

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

NEW YORK CITY TAXI & LIMOUSINE COMMISSION

PUBLIC HEARING

Held on Thursday, July 16, 2011

851 Grand Concourse

Bronx, New York.

Time: 10:00 a.m.

FIVE STAR REPORTING, INC.

90 JOHN STREET, SUITE 411

NEW YORK, NEW YORK 10038

631.224.5054

1 A P P E A R A N C E S :

2

3

4

5 COMMISSIONERS:

6 DAVID YASSKY, Chairman

NORA CONSTANCE MARINO

7 ED GONZALES

LAUVIENSKA POLANCO

8 LASHANN DeARCY

ELIAS AROUT

9 FRANK CARONE

MARK GJONAJ

10 CHRIS WILSON, Assistant General Counsel

11

12 SPEAKERS:

13 GEORGIA STEELE-RADWAY, Licensing Division

SARAH ANGELO

14 GERALDINE HERISSE

ETHAN GERBER

15 PETER MAZER

ELENI MEZARIS

16 GEORGIA KOSTAKIS

MARIA PANTOJA

17 ALAN PLATT

EVA SACOULAS

18 ZACHARIAS STAMOULIS

PANAGIOTIS BOSINAS

19 DAVID POLLACK

MARIA ARTOLOU

20 PARASKWI EVOLA

BHAIRAVI DESAI

21

22

23

24

25

1 TLC MEETING 6/16/11

2 MR. YASSKY: So good morning. Welcome
3 to the TLC road show. We are, as you all
4 know, since you are here, trying something
5 that I think is kind of an exciting idea and
6 I want to again thank our Manhattan
7 Commissioner, Commissioner Polanco, for
8 suggesting with force that we get out a
9 little bit from Lower Manhattan -- I can see
10 already that we are going to enjoy the
11 acoustics in this beautiful room -- for
12 suggesting that we get outside of Lower
13 Manhattan and getting the TLC Commission into
14 the other boroughs where our regulated
15 industries are equally important.

16 Just to share with you a snapshot of how
17 important the TLC regulated industries are
18 here in the Bronx, the Bronx is home to 53
19 livery bases, over 8,000 licensed livery cars
20 and other for-hire vehicles driven by 11,000
21 licensees. We have 11,000 licensed drivers
22 here in the Bronx. We have one medallion
23 taxi agent -- I think we can do better there,
24 and over 5,400 licensed taxi drivers, 24
25 paratransit bases, seven luxury limo bases,

1 TLC MEETING 6/16/11
2 only two recognized commuter van bases. So,
3 that's just a slice of what the TLC regulated
4 industries are doing here in the Bronx. And
5 of course it is also full of vibrant
6 communities that use and support our
7 regulated industries, and so the TLC feels
8 very much at home here.

9 Commissioner Polanco, do you want to say
10 a word or two about where we are exactly
11 before we get started?

12 MS. POLANCO: Basically this is the
13 Borough Hall and also is where the Bronx
14 Borough President's office is located which
15 is currently the office held by Ruben Diaz
16 Jr., and the Bronx Courthouse, the Civil
17 Court -- the Supreme Court, I'm sorry, and
18 also the Civil Court of Bronx County. This
19 is where I work as well, so I'm very happy to
20 be here and I'm very thankful to TLC staff
21 and also very thankful to you (inaudible,)
22 and thankful to everyone here who came, the
23 regular folks and also the new people who are
24 witnessing a hearing the first time here in
25 Bronx County, especially, as you mentioned

1 TLC MEETING 6/16/11

2 (inaudible,) of what the industry
3 represents. A lot of livery bases here and I
4 want to thank them who are coming for the
5 first time to a hearing, the livery base
6 owners and livery drivers and so forth.

7 MR. YASSKY: Indeed. So, we have -- I
8 will racket my report with a couple of
9 personnel matters, one at the outset and one
10 at the end but both of great significance to
11 the TLC. At the outset, since she is sitting
12 up here, let me introduce to you out there
13 our newest commissioner as of this morning,
14 (inaudible.) Our newest Commissioner Lashann
15 DeArcy replaces former Commissioner Jeff Kay,
16 and as much as I am sad not to have Jeff Kay
17 on this Commission, I am just as enthusiastic
18 about our newest member.

19 It won't touch the very tip of the
20 iceberg of her distinguished record, but
21 Commissioner DeArcy is an attorney for
22 Morrison and Foerster in the litigation
23 department, also as an extension of that, she
24 served our country as a senior airman in the
25 Air Force and I know everyone here joins with

1 TLC MEETING 6/16/11

2 me in thanking her for that service. I know
3 she will be a valuable asset to the
4 Commission, I do speak for all of us when I
5 say, Lashann, welcome and good luck.

6 (Applause)

7 MR. YASSKY: Before you reach much into
8 that, I'll tell you I also got a round of
9 applause when I started as a new
10 commissioner, and we'll see.

11 So, moving on to the business before us,
12 what is going on with the Commission before
13 we get to the actual agenda today, I'll start
14 with the biggest item that the Commission
15 staff has been working on together with, in
16 truth, what is now an entire raft of elected
17 officials, advocates in the industry and
18 members of the public, which is the effort to
19 improve service in the boroughs other than
20 Manhattan. I guess it's no accident that
21 when I outlined the industry presence in the
22 Bronx, it's pretty heavy on the livery side
23 and somewhat light on the other side,
24 unsurprising, as we all know, and what we
25 have been talking about for a few months now,

1 TLC MEETING 6/16/11

2 the reality is that given that yellow taxi
3 service is located virtually entirely in the
4 Manhattan Center Business District, it means
5 the folks here in the Bronx as well as in
6 Brooklyn, Queens and Staten Island, for
7 street hail service, they are relying today
8 on what is an underground market, an
9 underground market composed in part of
10 licensed livery cars and in part entirely
11 unlicensed vehicles and drivers.

12 And Mayor Bloomberg in January called on
13 us here at the TLC to come forward with a
14 solution to that long standing problem, we
15 did so in terms of our proposal. We have
16 been working, I'd say, very collaboratively
17 with the leadership industry, both the yellow
18 taxi segment of the industry and the livery
19 segment of the industry. It's no secret nor
20 would it be a surprise that there were
21 different points of view, that industry
22 leaders in the different segments and indeed
23 within each of those two segments have
24 different ideas about how to solve this
25 problem. When you have a situation that's

1 TLC MEETING 6/16/11

2 been kind of festering for decades, and I
3 guess you would expect that we would come up
4 with a solution that pleases everyone in a
5 matter of weeks and. Indeed we have not yet.

6 However, I do believe that we have made
7 enormous progress in narrowing the issues, in
8 exploring different ideas. I will say that
9 people may have read in the newspaper along
10 the way about this proposal and that proposal
11 and probably we have seen a dozen if not more
12 put forward by various elected officials or
13 industry advocates. Indeed, here in the home
14 of Ruben Diaz Jr., he put forward I thought a
15 quite creative and substantive and well-
16 thought through proposal.

17 As folks have looked at each of those,
18 they have realized there are pros and cons
19 and different approaches. I will say that
20 whatever we end up with probably will not be
21 100 percent pro and zero percent con. But
22 what I do believe is that the pros will
23 significantly outweigh the cons.

24 As people have looked at each one, I
25 also do believe that as each proposal is

1 TLC MEETING 6/16/11

2 considered and then ultimately, you know,
3 nothing has been found as majority support in
4 either the State Legislature or the City
5 Council, I think that people are realizing
6 increasingly that the solution put forward by
7 the Taxi & Limousine Commission initially on
8 building on the existing infrastructure,
9 taking the market that is in place and
10 legitimizing and regulating it in the
11 interest of improving public service makes a
12 great deal of sense, but I don't think either
13 legislature is quite there yet, I will be
14 totally candid on that point. But I do
15 believe that there is increasing support for
16 that idea. So, we will continue to push
17 forward.

18 I will tell you, Commissioners, just to
19 be on your guard, you know I know I like to
20 put the "Workload Ahead" signs on the roads
21 that we travel, so, workload ahead.

22 The Mayor has asked me to explore what
23 administrative solutions we can identify in
24 the event that indeed time continues to go by
25 without a legislative solution. We all think

1 TLC MEETING 6/16/11

2 of course the legislative solution is the
3 optimal one. I think it's hard to solve the
4 problem fully and entirely in the absence of
5 legislative solution. Nonetheless, earlier
6 this week, the Mayor asked to identify what
7 solutions we can accomplish on our own, and
8 so I will just alert you that over the coming
9 months we may have some additional work to do
10 along those lines. But meanwhile, I will
11 tell you I do believe that all the interested
12 parties in the industry are working
13 responsibly and in good faith to try and find
14 the solution and we will continue to do that.

15 On the accessibility front, I just want
16 to note, I know that many of you this may be
17 new, it's been an ongoing top-tier priority
18 of the Commission to ensure that wheelchair
19 users have access to TLC regulated
20 industries, both the yellow taxi and the
21 livery industries. To that end, we issued
22 Request for Proposal for dispatch services
23 specifically for wheelchair users; one for
24 the livery side and one for the yellow side.
25 Those, over the last couple of weeks, we have

1 TLC MEETING 6/16/11

2 gotten responses for both those RFPs -- I'm
3 not supposed to say how many apparently but
4 we got a very healthy number of responses to
5 each of the livery and the yellow taxi RFPs.

6 We have an evaluation committee that
7 looks at those, they are instructed to move
8 as speedily as they possibly can because we
9 are determined to be able to implement by
10 early 2012. So, that is moving forward
11 nicely.

12 On the Taxi of Tomorrow front, speaking
13 of Request for Proposal, Nissan, which as you
14 know, is our partner in the Taxi of Tomorrow
15 project, began conducting focus groups for
16 vehicle owners, drivers and passengers as
17 part of their research and development
18 process on the Taxi of Tomorrow. I did not
19 attended any myself but I say some of our TLC
20 staff was there, they were told that they
21 were just enormously useful in generating
22 information and specific concrete information
23 for Nissan to use as they continue to design
24 and engineer a vehicle that will be the Taxi
25 of Tomorrow.

1 TLC MEETING 6/16/11

2 This week they have Parks Service staff
3 in New York City conducting research and the
4 engineering team will be here in the coming
5 weeks, they are quite committed to designing
6 the vehicle as best they can for our specific
7 use for New York City roads, New York City,
8 weather, for the taxi duty cycle that is not
9 a generic taxi duty cycle but it's the New
10 York City Taxi Duty Cycle, and that, too, is
11 moving forward quite nicely.

12 Before we get to the items on our
13 agenda, well, first of all, looking ahead to
14 the next meeting -- so you know, again
15 workload ahead, we have had, as you know,
16 Commissioners, we published quite some time
17 ago license and inspection fee increases.
18 Many of our driver and vehicle fees have not
19 been updated since 1984, either they no
20 longer cover remotely close to covering the
21 cost of providing that service, that
22 licensing service, and we conducted a review
23 together with OMB to determine what the
24 appropriate cost that license is, we
25 published again quite some time ago a set of

1 TLC MEETING 6/16/11

2 proposed increases that still don't bring the
3 fees to the level where they cover the costs
4 but moved it somewhere in the middle.
5 Because some of those require City Council
6 action, we've been waiting for the Council to
7 act before we vote on those. I expect that
8 they will be approved by the Council in the
9 next coming weeks as part of their overall
10 budget process, so then we will vote at the
11 July meeting on those fee increases.

12 And looking into August we have,
13 Commissioners, you will recall (inaudible) on
14 our lost property process on the agenda,
15 couple meetings back we got some excellent
16 feedback that caused the staff to say, "Let's
17 take another look at those," so we tabled it,
18 as you recall. The staff has done that work,
19 has revamped it, it's much improved, it's an
20 excellent example of due process doing its
21 job. So, that should be on the agenda for
22 August, the lost property rules.

23 Before we move to the agenda, I just
24 want to say this will be the be second
25 meeting in a row where I will make an effort

1 TLC MEETING 6/16/11

2 not to be emotional about something that
3 really is significant to the TLC, and that is
4 that this is the last Commission meeting at
5 which Pansy Mullings will be here as our
6 Deputy Commissioner for the Uniform Services
7 Bureau. She, as you know, oversees the part
8 of the -- not going to say it's the heart of
9 the TLC because every single part is
10 critically important, but certainly our
11 largest division, certainly the number of
12 staff. And these are the folks who inspect
13 the vehicles day in, day out and enforce the
14 rules day in and day out, and I think
15 (inaudible,) without the superb work that
16 Pansy has done, all of which we consider
17 here, the Commissioners would be absolutely
18 meaningless.

19 And I had the pleasure of doing our
20 annual budget presentations with the Deputy
21 Mayor recently, in pointing out that the
22 productivity of this USB staff has increased
23 by more than 50 percent measured, by number
24 of summonses issued and number of inspections
25 conducted with exactly zero increase in

1 TLC MEETING 6/16/11
2 personnel -- zero. And that is for anyone
3 who is familiar with the challenges in public
4 sector management, I think that that's an
5 extraordinary record. And beyond that, to
6 have someone of Pansy's wisdom, judgment and
7 experience as part of the Commission's senior
8 staff has been invaluable to me personally
9 and I along with the rest of the TLC will
10 miss her.

11 She is retiring and so we cannot
12 begrudge her that. Apparently she presented
13 a bill for the Mayor to sign recently at the
14 mayor signing ceremony, they talked about her
15 golf game. He, I think jokingly said that he
16 was canceling her retirement. If you've ever
17 tried to tell Pansy something she doesn't
18 agree with, she got that fierce look and
19 apparently he backed down, but, you know, he
20 gave her some golf pointers and Pansy I'll
21 say maybe (inaudible) from what I understand,
22 but we cannot begrudge her retirement but we
23 can I think legitimately feel kind of sad and
24 emotional about it.

25 I will also tell you that while those

1 TLC MEETING 6/16/11
2 shoes will be extremely difficult to fill, we
3 have as excellent of a chance as we can
4 possibly have to having someone fill them,
5 our current Deputy Commissioner for
6 Adjudication Ray Scanlon will be moving over
7 to assume the responsibilities of the USB
8 leadership. For all of you Commissioners, as
9 you know, if we are going to have to make a
10 change like this, we couldn't have a better
11 person to take that on. So, I want to just
12 acknowledge the extraordinary service that
13 Pansy has rendered and I think a round of
14 applause really would be appropriate here.
15 (Applause)

16 MR. YASSKY: Thank you. Now to the
17 business on the agenda. I know we have some
18 guests from the Office of Administrative
19 Tribunals and Hearings. So, first on the
20 agenda I guess we'll adopt the minutes
21 first. A motion to adopt the minutes of the
22 May 19th meeting, all in favor say "aye."

23 THE COMMISSION: (In unison) Aye.

24 MR. YASSKY: Opposed?

25 (No response)

1 TLC MEETING 6/16/11

2 MR. YASSKY: The minutes of the May 19th
3 meeting are adopted.

4 Let's (inaudible) base applications so
5 that we can have folks make their
6 presentation. We are honored to have here
7 the City's Administrative Justice Coordinator
8 David Goldin and the Director of the Office
9 of Administrative Tribunals and Hearings
10 Suzanne Beddoe, please come up to the podium.

11 I will just remind you, Commissioners
12 and members of the public, that in
13 December -- rather in November, voters of the
14 City of New York approved a Charter amendment
15 encouraging a consolidation of tribunals
16 which I believe make both the City's
17 administrative tribunals more efficient and
18 will enable a uniform administration of
19 justice, and Mayor Bloomberg signed executive
20 order earlier, in truth, effecting that
21 consolidation, while we here at the TLC as an
22 independent body I think it is appropriate
23 that we (inaudible) a transfer of the
24 tribunal. So, that is on the agenda before
25 you today, we have here this presentation.

1 TLC MEETING 6/16/11

2 Thank you.

3 MR. GOLDIN: Thank you, Mr. Chairman.
4 Commissioners, good morning. My name is
5 David Goldin, I am the Administrative Justice
6 Coordinator in the Mayor's Office. With me
7 is Chief Administrative Law Judge Suzanne
8 Beddoe of the Office of Administrative Trials
9 and Hearings. I'm going to speak very
10 briefly about the background of the
11 resolution which is before you this morning,
12 asking that you authorize a transfer of the
13 tribunal to the supervision by the Office of
14 Administrative Trials and Hearings, OATH.
15 That background as the Chair was just
16 indicating is that in this past year 2010
17 there was a Charter Review Commission which
18 issued a recommendation for amendment to
19 Charter which was approved by voters in
20 November. That recommendation empowers the
21 Mayor by executive order to consolidate some
22 or all of the City's administrative
23 tribunals -- those parts of agencies that
24 conduct hearings -- into the Office of
25 Administrative Trials and Hearings which is

1 TLC MEETING 6/16/11

2 in the Charter the City's central
3 administrative tribunal and the agency that's
4 dedicated to running tribunals.

5 In order to do that, the Mayor, as was
6 contemplated by the Charter amendment,
7 appointed a committee chaired by Deputy Mayor
8 (Inaudible) to look at the City's
9 administrative tribunals, assess them and
10 determine where improvements could be made
11 from having them consolidated into OATH.

12 That process went on from the time the
13 amendment was constituted in November of last
14 year up through June of this year. It was an
15 extensive process that involved participants
16 from across City government, working with the
17 affected agencies. We were (inaudible.)

18 It was also a public process that
19 included the issuance of proposed
20 recommendations that were then subject of
21 public hearing conducted in April and the
22 feedback from the public was taken into
23 account as the committee makes its final
24 recommendation. That recommendation that was
25 made in the Upper Court last week was that

1 TLC MEETING 6/16/11

2 several tribunals, parts in tribunals
3 including Tribunal Health and Mental Hygiene,
4 Tribunal Department of Consumer Affairs and
5 the Tribunal Taxi & Limousine Commission be
6 consolidated into OATH.

7 The report describes how it anticipates
8 and the basis for that anticipation in terms
9 of OATH's history, (inaudible.)

10 In light of those recommendations, the
11 Mayor last week issued an executive order
12 adopting these recommendations.

13 (Inaudible.)

14 The reason for today's resolution is to
15 have the same transfer reflected by the
16 Commission, it's a specific provision in the
17 Charter amendment (inaudible,) to empower
18 agencies to establish their tribunals at
19 OATH. So, adopting this resolution, we
20 maintain a process the TLC has done
21 (inaudible.) It makes it a clearer process
22 for public understanding. (Inaudible.)
23 Thank you.

24 MS. BEDDOE: Good morning, members of
25 the Commission. (Inaudible.)

1 TLC MEETING 6/16/11

2 The decisions are going to be issued the
3 way they are now right after the hearings.
4 We are going to continue to have hearings in
5 our Staten Island and the JFK facility and we
6 are going to continue to have consumer-based
7 complaint hearings at our location in
8 downtown Manhattan.

9 We are also going to be working closely
10 with the enforcement (inaudible) of TLC to
11 ensure that any operational changes or
12 enhancements that we make will not impede the
13 work of TLC, and of course we are going to be
14 sure that the process is fair and efficient.

15 Some of the things that will change,
16 this is a practical matter, is that the
17 tribunal employees (inaudible,) any staff
18 will become employees of OATH.

19 We are of course looking to increase
20 access to justice, transparencies and
21 efficiency in the process. We are working to
22 enhance the (inaudible,) hearing officers.
23 We are going to work very hard to enhance the
24 technology available to the tribunals
25 including, as David Goldin mentioned, on the

1 TLC MEETING 6/16/11

2 hearings but also greater access to
3 (inaudible) services at the hearings, and
4 overall I believe this will enhance the
5 public perception of fairness (inaudible.)
6 the people judging the facts of the case are
7 not going to be affiliated with the agency
8 issuing the tickets.

9 (Inaudible.) Thank you very much.

10 MS. POLANCO: What happens to appeals,
11 what is the process, like before when someone
12 (inaudible) Commission, that's a step that is
13 no longer there?

14 MS. BEDDOE: There will be an appeals
15 process. We will have an appeals unit,
16 either party will be able to bring appeals
17 (inaudible.) So, that will stay the same.

18 MS. POLANCO: The appeals won't come to
19 the Commission at all or within OATH there is
20 already an appeal or no more?

21 MR. GOLDIN: It's a two-step process.
22 Under the consolidation, the appeals unit
23 will continue to exist as it's currently
24 designed in the (inaudible.)

25 however, under the Mayor's executive

1 TLC MEETING 6/16/11

2 order, final agency action in order to make
3 the final decision in the case still rests
4 with the TLC. So, as a final step either
5 party can petition to have the decision which
6 is determined by the appeals unit tribunal
7 accepted or rejected. That goes to the
8 Chair, has the authority to accept or reject
9 before sending it back.

10 MR. YASSKY: If I can say, I think it's
11 just, you know, an excellent way to arrange
12 it. What it means in practice is that the
13 matters of fact are heard and adjudicated by
14 the independent tribunal as they should be.

15 Ultimately, decisions of law can be made
16 by the Commission if necessary or by the
17 Chair of the TLC if necessary. In other
18 words, the ability (inaudible) ultimately
19 does rest with the agency. The function of
20 adjudicating of how policy applies to the
21 facts does rests with the tribunal. I think
22 that's as it should be and I think that's the
23 right way to do it.

24 So, well, thank you, I just want to
25 underscore, just before you go, a couple of

1 TLC MEETING 6/16/11

2 things, one for the Commissioners, as Suzanne
3 said, (inaudible) laid out a theory for why
4 this makes sense and I think that's exactly
5 right. We want to make sure that as a
6 practical matter the operation of the agency
7 would be improved, if anything, and not
8 impeded. So, you know, the things that you
9 might ask about, every -- the location of the
10 hearings as Suzanne said will remain where
11 they are, at least the bulk of them in Long
12 Island City and Consumer and some are
13 administrative summonses hearings at our
14 headquarters at Beaver Street.

15 Suzanne mentioned that the ordinary
16 practice is not to issue decisions right
17 after a hearing, but in recognizing in our
18 licensed community that that's been the
19 practice at TLC and that's what your licensed
20 community expects and that's also valuable
21 for us in public safety when there are
22 suspensions involved, for TLC summonses, they
23 will maintain what has been our practice of
24 decisions immediately after a hearing. I
25 think that is admirable flexibility.

1 TLC MEETING 6/16/11

2 (Inaudible.)

3 I think we have something close to a
4 99-percent success rate at OATH, in other
5 words, their judges understand well and
6 respect our enforcement operation and I think
7 we can continue to expect that excellent
8 relationship going forward both in terms of
9 the hearings but also in terms of the
10 scheduling and so forth.

11 The one thing I guess for our regulated
12 community that occurs to me is in terms of
13 practice, the practice of having industry
14 representatives which has been kind of unique
15 to TLC is not something recognized in the
16 OATH world, so they are going to have to
17 figure out how that works going forward and I
18 encourage you to start, that's something of
19 interest, you probably want to start thinking
20 about that.

21 And online, one of the many benefits of
22 the consolidation is we -- you know, I'm
23 proud of everything about TLC but our MIS
24 infrastructure can be a little ramshackle at
25 times and I think that the MIS infrastructure

1 TLC MEETING 6/16/11

2 that OATH already has in place should enable
3 us to move pretty speedily to people paying
4 their tickets online. Do you have a rough
5 timetable for that do you think?

6 MS. BEDDOE: We don't at this point.

7 (Inaudible.)

8 MR. YASSKY: For folks who I know are
9 eager to be able to pay tickets online and
10 not have to schlep in, that's one of the
11 benefits that consolidation at least might
12 offer. So, for the Commission, that's like a
13 concrete thing.

14 So, if there are no further questions, I
15 recommend a yes vote on the resolution that's
16 before you. All in favor say "aye"

17 THE COMMISSION: (In unison) Aye.

18 MR. YASSKY: Opposed?

19 (No response)

20 MR. YASSKY: Excellent. Thank you very
21 much. And now, back to our regular scheduled
22 programming, we have some base applications.
23 Georgia?

24 MS. STEELE-RADWAY: Good morning.

25 Licensing would like to present before the

1 TLC MEETING 6/16/11

2 Commission 22 bases with a recommendation for
3 approval.

4 MR. YASSKY: Very good. Is there a
5 motion to approve the recommendation?

6 MR. AROUT: Move.

7 MR. YASSKY: All in favor say "aye."

8 THE COMMISSION: (In unison) Aye.

9 MR. YASSKY: The bases recommended for
10 renewed licenses are adopted and there is one
11 base recommended for denial. Georgia?

12 MS. STEELE: Correct. We would like to
13 request an additional 30 days so that they
14 submit the outstanding items.

15 MR. YASSKY: All in favor say "aye."

16 THE COMMISSION: (In unison) Aye.

17 MR. YASSKY: That recommendation is
18 adopted. Thank you very much, Georgia.

19 MS. STEELE: Thank you.

20 MR. YASSKY: Recognizing that we are not
21 in our ordinarily climate-controlled
22 environment, we will try and move speedily
23 through the items here today. The first item
24 on the agenda is revision of our rules
25 governing fitness hearings or fitness

1 TLC MEETING 6/16/11

2 interviews, the standards by which an
3 applicant for license is determined to be fit
4 and the process for applying those
5 standards. Chris Wilson, who is our
6 Assistant General Counsel will present that.

7 MR. WILSON: Good morning. For public
8 hearing and Commission action today, we've
9 got some proposed applicant fitness rules
10 which will be two major changes to our
11 current applicant fitness process. They will
12 replace time consuming fitness hearing for
13 many applicants or fitness interviews when an
14 application questions the applicant's fitness
15 to maintain C License.

16 Licensing staff will be able to ask an
17 applicant for additional information, and
18 secondly, these rules will provide specific
19 standards and clearly identified reasons for
20 why an applicant will be rejected, denial of
21 application set forth in approvals
22 (inaudible) dishonesty, a poor driving
23 record, poor record with the TLC or
24 unlicensed activity.

25 These rules were published in the City

1 TLC MEETING 6/16/11
2 Record on May 12, 2011. The deadline for
3 written comments was Monday, June 13th.
4 Since we published the rules we made one
5 additional change, a technical change to
6 clarify that the staff would settle charges
7 with first licensee in entering written
8 agreements varying on the application as set
9 forth in the rules. With that change
10 (inaudible,) adopt the rule.

11 We have three people signed up to speak
12 today, the first of whom is Peter Mazer from
13 MTBOT.

14 MR. YASSKY: Commissioners, if you
15 recall, Deputy Commissioner Gary Weiss
16 presented this idea and solution to the
17 Commission a couple of meetings ago. It very
18 simply will replace what has been basically
19 standardless delegation authority that just
20 says a driver (inaudible) if they are fit
21 with some more concrete standards so that
22 people can know in advance if they are
23 disqualified so they shouldn't waste their
24 time on reapplying, and also it will enable
25 us to rate applications speedily where

1 TLC MEETING 6/16/11

2 there's maybe a minor blemish on their record
3 that really does not require the full-fledged
4 interview process.

5 Peter, thank you.

6 MR. MAZER: Good morning, Chairman
7 Yassky and members of the Commission. My
8 name is Peter Mazer, I am general counsel to
9 the Metropolitan Taxi Board of Trade, an
10 association representing the owners of more
11 than 3,500 taxicab owners, nearly 30 licensed
12 taxicab bases as well as licensed taxicab
13 brokers and taxi meter shops.

14 More than 10,000 licensed taxicab
15 drivers lease cabs from MTBOT members on a
16 regular basis and MTBOT has always worked
17 (inaudible) with the TLC on programs to help
18 drivers obtain licenses in an expeditious
19 manner.

20 While the goal before the Commission
21 today to make the licensing process clearer
22 and more expeditious (inaudible,) these goals
23 should not be accomplished at the expense of
24 due process rights to which applicants to a
25 license are entitled.

1 TLC MEETING 6/16/11

2 While it is wise to have clear standards
3 for licensure, it is troubling that these
4 proposals (inaudible) with respect to making
5 licensing decisions. At the same time, these
6 proposed rules take away from applicants the
7 right that every applicant for a professional
8 license, that is a right to a hearing before
9 an independent ALJ before their license
10 application can be denied.

11 Certain applicants for licenses would
12 have their applications rejected out of hand
13 under these new rules. For example, an
14 individual who had his license revoked would
15 be barred for reapplying for a license for
16 three years under (inaudible.) This revision
17 in fact violates the Administrative Code
18 Section 19-507(c) which states that the
19 Commission shall not issue any license to any
20 person who has had his driver's license
21 revoked for illegal street hail activity for
22 a period of one year from the date of
23 revocation.

24 The provision before you today will also
25 effectively foreclose for re-licensing for

1 TLC MEETING 6/16/11
2 three years any of the hundreds of drivers
3 who recently had their license revoked by the
4 Enhanced Critical Driver Program founded by
5 the Commission a few months ago which has
6 caused many licensees to have their Hack and
7 C Licenses revoked for only one or two
8 traffic offenses which may have occurred
9 years ago. (Inaudible.)

10 This final decision can be reviewed by
11 the State Supreme Court Article 78
12 proceeding. On a number of occasions the
13 court has actually reversed the determination
14 of the chairperson or deputy commissioner for
15 licensing after reviewing the record in its
16 entirety.

17 MR. YASSKY: Mr. Mazer, I apologize. We
18 don't have our usual clock here and we have a
19 human clock, the person, the ordinary three
20 minutes has expired, if you could sum up.

21 MR. MAZER: Under these proposed
22 proceedings, fairness determination
23 (inaudible.)

24 Basically to sum up, you have your
25 interview but before you deny a license on a

1 TLC MEETING 6/16/11
2 basis of an interview, give the person a
3 chance. Tell them that you plan to deny the
4 license, give them a chance to then request a
5 hearing at OATH -- oATH has the procedures,
6 they already do a lot of your fitness
7 hearings and revocation cases -- so that they
8 would have one final step in between denial
9 by licensing personnel and going to court on
10 Article 78 to review the decision
11 (inaudible.)

12 Take a fresh look at the rules, think
13 about it, maybe table it for today, come back
14 next month and work out some sort of
15 intermediate step, not for everybody to have
16 a fitness hearing but to allow those people
17 who (inaudible) one final chance for an
18 administrative law judge to do something
19 before the final decision is made to deny
20 their license. If you have any questions,
21 I'd be happy to entertain any questions that
22 you have.

23 MR. YASSKY: Any questions?

24 (No response)

25 MR. YASSKY: Thank you. Next is

1 TLC MEETING 6/16/11

2 Fernando Garcia I believe from the
3 Association of Independent Taxicabs.
4 Mr. Garcia?

5 MR. GARCIA: (Through interpreter) Good
6 morning. He wants to say good morning to all
7 of you, all the TLC Commission and everybody
8 who is here today. We're hoping that out of
9 this meeting we get something positive out
10 for our industry. Take into consideration
11 that our drivers are starting to die already
12 because of a hard pressure that they have
13 been giving us in the past couple of weeks in
14 our industry. Two days ago, a driver
15 committed suicide in desperateness of tickets
16 and all the pressure that was on his head.
17 We really believe that you should analyze the
18 point that we should be able to legally
19 street hail (inaudible) industry doesn't
20 serve. Thank you.

21 MR. YASSKY: Thank you. I know that you
22 are not speaking about the fitness rule
23 that's before us, and I will say to folks
24 generally we do insist on that.

25 I understand that is an important issue

1 TLC MEETING 6/16/11

2 to you, I understand how important this issue
3 is. I would say to you that we at the TLC
4 share your frustration that the rule that is
5 unfortunately in the New York City
6 Administrative Code that prohibits licensed
7 livery cars from accepting street hails
8 really is in need of reform, and I would ask
9 you to join us in our efforts to help the
10 City Council understand that this rule is in
11 need of reform. We are on a daily basis
12 asking the City Council to work with us to
13 reform that rule and change that law. You
14 know, the Taxi and Limousine Commission
15 enforces the laws through our (inaudible,)
16 and the law prohibits liveries from accepting
17 street hails, we agree with you that that
18 rule is in need of reform.

19 And as I said at the outset, if you
20 cannot get a legislative solution, because I
21 recognize the urgency of the situation you're
22 dealing with, we will look at what we can do
23 administratively, but we're going to do our
24 best to get a legislative solution and I ask
25 your help with that and the help of your

1 TLC MEETING 6/16/11

2 colleagues as well.

3 Again, this is not on topic but I
4 understand the importance. Thank you, sir.

5 MR. GARCIA: Thank you.

6 (Applause)

7 MR. YASSKY: There's another speaker.
8 Mr. Mamadou, sir, are you here about the
9 fitness rules or about the livery street hail
10 issue?

11 MR. MAMADOU: I'm here for the fitness
12 rule. I got an email and was going to be
13 coming next month, right? A street hail
14 going to be coming up next month?

15 MR. YASSKY: We certainly hope for that
16 to be on the agenda soon.

17 MR. MAMADOU: Commissioner, today I am
18 standing here not so much to say -- it's just
19 concerning the licensing. Licensing puts
20 pressure on the driver. Currently I have
21 four or five cases in my office for
22 revocation and they reapply. They were
23 denied.

24 So, I'm not going to take too much of
25 your time. What I'm just asking is the

1 TLC MEETING 6/16/11
2 license system, I think it should be
3 reviewed. Some of the good drivers get into
4 trouble one time, it costs them their
5 license. Due to the fact they can't get the
6 license back, they choose to do the wrong
7 thing; driving the car without a license,
8 driving to pick up fares. If the system
9 could be reformed a little bit, making the
10 licensing access easy for the driver and
11 reducing the points that the license would
12 last a little longer. What we are facing now
13 (inaudible.) That is our concern and I want
14 you to think that one over.

15 MR. YASSKY: Thank you very much.

16 MR. MAMADOU: Your welcome.

17 (Applause)

18 MR. YASSKY: On the due process point
19 and issue raised by Mr. Mazer, of course we
20 strongly do due process here at the TLC. We
21 have some 49,000 licensed tax drivers and
22 46,000 or so FHV drivers. Obviously we are
23 in business not to keep people out of the
24 business. We are in business to try and
25 bring folks in and encourage that.

1 TLC MEETING 6/16/11

2 Nonetheless, we have the responsibility
3 where for someone who has a record that is of
4 sufficient concern to deny the license. And
5 the problem is that if the only standard is
6 fitness, it means if the one judge -- when I
7 say a bad record, one judge might see a bad
8 record as two U-turn tickets two years ago,
9 and for another judge that would be fine,
10 but, you know -- and maybe even the drunk
11 driving conviction a year and a half ago
12 would be a fine.

13 So, I think that when you have some
14 standards, it doesn't deny due process, it
15 only makes the process fairer because people
16 can expect a consistent outcome. Part of
17 that is true, means that the space that's
18 occupied by the individualized determination
19 is shrunk, but the space that's occupied by
20 consistent outcome across people is greatly
21 expanded.

22 So, I think the staff has done an
23 excellent job in putting together standards
24 that will enable consistent outcomes and
25 prevent people from getting their licenses

1 TLC MEETING 6/16/11

2 revoked, applying three months later and
3 being denied and three months later and
4 denied. If they are not entitled to license,
5 they're not looking for the hope that they'll
6 get the judge to grant it time and time
7 again.

8 Anyway, with that, is there any
9 discussion? If not, I'll call for a vote.

10 MR. CARONE: Mr. Chairman, first I want
11 to say what a majestic room this is, it
12 really is. In looking at the words of
13 (inaudible.) I won't be as eloquent but I'll
14 try to be as clear as possible with that
15 hanging over our head.

16 Because we don't get the opportunity to
17 discuss this as the Commission, because of
18 this arcane open meeting, folks don't always
19 get a chance to think of every item in front
20 of us (inaudible.) With that being said, it
21 really seems that we are impacting the
22 immigrant community to some degree. I don't
23 think it's unreasonable to consider looking
24 at this, as the general counsel from MTBOT
25 suggested, ask that we review it from a point

1 TLC MEETING 6/16/11

2 of view of whether or not the denial or the
3 individual who receives a denial, how that
4 works, having an opportunity to reapply or
5 perhaps they didn't have a good interview
6 that day and to be prevented from having the
7 ability to earn a living I think should be
8 looked at critically.

9 Also, I agree with Assistant General
10 Counsel Chris about the language about
11 dishonesty. And to me just the word
12 dishonesty is lack for subjectivity and I'd
13 like an opportunity to read how a license is
14 going to be -- I will say that, to take the
15 time to illustrate it to me, on the material
16 omission or some of the sections that what is
17 that dishonesty and I would like more time to
18 look at it from the perspective of what
19 dishonesty means (inaudible) from the
20 perspective of how we deal with someone who
21 is denied.

22 (Applause)

23 MR. WILSON: And I can respond about
24 what you said about dishonesty. We do define
25 the dishonesty in the rules, and so we talk

1 TLC MEETING 6/16/11
2 about grounds for ban would be for example,
3 (inaudible) statements to us, and, you know
4 they're set forth in greater detail in
5 Sections 5408(a)(1) and (inaudible.)

6 So, in existing standards, that's not
7 (inaudible) we sort of just extend those and
8 spell those out in the proposed rule.

9 MR. YASSKY: You know what, Commissioner
10 Carone? I appreciate your raising the
11 question. And it is true, it's one kind of
12 casualty with the rules that sometimes issues
13 don't get there in time for commissioners to
14 think them through ahead of time.

15 I do think that the bulk of the industry
16 would see this as a useful thing to have some
17 standards rather than not. I could be wrong
18 about that. I know we have Sarah Angelo, she
19 has been very active with the workers in the
20 livery industry and if you want to give a
21 perspective, I think that might be useful for
22 the Commissioners.

23 MS. ANGELO: (Speaking in Spanish.)

24 (Applause)

25 MS. ANGELO: Thank you very much. I

1 TLC MEETING 6/16/11

2 just want to say thank you to each and every
3 one of you for the opportunity to be here
4 today, most of all, for listening to our
5 concerns.

6 One of our concerns and it was answered
7 by the Commissioner David Yassky and by all
8 of you by addressing one of the many issues
9 that we have which is the revocation and
10 suspensions of licenses for our drivers. In
11 the past, our drivers faced a problem that I
12 have here (inaudible) which is a driver that
13 was suspended in 2001. He applied eight
14 times, he gave application fees eight times,
15 he was denied. He called us and he says,
16 "When can I go back to work? When can I do
17 this legally? How am I going to be assured
18 that if I go to a hearing, they are going to
19 listen to me and they are going to look at my
20 case that actually happened in 1999? I was
21 faced with a problem that I had to go back
22 and work without a license and I was given a
23 summons," and he says to me, "When can I do
24 this? It's been nine long years. I have
25 three kids. I don't know how to do anything

1 TLC MEETING 6/16/11

2 else. Can somebody help?"

3 We went to TLC. After many discussions
4 I think you put some guidelines, some
5 perspective in how -- and we were explaining,
6 DMV has 18 months, DMV has point systems,
7 they are clear and people can follow them.
8 DMV has a reapplication process after they
9 suspend you 30 days. This is what we need.
10 You don't need to pay fees after fees,
11 hearings after hearings. (Inaudible.)

12 Finally, I think this is a work in
13 progress and we can put something on the
14 table that is clear to our drivers and is
15 going to outline basically the process and
16 some answers to their questions, they can be
17 sure that this is not left for the
18 Commissioner to decide, after somebody -- we
19 have cases, somebody says that you are fit to
20 have a license, what is now in the hands of
21 the Commission. The Commission goes back and
22 says, "You are not fit to have a license."
23 So, now they can put some sense of clarity
24 where it was lacking before.

25 So, I think you and I hope to continue

1 TLC MEETING 6/16/11
2 working in (inaudible.) We need to address
3 the reality. That was supposed to be done
4 under the circumstances of the law. I
5 believe that we need an auditorium to work
6 towards finding a solution that works for
7 everyone involved. Thank you.

8 (Applause)

9 MR. YASSKY: I understand fully your
10 point about how when you changed the rules
11 and you don't know how they are going to work
12 in practice and every situation. I can tell
13 you, if you or any commissioner sees that
14 when we put a rule in place that isn't
15 working out or it has an unexpected
16 consequence that needs to be addressed and
17 you bring that forward to us and to the
18 staff. We will deal with that, I mean, maybe
19 we don't all agree on every single issue, but
20 I don't want you to feel like once something
21 is done that it can't be revisited, you can't
22 deal with issues that arise. I commit to you
23 that when you or any of the Commissioners
24 say, "Well, here's an issue that needs to be
25 fixed," we will look at it, the staff will

1 TLC MEETING 6/16/11

2 certainly look at it, come back and discuss
3 it as Commissioners and if necessary act.

4 So, at any rate, if there are other
5 comments, if not then --

6 MR. CARONE: I appreciate you
7 illustrating that and I want to say you've
8 been very helpful on that question and you
9 have been quick and we have been on the phone
10 working at an acceptable resolution on some
11 of these issues in my brief tenure. But that
12 being said, I don't think it's unreasonable
13 just to table for the next Commission meeting
14 so we could all have a chance to look at this
15 more carefully rather than call a vote.

16 MR. YASSKY: Fair enough.

17 MR. GJONAJ: I'd like to second that
18 motion, just so we fully understand the
19 effect that this policy may have on certain
20 individuals and the business itself. So, I
21 second the motion to table it for the next
22 hearing.

23 MR. YASSKY: Fair enough. I could not
24 ask for more diligent commissioners than the
25 ones we have here. I recognize your interest

1 TLC MEETING 6/16/11

2 in fully exploring the issues here before we
3 vote, I'm happy to do that. So, we'll table
4 this proposed rule and bring it up to the
5 agenda in July.

6 I would just say let's move with all
7 speed, and I know you will, to make sure that
8 we can return it to the agenda, the process,
9 any issues, because every day we get
10 applications from people, as Ms. Angelo
11 described, may have had a 1999 revocation
12 that in that particular hearing the hearing
13 officer finds he is disqualified. Whereas,
14 under our proposal, we would set a cutoff, so
15 if they were revoked six months ago, they
16 were denied; if they were revoked 10 years
17 ago, they can reply and get a license without
18 the revocation being held against them.

19 I think that we are on an ongoing basis,
20 I'm not going to say treating people
21 unfairly, but not treating those particular
22 cases as fairly as we should. So, I do think
23 it's important that we return this to the
24 agenda as speedily as we can.

25 The next item on the agenda are the

1 TLC MEETING 6/16/11

2 Owner Must Drive rules, again the Assistant
3 General Counsel will describe those.

4 MR. WILSON: On today's agenda, on the
5 Owner Must Drive rules, the rules affect
6 owners of independent medallions who acquired
7 the medallion after January 7, 1990. Under
8 our current rules, owners of these medallions
9 must drive the medallion at least 210 nine-
10 hour shifts for the year. Our rule proposal
11 in response to the rule making petition from
12 various industry members does several
13 things: First, most importantly, most
14 generally, it lowers the 210 nine-hour shift
15 requirement to 180 nine-hour shifts a year.

16 Secondly, it makes it easier for those
17 medallions that are held in corporation or
18 partnership to meet the driving requirement.
19 Our current requirements are that one person
20 who is a shareholder must meet the entire one
21 210 requirement. Under our new proposal,
22 some of which was revised yesterday, 180
23 shifts may be driven up to four people each
24 of who own at least 10 percent of the
25 medallion.

1 TLC MEETING 6/16/11

2 increase in existing penalties for violation.

3 We received one public comment. The
4 rules were published on May 6th and comments
5 were due on June 6th. We have an extensive
6 speaker list today.

7 MR. YASSKY: Yes, we do. Given the
8 length of the speaker list, I will ask people
9 to restrict their comments to two minutes.
10 The first speaker is Geraldine Herisse.

11 MS. HERISSE: Good morning, Chairman,
12 members of the Commission. My name is
13 Geraldine Herisse and I'm here to advocate
14 for pre-1990 purchases. I am speaking on
15 behalf of my mother who over 25 years ago
16 made an investment in a medallion with my
17 father George Andre Herisse. In the 1980s,
18 my father was a hardworking taxi driver and
19 my mother wanted to plan for the future. My
20 dad knew one day he would retire and as the
21 sole provider in the family he had to start
22 making decisions for that day.

23 My dad and mom had purchased a
24 medallion. Since this is a city he knew very
25 well, he could work hard now and in the

1 TLC MEETING 6/16/11

2 future he would be able to use the
3 medallion --

4 MR. SWITZER: I will ask members of the
5 audience that if you are having
6 conversations, please take them outside in
7 the hallway, otherwise please being
8 respectful of the speakers. Thank you.

9 MS. HERISSE: Thank you. If something
10 were to happen to him, he knew his wife could
11 also live off the money that came through the
12 medallion. Those were the rules in place
13 pre-1990. Based on that information, in the
14 early 1980s, my dad and mom had purchased an
15 individual medallion which at the time was
16 more expensive than one corporate medallion.
17 The medallion was purchased in my dad's name
18 since there was no foresee the rules changing
19 (inaudible.)

20 they both scrimped and saved and
21 sacrificed to pay off that medallion and then
22 the rules changed in 1990 and no one
23 considered the pre-1990 purchase widows. In
24 1998 my father passed away and after his
25 estate was sorted out my mother was faced

1 TLC MEETING 6/16/11

2 with the reality that the TLC deemed her a
3 new owner of the medallion and she was
4 required to comply with the Owner Must Drive
5 requirement.

6 I lobbied on behalf of my mom, I wrote
7 to the TLC, explained the circumstances and
8 tried to get an exception for my mom. What
9 was she going to do, drive a cab? This was
10 her investment, this was her plan, this is a
11 plan sanctioned by the TLC pre-1990. Despite
12 the medallion marital property under State
13 and Federal tax law, under City law it's not
14 even considered hers. Her only option under
15 the TLC was to transfer a small percentage to
16 another taxi driver.

17 She transferred a small percentage of
18 interest in 2010, and now the rules will
19 change yet again. Again, the pre-1990
20 purchase widows are not considered, and for
21 those widows (inaudible) transferred small
22 percentage of interest to protect and
23 preserve what they earned for their
24 retirement and are being completely
25 disregarded again.

1 TLC MEETING 6/16/11

2 Essentially, the TLC is asking my senior
3 citizen mom to drive a cab or give up a
4 substantial portion of her retirement income.
5 How is this fair, especially when she
6 purchased the medallion when it was not
7 subject to these rules? The pre-1990 should
8 all have exceptions, exceptions for the women
9 who are married to them. So, I passionately
10 beg this Commission to create a pre-1990
11 purchase exception for widows. Thank you
12 very much.

13 (Applause)

14 MR. YASSKY: Thank you. Ethan Gerber is
15 the next speaker followed by Peter Mazer.

16 MR. GERBER: Thank you, Commissioners.
17 I just want to also congratulate Pansy
18 Mullings for being exemplary in her public
19 service.

20 These rules are timely for a couple of
21 reasons. For one thing, it illustrates that
22 the depth of medallion ownership is not
23 closed, that 40 percent of the medallion
24 owners are hardworking people who drove cabs,
25 bought cabs, scrimped and saved and managed

1 TLC MEETING 6/16/11

2 to do it, and that cap is a viable cap that
3 has been achieved, and many of the people
4 here today are such owners, such owners or
5 will be such owners. Another thing that
6 illustrates that is that through gumption and
7 drive you can (inaudible.)

8 These rules, I applaud the TLC for
9 modifying the rules but they need work still.
10 The penalties are draconian. The \$5,000
11 service fee to enter this pre-arrangement,
12 particularly as the speaker just spoke on
13 pre-1990, it is unconscionable, and post-1990
14 is still draconian.

15 This penalty -- by the way, I'm not
16 supposed to use "fee." The reason why we
17 can't use "fee" is because that would be a
18 violation of state law, because under state
19 law a fee cannot exceed administrative costs.
20 So, even though it's a payment in advance for
21 the Commission to do something sanctioned by
22 the government, (inaudible,) we're going to
23 call it "penalty." The penalty is draconian,
24 we now make it a number of \$5,000 for the
25 widows, for the disabled, for the elderly,

1 TLC MEETING 6/16/11

2 this is an incredulous task, incredibly
3 draconian and I ask that you modify it
4 significantly downward.

5 We wish to encourage the vehicles to
6 exemption here, it is exclusively limited to
7 those, I'm not sure what the reasoning
8 process of that is. I understand the TLC
9 rules require double-shift operators to do
10 double-shift and get cars on the road, that's
11 supposed to be the sacred goal of the Taxi
12 and Limousine Commission. In fact, I hear
13 there's going to be a new ticketing waive in
14 that area which is one of the reasons which I
15 I applaud the former Commissioner of
16 Enforcement because she created a policy to
17 simply solve it.

18 The rules, the penalties go up to
19 \$10,000. Again, and for agents, suspension
20 of licenses, again, Commissioners, you are
21 recognizing by this, the TLC is recognized by
22 this the need to modify these rules, the need
23 to allow people to use their investments.
24 The penalty of 1,000 to 5,000 to 10,000, it
25 is simply excessive, it is simply something

1 TLC MEETING 6/16/11

2 that hardworking people who scrimped and
3 saved their whole lives cannot afford. We're
4 going to ask you sincerely to modify this
5 downward. Thank you.

6 (Applause)

7 MR. YASSKY: Mr. Mazer, followed by
8 Eleni Mezaris.

9 MR. MAZER: Good morning again, Chairman
10 Yassky, Commissioners. I've prepared remarks
11 but in the interest of time of people who are
12 going to say the same thing but much more
13 eloquently because it's personal to them.
14 I'm up here to talk about the problem that we
15 have with respect to the inheriting spouse,
16 particularly the inheriting spouse is
17 inheriting from an individual owner who
18 purchased before January 7, 1990 for safe
19 planning and financial decisions, thinking
20 that they will purchase a medallion, that
21 they were going to drive it or lease it out
22 as they had the right to do and prepare for
23 their future particularly to protect their
24 inheriting spouse.

25 These rules were comprised over a long

1 TLC MEETING 6/16/11

2 series of discussions between the industry
3 and the TLC which began with the rule making
4 that was done, a petition that was filed by
5 the industry back in November of 2010. What
6 we wanted there was to look at ways to talk
7 about exemptions for age and disability,
8 which the Commission did a commendable job
9 on.

10 The problem that we're left with now is,
11 several speakers after me will talk about
12 very personal standpoint, is that we have the
13 situation where individuals who purchased
14 their medallion with the full expectation
15 that they could drive it or lease it, plan
16 for their future, did so, and now they are
17 being told that if they die, the medallion-
18 inheriting spouse has to either drive or
19 sell.

20 A lot of the exemptions that were
21 available, I believe the long-term driver
22 exemption is not available to the inheriting
23 spouse because the rules in the exemption are
24 only available to people who have owned a
25 medallion at least two years or 10 years,

1 TLC MEETING 6/16/11

2 particular terms of the rule. And the
3 spouses are in a worse position and some
4 other individual medallion owners with
5 respect to opportunities that they have
6 (inaudible) had a medallion that they had
7 plans to do for their life.

8 So, I simply pass it onto a number of
9 speakers behind me and ask you to think about
10 maybe tabling the rules again, think about
11 making a vote on protecting the inheriting
12 spouse. Thank you.

13 (Applause)

14 MR. YASSKY: Thank you very much. I
15 want to take into account the industry
16 experience and perspective, working, you
17 know, with many industry advocates on this
18 for months now. So, I understand where you
19 or the industry is coming from.

20 Would you prefer the rule, the revisions
21 that are on the agenda for today to be
22 adopted or would you prefer to leave the rule
23 as it is currently in place? Those are the
24 two choices.

25 MR. MAZER: The rule that's currently in

1 TLC MEETING 6/16/11

2 place is totally unfair to the widow because
3 the widow has absolutely no option but to
4 sell.

5 MR. YASSKY: So, which would you prefer;
6 the rule that's in place or the rule on the
7 agenda today?

8 MR. MAZER: Is the rule that's on the
9 agenda different from what was published in
10 the City Record?

11 MR. YASSKY: Indeed. The penalties for
12 owners resolves the now long-term driver
13 option, it has been reduced for over 62 years
14 of age or above. The requirement of what
15 (inaudible) referred to as a small percentage
16 ownership which we proposed there be a
17 minimum- of 25-percent rule in the agenda
18 today that makes that a 10-percent stake.
19 People who put themselves in that small
20 ownership situation in the original proposal
21 had one year to come into compliance, now
22 they'll have two years to come into
23 compliance. Those are the changes since the
24 rule was published.

25 MR. MAZER: The rule before us, the

1 TLC MEETING 6/16/11

2 inheriting spouse is subject to the same
3 requirement the deceased owner was subject to
4 and I presume that that's not going to change
5 today.

6 MR. WILSON: We did clarify that.

7 (Inaudible.) Published in the City Record a
8 month ago.

9 MR. YASSKY: Mr. Mazer, I do think that
10 that specific set of facts does warrant some
11 consideration by us. I do not intend to
12 table the rule. I'll tell you we will vote
13 whether we adopt or not, that's fine, either
14 way. But on that specific issue, if we do
15 adopt this, I do agree with you that we need
16 to look into enforcement guidelines that can
17 address it or a plain language interpretation
18 that you suggested to address it or perhaps
19 even an additional change.

20 But I would like the Commission to be
21 clear and have your guidance. Would you see
22 us adopt the rule that is on the agenda for
23 today or leave the rule that is currently on
24 the books?

25 MR. MAZER: Well, the rule currently on

1 TLC MEETING 6/16/11

2 the books offers no protection for spouses.
3 This rule provides some options for spouses.

4 MR. YASSKY: The rule on the agenda
5 today (inaudible) books even though plainly
6 you believe it needs considerable
7 improvement?

8 MR. MAZER: I defer to the speakers,
9 they have a lot more at stake than I at this
10 point.

11 MR. YASSKY: Eleni Mezaris and followed
12 by Georgia Kostakis.

13 MS. MEZARIS: Good morning,
14 Commissioners. My name is Eleni Mezaris and
15 I'm here to speak for the pre-1990 purchase.
16 (Inaudible) Taxi medallion which we purchased
17 in 1984, he was a (inaudible.) For the last
18 20 years they had both scrimped and saved and
19 worked to see some kind of a future, you
20 know, from the very modest earnings from the
21 leasing of the medallion. At the same time I
22 want to say that previously we had owned
23 (inaudible,) the reason my husband sold it
24 was because he decided he did not want to
25 deal with any partners and he wanted to be on

1 TLC MEETING 6/16/11

2 his own.

3 Should something happen to him tomorrow
4 and I hope nothing ever does, I'm going to be
5 faced with either selling part of that
6 medallion, selling all of that medallion and
7 giving up our family business. I strongly
8 hope you reconsider and give us some
9 consideration. There was no Owner Must Drive
10 when the medallion was purchased.

11 (Inaudible.) I would appreciate that you do
12 reconsider.

13 MR. YASSKY: Thank you.

14 MS. KOSTAKIS: I'm here on behalf of my
15 mother and this is a very emotional topic for
16 me. We had purchased the medallion --

17 MS. MARINO: Please stop talking in the
18 room.

19 MS. KASTAKIS: He had purchased the
20 medallion before 1990, my father had
21 purchased his medallion in 1974, my
22 understanding is when it was cheaper to buy.
23 I just recently lost him. My understanding
24 that many (inaudible) cheaper to buy. Now
25 that my dad is no longer living, my mom has

1 TLC MEETING 6/16/11

2 no sort of income and she's the inheriting
3 spouse, he was able to lease a medallion
4 before his death. My mom should have the
5 same right. He worked very hard in this
6 country to provide and this is the American
7 dream.

8 So, now that my mom has no sort of
9 income, my mom is forced to sell 25 percent
10 of her medallion. So, I'm not here for
11 myself or my unborn child, I am here for my
12 widowed mother. So, please Commissioner,
13 hear us out today.

14 (Applause)

15 MR. YASSKY: Ms. Kostakis, thank you for
16 your testimony, especially under the
17 circumstances, thank you for having the
18 fortitude to come and speak with us about
19 this today and we are sorry for your loss.

20 The next speaker is Maria Pantoja
21 followed by Alan Platt.

22 MS. PANTOJA: (Through interpreter) Good
23 afternoon to everyone. In a respectful
24 manner (inaudible.) When we bought the
25 medallion we had very clear ideas on duties

1 TLC MEETING 6/16/11
2 and occupations and our rights as owner of
3 the medallion since we bought it back in 13th
4 of March 1989. After 22 years of hard work,
5 the Commission wants to fulfill this absurd
6 proposal. And my husband -- we have been
7 forced to sell 25 percent from our medallion
8 and to pay \$5,000 annually. It is very
9 (inaudible) what I have listened so far
10 (inaudible) that the Commission wants to
11 change the condition of our homes -- I'm
12 sorry. We had worked so hard for a decent
13 life and for a decent retirement. Thank god
14 my husband is alive, but should something
15 happen, it is god forbid I'm going to lose
16 most of our hard work.

17 MR. YASSKY: Yes. Thank you. The next
18 speaker is Alan Platt followed Eva Sacoulas.

19 MR. PLATT: Good morning, Taxi and
20 Limousine Commission. I'm not going to
21 lecture and this is very difficult for me,
22 but I am an owner driver for 38 years driving
23 for 41, I came into the industry when things
24 were simple, all you had to do was put your
25 name on the line, take out a large mortgage

1 TLC MEETING 6/16/11

2 and I happened to find an individual taxi,
3 then I felt (inaudible) for the most amount
4 of money, you got the most privilege and if
5 you work hard you can pay it off and you
6 support your family.

7 So, I did this and I think the last 41
8 years all I did was spend on the streets of
9 Manhattan picking up people, you can do this
10 by enjoying the job and you do this by liking
11 to help people do something for people. I
12 love taking people to places where nobody
13 else would take them because they felt good,
14 I felt good, I love helping wheelchair
15 people. In other words, I worked hard. I
16 served the industry.

17 But what has happened was the special
18 taxi medallion that I bought, the individual,
19 we never got any special privileges. We were
20 always told all medallions are the same,
21 everybody has to have the same rules, but
22 then came the big change, lots of changes
23 happened but then the big change was when my
24 medallion became worth less than the other
25 types of medallions because upon sale the new

1 TLC MEETING 6/16/11

2 owner had to drive one shift himself. I was
3 grandfathered in.

4 It didn't seem to bother me too much
5 except now and you wake up one day, you're
6 losing your hair and you realize you are
7 coming to the last part of your life,
8 hopefully another 25 years, I hope so and I
9 hope I can stay in the industry that long.

10 But now it seems like the industry is
11 putting another very big bombshell into my
12 coffin and that is this new Owner Must
13 Drive -- well, forget about that, that was
14 already put to my wife upon my death without
15 me taking care of -- I couldn't just have the
16 medallion leased out. My wife is in no
17 condition now to drive herself. She has had
18 an illness that would prevent this. So, it
19 would sort of be the last nail in the coffin
20 to something that I dedicated like thousands
21 of other owner drivers that dedicated their
22 lives to and we have given more than I think
23 we have gotten. And to do this to us, I
24 don't think it's right.

25 I keep on looking at the last

1 TLC MEETING 6/16/11

2 Commissioner, I think in my cab, you told me
3 I needed a shave about 20 years ago. Do you
4 remember that?

5 MR. CARONE: No, I don't.

6 MR. PLATT: I truly listen to you,
7 (inaudible.) I'm just asking for your --
8 actually your pity -- well, not pity. I'm
9 asking for a little bit of respect and maybe
10 overhaul this law, do something -- I don't
11 know if it's too late to overhaul it entirely,
12 but make it so that widows will be able to
13 reap what we have worked so hard for. Thank
14 you

15 (Applause)

16 MR. YASSKY: (Inaudible.) Thank you for
17 your testimony.

18 MS. SACOULAS: Good morning, Chairman.
19 My father came to this country and worked
20 very hard to provide for his family for
21 almost 40 years and drove a cab most of those
22 years. (Inaudible.) He gave his blood,
23 sweat and tears to that job, he loved the
24 opportunity that this provided. He was very
25 proud and happy to do his job but

1 TLC MEETING 6/16/11
2 (inaudible.) He was able to buy a home, live
3 the American dream, and when he got sick in
4 December and had to be admitted to the
5 hospital, the only thing he had to talk about
6 was how he had to pass his cab for TLC
7 inspection the next week. And he left the
8 hospital, passed the inspection, prepared his
9 cab, painted it and was put on life support
10 two weeks later. And his car passed
11 inspection and he never drove again. He was
12 77 years old when he passed and he was still
13 driving and no one believed how old he was.

14 (Inaudible.) My mom lost her husband,
15 her companion and her friend and she has to
16 suffer. She should not have to pay a penalty
17 because she bought something together with my
18 father. He worked long hours and he both
19 sacrificed and saved and purchased it
20 together back in the 70s when there were no
21 partitions, no cell phones, you really were
22 on your own and he made an honest living.

23 And as a senior citizen, an American
24 citizen, my mom should not be (inaudible,)
25 all the widows in her situation.

1 TLC MEETING 6/16/11

2 (Inaudible.)

3 I also have letters from two council
4 members that I would like to pass around on
5 my behalf if I may.

6 MR. YASSKY: Certainly give them to the
7 Commissioners. Thank you very much.

8 (Applause)

9 MR. YASSKY: I also want to inform
10 people who are in this situation and as the
11 last several witnesses or testifiers have
12 described are a surviving spouse of a
13 pre-1990 medallion that was purchased before
14 1990 to know that Senator (Inaudible) who
15 contacted the TLC yesterday to bring this
16 situation into our light before us and I want
17 you to know that his office has been quite
18 active on your behalf.

19 The next speaker is Zacharias
20 Stamoulis.

21 Two things: I first of all, I do think
22 that we understand the fact pattern that the
23 last several testifiers have spoken about. I
24 for one thing think it needs to be dealt with
25 and we will be working with the staff to do

1 TLC MEETING 6/16/11
2 that. If people wish to -- if you do not
3 need to testify, you do not need to testify
4 if you feel that the case has been made
5 already by previous witnesses but the next
6 few speakers -- Commissioners, there is a
7 matter that I think will take two three
8 minutes to make a phone call about.
9 Commissioner Polanco will chair in my
10 absence. It should not be more than two to
11 three minutes.

12 MR. STAMOULIS: Good morning,
13 Mr. Chairman, Commissioners. My name is
14 Zacharias Stamoulis.

15 MS. MARINO: Please stop talking in the
16 room.

17 MR. STAMOULIS: I drove a taxicab from
18 1970 to 2003. It was very hard, difficult
19 work but we did well, me, and my wife as a
20 helper, (inaudible) and she's doing her part
21 raising our children.

22 It was a great experience and I believe
23 I did a great job for the City of New York
24 and I have received distinguished service
25 awards from the TLC, good driving record

1 TLC MEETING 6/16/11

2 awards from TLC.

3 Now, I stand before you (inaudible) to
4 my family, my wife particularly if something
5 happens to me in the future. We bought our
6 medallion in 1971 and at the time
7 Mr. (inaudible) recommended me to buy an
8 individual to eliminate any partnerships or
9 any other problems on buying, face the future
10 just in case something happens to me.

11 So, I'm here to ask you to reconsider
12 your rule hopefully, and I understand that
13 you are fair minded people and you will come
14 to the right decision. Also, finally I ask
15 the commissioners make the change here and
16 now so it's clear that if you own a base
17 medallion before 1990 the owner or his widow
18 can continue to live off of this income.
19 Thank you for your attention and have a good
20 day

21 (Applause)

22 MR. BOSINAS: Good morning,
23 Commissioners. The Chairman is out. 10
24 years ago I used to participate in all these
25 public hearings continuously but I stopped

1 TLC MEETING 6/16/11
2 for the past 10 years because of a family
3 death. I have an individual medallion.
4 25-something, 30 years, (inaudible.) This
5 rule when it was first initiated and adopted
6 by the TLC was a bad rule. It has done two
7 things: Damage individual medallions by 25
8 percent, and the second (inaudible)
9 protection questions. Every person that came
10 up to here this morning (inaudible.)

11 I heard of point A and point B but I
12 didn't here point C which is eliminate the
13 rule completely, or point D, simply let the
14 one-time flat fee of let's say \$2,500.
15 (Inaudible.)

16 I find that this is not an individual
17 decision but it's a family decision, it's a
18 family investment which when the owner is
19 dead, you don't simply modify the rule, you
20 can eliminate the rule or have simply a flat
21 fee, a one-time fee.

22 I find there has to be the rule
23 controversy for more than two decades. You
24 have amended other rules in the past, you can
25 amendment this and if (inaudible,) the TLC

1 TLC MEETING 6/16/11

2 has the right to promulgate rules and
3 regulations which are reasonable. This
4 clearly is not a reasonable rule and neither
5 Mayor Guiliani or Mayor Bloomberg or
6 (inaudible) medallions, ever thought about
7 this rule. (Inaudible.)

8 I think scratching the rule is the best
9 thing, but if the City needs to make a little
10 bit of money, have a flat fee, a one-time
11 flat fee. Thank you very much for your
12 time.

13 (Applause)

14 MR. SWITZER: If you would like to
15 continue your conversations, you must do so
16 in the hallway. Please be quiet. Thank you.

17 MR. POLLACK: Good morning,
18 Mr. Chairman, Commissioners. My name is
19 David Pollack. I am the Executive Director
20 of the Committee for Taxi Safety, an
21 organization leasing agents that lease over
22 3,500 medallions to long-term drivers. We
23 will be submitting formal testimony in the
24 future. Let me just try to summarize. I
25 follow certain sentiments of Mr. Gerber and

1 TLC MEETING 6/16/11

2 Peter Mazer.

3 On behalf of the Committee for Taxi
4 Safety, I want to thank you, Mr. Chairman,
5 your staff and the Commissioners for
6 recognizing that there are problems with the
7 Owner Must Drive rule after meeting with the
8 industry representatives numerous times in an
9 attempt to resolve the matter. As a result
10 of those meetings, the TLC has proposed with
11 conditions that owners subject to this rule
12 may opt out of the enforcement rule by paying
13 a certain fee and after having driven for a
14 certain number of years.

15 The Committee for Taxi Safety believes
16 that the professionalism of the driver owned
17 vehicle operations and the benefits of the
18 New York City Taxi and Limousine Commission's
19 critical driver and persistent violator
20 programs has shown that this rule has
21 outlived its usefulness. By the Commission's
22 proposing an outbound provision, we believe
23 the rule is not necessary, yet we understand
24 the position of the TLC.

25 The Owner Must Drive rule has not been

1 TLC MEETING 6/16/11

2 enforced by the TLC for many years for a
3 reason. Enforcement will now detrimentally
4 impact hundreds of owners, depriving the
5 drivers of income that they depend upon to
6 live. Having to pay a substantial fee
7 annually to opt out of the enforcement of the
8 OMD rule may welcome now hundreds of owners
9 to sell which would result in their paying
10 capital gains taxes as opposed to their
11 families receiving (inaudible) bases upon
12 their deaths. The price of an independent
13 medallion will detrimentally be impacted and
14 potentially place independent medallions on
15 the market at the same time.

16 The New York City Taxi Fact Book offered
17 by (Inaudible) Consulting shows that despite
18 nonenforcement of this rule, driver
19 experience levels have increased dramatically
20 primarily from long-term leasing.

21 Accordingly, the Owner Must Drive rule
22 is isn't needed anymore. An outright repeal
23 would have been preferable, but if you are
24 willing to compromise and you would like to
25 keep this rule, we propose the following:

1 TLC MEETING 6/16/11

2 appreciate once again that reduction to
3 \$2,500 for the retirees.

4 Finally we proposed in the originally
5 proposed rules, owners who compiled or bought
6 the less- than 25-percent of the ownership
7 from a driver for fulfilling the driver
8 requirements need to bring themselves up to
9 compliance of the new regulation within one
10 year, that we mandate the driving requirement
11 be fulfilled by an owner who has a minimum
12 yet of 25-percent ownership interest in the
13 medallion.

14 We thank you for the positive changes in
15 the rule and the efforts once again.
16 Mr. Chairman, first of all, thank you,
17 Commissioners and the staff, thank you for
18 your hard work regarding that. But the
19 1-percent owners that existed, my
20 understanding is that they will be
21 grandfathered and we thank you for that.
22 However, it should be noted that they are
23 hardworking small businessmen and they play
24 by the rules and now they're partial
25 medallion owners. There are family members

1 TLC MEETING 6/16/11

2 who have played by the rules and purchased
3 the business with certain rules in tact and
4 sometimes people are disheartened and their
5 spirit is broken when you buy under Rules A
6 and then the rules change. I wanted to
7 mention that.

8 We do appreciate you, the direction in
9 recognizing the problems with the Owner Must
10 Drive rule and we thank the Commission again
11 for allowing me to speak on this important
12 issue and for meeting with the industry on
13 the Owner Must Drive Rule in an attempt to
14 strike a fair compromise. I'm available for
15 any questions. Thank you.

16 (Applause)

17 MR. YASSKY: I appreciate the breadth of
18 the comments. Just so I understand, in sum,
19 the Committee for Taxi Safety recommends the
20 Commissioners a yes vote or a no vote on the
21 rule before us?

22 MR. POLLACK: This is better than it was
23 before. We understand that hopefully in the
24 future we can meet for additional
25 modifications, but as it is, it's a yes vote.

1 TLC MEETING 6/16/11

2 MR. YASSKY: Thank you, Mr. Pollack.

3 Thank you very much.

4 (Applause)

5 MR. GJONAJ: Chairman, if I may, David
6 Pollack made a comment that the 1-percent
7 current owners will be grandfathered in. I'm
8 not sure if you picked up on that.

9 MR. YASSKY: I did note that.
10 Commissioners, just to clarify, and respond,
11 there's been a lot of discussion, but the
12 rule before us would give a 1-percent for an
13 owner who has sold more percent of the
14 medallion and is counting on them to fulfill
15 the driver requirement two years to come into
16 compliance. So, grandfathering I suppose for
17 two years but not beyond on that. And then
18 they would have to come into compliance
19 either through the long-term driver option or
20 by increasing the stake of the minority owner
21 to not less than 10 percent.

22 MR. MAMADOU: The person I'm speaking
23 for is not here.

24 MR. YASSKY: Thank you so much, sir.

25 MS. ARTOGLOU: Good morning,

1 TLC MEETING 6/16/11

2 Commissioners. But I try to explain what
3 bring me here today. Just my husband passed
4 away. And I am here, you want to change the
5 rules, but my husband bought the medallion
6 before '90 and that's my income for my
7 retirement. So, I try to say help us,
8 because that's not fair to leave me -- I
9 can't drive. My eyes not so good. But
10 that's all my life income. My husband,
11 before he died, he said that he leave me his
12 income, "You're going to live alone, so don't
13 worry."

14 Please try to be fair and help
15 everybody, because not only me, a lot of
16 women are here. Okay? Thank you very much
17 (Applause)

18 MS. EVOLA: Good morning, Commissioners,
19 Chairman.

20 MR. YASSKY: Good morning.

21 MS. EVOLA: My father just recently
22 passed away. We're here to ask you that
23 anyone who purchased the medallion before
24 1990, that their spouses have equal rights.
25 He purchased it as a career and a

1 TLC MEETING 6/16/11

2 retirement. The prior laws, it was known
3 that you were able to lease it and there were
4 no restrictions. Now there's changes and
5 they want to take it away. My mom relies on
6 that money and that's the support my father
7 left for her. Please to not take that away.
8 It was once promised prior to 1990 that there
9 were not these laws.

10 MR. YASSKY: Thank you.

11 MS. EVOLA: One more thing. I just ask
12 the Commissioners make a change here and now
13 so it's clear that if you bought this
14 medallion before 1990 the owner or his widow
15 can continue to live off this income.

16 MR. YASSKY: Thank you. The final
17 speaker who is signed up is Ms. Desai
18 representing the Taxi Workers Alliance.

19 MS. DESAI: Good morning, Mr. Chairman
20 and members of the Commission. It's hard to
21 listen to this testimony and just not be
22 moved by it. We have a lot of owner driver
23 members ourselves, and recently when the TLC
24 was summonsing on the Owner Must Drive rule
25 we actually had several widows and children

1 TLC MEETING 6/16/11

2 as well as owner drivers themselves come to
3 us with the summonses. And I tell you that
4 every story that you hear, it's just really
5 heartbreaking, including, I think the owner
6 drivers who bought their medallions after
7 1990, particularly after the mid 90s when the
8 value of the medallion was much higher, the
9 cost of it was much higher, it's taken people
10 much longer to pay that medallion off.

11 I think, frankly speaking, many of the
12 widows that we have met are single moms.
13 They are young women who have been widowed
14 young and they have young children that
15 they're raising and it would be impossible
16 for them to put in 60- to 70-hour shifts as
17 single moms as recently widowed women while
18 they are raising young children. We would
19 also really compel you to look particularly
20 at the issues with regards to the estate and
21 I think make some necessary main changes.

22 I do want to say that we're really glad
23 to see you address this issue, you know, it's
24 something that I know we have brought to your
25 attention and to the attention of your

1 TLC MEETING 6/16/11

2 predecessors.

3 With the current rules as they are being
4 proposed, there are four specific changes
5 that we would recommend with the amendments,
6 one of them being that as of now, the owner
7 driver can only elect the leasing out,
8 authorizing the DOB operator just to fulfill
9 their requirements I guess at the beginning
10 of the calendar year or at the end of the
11 previous calendar year. And if my
12 understanding is incorrect, you know, please
13 do clarify that. But we would say that it's
14 important to make the change to allow an
15 owner operator mid calendar year to take this
16 option. You know, because what we have seen,
17 the owner operators are not able to fulfill
18 their shifts requirements, it's either
19 because of age or usually because of a
20 medical reason or a family emergency. And of
21 course, medical reasons and family
22 emergencies are not things you can always
23 perceive. So, we think it's really important
24 that you be able to elect these different
25 options which really is the gist of what

1 TLC MEETING 6/16/11

2 you're proposing, that the owner operators
3 are able to take advantage of it at any point
4 during the year than at only the beginning of
5 the year.

6 Secondly, as of now, we would have to be
7 working for 10 years in order to take the DOV
8 option, take advantage of it. Even 10 years
9 is a long time -- that it should only be
10 available to people even after three years,
11 after you've made your first balloon payment
12 and you've invested your time and your
13 talents into the industry, that -- you know,
14 particularly if you purchase the medallion
15 before 62, it's still labor and life, then
16 it's too much to the owner to have to require
17 the person to have to work 10 years.

18 Imagine if there's another medallion
19 option within the next couple of years and
20 someone purchases one when, you know, they're
21 in their mid 50s or late 50s. As of now they
22 think they have to work 10 years in order to
23 take advantage of this. But they may be
24 individuals who have been driving 30, 40, 25
25 years, but those driving years will not count

1 TLC MEETING 6/16/11

2 because only their years as an owner will be
3 accounted for and we don't think that's
4 fair.

5 On the penalty, we're glad to see you
6 reduce it to \$2,500 for 62 and over, but
7 really that should be reduced to \$2,500 for
8 everybody regardless of age. And for
9 individuals who are 62 and over, right now
10 the requirement would be for 150 seven-hour
11 shifts, we appreciate the fact that you are
12 making a distinction of 150 for 62 and over
13 versus 180 for those who are under 62.

14 However, it's just not economically
15 feasible for you to pay off your operating
16 expenses and still earn a liveable income by
17 only working seven hours as people are going
18 to be putting a full shift anyway. So, we
19 would say calculate the seven hours times the
20 150, and instead of making it 150 shifts, we
21 would say make it anywhere between 90 to 105
22 shifts for if they're 62 and older.

23 Lastly, I just want to say that if this
24 issue reveals anything to us, one of the
25 biggest lessons is that, why are all of these

1 TLC MEETING 6/16/11

2 families here? Why are owner operators
3 fighting for this change? Because medallion
4 is their only retirement. We need a
5 retirement plan in this industry for every
6 single working driver whether they are an
7 owner operator or not. Thank you.

8 (Applause)

9 MR. YASSKY: Thank you, Ms. Desai. And
10 Commissioners, I'm sure there may be
11 discussion. Before we have discussion, I
12 just want to pick up really on a couple of
13 points that Ms. Desai and some of the other
14 speakers made. First, just as to the issue
15 that most of the speakers addressed, this
16 particular issue of medallions purchased
17 before 1990, in other words, purchased when
18 there was no Owner Must Drive requirement but
19 then have been transferred through requests,
20 I do think that that issue, I think that the
21 speakers have made a case as to the equities
22 of the surviving spouse in that situation.

23 If the rule passes -- or even if it
24 doesn't, truthfully, because the speakers who
25 are in that situation are in the same

1 TLC MEETING 6/16/11

2 position whether the rule passes or whether
3 it fails. But I want you to know, the folks
4 in the audience here, that I do believe that
5 you've made a compelling case as to the
6 equities that the surviving spouse should not
7 lose rights, as you would, that the deceased
8 spouse had.

9 And I will direct the staff to figure
10 out with me and the Commission how to address
11 that, whether it is through a set of
12 enforcement guidelines or simply through
13 prosecutorial discretion or whether a rule
14 change is necessary, and we will report back
15 to the Commission as to what -- as to how we
16 recommend addressing that problem, how the
17 staff recommends addressing that problem.

18 Let me separate that out from the
19 broader issue before us of the Owner Must
20 Drive rule and whether to maintain it as it
21 is today, whether to relax it in important
22 respects as the proposal before you would do,
23 or abandon it altogether which a couple of
24 speakers suggested, and again which I believe
25 would be come accomplished either by outright

1 TLC MEETING 6/16/11

2 appeal or frankly by creating enough
3 exceptions that it will be de facto repealed.

4 I want to make a case to you that the
5 rule before us is a good one. I will be
6 voting for it. Each Commissioner certainly
7 forms his or her own judgment. I do believe
8 that the best course is to maintain the Owner
9 Must Drive principle but indeed to relax it
10 as proposed to do in this rule to create a
11 retirement option for people who really are
12 of advanced age or have been working a long
13 time and the right thing for them to do is to
14 retire and not be forced to sell the
15 medallion.

16 You know, I'm just picking up on
17 something Ms. Desai said at the end about --

18 What if somebody buys it? Picture
19 somebody buying at new medallion at age 55,
20 should they be required to work 10 years
21 before they retire? I would say the logic of
22 that, though -- it's a sympathetic case, the
23 logic of that would be to get rid of the
24 rule. Because if the whole -- and the logic
25 to me of that complaint, in truth, is to say

1 TLC MEETING 6/16/11

2 that's why you need clarity. People who
3 bought medallions I think have been in a
4 somewhat uncomfortable situation. There's a
5 rule on the books that says one thing, that
6 the owner, that the owner of this medallion
7 has to drive it. They're told by people who
8 are selling it, and with some reason, that,
9 "Well, the practice hasn't been that, you can
10 get away with it, you can do a 1-percent
11 loophole."

12 So, I think that we do a disservice to
13 people by perpetuating a lack of clarity, and
14 I think that what the rule before us does,
15 again, is create a clear set of standards so
16 that someone who buys -- and I guess it does
17 mean, Ms. Desai, yes, that if someone buys a
18 medallion tomorrow, they would have to work
19 the 10 years before retiring, but they would
20 know that that's the rule and they would know
21 that if they buy it, then that's what they're
22 going to be expected to do.

23 That, I mean, I guess the other route
24 you could take with that is to say, "Let's
25 get rid of it." And I think that the

1 TLC MEETING 6/16/11

2 speakers who are -- the surviving spouse
3 speakers to me are such powerful evidence of
4 why we have this rule. Part of it certainly
5 is about safety and the data, due support
6 wants common sense instinct that someone with
7 an ownership stake drives more safely and
8 provides better service, that's part of the
9 rationale for the rule. But the other part
10 is to perpetuate what has been one of the
11 most magnificent aspects of the taxi industry
12 which it's a place, it's an industry where
13 people can come here with no education, often
14 not speaking the language, and by working
15 their fingers to the bone on the steering
16 wheel earn a decent living and even earn
17 enough to become owners themselves and move
18 from employees, functional employees, which
19 is what the fleet drivers are -- and I don't
20 mean that in the political, what benefits,
21 whatnot, I'm just saying to move from being
22 employed to being an owner.

23 And every week I will meet somebody who
24 tells me, you know, like the people who
25 testified here today, that my dad came here

1 TLC MEETING 6/16/11
2 and he bought a medallion and he drove it for
3 40 years and he put me and sister and my
4 brother through college and now I'm a lawyer
5 or an engineer or a school principal and that
6 is the American dream. This has been the
7 American dream industry. And the Owner Must
8 Drive medallion is something that we do to
9 try and keep that going, because if we got
10 rid of the rule, it is true that the value,
11 the medallions held by people here today,
12 they would go from being worth 650,000 to
13 950,000. And you might say, "Well, good for
14 them," and it would be good for them, but
15 it's not just them, we have to think about
16 the next generation of the Herisses and the
17 Kostakises and Platts who spoke here today.

18 And I'm not saying that maintaining the
19 Owner Must Drive rule yields the \$30,000
20 ownership opportunity that it did 30, 40
21 years ago, because it doesn't, and the world
22 moves on. But at least it maintains
23 something. They trade the fleets medallions
24 at 950, the Owner Must Drive medallions at
25 650, 650 is not an easy price to attain, but

1 TLC MEETING 6/16/11
2 still, day in, day out, you can come to our,
3 you know, the 22nd floor and see Stan
4 transfer Owner Must Drive medallions to
5 drivers who have worked and saved to be able
6 to buy those medallions. And to me, the
7 strongest argument for maintaining the Owner
8 Must Drive rule is to perpetuate that
9 possibility.

10 The last point I would make is that if
11 your position is I don't want to repeal it, I
12 want to keep it, I think that your position
13 also has to be not to create so many
14 exceptions that it's tantamount to appeal.
15 Because if we allow people to buy the Owner
16 Must Drive medallion to lease out 1 percent,
17 to sell for 1 percent, to lease it out
18 without a penalty, then you've created a
19 loophole which is then swallowing the basic
20 rule.

21 So, I've said my piece. If fellow
22 Commissioners have comments, let's have our
23 discussion and then I will call for vote. Is
24 there commentary?

25 MR. GONZALES: Good points, Chairman.

1 TLC MEETING 6/16/11

2 I'd first like to thank everyone for their
3 testimony today. It's been very, very
4 helpful and also enlightening as well.

5 In general terms, the business
6 perspective, it's my opinion that the
7 customer service experience is enhanced it's
8 best when there's a minimum distance between
9 the owner and the customer, and I think in
10 the sense of individual medallions enhance
11 and defined that experience.

12 I do appreciate that the staff. The
13 staff took input from the industry and
14 crafted and designed rules that I think
15 enables long-term medallion owners to stay
16 connected with the industry that they helped
17 to build. I also believe that this industry
18 would not be viable today without the hard
19 work and efforts, that dedication of this
20 particular group of individual medallion
21 owners who have been here, you know, since
22 40-plus years. I just wanted to acknowledge
23 publicly that dedication and their
24 contributions to that industry.

25 MR. YASSKY: Thank you.

1 TLC MEETING 6/16/11

2 MR. CARONE: I would just like to be a
3 little clearer on how you propose dealing
4 with your view after the testimony about
5 inheriting a medallion that was purchased
6 pre-1990. I think I heard you say that you
7 believe that that's something after hearing
8 the testimony that should be there. How do
9 you suggest that we deal with that?

10 MR. YASSKY: I would like again to
11 consult with the staff and develop a staff
12 recommendation for us on that. As I say,
13 that, perhaps would be a set of enforcement
14 guidelines or it could be a case-by-case
15 issue, although there appear to be enough
16 people in that situation that I think it
17 should be dealt with systematically rather
18 than case by case, and perhaps we'll need to
19 bring another rule proposal back to the
20 Commission.

21 But, you know, rather than kind of draft
22 on the fly, I'm going to ask the staff to
23 come back to us with a recommendation.

24 MS. MARINO: Why don't we hold off on
25 the --

1 TLC MEETING 6/16/11

2 MR. YASSKY: Well, I will say this --

3 MS. MARINO: I mean, there are so many
4 points here to need to be considered.

5 (Applause)

6 MR. YASSKY: As I said, Commissioner
7 Marino, you know, the staff has spent an
8 enormous amount of time on this, as is their
9 job, and they'll spend as much time as
10 necessary. I intend to call for a vote. If
11 people would prefer to vote no on this rule
12 and keep the status quo, I completely
13 understand that position. And you know, each
14 Commissioner should vote, you know, in his or
15 her judgment.

16 I think that we need to get some clarity
17 to the world about what these rules are. I
18 think to the extent that that individual
19 situation is there, we do not need to delay
20 the entire rule based on that. I think that
21 many of the judgment calls embodied in this
22 proposal are just that. There are judgment
23 calls where an argument to be made for 2,000,
24 then 2,500, 15 percent, then 10 percent. I
25 would urge that people not let the perfect be

1 TLC MEETING 6/16/11

2 the ending of the good. I think the two
3 industry trade association representatives
4 that spoke both clearly said that this rule
5 improves upon the status quo. I urge people
6 to adopt it, and if then you believe that
7 further improvements are necessary, then you
8 should bring that -- not just you should, but
9 anyone should, and the staff will continue to
10 be looking for further improvements to make.

11 But we're in the middle of the year,
12 people have very little clarity about what
13 their obligations are for this year. I'll
14 tell you, over the last several days we have
15 settled additional cases where last year
16 people violated the rule, and I'm sure there
17 are people out there who don't know what is
18 expected of them. You know, only people who
19 know what our settlements have been, for
20 example, would know that they are going to be
21 subject for this year which will be a \$2,500
22 penalty for people to pay.

23 MS. MARINO: I respect that. My problem
24 is that voting today on this -- for me, and
25 I'm only speaking for myself and not my

1 TLC MEETING 6/16/11

2 colleagues, is in a way, is endorsing this,
3 and I don't know that in good conscience I
4 could endorse this until these finer points
5 are thought about and discussed, and we heard
6 a lot of very valuable points here today, and
7 I think putting this off a month isn't going
8 to be the end of the world. (Applause)

9 MR. YASSKY: I fully I understand your
10 position. I would say, I know I'm sure no
11 one in the Commission staff will take a no
12 vote as expression of anything, but
13 appreciation for the hard work of the staff
14 has been put in. I will say I will believe
15 that better balancing of the interests can be
16 achieved. I'm not saying that maybe you
17 couldn't come back with a better balancing at
18 some point in the future, perhaps we could.
19 But I am going to call a vote today and we
20 will either move forward with this as the new
21 basis for discussion or we will have the
22 status quo. And I think again, you know,
23 either vote certainly is understandable.

24 MR. AROUT. Chairman, can everybody hear
25 me out there? Okay, I have been sitting here

1 TLC MEETING 6/16/11

2 listening to everything, being very
3 sympathetic to you young ladies and men with
4 everyone having a problem. My problem is
5 right now that I would like to propose that
6 we table that at this particular -- hear me
7 out -- at this particular time, so for my own
8 benefit that I know that I am doing the right
9 thing. And I agree with the Chairman for all
10 he's done. I want to understand this and I
11 would like to postpone it until the next
12 meeting so we can clarify all these people
13 here that are in trouble.

14 And that's my proposal, I would like to
15 postpone it until the next meeting to give
16 the staff the time to maybe come back with
17 something for it.

18 (Applause)

19 MR. YASSKY: Commissioner, let me
20 propose an alternative solution which is that
21 we vote on an oral resolution to address the
22 expressing the sense of the Commission that
23 the surviving spouses of pre-1990 medallions,
24 medallions purchased prior to 1990 should not
25 be harmed by the Owner Must Drive rule and

1 TLC MEETING 6/16/11
2 directing the staff to come back with
3 language that addresses that and vote on the
4 rule along with that resolution. I would ask
5 you to do that, because I do think that -- as
6 we were saying, we're here in June half the
7 year has gone by, people don't know what
8 their penalties will be if they don't comply
9 for this year and they need to have some
10 clarity. Would that be acceptable to you,
11 Commissioner?

12 MR. AROUT: Mr. Chairman, that certainly
13 will be and I will remove what had I just
14 said.

15 MR. YASSKY: Appreciate it.

16 MR. GJONAJ: Also your statement and the
17 comeback within the month of the next
18 hearing, address the inheritance issues and
19 have them grandfathered pre-1990, I think I'd
20 be willing to vote on this issue and move
21 forward.

22 MR. YASSKY: Thank you, Commissioner.
23 Further discussion?

24 (No response)

25 MR. YASSKY: So, let's do this

1 TLC MEETING 6/16/11
2 separately just for clarity. I move that the
3 staff is directed to report back with
4 language that will ensure that spouses --
5 that people who own medallions by virtue of
6 having inherited it from a spouse and the
7 medallion was purchased by the spouse prior
8 to 1990 should not be subject to the Owner
9 Must Drive requirement to any greater degree
10 than that spouse would have been. Thank
11 you.

12 (Applause)

13 MR. YASSKY: Again, I'm sure that the
14 drafting on the fly is inelegant, Mr. Wilson,
15 but that's why the staff will come back with
16 language that achieves that goal.

17 So, all in favor, say "aye."

18 MR. GONZALES: Aye.

19 MS. LAUVIENSKA: Aye.

20 MS. DeARCY: Aye.

21 MR. CARONE: Aye.

22 MR. GJONAJ: Aye.

23 MS. MARINO: I'm going to abstain.

24 MR. YASSKY: Well, that resolution
25 carries.

1 TLC MEETING 6/16/11

2 Now, to vote on the underlying rule
3 itself, would you prefer a roll call, Chris?

4 MR. WILSON: Sure. So, I would call the
5 names. I'll start with you, Commissioner
6 Yassky, and tell me yes or no.

7 MR. YASSKY: Aye.

8 MR. WILSON: Commissioner Arout?

9 MR. AROUT: Aye.

10 MR. WILSON: Commissioner Carone?

11 MR. CARONE: With the verbal resolution,
12 Aye.

13 MR. WILSON: Commissioner DeArcy?

14 MS. DeARCY: Aye.

15 MR. WILSON: Commissioner Gjonaj?

16 MR. GJONAJ: Aye.

17 MR. WILSON: Commissioner Marino?

18 MS. MARINO: I abstain.

19 MR. WILSON: Commissioner Gonzales?

20 MR. GONZALES: Aye.

21 MR. WILSON: Commissioner Polanco?

22 MS. POLANCO: Aye.

23 MR. YASSKY: The proposed rule is
24 adopted. Thank you, Commissioners.

25 We have one additional item on the

1 TLC MEETING 6/16/11
2 agenda, and let's move through it as
3 expeditiously as we can. Deputy
4 Commissioner, are you presenting this?

5 (No response)

6 MR. YASSKY: There is a memo in your
7 books, Commissioners, this is to continue the
8 pilot program -- we will be very speedy with
9 this, to continue a pilot group ride stand
10 for taxicabs at LaGuardia Airport. In sum --
11 if you would like further language, just tell
12 me. In sum, the initial location for that
13 stand was not successful, got very little
14 traffic. The Port Authority has proposed a
15 second location and plus there's a separate
16 entrepreneur that is proposing to work with
17 the Port Authority to give them some
18 technology to make it work better. We want
19 to give that the chance to play out, so we
20 propose extending the pilot program for a
21 group ride stand at LaGuardia Airport for one
22 year. Is there further discussion
23 necessary?

24 (No response)

25 MR. YASSKY: All in favor say, "aye."

1 TLC MEETING 6/16/11

2 THE COMMISSION: (In unison) Aye.

3 MR. YASSKY: Opposed?

4 (No response)

5 MR. YASSKY: That pilot program is
6 adopted.

7 Commissioners and members of the public,
8 I just want to thank you. I know that this
9 room is, while grand, both echoes a bit and a
10 little warm.

11 And I know that people have very strong
12 feelings about the issues that we dealt with
13 today, as you should. We understand that for
14 people in this industry it is a livelihood,
15 and it's our responsibility to treat people
16 fairly and we will endeavor that as best we
17 can.

18 I want to thank the Commissioners for
19 their participation in today's meeting. With
20 that, the meeting is adjourned.

21 (Time noted: 12:35 p.m.)

22

23

24

25

1 C E R T I F I C A T I O N

2

3 STATE OF NEW YORK)
: SS.:
4 COUNTY OF NEW YORK)

5

6

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

10 THAT this is a true and accurate
11 transcription of the Taxi & Limousine Commission
12 meeting held on June 16, 2011.

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

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

18 IN WITNESS WHEREOF, I have hereunto set my
19 hand this 16th day of June 2011.

20

21

CASEY MARTIN

22

23

24

25

