NEW YORK CITY TAXI & LIMOUSINE COMMISSION

PUBLIC HEARING

Held on Thursday, April 19, 2012
209 Joralemon Street
Brooklyn, New York
Time: 9:56 a.m.

BEFORE:

David Yassky, Chairman
Commissioner Nora Constantine Marino
Commissioner Elias Arout
Commissioner Lauvienska Polanco
Commissioner Iris Weinshall
Commissioner LaShann De'Arcy
Commissioner Mark Gjonaj
Commissioner Ed Gonzales
Commissioner Frank Carone
SPEAKERS:

Micah Kellner
Carlos Sanchez
Abdul Ahmed
Steven Solarsh
Vincent Sapone
Jose Altamarino
Erhan Tuncel
Cliff Adler
John Moraida
Mark Goldstein
Steven Schnier
Richard Thaler
Ethan Gerber
Rocky Collavo
Bhairavi Desai
Peter Mazer
Erasmo Taveras
Sandra DeToni
Thomas Grandy
George Panagos
Jorge Rodriguez
Pedro L. Bedoyo
Alan Platt
Artie Grover
Guy Palumbo
James Grosso
John Mascialino
Osmín Choudry
Malcolm Rattner
Akiva Shapiro
Surinder Singh
Bachirou Fall
David Pollack
Avik Kabessa
Marcelino Aeruias
Kane Mamadou
Fernando Garcia
Richard Chitman
Richard Kay
Arthur Goldstein
Frank Wanzí
Anthony Pocorino (ph)
Michael Simon
MR. SWITZER: Thank you all for being here. If you would like to speak at today's public hearing, if you would please sign up. The sign-up sheet is on the podium to sign up at this time, please do so.

If you have signed up to speak and you have you written comments, please hand them to the inspectors, they will be in front of the desk. Thank you very much.

MR. YASSKY: Good morning. Thank you for joining us this morning. Let the record show that we are beginning this meeting of the Taxi and Limousine Commission at 9:56 a.m., and we are joined today by Commissioner Carone, Commissioner Gjonaj, Commissioner De'Arcy, myself David Yassky, Commissioner Weinshall, Commissioner Arout, and Commissioner Marino -- I will let you know, now I see why we spent so much money on that curved bay at our regular Commission office -- and of
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course Commissioner Gonzales. I know
that -- people in the audience, I know
Commissioner Polanco is en route, we're
joined also by Commissioner Polanco.

Today we have a full house of public
and stakeholders, and I appreciate very
much your coming to today's historic
meeting of the Taxi and Limousine
Commission.

We are also joined by a host/special
guest, the president of the Borough of
Brooklyn, the Hon. Marty Markowitz, this
is his house.

(Applause)

MR. YASSKY: This is his people's
house, but he presides over it with more
generosity, charm and class than any
host that you could possibly imagine,
so, it's my privilege to ask him if he
will formally welcome us this morning.

MR. MARKOWITZ: Thank you, David.

Thank you very much, Commissioners, and
thank you all very much. Briefly,

welcome to City Hall- and this is City
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Hall, the City of Brooklyn. And of course, all of you that don't reside in Brooklyn, I consider all of you residents of the outer boroughs.

(Laughter)

MR. MARKOWITZ: So, thank you.

Thank you very much.

Our Chair, David Yassky- Brooklyn resident I might add. And I have to tell you, I think you're doing a great job. You'll never be loved by everyone. Not everyone will agree 100 percent. And if you know Brooklyn they way I know it, believe me, whatever we feel here, comes out of here (indicating "the heart.") So, I know that we'll display a very modified Brooklyn attitude today as the deliberations go forward.

Also, Brooklyn's own Commissioner, Frank Carone. Frank, good to have you.

(Applause)

MR. MARKOWITZ: Assemblyman Micah Kellner is here, and I really want to
thank Micah Kellner, his loyalty to the physically-challenged community, really owe him a great debt of gratitude.

Finally, I want to welcome all of you here. You're the most important folks, you're a large reason why the economic engine of New York is the envy of America, and you make sure that this city continues to run. And I know that your jobs, those of you that are in your vehicles everyday— you're priests, you're rabbis, you're psychiatrists and confidants to a host of characters that you meet, that's for sure. And I have a hunch quite a few of them are from Brooklyn for sure.

There's an old saying, "All roads lead to Rome." In our case, all roads lead to Brooklyn. And we all know that more and more visitors across the world and across the City are visiting Brooklyn restaurants and its entertainment and shopping, our economy is increasingly booming. But your
business as well, between all of our Brooklyn visitors and the fact that fewer and fewer people are really driving these days, the services that you provide I think will continue to increase in the days ahead.

The bottom line is we want to make sure that transportation is available in all parts of our boroughs. And I hate when they use the term -- we should get rid of this term, Commissioner -- "outer boroughs." I cannot stand that term "outer borough," whether I live in Staten Island or Queens or "The" Bronx, or Brooklyn certainly, any of these boroughs, we're five boroughs, one city, and there is no outer borough, that's for sure.

(Applause)

MR. MARKOWITZ: So, by giving our residents in all boroughs options where they need to go gives our economy a lift. So, David let's get the meeting rolling. Thank you all, thank you for
being here.

(Applause)

Mr. President.

So, a couple of housekeeping matters before we get to the main events.

First, Commissioners, you have before you the minutes of the March 22, 2012 meeting. I move that the minutes of the March 22, 2012 meeting be adopted.

All in favor, say aye.

THE COMMISSION: (In unison) Aye.

Mr. Yassky: The minutes are adopted.

We have a handful of base applications before us today, Christopher Cormier is here as usual.

Mr. Cormier: Good morning, my name is Christopher Cormier, Director of Applicant Licensing at the Taxi and Limousine Commission. Today we have two base applications to the Commission for approval today, and we have one denial and request that they get a 30-day
extension so that they can get their
outstanding items in order.

MR. YASSKY: I move that the
recommendations of the Licensing
Division be adopted and the bases be
renewed, requiring the name and
ownership changes be adopted. All in
favor, say aye.

THE COMMISSION: (In unison) Aye.

MR. YASSKY: Opposed, no?

(No response)

MR. YASSKY: Thank you.

We have, as you know, one rule on
the agenda for a vote today. It is a
significant rule and we'll spend some
time discussing it for public debate.
Before we do that, we have one
additional item that you will hear a
very brief, extremely brief staff
presentation on a proposal that really
was brought forward by Commissioner
Arout and some of his neighbors in
Staten Island to do a pilot program to
make life for Staten Island-based livery
vehicle owners somewhat more convenient.

Rather than me describe it, I believe Gordon is to present it; is that correct? Come on forward please.

Commissioners, as we've discussed, our practice generally, absence some urgency, on a matter like this, we'll hear a presentation and then we'll vote on it at the following meeting. So, this staff presentation from Mr. Gordon, and then it will be on the agenda for a vote in the following meeting.

Mr. Gordon, I mean, err on the brief side the with questions, Commissioners, because we have a lot to get to today. I appreciate it, thank you.

MR. GORDON: Good morning, Commissioners. My name is Greg Gordon, I'm an external affairs analyst for New York City Taxi and Limousine Commission. I'm in front of you today to present our plan to bring inspections to Staten Island.

We are here because the agency has
asked to identify reasonable and viable options for requiring the vehicles affiliated with Staten Island bases having to go to our facility in Woodside, Queens for inspections. The agency is proposing to address this issue for the change in process created by a pilot program. The pilot program will cover two areas of the inspection process: visual inspections and DMV inspections.

Vehicle owners in Staten Island have raised concerns regarding the time they spend associated with getting their vehicles inspected at the Woodside facility in Queens. Currently there are 473 vehicles affiliated with Staten Island bases, 422 of which have primary addresses indicated that they are located in Staten Island. We will be addressing the needs of these vehicles in the proposal.

Staten Island vehicles make up 1.2 percent of the total 38,116 for-hire
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vehicles licensed by the TLC. Visual inspections occur on all new vehicles, license renewals and base transfers. Last year, 55 visual inspections were completed on Staten Island-affiliated vehicles.

DMV inspections occur three times per year for each for-hire vehicle. Last year, 234 DMV inspections were performed at our Woodside facility on vehicles affiliated with Staten Island bases for the required tri-annual inspections. The first part of the inspection -- one part of the inspection process is visual inspections. This proposal will allow vehicles affiliated with Staten Island to come to the TLC's Staten Island office located at 1893 Richmond Terrace for visual inspections. In order to complete these visual inspections, our facility will need appropriate indoor and outdoor space; equipment that will allow us to record inspection results and print
required permit decals at the Staten Island location; we will also need to make some program changes to our inspection software allowing Staten Island to be an option in the inspection process.

The next part of the inspection process is the DMV inspections. All vehicles get six DMV inspections over the two-year life span of their license. Five of these inspections are completed by a private garage which the vehicle owner chooses and pays for, and one of the inspections is completed at our Woodside facility. This pilot program will change the rules and allows vehicles to be inspected at our facility in Staten Island.

To do this, we will utilize a vendor the City has which is contracted to complete the DMV inspections on City-owned vehicles. This pilot program will enable drivers affiliated with Staten Island bases to have their vehicles
inspected on Staten Island. Once approved, the pilot program will be implemented in four to five months.

After the conclusion of the pilot program, the TLC will evaluate the results and decide whether or not to make this program a permanent procedure.

MR. YASSKY: Thank you, Mr. Gordon. If there are any questions, please -- also just again, I commend really Commissioner Arout. This was an issue and he has brought this to the Commission. As Greg's presentation suggests, there are some costs, but the staff has worked quite hard over a period of a few months now to figure out how to do this in a way that is as little costly as possible and giving the potential for benefit to Staten Island livery owners. I certainly feel that the benefits outweigh the costs. So, when we bring it up next week, I will recommend adoption.

So, if there are questions,
MR. GONZALES: I have one question.

This facility in Staten Island, is it solely done for Staten Island bases? Or if for some reason someone in Brooklyn may elect to have their vehicle inspected in Staten Island, would that be able to be accommodated?

MR. GORDON: The pilot program for now is going to work on affiliated vehicles at the Staten Island bases.

MR. YASSKY: Thank you.

The next item on our agenda, of course, are the Street Hail Livery Rules that are before us today. So, we will have today a public hearing on these rules, followed by a vote. Before the -- and I know Commissioners, that any, perhaps all of you, would like to make statements or have debate, which I think that we should, and what I gather is that you'll make those statements at the end after the public testimony, I think that makes sense.
We will move very quickly now to public testimony, followed by an opportunity for our discussion and statements, followed by the vote.

Before we begin the public testimony, let me just frame the issue for us very briefly. Today we are solving a problem that has been decades in the making. Our taxi system, which is wonderful in so many ways, a jewel of the City, a critical part of the transit network that transports 600,000 people a day that has evolved into a two-tier system.

One part of the City—midtown Manhattan, downtown, residential neighborhoods just north of midtown, this part has first-rate street hail service and first-rate free range service.

But the rest of the City, northern Manhattan, virtually the entire boroughs of Brooklyn, Queens, the Bronx and Staten Island, has excellent free range
service but no legal street hail taxi
service. Now, this vacuum has been
filled by a huge underground market.

Some 100,000 times a day, a passenger in
those areas looks for the convenience of
the ease of a taxi trip, sees no yellow
in sight and flags down a livery car.
Unfortunately, the drivers who pick
these passengers up are violating TLC
rules as they stand today. That is why
it is time for those rules to change to
fit the reality.

Now, to be sure -- and I know this
point has been made by many of you who
are here today in the audience. To be
sure, the City government did let this
problem go on for a long time. For
decades we looked the other way. The
illegal taxi market grew and grew. And
I will tell you, sitting in this chair,
I can understand why no one was eager to
send inspectors and police officers to
Flatbush Avenue and Bedford Avenue and
Queens Boulevard and Jamaica Avenue and
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Tremont Avenue and Fordham Road, and yes, the Staten Island Ferry Terminal where there are illegal pickups day in, day out, I can understand why people were reluctant to ticket all those vehicles and drivers doing that. Imagine if they did. Because -- and I have to mention, because that is exactly what the opponents of this proposal are asking for.

I've heard some suggest we can just leave the rules as they are but not enforce them, right? Pretend that they don't exist. That is obviously not the right answer, that is not a way that a government can behave. We can't ask our staff, sworn law enforcement officers, to pick and choose which rules they will enforce. I think we have to be real about this.

There is a choice between allowing street hails, as this rule would do, or prohibiting them and enforcing that rule. That is the choice before us.
So, when the medallion owners urge defeat of this rule, what they are asking is that we put out of work the 10,000-or-so livery drivers whose livelihoods depend, in fact, if not all, on street hail passengers. Those drivers are not criminals, they are hardworking people trying to earn a living and providing a needed service that is not otherwise available.

And, perhaps most important, the people who depend on that service, the 80 percent of New Yorkers who live in Brooklyn, Queens, the Bronx and Staten Island, they should be our main focus, Commissioners, even more so than the industry we regulate. As important as our industry stakeholders are, it is our facet test of whether we've done our job right is when we have provided the best service for the public that is possible.

The current rules push passengers in the boroughs into illegal service. Actually enforcing those rules will keep
them without any taxi service at all. Adopting the rule will give them, will give us -- because I know every single one of these Commissioners lives in an area that would be served by the hailed liveries under this rule. Adopting this rule would give those 80 percent of New Yorkers the same legal, regulated, quality service that is available in midtown Manhattan- cars that are clearly identified as available street hails so passengers know they're safe, and with meters so that they don't have to have to haggle. And that, Commissioners, is the clearest reason to vote for this rule.

The 100,000 passengers who flag down cars every day in the boroughs are voting with their hands, they are telling us the rules need to change. Those passengers may not have lobbyists, but they are the people we are here to represent and their vote should count the most.
Now, a problem decades old is not solved overnight, and it has already been a long path to this day. 15 months ago in Staten Island at his State of the City Speech last year, Mayor Bloomberg called on us to fix this problem. After months of consultations and negotiations with organizations representing every segment of the taxi and livery industries, including organizations that formed as a result of this effort, and as a byproduct of the push of livery owners and bases to achieve legalization, after dozens of meetings with drivers, medallion owners, livery owners, base owners, presentations at every single community board, every single one around the City, meetings with neighborhood groups, civic organizations, all in all five boroughs, after months of these discussions and a huge amount of public debate, the State Legislature voted last June to allow hail service in the boroughs.
And when I say months of public debate, Commissioners, I was trying to compare -- we filed all the press clippings on this plan (indicating) since January 2011 when it was passed. And I was going to read it to prepare for this, and I did get, you know, at least halfway. But this is the public debate, and forget all our internal meetings. This is in newspapers, whether it's El Diario or the New York Times or the Brooklyn papers, the public debate on this was enormous.

And it's worth noting that the vote in the legislature was overwhelming. And yes, I've heard people make points that the legislature includes members from outside New York City, of course that is true. But just looking at the New York City members -- forget outside, they also voted. But even just the New York City members, the bill passed by more than 2-to-1 in the Senate and 3-to-1 in the Assembly. I think that those
legislators understand what their constituents want.

After the bill passed, still more discussion and negotiation. And then Governor Cuomo announced his support and then the legislature signed the bill -- after it was done for Governor Cuomo's comments, they refined still further by an even more lopsided vote in favor. And then the Governor signed the final product.

Then that brought the ball into our court. And we, the TLC, drafted rules to fill in all the specifics. The State Legislature, as is should be, articulated the basic principles, our job to fill in the specifics, put those rules out for public comments. And followed still more meetings. And I say that not to complain -- it's my job to go to meetings -- but to emphasize that I have participated in more meetings and discussions, and our staff has, with stakeholders, with the public, on this
issue, by far than on any other issue that we have dealt with. As we should have, because of the significance, no question that it was not too much, but it certainly was a great deal.

More meetings, discussions again, every single facet of the industry made comments on these rules, many of them were good comments and resulted in changes. And as you know, Commissioners, we got comments and feedback on the rules, evaluated them. The ones that made sense, we changed the proposed rules to reflect the industry feedback.

At the same time, we held numerous open forums attended by hundreds of livery drivers. Truly have made every effort I believe, and successfully, to make sure that the industry understands what we're doing and had the opportunity for feedback. The rule before us today, which is the result of that effort, I will not claim it is perfect, but it
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does address the key issue that we heard again and again from the stakeholders: the issue of enforcement.

And I want the leadership and the rank and file of the taxi and livery industries who are concerned about enforcement to know we have heard your message. And not that we heard it, not just we'll be saying it, but we are doing it. We are issuing four times as many street hail tickets just today -- I mean just a month now -- than we were a year ago, seizing more than twice as many vehicles, and continuing to build up. And I'm not saying the work is done, of course it is not. But we have heard the -- and this bill -- these rules I should say -- will give us a great deal of help.

And really, to single out the efforts of Commissioners Carone, De'Arcy and Gjonaj, particularly on these enforcement issues, Commissioners, you, as you know, have spoken out forcefully
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about the need for enforcement. I think
the staff has heard that loud and clear,
and certainly these rules reflect that,
by, for example, providing for
suspension, license suspension for
drivers who commit illegal street hail
violations; by providing, for the first
time, accountability for livery bases
who, you know, tacitly or not, are
complicit in illegal pickups.

And again, we have to keep -- we're
pushing on this front as well, and
Commissioners, as we've discussed, the
TLC, the administration has already gone
to the City Council to say, to the
extent that are penalties, as there are,
that are set by the Administrative Code
and we are not free to raise, that we
have asked the City Council to work with
us in raising those penalties for
illegal street hails. I do think a $350
fine is not sufficient, and we have
asked the Council to work with us to
increase that fine for an illegal street
hail.

So, when I say, it has been a long path, I am under no illusion that our work will finish today. The special interests who are fighting this reform, after failing to persuade the legislature and failing to persuade the Governor, and apparently in anticipation of failing again today, are making a last-ditch effort in court, so the taxpayers will have to spend even more money to fend off this frivolous litigation. They will do it, and we will proceed. But that's only part of the work that we need to do.

Gary (Inaudible) and Gary Weiss, our Deputy Commissioner, are already hard at work making sure that the Licensing Division can do what it needs to do to the forms and the computer systems to accommodate this whole new series of licenses. And Gary, I see that wry smile, and I know that we will be ready for June when the licenses become
available.

And of course Ray Scanlon and his team have an enormous enforcement challenge. They've already done the build-up and will continue to do it.

And last, I want to just point out that, Commissioners, our work is not done. Each of you or almost each of you has pointed out to me that there are aspects of this rule about which you are not 100 percent certain they will work as expected. What I say to you is, just as we continue to tinker with the rules for yellow medallions 80 years into it, surely this will not be the last word on street hail liveries. We know already that, I believe at least, that on the issue of accessibility we will need to do more to encourage the industry to meet the goal set out, the status of 20 percent. We have to make sure that this industry is accessible to people in wheelchairs, and I think the rules we'll have to revisit, I personally predict.
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I know that there are members, Council, and we will do our best to work with the industry to see if they can do it voluntarily. But I use that as an issue that I understand we will be back here, and I just don't want people and any Commissioners to think that we're doing this and we're going away and we can go on vacation for a year. We have more work to do.

So, with that said, let us hear the public comment. We'll start with Micah Kellner, Assembly Member from Manhattan. What I would ask from each speaker is to begin with your name, and your organizational affiliation if you have one.

We will be limiting speakers to three minutes. And members of the public, I will tell you we will be firm about this, because if we let some people speak and then we get three hours down the road and our time constraint forces us shortchange people who are
later on the list, that would not be fair. So, everyone must have the same opportunity, we will limit you to three minutes.

Assemblyman Kellner, and next we will hear from Carlos Sanchez and then Abdul Ahmed.

Assemblyman?

MR. KELLNER: Thank you, Chairman Yassky. I will try to keep my comments brief. I'm here today to follow-up on the comments I sent earlier about the draft rules regarding ambulette service as well as enforcement.

You know, when we do rules and regulations, they are designed to implement a law, not to circumvent major parts of the law. We know that ambulettes are not taxis, they are not liveries. It was not in the spirit of this law or in the letter of this law to be saying that ambulettes should act as taxis.

I want to correct the Chairman, it
was not a goal of 20 percent,

Mr. Chairman, it was a requirement. I worked very hard along with many of the people in this room to ensure that. And I do not want it undermined by saying an ambulette putting a light and a meter is just as good as a livery or a taxi, because it is not. And I am so very glad that the Commissioners heard me and took it out of the rules.

You know, I have to say, as someone who has watched this Commission for many years, I have not seen a more active and engaged group of Commissioners than this, so I want to say thank you. And I think it this is very (inaudible) that we are in the Borough of Brooklyn, because Commissioner Carone spent a lot of his free time and his personal time working on this with to me, and I wanted to say thank you specifically to him.

But in lieu of the fact that the Chairman said we would be back, I wanted to be ready, and I've introduced a bill
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in the State Legislature -- I have a Republican sponsor in the Senate in waiting -- that would prohibit ambulettes from carrying street hail livery licenses. They were never meant to do this, and we should not be looking to circumvent the law.

It is the job of this Commission to make sure we reach that requirement of a minimum of 20 percent, and those should be livery drivers who want to go out and pick up, not just able-bodied passengers, but also disabled passengers.

The second thing I would like to speak about is enforcement. You know, this proposal, the Chairman spoke about the facts that this proposal was voted on not just by members of the City but also from all over the State. And one thing, when I talk to my friends from (Inaudible) County and (Inaudible) County, they say, "Assemblyman, you got to be okay with this, because they tell
us there's going to be enforcement.

There's going to be strong enforcement." And you know, this was sold to all of us, it was sold to the industries, it was sold to the public that there be superhuman enforcement.

And as someone who grew up reading comic books, I like to quote one of my comic book heroes, Spiderman, when he said, "With great power comes great responsibility." And you all have --

MR. YASSKY: Or the other way around.

MR. KELLNER: You have a great responsibility, Mr. Chairman. You are -- (inaudible) and we can no longer have a wild west. We need a one-strike-and-you're-out provision.

I agree with you, $350 is not enough. I have also introduced a piece of legislation this past Monday in the State Legislature making it an undefined misdemeanor if you are caught committing illegal street hails, and that comes
with a fine of up to $1,000. I thought maybe this might be a little too tough, except on my way down here, as I was crossing York Avenue and 84th, waiting for the light to change, not one, not two, but three illegal liveries stopped to try to see where I was going and if I wanted a ride.

We have many competing industries, but I think we've learned over time that they can work together. So, you all must be very measured in doing this. I thank you for your time. I thank you for your work on this. But we do need strong enforcement.

(Appause)

MR. YASSKY: Thank you.

Commissioner?

MR. GJONAJ: Can you ask the Assemblyman to come back? I have a question for him.

MR. YASSKY: Assembly Member?

MR. KELLNER: Sure.

MR. YASSKY: I will just urge you,
Assembly Member, and every member of the public, to call 311 when there are violations on our rules. We rely very heavily on the public to identify those things, and I would ask for that. Thank you.

MR. KELLNER: Can I answer his response or call 311 first?

MR. YASSKY: No, it's just a request.

MR. GJONAJ: Thank you, first of all, because certainly without you, this bill would not have made it past the Assembly, it was your involvement and your commitment to this bill. So I congratulate you, first of all.

And I reinforce my commitment to you that we will hold true to that 20-percent rule. It is a commitment and I will make sure that we deliver that in the manner that it was proposed and the spirit of the law.

MR. KELLNER: Thank you, Mr. Gjonaj, I know you will do that. Thank you.
MR. SANCHEZ: Good morning, Mr. Chairman. My name is Carlos Sanchez, and I'm here representing ER Livery Service and ABC1 Livery Service, two small corporations for for-hire vehicles.

I'm here to inquire what is the Taxi and Limousine Commission and the City of New York doing for this whole industry on going "Green"? We heard about bits (inaudible) and we have heard about everything but nobody has actually mentioned about these vehicles going green to help New York City and the environment.

I know some of you are going to be in Queens and everything else. But we are asking from our drivers to help on the wheelchair accessible community, but we have no help for going green, and I know that the yellow cabs actually, it went years and years to go green.

But I think this is the best time to introduce it into this full regulation
that's starting now, and with your help, they can actually introduce it from the beginning for this industry, as more vehicles in the street than the actual yellow taxis are doing.

I know that I'm short on time, but my brother and I, we've actually (inaudible) enormous help of clean energy and (inaudible) not only for wheelchair but the elderly, and all 10 units are running on fresh natural gas.

(Inaudible) I know that the infrastructure in New York is not well, but even using the network of filling stations (inaudible,)

(Inaudible) an enormous amount of money just to go green, but we think it's worth it, because me and my brother (inaudible) our drivers of savings of over $10,000 a year, just for the drivers themselves, that they're going to be saving on gas.

MR. YASSKY: Thank you. And I just want to say to you and other folks in
the industry who have the same passion you do, the Commission is very, very strongly interested in sustainability and efficiency. And if there are rule changes that would help businesses like yours achieve those goals, please bring those forward and we would be eager to work with you on that.

MR. SANCHEZ: Thank you.

MR. GJONAJ: Just curious, the 10 MV-1s that you purchased, were they purchased in anticipation for the legislation or for some other purpose?

MR. SANCHEZ: We have been working for approximately a year to introduce (inaudible) into the industry. (Inaudible) the opportunity of getting wheelchair-accessible vehicles with the CNG (inaudible.)

MR. GJONAJ: Thank you.

MR. YASSKY: Abdul Ahmed, followed by Placida Robinson. Again, speakers, if you would, please begin with your name, and if there is one, your
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organizational affiliation.

MR. AHMED: Good morning.

(Inaudible.)

MS. MARINO: You have to speak into
the microphone.

MR. AHMED: Thank you. There's a
lot of talking about this whole issue.

MS. MARINO: (Inaudible.)

MR. AHMED: I am the driver. I'm
(inaudible) myself, solely just by the
welfare and benefit of the drivers.

MS. MARINO: Yellow or livery?

MR. AHMED: Livery driver. So, the
objective of this bill is mostly and
solely is to accessible which is --
that's handicap facility. Everything
else came up on the TLC from their own
enforcement. And I go back to the first
speaker who said enforcement. If they
enforce misdemeanor or this and this,
(inaudible) as other individuals?
(Inaudible.) Because the inspectors
(inaudible) holding his job, and all the
people that were holding (inaudible)
will be punished. (Inaudible.) I will say, I take my license and give it to somebody? Okay. (Inaudible.)

So, Somebody has to be responsible for (inaudible.) And I have questioned (inaudible.) Mr. Chariman, some driver education, the meetings should be in (inaudible.)

(Inaudible) who are selling the equipment. (Inaudible.) We can play football here. It has to go back to the roundtable starting from the Governor's office where there are driver in the office, no driver opinion, no driver benefit.

All these people, insurance company, taxi meter, credit card company, they are just selling peanuts in a cinema more than the ticket price. If you buy a $5 ticket in the cinema, you go inside and you get popcorn for $20. (Inaudible)

The TLC issue, the medallion which is used, you know, you put it on and you
use it. All these other equipment you
can't afford, because the price of using
those equipment is more than -- yellow
cab medallion, right now I drive yellow
cab. That's a major issue.

The other thing is --

MR. YASSKY: Mr. Ahmed, I'm sorry,
but you're time is expired. Thank you
very much. Thank you for your
comments.

Placida Robinson, followed by Steven
Solarsh.

(No response)

MR. YASSKY: Okay, we'll skip
Placida Robinson. Is Steven Solarsh
here?

(No response)

MR. YASSKY: Cira Angeles, followed
by Mohamed Jahinger.

MS. ANGELES: Hi, my name is Cira
Angeles. We're livery base owners. We
represent about 128 bases in all five
boroughs and 9,700 affiliated vehicles.

I want to thank the Commissioner
David Yassky and his staff for recommending (inaudible) driver bases, industry stakeholders and the general public regarding the regulations and allow them to voice their concerns and questions and for providing answers.

Today, I'd also like to thank the Commissioners who worked countless hours to ensure that the rights of our drivers are protected, that businesses are preserved and the riding public gets the much-needed service in a safe, legal and reliable way, as well as the needs of the wheelchair accessible community.

For over 40 years, our industry has been waiting for this day. We have been called all kinds of names from gypsies, (inaudible.) But this historic legislation and the rules and regulations that will enable our industry to work legally and continue to build what we created out of the community's own needs and the lack of service in our boroughs, because the
right given to the yellow industry was not exercised.

The reality is illegal street hails is present every single day in our neighborhoods, 100,000 per day, as the Commissioner said. How long are we going to continue to ignore the fact that technology can and will allow for more effective enforcement to protect both industries, as well as a more proactive role of law enforcement agents.

At the end of the day, legitimizing our industry is not a reward for good or bad behavior, it is the right thing to do and (inaudible) the hard work of the men and women of our industry.

Today, (inaudible,) Riverside. (Inaudible) proud to have participated in this process which is far from over, but that gives dignity, and forever will change the way our industry has been viewed in the four and five decades before me.
Hailing a taxi, a livery in the City of New York is not a constitutional right, it's a privilege. It's a chosen business and it's a way of life. Thank you.

(Applause)

MR. YASSKY: Mohamed Jahinger Alam?

(No response)

MR. YASSKY: The next is Vincent Sapone, I know Vincent Sapone is here I have seen him, followed by Jose Altamarino.

MR. SAPONE: Good morning, Commissioners. Thank you, Mr. Chairman, for giving me the opportunity to speak. I want to make a few comments. It's true that we met with the taxi industry about the solutions, but I think it fell on deaf ears, if you'll excuse me for saying so.

The taxi industry often (inaudible) of solving the problem. But for some reason, the TLC did not seem to hear our suggestions or want to hear anything we
had to say. I mean, you were there and
the staff was there, but nothing ever
happened. I think you guys had your
mind made up before you even met us.

MS. MARINO: No.

MR. SAPONE: Quiet please. Let me
tell you something, okay? I drove a
yellow back in 1964, and I worked the
Bronx and Harlem only because I didn't
like coming out to Manhattan with those
snoopy 10-cent tippers.

(Inaudible)

And the livery bases came in and
everybody made calls to the liveries for
a ride who wanted one, and then people
who wanted a yellow came to a taxi
stand. Then the day came when the taxi
stand was full with liveries, in
Parkchester, Pelham Bay, all over the
Bronx. So what happens? You get
involved and they get in fights. And
they push you out to Manhattan. And the
TLC -- you weren't there at the time --
and NYPD did nothing, nothing.
So, now the yellow industry is suffering because you want to take over, and you, the TLC and the honorable Mayor wants to take away a living from our guys, take away a fleet of guys whose father worked 18 hours a day, seven days a week to make what he had.

I borrowed from everybody I knew to purchase my medallion. And to come up with 10 to 15 grand at the time was (inaudible) coming $100,000 now. You know, we offered solutions and it fell on deaf ears.

We want service for everybody, but we want to do it right. The yellow industry is the best in the world. You know, people want to make what we work hard for? Let them go on the same route that we went on. I didn't go up easy. My biggest reward was buying a bottle of cream soda on a Sunday, you know. So everybody wants what I got. I don't want people coming into my house and eating my food. Thank you.
MR. YASSKY: Very sincerely, thank you, Vinny, for your participation. I don't want to go past the time, but I do say sincerely, thank you, and I think you have expressed, you know, change is difficult under the best of circumstances. But I appreciate your being here.

Jose Altamarino, followed by Ethan Tuncel and Cliff Adler.

MR. ALTAMARINO: Good morning. My name is Jose Altamarino and I am here speaking as a member of the Livery Base Owners Association and owner of (inaudible) located East Harlem. I would like to thank the Commissioners for giving me the opportunity to speak here today.

Although our organization is relatively new, at the same time it's relatively old. Maybe because this is the first time livery bases have gathered together to have honest
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(inaudible) and because we have always been.

I am most likely the youngest member of our organization, and my peers I'm sure are far more knowledgeable than myself. Even then, I have been managing my family business for the last 16 years actively. And before that, I was running around my parents' base while they were trying to grow business from scratch.

To that point, you can imagine the wealth of knowledge (inaudible) and understanding that our organization as base owners has regarding our industry.

When we, the livery base owners, were approached by the TLC Commissioner Yassky and his team to help them review and give feedback on the proposed rules, we were ready for the task presented before us. I will admit that I was a bit skeptical at first. Unfortunately, as a base owner, many years of disappointing TLC regulations have left
me a bit tired. However, after sitting
down with the TLC team and even
Commissioner Yassky himself, I saw other
feedback and certain other (inaudible)
were actually being taken into account
(inaudible.)

Of course not everything we wanted
was entertained, but it felt good to be
heard, especially by the office that
governs and enforces regulations in our
industry. It was then I realized that
the TLC wasn't (inaudible) for our
previous passing of regulations that
didn't make sense to our industry, but
the lack of (inaudible) for base owners
that we have today.

Today's proposal will legitimize our
livery bases so that we are no longer
considered "the illegals." They will
allow us to keep our business
(inaudible) while at the same time open
the doors for share of the street hail
market that we honestly already have and
have been exercising. It will give us
the necessary (inaudible) to ensure that
only street hail vehicles pick up the
street and that no street hail vehicles
will pick up in exclusionary zones.
Also gives us the opportunity to
service our communities better by being
able to purchase accessible vehicles,
and through that service, in the future,
help our city's citizens by working
directly with the MTA.
We are and have been a part of our
communities, so who better to continue
serving than us?
For my drivers, it will give them a
great economic opportunity. Legalizing
street hails will give our livery
drivers the respect and courtesy from
the general public that they deserve.
Stabilizing prices for the use of
meters will reap a benefit for both my
drivers and the passengers they cater
to. No more need for haggling over a
price, and the passenger will feel
comfortable that he is not being
cheated.

(Inaudible) it will benefit both drivers and passengers so they are easily identified to one another.

Also very important is the fact that through the accessible vehicles in this proposed law is we can now cater to our passengers that are wheelchair-bound in a realistic way, giving them the equal service that is within their right.

After discussions with Commissioner Yassky's team and the Commissioner himself, I believe that the TLC is starting to understand just how vast the difference is between the livery and the yellow car business model. I sincerely hope that this level of communication between the Taxi and Limousine Commission and the livery base owners will continue. The livery base owners supports these proposed laws and we look forward to continue working hand in hand with the TLC. Thank you.

MR. YASSKY: Thank you very much.
Thank you for your kind words about the staff. I do want to say, however people feel about the final product of the rules, the staff has just worked, just really -- some may encounter superhuman dedication and diligence. I thank you, sir.

The next speaker is Erhan Tuncel and Cliff Adler, followed by John Moraida.

MR. TUNCEL: Good morning, Mr. Chairman and Commissioners. My name is Erhan Tuncel, and I'm a medallion taxi owner and driver, and I thank you for the opportunity to speak.

I have many concerns about licensing livery cars to pick up street hails. One of my concerns is how it will affect my income. I take my passengers anywhere they want to go, and oftentimes that takes me to Brooklyn, Queens or the Bronx and even to Staten Island. When I drop off, I'm looking to pick up another fair; as I've counted, 15 percent of my income comes from picking up fares in
the boroughs.

It's hard enough to get these fares because of (inaudible) that's constantly happening with no effort by the City to stop it. If there was more enforcement, there would be more yellow taxis in the boroughs, I can assure you that.

Allowing (inaudible) liveries to do street hails will hurt me and any taxi driver.

Also, from the comments made in this room, I still have a hard time understanding the logic behind putting out 18,000 livery street hails for 100,000 illegal street hails in the boroughs, as was stated.

When I bought my medallion I understood that I had the exclusive right to pick up street hails in the five boroughs in New York City. That right is being taken away from me.

(Inaudible)

But this administration is choosing to punish the yellow industry for
obeying the rules for over 30 years,
while rewarding the segment of the
industry that broke every single rule in
the book for the same amount of time.
I had bought my medallion with the
exclusive right to pick up street hails
and expected the government to protect
that right rather than give it away to
the lawbreakers for pocket change.
I'm a small businessman, and as a
small businessman, I feel betrayed.
Thank you four your time.

(Applause)

MR. ADLER:  Mr. Chairman,
Commissioner, good morning.  My name is
Cliff Adler.  I'm an owner/driver,
driving 37 years.
Like Erhan, when I bought my
medallion, the understanding was the
City would demand that the only people
who could do street pickups in the five
boroughs -- which I've been doing ever
since then -- was yellow cab drivers.
When I started, we had hustlers out
in the streets, over the years, it's become and more and prevalent. We know that, the public knows that, the TLC knows that. Unfortunately, I think the TLC is somewhat overwhelmed by the amounts of the illegal street pickups that go on, especially when it's raining, especially around hotels, especially around Park Avenue. You take some of the hotels, like the Millennium, they have their own car service sitting out front. You never as a yellow cab get an airport ride because they're selling them for $5 for Laguardia, $10 for Kennedy and $15 for Newark rides to the airport. That's not right.

So, this attempt right now to get 18- 20,000 -- whatever -- medallions to people who can pick up in the boroughs, and also pick up by radio call in the street? That's why we were told to the get the radios out of the yellow cabs in the first place, when that started.

(Appplause)
MR. ADLER: Unfortunately, as we see in that case already, it hasn't happened. And for that, I think it's a real shame. Thank you, Mr. Chairman.

(Applause)

MR. YASSKY: Thank you. The next speaker is John Moraida, followed by Mark Goldstein.

MR. MORAIDA: Good morning, Commissioners. I'm John Moraida from the Livery Base Organization, also (Inaudible) Car Service, and a member of the Brooklyn community, and most important, a member of the Bushwick community in Brooklyn- that we were center of the world for a little while in this argument.

I come here, like Marky said, straight from the heart. Forget about writing and stuff like that.

We've been doing this service, the livery bases have been doing this with minority people that came from abroad to work here and have stood in the livery
business and have honestly, and send
their children to college and stuff like
that. And we have worked hard for the
last 40 years picking up people, because
of the (inaudible) of our communities to
have street hail pickups. We've been
doing it for the last 40 years.

So, when other people say, "You know
what? You're coming now into our house
and I'm not going to let you come into
my house," well, I have my community
support 100 percent for this legislation
and I have it here, that sent out a
letter to the Governor, and I will have
a copy for everybody, that the community
board in Bushwick is in support.

And we need it. And that's why we
say to the yellows, "If you want to
share, you can come into my house, we'll
share with you." But we're legalizing
what we have been doing for the last 40
years.

(Applause)

MR. YASSKY: Thank you. Mark
MR. GOLDSTEIN: My name is Mark Goldstein, I'm a board member of the New York Association of Independent Taxi Drivers of New York.

To the best of our knowledge, we are the only group --

MR. YASSKY: I'm sorry, I need to interrupt, I apologize. But I was prompted by the exchange at the end. What I would ask speakers, please address the Commissioners rather than addressing your remarks to other people in the audience. That leads nowhere very productive. This is an opportunity for people to speak to the Commission. I want to make that practice. Thank you.

MR. GOLDSTEIN: I'm Marty Goldstein, (inaudible) To the best of our knowledge, we are the only group that has spoken on behalf of livery drivers and has been actively engaged with the Commission raising our concerns
regarding the new street hail livery.

We would first like (inaudible) and the staff, particularly (inaudible) for meeting with us throughout this process.

Our association supports and is behind the new outer borough taxi plan.

While we did not initially agree with some of the initial rules and regulations, we recognize that Commission has taken steps to address many of our concerns and we support the plan in its current form.

Our members have expressed great enthusiasm and interest in the plan.

Many of the drivers we represent often work 12 hours a day, six days a week, sometimes seven, to earn a living and provide for their families. This plan (inaudible) to participate an opportunity to invest in their business and their future just as yellow taxis have in the past. Drivers are well aware that this permit will be an asset and they will work hard to protect it.
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The street hail (inaudible) income.

(Inaudible) high insurance premiums and costly maintenance repairs make it difficult for livery drivers to earn sufficient income.

(Inaudible) not working just as yellows taxi owners currently do.

(Inaudible)

While we do not approve of current drivers making illegal street hail pickups, we acknowledge that in practice it occurs frequently, due to the high demand and the lack of yellow taxis servicing many of the outer borough locations.

We are confident that this service will be safer for the passengers and will increase the public's confidence in the new livery cabs. Passengers will no longer negotiate fares and can be sure that the vehicle they're getting into is properly licensed and the driver has met the appropriate TLC requirements.

At the same time, drivers will be
able to provide a service they already provide without breaking the law.

Our members understand that participating in the new plan is completely voluntary. We are confident that many will take advantage of the opportunity while others will continue to operate as before and only do pre-arranged pickups.

We understand that there must be strict enforcement of the rules in order to make the street hail livery work, as well as to protect the investment.

We also understand that education is an important part of the process, and we look forward to working with the Commission to ensure drivers are knowledgeable regarding the new systems and operations of the vehicle and are able to provide the best possible service to the public.

We believe that the public will be better able to identify legitimate cabs in all five boroughs with this new plan,
due to the distinguished markings that will set them apart from illegal vehicles.

Additionally, the public, in the outer boroughs will now have the option of paying with credit cards or debit cards and will be better able to find lost property.

Lastly, the new outer borough taxis will provide increased access to individuals who use wheelchairs, while very few yellow taxis currently provide this service.

In conclusion, we are very excited about the new plan and look forward to being a part of this (inaudible.) Thank you for your time and your important work. Thank you.

(Applause)

MR. YASSKY: (Inaudible) and your colleagues who have legitimate and substantial concerns about how this would work in their daily lives, and I just want to recognize their flexibility
and commitment in working on the rules.
So, thank you.

Stove Schneir, followed by Richard
Thaler.

MR. SCHNEIR: Good morning. My name
is Steven Schneir, I'm general manager
of MV-1 of Greater New York City. I
want to thank Chairman Yassky and
Borough President Markowitz for the
opportunity to speak here today.
(Inaudible)
I support the need for better
service to the other four and a half
boroughs that are not served now.
(Inaudible)

There are a lot of problems with
accessibility in New York, there are a
lot of problems with the environment in
New York. Our vehicle offers a
solution. We offer a U.S.-built,
wheelchair-accessible vehicle that runs
on clean, natural gas. We created 1,000
jobs in the U.S. for the local five
(inaudible.)
And I'm here to support both the yellow taxi industry and the livery taxi industry in achieving the goals that are being set forth here today.

MR. YASSKY: Thank you very much.

As you take your seat, I will tell you, we're going to have to be a little bit (inaudible.) It's a mandate of 20 percent of the borough taxi in Queens be accessible. (Inaudible) economically attractive to industry members to invest in the accessible vehicle.

(Inaudible)

Look forward to working with you and other people in the automotive industry in achieving that. So, stand ready.

UNIDENTIFIED SPEAKER: Thank you Mr. Chair.

(Inaudible)

MR. YASSKY: Well, thank you.

Richard Thaler.

MR. THALER: Chairman Yassky,
Commissioners, I would like to add five additional comments to those already
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submitted March 22nd. I will not repeat those, but before I go over these five additional ones, I'd like to say that I believe an Environmental Impact Statement should be required for the street hail licenses, because the dead mileage for the cruising in the street hail should be significantly greater than the operation in pre-arrangement. That's not on the list. I thought I would add that.

The Commission remains complicit in the violation of the New York State Franchise Act and Federal Trade Commission regulations requiring licensed livery bases, (inaudible) in order to legally operate in New York State. A livery base has to be granted a New York State franchise in order to receive and legally operate a livery base under the street hail license. It sounds like the willfull acts of commission should be implied to the Commission, as well as to these
non-franchise livery bases.

The rest of the comments have to do with Chapter 59(b) for livery bases.
The livery base rules should require realtime trip-record posting for access by TLC enforcement for each pre-arranged dispatch and street hail trip, including the time and location and the period of passenger presence determined by a presence sensor. The TLC enforcement should be able to access trip records in realtime on mobile phones (inaudible.)

In addition to fare payment by credit, debit and pre-paid cards for street hail trips, as indicated in the rules, voucher-account passengers hailing a for-hire vehicle affiliated with the livery base providing the passenger's voucher accounts should also be able to pay buy voucher; the rule has specified this is the case, the rule must also specify the rate of fare for this purpose as "taxi metered" or
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"vouched." The first part of the Merchant's Definition 1 is in incorrect. As stated in the Merchant Definition 1 (inaudible.) (Inaudible)

Thank you.

MR. YASSKY: Thank you. Ethan Gerber, followed by Rocky Collavo.

MR. GERBER: Hi, I'm Ethan Gerber, from the Greater New York Taxi Association, and also the Brooklyn Bar Association. (Inaudible.)

I acknowledge that there are several Commissioners who understand the gravity of what they're doing here today, that made strenuous efforts to add some sanity into these rules, I thank those of you who tried hard to do so (inaudible,) that has been added because of your efforts.

That being said, make no mistake, this Commission is poised to vote on the biggest taking of property ever
undertaken by an administrative agency
in the history of New York City. You're
about to vote on a measure that would
give away the license that you sold us,
give away the right that we purchased
from you, give away our livelihoods and
our businesses, give away the collateral
that banks based loans on, give away the
small businesses of thousands of New
Yorkers who purchased them from you,
give away our exclusive rights to pick
up street hails that you auctioned to us
having secured through loans to
purchase.

There are nearly $5 billion in loans
on the line, have you considered what
happens when an asset suddenly
diminishes?

(Inaudible)

Was anyone in the City government
paying attention when this happened to
the housing market?

Have you asked the banks? I know
the staff has asked the banks, but have
you asked the banks what would happen?

Have you conducted any kind of economic study? Have any of the Commissioners read such a study or talked to the banks? I know the Chairman and staff have, they disagree with the banks and professional lenders. I ask you, who knows better?

Let me tell you what these proposed rules do not do. They do not create, I'm sorry to say, Mr. Chairman, the jewel that you referred to. They do not provide Brooklyn, Queens, Staten Island and the Bronx the same quality service that medallions provide. They will not benefit the passengers.

What they do is create a second-class street hail license for second-class service for 80 percent of the city. First-class yellow cabs must be brand new cars when they hit the streets. The new second-class borough cars can be any old junk box.

First-class yellow cabs are supposed
to retire after three years. The new
second-class borough cab could be driven
until it falls apart. Don't the
boroughs deserve new cars?

First-class medallion cabs must be
inspected for safety emissions
quarterly. Second-class borough cabs do
not. Don't boroughs deserve clean air
and safe cars?

First-class medallion cars, drivers
must undergo 85 hours of training.
Second-class borough drivers do not.

First-class medallion drivers must
demonstrate basic proficiency in
English. Second-class borough drivers
do not. Don't the boroughs deserve
trained drivers who speak English? If a
driver picks you up in Brooklyn, is it
somehow okay if he can't understand
you? This is patronizing.

Since 1937, the City of New York has
said to thousands of New Yorkers, many
of whom were immigrants, that if they
work hard and invest in their own small
business represented by taxi medallions,
they can prosper and get the
(inaudible)a secure foothold in
America.

42 percent of the taxi industry is
one driver with one medallion. Each
represents one small tax-paying New York
City business; a business that supports
a family and allows it to own a home and
to send its kids to college, and finally
get a nest egg for its old age; all on
that basis of a medallion, after 75
years, since 1937, the City has said
represents an exclusive right. They
have paid hundreds of thousands of
dollars for this right, some have paid
over a million dollars for this right.
They are burdened with huge loans
(inaudible.)

Now the TLC is proposing to give
away as many as 18,000 (inaudible) for
virtually nothing and with falling
standards that don't come close to
approaching those of taxis. This is not
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a gift to the boroughs, it is an insult.

(Inaudible)

Does anyone seriously believe that only 120 or 150 taxi inspectors can adequately monitor a total of over (inaudible) vehicles?

Mr. Chairman, you said people hailing cabs are breaking TLC rules. That's not true. That license, the drivers are the ones breaking the rules, and the drivers are the ones that you are giving this right to.

Does anyone seriously think that these vehicles would (inaudible)? These rules did allow applications for people who already have outstanding TLC summonses for doing precisely that conduct. Who among the Commissioners think they will stop? If you do, what is the basis of your opinion?

MR. YASSKY: Could you sum up please.

MR. GERBER: Yes. (Inaudible,) they take away our rights. They take away
our equity. They take away our value. The enforcement is not there. It has not been there. Our own studies show that you can get as many as --

MR. YASSKY: Mr. Gerber, could you sum up please.

MR. GERBER: Yes. Commissioners, I beg you, do not destroy, in one vote, what this industry and what your predecessors have built over 75 years.

(Applause)

MR. GONZALES: Mr. Gerber, I have a question. So, you mentioned about $5 billion in all of the outstanding loans and over (inaudible)?

MR. GERBER: That's correct.

MR. GONZALES: Which is probably slightly north of about 50 percent (inaudible.) Do you happen to know what the debt coverage ratio is for these loans?

MR. GERBER: It varies,

Commissioner.

MR. GONZALES: What is it on
average?

MR. GERBER: The lenders have made those statements. The lenders are available. And I know that if you consult with the lenders, as I have, you'll find that they are terrified on (inaudible.)

MR. GONZALES: Terrified in what sense? I mean, that's a pretty strong word.

MR. GERBER: They are terrified, Commissioner, because they have based their loans on an asset. Today, what you are doing if you vote this way is you are changing the definition of the asset. You are actually limiting that asset tremendously. You're also plugging a market with the vehicles that are not controlled by --

MR. GONZALES: I need numbers.

Those kinds of statements have no substance. I'm looking for something --

MR. GERBER: Right now if I had a medallion, which I do, I have exclusive
rights to pick up street hails in 100 percent of the City, you're now giving away the vast majority of the City, including areas that are dominated by yellow cabs. These rules, by the way, talk about 96th Street, they talk about 110th Street in Manhattan. Those areas are dominantly yellow. I know. I live in that neighborhood. The cabs are flooded there.

Mount Sinai Hospital is on 100th Street. Columbia University is on 116th Street. These are yellow areas serviced by the yellow industry. You are taking away our rights in these areas. You are flooding these markets.

To assume that you could sell a medallion taxicab that's legal to operate on 95th Street for $1 million, that your basing your entire budget on -- the entire budget of the City of New York is based on the auction (inaudible,) and to say that at the same time, you're going to sell a car that is
on 96th Street for $1,500 is preposterous. How does it not change the value? How does it not change the asset structure?

How does it not change the collateral that's based on these mortgages? These mortgages are something. A New York City medallion taxi, the medallion is just a little piece of tin, it has no descriptive value whatsoever. The only thing you're selling is an exclusive right. Tell us to break apart that right, and tell the bankers today, "Well, in 2012, we're going to take away 80 percent." What are we going to do in 2013? What are we going to do in 2014? What is that piece of tin worth?

MR. YASSKY: Mr. Gerber.

MR. RATTNER: He's been around a long time. His father's business is in business for over 40 years. Give him the courtesy to speak. People here are losing their livelihoods, including me.
(Whereupon, there was an outburst in the audience.)

MR. YASSKY: Sir --

(Outburst)

MR. YASSKY: You certainly have your right to speak.

(Outburst)

MR. YASSKY: Inspectors?

Let me just interrupt for a second, if I may. So, again, for people in the audience who wish to participate, just put your name on the list. You will have the opportunity to speak within the time constraints. You will have that opportunity.

You folks know, (inaudible) the auction for medallion closings. There's a purchaser there today who's been now in the process of closing a minifleet sale, that's two medallions together, for $2.1 million.

MR. GERBER: Has the volume of sales been consistent?

MR. YASSKY: Mr. Gerber, may I?
MR. GERBER: You're throwing out a figure, and the figure doesn't tell the full story.

MR. YASSKY: You will have your turn.

So, just to be clear, that the purchaser -- in case he didn't know, that the purchaser was advised of -- we'll be talking again later today. But the sale was in the process of -- I'm sorry, you can continue your questions.

MR. GONZALES: Okay, the only thing I want to say is that if this gentleman would like to speak, please sign up. And if you have a response to my question, either speak today, or if you want to contact staff with the information with respect to the debt-service coverage ratio.

MR. GERBER: The gentleman you referred to was one of the principal lenders in this industry.

MR. YASSKY: Thank you, Mr. Gerber. I'm sorry, commissioner Gjonaj?
MR. GJONAJ: Will you be more specific on the enforcement, and what is it that you're looking for today?

MR. GERBER: The enforcement -- first of all, there is no real enforcement in New York City. The Chairman has increased the numbers double I think -- the Commissioner, the Chairman, (inaudible) has I think doubled the number of enforcement. But what it comes out to, the last time I (inaudible) is about 18 summonses per man, per month, was the last number I saw. That number is absurd. That number is absurd.

We did our own private test and we were able to get basically that number per day -- not per month, per day, per man.

MS. MARINO: When you say "per man," you mean per enforcer?

MR. GERBER: Per enforcer. There are I believe 130 agents on the ground, total agents. And that's 24/7,
obviously they're not working seven days
a week and they're not working 24 hours
a day. The cabs are, the livery
vehicles are, they're out on the street,
24/7, seven days a week.

At any given time, you might have
50, 40 inspectors out there, there's no
way to enforce this this way. It's
simply impossible. And all you have to
do -- I understand the concerns when
people talk about Bushwick and I
understand Brooklyn.

Look in Manhattan, just walk down
the street in Manhattan and see how much
illegal activities are going on right
now at any given time. And to say that
you're going to issue thousands of these
permits and you're going to put the
indicia of respectability on these cars,
you're going to put the rooftop on it,
and you're going to say that these cars
are not going to drive in Manhattan,
it's simply absurd.

They're going to go where the volume
is. They're going to go where they
think they can make the most money,
because that's what taxi drivers do.
They circulate in a place where they
think they can get high volume. They're
going to be taking this business.

Commissioners, I'm not against --
and I don't think anyone in this room is
against better service for the
boroughs. We have suggested all along
that you can create great service to the
boroughs, similar service to the
yellows, similar requirements to the
yellow.

Sell the yellow, sell a borough
medallion, sell it cheap, make it a
transferable medallion. Make it
something that you can borrow against
the yellow medallion. Make it have the
same exact requirements that a yellow
Manhattan medallion has to.

Why should it be a different type of
car in Brooklyn than it is in
Manhattan? Why should it be a different
type of car in Queens than it is in Manhattan? Why should it be a -- why should it be a 10-year-old car in Brooklyn is okay but a two-year-old car in Manhattan is not?

(Applause)

MR. YASSKY: Mr. Gerber --

(Whereupon, there was an outburst in the audience.)

MR. YASSKY: I'm asking the inspectors to remove this gentleman and this gentleman, and you can come back in a few minutes, but you are going to be removed for now. We cannot have shouting at each other in the audience.

And I'm going to ask the members in the audience -- I understand the loud clapping, it's appropriate. But we're not going to have clapping/booing-kind-of arguments between folks here in this audience. We are going to conduct this discussion in as an appropriate way as we can.

MR. GERBER: And I further say, why
is it that a car -- I was at the last Transportation Committee hearing that a Commissioner was talking about cars that are three years old, they're three years old, (inaudible,) inspections aren't -- maybe not necessary.

We have cars that two years old, one years old, have to be inspected quarterly for emissions. Why is it a 10-year-old car doesn't have to?

MR. GJONAJ: Mr. Gerber, I want to get to the point. Let's stick to enforcement; what is it specifically that you can suggest to us as a Commission that would be --

MR. GERBER: Thank you, Commissioner, and I appreciate that. One thing that has to be done is there has to be a one-strike-you're-out, as someone else said. It has to be a seizure of vehicles with (inaudible) forfeiture proceedings. It has to stick. It has to be incentive at the cost of doing business. Because you're
making money every single day on the
street. A $350 fine, as the Chairman
said, isn't substantial. But you know
what? So is a $500 and so is a $1,000
fine. Because if you're making money
every single day that way, you're going
to continue.

MR. GJONAJ: Thank you. And I think
Commissioner De'Arcy wants to ask a
question.

MS. DE'ARCY: I just wanted him to
respond specifically to the enforcement
point, but I think you just answered the
question.

MR. GERBER: The other thing I
noticed that I think will help is that
you're going to need a lot more boots on
the ground -- one more point.

I believe there was a last-minute
change, and I'm not sure about this,
this was hearsay that I was told, that
the technology that goes into these cars
should stop the meter from running
automatically, and should notify the TLC
if this car is in the zone, if this car
is in the district, it should be noted.

    I believe this was a last-minute
withdraw from the rules -- but it was
hearsay, I didn't see it for myself.
But I heard this morning that the TLC
actually just recently took these rules
out, that, why not have the same type of
technology solutions? For some
reason -- you can (inaudible) and I
can't. The agency is resistant to
having the technology solution of making
sure that that meter cannot go on in our
boroughs, making sure that the TLC is
notified of a violation and that if
they're in the boroughs a violation is
automatically generated.

    MS. DE'ARCY: If you get a
pre-arranged call in the outer boroughs
to Manhattan, now what?

    MR. GERBER: I agree with you,
Commissioner. So, let the technology
justify that. If there's a call, let it
register with the TLC. The TLC data
mines all the time. We are constantly -- summonses issued on yellow cabs constantly on data mining.

MR. YASSKY: Just in the interest of everyone, those are excellent suggestions on the enforcement. As to penalties, as to seizure, as to suspension, some of that is in our rules that we're voting on today. Some we do need the City Council's help with, and I certainly will encourage you and ask for your help to in getting the City Council to work with us to raise the penalties for illegal street hails.

MR. GERBER: I'll be happy to help.

MR. YASSKY: (Inaudible.)

As far as the technology, the rules do require, which was suggested, originally put forward I believe by you're industry or somebody in your industry, that the credit card machine and meter in the borough taxis will go off, not be able to be used in the exclusion zones. That is in the rules
that are before you.

MR. GERBER: (Inaudible.) I would ask that you go to the City Council, fix it before you do this, get it done right, and then vote on it.

MR. YASSKY: I'm with you half and half on that.

(Applause)

MR. YASSKY: The next speaker, Rocky Collavo, followed by Bhairavi Desai.

MR. COLLAVO: Good morning, Commissioners. (Inaudible.) It is the oldest base here in New York City for-hire.

(Inaudible)

The playing field is not level at this time. We, as an industry, we have to stand strong in unison and respect each other as livery and yellow cab drivers.

(Inaudible)

Thank you.

(Applause)

MR. YASSKY: The next speaker is
Bhairavi Desai, followed by Peter Mazer, from MTBOT.

Mr. Collavo, I want to make sure you understand, as a business person, that the decision whether to obtain a hail license for your base or for any of the vehicles affiliated with your base is entirely up to you and up to the vehicle owner. No base will be required to get the new license. For the businesses that wish, as you apparently do, to operate as you have been doing, exclusively at free range, will do so. And I encourage you to make that decision.

MR. COLLAVO: Thank you,

Mr. Commissioner.

(Inaudible)

MR. YASSKY: Thank you, sir.

MS. DESAI: Good morning. I'm Bhairavi Desai, executive director of the New York Taxi Workers Alliance. We represent the drivers in the yellow medallion taxicab industry.
UNIDENTIFIED SPEAKER: No, you don't.

MS. DESAI: Yes, we do. And we don't represent the people who feel aligned with the garages and the agents and the brokers in this industry.

More than 80 percent of the drivers in the yellow cab industry are these drivers. We have members who are both lease drivers, as well as owner/operators.

And I'm here to say to you, we've been hearing over and over and over again from the yellow industry that this the biggest transition that has ever happened in history. What they failed to remember is the bringing on of the leasing system which changed the playing field for the drivers in this industry.

The yellow solution will pin everything on the backs of drivers. They talked about having us do a 12-hour shift only in the outer boroughs without lowering the lease or certainly even
paying for the fuel. When leasing was brought on, not only did we start to have paying up front for that 12-hour shift, but we also had to start paying the cost of fuel, two expenses that we did not have during the commission time.

In fact, it's the leasing that's the main reason why we don't have yellow cab drivers cruise throughout their shift in the outer boroughs. There's no question that many fares in the outer boroughs are served by yellow cabs today and will continue to be served by yellow cabs, and there's no question that those fares are necessary for yellow cab drivers to survive. But the idea that somehow you leave things as they are and you pit the drivers against each other, you leave that as the solution? It's absolutely preposterous and it's outright cruel to the drivers in this industry.

We need a solution that does not pit the workers against each other. If there's so much concern about the loss
of livelihood for drivers, why are garages like SLS Jet charging a $25 late payment fee every single shift? They don't let you pay, and then they charge you a late payment fee which amounts to over $9,000 within the year.

Why did the fleets stop charging you a weekly rate when you're a weekly driver, instead start charging a daily rate which amounts over $200 above the weekly lease cap, $10,000 in overcharges for every single driver?

Why did the agents start adding on the additional driver fee? The tax stamp, which a medallion costs, it should be covered within the medallion lease cap.

What I'm here to say to you is that there are serious economic issues that impact the livelihoods of 50,000 licensed yellow cab taxi drivers in this city. We beg you that through this measure you have a comprehensive enforcement plan that not only puts more
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people on the streets, but absolutely
uses technology, absolutely uses
adjudication, not summonses, but you
make a real effort. And the way you
start doing that is by getting off of
our backs.

Of all the workers and all the
owners in this industry, between the
yellows, black cars, liveries, you name
it, nobody, nobody is more regulated and
gets more punished than the yellow cab
drivers in this industry.

(Applause)

MS. DESAI: Nobody. And I fear for
the medallions, the corporate
medallions -- not the owner/operated
individual, the corporate medallions
that have gone up to $1 million, I get
that they're crying because they're
worried. Guess what? We have less to
begin with, so we have less security.
It's our concern, the concerns of yellow
cab drivers' needs; comprehensive
enforcement on the pickups, we need
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comprehensive enforcement on lease cap violations, we need a fair rate.

We need a retirement plan- not because you sell your medallion, but because you're a hardworking yellow cab driver, you put your life and your livelihood into this industry. Whether you buy a medallion or not, you should have equal rights to a retirement plan.

We need a health fund, we need a pension, we need disability insurance for the drivers. We want you to resolve this issue so your attention can come back to the segment of this industry that has been historically the most neglected, incredibly punished and ignored, and that's the yellow cab drivers of New York City. Thank you.

(Applause)

MR. YASSKY: Peter Mazer, followed Erasmo Taveras.

MR. MAZER: Good morning, Chairman Yassky and members of the Commission.

My name is Peter Mazer, I'm general
counsel of the Metropolitan Taxicab Board of Trade. We represent the owners of nearly 4,000 medallion taxicabs, virtually all who provide services 24 hours a day, seven days a week, 365 days a year.

I'd like to start by applauding the Commissioners for their hard work and dedication. Many of you have individually devoted countless hours on trying to understand our industry, work with our industry, and respect the thousands of lives and families that are tied to the medallion. We hope that in doing so, you'll conclude that you cannot pass these rules today.

We had hoped that the Commissioners would defer consideration of these rules, as some Commissioners have recently suggested, in order to address the serious concern rate by the taxicab industry when the outer borough law passed by the legislature was signed into law. When it became clear that
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this would not happen, it became
necessary for MTBOT to commence legal
actions to challenge the outer borough
law, which we did yesterday. A copy of
the MTBOT complaint will be attached in
the comments that I will give to the
stenographer.

Let me be clear: These rules will
irrevocably destroy the medallion
taxicab industry as we know it and will
depart the public of the service that it
has come to known and expect.

Unless you put off today's vote, or
unless the court acts quickly to stop
(inaudible) of the unconstitutional
state law, this Commission will be
responsible for adding up to 18,000 new
hail licenses that cruise the streets of
New York City- vehicles that will
legally be permitted to operate just
like medallion taxicabs- four fifths of
the City.

At the same time, you will add 2,000
more medallion taxicabs that will be
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confined in the small areas of the City,
competing against each other for fares,
competing against hail permit drivers
for fares, competing against other
livery drivers for fares—more and more
drivers competing against each other,
fewer fares—many of them in areas of
the city that are either too crowded
with cars already—and does not
justify the expense associated with
cruising that area.

All of this is being done without
any review whatsoever—no review of the
environment, no review of traffic
congestion, no review of air quality, no
review of the economics that the impact
these rules will have on the existing
taxicab and for-hire industries. You've
heard from both segments of this
industry that this will destroy the way
they do business.

If history and experiences
(inaudible,) hail vehicles will steal
fares from yellow taxicabs in areas
where only yellow taxicabs will be permitted. Since for-hire vehicles already steal fares every day from medallion cabs in Manhattan, in violation of the existing rules, why is there any reason to believe that the 18,000 hail vehicles will also not steal fares from Manhattan under the new rule?

When this happens, it will be too late, the damage inflicted by this law will be irreparable. But it's not too late to stop the damage, it's not too late. You can defer the rules so that there's adequate time to examine these issues and propose a solution that works for all segments of this industry.

MR. YASSKY: Thank you, Mr. Mazer.

MR. MAZER: We know that you're sincerely trying to do the right thing and not hurt people's livelihoods and businesses, but how do you know that these rules (inaudible) the families medallion driver owners (inaudible,)
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when the medallion value plummets, as it has already begun doing?

What about highly-mortgaged immigrant minifleet owners who worked hard to save his medallion at the last auction? Long consider the safe investment because of the exclusive rights backed by City law, and you will not be able to find drivers.

Thank you for your hard work and your consideration.

(Applause)

MR. YASSKY: Thank you. Erasmo Taveras and Amarilis Reyes.

MR. TAVERAS: Good morning, Commissioners. Thank for allowing me to speak to you on this historical day.

I represent a company on either side of the aisle. I'm a leasing company headquartered in the Bronx. In the next two weeks, we're going to be opening a branch office in this great borough of Brooklyn.

Our job is to provide a livery
driver -- and we're open to work with yellow cabs if they cannot get their financing through other means. What we do is we provide practically brand new 2011, 2012 fuel-efficient vehicles, hybrid and late-model Camrys. We also provide to (inaudible,) handicap-accessible brand new vans that we're going to be offering to those who would like to buy the street hail license.

Hearing the argument on both sides of the aisle, I feel that I'm not in New York.

(Inaudible)

I believe that this new law is not going to be affecting the yellow as I hear them crying out, because they only service 3 percent of the community. 3 percent is not going to hurt them that much, compared to what they're doing now. They're going to continue to do the same things.

(Inaudible)

The only thing that is going to
change is that we're going to be able to provide service to (inaudible.)

(Inaudible)

And if I compare the quality and the conditions of the vehicles, in the outer borough, I'm very happy to say that the conditions of the livery cars are much better than the yellow.

(Applause)

MR. TAVERAS: (Inaudible)

And I urge the Commissioners to go ahead and approve this law. I think it's been way too long (inaudible.)

MR. YASSKY: Thank you very much.

(Applause)

MR. YASSKY: Amarilis Reyes?

(No response)

MR. YASSKY: The next speaker is Gabriele DeToni, and then Sandra DeToni.

If you're related, maybe you can just speak together.

MS. DeTONI: I'll be speaking for my father.

MR. YASSKY: Okay.
MS. DeTONI: I'm Sandra DeToni, with my father here, Gabriele DeToni. We are medallion owners. Who I'm representing? Friends, family, etcetera.

This entire situation I believe is unacceptable. And you yourself, Chairman, had stated in the beginning that due to the fact that there was slacking in the regulations and controlling of this industry, it's escalated to the point where, unfortunately, livery drivers, gypsy drivers, yellow cabs, we're all pitted against each other. It doesn't make any sense.

We all want the same thing. We want to raise our families. But from my perspective, and it disappoints me, with all the booing, and it's not necessary. We're all adults here, and we are all trying to come down to a solution.

But as I sit here with my father, after 30 years, with friends and family
that suffer, saving money, going without, what is our medallion going to be worth after you vote and flood the industry with other medallions that are of less value?

I am not saying that no one has the right to make a living. Make your living, we all have that right. But my father at this point is 78 years old, so are some of my aunts and uncles, they depend on that monthly income, which is what? less than a couple thousand dollars a month? He's 78 year old, cancer treatments, bills, housing, food, how do you expect them to live with just that? And now you're going to be flooding the industry with other medallions that are going to deplete the value of what we sacrificed for, and what is that income going to turn into? What is it going to turn into?

How are the senior citizens of today, who were the original cab owners of yesterday, going to survive? Gas
prices are going up to 4.20. Now, food, everything is going up, and you want to lower their income, it's unacceptable, and it's -- you know, I just don't understand how it reached this point.

If there was a problem with irregularities or illegalities, I'm sorry, but we can turn around and look at everything today and we can go onto other subjects other than livery.

However, if you knew this problem was building up, the solution is not to just regulate everything or give people, you know, what they need to make it more efficient or to make friends. Unfortunately, the decisions that you have to make, some people are going to walk away happy, and others are not.

And I don't envy the decisions or the votes that you have to do today, but I do ask you, before you make any decisions, please keep in mind all of the lives that you are going to be affecting, all of the sacrifices that
have come from these people. And I'm talking about everyone.

MR. YASSKY: Ms. DeToni, first of all, I just want to thank you very much for your quite powerful statement here, and for coming yourself to try to give the personal side, (inaudible,) the theory of the medallion, whatnot. To give your personal side of it, I think it's certainly very helpful to me and to all the Commissioners.

I want to tell you, I think that you are right in several points that you make, you're right that it should have been years ago. In truth, you know, Mayor Koch 20 years ago proposed exactly what we're doing here at a time when medallions were worth considerably less, and unfortunately the same special interests that are trying to stop this brought that plan to Mayor Koch. I think if it would have been done at the time, it would have been done with a lot less kind of emotion and dislocation.
I want to say, to address your key point about the people who rely on medallions, if the person who drives your medallion is like everybody else, then 95 percent of that revenue comes from Manhattan under 96th Street, and the airports. That's just the plain, factual reality. And we know that --

MS. DeTONI: Is your father a taxi driver?

MR. YASSKY: Of course not. I've never stood up here and said I had personal pride from my family, and I respect those who do.

MS. DeTONI: From the time I was a child, I sat in the front seat making change for customers. So I know exactly where my father used to go, leaving the house, driving down Northern Boulevard, picking up local people, going to Laguardia, waiting on line, and then we'd go around. And then the special treat was to go to McCann's (ph,) because there was a taxi stand in
Manhattan. Okay? And I'm sure a lot of
taxi drivers remember McCann's.

MR. YASSKY: No doubt that's the
case.

MS. DeTONI: However, there was a
promise that was made. And you said
that the Commissioners here are all
sworn in to abide by the law. The law
is you made an agreement, a promise,
that we had exclusive rights. Now, how
are you defending that law by coming to
us with a compromise?

MR. YASSKY: The reason is, and it's
true, I think a lot of the
Commissioners, certainly myself, if we
believed that allowing liveries to pick
up in Sheepshead Bay or in Corona or in
Throgsneck, if we thought that was going
to harm the medallion owners, I think
that would give a lot of people second
thoughts.

But the problem is that we know for
a fact -- if you wish we can later look
at your medallion and we can bring up
the trip sheets for the past three years
and see where the revenue to that
medallion comes from, but if it's like
every other medallion, that's not where
it comes from. It may one day have
been, but it's not today.

So, to deny service to people in
those neighborhoods and to tell the
people who are providing service today
that they're criminals and we're going
put them out of work, I think that would
be the wrong thing to do.

MS. DeTONI: That's not what I'm
saying. And I appreciate your little
speech over there which had nothing to
do with what I was saying. What I'm
saying is that you all promised to obey
the law, you swore.

You don't have to agree the with the
law. There are plenty of laws that I
don't agree with. But if I break that
law, I'm a criminal, aren't I? and I'm
going to go to jail. You promised to
abide by the law. You swore, when you
took your places in office, that you
took your places in office, that you
were going to respect the law. The law
were going to respect the law. The law
is written, that your agreement is
is written, that your agreement is
written, therefore, it is up to you to
written, therefore, it is up to you to
abide by the law.
abide by the law.

We have abided by the law. I'm not
We have abided by the law. I'm not
saying and I'm not pointing any fingers,
saying and I'm not pointing any fingers,
but everyone has to start from Point A
but everyone has to start from Point A
to get to Point B. And some of us reach
to get to Point B. And some of us reach
Point Z before others, then it's up to
Point Z before others, then it's up to
them to catch up. We all have to do our
them to catch up. We all have to do our
part. But to just smooth things over so
part. But to just smooth things over so
easily, or to go off on a tangent that
easily, or to go off on a tangent that
had nothing to do with what I was
had nothing to do with what I was
saying -- you know, everyone deserves a
saying -- you know, everyone deserves a
car service in every borough. I am not
car service in every borough. I am not
saying that. But the (inaudible,) when
saying that. But the (inaudible,) when
I need a taxi and there's not a yellow
I need a taxi and there's not a yellow
one around, I go in the phone book and I
one around, I go in the phone book and I
make a phone call and I call a taxi
make a phone call and I call a taxi
service and they come. It's very
service and they come. It's very
specific. There are rules on how people
specific. There are rules on how people
--
--

MR. YASSKY: I understand. I just
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want to make sure we give time for everybody.

(Applause)

MR. YASSKY: Thank you, Mr. DeToni, for your presence here.

MS. DeTONI: And everyone here, I hope everything gets resolved. And please, this isn't personal, everyone is fighting for their own family and their own livelihood, so, please respect each other. That's what we're trying to do.

(Applause)

MR. YASSKY: Thomas Grandy, and to be followed by George Panagos.

MR. GRANDY: Good morning. My name is Thomas Grandy, and I'm an owner and driver, medallion. So, I've been driving 35 years, and today

(inaudible.)

(inaudible)

The medallion costs over $500,000.

(inaudible)

I beg you, please, do as the paper, do the right thing and try to settle
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this thing. Thank you.

(Applause)

MR. YASSKY: George Panagos,

followed by Jorge Rodriguez.

MR. PANAGOS: Ladies and gentleman,

Mr. Chairman, my name George Panagos, I

have the yellow cabs. I worked my first

cab December 16, 1972, and I'm still in

business. But it's not easy, it's very

hard. I work night and day, seven days

a week.

(Inaudible)

What's the necessity to put all

these cars together and be such a big

problem for us, for these people, too?

(Inaudible)

More money for the City, that's what

it is.

Thank you very much. Have a good

day.

(Applause)

MR. YASSKY: Our next speaker is

Jorge Rodriguez, followed by Pedro

Bedoyo.
MR. RODRIGUEZ: Good morning, Commissioners. My name is Jorge Rodriguez. I own medallion (inaudible.) It was purchased in 1980. I raised five kids with the medallion. (Inaudible)

Now, the thing about the 6,000 or 8,000 cars that are coming every year, we have 38,000-plus livery cars. (Inaudible)

The boroughs, believe me, the boroughs are well-served. (Inaudible) Friday and Saturday. So, that means that really this is unnecessary to approve this law, and I beg of you not to do it.

Another thing is this, the value of the medallion. Right now I owe $500,000. You know what I'm going to do? I'm paying 2,750 a month. What happens if that medallion falls below 500,000? You know what I'm going to do? I'm going to take it out of the hood, take it to one of you or take it to the
Mayor for him to pay for that medallion. Because I am not paying for something that is not worth -- plus I put 40 years of my life in order to have a decent pension, something to rely on. I have nothing to rely on.

(Inaudible?)

MR. YASSKY: Up to 18,000, depending on how many wish to get their license.

MR. RODRIGUEZ: (Inaudible)

MR. YASSKY: That's right.

MR. RODRIGUEZ: (Inaudible)

MR. YASSKY: I'm sorry, just because of the time and we have to get to everyone, if you can sum up.

MR. RODRIGUEZ: (Inaudible)

Why don't Mayor Bloomberg with all the money that he has give it to the City and --

(Applause)

MR. YASSKY: Pedro Bedoyo, followed by Alan Platt.

MR. BEDOYO: I represent myself and I am a yellow driver. (Inaudible)
MR. YASSKY: Thank you very much.

(Applause)

MR. YASSKY: We have two more speakers, that should take us to 10 after 12:00, and then we will break for lunch and then convene back at 1:00 promptly.

So, I'm going to read the list, so people know who is still yet to speak. We will hear from Alan Platt, and then from Artie Grover, and then we'll break from lunch.

And following lunch promptly, folks, at 1:00, we will hear from James Grosso, Guy Palumbo, John Mascialino, Malcolm Rattner, Akiva Shapiro, Surinder Singh, Bachirou Fall, Lionel Saint, Adiela Siguncia, David Pollack, Avik Kabessa, Marcelino Aeruias, Kane Mamadou, Fernando Garcia, Jean Chesy, and Frank Wanzi.

So, let's hear from Mr. Platt, Mr. Grover, and then break for lunch until 1:00. That sounds like about 15
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people remaining to speak after the lunch break.

MR. PLATT: Good morning, Commissioners. My name is Alan Platt. I've been a medallion owner since 1973 and I've been a driver since 1970. Lots of you were kids when I started. It's very hard to follow the acts that I heard so far. A lot of the concerns that I have were already mentioned. But I'm going to try and add a little more. By the way, out of respect for you, Commissioners, I wore a suit today.

I'd like to start out, I'd like to give my heartfelt thanks to you (inaudible.) (inaudible.)

Now I'll quickly get into the matter at hand.

(Inaudible)

First thing I notice listening to everybody is that a lot of words (inaudible,) simple words, (inaudible.) Let me explain, go a little further.
Excuse me, but when I bought my medallion, I was sold the exclusive right to pick up hails throughout the whole city. The whole city means all the boroughs. And you might say there's only so much business down in the outer boroughs, but business is growing by leaps and bounds now. People are moving out to the boroughs, it's becoming a very viable source of income.

And this right was already sold to us. So, we could all just go home, it's over.

But actually, we bought this, and sometimes the business does well when you're buying (inaudible,) sometimes it doesn't. You take the good with the bad.

And this happened to do well, and we should reap it.

By the way, I own an individual medallion which consists of 40 percent without the yellow medallion fleet, which is a pretty big percentage.
And we were sold this Bill of Sale
of the exclusive right to pick up in all
boroughs, and now it looks like this
word, "sale," what we were sold, doesn't
mean sale anymore.

(Inaudible)

This gets me to enforcement. By the
way, (inaudible,) it's sort of similar
to riding down the street on a hot
summer day with gnats flying all over
your head, because I have liveries to my
left and to my right.

(Inaudible)

MR. YASSKY: You've made your
point. I ask you to sum up.

MR. PLATT: Let me just say, there
is going to be a sale of 2,000
medallions, what are you going to say to
the perspective buyers of these 2,000
medallions?

(Inaudible)

I'm more sure you of it than you're
sure that it won't affect it. And I'm
just wondering (inaudible) economic
impact survey made?

MR. YASSKY: Mr. Platt, your time is expired.

MR. PLATT: (Inaudible)

MR. YASSKY: Thank you.

(Applause)

MR. YASSKY: Commissioner De'Arcy, please.

MS. De'ARCY: At the outset of this hearing you identified me as one of the Commissioners who specifically wanted to ensure that there were enforcement provisions that were included in these rules to ensure that we are protecting the rights of the medallion owners. And it remains important to me that we do so.

You asked the last speaker whether it was okay to refer to the livery drivers as criminal. I'd like to respond to that and say that I personally take issue with painting an entire community of hard workers in that manner.
(Applause)

MS. De'ARCY: (Inaudible.)

MR. YASSKY: Mr. Grover?

MR. GROVER: Good afternoon, Commissioners. Commissioner Yassky, you throw a great party.

MR. YASSKY: Thank you.

MR. GROVER: I never saw such a large group of people in our industry in one room. (Inaudible)

My name is Artie Grover. I represent the Fleet Livery Owners Association, which is an (inaudible) citywide fleet-owned vehicles in the livery industry.

Number One: I'd like thank very much for doing what you did as far as the inspection station is concerned on Staten Island.

(Inaudible)

So, we got that out of the way. I really appreciate what you did with the (inaudible.)

The second thing I'd like to bring
up is the, (inaudible) looking to pass
without having any exemptions for Staten
Island as far as the street hail program
is concerned. It was stated that 1.3
percent of the cars owned in the City,
limery cars, are from Staten Island.
1.3? That's nothing. 473 cars out of
35,000? All we're asking from you,
since we were legitimate from day one,
where we did abide by the rules, educate
the public, advertise in the papers, we
worked by pre-arrangement and
pre-arrangement only.
Since we own our vehicles, if
anybody gets a call up the street, he's
stealing from me. If he's going to
steal from me, I fire him on the spot.
That's what it is. We have to have
some sort of -- you're giving a pilot
program with the inspection station.
Why don't you try a pilot program with
an exemption for Staten Island and work
it out? Otherwise, it's not going to
work and I know it's not going to work.
It's also stated there were 400 robberies in the year 2010, one of the newspapers had it in the paper. Out of the 400 robberies, do you know how many were poised by vehicles that pick up street hails or were pre-arranged calls? Does anybody know, or is it just 400? I know we had 25 drivers murdered in the last 20 years, which is a horrible number, and I know, all except one was a street hail. I got to say something about this. I don't want to see anybody else get killed, I don't want to see anybody else get hurt and I don't want to see anybody else get robbed.

MR. YASSKY: Thank you, Mr. Grover. I appreciate your remarks.

I do want to be clear, even though it is a small number of vehicles, and I speak as a Commission when I say we do not regard Staten Island as nothing and that's all.

You used the word "nothing." I
think, in my perspective, every one of those 473 vehicles is absolutely as important as any other livery vehicle that we licensed. So, I just want to be clear about that. I thank you for your statement.

Commissioners, we will now break for lunch. We will hear the people that I've listed off after that.

Folks, Commissioners, we will have a couple of inspectors here throughout the break period, you can feel free to leave your papers in here on the table if you'd like. It is now 12:16.

(Whereupon, recess was taken from 12:16 p.m. until 1:05 p.m.)

MR. YASSKY: This meeting of the Taxi and Limousine Commission will reconvene. I note that it is 1:05 p.m. We are adjoined at this moment by Commissioners Carone, Commissioner Gonzales, Gjonaj, De'Arcy, myself Yassky, Weinshall, Polanco, Arout and Marino.
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The next speakers are James Grosso and Guy Palumbo. If one of you wishes to speak on behalf of the couple, that would be fine. Followed by, it says Peter Mazer, but of course he has already spoken. Followed by John Mascialino.

MR. PALUMBO: Good afternoon Commissioners, Commissioner Yassky. I'm speaking on behalf of the New York City Fleet Livery Owners Association. New York City Fleet Livery Owners Association is a not-for-profit organization that represents base owners who own for-hire fleets throughout New York City. The bases that we represent comprise close to 15 percent of the entire livery car services. And our business model concerns are different from what you've heard from what most other associations are saying. Our members own nearly all of their vehicles and use very few, if any, independent drivers. We are responsible for every
facet of the business, including full
Workers' Compensation and vehicle
insurance, employee payroll, maintenance
of vehicles, costs, all TLC fees,
registrations, inspections, advertising,
etcetera. This makes us unique within
the industry, with a different set of
issues than what you've been hearing
today from other associations.

We are true small business owners.
(Inaudible) original rules, it is with
blatant disregard with industry
stakeholders that TLC wants to continue
with the vote today. The rules will not
affect those voting today in the same
way that it will affect those small
business owners, (inaudible.)

So we ask of you, why? Why rush
today?

The TLC wants to pass these ever-
changing rules (inaudible) by first
issuance of street hail licenses by June
of 2012.

However, key elements of licensing
including Workers' Compensation insurance and vehicle insurance coverage have not been finalized or fully discussed, nor has the true impact on community residents been explored. We think that those who have been operating illegally for so many years will suddenly embrace the possibilities of paying insurance premiums up to six times what they are paying now while also paying taxes and being accountable to the TLC for the first time in decades, we say it's naive to say the least.

MR. YASSKY: Please sum up, if you will, Mr. Grosso.

MR. PALUMBO: I want to address one point very quickly on what was said earlier. Commissioner Yassky, going throughout the boroughs, I was a bit of a shadow with some of the community boards and have been with many of them, and you were presented today with a community board statement. We have over
14 community board statements opposed to this, along with the Bronx Chamber of Commerce and chapter of the NAACP.

MR. YASSKY: Thank you, Mr. Grosso.

Very briefly, for people in the audience on the Workers' Comp issue, because I know people have asked about this quite a bit, and I've talked with some of the industry folks, we have been in regular contact with the State Workers' Comp Board. Obviously it is the Workers' Comp Board that is the authoritative determiner about Workers' Comp obligations, the Taxi and Limousine Commission does not.

But we want to be able to give good, accurate information. They have said to us recently and clearly — and we've worked to get this you in writing, but they've said on the point that a livery base that affiliates street hail livery vehicles will be able to remain in the Livery Workers' Comp Fund and meet its Workers' Comp obligation through that
membership just as they do today. In other words, a livery base will have no greater Workers' Comp obligation than it does today.

As of today, if people wish fuller coverage -- and I know that many in the community are concerned about the narrowness of the coverage in the Livery Workers' Comp Fund, certainly a base can get broader coverage that would give its affiliated drivers in charge of its affiliated vehicles coverage comparable to what other employees get.

But if the base wishes to continue to take advantage of the special situation for livery bases that was set up by the State that results in, you know, a low premium, they will be able to do that, most of all, just as they can now. And as I said, we'll get a written statement from Workers' Comp Board to that effect, Mr. Grosso.

MR. GROSSO: Good afternoon Commissioners. My name is James
Grosso. I represent the New York City Fleet Livery Owners Association, and (inaudible.)

First I want to thank you again, thank the Commissioners for the pilot program that's been long in coming, close to three years, hard work. Thank you, Commissioner Arout, for all your work. So, thank you.

Just briefly, you know, it's a paraphrase, as Commissioner De'Arcy stated to me last month. I'm from Staten Island, I don't pretend to know the culture in other areas outside of Staten Island, meaning like Bushwick, we've heard from even Washington Heights. I can't pretend to know what the culture is on the street hail end.

But what I do know is that creating a new classification of license is not the answer right now. You know, these are issues that go back as far as the 1960s. In fact, not since the Haas Act of 1937 which imposed a decades-long cap
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on the number of licenses issued or the
City Council passed it with Local Law 76
in '87 which put TLC's regulatory
control over the FHVs has there been
such a monumentous decision to be made,
and the rules to be inaccurate.

And we ask -- not to necessarily go
back to the drawing board. But there's
been a lot of grave comments, and I'm
sure you're going to get a lot more
afterwards, after the vote.

We're asking, don't vote. We're
asking table it. Let the Commissioners
observe all the information that's being
brought forth to them today. I think
that would be a better benefit to those
who have the most to lose.

You know, we firmly believe that the
entire rulemaking process has been
rushed, and unfortunately it's for the
sake of those who had really no major
stake in the industry or the outer
borough communities. And it's really
going to impact those that are going to
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lose possibly their entire savings,
possibly their entire business. And
it's not just single-generational, it's
a multi-generational issue for a lot of
medallion owners and for base owners.

Again, we ask that you reconsider
voting today. And we ask, why rush?

MR. YASSKY: Thank you.

(Applause)

MR. YASSKY: Next is John
Mascialino, followed by Osmon Choudry.

MR. MASCIALINO: Good afternoon.

I'm John Mascialino. I'm from Greenberg
Traurig, a law firm, and we represent
Verifone, Inc., one of the current TPEP
vendors with the TLC.

We submitted a letter last evening
(inaudible,) taking on comments on the
previous drafts that we've submitted
(inaudible.)

I'm not going to go through the
whole letter again, just a couple a
points that some of the prior speakers
actually mentioned.
There were a couple of speakers who mentioned the use of technology to help prevent the hiring of the meter within restricted zones and (inaudible.) So, just want to have that confirmed, and appreciate --

MR. YASSKY: Yes.

MR. MASCIALINO: Two other issues that were mentioned by someone—Safety. One of the things that was added to the recent rules was the (inaudible.)

Our concern about safety is twofold:

One is from a Consumer Affairs point of view. In the beginning, it's always been the TLC's opinion, way back to TPEP, and verifying (inaudible,) that the credit card compartment always be left in the back seat of the cab, (inaudible.) We think that that is an important aspect and the additional option added kind of hurts that security issue, from TPEP's point of you view.

And also from a driver protection,
someone mentioned driver safety. Right now, many of the liveries have the option off in-cab cameras or partitions. The way the rules are read, a driver with that one single device from in the front (inaudible.)

So that's one of our concerns that we raised in our letter, as well as the consumer issues of having the potential of the driver not to pass the device back and demand control of the credit card processing, and potentially to bypass the whole idea of using the credit card. (Inaudible)

So, just to reiterate those points. We appreciate you taking our things into consideration already in adopting the (inaudible.)

MR. CARONE: Just a quick point. I think it's important to know that, from my standings in working with the staff and a community stakeholder, a letter was received or a meeting was had on the substance of the rule, but not
necessarily on whether the legislation
should -- (inaudible,) the staff acting
very promptly in analyzing the
suggestion, if it was reasonable or not,
and ultimately that it helped have a
better system.

Much like you just testified to, one
of your letters -- and even as early as
last night -- identified a small
substantive change to that.

MR. MASCIALINO: (Inaudible)

MR. YASSKY: Thank you. I think
it's been the case that throughout the
TPEP program, you know, we regard the
vendors as really our partners in this.

MR. MASCIALINO: Agreed.

MR. YASSKY: I have no doubt that we
will have to pay especially close
attention to how the technology
functions in the separate borough use.

Even though I stand by the rules that
we're voting on today, it would not at
all surprise me if six months, four
months maybe even, we have to go back
and tweak, because this is pretty complicated.

MR. MASCIALINO: (Inaudible)

MR. YASSKY: Just as every couple months, we realize --

MR. MASCIALINO: Thank you very much.

MR. YASSKY: Osmon Choudry, followed by Malcolm RATTNER.

MR. CHOWDRY: Good afternoon. My name is Osmon Choudry.

MR. YASSKY: I will say I think we need both tough fines and enforcement, I think it goes hand in hand. If you could sum up.

MR. CHOWDRY: (Inaudible)

They are spending millions and millions of dollars, the loan.

MR. YASSKY: Mr. Choudry, please do sum up.
MR. CHoudry: Okay, thank you.

MR. YAssKY: Thank you very much Mr. Choudry. We have Malcolm Rattner, followed by Akiva Shapiro.

MR. RAttNER: Commissioner Yassky, first let me apologize to all the Commissioners about my outburst before. But this industry is very near and dear to me. I grew up in it, I don't know anything else other than that. I started off sweeping floors in this industry.

When I came out of the army, I bought my first medallion. After that, my wife and I worked like dogs, 12 hours, 14 hours, seven days a week. We got loans from credit unions.

I just bought a building on (Inaudible) Avenue over $7 million that houses 200 vehicles. Not all of them are mine, I own 50 vehicles, which are hocked up to my elbows.

My garage in the last year paid $1,535,841 in MTA tax, not a penny
short. I paid all my sales tax, which comes out to about, every quarter about close to $60,000.

Commissioner Yassky, I'm pleading with you. You went to Dalton, a very prestigious school. This is bad business. This is not good business.

What you're doing, is you're dividing -- not you, sir, not even this Commission. What New York City is doing, they're dividing the City again, into different issues. You can't give away these lease permits and then promise them that they have the right to pick up. What's going to happen when somebody else comes in your seat and changes that and takes that away from them?

I was promised the right to pick up in all five boroughs when I bought the medallions at the auction, I would like to keep that right.

You have no enforcement on the street. The enforcement was taken off
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the street years and years ago. Most of these Commissioners that are sitting here today -- good afternoon -- don't realize and understand. I'm 66 years old this May 21st. I've been around since the inception of this industry, since the Taxi and Limousine Commission came into being. First it was the TLC, then it was the Taxi and Limousine Commission -- the Taxi Commission and then the Taxi and Limousine Commission, I stand corrected.

Your agents are wonderful people, but they don't carry the tools of the trade to do their job. That's why they're never in the outer boroughs to enforce it, that's why they never went in deep ends of Brooklyn to enforce it, because (inaudible.)

A carpenter cannot build his house without proper tools. And your Commission cannot enforce these rules unless you hire more enforcement, at minimum of 300.
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I myself will be broke, out of business, like a lot of my other friends that are standing behind me. Can I turn around, sir?

MR. YASSKY: Yes.

MR. RATTNER: (Turning.) I know each and every one of these people. I know Anthony, I know this gentleman. They all sent their children to college and to schools. They bought into this thing. Everybody bought into this thing.

You're dividing this city, sir, you're dividing it terribly. How can you give away a permit for $3,000 per year, when these guys have an investment for retirement?

I have a man sitting right here that was a Holocaust survivor when he was a little boy. He bought into this industry. He bought into it with the idea that he could retire and get money for his medallion and live happily ever after. So did each and every one of
these people here. They committed nothing, the only thing they did was follow every rule of the Taxi and Limousine Commission.

I have a gentleman also standing behind me. (Inaudible.)

MR. YASSKY: Out of respect for --

MR. RATTNER: We have a gentleman here that came to your Commission --

MR. YASSKY: Believe me, I have respect for the leadership role you've played for years in this industry. I don't want to cut you off, but I do want to ask you to respect the time. We have other people we have to hear from. So, if you could sum up, I appreciate it.

MR. RATTNER: Can I sum up?

MR. YASSKY: Yes.

MR. RATTNER: What are these people going to do when they're not even allowed to drive in Brooklyn because they get their windows and windshields busted? What did they do to this Commission, what did they do to cause
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this? Look at their faces. These are hardworking people that pay every cent of tax that they're supposed to pay. They're not collecting anything that they shouldn't get. All they're asking for is the right to pick up exclusively in this city. Thank you, Commissioners. And again, I'm extremely very sorry.

(Applause)

MR. GJONAJ: I have a question.

Mr. Malcolm, I'm curious as to how you came up to 300 enforcement agents.

MR. RATTNER: I met my friend David Yassky in the men's room, and we had a chat over the urinal, and he said, "How many agents would it take?" And I said 300. Am I telling the truth, Dave?

MR. YASSKY: Telling the truth. I will waive the men's room privilege for purposes of discovery in this matter.

(Laughter)

MR. YASSKY: But I would not take that to say that there wasn't some --
even though it was an off-the-top-of-the-head number for Mr. Rattner, it reflects his intuition based on years and years in this business, and it's entitled to some respect. Thank you.

MR. RATTNER: I think that was your number.

MR. YASSKY: No, I think that was yours.

MR. GJONAJ: Mr. Malcolm, you came up with the number of 300?

MR. RATTNER: I came up with the number maybe of 300. I recall we both came up with the number of 300. If I recall right, I think we wound up shaking hands on it, but I said, "Not in the men's room." Ask him, it's true.

(Laughter)

MR. YASSKY: That part is certainly true. I remember that quite with some unpleasant clarity.

We have Akiva Shapiro, followed by Surinder Singh.

MR. SHAPIRO: Good afternoon,
Mr. Chairman and Commissioners.

MS. MARINO: Speak into the mic please so we can hear you.

MR. SHAPIRO: My name is Akiva Shapiro. I'm from the law firm of Gibson, Dunn and Crutcher. Along with my colleague Randy (Inaudible) at the firm, we represent some of the leading lenders in the New York City taxi industry, including Richard Kay from the Taxicab Service Association.

Commissioner Gonzales had a (inaudible.) Before I turn to my prepared remarks, I just wanted to answer Commissioner Gonzales' question briefly.

Of course every loan is different and different players in the industry are regulated somewhat differently. But generally speaking, the loan value ratio is set at a limit of 80 percent with some loans can go up 9 percent, and many loans in fact hit that limit.

So, any drop in value, even 5 or 10
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percent on the value of the medallion will have a significant impact on my clients in the lending industry. They have to set aside reserves for whenever it goes above that limit. In theory, it could lead to catastrophic insolvency in the industry if medallion values fall too far.

(Inaudible)

MR. GONZALES: Speak closer to the microphone.

MR. SHAPIRO: Because of the new medallions and new licenses.

We recently submitted written comments to the Commissioners --

MR. YASSKY: The report that you just described, are you referring to something you have submitted to us?

MR. SHAPIRO: It's something that we will provide to you. It was prepared a year ago, but we both provided it to the Commission in response --

MR. YASSKY: I can see why you would wait. Continue.
MR. SHAPIRO: We recently submitted written comments to the Commission. (Inaudible) attention to those comments and limit my remarks here today to just something very brief. I implore you to review our written comments and take serious consideration to the objections that we raised. In particular, we believe, along with many others in the industry, that the legislation that these proposed rules implement violates the New York and United States Constitutions and other laws, and that issuing violations is efficient to render the street hail legislation as invalid. (Inaudible) In closing, we encourage the Commission not to rush forward today to pass the proposed rules, and not to rush forward in the near future to issue street hail licenses and new medallions, in light of and without properly considering the street hail legislation.
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(inaudible.)

MR. YASSKY: Can you sum up?

MR. SHAPIRO: The significant and severe economic impact on the (inaudible.)

MS. De'ARCY: I have a question. (Inaudible) a former colleague of mine. When you talk about a negative impact as a result of the influx as a result of the street hails, are you suggesting that street hail pickups in the outer boroughs and in the upper Manhattan will make this negative impact, or are you suggesting that illegal pickups in the exclusionary zones would result in this negative impact? Because I think that those are different.

MR. SHAPIRO: Sure. We believe that the legal pickups authorized by street hail legislation will have significant environmental impact -- environmental and economic, both.

MS. De'ARCY: Notwithstanding the fact that currently that 70 percent of
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current street hails are not in the
outer boroughs and upper Manhattan? I'm
just trying to understand.

MR. SHAPIRO: I think that the 3
percent is sort of washed over as if
it's kind of pocket change. But the
fact, when you looked at, especially
with the loan devalue ratio regulations
and the fact that this is a heavily
regulated industry, that the little gap
there will make a huge difference,
because there will be -- the yellow
medallion drivers will face competition,
now legal competition for street hails
in the exclusionary zones.

MR. YASSKY: Do you think that the
amount that medallion owners charge to
lease medallions to drivers, do you
think those amounts will come down as a
result of this? Because obviously, half
the revenues goes to the medallion
owner. The revenue that goes to the
driver in some ways is irrelevant to the
ability of the medallion owner to repay
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(inaudible.) Do you expect that they'll drop?

MR. SHAPIRO: I don't know the answer to that.

MR. YASSKY: Otherwise there's no --

MR. SHAPIRO: We will get back to you on that.

MR. YASSKY: Fair enough.

MR. GJONAJ: I have a question. I can see that using the 3 percent yellow transactions that occur outside of the designated area in lowering the value of the medallion by 3 percent -- and maybe I even stand corrected, 20 to 60 percent devaluation of the medallion; is that what you're saying?

MR. SHAPIRO: No. I'd say the 20 to 60 percent hit on net income. I don't think the medallion --

MR. YASSKY: Of the medallion owner or of the driver?

MR. SHAPIRO: Of the driver.

MS. MARINO: Speak into the mic.

MR. SHAPIRO: Thank you. The
largest impact there is of the 2,000 new yellow medallions, as well as a smaller impact from the new 2,000 licenses, and that's 20 percent -- again, my analysis (inaudible.)

Because, depending on how strong or relaxed the enforcement is, there will be greater influx of illegal pickups in the City, will cut into the income of the yellow cab drivers.

MR. GJONAJ: The additional 2,000 yellow medallions and 18,000 outer borough permits, you estimate what percentage of devaluation to the current medallions?

MR. SHAPIRO: I only have the number of -- I want to say it's 25 percent.

MR. YASSKY: Can you say what part of that is due to the street hail livery permits and what part is due to the 2,00 additional medallions?

MR. SHAPIRO: Of the 20 percent --

MR. YASSKY: You just said 25 percent.
MR. SHAPIRO: Like I said, it's a range. If you pick the low number of 20 percent, it's 14 percent based on yellow medallion and the 2,000 new, and 6 percent based on the new street hail licenses.

MS. De'ARCY: So, for the purposes of the rules that we're enacting today, with respect to the street hails in the outer boroughs and in upper Manhattan, the number is 6 percent, right? I just want to focus on that.

MR. SHAPIRO: Sure. That's the number for just the street hail that we're discussing today.

MS. De'ARCY: Excuse me. Because that number doesn't carry the catastrophic consequences the large number that you used, which includes the 2,000 medallions that are not part of what we're dealing with today.

MR. SHAPIRO: Sure. But I think the Commissioner has to look at the picture of totality, all of which is
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(inaudible.) It's an extent of your flexibility over what you're authorizing in both yellow cabs and the street hail, you have to look at the impact, the additive and total impact of both.

MR. GONZALES: Keeping in the same line of thought, so the value of the medallion, with respect to the Five Borough Taxi Plan, is estimated to have a negative 6-percent impact on the value of the medallion. So, said another way, that we are suggesting that the 3 percent -- and again, this is taking it to the extreme. Taken to the extreme, 3 percent of pickups and drop-offs that occur outside of what's currently being called the hail exclusionary zone has a 6 percent impact on the long-term value of the medallion?

MR. SHAPIRO: I think that the impact on the driver's income from --

MR. GONZALES: Not driver income. This is value of medallions.

MR. SHAPIRO: Driver medallions is
not directly related to the amount of
pickups or income that's going to be hit
on. So, in other words, the 3 percent
is outside.

And let's says it's a full 3 percent
loss off income, that doesn't
necessarily (inaudible.) To be honest,
I don't know enough about the valuation
(inaudible.)

Again, in answer, other than to say
I think there's a 3 percent difference
in income is not the same thing of what
they had on the value of the
(inaudible.)

MR. GONZALES: The income hit taken
over some period of time will have an
impact on the overall value of the
medallion?

If you you're going to throw numbers
and things like that out there, please
make sure that you have and you're able
to inform about how you got to that
number.

MR. YASSKY: I won't keep you up
here. But I would also appreciate some more clarity about your clients' position on the relationship between the driver income and medallion owner income, namely, what is the policy of medallion owners that you -- if driver income does go down, does that mean that those medallion owners will charge less for the leasing of the medallion or the medallion and car?

I think if you can provide some clarity as to that policy, it would help us understand whether there really is any risk to the medallion. Thank you.

Next is Surinder Singh, followed by Bachirou Fall.

MR. SINGH: Good afternoon, ladies and gentlemen and Mr. Chairman. My name is Surinder Singh. I drive 22 years in yellow cab. I bought my medallion in 1996 when City to promised to me, "You the only one who have the right to pick up in the the five boroughs."

(Inaudible)
Also I want to explain to everybody,
I started working to help my children's
school, to the point where I could get
him in Harvard. 30 days a month I do
this, and I pick up 20 fares on Queens
Boulevard every day.

(Inaudible)

It's going to hurt our business.
Please, Mr. Chairman, postpone. Please,
we beg you.

(Inaudible)

MR. YASSKY: Please sum up.
MR. SINGH: Please. (Inaudible)
MR. FALL: (Inaudible) Since I
bought that medallion, and I'm working
so hard to see if I can invest some
money somewhere else. What I just did,
I just bought a house.

(Inaudible)

MR. YASSKY: Thank you.
MR. FALL: Thank you so much.
MR. YASSKY: Adiela Siguncia?
(No response)
MR. YASSKY: David Pollack?
MR. YASSKY: I know David Pollack is here, followed by Avik Kabessa.

MR. POLLACK: Good afternoon, Commissioners. How are you? My name is David Pollack. I am from Committee for Taxi Safety.

We certainly heard a lot of impassioned testimony today from both sides of the floor. We've heard from medallion owners, small businessmen, we've heard from livery owners, you've heard from taxi technology people. And there's a lot of passion flying in the room.

Based on you the new testimony you've heard today, based on the new rule changes that have occurred quite recently, I just hope that you decide to table this for one more month. There are so many things to consider, and it looks to me like we have one class of workers you pitted against another class of workers, for a political solution.
And I think that we need to look at the rules a little closer and not to make a historic mistake in the industry.

That's it.

MR. YASSKY: Thank you, Mr. Pollack.

(Applause)

MR. YASSKY: Mr. Gjonaj, you have a question?

MR. GJONAJ: Mr. Pollack, what do you think you will achieve with a 30-day delay?

MR. POLLACK: Well, first off, there's so many changes on the rules, I can't keep track of them myself -- I don't know, I mean, if you can, that's great.

You know, on today's notice and testimony, without digesting it, I don't know.

But you know, we talked about -- I really don't want to get into specifics. But we talked about enforcement, that's been talked about
today. Why isn't anyone talking about FHV enforcement, why are they just talking about the street hail license enforcement?

You know, there's a chance this thing can really work. But it seems the real crust of the problem seems to be circumvented for pushing these rules through, in my opinion. That's just one example.

MR. YASSKY: Thank you, Avik Kabessa, and then the next speaker is Marcelino Aeruias.

MR. KABESSA: Good afternoon.

(Inaudible)

I'm also a member of the Livery Roundtable and I'm also the Chairman of the Livery Workers' Compensation Fund.

(Inaudible)

We are objecting to the discriminatory changes regarding the off-street parking rule.

(Inaudible)

MR. YASSKY: Thank you,
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Mr. Kabessa. Mr. Kabessa I agree with
you that while the bases continue to
operate and meet their obligations, the
lack of coverage for drivers is, while
maybe not a TLC transportation issue, it
is a policy issue that really does need
to be dealt with. We stand ready to
work with you to get Albany to address
that issue.

In terms of the information -- don't
tell me now, but I'm told that we did
send the information you requested, but
if it's incomplete, tell me and we'll
work on the information you requested.

Thank you very much.

MR. AERUIAS: Chairman Yassky, nice
to see you again. I met you at JFK.

MR. YASSKY: Nice to see you again.

MR. AERUIAS: My name is Marcelino
Aeruias, I've been yellow taxi for the
last 28 years.

(Inaudible)

MR. YASSKY: Really I think we are
honored by your presence and your
testimony and just the work and heart
that you put into this industry and
serving your passengers on behalf of
your children, but really on behalf also
of the country, the American Dream you
spoke about. And I thank you for your
very moving statement.

I also want to assure you that it is
all the thought and all the work and the
months and months and years of work that
has gone into this. And nobody wants to
take away from the yellows. What we
want to is to allow the same newcomers
to this country who are struggling today
to make a living in Brooklyn and Queens
and Bronx and Washington Heights, and
are doing it now by the skin of their
teeth, and allow them to do it legally
and with the same dignity that you've
been able to do it.

Since the rules are very clear that
the new licensed cars cannot compete
with the yellows in the part of the City
where the yellows make their money. But
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we're trying to get the yolk of the
government off the necks of the drivers
who are earning money in the Bronx and
Queens and let them enjoy the same
liberty and the same American Dream that
you have been able to enjoy.

I think that your statement was
deply inspiring. I do want you to know
the values (inaudible.)

MR. AERUIAS: I want just want to
ask you not to sacrifice the backbone of
this whole industry that (inaudible.)

MR. YASSKY: Yes.

MR. AERUIAS: I just want you to
know that when I was young and like you,
I didn't have the choices to go to any
business.

(Inaudible)

MR. YASSKY: Mr. Aeruias, I am going
to have to ask you to sum up.

MR. AERUIAS: Because you've made
uncertainty.

MR. YASSKY: Thank you very much.

(Appause)
MR. YASSKY: I don't know if there are still people signing up, but we are going to close the sign-ups now, because we have to come to a close. So, Mr. Mamadou, please go ahead, then Fernando Garcia.

MR. MAMADOU: Good afternoon, Commissioners. Before anything, I like to (inaudible.) Give us an opportunity to fulfill our American Dream. We are the American Dream. Thank you.

(Applause)

MR. YASSKY: Fernando Garcia, followed by Jean Chesy.

MR. GARCIA: (Through an interpreter) Buenos tardes.

MR. YASSKY: Buenos tardes.

MR. GARCIA: I'd like to begin by first talking about something you already addressed here. Chairman, this is a country of immigrants. The majority of the people who are here, I would say about 80 percent are
MS. MARINO: Is Mr. Garcia a yellow, a livery?

THE INTERPRETER: Livery.

MR. GARCIA: How is it possible that the generation that came here on the Mayflower, that came here looking for the American Dream, today, they can look forward to having that dream come true?

We are not asking for anything that can't be accomplished. We are asking you that we be allowed to work in areas that the yellow taxis do not want to service.

For 40 years, we have risked our lives and have put in our effort, and today it's becoming a reality, our dream that we have had for 40 years, we want this to be accomplished.

All I ask is that we become a little more human and that we can all work in our own areas while not conflicting with each other.

MR. YASSKY: Thank you.
MR. GARCIA: I would like to ask the Commission to consider all this, so that the rules will be enforced to avoid conflict between one sector and another. I only ask that we can all live in New York without coming into conflict with each other.

MR. YASSKY: Thank you.

MR. GARCIA: Thank you very much.

(Applause)

MR. YASSKY: Jean Chesy, followed by Frank Wanzi.

(No response)

MR. YASSKY: Jean or Frank?

(No response)

MR. YASSKY: Richard Chitman.

MR. CHITMAN: Good afternoon, Mr. Chairman, Commissioners. I had no intention on speaking today. I'm a little nervous. I'm not a great speaker, but I can tell you -- my name is Richard Chitman, I'm from West Point Medallion Sales, I'm a licensed New York City taxi driver, and I'm also a lender,
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of rapid funding.

I can tell you that from the prior auction, my office sold close to 25 percent of all the individual medallions sold at (inaudible.) They bought this medallion with the exclusive right to pick up in all five boroughs, as we know.

You guys are looking to have a sale of medallions after these rules get in place. And I can tell you that right now in my office I have a lot of sellers and I don't have any buyers. It will definitely affect the value of the medallion.

You're asking for percentages. I can't give you an exact percentage of what it's going to go down, but I can tell you that for the medallions to drop 10 percent, on an individual to go down $70,000, that's not a lot of money, that's not a big percentage for it to go down, but I think it can go down more. And at that point you'll see a lot of
loans with a lot of lenders going upside
down, where they (inaudible.)

At that point, the banks that are
giving us money to re-lend to the
borrowers, they're going to cut us back
and you're going to see a crisis going
on in the City.

(Inaudible)

I think there's a lot of rules that
need to be implemented into your rules
now, some things that need to be put
into place: better enforcement, more
protection for us.

I'm just asking that you re-think
everything that's in the rules, you
don't rush to vote on this today. It is
a historical vote and I'm asking you to
please delay it.

MR. YASSKY: Thank you. And I
appreciate your coming here today. And
I want to assure you that even if we do,
as I expect, vote on this today, it
doesn't mean that if you have ideas of
what we need to do -- you said that
there are things that you think need to be done on enforcement and so forth, I really encourage you to stay in contact with us at the Commission. We value people's input who understand this industry. I hope you will take advantage of that.

MR. GONZALES: You mentioned you were seeing more sellers than buyers earlier. Instead of sales, what would you say the change of year-to-year percentage was?

MR. CHITMAN: What is the percentage of the change?

MR. GONZALES: How many sales are you seeing this year versus last year?

MR. CHITMAN: I can just tell you that it's a lot lower.

MR. GONZALES: As far as the transactions today?

MR. CHITMAN: It's 24.7 percent less transfers than last year.

MR. GONZALES: In your opinion, how much of that 24.7 percent is due solely
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to the Five Borough Taxi Plan?

MR. CHITMAN: I think most of it is
due to it, because --

MR. GONZALES: Not most. How much?

MR. CHITMAN: (Inaudible.) I can
tell you to you most of it due to
everybody is scared; what are they
actually buying at the auctions? The
City printed up these nice pamphlets and
everything that showed, you know, nice
lighting and sufficient light to pick up
street hails in all five boroughs. And
now they're saying, "Well, what am I
really buying?"

Right now, they narrowed it down to
96th Street. And then what happens if
two years from now, a year from now, the
liveries whou bought the outer borough
medallions are saying, you know, "We
can't make money only on 96th Street.
We need 86th Street"? And then they
come in and they (inaudible.)

MR. GONZALES: Let me ask you one
last question. In your opinion, how
much of the reduced number of sales
would you attribute possibly to that in
the financial services industry in
total; is there higher lending standards
or lower them?

MR. CHITMAN: I don't really
understand the question.

MR. GONZALES: For example, the
mortgage business prior to the
recession.

MR. CHITMAN: Right.

MR. GONZALES: You could easily
just, you know, it's okay, you receive
100 percent financing on a piece of
property. Right now, as of this
moment, you got to walk in with 20
percent equity.

MR. CHITMAN: Right.

MR. GONZALES: So, that particular
scenario, how much have you seen?

MR. CHITMAN: I think it's more of
the lenders' uncertainty of what we're
lending on. Banks and credit unions are
regulated to do about 80 percent.
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Brokers like me and lenders like me, we take a chance and we put less money based on if their credit is bad.

When we're lending money on a medallion, we were secure on what we were lending money on before.

Right now we don't really know what we're lending money on either. So, I can tell you as a lender, I've tightened my reins, I'm not lending as much money and letting guys in and lending them 95 percent to buy a medallions at the auction.

At the prior auctions, I financed 95 percent, sometimes I financed almost 100 percent.

MR. GONZALES: So, less?

MR. CHITMAN: (Inaudible.)

MR. GONZALES: Would you say that the tightening of lending started to incur as (inaudible)?

MR. CHITMAN: No.

MR. GONZALES: No?

MR. CHITMAN: No.
MR. GONZALES: Thank you.

MR. YASSKY: Thank you. The next is Richard Kay, followed by Arthur Goldstein. We have four more speakers: Richard Kay, Arthur Goldstein, Anthony Cassarino (ph) and Michael Simon, and that is all the speakers. Mr. Kay?

MR. KAY: My name is Richard Kay. I'm the president of the League of Mutual Taxi Owners. I'm the CEO of Lomto Federal Credit Union. And I'm the president of the Taxicab Service Association, representing four credit unions who are major lenders to the yellow medallion taxi industries.

I hadn't planned on speaking today, but I've heard so many things said --

MS. MARINO: Microphone please.

MR. KAY: That I felt compelled to say something. I have a few things that I made some notes about concerning lending. I also have some things just concerning the industry in general, and I hope that I have the time to finish
I've been in the medallion taxi industry for 37 years, the problem concerning illegal livery street hails started long before that. The police department regulated the taxi industry at that time. The police department did not enforce the rules about illegal street hails, especially in certain areas of the city.

When the TLC was created in the early 70s, TLC didn't enforce the rules then either. So, it grew and it grew and it grew.

Yellow cabs used to service all the boroughs in all areas of the City. I remember that. The yellow cabs were driven out of many neighborhoods because of the lack of enforcement and the illegal cars taking over those areas. The yellow cabs (inaudible) of illegal competition and violence from the drivers in the illegal cars. And I know this firsthand.
If there was proper enforcement back then, the illegal drivers would have been encouraged to get a hack license and drive a yellow cab. But that wasn't done. That's not my fault. You weren't around then, but this Commission was, and this Commission didn't do its job.

The practice of non-enforcement continues today the same way it did 20 years ago, 30 years ago, and 40 years ago. And now I'm hearing that I should believe that it's going to change. I'm sorry, I don't believe it.

(Applause)

MR. KAY: Instead of having black Lincolns, that everybody knows are illegal, to pick up street hails, you're going to have cars that look like yellow cabs -- even though they're not yellow, they're going to have a roof light and a meter and rates on the door, and then you're going to say, "You can't pick up in this area, but you can pick up across
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the street."

Or, you know what? The people flagging cabs don't care. They're so used to making flat rate deals with the drivers that they're going to do that in those cars, too. And GPS system is going to be able to tell you about that.

(Applause)

MR. KAY: This bill will harm the people who followed the rules, followed the laws, all of your regulations, paid their taxes and did everything that they were supposed to do.

MR. YASSKY: I'm sorry, Mr. Kay, out of respect for everybody and their time limits, I'd ask you to sum up.

MR. KAY: Everyone should be allowed to earn a living, everybody. And if the drivers of these illegals cars really want to drive a cab, why don't they get a hack license? Why doesn't this City want to issue more medallions?

The yellow industry has discussed
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this with the Chairman, and every plan
that we've discussed was found to be no
good. But that doesn't mean that there
isn't a plan that is good. And that's
the way we should look at this.

And everybody can get a hack
license, and with more medallions, they
all get a cab to drive and everybody
will make a living.

In answer to Commissioner Gonzales'
question, if I can answer the question?

MR. YASSKY: Yes.

MR. KAY: The (inaudible) on many of
the leased medallions, where somebody
leases a medallion through a leasing
compny and gets a fixed amount of money
every month, and we base a loan on the
payment amount equal to lease amount at
1.0. It goes up to approximately 1.25,
depending on how the medallion is being
used. Only drivers will have a
different (inaudible) than other types
of operations.

(Inaudible)
MR. YASSKY: Okay. Thank you, Mr. Kay.

MR. KAY: I respectfully urge this Commission to postpone this vote, to table it, and I can get you more information from NERA, who is a nationally recognized economic consulting company that did white papers for the TSA, and it will show -- and this is totally independent. We just paid for it, we didn't tell them what to put in, and it showed that the medallion value drops 25 percent with 2,000 yellow medallions and also with this livery street hail rule. And I have documentation, I can get it to you tomorrow, and I hope you consider that.

MR. YASSKY: We certainly look forward to that. Thank you, Mr. Kay.

MR. GJONAJ: When did you obtain that report?

MR. KAY: It's approximately one year old.

MR. GJONAJ: And that 25 percent
depreciation in the value of medallions
is due to the sale of 2,000 yellow
medallions, in addition to the outer
borough?

MR. KAY: Yes.

MR. GJONAJ: I have one question.
Why didn't you bring that report with
you?

MR. KAY: That's a good question,
and I don't have a good answer for you.
The report was made public. It was
submitted on a state level.

MR. YASSKY: Certainly would have
been useful for us to see it.

MR. GJONAJ: Did you submit that to
the State at the time we were discussing
the outer borough plan?

MR. KAY: Yes.

MR. GJONAJ: Have you seen this,
Mr. Chairman?

MR. YASSKY: Not to my knowledge.

MR. KAY: It's been well-
publicized. I was under that impression
that our counsel had submitted it to the
Commission, but I'm not 100 percent positive.

MR. YASSKY: I don't believe so.

MR. KAY: All I'm asking is before this Commission makes this judgment today, consider how serious it is and how irreversible it will be. To wait another month to make that decision would be the prudent thing to do.

MR. YASSKY: Thank you, Mr. Kay.

(Applause)

MR. CARONE: I just want to clarify something you mentioned on the DSCR, that you came here representing a banking institution that lends?

MR. KAY: Correct.

MR. CARONE: Using the medallion as collateral; is that correct?

MR. KAY: Yeah. I'm the CEO of the Lomto Federal Credit Union, approximately $250 million in assets primarily to the yellow New York City taxi medallion industry.

MR. CARONE: You base your DSCR on
whether it's 1.0 or in some cases, as
you testified to, 1.25, and you use that
to guide how high of an LTB you would go
to determine your lending criteria; is
that correct?

MR. KAY: Well, they're not exactly
related that way. We go up to a --
well, if a DSCR misses at least one --

MR. CARONE: Right. So, how much
you're going to give them is based on
the cash flow of the asset.

MR. KAY: Yeah.

MR. CARONE: You mentioned you gave
some economic study to the public, and
you're not sure to where, but since the
hail legislation was passed into law
until today, has your institution
reduced its DSCR as you stand here
today?

MR. KAY: We have reduced the dollar
amount of (inaudible.)

MR. CARONE: Have you reduced your
DSCR below 1.0?

MS. De'ARCY: I hate to sound
ignorant, but can you define DSCR?

MR. KAY: It's debt-service coverage ratio, which is used to -- it's a calculation that every lender will have to use on any loan to determine if the borrower has, or in this case the business has enough income to repay the loan on a monthly basis.

MR. CARONE: Mr. Kay, if I'm understanding you correctly, the DSCR, as defined a few minutes ago, has not really incurred a change since this (inaudible) legislation was publicized by the Mayor a few months ago, and right up until today --

MR. KAY: There's no reason (inaudible.)

MR. CARONE: I'm not saying there was. I'm just asking, have you changed it?

MR. KAY: I have not changed the underwrited standards of the DSCR. I have changed the amount of the loan. We refinanced loans at a much lesser amount
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2 now than we did two years ago.

3 MR. YASSKY: Thank you. I will also
4 point out that if indeed there was a 25
5 percent drop in values from where we're
6 at today, it would bring them roughly to
7 where they were when the study was done,
8 in other words (inaudible.)

9 So, next is Arthur Goldstein. And
10 then I believe Frank Wanzi, is he here?
11 (No response)
12
13 MR. YASSKY: Okay. I skipped
14 over -- I called his name earlier and I
15 guess he must have been out of the
16 room. So, Arthur Goldstein, then Frank
17 Wanzi, then the final two speakers.

18 MR. GOLDSTEIN: Thank you and good
19 afternoon. I'm general counsel to the
20 Taxicab Service Association- Richard
21 Kay's organization. Just a couple
22 comments. I also didn't intend to speak
23 until I heard all this.

24 First of all, the study was
25 commissioned by the TSA and widely
26 circulated at the time. I'm not sure if
it was sent to the Chairman's attention directly, but there were newspaper stories about it, and at that point, the weekly meetings that we were having with the Commissioner had stopped. I don't know if you know the history here, but there was a whole, very good, strong dialogue by the so-called "special interests" that happened immediately after Mayor Bloomberg made the announcement. A number of the organizations got together, first yellows and then we met with livery organizations, and we collectively said, "This is real. Something's going to happen here, and we have to come up with a plan."

And then we went to the Chairman, we went to City Hall, and started meeting just about weekly, and we were throwing ideas on the table -- and I represent TSA for 18 years now, and, you know, I never thought I'd see some of the interesting ideas we heard about— you
know, mandate, using all yellow taxicabs as a solution, trying to, in essence, take back the streets that was theirs, you know, 30, 40 years ago.

But all the ideas that went on the table meant jobs for everyone, all cabs in a measured way. And what I mean by measured is you analyze demand. Do we even know today the -- do they, the Commissioners, know how many fares are out there that are being picked up in the boroughs outside of Manhattan above 96th Street? I got to say the answer is no, none of you know what that number is.

So, all of a sudden we have a plan to take 2,000 cabs- that's 50,000 fares a day if you multiply each shift 25. And then if you take the 18,000 vehicles that pick up another 10 fares a shift and maybe make a shift-and-a-half, that's 270,000 fares. Do we know that 270,000 -- plus the 50 -- fares are out there? We don't know. This was never
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done in a measured, tested way.

MR. YASSKY: If you can sum up please.

MR. GOLDSTEIN: I will. So, my point is, besides the NERA study, it's out there and I believe it's also common sense, the medallion is a commodity. If you forward 2,000 commodities into a market, common sense tells you it's going to have an impact.

And now if you're going to throw 18,000 more into that marketplace, it's going to have a bigger impact. The key point here is that this Commission -- forget the public having to pay for a study, or an industry, this Commission needs to study this before you vote.

Before you change an industry forevermore, even if you might tinker with whatever you vote on today because some things go wrong and you may correct them, this is too big today to make the vote today.

(Applause)
MR. GOLDSTEIN: You sit there back in the room like -- you know, maybe some of us failed our clients, and hopefully we (inaudible,) as well, but most of the time, even when we were talking with some of the livery organizations on the side -- and I think the chairman was as well, we really weren't in the room, ever, together, until way down the road, probably four months after we stopped talking on a weekly basis.

Where are you going to find the solution where people don't lose jobs and demand it's taken care of in a measured approach? The way to do it is to get back into a conference room and maybe involve some more Commissioners.

Thank you.

(Appause)

MR. YASSKY: Mr. Wanzi, followed by Edwin Rodrigo (ph,) followed by Michael Simon, and then we'll close.

I just got an email. Just on the question on number of sales from
(inaudible.) In the first three months of 2012, 55 transfers of medallions; the first three months in 2011, 55 transfers. So, that sounds like a change of zero. Thank you.

MR. WANZI: Mr. Chairman, Commissioners, ladies and gentleman, good afternoon. My name is Franklin Wanzi, I'm a graduate student of City College, and I'm taking a course now in transportation management. The former Commissioner Daus is now the president. So, (inaudible.)

Can you hear? I'm also a yellow cab driver, and I live on 176th Street in the Bronx. I am a yellow cab driver. I'm outraged when I'm driving downtown and I see black cabs (inaudible.) I'm outraged, because I have to pay my lease and I need to make money for myself. I am not saying -- I also see why (inaudible.)

So, I'm pleading, sometimes change is how you are managing or how you work
(inaudible.) I thought maybe this change was -- what's that word -- incentive to be professionals.

(Inaudible)

But put a little bit more enforcement into the City, and try to balance it a little bit.

(Inaudible.) Try to balance it a little bit like the very first man said at the beginning. But please,

(inaudible) is change. How you manage it is (inaudible.) Thank you very much.

(Applause)

MR. YASSKY: Mr. Wanzi, I'll tell you very sincerely, sir, that is the best articulation on what we are tying to accomplish in this rule that I have heard. And I think you're absolutely right, had we -- had I, and we as the TLC, articulated it as well and as thoughtfully and as just clearly as you just did, maybe it wouldn't have been so controversial. I really appreciate your
testimony. Thank you.

So, finally, Anthony Focorino (ph,) followed by Michael Simon.

MR. FOCORINO:  Good afternoon, Commissioners.

MS. MARINO:  Into the mic please.

MR. FOCORINO:  I'm in the business since 1985. I'm a medallion owner.

Currently my house is under water. I do not wish my medallion to go underwater.

(Inaudible)

Over 2,000? See the impact, see the environmental study, see the pollution, see how many guys will kill one another for a fare in the outer boroughs. You have no idea.

(Inaudible)

Get a hack license.

(Inaudible)

Get a hack license. Become a driver. See where we are.

(Applause)

MR. YASSKY: Thank you, Mr. Focorino.
MR. FOCORINO: Any questions?

MR. YASSKY: Thank you very much.

MR. FOCORINO: Any questions?

MR. YASSKY: I think you said it all. Michael Simon is our last speaker.

(No response)

MR. YASSKY: We'll skip Mr. Simon --

MR. SIMON: I wasn't intending to speak, I've never spoken at any Commission meeting, but this is of real importance, so I decided to come up. I've been a taxi owner since 1976. I was an owner/driver for about 15 years. I own a few minifleets right now.

One aspect of the financial situation that I think that hasn't been discussed enough is the aspect of drivers. I hang out with my drivers, we chat, we talk, when they pick up the cabs we have chitchat. And one time I asked them, you know, "Why don't you guys drive gypsies, why do you guys drive yellow?"
And basically the reason why yellow cab drivers drive yellow is because they're good people. They don't want to do anything wrong, they don't want to be illegal. That's why they're driving yellow.

To drive a black car, it's a much nicer car. You don't have a partition, you have a nice Towncar, you take it home. It's very comfortable, it's a very easy way to wait, it's a very easy way out from being legal and doing something illegal and making a living that way, rather than do it right, in my opinion.

So, what I want to bring up, the gypsies, their car services are illegal. And what's going to happen to the drivers who are driving yellow cabs now; will they need a small operator like me, and will my cabs be, you know, not going out like they are now?

I remember about -- I don't know how many years ago it was -- maybe five, 10
years ago, the Commission started implementing more rules concerning drivers, and the standards went way up, and there were a lot of drivers that left and a lot of my cabs weren't going out, and during that time I lost a lot of money. Every day the cabs of mine weren't going out because there weren't enough drivers.

So, what if that situation comes back? That's a financial aspect that hasn't been discussed yet, is whether drivers who leave driving yellow cabs and begin to drive gypsy cabs and what do all of the other cab owners do to find drivers? Because now the yellow cab drivers don't drive yellow cabs, don't drive a gypsy cab because they're not legal. So, that's something I wanted to bring up. And that's really an important point.

MR. YASSKY: I'll ask you to sum up, Mr. Simon. Thank you.

MR. SIMON: One other thing I feel
is very important in this whole discussion is the ethical, moral and also legal aspects of this whole thing. I think a lot about those, and a lot of my own thinking has to do with like, what's the moral, correct point here? What's the ethical, right thing to do? And to me, as an owner/driver, I was driving in Brooklyn back in 1976, working all parts of Brooklyn, and then I saw the beginnings of the gypsy cabs, and then when I saw that, I found it harder and harder to find a fare, so I started driving more in Manhattan. And that's when I also started buying medallions at that time. Those drivers who decided to go to the gypsy cars, they could have bought medallions, but they decided to go the way of a gypsy car and not invest. So, my point of view is on ethics and morality. Why should somebody who did something which was illegal way back be rewarded for that?
If I did something right, then I should be rewarded for doing something right. And I tend to think, why weren't the yellow taxi drivers, you know, included in any kind of way with getting these permits? They were completely shut out.

MR. YASSKY: Alright, Mr. Simon, I am going to have ask you to just end your testimony.

MR. SIMON: Thank you.

(Applause)

MR. YASSKY: Thank you to all of the members of the public and the industry who are here and participated. I think this has been just a terrifically illuminating hearing. This was just what this process was supposed to be.

Commissioners, I thank you, and I know it's been a long day.

Before I call for a vote, though, I know that many, if not all of you, would like to make statements, and I think that's appropriate, given the
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seriousness of this.

We do have -- I won't speak at
length, just to say that that is a sort
of an opportunity for us to fix the
problem that, speaker after speaker
after speaker has said, should have been
fixed years ago, and it's the case that
the boroughs should have been provided
for.

Maybe more medallions were needed 20
years ago, maybe they should have been
directed to the boroughs. But whatever
should have been done 20 and 30 and 40
years ago, we are here today with the
problem, it's now in our lap and it's up
to us to fix it. I guess it's a burden,
but it is also just an enormous
opportunity and privilege to be in a
position to try and fix it.

So, Commissioner Carone.

MR. CARONE: Thank you very much,
Chairman. Just so I'm clear, we're
making statements and deliberations and
then voting for them?
MR. YASSKY: That's correct.

MR. CARONE: It's a little late in the day, especially after breakfast and lunch, but I am happy to be here with my fellow Commissioners. Although, I'm certainly privileged to serve on this Commission for a little over a year, I feel like I've known each and every one of you for much longer than that, and that's a good thing.

(Inaudible)

Whether we agree or disagree, as far as sitting here in Brooklyn Borough Hall, in the Borough of Brooklyn, in the borough of my birth and both my parents and grandparents, I think it's entirely appropriate that we are doing so.

Moving on to my comments, based on what I've heard in the last several hours, I want to start with the comment that is rushed. I've heard the word "rushed." I've seen it in writing, I've heard it several times today, I've heard it over the phone.
And I think, Mr. Chairman, we started, correct me so, in giving a 15-month history, of when this was just an idea. And I know I personally sat through multiple community meetings, not necessarily 15 months, but certainly for a better part of the year, more than I could even count. So, I don't believe that we are rushing on a deliberation.

As a matter of fact, I think I heard testimony from many people today, I think it was maybe Richard Chitman -- forgive me if I mispronounce your name -- who said that it was a year, I think his quote was, until we had "rules in place."

In preparation for today, I used the 15-month history and the year-history, and together with the numerous documents that have been sent to me, I just want to list some of them. They are letters from the MTBOT; Committee for Taxi Safety; Greater New York Taxi Association; NYC Fleet Livery Owners;
Livery Roundtable. I received letters from most of those organizations I just mentioned. I received letters from lobbyists. I received numerous community board letters.

I also received copies of litigation papers on (Inaudible) and MTBOT litigations that are presently pending, and I read them all. Read them all carefully.

I've also, for the most part, spoken to all of the representatives who called me from all those organizations that I just mentioned. I spoke to those individuals, they asked and I asked some questions. And I usually asked the following question, because the written material -- I'm not going to say a certain percentage, but a good majority of them have started with they're happy to see the hail legislation, from the onset, not whether our ruling should have particular rules or not particular rules, but why the legislation passed in
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the first place.

It's a very frustrating question, since no one on this Commission had anything to do with that, those are now the laws, and it's not appropriate for us to sort of find imposing.

But the question I'd ask was, "Which particular rule as presented do you have an issue with? And if you have an issue with a particular rule, how do you suggest that we change or amend it?"

Not many of the individuals that I spoke to had substantive questions like that, not a substantive response. Some did, but not many. "When did the conversation fall on our Commission to rule on this legislation in the first place?" And I just reminded those individuals I was on the phone with, it is the law. We're not here to challenge that law.

And I'll tell you why I say that. Our roll, our roll in rules is rulemaking, and whether or not the rules
that we so make will reflect the
accuracy -- or accurately reflect the
legislation as passed on for us to do
so; in this case, start it over.

Where? The Assembly.

The Assembly can waive the bill, the
Assembly can (inaudible.) The
Assembly, elected by the people in the
State of New York to be their voice,
proposed the bill. That wasn't enough.

Then we went to the Senate which had
its own bill. Then we went to the
Senate conference, they heard from all
of those lobbyists and stakeholders and
their constituents within their
particular districts, and I don't
think -- they would not have voted if
they didn't believe in their minds that
this is what their districts reflected,
whether they voted no or they voted
yes.

That final version was sent to the
Executive Branch. They held onto it for
several months. During that time there
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was more negotiations and there were
some changes proposed. When the
Governor, through the Executive Branch,
signed this bill into law, it then
became law.

It ends there, not here. We don't
have the power -- that's why it's a
frustrating feeling -- to neglect the
law, ignore the law or change the
substance of the law, we're here, as
someone said earlier, to follow it and
implement it.

We can, however, hear and take
suggestions on how to implement it. And
I think we have done that.

What made it easy to do that, and I
use "easy" very, very -- I guess
shouldn't use that word, "easy," but I
have to say this, the staff marshaling
the comments on the (inaudible,) and it
goes on and on, and on. They finalized
the best comments for us so that we can
focus on the substance of the rulemaking
that accurately reflects the agreement,
disagreement or suggestions from the
industry at large. And I thank them for
that, I also thank them for making those
available within minutes, for
suggestions.

With that being said, and I have to
say I have enormous respect for everyone
who testified today, (inaudible,) as I
said earlier, my role I believe as a
Commissioner and a Commissioner from
Brooklyn is a substantive one, on the
rules itself.

So, with that preparation, the
history and the enormous responsibility,
I determined there were two threshold
issues for me: Personally.

One, Handicap Accessibility.
Whether you agree with it, you don't
agree with it, whether it's practical,
whether it's workable, it's not for us
to determine, it's the law. The law
requires 20 percent. In my view, that
doesn't mean alternative or another
option, it means 20 percent of the exact
licenses we're selling or we will be selling.

And if the Governor or the legislature would have called for 5 percent, we would be bound by the 5 percent. If they would have called for 100 percent, we'd be bound by the 100 percent, I personally would like that better, but it's not for me to say.

What is for me to say is to follow the law, and I will not support a rule that, whatever in my mind, does not follow and mandate the spirit or the exact verbiage of it.

The second threshold issue for me was enforcement. Very difficult one. And we worked very hard to try to come up with what the Commission, what we can do in the confines of our authority as it relates to enforcement. And I probably join in many of the reasons stated by the New York Taxi Association and Ethan Gerber on why enforcement is important. I think everyone is saying
the same thing, certainly is, especially now.

However, the kind of teeth that will make adequate (inaudible) is outside of our purview as well. It will mean a change in the administrative code, whether that is it either goes to the City Council or once again in Albany.

But the changes that we did make within the rules I believe reflect as strong an enforcement as you possibly can, and those changes I think are substantive. However, to go further, we would need outside help from the Council or Albany.

I do believe the rules, as presented today with the amendments, they're as strong as we can in enforcement. And I hope that the staff continues, (inaudible) and enforce it on the streets.

The last thing I want to say, the hail legislation falls to many of the things that were stated here today, such
as reports, studies. We're not able to (inaudible) after the Stage 1, which is one third, we're obligated to report -- we being the TLC and the Commission, to report studies, reports and facts that we learned in the first stage. And that is very small.

Even without that, what would we do anyway, what would we do? This is a work in process, it is a work in progress. As we learn what needs to be adjusted, we will take those adjustments and then learn those lessons seriously, and debate amongst ourselves and hopefully implement a new rule that reflects that. And I think we've proven that.

Just yesterday, we received a final substantive change and amended it here today. So, the past suggests that we're open to those changes as they become known to us. This is not the end, this is the beginning. I do believe, though, the industry, all sides need closure.
We need some finality, I'm happy to be doing that today.

MR. YASSKY: Thank you, Commissioner. Commissioner Gonzales?

MR. GONZALES: Thank you, Chairman Yassky and my fellow Commissioners, the TLC staff and the industry, passengers and industry reps again for taking the time to come out to Brooklyn today.

I'm going to say it does feel appropriate, though, to push our quorum here to have the Five Borough Taxi Plan up and going here and Brooklyn.

As they'll tell you, the third-to-last speaker, I'll just say that change of times can be a tough thing. But to quote Heraclitus, "Nothing endures but change." And while I'm most certain that while the Greek philosophers did not really have the New York City taxi for-hire, I just want to remind you, it wouldn't have gotten here without change.

And the structure of change, I sense
that the resistance of tolerance towards change is apparent and present with respect to this Five Borough Taxi Plan which we will vote on today.

One thing I noticed about this particular journey called the Five Borough Taxi Plan is that this resistance -- which again, this is necessary in times of change. This was relayed to this board at the last Commission meeting and also here today, it merely focuses, in my opinion, primarily on the industry's perspective. Up until today, it is my opinion that there is very limited air time given to the driver perspectives and still almost zero air time given to the passenger perspectives.

Let me tell you why this is important to me. Thinking for myself, I for one base my decision on balancing the interdependency among the passenger, driver and industry perspectives.

For the passengers and drivers, I
pay key attention to safety.

Having spent my entire career in the private sector, I pay key attention to the overall business liabilities of the industry.

From where I sit, I definitely see overwhelming concentration of the hailed passenger pickups and drop-offs occurring in Manhattan south of 110th Street of the west side and south of 96th Street on the east side. I also see a concentration of pickups and drop-offs occurring at the airports. What I infer from this data is that the target market outside the exclusionary zone is not being served.

The last time I checked, there were five boroughs in New York City. If my inferences regarding the current yellows serving this target market are incorrect, there has been more than ample opportunity to share that objective data to my fellow Commissioners and TLC staff.
For those of you who are keeping score, I'd also like to point out that there were 87 comments that were brought to the staff's attention that were substantive in nature. 40 of those issues staff agreed with the comments and revised the rules accordingly. If my math is correct, that's about 55 percent of the comments reviewed by staff resulted in the rules update that we have before us today. I see that as an example of good, two-way knowledge between the staff and the stakeholders. Finally, I'd like to address those who may have opinions that the TLC has moved too fast on the rules that the Governor signed off on on the Five Borough Taxi Plan this past February, and we have the rules here two months later. In my opinion, the clock really started ticking around June of last year, not this past February. Also keep in mind -- because, again, it's a building process for the whole
Commission. Because the TLC brought the industries in for making the decision in the Rules Revision Project, developing and modifying rules made it an expeditious yet comprehensive manner in the direct sense for rules revision. Throw into the mix, an excellent, responsive and diligent staff here at TLC, and we're here where we are today because of that.

In closing, should the rules pass today, I see the rules as comprehensive, yet flexible enough- such as if new information comes in and unintended consequences and benefits reveal themselves in the implementation stage, I trust that staff will make the necessary adjustments in a timely manner. Thank you for your time.

MR. YASSKY: Thank you.

Commissioner Gjonaj, do you wish to make a statement?

MR. GJONAJ: I sure do. One of the advantages of being a Commissioner is we
don't have to adhere to those three-minute cards. Sorry guys.

David, our Chairman, has informed us early on that this is not a perfect thing, and in no regard is 100 percent of the industry going to be 100 percent happy, we knew that going in. But boy oh, boy, when the Commissioner signed up and sent in the nomination to the TLC, we had no idea what we were stepping into, I'll tell you that much.

But we did embrace the concerns of the industry organizations -- to driver, to the small businesses -- and gave every bit of attention to the issues that were brought up to the exclusive.

I've always been supportive and encourage participation from each one of you. I'm pleased when I hear a person signed up and starts the testimony with, "I had no intention of speaking, but," that's what you're supposed to do, that's why you're here. Your participation and comments will
influence our decisions. That's the way good government should be.

I again applaud each and every one of you for the time that you've taken to represent your interest and your concerns.

Without having going through a rhetoric of my fellow Commissioners and trying to leave something on the table for the rest of the Commissioners to say, I do want to thank the TLC staff. I do want to thank all the Commissioners that have taken this position. For many of you that may not know, this is a voluntary position. There is no salary. We are here on our own free will and no compensation and do this with the utmost respect and responsibility.

With that, the changes that were recently made, the booing, as we witnessed yesterday and here in today's testimony, one thing is evidently clear, and that's from all facets of the
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industry, much more has to be done in enforcement. Rules and laws on paper with the lack of follow-up are not useful. We will continue to work on that. I assure you that I will give it the attention that it deserves, we will diligently work to alleviate your concerns.

The AVA, or the Accessible Vehicle and I hear the paratransits, as Commissioner Carone already pointed out, is not the viable choice. It undermines the intent of the law, the purpose it was put in there, and I'll make sure that I do my part in rendering that suggestion going through. If we have to come up with other ideas if necessary, be more creative, I will not let you down. I am trying to represent your interests the best I can.

With that in mind, I think we are going to vote today, yet I see no real -- and no -- significant issues were brought up to my attention today. I
would have loved to have seen that report showing 25 percent devaluation in the medallions. That would have had a certain impact on me. Regardless, we leave that for another day.

With that, I'll leave it to the rest of the Commissioners to make their own comments. And I just thank all of you for your time and the input. Thank you.

MR. YASSKY: Commissioners, be clear on the process that you're more than welcome -- and I expect for everyone to want to make a statement, but you do not have to, then we will have a vote and you can express your yes or no during the vote. I just don't want anybody to feel on the spot. Everything has been said that needs to be said.

Commissioner De'Arcy?

MS. De'ARCY: I want to echo the sentiments of my Commissioners and thank this Commission, the staff and TLC for all their hard work, and in particular, to thank the stakeholders who engaged in
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way that we asked you all to at our last meeting. I think that this process was thoughtful and deliberate, and it was responsive on both sides. I think it is evidence of the success of this process.

We've heard very few comments today that challenged any specific rule that we've proposed. That's successful. That's what we're here today is to determine whether or not the proposed rules should be enacted. And there is very few comments that challenged any of those rules.

That being said, and I participated in this process, like my fellow Commissioners, what was key to me was the accent on the rules that would address enforcement. I recall that I said to the Chair, "We made a commitment. We made a deal with the industry when we advocated for the Five Borough Plan that we would ensure that part of that, to protect the interest of
the existing taxi industry. And I believe that the changes that we've made since the rules were first proposed addressed enforcement and provides greater deterrence for those who want to break the rules.

Do I think that more should be done? I do. But, as Commissioner Carone pointed out, we have gone as far as this Commission can with respect to enforcement. I personally will advocate and support any measure that we can bring to City Council so that we can add more teeth and greater deterrence with respect to anyone who wants to behave unlawfully.

I also make a personal charge to the members of the livery community who have stood up here today and say that the new rules will create a legitimacy, in their minds, that didn't previously exist.

So, I charge you not to jeopardize the legitimacy the rules created today like breaking the rules.
1  Ultimately, I think it's important
2  that we vote today. I think it's
3  important that we act. At the end of
4  the day, I didn't hear any evidence that
5  would suggest that the communities in
6  Brooklyn, the Bronx and Queens and
7  Staten Island, and in upper Manhattan,
8  an area of New York City in which I
9  personally reside, are receiving the
10  sorts of service that we believe -- I
11  think we can collectively agree, a
12  service that we all deserve.
13
14  So, as a result of that, I feel that
15  I'm compelled to act today. I don't
16  feel that there is time for us to
17  continue to delay action, especially
18  when the rules that we have proposed
19  today reciprocally have not resulted in
20  much challenge since we have responded
21  to the comments that we received.
22
23  So, I am proud to participate in
24  this process. I am honored that I will
25  have an opportunity to vote on this, and
26  I encourage all you of you, all, to
support us as we continue to address the
issues that will arise in the
implementation of the law that was
passed by the State.

MR. YASSKY: Thank you.

Commissioner Weinshall?

MS. WEINSHALL: Thank you, David.

I’m going to be very brief, because I
don’t want to repeat a lot of what my
fellow Commissioners said, because I
feel like we’ve been in this room all
day, because we have.

First, I want to thank everybody who
came here to testify on both sides of
the issue. I know that I found it very
useful to hear the different viewpoints
and the passion that people felt about
this issue.

I also want to say that there’s been
tremendous amounts of work by the TLC
staff and by my fellow Commissioners,
who we spent weeks and weeks discussing
and debating these issues. And it
really was, I believe, a collaborative
effort on behalf of everybody on the Commission.

I also feel that we can't ignore the fact, and this was a start of a new statistic for me, that there are 100,000 daily illegal hails going on in the City. Enforcement can't be everywhere, and that's not, as you can see, that's not the answer.

So, I believe that these rules will help us to not only bring service to parts of the City that don't get it, but will bring these qualities to that service that we don't currently have.

I was a little upset when I heard somebody testify and say that this measure was being put forward to punish the yellow car industry. And I have to say, I take issue with that. I don't think that's what's going on here at all.

And I am the daughter of a yellow cab driver. My dad drove a cab for 30 years. And I remember as a young girl
my dad had a radio in his cab. And for those of you who've been involved in the industry a long time, you remember when they took the radios out of the cab, right Vinny?

VINNY: Right, and your father was a (inaudible.)

MS. WEINSHALL: I know he was. But I remember at the kitchen table the discussions with my father and my uncles, who were also cab drivers, that this would be the end of the yellow cab industry, that this would change it forever. But it didn't. And this industry has gone through various hearings and has always come out stronger in the end, and I have faith, both in this City and this industry.

VINNY: Who's going to tell the cops to make sure the illegal pickups will get tickets and whatever? Because they turn their heads. They don't even look at a black car picking up an illegal. Who gets to take care of that?
MS. WEINSHALL: I just want to close with one more statement, that I have faith in the TLC that if things -- and I think other Commissioners said this as well, if we have to tweak this rule and we have to make changes, I have faith and confidence, both in the TLC and our Council, that we will be able to do that.

So, again, I just want to thank everybody who came today. I know this was a hardship for a lot of drivers who aren't out there earning a salary today, and it's appreciated.

MR. YASSKY: Commissioner Polanco?

MS. POLANCO: Thank you. I want to thank everyone for coming here today to the Borough of Brooklyn. And I've been part of this Commission close to five years. I know that this is a very important vote. I do not need to reiterate the historical background that lead to this legislation, but I do know firsthand of the enormous impact that
this legislation will have on the lives of not only the riders in the outer
boroughs, but also the lives of all the drivers of the livery and taxi industry as well.

And I will say that we all know that it was in need in our community -- and I say "our" community because I live in north Manhattan and I work in the Bronx, and I've experienced firsthand the difficulty in basically hailing a cab. Instead I have to rely on another sector of the industry, which is the livery.

I'm extremely proud of the TLC staff, and you, Mr. Chairman, as well as my fellow Commissioners and also the stakeholders for their hard work and timeliness in this legislation.

TLC is about to implement a State law that was heatedly debated last year, and even days before Governor Cuomo signed it into law, there was still meetings, and changes were made. The State law has passed, and now it's time
I truly understand the fears that some of the industry has. Since last year, I have met with various groups, from livery base owners, livery drivers, yellow medallion owners, and recently, just three days ago, I met with the wonderful -- who I see here today, I'm so proud that you guys are here, they're individual yellow medallion owners, and basically I was just hearing their concerns. And I understand completely where you're coming from.

I will do everything in my power to protect the rights of all drivers, also individually owned, corporate owned, livery drivers, livery bases, but most importantly, riders of New York City and I'm proud to have participated in this legislative process and I'm ready to vote today, Chairman.

MR. YASSKY: Thank you, Commissioner Polanco. Commissioner Arout.

MR. AROUT: Good afternoon,
everyone. You've heard so much out there that I don't think you're going to want to hear some of my comments, but my comments are almost exactly like these Commissioners just recorded.

Mr. Chairman, I'd like to thank you for following through on your commitment to have inspections on Staten Island. This is something my people on Staten Island have been fighting to get this closer to them for the past three years.

In my 54 years of serving as a Staten Island Commissioner, I have seen changes to this industry, some good, some bad. When it comes to the street hails today, I don't think it is just to expect the Commissioners to rush our votes, but to listen to their problems, which they have.

How can we review and understand all the changes in such a short time that we got this information? And my remark will be very short. I request that we
table these rules until at least one more month. This is such an important decision that affects the entire industry, and I think it is wrong to push this along quickly. I vote no.

(Applause)

MR. YASSKY: Commissioner Marino?

MS. MARINO: I'm going to make this quick, because being last means that everyone really just wants to go home simply now.

First I want to thank everyone, as my colleagues have thanked everyone. I have a prepared statement and I'm not even going use it, because a lot of my sentiments were repeated here today.

My problem with these rules -- and one of the Commissioners said that they didn't hear anyone bring up a specific rule. And I can't even bring up a specific rule. I was given this testimony today, it simply is too much to digest. I can't mention a specific rule in this book, that I haven't even
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had a chance to go through in detail as
I'd like to before I vote on such a
historic event.

As far as the studies go, there was
some talk about how, you know, certain
reports would be nice before we vote
here. And yes, I think we as a
Commission have the obligation to
conduct those studies, not turn to the
public. You need to do traffic
congestion report? You need to do
environmental --

(Applause)

MS. MARINO: That's our job. We
need to do these reports before we place
this vote. It's like, "shoot now, ask
questions later."

(Applause)

MS. MARINO: I mean, it will affect
a lot of people. I'm not saying I'm
against the outer borough plan. I'm all
for it. I live in the boondocks of the
City, I'm out in northeast Queens, we
never see a yellow cab in my
It's a great idea, but what's the rush?

And the fact that one of my colleagues said that it's now the law, the State has come down with this law-
The law says that we can, not that we must. There's no time limit here. I say let's put this off for a couple of months. Let's get some reports, let's get some studies.

(Appause)

MS. MARINO: (Inaudible,) until we have a proper opportunity to get the experts that we need to really give us some comprehensive, meaningful responses to what this is going to create to occur within the industry. The lenders, the banks, the yellows, the liveries, the supply and demand, there's so much here, that, while -- yes, the staff has done a tremendous job, they've been tireless, and I applaud them for that, and I applaud my colleagues as well. Everyone
has worked really hard.

And I know I've been on the phone
and I had a lot of late nights since
last week or so, and I've spoken to many
of you out there, and I'd really like to
educate myself. But frankly, I don't
think it's enough time and I think we
need to get the proper experts in here
who have the proper analysis before we
make a decision.

(Applause)

MR. YASSKY: Thank you, all the
Commissioners, for your very eloquent
and thoughtful comments. Before I call
the question, for CAPA purposes, because
it's the right thing to do, Meera, our
genral counsel, will do a brief summary
of the changes in this rule since they
were published in March. That is the
CAPA process.

Meera, will you go ahead and do that
please.

MS. JOSHI: Good afternoon, before
the Commission today are proposed rules
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for a new service. The proposed rules consist of amendments to TLC Rules current Chapters 51, 59, 54, and 64, and two new additional chapters, Chapter 82 and Chapter 83.

Chapters 51 and 59 were published on March 6, 2012 and the comment deadline was April 9, 2012.

Chapter 54 was published on March 8, 2012 and the comment deadline was April 9, 2012.

Chapter 82 was published on March 8, 2012 and the comment deadline was April 9, 2012.

Chapter 64 was published on March 15, 2012 and the comment deadline was March 15, 2012.

Chapter 83 was published on March 16, 2012 and the comment deadline was April 16, 2012.

The public comments received in response to these publications were forwarded to the Commissioners for their review, including any comments that came
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in after the comments deadlines.

The CAPA public hearing for all the proposed rules was published in The City Record for today, April 19th.

Based on the comments received, revisions were made to the proposed rules and a blackline version of the rules showing these revisions was made available to the public on the TLC website on April 12, 2012.

In summary, the revisions reflected in the blackline are as follows:

Penalties for persons holding themselves out as operating a taxi were raised.

Penalties for owners of street hail vehicles who failed to maintain base affiliation were raised.

The period during which a vehicle can remain unaffiliated before its license is revoked was reduced from 60 days to 30 days.

Several base liability revisions were deleted: Liabilities for E-ZPass
usage; liability for driver
overcharging; base liability for
affiliated drivers who do illegal street
hails was reduced from $100 per
occurrence to an escalating fine scale
based on the number of violations per
affiliated vehicle; and the base permit
requirement was reduced from 15,000 to
$5,000.

Hack-up deadlines were added. The
proposed rules now require the street
hail livery vehicle be hacked-up within
90 days of license issuance and an
acceptable street hail livery vehicle be
hacked-up within 180 days.

The rule mandating that paratransit
bases with 10 or more acceptable
vehicles buy a street hail livery base
license and affiliate five street hail
livery vehicles was deleted.

The rules were amended to waive FHV
license fees for two years for purchase
of its street hail livery license in the
first issuance, a savings of $550. And
for one year for purchase of its street hail livery license in the second issuance, a savings of $275. The rules were amended to waive the fees for acceptable street hail livery licenses purchased in the first issuance, a savings of 1,500. These two license waiver fees provisions are exclusive, you can take advantage of one, but not both.

The rules were also amended to make suspension an available penalty for the second offense of solicitation of a passenger by a hail vehicle in a yellow zone.

After April 12th, the Commission made additional changes to the proposed rules. Driver rules were amended to allow FHV drivers to drive street hail liveries, as long as they remain licensed. Previously the rules had allowed them to drive only until 2016, after which date, they were required to get a hack license.
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The rules were amended again to make suspension an available penalty for the first offense of solicitation of a passenger in the yellow zone by a hail vehicle.

The rules were amended to permit Single-Use Device for driver information and credit card processing, however, the Single Device must be handed to the passenger to swipe his or her credit card.

Line changes were made to reflect various technical requirements for LPEP providers in Chapter 83.

Rules were added to require that LPEP licensees provide geofencing around the yellow zone so that the meters would be locked down for hail vehicles and turning the meters on.

And the following provisions which appeared on the April 12th blackline version posted on our website pertaining to paratransits were deleted: The exemption for mandatory retirement; the
ability to dual-affiliate; exemption for
unpaid parking; credit card reader and
partition and secure an in-cab camera.

MR. YASSKY: Thank you, Meera. I am
about to call the question, and given
the significance, I'll ask for a roll-
call vote, Meera, rather than do it by a
voiced vote.

before I do that, my final comment
will just be to thank -- not because we
didn't say it, but just to acknowledge
and tribute to the heroic work of the
TLC staff in preparing for this day.
This was truly hard work, enough work to
have a breakdown in tears, because I
know how hard, and I honor the blood,
sweat and a tears and effort and heart
and dedication the team at the TLC has
put into this, truly.

Throughout the agency, I'm just
going to name the senior staff, have
each of them stand for their entire
team, of course Gary Weiss and Ray
Scanlon as the heads of our operational
positions, who have the burden --
measuring the burden of doing all the
work authorized by this rule. Of
course, throughout the rulemaking
process, at every time I want to make
some change, you know, have some idea,
they have to figure out we implement it,
and either bring me back to Earth or
come in with some very clever way which
it could be done. So, they've put in
hours and hours.

Alan Fromberg has managed an
extraordinary amount of (inaudible)
throughout this and has made sure that
the public was superbly well-informed
about what we were up to here.

Deputy Commissioner Cohen (ph,) our
Chief Operating Officer, not just made
sure that we have the resources, the
budgetary and the personnel resources
that everybody has in the MIS to do what
they need to do, but really working with
Ray and Gary and the rest of us to
coordinate all of the operational
details. I don't think you're going to
find, frankly, a better civil servant --
public servant in all of the City.

And finally, Deputy Commissioner
Ashwini Chhabra, policy team and
external affairs team. (Inaudible)

And last, I do want to single out
our Chief of Staff Emily Gallo, who I
think I can say for sure, without
Emily's dedication and vision and pure
brain power, this would not have
happened.

So, I just want to thank each -- and
I'm sorry -- shockingly -- I'm sure that
when you say the amount of paper that
was generated is extraordinary --
Commissioner Marino, that was all
generated by a tiny but extraordinary
legal staff, it is by Meera Joshi. And
I know for a fact that she was on the
phone with the Commissioners at all
hours of the night and probably into the
morning. (Inaudible)

You know, rulemaking of this
magnitudes, it's not that it should take
months and months and months and months
in terms of our deliberations, but the
thing is, any other staff in a City
agency would have taken three times as
long to get to this point. And TLC has
the very best selection of public
servants that I've ever pretty much
worked with. So, that's my honor and
privilege every day.

Meera, will you call the roll.

MS. JOSHI: Commissioner Carone?

MR. CARONE: Commissioner Carone

votes yes.

MS. JOSHI: Commissioner Gonzales?

MR. GONZALES: Commissioner Gonzales

votes yes.

MS. JOSHI: Commissioner Gjonaj?

MR. GJONAJ: Vote yes, with the
commitment that we cite the enforcement
and providing the accessibility for the
wheelchair.

MS. JOSHI: Commissioner De'Arcy?

MS. De'ARCY: Commissioner De'Arcy
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votes yes.

MS. JOSHI: Commissioner Weinshall?

MS. WEINSHALL: I'm going to pass.

MR. YASSKY: I just thought it might be appropriate, since this is really a (inaudible.)

MS. WEINSHALL: (Inaudible,) I vote yes.

MS. JOSHI: Commissioner Polanco?

MS. POLANCO: Commissioner Polanco votes yes.

MS. JOSHI: Commissioner Weinshall?

MS. WEINSHALL: Commissioner Weinshall votes yes.

MS. JOSHI: Commissioner Arout?

MR. AROUT: Commissioner Arout votes no.

MS. JOSHI: Commissioner Marino?

MS. MARINO: Commissioner Marino votes no at this time.

MR. YASSKY: I'm sorry I think we missed a vote. I vote yes.

(Applause)

MR. YASSKY: The rules are adopted.
Commissioners, unless there are any last-minute items today on the agenda, we will adjourn the meeting. I will see you next month. Thank you.

(Time noted: 3:29 p.m.)
CERTIFICATION

STATE OF NEW YORK )
COUNTY OF NEW YORK )

I, CASEY MARTIN, a Stenotype Reporter
and Notary Public for the State of New York,
do hereby certify:

THAT this is a true and accurate
transcription of the New York City Taxi &
Limousine Commission Public Hearing held on
April 19, 2012.

I further certify that I am not
related either by blood or marriage to any of
the parties in this matter; and

I am not in any way interested in the
outcome of this matter.

IN WITNESS WHEREOF, I have hereunto
set my hand this 19th day of August 2012.

______________________________
CASEY MARTIN