NYC TAXI AND
LIMOUSINE COMMISSION

THURSDAY, MARCH 22, 2012
COMMENCING AT 9:30 A.M.

MEETING AGENDA:

PUBLIC HEARING, STENOGRAPHIC
ON PROPOSED STREET TRANSCRIPT OF
HAIL RULES PROCEEDINGS

BEFORE:
DAVID YASSKY, CHAIRMAN
MEERA JOSHI, GENERAL COUNSEL
COMMISSIONERS:
NORA CONSTANCE MARINO
LAVIENSKA POLANCO
EDWARD GONZALES
IRIS WEINSHALL - Absent
ELIAS AROUT
FRANK CARONE - Absent
MARK GJONAJ
LASHANN DEARCY

Job No. NJ36332
NEW YORK CITY TAXI AND LIMOUSINE COMMISSION
BY: Allan J. Fromberg
33 Beaver Street
New York, New York 10004
(212) 676-1013

PRESENTATION:
COMMISSIONER CHHABRA

SPEAKERS:
CIRA ANGELES
RICHARD EMERY
FRED DRASNER
JOSE ALTAMIRANO
TAREK MALLAH
JENNY AHMED
FERNANDO GARCIA
MARK GOLDSTEIN - (Interpreter)
ETHAN GERBER
RICHARD THALER
TOM DOHERTY
FELIKS BOGONOFSKIY
ABDUL JABBAR AHMED
RICHARD KAY
VINCENT SAPONE
2 LLOYD TAYLOR
3 ARTHUR GROVER
4 JAMES GROSSO, JR.
5 ERASMO TAVERAS
6 CORTNEY HOGAN
7 BHAIRAVI DESAI
8 JOSE
9 ABUBAKR MOHAMED
10 BILL LANDAUER
11 ASMAD CHAUDERY
12 MOHAN SINGH
13 PAVEL LOPEZ
14 DAVID POLLACK
15
16
17
18
19
20
21
22
23
24
25
MR. SWITZER: Good morning, ladies and gentlemen. We will be getting started in a couple of minutes. If you would like to sign up to speak on the five borough taxi rules, please go to the sign-up sheet in the front on the podium. If you need additional seating, there is seating in the overflow room. Thank you.

(A break is taken at this time.)

MR. SWITZER: Good morning. There is seating in the overflow room, if you go out to the hallway and make a right and someone will direct you into the room. Thank you. Good morning.

As a reminder, if you would like to sign up to speak during the public hearing, please do so by going to the sign-up sheet in the front. There is additional seating in the overflow room. Please go to the hallway and make a right. Thank you.

>> MR. CHAIRMAN: First of all, good morning. Thank you very much for joining us today. I note that we are beginning the hearing of this commission meeting at 9:30. I was told I was supposed to note the time. Can we round up
to the nearest five, 9:34 in the morning. Today
I'm joined by Commissioners Marino, Polanco,
Gonzalez, DeArcy and Arout and the
public. I note that both Commissioners Carone
and Weinshall will not be joining us. They had
last minute work emergencies. I've spoken or
e-mailed each of them and they are very, very
focused on this. They will get a full report of
all the testimony here today.

We know that this is an issue of great
importance and I can assure you that all nine
commissioners are quite interested in this and
quite focused. Commissioner Weinshall and Carone
will not be here today. They will get a full
report.

Before we get going with our main business
today, a few items to note. First of all, some
excellent news for the commission and the public.
As you know one of our ongoing efforts has been
to ensure full accessibility to the taxi and
livery industry for people in wheelchairs. This
is a policy goal of top importance for this
administration, for this commission.

At the same time, there has been litigation
that is -- I never think litigation is the best way to solve the problem and, particularly, when government is involved.

I think it is the elected representatives of the people have that to bear responsibility for crucial policy decisions. So I was very pleased that yesterday a U.S. Court of Appeals for the Second Circuit lifted an injunction that had been in place that really would have narrowed the flexibility of the agency to pursue this greatly important policy goal I think unacceptably.

So that is very good news for us and I think it gives us the flexibility and the freedom to move forward, to pursue not only the goal of accessibility but the other goals of the agency as well and that is very good news.

I want to congratulate Mr. Joseph Mermelstein, age 88, on the occasion of his retirement from the taxi industry. Mr. Mermelstein is a master taxi cab driver who owns his own medallion and has given this city and this industry a half century of service. Drivers join the profession and leave the profession. We don't know each and every one but this is kind of a big deal, someone
who has driven for over 50 years, and every
indication that he has just been as good a taxi
driver as you could ask for. So I want to wish
him, on behalf of the Commission, very well on
his retirement.

Also, many of you maybe have seen an article
in the New York Times on Tuesday which
highlighted the superb work of our enforcement
division. I want it give them a particular shout
out.

Deputy commission Ray Scanlon and his team
at U.S.B had stepped up to the challenge. It is
relevant to the topic today.

We start talking about the five borough taxi
idea, I think we acknowledged that it would make
enforcement demands that were already large even
larger, and that we, as a Commission, would have
to step up to that challenge.

We have done that in many ways. We have
staffed up, doubled at this point, the number of
inspectors we have out in the field giving them
better technology; that we are getting hand-held
devices that should be in in the next few months
out in the field and giving them clear direction
that we have zero tolerance for poaching.

Absolutely zero tolerance for drivers and vehicles that are not licensed, acting like taxi cabs, and the way I think you do that is not to just say it but do it.

And Ray and his folks have really moved enormously far in that direction, handing out now an average of over 1600 poaching summonses a month for the last several months compared to 400 a year ago, seizing twice as many cars. That was what was highlighted in the Times, to the point where we have not only exhausted pound space available to us, we are using the parking lot at Woodside to store towed vehicles. We want to make use of every single resource at our disposal to enable even more seizures.

We have put out an RFP and I would ask somebody, Ray, tell me is it out on the street yet? No. Next week. Next week we will go out on the street for representatives for proposals for storage capacity. We are looking for a partner, a business partner to help us by taking cars that we seize and storing them.

I would ask all industry stakeholders who
are interested in this vigorous enforcement if you could help us find that partner so much the better. So that is very good news.

We also put out another RFP last week for looking for a smart phone application to enable taxi passengers to pay via their smart phone, trying to keep the industry in the very cutting edge of technology.

Finally, I want to thank, I'm shifting on topics, I want to thank the New York Daily News not just for their efforts every day for information and entertainment but specifically for the coverage of the danger associated with not buckling up in the back seat of the taxi cabs.

As you know, no doubt, because you have been listening to the PSAs, more than 60 percent of taxi passengers do not use their seat belts. To be clear, as you also know, taxi drivers are safe drivers.

The average vehicle in New York is in an accident every 150,000 miles. For a taxi it is 220,000. So every 150,000 for a regular car, every 220,000 for a taxi. That's an impressive
safety record. Still, when there is an accident, the passenger is not buckled up, they are at a much greater risk.

So I would -- we try to tackle this with public service announcements. The drivers in the audience may have heard once or twice, and I suggest to the drivers that this is something you can also help with, when a passenger gets into the car, politely, not to be a nuisance, but politely suggest you mind as well buckle up. It is always safer.

So with that, let us move to the business at hand. First of all, we have minutes to adopt. Commissioners, you have before you the minutes of the March 1, 2012 commission meeting. I move that we adopt those minutes. All in favor say aye.

(The Board says aye.)

CHAIRMAN YASSKY: Opposed? No. Minutes adopted. We have some base applications. Do I see Director Tormey?

>> MR. TORMEY: Good morning. My name is Chris Tormey, director of applicant licensing.

We have 12 bases for approval this month.
MR. CHAIRMAN: I move the recommendation of licensing be adopted and those bases be approved. All in favor say aye.

(The board says aye.)

MR. CHAIRMAN: Opposed? No. Thank you very much, Chris.

Finally, our only additional item of business today is a public hearing on the rules that we have published for borough taxi service, street-hail livery service.

We will start with a presentation by Deputy Commissioner Chhabra. As he comes forward, I will just say commissioners and public, as you know, I regard this as the most significant opportunity that we have to improve the City's public transit network.

This industry is already moving 1.2 million people a day, is an integral part of the City's transit network, supplementing the buses and the subways, and as good as it is, the reality is that there are too classes of service.

There's Manhattan, or Midtown and downtown Manhattan, and then there is everywhere else, and everywhere else now does not, which is 80 percent
of the City, has no, in fact, access to legal
taxi service. Yes, it is legal for yellows but I
don't want to take up your time.

Deputy Commissioner, that means that we have
a tremendous opportunity here. We have a state
law, a mandate really that now directs that
liveries be given the ability to accept
street-hailed passengers. Our task now is to
adopt rules that flush out that state law.

I want to say right at the outset, I know
many stakeholders here. We understand that this
is a significant change in the industry. My
belief and my hope is that the bulk of the
industry sees it as change for the good.

I understand that there are people who do
not, who see it as change that they are concerned
about, and since it is a big change, then the
magnitude of that concern I understand is
commensurately big.

And I do want to assure you that we are here
today, and over the next period of weeks leading
to adoption of the rule, to hear those concerns,
to address whatever concerns there are about how
this is being implemented that we can and that we
think makes sense. We do want to do it in a way that the industry feels will be, will work for everybody, and I think that is achievable and I hope that can get to that outcome.

So, Deputy, please make your presentation and then, again, today for the members of the public, there is no vote today. This is the opportunity for public hearing and comment. The commissioners then will digest those comments. We will vote. The vote is scheduled for April. We will publish an exact date as soon as we get that schedule but Deputy Commissioner.

>> MR. CHHABRA: Thank you, Commissioner Yassky.

>> MS. MARINO: I want to mention that Commissioner Gjonaj entered.

>> MR. CHAIRMAN: Thank you. We have been joined by Commissioner Mark Gjonaj.

>> MR. CHHABRA: Thank you for the introduction. I will now be able to limit my presentation to one hour and 57 minutes down from the previously planned two hours.

My name is Ashwini Chhabra and I'm the deputy commissioner for policy and planning at
the TLC, and today I will review briefly the background and basis for the five borough taxi plan and present a synopsis of the recently proposed TLC rules to create this service.

As you and every New Yorker know, yellow taxi service is limited to Manhattan's central business district, below 96th Street and the airports. This map shows taxi pickups over the course of a typical day.

As you can see, while there are some trips in Queens and Brooklyn, the map illustrates that overwhelmingly trips are Manhattan and the airports, nearly 95 percent of the total trips in any given day.

Clearly, if you are looking for a ride on the street today, you will only find legal options in the Manhattan CBD or the airports.

While legal regulated service as offered by yellow taxis is only available in certain parts of the city, we know that New Yorkers in all five boroughs want on-demand street-hail service. This map shows just that. TLC staff in terms of street-hail in many locations outside of the Manhattan CBD found that this demand was being
met in large numbers although illegal by livery vehicles.

While this is illegal under today's rule, it is still the best option for many residents to get home from the train station, carry groceries back from the supermarket or take their children to school.

In some locations, the TLC observed more than one trip per minute, a level of demand matching that on some of Manhattan's busiest days.

Today much of the demand for street-hail service outside of the Manhattan central business district is met by liveries operating beyond their license or wholly unlicensed and wholly illegal vehicles.

These options don't have many of the passenger convenience and safeguards offered and expected in the City's iconic yellow cabs, including a metered fare, rigorously screened drivers and frequently inspected vehicles and customer service vehicles such as credit card payment capability.

This also forces many licensed livery
drivers to routinely break our rules to make a living and puts business districts outside of Midtown and downtown Manhattan at a competitive disadvantage.

Legislation passed by the state legislature and signed by the governor introduces a new class of vehicle and service for the New York City street-hail liveries. These vehicles will be permitted to pick up passengers on the street outside the Manhattan business district and airports.

The Commission may issue up to 18,000 new livery permits. Each permit allows the owner to place one vehicle into service with the exception for wheelchair accessible vehicles which allows ownership up to five permits. Licenses last for three years; they are renewable and can be transferred.

As outlined in the legislation, the new permits will be issued in three one-year periods. During each year, the TLC may issue up to 6,000 licenses. Prices for these permits are also set in the legislation. Permits will cost $1500 each in year one, $3000 in year two and $4500 in the
third year.

Additionally, bases wishing to affiliate these new vehicles will be required to have a new permit as well. Each base license will cost $3,000, will be valid for three years and will be renewable and nontransferable. 450 of these licenses may be issued by the Commission.

Finally, it is important to note, participation in this new service is completely voluntary. Drivers and bases that do not want to provide street-hail service can continue to operate as they do today and offer prearranged service throughout the City.

This map summarizes how street-hail liveries will operate. No pickups either street-hail or prearranged will be allowed in the Manhattan Business Central District, the solid yellow area. Only prearranged pickups will be permitted at JFK and LaGuardia Airports, the hatched area, and street-hailed liveries can provide prearranged or street-hail service in the areas colored green, Brooklyn; the Bronx, Queens, Staten Island and Northern Manhattan.

Street-hail livery drivers will also need to
Taxi and Limousine Hearing

meet a new set of requirements. Each vehicle
will need to have a taxi meter installed for use
on all street-hailed trips and similar to the
TPEP systems in today's yellow cabs that allows
passengers to pay by credit or debit card and
provides GPS information to the Commission.

To make these cars identifiable to
passengers, all street-hail liveries will be
painted a uniform color and have similar markings
and a roof light that will signal its
availability.

The street-hail livery program will also
expand service for wheelchair users throughout
the City. 20 percent of the vehicle permits
issued will be restricted for use with the
wheelchair accessible vehicle. These accessible
permits will be sold at the same time as
nonaccessible permits and the Commission must
sell 200 accessible permits for every 1,000
permits issued.

The TLC will provide assistance for riders
with accessible permits. Grants of up to $1500
will be available to defray additional costs
associated with wheelchair accessibility and,
additionally, purchases may qualify for $10,000 state tax credit when purchasing a wheelchair-accessible vehicle. Rather than being limited to one permit at any time, the applicants that buy accessible permits may buy up to five at a time.

As I mentioned earlier, the TLC can issue up to 450 nontransferable three-year permits to bases. These bases will affiliate street-hail liveries and ensure that vehicles comply with the proposed service rules. Additionally, bases will collect the 50 cents MTA tax on hailed trips from drivers and remit it to the state.

A driver of the street-hail livery will need to be a currently licensed FHV driver, paratransit driver or a yellow taxi driver. FHV drivers will be permitted to operate street-hail liveries for up to the next four years with their current license.

By 2016 all street-hail livery vehicle drivers will need to have a hack license.

Finally, service requirements related to service refusal, customer service and so forth for drivers will be very similar to those for
yellow taxi drivers today.

Street hail-liveries will also have a technology system installed similar to TPEP and yellow taxis today. While the current TPEP vendors are governed by contracts with the TLC, technology providers for street-hail liveries will be licensed directly by the Commission. This will enable us to add new vendors at any time and will foster competition. Like yellow cabs, the technology system will include a driver information monitor, passenger information monitor, optional, credit card reader and GPS. The requirements for licensure closely mirror the current contract requirements. A key part of the five borough taxi plan is enforcement.

Our enforcement staff's efforts focus on three main goals: to protect the value of yellow taxi medallions, to protect the value of new street-hail livery licenses and to protect licensed prearranged livery business. To achieve these goals, we will be aggressively enforcing against illegal street-hail livery pick ups at the Manhattan CBD.
and airports, against livery picking up
passengers off the street and against wholly
unlicensed operators.

We will use new tools and resources for
these efforts. New technology, LPEP, in the
street-hail liveries will allow us to issue
administrative summonses for illegal street-hails
and other violations with less people power and
new officers will mean more field and enforcement
capability to better deter unauthorized
activities.

Finally, bases will share in these
responsibilities. Bases will be held responsible
for illegal pickups made by their affiliated
vehicles.

So where do we go from here? We will hear
public testimony following our presentation today
and we encourage participation today so the
Commission can consider all comments.

A third forum for base drivers and members
of the public will be held Monday, April 2nd, at
Lincoln Hospital and, finally, another public
hearing and the Commission vote will happen in
three weeks on April 19th at Brooklyn Borough
Thank you for your attention and now we will hear testimony on the proposed rules.

>> MR. CHAIRMAN: Thank you, Commissioner.

First we will hear from Cira Angeles representing the livery base owners coalition. Then next Richard Emery, Metropolitan Taxi Board of Trade, and after that Fred Drasner.

I note, let me just say, before you start, that there are already several people signed up to speak. I'll ask a couple of things.

One, if you are here and you intend to speak, please do sign up with someone. Maybe just raise your hand and someone from the TLC staff -- so we know what to expect and, also, if there are multiple people representing an organization, I would ask you, everyone has the right to speak, I would ask you to consider maybe joining together rather than have three successive people and I'll try to tell you who are the next two or three as we go so you can be prepared. Miss Angeles.

MS. ANGELES: Cira Angeles, general secretary of the livery base owners. We
represent the membership of 128 bases with over
9,732 affiliated licensed TLC vehicles. The
livery base owners have been in the forefront in
supporting the needed five borough street-hailed
plan, a much needed service to the community we
serve.

MR. CHAIRMAN: I know often times we rush.
We will give flexibility. Don't feel you have to
rush everything in. We are not going to be here
for days and days. Rather speak audibly.

MS. MARINO: We really want to hear what you
say.

MS. ANGELES: We want to thank Commissioner
Yassky and the staff for working with us to help
resolve these issues and for carefully
considering our suggestions as to how bases can
demonstrate it is compliant with the rules and,
also, for your outreach efforts.

To the industry at large, we would like to
bring to your attention some of the concerns that
should be addressed and that we believe will
compliment the new rules and help compliance with
a much needed enforcement. Please note that we
submitted testimony to the Commission already.
First of all, we are very concerned about the base liabilities, eight summons, guilty plea versus hearing.

While this might sound like a pretrial settlement, settlements often carry a nonadmission of guilt component to them and at least downsizing of the offense, the proposed pretrial settlement does not offer any of those.

The impact on bases and drivers, we know many of our drivers are intimidated when presented with the option of pleading guilty before a hearing and accept the lower fine. The vast majority of our drivers are immigrant and of the lower economic class and would rather pay a lower fine as directed and that immediately impacts on their income.

If a driver accepts such an arrangement to save money, even though they have a valid or generally accepted explanation, then the base is equally found guilty without a chance to defend or explain themselves.

Base affiliation or disaffiliation protocol is very critical for us to really set something that can allow the base to actually identify the
vehicle that is affiliated properly or not, and
given proper notice base transferability is also
a concern because we have no ability to transfer
or to sell or to leave to our kids, as my parents
did to me, the ability to transfer that permit.

The point system on drivers suspension and
revocation has a direct impact to the base
license. The permit renewal fees, we still do
not know how that will impact our drivers when it
comes to the time that they have to remove their
permits.

Equipment for prearrangement, to properly
monitor driver's behavior in an exclusionary zone
is very important for us to monitor as an
enforcement key component of this whole thing.

The cost associated also with credit card
transactions is also a concern to us and our
responsibility in collecting the MTA tax. That
liability itself should be easy for our base
owners to have a system that allows them to
identify where the vehicle is, the street-hail
vehicle that now has a dual usage and, also, the
prearranged finance and access to account
liability to purchase these street hail permits.
A lot of people are talking about providing finance but we also have a concern because they cannot borrow against the permit itself.

Workers compensation, currently our industry is provided for by the livery fund. This coverage is totally inadequate. Only catastrophic injuries, loss of a limb, paraplegia or quadriplegia and total and permanent blindness or deafness and injuries caused by crime are covered and only for those injuries caused in the course of a prearranged call.

In practice, the livery fund coverage means that only job injuries for livery drivers generally result in claims under their no-fault system rather than workers compensation claims.

The inadequacy of the livery fund coverage also means that the premiums are expensive, $260 per vehicle per year. Even at that level, the livery fund collected $5.3 million in premiums from livery bases in 2010, the first year of operation, and paid out only $580,000 in benefits. A closer look at the livery fund is needed to see if it can adopt to the new law and be transformed to something else that addresses
the analysis of the industry.

In conclusion, we are pleased that the five
borough street-hail plan is near completed and
want to work with the TLC in developing rules
which protect the riding public but do not
adversely affect the economic viability of our
base ands drivers. Thank you.

>> MR. CHAIRMAN: Thank you very much.

The next speaker is Richard Emery from
MTBOT. Let me also note we have been joined now
by my predecessor here, Matt Dawes, a very, very
distinguished guest. Thank you, Commissioner,
for joining us today.

And, Commissioners, we have, in case, for
example, Miss Angeles who submitted written
testimony, we will just collect that. I know you
have it here. We will collect it as well and we
will send you a packet after today's meeting with
any alternate testimonies who have that.

In addition, as you know, the staff has been
compiling a list of the concerns that have been
raised. It can be a working document for us.

I just want you to be assured whatever
issues are raised in the written testimony or
spoken today will be added to that list. I'm sure a lot of things will be raised today, so if you are feeling I'm losing track of the issues that have been raised, we will get you in a week or two from today a list that includes any of the issues that have been raised today prior to the communication of TLC or before today of the hearing in writing.

Thank you, Mr. Emery, and I'll also note that the papers that you have submitted we thought in the accessibility case were superb and I'm sure resulted, in part, were responsible for that order.

MR. EMERY: We will see where the whole thing comes out but we are hopeful with you to get the right result.

Today I'm here, Richard Emery, on behalf of the Metropolitan Board of Trade.

I'm proud to be here on behalf of this organization, which is a fundamental component of the Public policy debate and, of course, many interests that are represented in the taxi industry and the public transportation industry, if you will.
We have some prepared remarks, which are distributed to you. We have them here for everybody and I'm going to basically follow them, but I'm going to deviate a little bit, if I may, because I think it will be helpful to really talk to this Commission as opposed to read what will be submitted to you in writing.

And I want to start with the proposition that I really think that relations between many aspects of the industry and certainly MTBOT and this Commission have been much too adversarial over the past several years.

Sherry Askey and I and others at MTBOT have been talking regularly in the effort to try and bridge a lot of the gaps that have been occurring in litigation and in policy debate over the past many years, and we really think, and honestly so, that there is much common ground here, more common ground than there is differences between what this Commission, what this administration wants to do and what the public policy interests and economic interests of MTBOT and other components of the taxi industry are.

So those common interests, those interests
are what I want to emphasize throughout and our
differences, which are substantial with respect
to these rules and which will be explained in
great detail in much more extensive testimony or
commentary, if you will, written commentary,
submitted on March 30th, well beyond what I'm
about to say here today, our understanding that
there has been an adversarial nature in some
sense, but the idea is to be truly constructive
and truly find the common ground, which, I'm
afraid that the new law has in some sense
disrupted.

The new law, which, as you know, was created
in Albany. It was created with an end run around
the City Council. City Council had a new role in
the new law which is remarkable because there is
nothing that has happened in the taxi industry
over the last many, many decades that has not
happened without the City Council imprimatur.

So we will start with the proposition that
this has occurred without abiding by the spirit
of home rule in the interest of New York City
where senators and assembly people from Buffalo
and Syracuse have as much say about what happens
on the street of New York City as we do, as you
do and as the City Council does and as the
citizens of New York City do.

So we are concerned about this because it
starts out in a very different vein than many of
the reforms of the past, and this reform, of
course, is much more expensive, much more
fundamental than anything that we have seen over
many, many decades. So, in fact, it ends up that
it dissolves to this Commission to try and
translate what Albany has now said to us is the
law of the state and to make that make sense on
the streets of New York City.

This Commission has a lot of power in its
rules and regulations to, even within the
confines of this law, which has a lot of problems
with it, in our view, make sense of it, to try
and really translate it so that it works.

And there are two fundamental points which I
want to address today with respect to what this
Commission can do to make that law much more
reasonable and workable in New York City, but
there are going to be many more in the comments
we submit on the 30th and I know you are in a
I know you want comments as soon as possible but we want to do these carefully and thoroughly and constructively, so I would urge you to consider these comments which will come in about a week.

So specifically what I want to talk about today quickly is the failure to ensure enforcement against the illegal daily poaching of taxi fares. I know Mr. Chhabra has addressed that to some degree and I know and I want to compliment him; that's the first thing.

Second thing I want to talk about is the authorizing of taxi drivers and how that is going to undermine the yellow medallion industry, the authorizing of these hailed drivers and taxi drivers to become hail drivers, but let's take the first thing first.

What is the TLC doing to protect medallion owners and taxi drivers from having their fares continuously poached by for-hire drivers? There is no question, and I want to compliment Commissioner Scanlin at the outset and this Commission for making a huge effort at the
Taxi and Limousine Hearing

enforcement process. There is no question that
enforcement is getting much better and that this
Commission and the administration is doing a
great deal to improve the poaching problem, but
there are fundamental questions about the
poaching problem that can be improved much more
with only a hundred or slightly more than 100
enforcement officers.

It is a drop in the bucket of a problem
where you have 50,000 for-hire drivers, many of
whom, or some substantial component of whom,
violate the law and pick up street fares
undermining the medallion and undermining the
yellow processes.

To those who will be added, all of the
18,000 and the 2,000, 18,000 more for livery
drivers who will have every incentive to violate
the rules regrettably under this law and under
the regulations as currently constituted.

What we want to say is, as a practical
matter, that under the current situation where
you only as effectively, only in reality, seize
vehicles that have the straight plates, that do
not have the TLC plates, the TC plates, that that
situation has to change because you must be able
to and you must, in fact, to make this effective,
seize the for-hire vehicles with the TC plates in
order to create the deterred effect.

With such a small enforcement group, the
only effective way that law enforcement can work,
as many of you probably know and understand, is
to create a very serious deterrent.

If you had a huge enforcement group, then
you could go out there and fine and do the things
that you might do that are less draconian than
seizing vehicles. But with a very small
enforcement group, the only way you are going to
affect behavior of drivers is by taking away
their cars, and that isn't going to really make a
difference if it is only the TC, TLC plates that
you are taking away. Excuse me. If it is the
only the straight plates that you are seizing
vehicles for.

You are going to have to seize vehicles,
yes. Yes, they have a right to a hearing quickly
and a right to due process, but you have to
initially seize the vehicles to take away their
livelihood under the fine structure that you now
have, which you have not done and you are not
doing, as I understand it, under these regs and
the current initiatives for the TLC vehicles.

In fact, the fine structure is such that it
makes perfect economic sense for these drivers to
go out and accept the fines and to go forward
with the problem, at least on a number of
occasions, especially under the current
enforcement scheme.

And the straight drivers actually have fines
that are less under the administrative code and
the state law, and I'm not sure how much this
Commission can do about that, because that is
written into law elsewhere, except go to the City
Council and change the administrative code but
the current situation is, in fact, simply
unacceptable in terms of enforcement unless you
are able to take away, forfeit, not forfeit,
seize the cars of the TLC with the TLC plates and
not simply fine them.

The simple fact is that evading these
enforcement efforts with so few enforcement
people on the street compared to the problem is
going to be the fundamental problem, and that is
going to make the yellow cab industry devalued. It is going to take away, as you've already taken away many aspects of its exclusive right to pick up hail service, it is going to dilute the hail service along with the two thousand more medallions and the 18,000 out of borough livery. It is going to dilute the yellow cab and the medallion to such a degree that it is going to threaten the financial viability and the reality of that industry in fundamental ways that this Commission cannot afford to allow. So that enforcement becomes the primary effective enforcement, enforcement with deterrents becomes the primary mission of this Commission. So I would hope, and our comments will come more specifically on March 30th, that this Commission will focus on that reality. The second point, and the last point I'm going to try to make, is that the TLC in these proposed regulations has compounded some of the fundamental problems by permits, current taxi drivers to drive, though not purchase, the new hail livery licenses or the driving of the proposed rule, which conflicts with both state
law and administrative code, in our view; and we
will spell that out in more detail, threatens the
livelihood of medallion openers, many of whom are
individual owner/drivers and small businesses.

And that it is not only the yellow industry
that is being asked to absorb an additional and
unprecedented 2,000 new medallion taxi cabs, but
the 18,000 new owners of a right previously
limited to those medallion owners, the exclusive
right to pick up the street hails.

So what you have here is the medallion
owners being forced to compete with these new
18,000 livery hail licensed owners to attract
drivers.

And now if you take away the exclusivity of
the drivers who now have hack licenses and only
drive for the yellow cabs and you allow them to
go drive with the 18,000 new liveries and you
create the incentives to do so, you are forcing
the yellow cabs to compete for drivers in a way
with and, also, two thousand new medallions, that
is going to substantially lower the
attractiveness for the drivers to go in the
livery industry is that these rates may be lower.
They don't have to have all the same
drivers, in general, do not have to have all the
same requirements. So you don't want to expand
the pool by putting yellow cab drivers in that
group and undermining the ability of the yellow
cab medallion industry to attract drivers.

So the rules provide no answer to this
problem and undermine the yellow cab industry by
allowing their drivers to go elsewhere and not
keeping the pool narrowed to the yellow cabs.

So we would urge you to focus on that point
and, again, we will put the written matters, the
written materials will focus on that as well.

The rules as currently constituted, the
proposed regulations provide no answers and no
guidance to how the new and existing taxi
operators and drivers are supposed to really earn
a living with their exclusive right to pick up
street hails, which has long been protected, now
being abolished or substantially constricted.

And we urge you to focus carefully and
thoughtfully on who the pool of drivers are going
to be in the yellow industry versus who the pool
of drivers are going to be in the hail industry,
and where that, the rules as currently constituted, make sense, where they don't make sense.

Finally, overall, we urge you to vote down these rules in their current form. There is nothing in state law which mandates the passage of these or any other rules. There should be substantially new focus on these rules to figure out what the right way is to have this balance work; and, in that regard, I just want to say that in the spirit of cooperation with the industry, and especially with MTBOT, my clients, who are the most experienced on-the-ground people in this industry, I think it behooves this Commission, which, of course, has enormous experience in its own right, to figure out where these balances are going to practically make sense with respect to this huge new change of trying to provide hail service in a new way to the outer boroughs.

It probably has. It is a balloon if you press on one place it is going to bulge in a another and, quite frankly, I would argue to you that my clients at MTBOT have more sense of how
the balloon is going to bulge than anybody or
even staff at this Commission. They have a
longer and deeper knowledge of how the taxi
industry works.

Yes, they have their own economic interest
at heart, and nobody makes any bones about that,
but they also have public policy at heart and
they have the long term interests of the
regulatory relationship between this Commission
and their own industry very much at heart.

And so to ignore this group or any of the
groups that are on the ground, to forge ahead
without carefully thinking this business through
and thinking where the balloon is going to bulge
is not going to serve New York City, meet it in
terms of taxi and in terms of transportation
needs.

It is not going to serve this Commission
because it will be patching its mistakes for the
future in ways that we can't even contemplate,
and it is not going to serve the long term
industry interest unless we really figure out how
to work together to make this system work, and I
think engaging in top down assumptions about how
it should work is the mistake I would urge you to avoid and cooperate with this group, with MTBOT.

In particular, I can say because I know of their sophistication and their thoughtfulness and their good will and their interest in providing the right kind of taxi service to the City and with the other groups in the industry who, also, have this granular sense of what this industry, how it operates, how it should work and how it can best serve the public at large. Thank you very much, and, obviously, I will answer any questions.

>> MR. CHAIRMAN: Thank you very much and a couple of things. First of all, I would note for everybody, we really have respect for MTBOT and their leadership role in the industry. We turned the red light off and it was important to hear it fully.

I would still ask and I hope nobody accuses me of a double standard because we have at this point some 30 people signed up, I'm going to ask to keep your remarks to three minutes. We want to hearing everything. If we have to go to three minutes-and-a-half, we are not going to pull out
the hook but please do keep your remarks to the important points.

Just a couple of things, Commissioners,

while Mr. Emery was testifying, Commissioner DeArcy asked me about the enforcement issues that were raised, the rationale for the policy we have on seizures. Rather than address issues as they are raised today, which I think would lengthen the hearing really beyond where it would be productive, my plan would be to hear all comments. We are going to be discussing this, as you know, over the coming weeks so we can process them altogether.

Enforcement is absolutely a critical, issue and we will put together a specific presentation for you commissioners on all the enforcement issues. I think it is worth the attention of the Commission, as a group, to understand the enforcement topic in a specific and undistracted way. I'm going to put that together for you.

Just on that point, I also want to make sure the record is clear. The point was raised about home rule and the role of the council. I do want to note for the record that the Black Latino and
Asian caucus of the City Council issued a formal letter in support of this bill, of the state bill.

The council as a whole did not take it up on their agenda. That is not up to us. That is up to the council and written the state legislature, of course, a strong majority of New York City members voted in favor. They voted both in the assembly and the Senate to be sure the assembly and the senate both contain members from outside New York City. But even putting their votes aside, the New York City members voted overwhelmingly in favor of this.

And I do also want to, Mr. Emery, assure you that the Commission, or at least I do, and I know the staff do, and I really believe I speak for all the commissioners, in sharing your belief that a productive and collaborative relationship with MTBOT, with all the industry stakeholders is -- I think we will serve the public less well if we are not able to achieve that. I truly believe that.

In that spirit, I would say we should not have, nor, I would respectfully say, should
anyone have an all or nothing approach. So I think it calls to vote down a bill or vote down a rule.

To me what we would really welcome would be specifics, here are the changes in this draft rule that need to be made to make it work better. I think that is most likely to result in a productive not only a working relationship but in the public interest going further. We welcome those suggestion and assure you that they will be treated with seriousness and respect.

MR. EMERY: You will have extensive suggestions in that spirit and in that regard on March 30th.

>> MR. CHAIRMAN: Thank you. Next we have Fred Drasner from vehicle production group to be followed by Jose Altamirano from the Livery Base Owners Coalition.

Let me just say, Mr. Drasner, I want to again thank you. As you know, the Commission approved for use as taxi cab the MV-1 that your company produces.

We are eagerly looking forward to seeing those deployed in the taxi fleet and we have not
as yet seen as many into Woodside to be hacked up. I hope it will be sooner rather than later that we do because we think that it holds great promise to have a vehicle that provides service to our wheelchair users passengers, in particular, at a much higher level than is currently available so we are going to say -- as far as the court reporter, that copies of the written remarks be given to him as well. We will do that.

MR. DRASNER: Thank very much for the kind remarks and I compliment you on this monumental task of changing taxi service in New York. It takes incredible fortitude to take this project on. I want to address a limited section of the regulation as it deals with accessible vehicles.

MS. MARINO: Can you identify from what group you are from, please.

MR. DRASNER: Fred Drasner. I'm the chairman of the Vehicle Production Group.

MS. MARINO: If every speaker could do that to be helpful, address who they are speaking for. It is very important.

>> MR. CHAIRMAN: I would ask at the outset,
Taxi and Limousine Hearing

folks, please just identify yourself, not just by name but if there is organizational affiliation and, also, because some of the organization names can kind of run together and reflect maybe, even if not wholly transparent, identifying a very brief description of that organization.

>> MS. MARINO: Thank you.

>> MR. CHAIRMAN: Not five paragraphs.

MR. DRASNER: The Vehicle Production Group.

>> MR. CHAIRMAN: None of that is out of Drasner's time.

MR. DRASNER: You can take that. The Vehicle Production Group is a new American automobile company and we manufacture the MV-1, which was a vehicle designed from the ground up to be wheelchair accessible. It was designed with the assistance of numerous fleet owners and a large number of representatives from the disabled community and the U.S. access board.

It meets all the requirements of the Americans with Disabilities Act. It is also the only vehicle that was crashed tested for occupancy safety and it meets all of those requirements. We are approved in all 50 states
and Canada. We have an annual production of 68,000 vehicles. We have 1200 vehicles in service.

Fifty are in service in New York, the MTA; 25 in gasoline and 25 in compressed natural gas, and we have had excellent performance from the vehicle.

The vehicle was designed for passenger comfort. It has strong body on frame construction, like the Crown Victoria, which was the taxi of choice for years, and is powered by the same Ford power train, the 4.6 liter V-8. It is fully crash tested and approved and we have an OEM power train in compressed natural gas.

The compressed natural gas differential is about two dollars a gallon, and if you drive 60,000 miles a year, the vehicle pays for itself without subsidy in about three years.

It is also designed to provide dignity for the wheelchair occupant. You enter from the side in a sturdy ramp twice the ADA load capacity, make a right turn. You ride shotgun, which is the preferred position from your high school days. That is the first thing you yelled out,
don't ride shotgun.

>> MR. CHAIRMAN: Many of us are not New Yorkers, from New York City. Not a lot of driving around for New York City.

MR. DRASNER: This is an outer borough initiative. The outer boroughs in Brooklyn -- I grew up Brooklyn, Coney Island and Far Rockaway. Before the subway came out you needed a car.

MR. CHAIRMAN: I stand corrected.

MR. DRASNER: Our new ramp deploys from both sides of the vehicle. So in an urban environment on a one-way street you can load from either side and equally accommodate for scooters, people on crutches and walkers. The vehicle allows passengers to maneuver easily and quickly as they position their wheelchair or scooter in place; and based on our considerable research of over 1,000 individuals in the disability community, the right front seating position is the preferred position.

They don't like to be loaded like luggage in the rear of the vehicle. Rear entry vehicles have extreme difficulty and extreme danger associated with them.
On your mission statement it says you are providing safe transportation.

To require an individual in a wheelchair, particularly in mid block, to try to get off the curb -- in my hotel I'm staying at you couldn't load a re-entry vehicle in front of the hotel. You have to leave the sidewalk. Currently, the curb cuts are generally at the corner -- and enter the stream of traffic, you are exposing the driver to the danger of the traffic flow. You have exposed a wheelchair occupant to the dangers of the traffic flow and this is not a healthy situation.

Once in the vehicle, they are in a very uncomfortable riding position, on the rear axle and on display; and in the event of a rear end accident, you have a very, very high probability of severe injury and, also, severe damage to the wheelchair.

A deformation of that rear door would prevent the evacuation of the occupant. This vehicle has been banned from service in several jurisdictions.

The main advantage of these vehicles, as I'm
told, is it is inexpensive. It is less expensive than our vehicle and we understand the difficulty this Commission has in trying to encourage people to take the accessible permits. So for the introductory period of your permits, we will match the price paid for any rear entry vehicle over the past year.

MR. DRASNER: With the 15,000-dollar grant and the 10,000-dollar state tax credit this will bring the cost of our accessible vehicle in the range of 6 or $7,000, and we hope this would encourage people to step up to the accessible window, purchase the accessible vehicle, relieve the pressure on you to get accessible medallions out there again my red light went off.

I would like to thank for the opportunity to be here today. I appreciate the issues you are struggling with, and we are here to help with that portion of the licensing problem for accessible vehicles with a safe, reliable vehicle and we are available at your convenience. And if you have any questions I would be happy to answer them.

>> MR. CHAIRMAN: Thank you very much. This
is somewhat a topic we haven't discussed a ton before. Thank you, Mr. Drasner.

The next is Jose Altamirano representing LBOC, and then we will hear from Tarek Mallah is here from Livery Round Table to be followed by Fernando Garcia from ASOTINY. Mr. Altamirano.

MR. ALTAMIRANO: Good morning. I would like to give thanks to the Commissioners of the New York City Taxi and Limousine Commission.

My name is Jose Altamirano and I am speaking as a member of the Livery Base Owners Association and owners of Barrios Car Service loading in East Harlem.

The livery base owners have been pushing vigorously for this five borough hail plan to become a reality. We appreciate all the work that Commissioner Yassky and his staff have done to draft regulations. However, after reading the proposed rules, I feel that our industry is still not being understood correctly.

The current draft base rules put all the liability and burden on the base owners to police the behavior of independent affiliated drivers. These rules are being adopted from a yellow
car industry to ours in what seems to be almost
verbatim except for a change of one word, from
yellow to livery. Pour industry is very distinct
from any other. Our drivers own their own
vehicles and, in essence, work together instead
of working for one another. We are not fleet
owners. My drivers are not my employees. There
is no ownership interest in any of the vehicles
we dispatch. They are independent contractors.
As such, how can I, as a base owner, agree
to rules that penalize me financially for
infractions committed by drivers.

Certain rules here, 59B-13L fines a base
$1,000 for every vehicle that has not paid an MTA
tax. Rule 59B-17(e)(2), a base can be fined
$1,000 for every affiliated street hail livery
that does not have an EZ Pass.

59B-23(c), a base can be fined $200 if a
driver overcharges on a street hail trip.
59B-23d, e and f each charge a base $500
respectively for a driver improperly accepting a
passenger, for a driver accepting a hail in the
exclusionary zone and for dispatching a call in
the exclusionary zone.
The financial burden placed on a base is beyond measure, especially for larger bases.

When I took over my company from my parents at the age of 18, my dream was to have over 200 cars affiliated. I then only had about 75.

After achieving this victory, I am now faced with a law that can cripple me in fines. We are not against taking responsibility but we are against taking responsibility for the actions of others.

After speaking with the base owners, the overall consensus between us is that the way the laws are currently written they only give us liability and fines but no protection. Even when it comes to base license transferability, we have been left out of the equation.

We can purchase the street-hail livery base license for $1,000 a year but it cannot be transferred, should I ever decide to sell my base.

Furthermore, now that the street hail livery vehicles are permitted to pick up passengers via street hails, why are our bases still responsible for off-street parking? Off-street parking was
implemented so that our cars would have a place
to wait while they are waiting for a prearranged
call. This is no longer needed.

Another major concern for us is the five
borough plan that -- how will the five borough
plan affect our workers' compensation and we have
heard no answers to our questions.

I am here to ask for your support. This law
will change a business model that we have made
over many years.

While change is necessary, we, the base
owners, are asking for fairness and due process.
We want to know that you understand how our
business model runs and that it is not the same
as the yellow car business model. I would like
to know that my business is secure and protected
by the law, not persecuted by it.

MR. CHAIRMAN: Thank you. Commissioners,
without going one by one, I would say that I
think the issue that has been raised about what
should the base be responsible for as opposed to
the driver is definitely an important one and one
where I think the proposed rules do need some
change.
Just in response to the comments that we have heard prior to today even, from folks in the industry, I think we have to strike a balance. In other words, the base owner is not responsible for everything. The drivers running the liability should not be responsible for that, does have responsibility for some things but not just on the yellow medallion side.

Drivers overcharge a passenger, the fleet is not responsible for that. Some things the fleet is responsible for.

Commissioners, Mr. Altamirano and colleagues here, we have heard those comments.

We need to take another pass through these draft rules to not do it again in this all or nothing way and finally distinguish things that the base should be responsible for. Things that the driver should be responsible for. So I thank you for your comments.

The next speaker was Tarek Mallah from Livery Round Table followed by Fernando Garcia from ASOTINY and Ethan Gerber from the Greater New York City Taxi Association.

MR. MALLAH: Good morning, Mr. Chairman.
MR. CHAIRMAN: Please, written testimony just hand to the inspector here or, inspector, if they appear to have written testimony, please get that and make sure a copy goes to the court reporter.

MR. MALLAH: Good morning, Commissioners. Good morning colleagues and associations and all of us who are interested in keeping New York moving.

I just want to take a quick opportunity to acknowledge the fact of the previous meetings with the commission staff regarding submitting our notes, so they are aware of a lot of our concerns about the proposed laws, as well as rules, as well as the actual law.

I'm going to keep it very brief and, just for the sake of consolidating our statement, Jenny Ahmed will be continuing my speech but I'm only going to do a small introduction. We are not going to go beyond the time and, of course, you have the statistics in my presentation that would speak to the points we are trying to make.

Concerns regarding the proposed rules were provided by Livery Round Table in a meeting with
the Taxi and Limousine Commission.

As a general proposition, it is important to note that both those who oppose as well as advocate for the new state law are in opposition to the proposed new TLC rules.

For its part, the Livery Round Table strongly opposes the proposed rules for reasons that relate to the negative impact on the prearranged section on the for-hire-vehicle.

As a starting point, we believe that the rules include a direct and unjust attack on the prearranged only bases who coincidentally oppose the rules in New York. For this reason, some amongst us wonder if the TLC knew the proposed rules have a political taint to it.

I'm going to leave Jenny to go back through the rest again. Thank you for our time in listening to us.

MS. AHMED: Good morning, everyone. I'm Jenny Ahmed. I'm on the Livery Round Table and I'm also the president of the Asian Base Owners Association and the vice-president of the PV Car Limousine.

Mostly what I would like to address is the
proposed rule 59B-23(d)(3), which is, "A base owner is responsible and will be issued a summons if the driver improperly accepts a passenger."

My business had --

MS. MARINO: That section again, please.

MS. AHMED: 59B-23(D)(3). My business, we don't use independent operators. We phased them out. Our drivers are our employees. They pay taxes. They get benefits from my company. We are 100 percent green.

We just invested over three-and-a-half million dollars for 2012 for the PV-1 transit connects will all be handicapped accessible. We are creating over 200 jobs for New York. Our employees come from the unemployment line that have been unemployed for 27 weeks or more. We train them to get their TLC license. We give jobs for veterans coming back from active duties.

I would like to think we are trying to do something positive for the community; however, I, if I have a driver that decides in between calls he wants to do a street hail, I have the risk of not only incurring the fine but, also, potentially losing a vehicle that is an asset to
my base.

In addition to that, I would say about 80 percent of my drivers are coming from the way that I just mentioned, my employees. I try to hire my drivers very, very responsibly. They go through an exhaustive background check. If I hire someone with an existing TLC license, they have zero points on their license. I won't hire anyone with points.

In addition to that, our cars are also equipped with the drive cam so I can see what's going on in every car and I can also see what's going on outside the car, just in case of an accident or something.

But other than putting someone from administration in every single car, I don't know how much more I can comply with this law to patrol my drivers.

So here I'm making a significant investment through over $3 million this year and next week we are slighting for another 140 cars for 2013, which is going to create another 250 jobs for drivers, not counting dispatchers and administration, and I would like to know what the
Commission is going to do to protect me in my investment and that is all I have to say.

>> MS. DEARCY: You talked about the drivers, out of curiosity, because I don't know your business the way you do, if you had a driver that got repeated summonses for unlawful or improper pick ups outside the exclusionary zone, do you have a system in place where you would suspend that driver for working with you? I understand that they are not employees.

MS. AHMED: They are employees. Everyone is an employee. They all pay city, state.

MS. DEARCY: Do you have systems in place where you would penalize them for these infractions internally?

MS. AHMED: To be honest with you, every one of my drivers at this point in time nobody has any infractions.

MS. DEARCY: Assuming that they did.

MS. AHMED: They would not be working for my company. I have zero tolerance and I make them sign a statement the company cannot tolerate it. We have enough work. We don't need I think street pick ups. I have to do everything I can.
They have driver manifests so when they come in at work at 5 a.m. they know every call they are doing.

I'm sorry. Just for the other business model, that is, the Livery Round table represents the other percentage, your answer is absolutely zero. There is nothing we can do other than disaffiliating the driver, which keeps him still, which is the point that everybody is making, Which still keeps him licensed, allowed to drive by the TLC.

If we choose not to take him as an assigned risk, and you will see in my presentation, the list of 1800 or 1900 drivers, that they are disaffiliated from bases but are still driving on the streets causing havoc and not affiliated to any base.

Now, as an affiliate, we have over 500 drivers in our base alone. All we can do is teach, warn and promote awareness because they are not employees and they own their own vehicles. And there is nothing we can do about them breaking a red light or taking in a street hailer or anything that is nonphysical with the
car or at the beginning of a shift or once a week. There is nothing we can do about it. We would love to.

MR. MALLAH: Again, as Jenny said, unless I can physically ride myself in 900 cars simultaneously, it is a physical impossibility.

MR. CHAIRMAN: Thank you and, Commissioners, I agree. Commissioner DeArcy didn't really express it but I think the burden of her question is, I agree with, that this is a tough one. There has been a practical reality of livery bases that do very little prearranged work and have served as a vehicle, if you will, for drivers to be affiliated, have the TLC plates and accept street hails in violation of our current rules. That has been a reality on the ground.

Going forward, once there is a mechanism where people who want to do that business do it legally and to affiliate with bases that say that is the business that they want to be in, maybe that practical reality will change and a penalty structure, kind of penalty mechanism like this would then be unnecessary.

I think that is something that I personally
am very open to and interested in discussing as a group, Commissioners, and seeing what we think is the right answer there.

On the one hand, I hear the point that says the base can't control what the driver does when they are out there.

On the other hand, we do not want to have rules that countenance or even encourage a base business model that is built on affiliated drivers paying fees to the base and then not playing by the rule themselves.

>> MS. DEARCY: I would be interested in hearing from you all, perhaps suggestions on how it is, if you put aside a penalty base model, how it is that you all could propose a rule that would give you a stake, a vested interest in the conduct of your drivers so that we could have some assurance that, in fact, you are not benefiting from the wrongful conduct of your drivers and encouraging it but, also, protecting your investment.

It seems to me that there must be some other alternative or mechanism that perhaps all of us intelligent people can come up with.
MS. AHMED: It does exist in the rules and regulations today a rule that forces a base to have a program in place where the base encourages dispatchers to, and in the laws today other than the street-hail, a driver must receive every single job they do from the dispatch base.

Having said that --

>> MS. DEARCY: That's no different. What I'm talking about.

MS. AHMED: Having said that, of the rules in the TLC today, the base must show proof, I'm not caught up with the 59, with the new chapters, it forces the base to have a proof of an existing program and disciplinary actions within, as far as they -- because, again, they are owner/operator.

>> MR. CHAIRMAN: It does have a required disciplinary action, at least on the face of it. We do have a rule that requires the base to have a policy against this. We have issued summonses and then the base shows up and says here's our written policy. I think that that probably needs some more teeth. These may be kind of razor sharp incisors that are more kind of Wolverinish
than they are appropriate.

But I think it does need more teeth and we should talked about what those teeth need to look at.

MS. AHMED: I apologize. The fact that it takes, you are holding the base responsible after reaching a certain number of points and that keeps drivers still licensed to drive that contradiction has to end.

So if you don't feel the driver should not be affiliated with, he should not be allowed to drive. Action should be coming from the Commission to revoke his driver license or suspend. If he is not good enough to drive for my business base, he should not be good enough to drive for any base.

MR. CHAIRMAN: That is a fair comment. On that 60-day period, the staff has been, I think, Commissioners, we ought to address that comment and that will be one of the things we add in the revised version.

MS. AHMED: And we will continue to work with the Commission to resolve these new rules as we get feedback from the commission that we have
not got yet, but once we do, we will continue to work with you.

>> MR. CHAIRMAN: 60 days I think is an excellent point. Fernando Garcia from ASOTINY, followed by Ethan Gerber from the Greater New York Taxi Association followed by Richard Thaler from OMN Gateway. Mark Goldstein is going to be interpreting for Fernando.

>> MR. CHAIRMAN: Tell me if ifs fair to paraphrase, drivers of livery vehicles.

>> MS. JOSHI: Do you have prepared written testimony?

>> MR. CHAIRMAN: You don't have something you are distributing. So Mr. Garcia and Mr. Goldstein translates.

(Through the interpreter)

MR. GARCIA: Good afternoon to the entire
Commission, especially Commissioner Yassky.

Thank you for the feedback and the ability to hear our input with these new regulations and laws that are going to take effect.

We have various points we wanted to express here. We have been meeting with the Commission regularly and reviewing all of the points that are going to be effecting us particularly. Some things have been well received.

We have one major issue that is, I guess, the most important issue of what we are going to discuss. We are not in agreement that the costs of the renovation, cost of the license to renovate it or renew it every three years should be what it is under the current rules and regulations.

It doesn't make sense for a lot of the drivers to purchase the license when the renewal fee is going to be the same cost to purchase the license. We understand that the yellow cabs right now don't pay a renewal fee. They pay, if I understand correctly, they pay a tax every year and that a lot of the drivers, livery drivers, are saying that there is no point in making the
investment, the purchase, if they are going to have to pay that initial cost again every three years, but the renewal fee will be equal to the initial cost.

>> MR. CHAIRMAN: I don't want to interrupt. The yellow medallion owners do pay, it is an annual fee, although they pay it every two years. So they do pay a licensed fee for each year, but you can complete the testimony.

(Through the interpreter)

MR. GARCIA: The other issue we're concerned about is the points that are going to be applied to the license. There are a lot of regulations that if they are violated are, obviously, going to have an effect on the points on the license.

We understand that there should be a fine but maybe not in every case there should be points to the license because the driver will accumulate points very quickly and is not going to be able to operate the new license, new street-hail livery.

Please remember a lot of these drivers depend on this income for their families and that a couple of infractions will make them lose their
Thank you very much for hearing us and being open to our input. We appreciate it for letting us represent these 15,000 livery drivers.

>> MR. CHAIRMAN: Thank you for the work that you and your colleagues do every day in transporting New Yorkers.

All I would ask, and you may have already communicated this to the staff, if you have, I apologize, under the issues of points, which I'm interested in, if you have suggestions as to which offenses should carry points and which should not, I would be eager to see those. So, please, I heard your point about that.

I will say in the interim, what we have done in the proposed rules is really, as an earlier speaker who said, made this point, kind of transport directly the rules for yellow drivers to the drivers of livery, street-hail liveries. I think that my position, Commissioners, in general, is that that is appropriate.

And I will tell you in the yellow world, while it is true, you will see some drivers do get enough points that they get a suspended
license, not too many. I think we have kind of
hit the right balance there, but if you have
suggestions as to things that carry points in the
proposals that you think should not specifically,
please do let us know. Thank you.

>> MS. POLANCO: One thing in the
presentation that was made, is there a section
about the -- he mentioned about renewal fee. He
mentioned $1500 for each license the first year,
$3,000 for the second year but his issue has been
the renewal of.

>> MR. CHAIRMAN: The proposed rules do not
specify a renewal fee and there is some question
from the industry about what that fee is and what
it should be. We should discuss that as well,
Commissioners.

And my inclination would be, what you are
really doing when you specify renewal fees you
are approaching what our fees are going to be
three years in the future, which we don't know in
any circumstances because things may change. So
we say to people three years from now our fee is
going to be X. We don't do that.

In any other case our fees are what they are
today but there has been a desired express for
some more kind of certainty on that. That we
should discuss, Commissioners, and you what your
views are.

The next speaker is Ethan Gerber
representing the Greater New York Taxi
Association followed by Richard Thaler and then
Tom Doherty from Mercury. Yes, sir.

MR. GERBER: Good morning, Chairman. I'm
executive director of the Greater New York Taxi
Association, as you know, is the association that
represents virtually all corporately owned
accessible wheel-chaired, accessible vehicles and
limited hybrid vehicles.

Last year, with great fanfare, the mayor
started an initiative that promised street-hail
service to the outer boroughs that would have
equal value to the street-hail typically in
Manhattan. Over a year later we are presented
with a mishmash of laws and rules, 142 pages of,
and given the time that we normally are given on
a one-page rule to respond.

Rules that do not accomplish the goals of
the law. Rules that call for drivers who have no
training or language proficiency testing rather than hours of training and testing for taxi drivers. Rules that allow the use of old cars unlike taxis that must be new cars. Rules that allow old cars on the road rather than like taxis that can be no more than three or five years old. Rules that do not require state of the art vehicles such as the taxi of tomorrow that is coming.

The rules only require biannual vehicle inspections even though the cars are older than the three times a year required for the taxis. These rules even allow someone with as many as nine unanswered TLC summons to apply for a license.

These rules create a phantom accessible street-hail livery from paratransit bases rather than increase the number of available accessible vehicles to the level mandated by the legislation. These rules mandate designating bases and vehicles as accessible liveries that are not intended or authorized by law.

The only people deemed qualified to purchase these new permits are the people who the Chair
The law grants street-hail privileges at nominal cost to a host of people who have been operating outside the TLC rules and banned those who have been operating within the TLC rules, like yellow drivers and yellow owners.

Last year when the administration encountered resistance at the City Council, specifically the transportation committee, it did this end run, which went directly to the assembly with no time to consider the issues.

What we have issued now with these rules is going back to the 1937 chaos that gave rise to the need for the Hass Act which formed this commission and the yellow industry that is imitated all over the world.

When the Governor of New York State got involved, he took seriously the administration concerns, as well as the stakeholders, as well as the disabled community, and a very precise
compromise was fashioned by the Governor that
addressed many of the concerns of the
administration and the stakeholders, including
the Commission.

While we believe the resulting legislation
is still fatally flawed, it took everyone's
concerns seriously and not cavalierly.
The law signed by Governor Cuomo requires
that before any non-accessible street-hail
licenses are sold by the TLC, the first
20 percent of that block of licenses be
accessible street-hail licenses. Until the quote
of 20 percent street-hail licenses are sold, the
TLC cannot sell accessible licenses.

The idea, of course, was to do an accessible
street-hail vehicle. The idea was not to
designate existing ambulettes. These vehicles do
not add a single accessible vehicle to the
streets of New York.

These ambulettes would be providing
pre-existing service. Ambulette service is
neither a livery or taxi service. It is a
completely different business. That is why they
have a distinct paratransit license.
Those rules with the paratransit is simply meant to circumvent the clear intent of the legislation and absolutely Governor Cuomo's intent making that a reality.

I will give to the Commissioners very specific concerns on very specific rules but I just want to mention a few of them.

Proposed rule 82-06(3) allows someone under suspension to apply for this license. It doesn't make sense.

82-09(D)(9) allows someone with nine unpaid --

MS. MARINO: Give me that section please.

MR. GERBER: 82-09(d)(9) allows someone with nine unpaid or unanswered summonses to apply for a license. 82-12 reads like a license to poach when it specifically states that a livery license holding itself out as, a street-hail livery holding itself out as a taxi and operating even in the forbidden zone is not "unlicensed activity."

This seems a way to bypass the City charter which gives the TLC the power to seize vehicles that are operating as unlicensed activity.
82-26 requires street-hail liveries to use their meters only for street hails contrary to the TLC's stated earlier position on this question.

82-61 provides no vehicle retirement schedule or hack requirement for street-hail liveries. This is not what goes in the yellow industry. I do not understand and cannot understand why we want to give to the outside of Manhattan a lessor service than exists for Manhattan. If the purpose of these rules were to give equal service, let's give equal service.

82-13(a)(4) is in direct contravention of state law where it said industry livery associated with a street livery paratransit base may accept prearranged airport calls. The state law explicitly forbids street-hail liveries from airport pickups.

Section 19-506 of the New York City Administrative Code clearly states that operating without first having obtained an appropriate license, therefore, is a violation of law.

19-506(e) makes a guilty decision and order by the TLC designated tribunal a money judgment
enforceable as such. This includes the ability
to notify DMV which will suspend the offender's
license and registration. Furthermore,
19-606(h)(1) states "Any officer or employee of
the Commission designated by the chairperson of
the commission and any police officer may seize
any vehicle which he or she has probable cause to
believe is operated or offered to be operated
without an appropriate vehicle license for such
operation."

By redefining the term of what appropriate
is, these rules are circumventing the power of
the TLC to enforce the rules as given. The TLC
is dedicated to enforce the rules and they should
allow them to. They must vigorously use every
available tool or the taxi industry is no more
than a con on the investment by both street-hail
business and on the taxi industry. Ultimately,
the riding public will be ill-served.

Again, it is impossible to adequately
address 240 pages of rules in the time allotted
for one page, which I will be giving detailed
responses to some of these responses. Thank you
very much. I will take any questions if you have
MR. THALER: Good morning, Commissioner Yassky and Commissioners.

The rules for livery street-hail licenses are deficient --

One, a rate four should be added for trips into Manhattan, Manhattan's excluded areas, for the same reason a taxi medallion rate force is used for entry into Nassau and Westchester.

Two, explicit rules are missing in prearrangement for return round trips at additional stops in the excluded areas.
Three, a third requirement for a livery base has to be in good standing, must be added requiring a livery base to be a franchise or approved by the New York City State Department of law under the New York City State Franchise Act and for compliance with the Federal Trade Commission Franchise Rules.

Four, dual rate of fare if not changed will lead to rate four violations deja vu all over again. A driver whether intentionally or not may not hire the taxi meter on a street-hail and instead use a prearranged zone rate fare.

The commission must prevent this risk and not repeat its failure to take responsibility for preventing rate four violations as it did when it was advised to do so by means of TPEP operating specifications. Prearranged trips must be taxi-metered to avoid misuse of zone fares and avoid the MTA tax. Dual right cannot work.

Five, a passenger presence sensor with the addition of time of entry and location to the trip record must be required. This was a point that a commissioner raised.

As stated, GPS is not sufficiently
intelligent to detect the presence of a passenger
and IVCS, an in-vehicle camera system, type
simple door opening sensor does not provide
certainty of the presence of a passenger.

An immediate notification to the base and
TLC must be provided if passenger entry and the
sensing of their presence did not correspond to
taxi-metered street-hail or prearrangement in
included zones or passenger entry is detected in
an excluded zone.

Six, car payment systems must accept chip
and PIN EMV cards coming soon.

As the need and justification for a 30
second tracking interval has been determined, a
30 second tracking interval will provide data
approximately every three or four blocks. Three
seconds will track every block approximately but
could add significantly to the drivers' data
plan.

Will the tracking data be posted in real
time to the City's new open data own line system?
I think the question was raised before about
workers comp coverage for the street-hail
vehicles affiliated, and I was curious, will the
commission wheel-chair accessibility plan be
posted and submitted to Judge Daniels prior to
the street-hail license date? How does the March
21st, that was yesterday's Appeals Court
decision, to stay the December ruling affect the
Commission's plans?

I really sincerely hope that these
suggestions will be given careful consideration.
That the street-hail licenses cannot be issued
until the rulings of operation are corrected.
Looks like the Commission has a lot of work to
do.

>> MR. CHAIRMAN: We do. Thank you
Mr. Thaler. While Mr. Dohorty is unavailable,
just because you raised the issue of workers comp
and a couple of the earlier people did as well, I
know for folks in the industry, particularly in
the livery sector, we are looking at getting the
street-hail licenses.

I know we have a lot of questions about how
workers comp is going to be covered. Our rules,
of course, don't address that. It is a state law
issue, other than the rules say you have to be in
compliance with whatever state law workers comp
regs there are. So that is not an issue that we
sort out in our rules; however, I understand it
is of great interest to you.

I do want you to know, we have been in
discussion with the state workers comp board to
make sure that we understand what their rules are
and how they want to interpret them.

What they have told us is our understanding
as well, that a base that acquires a street-hail
livery, street-hail license rather, will be in
the same position as it is today before it got
that street-hail license.

In other words, and Miss Angeles made this
point, drivers will be covered only for
catastrophic injuries and only for injuries that
are covered in the course of a prearranged trip.
So there is a hole in that coverage in the sense
that the drivers are not covered for injuries
that are not catastrophic or that are not in the
course of prearrangement. It is the same hole
that exists today.

While, and I understand that the interest in
working on that, any rate, the answer is for a
base that's in operation today, acquiring the
street-hail license will not change the workers comp situation at all.

Mr. Doherty, to be followed by Felix B. and Abdul Jabbar Ahmed.

MR. DOHERTY: Chairman, Commissioners, my name is Tom Doherty. I represent the United Ambulette Coalition, about 1,000 ambulettes.

Mr. Chairman, as you know, 60 days ago you met with the coalition and we had come to you, quite frankly, to say we would like to be part of solving a long time problem with handicapped individuals around the City; however, we are adamantly opposed to the way this has been put forward, to mandate ambulettes, which are part of the medical community in servicing the medical population, that we would have to be stopping along the Grand Concourse and picking up handicap individuals is really unfair on many, many, many different levels.

And we had hoped when we came to see you 60 days ago, those that were interested in taking part in this process, could sit down and discuss a negotiated rate, et cetera, because of the cost of maintaining these vehicles. They are not
livery cabs. They are not taxi cabs. They are ambulettes, really would put many, many drivers and businesses, quite frankly, out of business.

And so our industry, which for many, many years going back to 1966 when we were mandated under Title 19 to take part in this system of picking up people with dialysis, chemotherapy, et cetera, et cetera, we have had many, many changes recently where they have tried to drive us, or many of our patients, into livery cabs, et cetera.

We have been working with the State of New York under those new regulations, as you know, but today is a day, quite frankly, we are not taxi cabs. And it would almost be like, and I don't want to make light of this. I have lived in New York most of my life. I have never seen, and having grown up right outside of Grand Concourse, a person in a wheelchair hailing a taxi cab. I've not seen it.

Now, there may be cases where it is needed, and there certainly should be a call center to call the proper vehicle to come.

But to think that an ambulette is going to
be driving down one of these types of roads and
they are going to pull over and pick up somebody
and drive them seven blocks for $3 and 75 cents
that company would be out of business in a matter
of months. It makes no sense whatsoever, and
that's why we came to you 60 days ago to say,
let's sit down. We want to be part of the
process.

Any extra vehicles we have, we want to help
you out, but to mandate that this is what we are
to do is just completely unfair.

So, again, I say to you, Chairman, we would
love to sit down with you as a coalition and work
to fix out a system that all people, all New
Yorkers, have the rides that they need, but to
say that we are going to do it on these vehicles
and we are going to have to get licenses and we
are going to have to get meters and repaint our
ambulettes is really just unfair. So I thank
you.

We have written remarks for you and we
really hope to hear from you in the next month or
so when you take a final vote.

>> MR. CHAIRMAN: Be sure we will and it
won't be a month either.

While Mr. Bogonovskiy is coming up, I want
to really thank you, Mr. Dohorty, and your
clients for reaching out, absolutely. And I want
to tell you these proposed rules on this issue,
more than others, we put forward as proposed
rules to have a discussion.

I recognize that these are not the product
of give and take in the way that some other parts
of the rules are. We have to do that give and
take. We want to make sure it works for you.

On the kind of core issue raised for the
development hail service by people in
wheelchairs, all I can say to you and to
everybody else here today, I think there is a
difference of opinion a lot.

Other people have made the point there is no
demand. There is a kind of power, advocacy
community impassioned that believes there is a
demand; and if it is available, if you bill it,
they will come.

All I can say is that from our perspective,
whether the demand is two people or 2,00, we do
have an obligation to make sure it is available
for people who want that service. We want to
work with you for you to do your part and your
contribution, which I fully recognize is not the
bulk of the answer, and we look forward to
working with you.

MR. DOHERTY: Thank you so much.

>> MS. DEARCY: I just want to make a
distinction between the question of whether there
is a demand and whether or not these paratransit
vehicles are the proper vehicles to meet that
demand. And I think that you can have the
conversation without plating those two issues. I
just think that is important.

>> MR. CHAIRMAN: Indeed. Mr. Felix
Bogonovskiy and then Abdul Jabbar Ahmed.

MR. BOGONOVSKIY: Ladies and gentlemen, my
name is Felix Bogonovskiy. I --

MS. MARINO: From where?

MR. BOGONOVSKIY: I'm resident of SeaGate
Brooklyn.

MR. CHAIRMAN: Representing an organization
or here --

MR. BOGONOVSKIY: I'm from general public.

I'm resident SeaGate in Brooklyn. It is a large
gated community of about 5,000 residents, the
most southern of edge of Brooklyn, New York.
There is no public transportation available
in our community as MTA bus routes do not go to
pass SeaGate. Every time when I come back home
from my workplace in Manhattan, I take a car
service from Coney Island, Stillwell Avenue
subway station to my house, as riding on the bus
and walking inside of SeaGate will take 40
minutes while the car ride takes about six
minutes.
The car services are standing at subway
entrance without prearrangement. Every day they
charge $2 per passenger for the ride and they
usually take from four to six people during the
peak hours depending on the size of their car
program. This practice has been taking place for
years.
The driver waits until his vehicle gets
fully packed with passengers and then stops
moving.
Similar practice takes place during the peak
hours of other Brooklyn subway station, such as
Kings Highway, Sheepshead Bay Road and others.
Car service vehicles are stationed at or close around the subways entrances picking up the people returning from work and it is all prearrangement.

It is difficult to prearrange the car service to pick me up at the subway station as car service cannot wait for me outside the station since there are no standing signs all over.

And based on all above, I believe legalizing of car service street-hail in outer borough will be a solution that will satisfy passengers and car service as well.

Thanks for your attention.

>> MR. CHAIRMAN: Thank you very much. I appreciate that as kind of a representative of the customers I will say. Mr. Abdul Ahmed and Richard Kay from TSA.

Commissioners, I've noticed in my couple years, and I'm sure you have as well, it is routine for us to hear from members, from people representing the various industry segments.

As to why should we be hearing from them, they're critical stakeholders and it's not
routine for us to hear from a customer, and we
get customers e-mailing us.

And as this permanent staff of the
commission, we hear from customers a lot but for
this body it is not as common as it should be
and, in truth, there are a lot of them out there
and really it is our job to represent them.

Thank you, sir.

I will also note, Commissioners, one issue
that was kind of in Mr. Bogonovskiy's testimony
was the question of group servicing, if you will,
and that is one place we, as the Commission, have
been discussing with the staff, it might be
appropriate for the livery rules to differ
somewhat from the taxi rules in making explicit
provision for some kind of group service.

I think it is common place out there.

People get out at the subways and travel forward
in time rather than that's not so common in the
taxi world.

And, anyway, even though the rules did not
address that as proposed here, I think between
now and when we adopt them that should be part of
your discussion, too. As Mr. Thaler said, we
have a lot to discuss.

>> MS. MARINO: It is also much greener.

MR. CHAIRMAN: Much greener.

MR. AHMED: Good morning to you Chairman and the Commissioners. I'm pleased that we have one resident as well as an omni driver, actually driver and the whole audience here. I don't know how many drivers are here. Someone can put their hands up. Any drivers here? No. I'm glad I'm one and he's the one. So actually --

MR. CHAIRMAN: They are working.

MR. AHMED: Am I sacrificing my time? This is the same that happened when the gold started first. That's what I think this whole package has to be because the drivers were not facilitated to be available.

The old people from here, they could have gone to another place where the drivers are available because we are the end provider for all of these finance people, all the alliance to have the common interest, the financial interest. We are the provider. We should be facilitated first than anybody else.

Number one, first of all, the conflict is
how the taxi stand in the outer boroughs is going
to share the taxi stand with yellow cab? It is
like a dead body. Who's going to be responsible,
the yellow or the black?

Anyone have an answer because these
conflicts have happened many time because when
you give same medallion to the borough taxi and
the yellow cab they will be fighting together.

That's number one.

Number two, the diamond has not been
mentioned nowhere. In the borough taxi paying
the same to diamond as yellow cab what return
they have? They are not going to be prearranged
from New York City so they can only pick up from
airport and cannot take the same person back even
though he is in the transit area or waiting.

There should be an answer for that one. Other
than that, what else is there?

The burden for the driver, if you put like
three pound on the yellow cab, and the borough
taxi will have three and a half pound burden on
him, so why should he take the borough taxi
instead of yellow cab? Therefore, all these
groups have their own interest and feedback but
they do not represent the drivers.

Therefore, in the next 60 days of next meeting we should facilitate to gather more drivers and their opinions.

So there is a lot of mistrust when you take the customer and you don't take him back. This is a big mistrust between the client and the driver. So scenic versus the other person, she says I fire my drivers, so this is like the driver is like offering.

When there is a trouble, nobody want it. When there has been first, everybody want it. This is not a right way of doing business.

I believe the whole, this zigzag position, this whole mechanism has to be adjusted and only the fair deal to the drivers.

Nobody have mentioned nothing about the drivers. What is their interest? If they take everything on their load and then what return they have? If we impart like Honorable Bloomberg, he went to come along, too, and we are going to pick up many street another post, the whole public reject it. If he impart this idea along with Governor to have the borough taxi or
not to have them work in New York City, so what is return? We should impart the good ideas as well with it.

What is the return for the driver? There is no medical. There is no benefit. No nothing. So there should be some kind of advantage giving to the drivers as well. This is their whole situation, very zigzag. So I believe the driver should be involved in whole process. Thank you very much.

>> MR. CHAIRMAN: Thank you, sir. Next is Richard Kay followed by Lloyd Taylor and then James Grosso.

MR. SAPONE: My name is next to his.

>> MR. CHAIRMAN: Mr. Sapone, I apologize. You are correct. It is handwritten next to.

That is my error.

MR. SAPONE: It wasn't --

>> MR. CHAIRMAN: In order just to be clear, it is written in here. Richard Kay and handwritten Vincent Sapone. Are you going together or separately? Separate. Well, why don't you go ahead.

MR. SAPONE: Can I stand behind him?
MR. CHAIRMAN: You can follow, Mr. Kay.

Absolutely.

MR. KAY: Good morning, Chairman Yassky and members of the Commission. My name is Richard Kay and I'm the president of the Taxi Cab Service Association, an association of credit unions that lend to owners of New York City taxi medallions.

I'm here today to voice our concern about the potential environmental impact on New York City of the medallion and street-hail livery licenses authorized by the taxi bill and the proposed rules.

The TLC has just issued a positive declaration requiring that an environmental impacts statement be produced before the City can issue any of the two thousand taxi medallions authorized by the bill based on an environmental assessment statement that rightly identified a number of areas of potential significance, adverse environmental impact, including air quality, noise, socio-economic conditions, transportation, public health and neighborhood character.

My question is, has the TLC or the city
commissioned an environmental assessment statement to determine whether or not to issue a similar positive declaration for the 18,000 street-hail licenses that have been authorized under the bill? If not, why not?

And if so, when does the TLC anticipate releasing the EAS and positive or negative declaration with respect to street-hail licenses?

It is TSA's belief that the TLC should commission such a review and that it should release the results as soon as possible.

>> MR. CHAIRMAN: Is that the conclusion of your testimony?

MR. KAY: That is.

>> MR. CHAIRMAN: In answer to your question, the state law that authorizes the hail livery licenses does not require a formal environmental impact review. Of course, we at the TLC are enormously sensitive to the environmental consequence of all of our regulations. This one is no exception.

But, fortunately, for the taxpayers, the expense of a formal review was eliminated in the state law. Thank you.
MR. KAY: Thank you. I followed it up with my 
written testimony.

MR. SAPONE: Am I next? What's going on?
I'm getting sloppy.

MR. CHAIRMAN: Mr. Sapone followed by Lloyd 
Taylor and then James G.

MR. SAPONE: Mr. Taylor is a nice man. I've 
known him for years.

Anyway, my name is Vincent Sapone.

MR. CHAIRMAN: Are all the witnesses nice 
people?

MS. SAPONE: Everybody is nice. Everybody 
here is nice, depending on which side you're on.

You made me lose my train of thought here.

How are you? You are missing Brooklyn here.

My name is Vincent Sapone, managing 
director. I don't know why it is managing 
director and not executive. I don't know, but 
managing has been there for a long time, of the 
League of Mutual Taxi Owners. Some people know 
it as LONGCO but the true name is League of 
Mutual Taxi owners.

We represent medallion owner drivers. Guys 
that own medallions, maybe two, may be rare and
drive it themselves.

If they have two, they can't drive both themselves. You realize that.

This is just to set the story straight here, someone mentioned about England or London. From the business district in London to get to the airport you would probably, I would say probably pay $90 compared to our 45, which is half. Half of it is used up by gas or someone at the hotel putting an arm on us to get there.

Also, they probably make, not probably, I'm sure they make, probably, again being probably, double the amount of money that the New York City taxi driver gets.

Also, medallion owners, they pay a renewal every two years, which most people don't know, $1100, with inspections. It comes to 16 and $15 and with a two-year tax stamp the medallion owner is laying out $3650. That's a lot of fazool. Do you know what I mean? Let me get on with what I have to say.

Maybe there is a little something in here somebody is not going to like too much but there is no harm meant. All right.
I would like to speak, can you hear me? I would like to speak up against -- did I say something funny?

MR. CHAIRMAN: It was the turning on of the yellow light that caused the ruckus.

MR. SAPONE: The yellow light. Excuse me. I've got an easy solution for illegal street hails. First, you give them a 30-day suspension, if they get caught doing illegal street-hail, no matter who it is, if it is my brother.

Second, if he gets caught again, you give him a 90-day suspension. If he gets caught again, you revoke his license and that will be dead.

You don't need 2,000 inspectors. That will be dead, or take away his car, but I know that is a problem about taking the car and storing it somewhere. We don't have any room for that.

But why don't you guys talk to maybe the city council or Albany and put in these rules and that's it. You won't need 1,000 inspectors. Let me get on with what I'm going to say to you.

I would like to speak up against the TLC
plan, if you will forgive me, to allow ambulette companies that provide prearrangement Medicare/Medicaid transportation for the disabled and the elderly Would be eligible and would be required to apply for a street-hail permit.

Ambulettes were licensed for prearranged Medicaid trips for the disabled and seniors.

This plan looks to me, where maybe the TLC can add more, I understand you got to do 20 percent your first 6,000 liveries, so this would add to the 20 percent. I hope that's not the reason why the TLC or the City is asking for the ambulettes to be in this program. Anyway, I don't think that's right.

Why would an ambulette company want to get 2.50 or 3.50 for a street-hail when they can make 50 or $200 picking up a call. I don't understand that.

Anyway, I know a lot of people are going to disagree with me and maybe there are a few people who will agree with me. I don't think it is their call to pick up street hails. Have a nice day. Thank you.

MR. CHAIRMAN: Thank you, Mr. Sapone. Lloyd
Taylor, Board of Livery Transportation. Are you here, Mr. Taylor? Followed by Jim Grosso and then Arthur Grover.

>> MR. TAYLOR: Good morning. My name is Lloyd Taylor. I was on my way out and I was called back.

I'm a little overwhelmed by the discussions this morning.

MS. MARINO: Whom do you represent?

MR. TAYLOR: Board of livery Industry transportation trades, but I speak on behalf of the sentiments of base owners and drivers in Central and southern Brooklyn, and in Central And Southern Queens, and they have been grossly underrepresented in this process through no fault of their own.

I simply wanted to endorse our sentiments made from Mr. Emery from MTBOT and Mr. Ethan Gerber as something we need to pay attention to. Also, some of the comments made by Tarek Mallah and I wanted to add my own small piece here, which is to remind the commissioners that law and regulations are only enabling instruments. The objective is to make street-hail universally
available and accessible.

We thought we were doing that 71 years ago in the Hass Act and we didn't get it because of the way it was implemented and the way it was done and the way the implementation was monitored.

I want to put it to you that if we are not careful, to have a problem balance of this discussion, we could be looking down the same pipeline.

And the reasons for this, somebody talked about a bulging this morning. But sometimes the balloon comes in with its own set of bulges, and I want to stress that because the way the campaign for street-hails in this phase was conducted, and the way TLC joined it as part of the public education programs, these made the campaign very limited and not enough people, bases, drivers, not even the community was properly informed.

I went to two meetings, one in Elmhurst and the one in WoodHall, Brooklyn. There were less than 100 people on both of those occasions.

And if we are talking about one organization
represented 128 bases and 19,000 drivers, then we are talking about a serious limitation in the way we are educated in the industry and the public on these issues.

I, therefore, want to stress the need for a genuinely balanced perspective of all the stakeholders, and I believe we may come close to achieving that if we organize the heads of industry meeting chaired by the Taxi and Limousine Commission in much the same way we tried to have under the auspices of the governor of New York State while the issue was being projected and I thank you for the ability to speak.

MR. CHAIRMAN: Let me ask you, sir, thank you. Let me ask you for your help. We have begun the public education process to try -- this is an enormous part of our task. There are almost 50,000 licensed livery drivers, another 25,000 licensed livery owners, many of those same people but still we are talking about 50, 60,000 people in the livery industry that this is a big change in rules, and we want to make sure they understand it.
We have sent letters to every licensee, but I recognize this is going to take a lot of effort. We have had three public information sessions so far. About 400 people in total. So that still leaves maybe 49,600 to go to talk to them directly.

Sir, I would love to have your help, if you would -- is Deputy Chhabra still here? There he is. Could you just give him your card.

We would like to go directly to the larger bases or have the help of people in the industry in organizing information sessions that they can help us market and get livery folks to come to so we can explain what these rules are. We know we have a lot to do there and if you could help us with that, I would appreciate it.

MR. TAYLOR: The reason I'm making this point there is a real danger we will get at queue distribution of these licenses in Manhattan and the Bronx.

>> MR. CHAIRMAN: To be clear, when the license counter opens, it is open for everybody and it is first come and first serve. You are right then, education, so people know it is out
there that is critical, if you can --

MR. TAYLOR: We will meet to consider setting aside for the various boroughs.

>> MS. MARINO: That brings up one of the other points, with respect to all these rules, and this a little off topic, perhaps we should also consider some kind of grace period for the fines and violations.

If someone believes they are allowed to pick up a street-hail and they don't realize something, it is a lot to digest here.

>> MR. CHAIRMAN: I share your concern that when those rules go into effect, if the next day we are out issuing tons of fines, that is not quite fair.

So part of your enforcement discussion here with Ray and the staff should include how we make sure that we have rules, and they are there, but we are not unfair to people. I understand that. And, look, the reality is, yes, I agree with that.

How do we notify the public about information sessions? We have a list of some over 7,000 industry folks that have signed up to
get our e-mails. We e-mail them. In the case of these particularly, and that we do for all our public stuff, in the case of these meetings, we sent a letter to every livery base so there are 450 some odd bases. You figure that is the way to get to them to tell their drivers something is going on. Of course, it is on our web site and so forth but that is how we've done it.

MR. GJONAJ: Why don't we do a mass mail to each of the Drivers?

>> MR. CHAIRMAN: We do one mass mailing. It is costly. We did one mass mailing to every livery licensee, am I correct about that? Yes? We did one mass mailing to every livery.

MR. GJONAJ: That entails the dates of these open hearings?

>> MR. CHAIRMAN: Because we didn't want to have a mailing knowing that things would change and whatnot. The minutes we have a public hearing, go to our web sites and see the dates. I agree. And you know what else, especially for the borough representative commissioners, if you can help us in that sort of outreach, I think elected officials can be very useful. They have
large e-mail lists and so forth, community boards. I would ask for your help in that.

MR. GJONAJ: We certainly agree this is such a significant matter we should do everything necessary to get information to each one of those drivers and I would encourage that we do another mass mailing this way they have notice.

MR. CHAIRMAN: We certainly will do another, at least one mailing to every licensee about the rule change. That we will certainly be doing. Mr. Grosso.

MR. GROVER: He's not here yet. He's trying to get here from Staten Island.

MR. CHAIRMAN: But Mr. Grover then you were next anyway to be followed by a Mr. Taveras from City Livery Leasing. Abdul Jabbar Ahmed was signed up twice followed by Cortney Hogan.

And, Commissioners, we have about nine or ten more people signed up who have not yet spoken.

MR. CHAIRMAN: Mr. Grover.

MR. GROVER: My name is Arty Grover. I'm president of the Fleet Livery Owners Association, member of the Livery Round Table and I represent
the car services on Staten Island.

About 25 years ago the City Council understood that would be a good idea if you took the radios out of the yellow medallions. Why? Because it didn't work. You would have a lot of people taking the best call possible and if it was a hail on the street, or if it was a radio dispatch call, they did what was best for them and a lot of people got hurt.

So they decided, in their wisdom, that we should take the radios out, and now we will create an industry of liveries that would do nothing, nothing but prearranged work.

Last time anybody heard from the City council was when they had the vote. No one educated the public except on Staten Island where we put advertisements into the Staten Island Advance and we handed out flyers at the ferry, at the hotels, the malls, to let the public know how to get service.

We were the only ones that did it. Then you had the people who were running the streets illegally, just kept running the streets; and the TLC at that time, no offense to you,
Mr. Chairman, you weren't here then, I'm just giving information of what it is, the livery ran the industry.

Now, also, nothing was mentioned that 25 people in the last 20 years were murdered by street hails. One was by a prearranged call and that is because that person walked into a base and got a car and whatever. So that doesn't work unless there is some sort of control.

I do understand and I appreciate that something has to be done with the outer boroughs. Staten Island is a different animal. You can't deal with Staten Island the way you are dealing with everybody else simply because we own all our cars. Anybody is caught picking up in the street loses his job because he's stealing from me.

The people in the other boroughs are different. They are mostly all independently owned cars except for people like in Bensonhurst, Bayridge, Sheepshead Bay, Canarsie, Queens. There are certain areas that don't want this. They want exemptions.

I was told by the TLC there are going to be no exceptions. What is going to happen is if you
don't want to do it, just don't do it, which I can't really understand or really feel that it would be in anybody's best interest.

For argument sake, on Staten Island, I take a call from the mall. I won't hear from that call coming back. Right now 90 percent of the calls I hear from the mall I take them to the mall and take them back. People going to the doctors, hospital, supermarkets, people going to schools, we take them and we take them back.

It is a different ball game on Staten Island and in the areas where fleets that own the vehicles operate, and TLC has to understand this and have a different feeling towards it.

After speaking to my elected officials, all my elected officials are for it, for us to be exempt. We have spoken, actually, I spoke to Senator Andrew Lanza. Senator Lanza said that the mayor's people said that Staten Island was going to be exempt. I go to two TLC meetings and I'm told by a clerk that, nope, You are not exempt. If you don't want to do it, you just don't do it.

I didn't want to hear that answer. There
are a lot of things that we have to go over. You
don't want to destroy the legal industry. The
legal industry works well.

As a matter of fact, Mr. Chairman, when you
were on the Channel Five news and you stated that
two million people take the ferry across every
year and there is no way of getting
transportation, I know it slipped your mind, but
there is a livery stand right at the bottom of
the ferry.

So we do take care of the people coming over
from Manhattan, tourists, and there is always a
way for these people to get a cab within 10
minutes.

They don't have to stand down a lonely
street hoping and praying a car comes by that is
going to pick them up. It is not the way we want
to work.

I personally feel the way it is written now
and the way it is said and the way it is going to
go in now it is going to fail. I don't want it
to fail because there are a lot of people in the
outer boroughs that need this type of
transportation, but it has to be done correctly
where it is equal for everyone.

Don't destroy my industry and create an industry for people that have been illegal for the last 30 years. Just keep it in mind so that everybody gets a fair shake at this. If you have any questions, I would be happy to answer them.

>> MR. CHAIRMAN: Thank you very much.

MR. GROVER: James will be here in a little while. Here he is now.

MR. CHAIRMAN: You can come up then, followed by Erasmo Taveras from City Livery Leasing and then Cortney Hogan.

MR. GROSSO, JR.: I would like to thank the chairman and then the commissioners for allowing me to speak. I appreciate your patience.

I would like to discuss the proposed street-hail rules for you today. I'm James Grosso, Junior. I represent the New York City Fleet Owners Association, also Mid Island Car Service, a livery based in Staten Island and Livery Round Table, and I'm Arty Grover's son-in-law, and I don't know how I follow up with what he said but I will try.

While I understand the rationale behind the
street-hail legislation and the resulting rules, the street-hail owners association did not agree with the concept.

For 40 years many neighborhoods throughout the City had no real access to reliable livery services, thus fostering the growth of the livery culture as we know it today. Unfortunately, instead of call-ahead service being the mode of choice, the illegal street-hails flourished in many areas even though the practice was against the law. However, this is not the norm in every part of the five boroughs of New York. There are many areas where prearrangement still prevails. This was not recognized during the legislative process.

The two areas we need to look at more closely is the hail exclusionary zones and the enforcement.

I'm going to breeze through some of this because of brevity of time. Again, to piggyback on what Arty Grover had said, Staten Island certainly was promised -- a promise was made. A vote was given in good faith with the legislation but a county is being made to conform to a law
and rules that are the antithesis to how business has been done there for over 40 years.

There is something terribly wrong with this outcome and it's not just the one senator who wanted this exclusion. All three city council members, all four state assembly members, Senator Diane Savion, all three community boards, the Chambers of Commerce and base owners were all opposed to allowing street-hails in Staten Island.

Again, why is it not an exclusionary zone if the overall consensus is that street-hails are not wanted by the elected officials and community leaders alike? We don't know.

The TLC has pulled out the stops in order --

MR. CHAIRMAN: Because stopped, I don't know actually what the number is, but if in a week the TLC handed out 400 summonses to people picking up, street-hail licensed liveries, not street plates, in Staten Island, does that tell us that there is a demand for it and we should accommodate that or should that tell us no, we should stamp it out?

MR. GROSSO: I can say in front of you
honestly, upfront, Commissioners, 95 percent of the work that does go on, of the ground transportation work that does go on on Staten Island is through prearrangement. 400 in comparison to the number of streets that go on in say a given day or a given month. What's the percentage of those summonses who are caught?

One of my bases, one of the bases I represent, yes, his driver was caught picking up a street-hail, and I understand that.

And in my testimony I say that it is something -- I would be lying to you in effect.

>> MR. CHAIRMAN: Your answer is you think you should stamp it out. It wasn't a trick question.

MR. GROSS, JR.: I'm not saying it was by any means. What I'm saying is, again, the culture is different, meaning the time and energy that went into creating the culture of prearrangement within the Island, the elected officials, the community boards, everybody stands together and says we don't want it.

I believe one of my city council people was supposed to send a letter to the TLC in
opposition of street-hail.

>> MR. CHAIRMAN: Would that include even places like the ferry terminal where we now allow people to get off the terminal and get into a car --

MR. GROSSO, JR.: There is a livery stand that has been successful since December 20.

MR. CHAIRMAN: -- and call the livery stand to allow people to get off the boat and get a ride into a car? Should we permit that?

MR. GROSS, JR.: Is that considered street-hail to you?

MR. CHAIRMAN: Absolutely. There is no prearrangement. It is explicit in our rules. It was a pilot program to allow pick up without prearrangement at the stand.

MR. GROSSO, JR.: So by definition --

>> MR. AROUT: I know but what, Mr. Chairman, why did we establish it, if you feel it was illegal? Why do we start the process of having that livery stand come there for the ferry terminal? They do over two and 300 a day.

>> MR. CHAIRMAN: We put a stand there
because there were three or 400 a day illegally picking up. People were getting off the ferry, going out to the street and getting into a car Without prearrangement.

And so then the question was should we have inspectors there to ticket that every time so that somebody gets off the ferry can't do that or should we deem it legal?

And we all thought, the Commission decided at that spot, that's one particular spot, let's deem it legal.

In some ways it is the very small version of what we are now doing in the rest of the four boroughs.

MR. MARINO: Can I just clarify something? If I live in Queens and walk up to a livery base and walked in and knocked on the window of the door, is that illegal right now?

MR. CHAIRMAN: That would be prearrangement.

MS. MARINO: Isn't that the same thing at the Staten Island ferry? I'm confused.

MR. CHAIRMAN: There is no actual livery base there?
MR. GROSSO, JR.: Isn't there the base that is there is a licensed base that operates out of there.

MS. MARINO: Has a dispatcher? Someone comes to the dispatcher.

MR. CHAIRMAN: We decided we would declare that an extension of the base.

MS. MARINO: Is there a building there, a structure?

MR. GROSSO, JR.: There is a little structure there. There is a dispatcher. When someone comes, they say they need a car, they bring one of the cars up in the line and effectively dispatch out that call to that car that is next in line as opposed to no intervention on the part of an employee or member of the base where someone just walks out and someone pulls up in line and hails it and gets in.

In that definition, it really is a prearrangement.

MR. CHAIRMAN: In the sense that we could have a little shack on every block on Flatbush Avenue with a person standing there. That is not clear how replicable that is. I apologize. I
shouldn't have interrupted.

>> MR. AROUT: What I'm trying to say,

Mr. Chairman, is that legal or illegal now? Now

you got me confused.

>> MR. CHAIRMAN: We deemed it legal.

MR. AROUT: What is the problem?

MR. CHAIRMAN: I agree. There is no problem.

I did not mean to confuse you.

>> MS. POLANCO: But I just wanted to add

and, hopefully, this will not cut into your time,

but if the culture of Staten Island is different

from the outer boroughs in terms of the

prearrangement, then it makes business sense that

no one is really going to buy -- this is

optional. This is optional -- no one is really

going to buy a permit in Staten Island. They are

going to stay out of there. It doesn't make

sense for me to invest this money and invest in

this vehicle.

Also, since the permits are given to bases

that have already been established, what would be

there incentive to want these permits since they

already know the culture of Staten Island?

MR. GROSSO, JR.: That is a very good
question, and the bases themselves that are based out of Staten Island will not purchase until they are forced to, meaning there is direct competition if you can't beat them, join them.

One of the issues we had at the Staten Island ferry, and the Staten Island Commission could attest to this, most of the bases that were operating at the ferry illegally prior to the institution of the livery stand weren't necessarily affiliated or opened by bases in Staten Island. The majority of them came out of Brooklyn. The majority of cars were based out of Brooklyn, affiliated with bases in Brooklyn, came to Staten Island and it was easy pickings.

We had gone to meetings years ago where we were with the Staten Island commissioner and we would walk out and we would have no less than 10 people, taxi, taxi, taxi.

Me being the idiot said, is this illegal? He tells me shut up. Why? Because he thinks I'm going to get jumped by people and they laughed at me. They laughed at me in front of a commissioner because I'm saying is this illegal.

And it went on for over 25 years with the
people operating there out of Staten Island. There probably were a percentage from Staten Island. I'm not going to lie but the majority were from outside.

So me as an operator in Staten Island, even if all 19 bases or 20, including the luxury base, if all 19 bases say we are not going to buy a permit, we are not going to get street-hail livery permits, what is to prevent bases from outside the borough and, again, any money they make, even if they do service a small percentage of the people that are actually hailing and, thus, producing 400 summonses, is that money going back into our community? Absolutely not.

Are the consumers paying much more than the prearranged price we normally would have on zone pricing? Yes, I pretty much guarantee it.

>> MS. DEARCY: Forgive me because I don't want to presume I understand the unique culture of Staten Island. I live in Harlem, but part of what you are suggesting in your comments suggests that there is actually a demand for street-hails because there would be some competition, and so I'm not understanding, if there is a demand for
it, such that you are saying bases from outside
from another borough could come in and then the
prearranged bases would lose some of their
business to them, it suggests to me that there is
consumer demand and that the market effectively
is requiring it.

MR. GROSSO, JR.: And I can understand where
you would infer that from the discussion taking
place but, in reality, what most people will do,
because Stat Island is prearranged, I don't know
what markings are going to be on the vehicles.

If there is a phone, because these vehicles
are going to be dual-use vehicle, if there are
phone numbers most people just say there is a new
base on Staten Island and call the number. They
may not always utilize the vehicle for
street-hail purposes. The vehicle may be coming
out from Queens or Brooklyn.

We knew of bases in Queens wanting to put in
a proposal at the ferry.

MS. DEARCY: You're certain new street hails
would be taking business from you? They would
not see the number for bases and call them for
pre-arranged business so it is prearranged
MR. GROVER: You have the wrong impression. We take people to the mall. We pick them up within 10 minutes. We bring them home. You have people coming up there, hanging out at the mall. I'm not getting that call coming back for no other reason than there is a car there that is going to be permitted to pick up in the street. It is going to be hail.

Are the people satisfied with us? Well, you could check with our community board. You could check with our city council people. You could check with our state senators and assembly people. They will tell you how satisfied they are with our service. You don't break it -- you don't fix it if it is not broken. If it is broken somewhere else, fix it, not on Staten Island.

>> MS. DEARCY: You are saying that your consumers are pleased with your service and there is no need for us to introduce it?

MR. GROVER: It is not necessary on Staten Island. I could see somebody waiting for a car on Lavonia Avenue in Stated Island where there is
no streets around them waiting for a cab, for a
hail car to come by.

I hope they brought lunch with them. You
have to, it is a different world.

MS. DEARCY: They are not precluded from
doing prearrangement because street-hail is
available?

>> MR. CHAIRMAN: The person on Lavonia
Avenue will continue do call like the person on
Sheepshead Bay and neighborhoods like that from
throughout the City.

MR. GROVER: To go from three hours. But
when you walk out of Staten Island Hospital and
you have 10 cars sitting there, they are not
going to call me. They are going to get into one
of those cars if that goes into effect.

MR. CHAIRMAN: I guess that is the core
point. Absolutely.

MR. GROSSO, JR.: Again, to answer some of
the questions, yes, there are street hails that
go on. Yes, I would lie if I said there wasn't.
I would lie if I said there wasn't because,
again, it is the nature of the industry.

Percentagewise, very, very small percentage of
Mr. GROSSO, JR.: He touched on a lot of stuff. The issue of enforcement and, again, the issue of enforcement is not to take anything away from the uniformed officers because you look at the number of vehicles that are licensed by the TLC in comparison to the number of uniformed officers within the TLC, it is a staggering, staggering number.

It is not, say, they are not doing their job. It is just not new and even with the promise of added enforcement, it is not going to do the job.

>> MR. CHAIRMAN: I do want to assure you and Commissioner Raes, as well, our increased staffing now allows us -- if you are correct, we did not have regular enforcement rotation on Staten Island. Thanks to our current numbers, we now do have regular enforcement and I know you have raised that and, as we continue to grow, if that will increase in frequency, as it will everywhere, Staten Island is part of the regular
MR. GROSSO, JR.: And we have always had a good rapport with the enforcement unit. Our concern goes back to 2009 with the accountability rules, one. Unfortunately, off-shoots of that was more gypsies, more illegal activity because people didn't want to take their car to get inspected at Woodside; therefore, they chose to have straight plates and run the streets.

Our worry is that because, up to this point, there hasn't been enough enforcement, even though the TLC for the latter part of 2011 till now has done a much better job, there are still issues for the, say, the medallions, at the hotels.

We know Jacob Javits you raise your hand. You are going to have a livery pull up. It is going to take away from the yellow cab industry.

We are afraid, even though there are all these incentives the TLC is putting in place for this plan, that there is going to be a large majority of those that are operating illegal that will remain illegal.

So now if you don't have enough enforcement in place, it is just going to become the wild
west, essentially. It is going to create havoc and it is going to be a detriment to the product the City offers as far as the livery industry and, again, potential loss of life.

>> MR. CHAIRMAN: Thank you. Erasmo Taveras is next and Cortney Hogan. Then Bhairavi Desai, and while you are coming up Mr. Tavera, a couple of things, our general counsel reminds me, Commissioner Arout, and Staten Island folks that the Staten Island pilot program, just Meera reminds me that when we -- the pilot program that, in effect, allows street-hail pick ups at the ferry terminal, allows people to get off and get into a car was a pilot program. It is time limited. It expires in September.

MR. AROUT: I had no idea it was going to be a three-year program. I misunderstood you if you did tell me that.

But I think the whole purpose of the Staten Island ferry boat there was one ramp there where all these illegal cars used to come in and park there and wait for the people to get off the ferry boat and they would take them out.

Now, we raised all kinds of hell about how
the department navigates it. To make a long story short, they eliminated that row. Now they have buses, but they decided what do we do now. People get off the ferry.

We established this car service that is down the ramp with three other companies and made a ceremony at the ferry terminal saying in all lines, all kinds of lines coming off the ferry, if you need a car service there, you would go -- I always assumed it was personally all legal. If I was mistaken, I'm sorry.

>> MR. CHAIRMAN: It is absolutely legal.
The whole point of it was to make the practice of getting into a car legal and it was done, although, as I say, it is in a pilot program that expires in September. I just want to be clear of that.

MR. AROUT: September of this year?

>> MR. CHAIRMAN: Yes.

MR. AROUT: What did we do? What do we do in the case of this now?

>> MR. CHAIRMAN: When it expires?

>> MR. AROUT: Yes.

>> MR. CHAIRMAN: Fortunately by then the
street-hail rules will be in effect and it will
be legal by virtue of those.

So the other point, I just want to make sure
because there is this discussion about being
forced again, I want to make sure livery base
folks and drivers are very clear that the
street-hail license is entirely optional.

A livery vehicle licensee or base licensee
that wishes to continue to do only prearranged
service absolutely can do that and I expect many
will choose to do that. I want to make sure we
are clear on that.

No one is required to change their business
practice. Mr. Taveras.

MR. TAVERAS: I guess it is afternoon
already. Good afternoon, Mr. Chairman and the
rest of the Commission. I will try to keep my
comments a little shorter than the previous
speakers.

My name is Erasmo Taveras and I represent an
entity called City Livery Leasing.

MS. MARINO: Who?

MR. TAVERAS: Which is based in the Bronx.

>> MR. CHAIRMAN: City livery leasing?
MR. TAVERAS: And we have been in operation a little over one year. Right now we hold approximately a couple of hundred, 300 plus TLC licenses.

What we do is we acquire late model Toyota Camry hybrids and we just made an agreement with Freedom Motors from Detroit to begin to offer the handicap accessible Sienna van.

What we do is that we acquire this vehicle. The 2012 we buy it brand new. The 2011 we buy it with low mileage. We equip it with everything that the TLC requires. We put in leather seats; we put in cameras. We put the emergency light. We get the licenses. We get the insurance and we proceed to get the inspections on these vehicles.

Once the inspection is passed, we find the drivers that we like to be their own boss and own their vehicles.

Each of these vehicles will cost us any where from 25,000 to 40,000 to have it ready to roll on the street. We put up that money and the driver is required to lease on a lease-to-buy program in which they can have a down payment of approximately 2, $3,000 and the weekly payment
that will cover his insurance, cover the license and title and cover the costs of the vehicle.

Over the period of the lease, at the end of the lease, they don't have to pay anything extra and the title is passed onto the driver.

So they become owners in a facility that they have because of a weekly rate that they pay right now is approximately the same amount that they will pay if they were to lease one shift from another owner.

Our concern in the business is that we have those hundreds of drivers right now, and most of them are interested in becoming licensed with the street-hail license that is coming up. And we are willing and able to provide that, but there is one clause in the regulation that prohibits any institution to have an interest, a financial interest in more than one unit or five units if it is a handicap accessible.

What that means to us is that we will have no security in lending to this driver and that will prevent us and any other financial institution, bank, credit union and anyone in the financial industry will be hurt and back up from
lending to this new vehicle because they have no collateral, more than one vehicle.

I think that what we are asking the commission to see how we can overcome that. We are willing to work with the Commission. We want to work with the Commission. We want to convert those cars into street-hail. We are willing to support the driver and give them the financial backing that they need to be able to get into these vehicles, but we have to be able to protect our investment and at least have a financial interest until the vehicle is paid off and then we transfer it over to the owner.

>> MR. CHAIRMAN: Thank you, Mr. Taveras, and I don't know if the TLC reached out to Mr. Chhabra. Find Mr. Chhabra and make time.

We under the leasing model have become an important part of the livery industry. The rules that we have proposed here permit a continuation of the leasing model. You are right, that the state law, the business in the state law about one per, five per, which it is not honestly clear to me why that was in there, but it is. So obviously we have to follow it, but we are quite
certain that that does not preclude continuation
of the leasing model.

We would like to walk you through that, and
if you have suggestions for how the rules need to
be tinkered with to make it even more crystal
clear, we would be happy to hear from you. I
believe it is permitted under the rules we put
out. Let us walk you through that.

MR. TAVERAS: Another concern that I have is
that we hate to be able to take back a car when
somebody doesn't pay. That is probably a
nightmare to us. We don't like to do it but it
is a business and sometimes that has to be done.

What will happen if we have to repossess a
vehicle and we've only done it to the vehicle
with a license but we are not supposed to have
it. Can we give a leeway probably 90 days so
that we can transfer over to another eligible
driver?

>> MR. CHAIRMAN: I understand. That is
part of the wrinkle that you need to understand
how that would function in practice. Please do
make time to come in and let's go over that
detail.
MR. TAVERAS: Thank you very much for your time. It is a very productive meeting.

>> MR. CHAIRMAN: I'm glad you feel that way. I feel this way as well. Cortney Hogan has signed up followed by -- I'm sorry. The name says here Jose, livery Round Table, I'm sorry, followed by Bhairavi Desai from New York Taxi Workers Alliance.

>> MR. CHAIRMAN: You're Cortney Hogan.

MR. HOGAN: I am Cortney Hogan. You sound like you know my name already. I will try to figure out how my father got that name.

I'm Cortney Hogan. I'm a resident of Parkchester and the Bronx, and I'm speaking from the viewpoint of a resident in that neighborhood, which is subjected to noise pollution, air pollution, from idling cars and honking, soliciting vehicles that I wish would say taxi, taxi when somebody came out the train station or from Macy's or off the 44 or from a bus to get a car. Instead, they honk the horn over and over and over, the same vehicle.

The same people will use Hugh Grand Circle as their base, the bus stop as their base,
forcing 44 buses to have to parallel park to
discharge wheelchair passengers or have to go
around the corner.

One particular driver who has received
summonses over and over to the point where his
license is suspended, revoked, his New York State
driver's license. Does that matter? No. He
still has a TLC plate vehicle. He will take the
arrest and the next arrest and the next arrest
because he knows that this is a money making
place to be, Grand Circle, and this is what they
do.

This is his life-style. This is all the
drivers lifestyle. If they don't get penalized
for hefty penalties for honking horns, parking in
a bus stop, parking in a lane of traffic, they
are going to keep doing it over and over. It
means nothing.

They didn't care before. They don't care
now. They won't care in the future. This is
what they do. This is their business plan.

So I'm asking the TLC not only to come up
with a method of enforcing noise violations,
which is to me it is a public health issue.
If you are making unnecessary noise, which is also a disorderly conduct issue. People's health is affected. Cardiovascular issues increase, blood pressure issues. So we would like to know how the TLC is going to, I would like to see patrols in my neighborhood.

I sent e-mails to the office regarding the horn honking and the reply I got was we can't enforce horn honking.

I will sit at the bus shed. I will take every plate number down that comes to that corner and stops and honks the horn. There could be nobody around. They are waiting for somebody to come out the back, right. I don't know, but this is what they do.

It happens to be a 24-hour bar and restaurant outside my window. People stand out there smoking cigarettes. They are not looking for a cab. They are not. They are just outside.

This is their life-style throughout the day and see who catches it.

MR. CHAIRMAN: Thank you, Mr. Hogan. Thank you very much for taking your time to come here from Parkchester and I do -- next is Bhairavi
As she is coming up to speak, you can sit.

MR. HOGAN: I thank all the officers who are patient with me for taking my complaints.

>> MR. CHAIRMAN: You are a frequent flyer. You are a frequent customer. You are glad then our inspectors are out there?

MR. HOGAN: As I was waiting, I got a phone call.

>> MR. CHAIRMAN: I do want to say I think that the street-hail livery, bar taxi initiative, it is my hope, no guarantees, that it will ease some of those problems, patrol the honking, because the whole point of this is that the borough taxis, street-hail livery shall be clearly identified as vehicles that are available for hiring. They will be marked that way, taxi.

Yellow taxis don't go around honking for customers because everybody knows that is a taxi. They don't need to honk. There is a customer there. They raise their hand, and the idea is that the liveries will be able to operate in the same way. So, Mr. Hogan, that is my best statement.
MS. DESAI: Good morning. I'm Bhairavi Desai, executive director of the New York Taxi Workers Alliance. I just have to make a side note. I'm a co-op city resident. I guess you have North East Bronx represented.

>> MR. CHAIRMAN: It is in the house.

MS. DESAI: I want to comment on three points in particular.

First of all, we absolutely feel very strongly that the drivers licensing should be for a hack license. I mean, it should be one standard for the licensing. From my understanding, the point of this entire initiative is to have one standard for customers service.

So why would you not have one standard for the driver licensing? And the argument that if you give hack license holders this option, they will somehow jump ship and go into another segment of the industry should not be a reason to basically shackle an entire work force.

If you are afraid that you are going to lose drivers, then the simplicity and most logical thing to do is to change the conditions by which
they are working under you and then maybe you'll
give people an incentive to stay with you.

Secondly, taxi drivers, the majority of them
invest years and years into the industry. People
don't just jump that easily, not only from one
segment to the other but out of the industry as a
whole. So I think a lot of the paranoia it is
just that. It is because those concerns are
basically paranoia. We think the rules should
stay really as it is written.

Thirdly, on the point of enforcement, I
mean, we all know illegal pick ups, hustling, has
gone on for over a decade.

It has been increasing, especially as the
recession gets worse. You look at hotels where
10 years ago yellow cabs would have been the
first in line, now you are double parked next to
a black car. We have seen illegal pick ups not
only by license plates but also by private
plates.

We are hopeful that through this initiative
for the first time there will be some
enforcement. The boundaries have been clearly
laid out and there finally be some enforcement.
We're particularly supportive of the rule as it states that for the relocation period, for the relocation, the measurement, the time period stretches out to over 10 years. And we ask you to absolutely keep that in the rules as it remains and to further think about penalties for those that would not be covered, for those who will do illegal picks ups would not be covered under this particular provision if they don't have the street-hail permit license.

Lastly, I just want to say very quickly that we understand that this whole initiative in many ways was about creating a fairer market, not only for the customers, but we would like to believe even for the drivers.

As you know, the majority of the drivers in this industry throughout all the segments don't own the capitol. The yellow cab industry with the medallion is the capitol, less than 20 percent of the drivers own it.

In this, as you are creating this new market with the permit really being a new capital, we hope that you create this market with the advantage point giving drivers a fighting chance
to really make a livable income through this
market and to allowing all segments of the
drivers to maintain a sense of mobility
throughout this market, just as we provide
mobility to close to a million people out on the
streets. Thank you.

>> MR. CHAIRMAN: Thank you, Miss Desai.

Next is Jose representing Livery Round Table. We
have, Commissioners, there are I believe seven
people now signed up to speak. Jose, Abubakr
Muhammad. I don't know if I got that right.
Then there are a few who I've names I believe I
recognize from the Taxi Workers Alliance, Bill
Lindauer, Asmad Chaudery, Mohan Singh, Pavel
Lopez and Dave Pollock, David Pollock. That's
it.

I would just ask if you are here and you are
intending to speak say so now. If you are
already signed up, if you are here and I did not
read your name, is there anybody in that
category?

So, Commissioners, that's the remaining
witness list. I just wanted you to know,
commissioners.
I knew this. We cannot ask them -- he's entitled to a break. So we are going to take a 30 minute break and then we will conclude with the people. I'm sorry. I know you have been waiting for a long time. We will conclude with the remaining people on the list. We are breaking at 12:25. We will resume at 12:55.

(A luncheon recess was taken from 12:25-12:55 p.m.)

>> MR. SWITZER: Good afternoon, ladies and gentlemen. We will be starting in about five minutes, please take your seats. Five minutes. Ladies and gentlemen, we are about to get started. Please take your seats. Thank you.

MR. CHAIRMAN: Thank you very much folks for your indulgence today. We will start today with, we will reconvene and start with Jose from livery round table. Would you please come up, followed by Abubakr Muhammad and Bill Lindauer.

JOSE: Good afternoon, everyone. My name is Jose. As part of the Livery Round Table, I represent the New York State Taxi Foundation of Drivers. We will be very brief because our representation was already included with the LRT.
Basically, we will stand on the facts in the proposal to allow ambulettes and paratransit vehicles to be licensed.

We don't think that will, is not only business wise but it is not going to solve, Commissioner, the issue of hailing wheelchair people in the street. We have to be real about it. So that is our position in regards to that, and, of course, we have to recognize the industry in the last 30 years, when it comes to livery bases, has not updated the business models. The business models remain the same.

Until they make changes within the business models, we are still going to have all these issues even though we state great laws is regulation for the new license. We have to assume our responsibility in regard to meeting you halfway.

In that regard, I want to say thank you for joining us in the Bronx, Commissioners, and Ely from Staten Island for also speaking up on that topic and taking our conversations or comments.

By the way, on Tuesday in the afternoon we meet on a weekly basis, the LRT with Miss
Phillips, Adrian, Gregg and Mike. We appreciate very much the fact that they meet with us and will listen to what we have to say and maybe not, and we understand on Tuesday when we want an answer, they just have to tell us.

We are just listening and presenting to you our recommendations but, you know what, we are very quick to criticize but I have to say thank you to these folks on Tuesday for being with us and accepting our ideas and I say thank you to you, Commissioners.

>> MR. CHAIRMAN: I really appreciate you saying that and I do want all the stakeholders to know, given the complexity of this initiative and its importance, we wanted to get feedback from all the stakeholder groups.

The staff is quite right, we are hearing it and then we will digest it because often times people have different perspectives.

For example, the medallion owner representatives may feel like I want tougher penalties against street, illegal street hails. The drivers might say, the livery drivers might say, maybe not so tough. So we have to hear it
all, and then we will circle back to you with the revisions based on those comments and then we go final.

JOSE: One last thing, we had sent warning signals from the beginning of this debate to advise the fact why should have taken a second and third look at the issue instead of rushing it. We just wanted to make sure from the beginning, people might not like it, but we sent warning signals about things of today.

I am amused to hear base owners saying that they are concerned about this and that.

The taxi federation back then had sent signals with warnings be careful. We should not rush into this. Thank you very much.

>> MR. GJONAJ: I just want to add, Chairman, on that note, I would like to make sure that we are exactly doing what the Chairman said, that this Commission wants to hear from all the stakeholders, and I'm actually surprised that the people in this room have taken the time, taken a good portion of their day to attend and hear what is being said but very little input, in my mind, not that I want to be here all day.
Also, everyone in this room should have
signed up to say their piece, as long as it is
not repetitively adding to substance.
Members of this Commission want to hear your
concerns, your issues and based on that we can
make a better decision for you and the whole of
the industry.
JOSE: It is striking to go to these opening
meetings in the hospitals and conference rooms
around the city and you have, what, 100 people.
Something is not right. Thank you.
>> MR. CHAIRMAN: Thank you. And
Mr. Abubakr Mohamed followed by Mr. Lindauer and
Asmad Chaudery.
While Mr. Mohamed is coming up, yes, on the
one hand we want to make sure every driver and
livery industry person we can talk to directly.
On the other hand, people have jobs to do and we
recognize that fully, and that's why the trade
associations and organizations really do function
as the intermediary and when the people talk to
you, Mr. Volaria, we are talking to the people
that you represent and similarly for the round
table and, of course, the Taxi Workers Alliance
and even more so. We do understand the role that you play.

Mr. Mohamed.

MR. MOHAMED: Hello, ladies and gentlemen, I'm the second driver here. Most of them are busy now.

Just the only concern I'm voicing here is to give the chance or to preserve power of this new permits, livery held permits to the drivers. Just like if there is any way they can get chance of that because many of the drivers like me driving 11 years, or them feeling like I want to get something, start business or something, back pain.

First of all --

MR. CHAIRMAN: You drive a livery or taxi?

MR. MOHAMED: Taxi. Just as my concern a driver to get a percentage because this I feel taxi and limousine commission is ours before anybody else.

So if you can get like preference that's what I want to voice for the drivers. We will get a chance to get in because the medallion, the yellow medallion now is already hard for the
driver to own it. No more than recent years.
This is a good chance and we welcome it very much. Thank you. I get most of my questions answered during the break.
The other whole thing, if there is a big base, how many license they can get?

>> MR. CHAIRMAN: So, there is a limit of one vehicle license per customer. A base can affiliate as many vehicles as they want to affiliate with the base, just as it is today. So a base can affiliate 10, 20, 300 vehicles, but any vehicle, someone obtaining a vehicle license will only be permitted to obtain one unless they are obtaining vehicle accessible. They can obtain five. I don't want to take too much time.

On the issues of taxi drivers, I understand what you are saying. Though I want to be up front with you, the state law that created this program says that the livery, the vehicle license, the license to have a street-hail livery vehicle must -- we can give that only to somebody who has been a licensed livery person either vehicle owner or driver for a year.
And that was a deliberate decision by the
state, and by the state legislature, and I understand the reasons behind it.

The reason behind it was that people in the livery industry who were today operating by street-hail should have the first crack at keeping their business and shouldn't be put out of work by somebody who has not been doing that. But, you're right, it does mean that a yellow driver, a medallion holder driver would have to wait that year in order to have access except for the accessible ones. A wheelchair accessible license would be available after three months. So I know it is complicated. But, in other words, yellow drivers, you're right, are kind of in line behind the livery drivers for this license; although, if you or anybody is interested in a wheelchair accessible one, that would be available three months after you started.

MR. MOHAMED: The yellow cannot apply?

MR CHAIRMAN: For the vehicle license, for wheelchair accessible. That you would be able to get.

MR. MOHAMED: That one not until after one
year. If I buy, one of those have 50 bases, can't I just get buy base because, for example, I want to get into next step and get into this business as a new block here, not the old company. I want to get in. I want to have a base just for 50 that is going to be new. Is it possible I can get some advantage and get one of these for 50?

>> MR. CHAIRMAN: If I understood your question, I think the answer is no. But what I would ask you to do on a specific question like that, if you would just give Mr. Chhabra, who is our deputy commissioner for policy and external affairs, he's got his hand up in the back, give him your number and we will get you a full answer.

MR. MOHAMED: Thank you very much.

MR CHAIRMAN: Bill Lindauer followed by Asmad Chaudery and Mohan Singh.

>> MR. LINDAUER: First I want to say the New York State Federation of Taxi Drivers is a bantum organization. It is a fraud and its leader, Fernando Matio, is a fraud, too. He represents no yellow cab drivers.
MR. CHAIRMAN: I appreciate the point or I understand why you feel like you have to make that point but I guess I would say let's keep on the topic, if we could, to the issues here and especially not admonish.

MR. LINDAUER: This is addressed to the greeting garages and the brokers who charge rates that would make Mafia loan sharks blush. The end of the taxi tycoon will soon be to an end.

MR CHAIRMAN: Moderate the homonyms.

MR. LINDAUER: All too long they have had culture card blanche to pillar and plunder drivers to Atoll the Hun. Now it amuses me that they are complaining, oh, the yellow cab drivers may go driving liveries because the rates are low. Hey, I have a modest proposal, lower your own terrible rates.

Come on. A little fairness here, a little competition might be a good thing for them.

Thank you.

MR. CHAIRMAN: Asmad Chaudery.

MR. CHAUDERY: Good afternoon. I testify my new organization is Unit Taxi Drivers, NOC, Inc.

Again, thank you, Mr. Chairman. You are
busy to all colleagues to accident. Mr. Mohan is in the hospital. Thank for you. We are happy for feelings and topics earlier.

>> MR. CHAIRMAN: I appreciate you saying that. All staff at TLC wishes him well.

MR. CHAUDERY: And, also, the testified taxi person here he described his feeling on behalf of Unit Taxi Drivers, taxi driver fare take the lead. They testified it is hard for taxi but my question you looked at the TLC rule six days or seven days. They charge you every day like $86 but why is transit do if they work weekly. I have 666. It doesn't look that way. It is only look for our fare, livery cab. It is not justice.

Livery driver is hostage to this industry. They are going to make fair my driver, if it is they don't work, they don't get car. It is hostage. It is their car. If they do want, they don't get car.

What is this? Give me the weekly lease. Then we can get benefit. Then I can benefit it. This suffering and everything, somewhere else, even the car, too. Drivers are seven day weeks.
If you don't work, you have to pay. It is not fair rules.

And, also, the industry, because yellow because they want to know exactly livery plan but they are happy to get license because some driver have Hack license they are driving livery but they are not allowed to get livery car and license. I think it is that way.

And, also, the other way industry a little back. The livery cars city council pass authority that they have the wheelchair access give the driver. That is not true. They are cars and they buy the medallion, high price and they are still driving happy to make this money. That say all the wheelchair car go to driver and the industry can't. How is the driver going to benefit?

And another thing, the livery plans I like but to have to learning something. We don't give me all the cars, broker and fleet, then they do the same thing is going to happen. The same is going to happen. Given all the cars, individual driver in this industry and people are going to get service.
If you go to the fleet, they are going to more charge. Money goes to general public. They are not going to have too much money because a lot of things they are still making. All the cars goes to driver in livery, not limited, given the fleet.

Also, why do you have to pay, drivers 1500. The livery driver --

MR. CHAIRMAN: I'm going to have to ask you to sum up.

MR. CHAUDERY: People points.

MR CHAIRMAN: Conclude.

MR. CHAUDERY: Because it is not livery cab driver. They don't make enough money. Now you have the 1500 license fee and buy another car. A lot of things going on. Give me break then. Reduce and everybody is going to join this project and, also, in other words, the medallion new taxi plan what happening now? New York City cost if it is reasonable, they are going to do two at time. Sometimes one --

MR CHAIRMAN: We are straying off topic.

MR. CHAUDERY: Also, the effect of new laws two six point within 18 month, one month my
MR. SINGH: Good afternoon, everyone. I am Mohan Singh. I'm DOV driver. I just came down here to tell you people that we are driving from the long time. Now we don't have the chance to do the transportation. We can't afford to. It is only for the livery.

Before we cannot drive the taxi without the Hack. Now we have the Hack license and now you say go back to livery.

Another thing the price, which you are quoting 1,500 for first year, 3,000 for second year and 4500 for third year, and I ask the officer and he told me it can raise to $6,000.

So what do you expect then? The livery person who's going to drive outside of the borough, can he earn this amount? I don't think so.
Even he has to maintain the car. He has to maintain everything, even someone he has to pay. So the price will be less and it should be fixed so that each and every driver can go and buy it.

>> MR. CHAIRMAN: Okay.

>> MR. SINGH: Then even if you can do something for the liveries that when they buy this outer borough, they can be just doing the work only on the outer borough, not on the airport, JFK, La Guardia or Manhattan, not even prearranged because prearranged can be raised within a minute.

If a person is there inside, he call them to the base, they can send one minute, not more than that. So it can be misused.

So this not be allowed in the area where it is ticket. So it can be good if you can keep it out of that place.

>> MR. CHAIRMAN: Thank you, Mr. Singh.

Next.

>> MR. GJONAJ: Can you reiterate exactly the issue on the Hack license versus the comment he was making.

>> MR. CHAIRMAN: A couple of things. You
can be seated, thank you. Just for clarity, there are two issues here: Who is eligible to be licensed, the licensee for that vehicle that owns it. And the owners, who is able, I'm sorry. Who is able to be the licensed owner of the livery vehicle and who can drive it?

The statute provides that for the vehicle licenses, what's called the owner, that license is available only to someone who has been a licensed livery owner or driver for a year or more.

>> MR. GJONAJ: Before the lawsuit?

>> MR. CHAIRMAN: Before they get the license. So starting tomorrow, if they were available tomorrow, you would have to be licensed for a year as of tomorrow.

>> MS. MARINO: As a livery driver?

>> MR. CHAIRMAN: As a livery driver or other than. There is an exception for wheelchair accessible, the licenses for wheelchair accessible vehicles that are open to anyone starting three months into the program.

>> MS. MARINO: Anyone meaning anyone?

>> MR. CHAIRMAN: Even you. Anyone. So
that is one issue. And that does reflect, that
first part certainly does reflect a policy
decision by the state legislature that they
wanted livery drivers and current livery drivers
and owners to have first crack at those licenses.
That is to be the vehicle owner driver.

We get to set the rules, and the draft rules
allow any, either yellow taxi, licensed yellow
taxi driver or licensed livery driver to drive
the vehicle.

The rationale there is, of course, livery
drivers should be able to drive the livery
vehicles. Yellow taxi drivers, in addition to
meeting the requirements for livery drivers, have
in addition passed an English proficiency test, a
geography test, a test of TLC rules. So there is
a higher standard. So, if anything, they have
met the requirement for livery driver and then
some.

So that the draft rules provide that any
licensed driver in either of the two segments can
drive a street-hail livery. I hope I have been
clear there.

And on the fees, I just also want to --
6,000, I'm not sure what that referred to. The statute does set license fees for these street-hail livery licenses that are set by the statute. That is not something we can vary.

Licenses issued during the first year are issued at $1500 for three years. So you can call it 500 hundred a year but it is a 1,500-dollar payment initially for a license with a three-year term.

Licenses issued during the second year are issued for $3,000 for a three-year term, and licenses issued during the third year are issued for $4500 for a three-year term.

I was going to say I hope I have been clear. I know that is clear. It still may be complicated but that is in the statute and that is not something that we have the power to vary.

First year, 1500 for three years; issued in the second year, 3,000 for three years; issued in the third year, 4500 for the three years.

>> MS. POLANCO: Total of nine years, it is a permit for three years. So every three years you apply for the first permit, second permit, third permit.
MR. CHAIRMAN: I'm sorry. For one vehicle. I am a livery owner. I come in the first day they are available and I'm issued a license. I pay $1500. I have a license that is eligible, lasts for three years.

What about the next three years and the next three years?

MR. CHAIRMAN: Our rules don't specify a renewal fee and we talked about that earlier. Maybe we should, but the argument against specifying renewal fee is that.

MS. MARINO: What is the 3,000 after this, first three years?

MR. CHAIRMAN: That's a new person that comes in in the second year. The first time, let's say we start issuing licenses May of 2012. Anyone who gets a license from May 1, 2012 through April 30, 2013, anyone who comes into our counter, gets that license issued in that year period will pay $1500 for a three-year license.

If you come in for the first time on May 1, 2013 now you are going to pay 3,000.

So perhaps the rationale, I don't want to speak for the state legislature, perhaps the
rationale is an incentive to come in earlier rather than wait a year. Perhaps, I think the rationale was in part they thought that the value of these things would grow over time and so it was fair to charge people more who came in later. Whatever the rationale was, that's what it says in the statute.

>> MS. MARINO: That wasn't clear to me at all.

>> MR. CHAIRMAN: I'm sure that was not clear. I hope I clarified it.

>> MS. MARINO: Maybe it was me. I don't know.

>> MR. CHAIRMAN: I doubt it. Pavel Lopez and David Pollack and those are the only people signed up.

MR. LOPEZ: Good afternoon. My name is Pavel Lopez. I represent about 20 radio shops and our association is New York Radio Communication Association. We are the companies that have been servicing the livery taxi cabs for about 25 years providing radio communications for the past three years, providing cameras, security system as well as the turbo lights and
Taxi and Limousine Hearing

everything.

On different occasions we have brought to
the Commission after these new or taxi plan
what's up? Our concern is how this equipment of
the livery is going to be handled in regards to
the licensee of new taxi people or people that
will do the jobs on the liveries. We also want
feedback telling them how is actually the
presence of licensing for taxi mini-shops doing.

In the way it is now, we have very little
opportunity to know to be part of the equipment
of these livery cabs at this point.

What we request is that the Commission take
into consideration that our business provides a
lot of opportunities to employ.

Right now we have over 100 employees in our
companies, as well as we manage virtually
90 percent of the service to the livery cabs, but
we don't know how what is the plan to include us
into the persons, into the companies that are
going to be able to provide these taxi meters,
the booth lights, and all these other services
that comes together with these livery cabs, as
well as we are already approved by TLC as taxi
camera authorizing installers at this point, and we would like to know how is this going to be handled in the manner in the way that is being licensed in the taxi shops right now.

>> MR. CHAIRMAN: Did I understand correctly, you are asking about being a licensed meter shop; is that right?

MR. LOPEZ: Yes.

>> MR. CHAIRMAN: Have you spoken to anyone at TLC about this?

MR. LOPEZ: A few letters have been sent as well as e-mails and Beverly also speak to the commissioner.

MR CHAIRMAN: I would also ask you to identify Mr. Chhabra a few rows back. And we are very eager to have folks. We have not issued a new license to a meter shop in quite sometime. We would love to have more licensed meter shops just to give the licensees, right, more opportunities to purchase those.

So we have some exacting specifications. The meter has to be, it is the guarantee of the passenger about the fare so we want to make sure somebody who is installing that is qualified, but
we don't intend that to be a hurdle that is tied to the meter. We want people to be able to be licensed meter shops.

So I would ask you to talk to Mr. Chhabra. If you are interested in that, we would like to guide you through that.

MR. LOPEZ: Just to bring to your attention the way the license is managed right now, the process is not just TLC approval. It goes through a whole process and manufacturers and all that. It is very romantic for years and you need to understand --

MR CHAIRMAN: I understand there is rigor to it but we would like to help shepherd you through that.

>> MR. GJONAJ: What is the process? How long does it normally take?

>> MR. CHAIRMAN: The truth is, Gary can tell me. I'm not sure when is the last time we have had a new meter license but it has been quite sometime.

>> MR. GJONAJ: It doesn't sound like it is very transparent.

>> MR. CHAIRMAN: It is plenty transparent.
We just haven't had people come in and seeking to install meters. It is an existing business, 13,000 people, not an infinite number.

I can understand why there have not been new people cropping up to do it. By the same token, now that we have this whole new reg, I think it will be terrific to have new vendors.

MR. LOPEZ: We don't do yellow cabs. We just do livery cabs. So the process that has been made for the yellow cabs is about meters and all that is totally different.

We're just requesting you take into consideration on the way to the business of livery and maybe open, I don't know if it is possible, a new kind of license just for taxi jobs for liveries or something like that. That's what we want to discuss with the Commission, probably, if it is possible.

MR CHAIRMAN: It will be the same meter. We will have the same standards for the installation of the meter and the street-hail livery as for in a yellow taxi.

Whether people want to serve only one segment or not is up to the business.
MR. LOPEZ: We understand but there are 18,000 new livery cabs going. With the meter jobs we have right now, it is impossible to handle all these jobs together with the yellow cabs. So we're just trying to suggest the separation of special kind of licenses if it is possible for the meter shops that work only with livery.

MR. CHAIRMAN: At the risk of belaboring this, are there aspects -- it sounds like you are familiar with our license requirements.

MR. LOPEZ: Yes.

MR CHAIRMAN: Are you saying there is an aspect of our license requirement that is unnecessary or?

MR. LOPEZ: No. What I'm saying is in order, in our research, in our seeking to get approval for a taxi meter should be, we find out the meter manufacturers are the ones that first have to certify a meter shop to be able to apply.

So at the point of view of most of the meter manufacturers, there is no need to get a lot of people servicing, but they are looking probably to the 18,000 new cars that are coming that are
actually our customers because we install the
cameras in them, right, and all these other
things we do.

MR CHAIRMAN: We can certainly facilitate
interaction with the meter manufacturers. That
we can certainly do.

MR. LOPEZ: Perfect.

>> MR. CHAIRMAN: Thank you. And David
Pollack.

MR. POLLACK: Good afternoon. I'm David
Pollack, the executive director for the Committee
of Taxi Safety. Although we have submitted
comments on the proposed rules already, I felt it
necessary just to make a few comments about
everything I've heard here today.

This is certainly the greatest kind of
change in this industry since the law was
instituted back in the 1980s and I was privileged
to know some of those people. Unfortunately,
that law was years ago when I entered this
industry. There is a lot of fear out there.

You've heard testimony today from the
paratransit industry who is terrified their model
is going to be destroyed. You've heard testimony
today from the distinguished Mr. Emery where
there is a legitimate concern of the work force
of the yellow taxi industry being affected.
You've heard from the taxi service association,
an association my father started in the 1980s,
With environmental concerns. Those 18,000 are
not fuel efficient, if I recall. It is a
transfer of existing.

We have heard from Tarek, from the livery
car industry. We have heard from other people
how dual usage is a possible threat to their
segment of the industry and there is an awful lot
of fear here, and I urge this Commission to
listen to the voices of experience and, please,
take into consideration what all these
associations with hundreds of years of
experiences in their field have behind them and
make the appropriate rule changes that do two
things or they don't do two things.

Do not pit segments of the industry against
each other and do not destroy any one segment of
the industry and that's it. Thank you.

MR CHAIRMAN: Thank you, excellent, a very
good way to end the day.
MS. MARINO: Agreed.

MR. CHAIRMAN: So, first of all, I just want to thank all the people who came out and gave of their time, as the commissioner points out, to come and speak out today.

Commissioners, I think we have heard a great deal of feedback, valuable feedback. The staff, as we have discussed, will put together some summaries so that you can read, in addition to having heard, we will get those out to you over the next week or so. We will then talk and process it. The staff will work up an evaluation of every single proposal that has been raised by a stakeholder.

We are scheduled, as you know, to vote. I believe our current calendar has that on April 19th. As we discussed at our meeting and advised people in the audience, that day may shift around in April just to make sure that we schedule properly but we certainly should be ready to proceed then.

Commissioners, I just want to thank you. I know it has been a long day and we have a lot of work to do and I know you are all eager as I am.
Our next public forum is April 2nd at Lincoln Hospital in the Bronx. What time?
6:00 p.m. So the next public forum and, again, we really take to heart all the injunctions. We have to do a lot of outreach in the livery world to make sure people understand. April 2nd, 6 to 8:00 p.m., Lincoln Hospital. That is our next public forum. Thank you.

MR. GJONAJ: I encourage the TLC to send official letters to every license.

MR. CHAIRMAN: I want to assure you, I will check during our break, we sent so far one letter to every livery licensee. 60,000, 65, whatever that is. Here is the rule, here is the bill. It is passed. Here is what the proposed rules say in summary. We will do at least one additional full mailing to everybody.

But I also, believe me, nobody thinks every driver reads through all their mail. So that's why we are visiting bases. That's why we are doing the meetings in neighborhoods throughout the City. We will try to reach as many people as we possibly can.

MS. MARINO: Can you possibly send is
Taxi and Limousine Hearing

2 commissioners a copy of our community boards.

3 Somebody had a great idea for us to reach out to
our elected and our local community boards. If
you could send us the letter and we can forward
it on.

7     >> MR. CHAIRMAN: I thank you very much.
8     >> MR. GJONAJ: In that letter advising them
9     of the next public hearing. That's my intent
10    that they participate and make themselves heard.
11    We understand their concerns.
12     >> MR. CHAIRMAN: Agreed. We will do one
13    additional mailing to be sure and with that, I
14    move that we adjourn today's meeting.
15     MS. MARINO: Second.
16     MR CHAIRMAN: All in favor say aye.
17     (The Board says aye.)
18     MR. CHAIRMAN: I note we are adjourning at
19    1:46 p.m. and thank you again for your service.
20     (Whereupon, the hearing concludes at 1:46:
21    p.m.)
22
23
24
25
CERTIFICATE

I, MICHAEL WILLIAMS, a Notary Public and CART Reporter of the State of New York, do hereby certify that the foregoing is a true and accurate transcript of the testimony as taken stenographically by and before me at the time, place and on the date hereinbefore set forth.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.

______________________________
MICHAEL WILLIAMS