a new meter, even if I already own it, I  
14                   have to now install a new meter and then when I  
15                   retire my vehicle I have to install a meter again to  
16                   put in the new vehicle.

17                   I have a couple of other quick things if  
18                   you want me to go through it, otherwise --

19                   COMMISSIONER WEINSHALL: If you could

20 start to summarize, that would be great.

21 MR. LEVINE: What we are asking for is  
22 to somehow (A) wait until there is more than one  
23 vendor in the market before you require it so that  
24 costs will go down by market issues. And (B) do it  
25 on a retirement basis. When I retire my vehicle, I

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1 have to put a new system it, maybe put a date  
2 somewhere along the line where everybody has to have  
3 it beyond that.

4 GPS and trip cards, that was a pipe dream  
5 of mine. I know I spoke to some of your staff about  
6 it, and I should learn to keep my mouth shut because  
7 here it is. The bottom line is we are beginning to  
8 test it now, we are just beginning the GPS portion  
9 of it. We haven't even started to test the trip  
10 card portion of it. There is some great advantage  
11 to it, stolen vehicles you get back. We have  
12 already gotten one back with GPS. Safer cars, you  
13 can hook the GPS into your trouble light system, you  
14 will know where your driver is instead of having a  
15 little light beeping on and off that nobody looks.  
16 And you've got future programs such as the automated  
17 trip cards. The automated trip cards are great too.

18 The reliability of the data people have

19 complained about where you don't know exactly where  
20 the GPS is. Well, how reliable are the trip cards  
21 that we get now? Most people don't even fill in one  
22 line. Some fill in one line and don't fill in the  
23 others. If you look at the back, there are like 34  
24 trips listed on the front, 8 trips listed on the  
25 back. So the reliability of data has to be better

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1 than what we have now.

2 What else? No storage of trip cards, no  
3 more phantom accidents. You can actually tell where  
4 the vehicle is. Someone can't say, "This car hit my  
5 car." No more improper drivers. The driver swipes  
6 to get in the car. It is not like they can give it  
7 out to their friend who doesn't even have a hack  
8 license.

9 That's pretty much it.

10 COMMISSIONER WEINSHALL: Thank you, Mr.  
11 Levine. Any questions?

12 COMMISSIONER MICHELS: One question. As  
13 a backup, is there any problem with a driver having  
14 hand processing credit cards? You call to see if  
15 the card is good and then you hand process?

16 MR. LEVINE: From my standpoint, the  
17 only problem is if you are going to call to see if

18 the card is good, you don't need a hand processor.

19 COMMISSIONER MICHELS: You have to give  
20 them a receipt.

21 MR. LEVINE: That comes out of the meter  
22 from my system. Different systems have different --  
23 my system, they swipe the card, the meter actually  
24 prints out something for them to sign and also will  
25 print them out a receipt.

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1 COMMISSIONER MICHELS: If that doesn't  
2 work, you normally use a hand processor.

3 MR. LEVINE: If that doesn't work, the  
4 meter didn't work, in which case, you know what I am  
5 saying? From my standpoint, it doesn't make a  
6 difference because I don't need it. Some of the  
7 other systems you might. That would be a TLC issue  
8 more than anything else.

9 COMMISSIONER WEINSHALL: Mr. Levine, how  
10 many of your cars have credit card capability?

11 MR. LEVINE: I've got 292 in the fleet, I  
12 would say there is about 25 of those that don't.

13 COMMISSIONER WEINSHALL: So the majority  
14 of them do.

15 MR. LEVINE: Yes.

16 COMMISSIONER GIANNOULIS: Can I ask a

17 question. Do you own a product?

18 MR. LEVINE: No, I am not hawking a  
19 product. I bought the product, I paid for it. I  
20 thought it was a good idea to have in my cabs.

21 COMMISSIONER GIANNOULIS: Does the  
22 product have a name?

23 MR. LEVINE: I am using the Taxi Tronic  
24 product.

25 COMMISSIONER WEINSHALL: Thank you.

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1 COMMISSIONER MICHELS: We will be able  
2 to get the information from them as to the results  
3 of his own pilot project?

4 MR. LEVINE: My office is always open.  
5 Like I said, your staff has been there. I can show  
6 anybody through the entire system, how it works.

7 COMMISSIONER WEINSHALL: I have been  
8 down there. I am sure that Mr. Levine would be  
9 happy if any other Commissioners want to come down.

10 MR. LEVINE: Even if guys are having a  
11 meeting, I think Amos has mobile system, if I am  
12 correct.

13 COMMISSIONER MICHELS: It would be good  
14 to have a report from him as to how the system  
15 works.

16 MR. LEVINE: Or we could bring a mobile  
17 system and actually show you on the computer at one  
18 of your meetings how it works.

19 COMMISSIONER WEINSHALL: Maybe at the  
20 next meeting, Mr. Levine.

21 COMMISSIONER MICHELS: Thank you.

22 COMMISSIONER WEINSHALL: Leon

23 Altschuler?

24 Asrad Zamon?

25 MR. ZAMON: Most of the thing I was

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1 going to talk is already covered. I would just like  
2 to say we are asked to come to office, parents go to  
3 make money, children go to the school where they  
4 might have exam. So right now at 9 o'clock we are  
5 asked to come the office, evening at 5 o'clock, we  
6 go back to home, or maybe go to restaurant or go to  
7 theater. So if \$1 increase in rush hour in the  
8 afternoon, so \$1 increase should be happening in the  
9 morning rush hour too.

10 So now you can ask me a question that is  
11 it because of shifting time? You add another 2,000  
12 cabs in the morning and another 2,000 cabs in the  
13 afternoon. You will see the same thing, people  
14 hailing for the cab. And another thing, I have been

15 driving since 1989 and one thing is always a problem  
16 is multiple stop. I didn't like it at all.  
17 Sometimes people say go from there place to all the  
18 way west to east, east to west, 5 o'clock, 6  
19 o'clock, and they don't care. I don't mind if you  
20 include at least \$1 for every multiple stop, so I am  
21 making some money at least. It is not making money,  
22 it's getting in my head, it is not making money.

23 And, finally, while you are talking about  
24 solving the problem with rush hours, you are  
25 creating another problem by sticking another meter

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1 in the cab, another credit card in the cab, credit  
2 card technology in the cab. When other guy is  
3 waiting rush to get in cab, somebody says, "Let me  
4 sign the credit card," so this is another problem  
5 for 3, 4, 5, \$10. And when that fare is going to  
6 increase, you will see a lot of \$8, \$9 customers.  
7 So if we have to keep signing, it's going to create  
8 another problem. It will happen that by installing  
9 this we are not helping the rush hour, but instead  
10 of that, we are making problem for it. That's all  
11 of my comments.

12 CHAIRMAN DAUS: The next speaker is  
13 Jahangeer Allan and after Mr. Allan, we have Oscar

14 Muzzi, Osman Chowdhery and Marselino Huerias.

15 MR. ALLAN: Thank you very much. I  
16 want to talk lot, but I know I have only five  
17 minutes time so I want to come to basics.

18 You know, TLC, all the newspaper and  
19 everything I know, but I will only say there is two  
20 kinds of driver, day driver and the evening driver.  
21 So I am the evening driver, I live in Queens.  
22 Normally I walk to my garage, so when I am coming to  
23 the garage it's 5:30. Then I am checking my car,  
24 writing down the trip sheet. I am coming to  
25 Manhattan, 6:15. 6:15 to 8 o'clock, maximum I will

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1 get six fares. I am making \$6. Forget about the  
2 day driver because they have to go home 4:30. So I  
3 am making \$6, but from 8 o'clock to 6 o'clock  
4 morning if I make 25 fare, I am making \$12.50. So I  
5 am losing \$6 over there. So I don't think it's a  
6 good idea.

7 And wherever the fare increase, I thank  
8 you very much for that because we have been waiting  
9 eight years and something is better than nothing.  
10 And I work all night last night, I slept two hours,  
11 I came over here, I bought a Metrocard, \$7, one time  
12 limited. Used to be \$4. So \$3, I don't know how

13 many hundred persons did this. Also, I have a  
14 child, eight years old, with my wife and three  
15 members of my family. Last Sunday, I picked up two  
16 gentlemen with the wedding tie and coat with a bunch  
17 of flowers. One I dropped Queens Boulevard and  
18 Grand Avenue, another one is 88th Street and 35th  
19 Avenue, \$17 fare. The second gentleman get out of  
20 the car and went to the building without paying me.  
21 It happened \$27 last Thursday night also.

22 Then I call the cops. Cop came in and  
23 she said, "I can't help you. If he wants to kill  
24 you, then I can help." So I ask her, "You want him  
25 to kill me. Thank you very much for coming over

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1 here." Honestly, that Sunday night I drove nine  
2 hours and I didn't even make one, single U.S. penny  
3 for me. This is more than 100 percent true. I wish  
4 I could talk to Mr. Chairperson for a couple of  
5 hours, but still I am happy to talk five minutes.

6 Another thing I called 311, you know,  
7 "Can I talk to the TLC Chairperson. They have the  
8 procedures for saving the drivers money?" And they  
9 say, "You need to call the headquarters. Do you  
10 want the telephone number?" I said, "No, I have the  
11 telephone number."

12                   CHAIRMAN DAUS:    We do have focus groups.  
13                   We do meet regularly with drivers on all sorts of  
14                   issues.  It's absolutely horrible what happened to  
15                   you, and I can tell you it does happen to other  
16                   drivers and the passengers are just plain wrong.  
17                   And I think that the advice you may have received  
18                   from that police officer was certainly wrong.

19                   I have seen complaints for theft of  
20                   services prosecuted for cab drivers who press their  
21                   complaints.  If you know where the person is, I would  
22                   urge you to do that.  We have seen those situations  
23                   brought to conclusion, so we are supportive of that.  
24                   It's wrong what they did.

25                   MR. ALLAN:    I appreciate that.  I read

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1                   newspaper every day, I listen to the radio, I mailed  
2                   an e-mail to you about two months ago about the fare  
3                   raise.  My name is Allan, if you know about that.  
4                   This is not about talking.  I will finish with the  
5                   one joke.  Where I was born, joke is if wait for us  
6                   to bring the food to you, and who didn't eat all  
7                   day, cook for him.  That means we are all talking  
8                   about the technology, the credit cards, most of the  
9                   taxi fare is \$3.20.  If you are good ride, you can  
10                   pay that by cash.  I want to learn about the

11 computer, about the technology, but let me make some  
12 more money, then I can go to part-time university  
13 and learn about the computer science and technology.  
14 I don't have to work seven days and then I can work  
15 four days and three days go to the school.

16 All people talking over here technology,  
17 credit cards. With all respect, Mayor Guilliani  
18 used to say taxi driver doesn't speak English. We  
19 don't need to learn about the technology. We don't  
20 need to learn about the English. We need money to  
21 send my son to go to better school, to buy the  
22 medication. Then we will think about the credit  
23 card, the technology after ten years when I finish  
24 my school. That's all. Thank you very much.

25 CHAIRMAN DAUS: Mr. Michels?

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1 COMMISSIONER MICHELS: He is pointing  
2 out something that may be prevalent that we don't  
3 know about, the theft of services and lack of  
4 enforcement by the police department. We had a  
5 similar thing like this in the City Council with  
6 respect to domestic violence.

7 May I suggest that you contact the police  
8 department and ask whether there is a protocol, and  
9 if there is a protocol for theft of services, that

10 they publicize it and emphasize it to the cab  
11 drivers, and to the police department who are on the  
12 streets that they most enforce these type of  
13 complaints.

14 CHAIRMAN DAUS: We will work on that.  
15 The only thing I would disagree with is I wouldn't  
16 classify this one instance as a lack of enforcement.

17 COMMISSIONER MICHELS: I am not saying  
18 it is. I am saying inquire into whether or not the  
19 police have a protocol and whether that protocol is  
20 given the proper publicity so that the police  
21 officers on the street will enforce this type of  
22 complaint.

23 CHAIRMAN DAUS: I certainly agree.

24 COMMISSIONER MICHELS: I think this is  
25 something that should be done. We don't know what's

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1 going on.

2 And they weren't doing it as far as  
3 domestic violence. We had hearings on it, we  
4 insisted on it, and it was done. And there should  
5 be an arrest in that type of situation.

6 CHAIRMAN DAUS: I agree.

7 MR. ALLAN: I have lot of thanks to all  
8 the people over here, and I am so happy I get five

9 minutes time to talk to you. But I want to tell you  
10 something, I have been driving since 1996, it has  
11 happened to me before. I lost \$96 with \$5 Lincoln  
12 Tunnel tolls.

13 COMMISSIONER MICHELS: I am not  
14 questioning that. I am saying you are pointing out  
15 the problem, I want to know what the police  
16 department is doing about it. I want to know if  
17 there is a protocol which instructs the police on  
18 what to do when you register a complaint. You  
19 shouldn't be told that they can't enforce it. They  
20 can enforce it and they should.

21 MR. ALLAN: I appreciate that.

22 CHAIRMAN DAUS: Commissioner Michels is  
23 100 percent right. We will do everything we can.

24 MR. ALLAN: Can I ask one question?

25 CHAIRMAN DAUS: Mr. Allan, I'm really

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1 sorry but we have a lot of speakers. We will talk  
2 later.

3 MR. ALLAN: Thank you.

4 CHAIRMAN DAUS: Oscar Muzzi?

5 The next three speakers are Osman  
6 Chowdhery, Marselino Huerias and Walde Marian-Yoma.

7 MR. MUZZI: I wasn't really prepared to

8 talk. Almost everything has been said so far. The  
9 only thing that is not said very clear is that I  
10 came here from this (indicating). I don't want to  
11 hear that you want sell me meters, you want to sell  
12 computers, you want to sell partitions to me. The  
13 last time, the last increase you sell us a new cab  
14 every five years. Now we are going to get increase  
15 and we have to pay for all these things.

16 I give you permission to put whatever you  
17 want in my car, anything you want, but you pay for  
18 it. It is not fare that every time we have a little  
19 like this, you take a little like that. The car, we  
20 had a conversation about the cars not long ago. You  
21 say the car after a time, the pollution. That's  
22 baloney. If my car is not working right, the  
23 engine, because the body is perfect, I put a engine  
24 in the car. I don't have to go every five or six  
25 years to change my car.

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1 The other point that I let you know the  
2 last we have a meeting, you lost totally control,  
3 you don't have the manpower to control the black  
4 cars that they are taking our passengers in the  
5 morning. We have every day more groups in the  
6 street because you collect fees, they put a new car,

7 you get fees, the insurance company makes money.  
8 With the 900 medallions which I think is going to be  
9 the biggest rip-off of the TLC, because right now if  
10 that person comes with the savings of his life,  
11 \$50,000 to invest them, and it cost \$37,000 a lease  
12 a year to run an individual car, that person is  
13 going to go out of business in less than a year.  
14 Hopefully, if he doesn't have an accident, he is out  
15 of business. He is going to lose his \$50,000 and  
16 forget about -- I would like the Commissioner to  
17 mention me one right, just one that the driver has,  
18 that the owner drivers has. Only one. Mention,  
19 please, one right that I have with my passengers or  
20 as a driver?

21 CHAIRMAN DAUS: One right?

22 MR. MUZZI: Yes, one right that I have.  
23 The passengers have the right, the TLC have the  
24 right, the police have the right.

25 Give me one right that I have?

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1 You know, I have an ulcer that I name it  
2 TLC, because every time I see those three letters or  
3 I have to go to the inspections, I have to go  
4 through the torture. Not even Jesus Christ in the  
5 Passion goes through that.

6                   Somebody mentioned respect before. There  
7                   is no respect for a taxi driver. None at all. Not  
8                   from the passengers. Forget about it after 9/11,  
9                   the whole thing changed. Believe it or not, I have  
10                  33 years driving my cab, and I was always very happy  
11                  to ride. I choose that because I love to drive.  
12                  But TLC, they didn't do anything for me, but getting  
13                  and getting. We are the only one who pays \$1,000 a  
14                  year in taxes. Why we pay \$1,000 when everybody  
15                  else pay 250 or \$400 a year? I would like to get an  
16                  explanation for that.

17                  And, please, for the individual owners or  
18                  for the small mini fleet owners that own two cars,  
19                  if they take good care of their cars, if the car  
20                  pass inspection, it should be staying on the road.  
21                  Why have to go through another expense if the car is  
22                  running perfectly?

23                  What else I want to say, there is too  
24                  many things. It's so frustrating to come here.  
25                  Actually, since I am 62 years old, probably next

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1                  week I will put my medallions for selling because I  
2                  can't afford it anymore. The way that you people  
3                  come with everything, one bulb, \$50 fine. We pay  
4                  the highest fines. A drug dealer, they go to court,

5 they sign and go free. We don't. It's amazing.

6 I heard a few good things. Mr. Sapone  
7 talked very good about us because he has been in the  
8 business for many years. But we are at the point  
9 where the taxi drivers lost total respect from  
10 everybody. And that's a shame after 33 years, that  
11 I am leaving my business sad. Something that I was  
12 very happy to do for many, many years.

13 CHAIRMAN DAUS: Sir?

14 COMMISSIONER DEAR: You are an  
15 individual owner, do you belong to LOMTO?

16 MR. MUZZI: Yes, sir.

17 COMMISSIONER DEAR: LOMTO represents you  
18 in a sense on all the issues that you are concerned  
19 about. How many years are you in the business?

20 MR. MUZZI: 33 years, sir.

21 COMMISSIONER DEAR: And all 33 years  
22 were torture?

23 MR. MUZZI: No, no. The first 20 years  
24 with the taxi industry were beautiful. People were  
25 beautiful, the business was great. You used to make

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1 a very decent living, even if you were a driver.  
2 Actually the drivers made more money than the owner,  
3 because the driver take the car and make \$100 or \$80

4 in the pocket. The owner, I make 200, tomorrow I  
5 have to pay 350 because something went wrong with  
6 the car.

7 Last year I spent \$5,000 just fixing my  
8 car. Forget about the gas. Gas is 20 percent that  
9 goes there. So I with the interest that we pay for  
10 the loans and everything, between 27 and \$30,000  
11 goes to the car and whatever the expenses are. So  
12 right now, this guy is going to buy this medallion,  
13 250, 230, they are not going to make a living. You  
14 have to put a driver, the insurance -- that is  
15 another thing, insurance. Why so expensive? I used  
16 to have like now in July, I take one month vacation,  
17 I went to insurance company and I say I want to put  
18 a driver. Okay, one month, and I didn't have to pay  
19 any extra or go to Workers' Compensation or anything  
20 like that. That's finished.

21 Now I have to find out, if I don't sell  
22 my medallion what I have to do July and August, my  
23 wife is a teacher so we are going away, what can I  
24 do to put my plates and everything in storage so I  
25 don't have to pay insurance.

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1 COMMISSIONER DEAR: I just want to say  
2 that I have to sympathize and empathize with your

3 issues. I have had this conversation many times  
4 with the Chairman and I speak about it publicly, and  
5 I think that the individual driver who makes up a  
6 good portion of this industry should have more of a  
7 voice.

8 MR. MUZZI: Not every driver is listed  
9 and every owner. But taxi drivers they are not  
10 united. Since they are not united, you come up with  
11 any ideas every year and because they are not  
12 united, you get whatever you want.

13 CHAIRMAN DAUS: Commissioner Aroust has a  
14 question.

15 COMMISSIONER AROUST: Can I ask you how  
16 much insurance you pay for a single driver?

17 MR. MUZZI: It is almost \$4,000.

18 COMMISSIONER AROUST: And it doubles if  
19 you have --

20 MR. MUZZI: \$7,600, Workers'  
21 Compensation is \$1,,600. Another thing, I don't  
22 know what we pay two years for the inspection in  
23 advance. If I sell my medallion, I already pay  
24 \$1,400, forget about the other \$700. They don't  
25 give it back to me.

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1 You have a very good business, Mr.

2 Chairman.

3 CHAIRMAN DAUS: Thank you.

4 The next speaker is Osman Chowdhery.

5 Marselino Huerias, Walde Marian-Yoma.

6 MR. CHOWDHERY: My name is Osman

7 Chowdhery, I have been working since eight years.

8 Mr. Chairman, you want new drivers in the system,

9 but no new drivers. I have been working eight

10 years. The driver is not benefitted. If any driver

11 loses license 6 points, they lose for one month the

12 hack license. What for? If you are coming from

13 Houston, east side, you want to make left turn on

14 Third Avenue, there is no light. All Houston

15 traffic going southwest, no stopping. You make

16 U-turn, you lose 3 points. Now how are we driving

17 if you lose 6 points?

18 One more thing. We need to stop the

19 Laguardia Airport slow day, there is a lot of

20 traffic at the central terminal. The driver don't

21 get a chance. There is only three or four cabs and

22 they are inside. Cops giving the summons there.

23 What for? I got no notice, there is no room there.

24 CHAIRMAN DAUS: They think you are

25 cutting the line?

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1 MR. CHOWDHERY: Yes.

2 CHAIRMAN DAUS: We will look into that.  
3 If you could see Alan Fromberg before you leave and  
4 we will take your specific complaint.

5 MR. CHOWDHERY: Also all the time the  
6 fighting passengers. We don't fight the passengers,  
7 we give them service. We are fighting the rush  
8 hour, east side, west side, telling the driver what  
9 to do that time. We need to stop that. The owners  
10 don't care about the driver even. I have explained,  
11 2001 I have the highway accident. I have a  
12 passenger. What can I do? It's my fault? You go  
13 to DMV, they see you have the accident, they enforce  
14 the guilty.

15 Last October I get two summons. It is  
16 only for nothing that they are hurting me.

17 CHAIRMAN DAUS: You have a lot of  
18 issues, but in the interest of moving the hearing  
19 along, what are your positions or comments on any of  
20 the rule proposals?

21 MR. CHOWDHERY: I don't think DMV should  
22 take 6 points --

23 CHAIRMAN DAUS: That's something in  
24 local law. That's not up for discussion today.

25 MR. CHOWDHERY: How am I driving, East

1 Houston and coming to West Houston, if I make a left  
2 on the Bowery going southbound, there is no arrow.  
3 How can I make a left? Passenger is pushing, "Make  
4 left. Make left." This is very dangerous for  
5 driver. I am making left turn, police give me the  
6 summons.

7 CHAIRMAN DAUS: Thank you.  
8 Marselino Huerrias. Next three speakers  
9 are Walde Marian-Yoma, Abel Malbranch and Mohammad  
10 Rashid.

11 MR. HUERIAS: Hi, everyone, Mr. Matthew  
12 Daus and other Commissioners.

13 Basically what I would like to say is I  
14 guess I get not respect. The dollar increase  
15 between 4:00 and 8:00 should be also in place in the  
16 morning rush hour between 7:00 and 10:00. I think  
17 it makes a lot of sense since I am one of the few  
18 drivers that works 16 hours. And the reason why is  
19 because I have a family and as owner-driver that is  
20 hours that are required. Actually, when they ask me  
21 how many hours that I work, I say, "It's up to my  
22 legs."

23 The additional 50 cents should be in lace  
24 at night. I think night drivers deserve that  
25 because they are actually at a higher risk driving

1 at night. Also, technology is good but you have to  
2 look first from point of view of the driver. If  
3 that's going to generate or increase my income or  
4 other drivers' income, then it's a good idea. But  
5 if it is not, if it's going to take money out of my  
6 table then I don't think it's great. So any rules,  
7 ideas of technology that the Commissioner wants to  
8 bring it up to improve the service of the taxi here  
9 in New York, it should be from the taxi driver's  
10 point of view and the public, but based on safety  
11 and economy.

12 Basically, that's all I would like to  
13 say.

14 CHAIRMAN DAUS: Thank you.

15 Walde Marian-Yoma?

16 MR. MARIAN-YOMA: Thanks for this  
17 opportunity to talk to you one more time. First of  
18 all, I like to thank the Mayor's office and the DOT  
19 Commissioner's office and all the 37 City Council  
20 members who finally took a stand on the side of  
21 drivers.

22 Right now I would like to talk about  
23 credit card and it seems like all those people who  
24 are interested in making money off of the drivers' I  
25 guess beleaguered condition are circling the water

1       because they are smelling something good. But we  
2       want most of the money to come to ourself. And this  
3       credit card issue I think should be kept in the  
4       rear, because like other driver said, it's going to  
5       create a lot of congestion, and if we are going to  
6       pick up customers and drop them in front of  
7       Rockefeller Center or Wall Street, all the traffic  
8       congested parts of the city, this transaction will  
9       take at least two or three minutes, and the police  
10      will be coming, giving us tickets. The customers  
11      will be frustrated, the possibility of accidents  
12      will increase. Therefore, I think the credit card  
13      issue should probably be properly looked at.

14                Secondly, the difference between the  
15      costs to drivers and the cost to garages. And the  
16      garages are claiming the scratch-free, see-through  
17      partitions and the Global Positioning System is  
18      going debilitate their income. However, as you  
19      know, it is a one-time fixed expense. It's a  
20      capital improvement which they can take as a tax  
21      deduction. And they can recoup this cost probably  
22      within six months.

23                On the other side, drivers face a  
24      permanent destabilizing expenses. For example, the  
25      ever increasing cost of gasoline, the ever

1 increasing cost of tolls, the ever increasing cost  
2 of living in New York City. And the vehicle break  
3 downs and the noise in the city which has a cost on  
4 our nerves, and the non-paying customers like my  
5 fellow driver said who take off after you take them  
6 to their destination, be it New Jersey, Brooklyn, or  
7 whatever. So our costs are permanent, but theirs is  
8 a fixes, a one time capital improvement cost which  
9 at the end will probably improve their assets.

10 If you look at 20 years history of the  
11 taxi industry, medallion value has consistently  
12 appreciated in value. Even I remember in 1987 when  
13 we had the Wall Street economic down turn, they call  
14 it almost a crash, it was called Black Monday in '87  
15 October. The medallion value still went sky high,  
16 better than the Market, even better then the  
17 Treasury Bill. Most people when there is economic  
18 crisis, they invest in the T Bills. Medallion  
19 values do better than the Treasury Bills. This is  
20 all done through exploiting drivers excessively.

21 Another issue I want to discuss here, I  
22 just want to mention I saw an article about how New  
23 York City has the least vehicular accidents and  
24 deaths in the whole country. I think 38 or 39  
25 compared with all the cities in the United States.

1       Everybody blames drivers for causing accidents, for  
2       being reckless, for being dangerous. But when you  
3       look at the statistics, a city which is full of  
4       yellow cab drivers has the least amount of  
5       accidents. So drivers should be given credit  
6       instead of harassed.

7                   Additionally, liveable income. The final  
8       point is, Commissioner Daus, you said that  
9       healthcare is provided to your organization.  
10      However, sir, with all due respect, workers who work  
11      12 hours, six days a week should not go on the dole  
12      at the expense of taxpayers, to get healthcare at  
13      the expense taxpayers. We work hard, we make enough  
14      money, we generate enough wealth, over \$1 billion a  
15      year. And we should be allowed to cover our own  
16      expenses, not take money from the government. We  
17      didn't come to this country to be on welfare or to  
18      use state funds or federal funds. We work hard,  
19      let's be compensated fairly and give us a liveable  
20      wage. We don't want your healthcare, sir, with all  
21      due respect.

22                   Finally, the 50 cent surcharge is an  
23      absolute necessity; otherwise, the night drivers  
24      will be absolutely driven out of the market. And

25 the six month freeze in terms of the lease increase.

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1 We are anticipating, in fact, the Commissioners will  
2 finally decide that it will six month medallions  
3 from the owners for six months and turn it over to  
4 drivers so that they be recoup all the losses for  
5 the years, but that's only a dream. The least you  
6 can do, ladies and gentlemen, is give us a six month  
7 freeze so we can get a little benefit of this  
8 liveable wage increase. Thanks again.

9 CHAIRMAN DAUS: Thank you.

10 Evel Marash?

11 Mohammad Rashid?

12 The final three speakers are Maer Yolos,  
13 Michael Higgins and David Pollock.

14 MR. RASHID: Good afternoon, my name is  
15 Mohammad Rashid. I only want to speak on the  
16 proposed amendment to the taxicab owners to the  
17 maximum these days that may be charged to the  
18 driver. As I am driver, I am paying Thursday,  
19 Friday, Saturday, \$115 for lease, \$30 for gas, water  
20 and soda 3 to \$5, dinner \$10, dispatcher \$2, round  
21 trip from the garage to my home \$10. It's 160 to  
22 \$165 part of my expense.

23 After those expense, it is very hard to

24 keep some money in my pocket. That means all the  
25 drivers for themselves. So it is my honest request,

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1 think about the driver, not for owner. I believe  
2 owner invest to make money, but driver also work  
3 hard for make money. I work day before yesterday,  
4 after paying garage money, I make myself only \$30.  
5 It's very hard after ten hours working, it's only  
6 \$30. It is hard work, so think about the driver.  
7 Thank you everyone.

8 COMMISSIONER GIANNOULIS: Quick  
9 question. How much is on your meter and how much do  
10 you have in tips on those days that you referred to?  
11 Just give me average.

12 MR. RASHID: Thursday, Friday and  
13 Saturday I pay \$115.

14 COMMISSIONER GIANNOULIS: I know how  
15 much you pay. I said how much do you have on your  
16 meter and how much do you have in tips?

17 MR. RASHID: I pay \$100 for the day, \$17  
18 for gas. And 129 for Sunday I pay and I make \$30.  
19 That means \$160 for ten hours.

20 COMMISSIONER GIANNOULIS: Thank you.

21 CHAIRMAN DAUS: The next speaker is Maer  
22 Yolos. Then Michael Higgins and David Pollock.

23 MR. YOLOS: Hello, to everyone. First  
24 of all, I would like to say that I give TLC a grade  
25 of A plus in regulating the taxi industry in the

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1 area of having clean drivers in the industry, safe  
2 drivers in the industry, they go through drug tests,  
3 they speak English. And I also give A plus in  
4 keeping New York City cabs beautiful, clean, dent  
5 free. You don't see many totally scratched up cabs.  
6 It's very pretty for the city, it's pretty for the  
7 public. They are going a great job in that area.

8 But in handling a fare increase in the  
9 past eight years, I give them a B. This industries  
10 needs, the way I look at it, don't get mad, a 30  
11 percent fare increase because the next increase  
12 might be in ten years. Anything could happen, guys.  
13 The fare increase should not be less then 30 percent  
14 because fuel prices are up, a barrel of oil used to  
15 be \$10, today it is \$37. There is talk it might go  
16 higher.

17 A gallon of gas used to be \$1.05. Today  
18 you see \$2.10, other areas you see more. That has  
19 doubled. Auto insurance is up, health insurance is  
20 up. Of course, repair and maintenance is up. Pump  
21 prices are up. Does anybody agree with me?

22 VOICES: Yes.

23 MR. RASHID: Apartment rents are up. In  
24 New York City when you are a landlord, you get rent  
25 increases, you could get them every year, every two

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1 years. But people who own houses, apartments are  
2 doing fine, there are comfortable. They are okay.  
3 The only thing that is not up in the city is  
4 drivers' income or the owners' income. And the  
5 population of New York City. I think in Florida  
6 it's growing, in Nevada it is growing, in California  
7 it is growing. When the population grows, the taxi  
8 industry, the drivers' income over there grows. So  
9 I really think the increase should be a very good  
10 and fair increase so that everybody is happy. We  
11 are all a family, we are all together. The TLC, the  
12 Commission, the inspectors, we are all one unit. We  
13 are a family, we all have to work together and  
14 everything should be in proportion.

15 You follow the regulations, the drivers,  
16 and the TLC should make everybody happy where  
17 everybody will be comfortable financially and it  
18 should all be fair with how things are handled with  
19 the summonses. I am an owner and sometimes I am a  
20 driver. A lot of times with my driver, I have to be

21 a psychologist because the drivers are really  
22 stressed. First of all, you enter a cab, you can  
23 from out of the state, the first thing you see in  
24 the biggest letters, complaint number, hotline taxi,  
25 complaint number. I tell you, people come out, I am

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1 sure they remember, complaint number. Talking about  
2 partitions, maybe complaint number and also hotline  
3 excellent experience. The driver can earn good  
4 points on their hack license if somebody calls,  
5 "This driver helped me carry the luggage to the door  
6 and the poor driver, he got \$115 ticket." Or, "I  
7 had a great experience with a driver. I was paying  
8 the credit card and it was no parking and he got a  
9 summons for standing in no parking for too long and  
10 the officer said talk to the judge. He got \$115  
11 ticket."

12 You know, driver checks his rear brake  
13 lights, he went driving, the brake light went out,  
14 and if the driver is the owner also he got a ticket  
15 for \$100 as being a owner and the equipment, the  
16 bulb is out, guilty. He also got \$25 ticket as the  
17 driver. But when he left the bulb was fine. So  
18 they are very stressed out. So I really think it  
19 should also say if you had a great experience, call

20 this number also. Not just for complaints.

21 I have been a passenger in cabs around  
22 the country, and I have never seen such a big sign  
23 in other cabs, "Call complaint number." Really, it  
24 is in people's heads, I think it is one of the most  
25 popular numbers in the country.

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1 CHAIRMAN DAUS: We did, sir, put  
2 compliments on their as well. And we are actually  
3 getting a lot of compliments. We have more probably  
4 more people than you could imagine for the next  
5 driver recognition ceremony. So I personally do  
6 write a letter to each driver that I get compliments  
7 on. We know it's a stressful job, that's why you  
8 are entitled to liveable income.

9 MR. RASHID: Another thing I would like  
10 to mention, talking about safety, I think New York  
11 City taxicabs should be modified where the signal  
12 light on a roof light, you don't really see if that  
13 cab is turning and if you are really close to them  
14 it is a blind spot. I think that there should be a  
15 light on the fender like European cars or I think  
16 all mirrors should have lights as signals. That's  
17 it, thank you very much.

18 CHAIRMAN DAUS: Mr. Michael Higgins?

19 MR. HIGGINS: First of all, I would like  
20 to tell the Chairman, Matthew Daus, a lesser  
21 chairman would have went on the DL, but thank you  
22 very much for showing up with your broken paw.

23 CHAIRMAN DAUS: I guess we will see you  
24 on New York One tonight?

25 MR. HIGGINS: You can only keep your

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1 fingers crossed.

2 I think everything under the sun has been  
3 covered at the meeting except for the disparity that  
4 exists and will continue to exist with the rate  
5 structure on the rolling time versus the waiting  
6 time. Let's look at the numbers, the meter rate of  
7 waiting time for New York City yellow cabs is  
8 currently \$12 an hour. At that rate, the waiting  
9 time is now about equal to what an average lease  
10 drivers' expenses are to operate a cab for a 12 hour  
11 shift, of which only about 10 hours can actually be  
12 hacked. Therefore, whenever a driver is sitting at  
13 a red light, he isn't even making minimum wage. He  
14 is making zip, zero, nada.

15 You talk about living wage, every time a  
16 cab driver is sitting in traffic or at a red light  
17 he is not even making \$5 and hour. He is not making

18 \$2 an hour. He is making zero because it is  
19 straight lined with his expenses. Goes for the  
20 owners of cabs as well.

21           Conversely, the driver sailing out to  
22 Kennedy Airport with the current rate can earn a  
23 legal metered rolling time of up to \$75 an hour  
24 based on the current meter rate of \$1.50 a mile.  
25 The metered waiting time in yellow cabs has been \$12

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1 an hour for the last 14 years. The only change in  
2 the waiting time in that last fare increase was when  
3 it went from 25 cents per 75 seconds to the current  
4 30 cents for 90 seconds a/k/a \$12 an hour. In fact,  
5 a driver, before the last fare increase, made more  
6 money from waiting time based on the quicker meter  
7 click than he does today with the slower click. And  
8 the new proposed fare increase will make it even  
9 less than that. So we are looking at possible the  
10 waiting time remaining constant for 16 years.

11           Basically the math here is that the city  
12 street speed limit is 30 miles an hour, with the  
13 driver earning a meter rate of \$2 a mile. You are  
14 giving him an incentive to make \$60 an hour on city  
15 streets. If he is on the FDR Drive at 40 miles an  
16 hour, times \$2 a mile, you are giving him an

17 incentive to make \$80 an hour, and at the new  
18 proposed rate of \$2 a mile, going out to Kennedy  
19 Airport you are giving him an incentive at 50 miles  
20 an hour to make \$100 an hour, but at the same time  
21 the \$12 an hour waiting time is going to remain  
22 constant.

23 I hope Commission will close the  
24 disparity between the rolling time and the metered  
25 waiting time because you don't want to get into a

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1 situation where you are giving drivers incentive to  
2 run red lights and speed, because right now you have  
3 a huge disparity tea, and I am afraid that reckless  
4 driving may be built into the meter if you don't  
5 raise the waiting time. Thank very much.

6 CHAIRMAN DAUS: Thank you.

7 The last speaker, Mr. David Pollock.

8 MR. POLLOCK: Thank you for saving the  
9 best for last. I have here, it starts good morning  
10 but I will say good afternoon, Mr. Chairman,  
11 Commissioners, guests. As the last person, I will  
12 thank all the drivers that came down here to speak,  
13 all the industry advocates.

14 My name is David Pollock, and I am the  
15 executive director of the Committee for Taxi Safety,

16 an association that represents 2,500 taxi medallions  
17 and the 5,000 men and women who drive their taxis.  
18 I am also a third generation taxi driver. I brought  
19 my hack license.

20 The rate of fare, the Committee supports  
21 the proposed fare increase. In addition to the  
22 proposed \$1 rush hour surcharge, the Committee  
23 believes the existing 50 cent night surcharge should  
24 not be eliminated. With the inclusion of the  
25 surcharge, the Committee proposes an increase in the

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1 long-term lease cap adding to the \$24 per week  
2 initially proposed. We believe the statement of  
3 basis and purpose should also state that enforcement  
4 of illegal pickups throughout the City will be  
5 increased to ensure that taxi drivers receive the  
6 full benefits of this fare increase.

7 We propose a mandatory annual review. A  
8 lot of this may sound redundant because Mel was  
9 impatient and decided to speak first and he read my  
10 testimony, so please bear with me. We propose a  
11 mandatory annual review of costs and service  
12 improvement, similar to the Rent Guidelines Board  
13 which, as you know, reviews the landlords' expenses  
14 annually and determines a fare percentage of

15 increase in lease rates for apartments throughout  
16 the city.

17 Lease rates. The Committee for Taxi  
18 Safety supports the proposed regulations concerning  
19 lease caps if such increase is predicated upon an  
20 additional increase above the initial proposal which  
21 should be proportionate increase for the entire  
22 industry. Management companies pay for the ever  
23 spiraling costs of liability insurance, Workers'  
24 Compensation insurance and accident claims in excess  
25 of coverage. In numerous cases when a DOV driver

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1 totals a taxicab, it is the management company that  
2 pays the balance of the vehicle lien.

3 Change of partitions. The Committee for  
4 Taxi Safety is not opposed to installing new  
5 partitions, but we question both the timing of  
6 installations and if they will achieve the intended  
7 results. Most of our members, every time they hack  
8 up a new taxicab, put in a new meter and put in a  
9 new partition, so we are really proposing that  
10 rather than wait to November 2005, if we started  
11 this November 2004 but use the retirement date, the  
12 new hack up of vehicles to install the partitions, I  
13 think it would more cost effective and better.

14                   As far as credit card meters, Michael  
15                   Levine did an excellent job explaining everything  
16                   about it. He certainly knows more about it than I  
17                   do or anybody else in this industry because he lives  
18                   with it every day. But we support the proposal for  
19                   taxi meters to have credit card capability. The  
20                   timing of the implementation, once again, allows for  
21                   a lead time of 18 month, but mandates all  
22                   installations within four months thereafter.

23                   We suggest the lead time for  
24                   implementation be shortened and that implementation  
25                   be instituted upon vehicle retirement, one again

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1                   November 2004 with the implementation taking place  
2                   as taxi vehicles are retired on or after that date.  
3                   Gradual implementation is not only cost effective  
4                   but any problems that arise can be dealt with  
5                   without affecting the entire industry.

6                   Additional specifications need to be set  
7                   forth so that considerations like the placement of  
8                   the credit card reader can be thought out and  
9                   uniform. Also we talked about mandating all major  
10                  credit cards, I am not going to be redundant, it  
11                  certainly is a big thing. We believe that it should  
12                  be eliminated. One thing Mike did mention is

13 American Express wanted to charge a fee and when  
14 Mike did away with American Express, they came back  
15 and reduced the fee. You have little more  
16 flexibility. If it's mandated, there is no  
17 competition and they can shove things down your  
18 throat. I think that is what we really want to say.

19 Transmission of required trip data.

20 Although the Committee believes that service  
21 improvement to be an excellent concept, we are  
22 concerned as to whether the technology is ready for  
23 industry-wide implementation at this time. To our  
24 knowledge, it is the first time it is being tested  
25 and there is no pilot program. One of our members

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1 has begun to test technology, and from what I  
2 understand, they have expressed doubt as to the  
3 reliability for the purposes of the TLC mandate.  
4 Once again, specifications need to be set forth on  
5 how trip data can be transmitted.

6 Passenger information monitor, the bottom  
7 line is once again, do we need it? To sum up, the  
8 last monitors installed under a pilot program were  
9 supposedly met with overwhelming negative public  
10 opinion. If it's just the GPS system, well, here we  
11 are saying put a clear partition so we can see where

12 we are driving, but we are going to put a GPS system  
13 so people can look like this. Are they going to  
14 fail to buckle up and put their head near the  
15 partition and if there is a short stop be injured?  
16 There are some safety concerns as well. We fail to  
17 see the need for this passenger information monitor  
18 and believe it may present a dangerous condition for  
19 the passengers.

20 As far as the penalties, we oppose any  
21 final suspension for equipment problems and propose  
22 that the owner be given sufficient time to correct  
23 conditions prior to any penalties. We appreciate  
24 being allowed to make these comments at this  
25 hearing, and once again, I would like to that thank

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1 the Taxi Commission, I would like to thank the 37  
2 and the 14 Council Members and everybody else who is  
3 responsible, for this is truly an historic day as  
4 long as we come out of this with a rate fare  
5 increase. Thank you very much.

6 CHAIRMAN DAUS: That the concludes our  
7 public hearing. I want to thank everybody for their  
8 patience, and the Commissioners for the long day. I  
9 would like to recognize Commissioner Judalis.

10 Before I do that, we have given some

11 thought to how we want discuss these proposals and  
12 it might make sense for us to discuss all the  
13 service improvements together and the fare increase  
14 and the lease cap separately since they are related.

15 Commissioner Giannoulis asked to  
16 recognized.

17 COMMISSIONER GIANNOULIS: I have a  
18 proposal to put on the table for a vote with regard  
19 to the fare increase and the lease cap, if we can  
20 deal with that first.

21 I think that we all agree that what we  
22 are trying to do here is make sure that the drivers  
23 have a living wage. That was the intent of the  
24 Mayor and the City Council and certainly is the  
25 intent of everybody here. At the same time, we have

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1 heard over time we have received good information  
2 from industry, fleet industry that costs have risen.  
3 We are trying to create a balance here. At the same  
4 time I think we heard a lot of testimony today  
5 concerning the 50 cent night surcharge and everybody  
6 in the industry seems to want that. Fernando Mateo  
7 has been lobbying for that and has done a good job  
8 and others.

9 So I think we could try to put everything

10 together and serve everybody's needs, and my  
11 proposal is as such: In terms of the fare increase,  
12 I move to amend the fare increase proposal as  
13 published in the City Record. I propose that  
14 Section 170-B be further amended through the  
15 addition of the following end at that section, it  
16 should say, "An 50 cents for all trips beginning  
17 after 8 p.m. and before 6 a.m. on all days." That  
18 would reinstitute the 50 cent night surcharge.

19 I also think that we should make a small  
20 adjustment to the lease cap, so I make a motion that  
21 proposed rule 178-A-1 as published in the City  
22 Record as amended, be further amended to provide  
23 that the maximum lease rates shall be as follows:  
24 \$105 for all day shifts, \$115 for the night shift on  
25 Sunday, Monday and Tuesday nights, \$120 for the

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1 night shift on Wednesday night, \$129 for the night  
2 shift on Thursday, Friday and Saturday nights.

3 I further propose an amendment to Section  
4 178-A-2 to delete the number 638 from the proposed  
5 rule and replace it with the number 666.

6 I further propose an amendment to Section  
7 178-A-3 to delete the number 766 from the proposed  
8 rule and replace it with the number 800.

9 I think this is a good compromise. I  
10 think we have also talked today about coming back  
11 and looking again at these rate issues on a more  
12 continuous basis. I think it makes a lot of sense  
13 and I think, hopefully, we won't be in the situation  
14 we are in today where it has been eight years since  
15 we looked at this.

16 COMMISSIONER DEAR: Could you explain  
17 this in English now?

18 COMMISSIONER GIANNOULIS: I will explain  
19 it to you so that you understand it clearly.

20 I am suggesting that we put back the 50  
21 cent surcharge. And I am proposing that what you  
22 saw in the public record and what you have in front  
23 of you, we are going to change the lease cap  
24 adjustments.

25 Do you want me to walk through them

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1 again?

2 COMMISSIONER DEAR: No.

3 COMMISSIONER GIANNOULIS: That is all I  
4 am proposing.

5 COMMISSIONER DEAR: No, the other two  
6 changes.

7 COMMISSIONER GIANNOULIS: The other two

8 changes are relevant to the rule numbers.

9 COMMISSIONER WEINSHALL: And the  
10 weeklies will go up proportionately.

11 COMMISSIONER DEAR: I understand that.

12 COMMISSIONER GIANNOULIS: That's it.

13 COMMISSIONER DEAR: No, the other two  
14 rule changes, 666 and --

15 COMMISSIONER WEINSHALL: That's the  
16 weekly amounts.

17 COMMISSIONER GIANNOULIS: That is just  
18 the weekly amounts proportionately. The number 638  
19 will become 666. The number 766 will become 800.

20 CHAIRMAN DAUS: Any questions?

21 It sounds to me like this proposal, if  
22 you put the 50 cent surcharge back in, would be  
23 giving the drivers more per hour than under our  
24 original proposal; is that correct.

25 COMMISSIONER GIANNOULIS: That would be

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1 my hope.

2 What we have heard today is that the 50  
3 cent surcharge, it seems, is the number one priority  
4 of the drivers. In terms of the ideas of lowering  
5 the lease cap and freezing the lease cap, that's  
6 silly. At the end of the day, the lease cap

7 ceilings aren't reached now and there is no reason  
8 to believe that they are going to be reached on  
9 Wednesday morning.

10 CHAIRMAN DAUS: I would certainly  
11 support giving more money to the drivers and putting  
12 the 50 cent surcharge back. There may be some  
13 passengers that are displeased with it, but we don't  
14 want to take the chance that we are going to have  
15 any shortage of drivers in the evening.

16 VOICE: Good call.

17 CHAIRMAN DAUS: Things are not broken,  
18 there is no need to fix them.

19 COMMISSIONER DEAR: I second the motion.

20 CHAIRMAN DAUS: All in favor?  
21 Point of clarification?

22 COMMISSIONER MICHELS: This is in  
23 addition to the \$1 surcharge?

24 CHAIRMAN DAUS: That is correct.

25 COMMISSIONER MICHELS: I want people to

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1 be clear, this is in addition to the \$1.

2 CHAIRMAN DAUS: To make sure we are  
3 perfectly clear before we poll the Commissioners,  
4 the \$1 surcharge will be from 4 p.m. to 8 p.m. on  
5 weekdays. The night surcharge will be put back in

6 from 8 p.m. until 6 a.m. and also on the weekends.

7 VOICE: Good call.

8 COMMISSIONER GIANNOULIS: From 8 to 6?

9 CHAIRMAN DAUS: 8 p.m. to 6 a.m.

10 COMMISSIONER MICHELS: Point of  
11 procedure. You are now making a motion to amend the  
12 rules?

13 CHAIRMAN DAUS: That's correct.

14 COMMISSIONER MICHELS: Is there going  
15 to be another vote on all the rules all together?

16 CHAIRMAN DAUS: No. He is making a  
17 motion to vote on the rules with an amendment. Now  
18 under the procedure, we need to vote on that and if  
19 there are any other motions, we can consider them.  
20 But actually we had people voting.

21 COMMISSIONER GIANNOULIS: Let me make  
22 clear to the Commissioner. The rules on technology,  
23 I am not addressing those. That is not what we are  
24 voting on.

25 COMMISSIONER MICHELS: You are making a

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1 motion to amend the rules but we are not voting on  
2 the rule itself?

3 COMMISSIONER GIANNOULIS: To amend the  
4 rules as published in the City Record is what I

5 said.

6 COMMISSIONER MICHELS: We will have a  
7 separate vote on the rule itself.

8 COMMISSIONER WEINSHALL: No, this  
9 becomes the rules.

10 COMMISSIONER MICHELS: He said an  
11 amendment to the rule itself.

12 CHAIRMAN DAUS: We had motion on the  
13 table from Commissioner Giannoulis which was  
14 seconded by Commissioner Dear.

15 All in favor signify by saying "aye."

16 COMMISSIONER GIANNOULIS: Counsel is  
17 saying we have to vote on the actual amendment  
18 first.

19 COMMISSIONER MICHELS: This vote is on  
20 the amendment.

21 CHAIRMAN DAUS: You are absolutely  
22 right. We will restate for the record what  
23 Commissioner Giannoulis's motion is.

24 That the fare increase and lease rate  
25 rules as published in the City Record are being

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1 proposed to be voted on with an amendment to add  
2 back the 50 cent evening surcharge which will run  
3 from 8 p.m. to 6 a.m. every single day and on

4 weekends as well. And in addition, the lease rates  
5 that he proposed.

6 COMMISSIONER AROUT: I make a motion.

7 COMMISSIONER DEAR: Second.

8 CHAIRMAN DAUS: All in favor?

9 (Chorus of "Ayes.")

10 CHAIRMAN DAUS: Any opposed?

11 (No response.)

12 CHAIRMAN DAUS: Okay, it's unanimous.

13 Thank you.

14 Do we have a motion to vote on the rules  
15 for the sake of procedure?

16 COMMISSIONER SANDER: So moved.

17 COMMISSIONER AROUT: Second.

18 COMMISSIONER MICHELS: What are we  
19 voting on now?

20 CHAIRMAN DAUS: The underlying rules,  
21 which is what your point was. The fare increase and  
22 the lease caps, for the point of the clarification.

23 Elias, you second that?

24 COMMISSIONER AROUT: Yes.

25 CHAIRMAN DAUS: All in favor?

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1 (Chorus of "Ayes.")

2 CHAIRMAN DAUS: Any opposed?

3 (No response.)

4 CHAIRMAN DAUS: Okay, very good. Thank  
5 you very much.

6 Now to move to the service improvements.  
7 I would like to make a motion to amend the service  
8 improvements, as I stated earlier.

9 COMMISSIONER SANDER: Can I clarify,  
10 when will this take effect?

11 CHAIRMAN DAUS: This will take effect 30  
12 days after it is published in the City Record,  
13 which, hopefully, will be published in the next day  
14 or two. We are talking about the first week of May  
15 the rate of fare being effective.

16 On the service improvements, I propose an  
17 amendment to all them which would replace any  
18 language which gives the Chair the authority to do  
19 specs on his or her own, to make recommendations to  
20 the Commission. I think the Commission has worked  
21 incredibly well together. I have never seen, and I  
22 have been here for eight years, such cooperation,  
23 congeniality and people working together toward a  
24 common purpose. All of our Commissioners, even  
25 though they don't make, with the exception me, a

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1 salary, and Commissioner Weinshall, they don't make

2 a penny doing this.

3                   They spend a lot of time, they have been  
4 back and forth countless hours, and they actually  
5 have extracurricular projects they work on. I am  
6 impressed with all of you, I am proud to call you  
7 not only colleagues but friends, and I think you  
8 have done an excellent job. I have trust and  
9 confidence that when we make our recommendations,  
10 myself and staff to you, that you will do the right  
11 thing.

12                   So I will ask counsel to consider an  
13 amendment to all taxicab service improvements which  
14 would replace any language that refers to me doing  
15 it all on my own, to doing it together with my  
16 colleagues.

17                   COMMISSIONER SANDER: Can you read the  
18 specific words?

19                   MR. MAZER: Yes, we will give you an  
20 example.

21                   In the partition rule it says, for  
22 example, "The partition shall consist of a  
23 transparent portion that shall extend downward from  
24 the ceiling to a point determined by the Chairperson  
25 based upon the make or model. The transparent

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1 portion shall be constructed of a bullet resistant  
2 material approved by the Chairperson."

3 Now it would say, for example, "bullet  
4 resistant material recommended by the Chairperson  
5 and approved by the Commission." And that same  
6 language would continue throughout the group ride,  
7 the partition and the technology.

8 COMMISSIONER MICHELS: Can we  
9 discussion?

10 CHAIRMAN DAUS: Sure.

11 COMMISSIONER MICHELS: You also  
12 mentioned the fact and I don't know if it is  
13 included there, that we would have a project manager  
14 for each one of these items.

15 CHAIRMAN DAUS: Point of clarification,  
16 the project manager will be working only on the  
17 technology piece, not on the group rides.

18 COMMISSIONER MICHELS: So we are not  
19 discussing group rides. This is technology now.

20 CHAIRMAN DAUS: We are discussion  
21 technology, the debit and credit cards.

22 COMMISSIONER MICHELS: So it is limited  
23 to the technology.

24 CHAIRMAN DAUS: That's correct.

25 COMMISSIONER MICHELS: Also

1 consideration should be how this will effect the  
2 income of the drivers and of the garages. We want  
3 to know that we are not giving them something in one  
4 hand and taking it back with another. There has to  
5 be an understanding of what the cost will be, and  
6 that has to be one of the things studied to see  
7 whether or not it is feasible.

8 With that understanding, I support this  
9 motion.

10 CHAIRMAN DAUS: Thank you. You are  
11 absolutely right, Commissioner.

12 I would also like counsel to reflect the  
13 comments that I made at the opening of the hearing  
14 regarding what time line is. And Commissioner  
15 Michels' comments, I ask that that be reflected in  
16 the statement of basis and purpose that accompanies  
17 the rule published in the City Record.

18 COMMISSIONER MICHELS: Accordingly, the  
19 cost to the drivers and to the owners should be a  
20 consideration and factor in considering the  
21 technology?

22 CHAIRMAN DAUS: Correct, as well as the  
23 rationale for my motion, as well as the time line.

24 COMMISSIONER MICHELS: As well as the  
25 partition and the other items.

1                   CHAIRMAN DAUS:    I think we had a motion  
2                   on the floor.  I made a motion, I believe it was  
3                   seconded by Commissioner Giannoulis.

4                   All in favor, signify by saying "aye."  
5                   (Chorus of "Ayes.")

6                   CHAIRMAN DAUS:    Any opposed?  
7                   (No response.)

8                   CHAIRMAN DAUS:    Okay, thank you.

9                   MR. MAZER:        Now we have to vote on the  
10                  rule.

11                  CHAIRMAN DAUS:    We are now going to vote  
12                  on the rule.  Does anybody want to make a motion?

13                  COMMISSIONER MICHELS:    So moved.

14                  COMMISSIONER RUBINSTEIN:    Second.

15                  CHAIRMAN DAUS:    All in favor?

16                  COMMISSIONER DEAR:    One second.  The  
17                  issue here of implementation, what's going to happen  
18                  now, I want it clarified, when they say Chairperson,  
19                  staff is coming back to the Commission before we  
20                  vote on it.  So if we can't come to an agreement  
21                  with something by the time that we are supposed to  
22                  implement it, does that mean we don't implement that  
23                  program then?

24                  CHAIRMAN DAUS:    Yes.  We would have to  
25                  create specifications, from what I understand the

1 intention is, and more rules would need to be  
2 adopted.

3 COMMISSIONER GIANNOULIS: More  
4 importantly, if enough of us don't agree, then we  
5 will change the rule to say you don't need credit  
6 cards. Its all about the majority.

7 COMMISSIONER DEAR: Obviously, you heard  
8 from people today and we are hearing continuously,  
9 and we don't have a fool-proof method, we don't have  
10 anywhere a model that has been working for two  
11 years. And it's important to us not to fall into  
12 that trap, where we are going to have something and  
13 the next thing you know, we have to undo it.

14 CHAIRMAN DAUS: Fair point.

15 Can we poll the Commissioners again on  
16 that vote?

17 All in favor, signify by saying "aye."

18 (Chorus of "Ayes.")

19 CHAIRMAN DAUS: Any opposed?

20 (No response.)

21 CHAIRMAN DAUS: Okay, am I free to thank  
22 people.

23 MR. MAZER: One more vote.

24 CHAIRMAN DAUS: I am sorry, the minutes.

25 MR. MAZER: We have to go back to the

1 minutes. We pulled the transcript. This is the  
2 question Commission Torres had on the minutes.

3 COMMISSIONER TORRES: Was it I?

4 MR. MAZER: I will read what you said.

5 COMMISSIONER TORRES: Quote, "When we  
6 look at a fare increase, it's basically to benefit  
7 the industry and how that is proportionate. When we  
8 look at regulations that benefit the industry,  
9 however, there are cost factors to that. I didn't  
10 notice that before."

11 COMMISSIONER TORRES: Okay.

12 CHAIRMAN DAUS: Are you comfortable with  
13 that?

14 COMMISSIONER TORRES: It is not the  
15 complete quote but I have no objection.

16 CHAIRMAN DAUS: It is what is in there.

17 COMMISSIONER TORRES: That's okay.

18 CHAIRMAN DAUS: I will let the record  
19 reflect that.

20 I want to thank everyone who participated  
21 in this process, especially my colleague  
22 Commissioner Weinshall, who I believe we could not  
23 have done this without. I thank you from the bottom  
24 of my heart. And all of our Commissioners, thank

25           you very, very much.

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1                   Commissioner Weinshall's staff, Andrew  
2           Salkin, Liz Weinstein who also has done an  
3           outstanding job, and everybody else.

4                   Motion to close the meeting?

5                   COMMISSIONER AROUT:     So moved.

6                   COMMISSIONER GIANNOULIS:   Second.

7                   CHAIRMAN DAUS:     All in favor?

8                   (Chorus of "Ayes.")

9                   CHAIRMAN DAUS:     Any opposed?

10                  (No response.)

11                  CHAIRMAN DAUS:     It's unanimous for the  
12           record.   Have a great day.

13                  (Time noted:   3:04 p.m.)

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C E R T I F I C A T I O N

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I, MARGARET EUSTACE, a Shorthand

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Reporter and Notary Public, within and for the State

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of New York, do hereby certify that I reported the

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proceedings in the within-entitled matter, on March

7

30, 2004, at 40 Rector Street, New York, New York,

8

and that this is an accurate transcription of these

9

proceedings.

10

IN WITNESS WHEREOF, I have hereunto

11

set my hand this            day of            ,

12

2004.

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15

MARGARET EUSTACE,

16

Shorthand Reporter

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