New York City Taxi and Limousine Commission 2013 Annual Report





Welcome

Dear Friends:

Welcome to the New York City Taxi and Limousine Commission's 2013 Annual Report. In these pages, we highlight a year of progress for the agency, long recognized as our nation's largest and most active taxi and for-hire vehicle regulator, with details of both old and new initiatives, as well as of core services successfully delivered.

In 2013, the Taxi and Limousine Commission (TLC) realized a number of achievements in keeping with its mission of ensuring that New Yorkers and visitors to the city have access to taxicabs and other for-hire ground transportation that are safe, efficient, sufficiently plentiful, and provide a good passenger experience.

Sincerely,

Conan Freud
Deputy Commissioner/COO

TLC's Mission and Structure

Charter Mandate

The New York City Taxi and Limousine Commission (TLC) was created by Local Law No. 12 of 1971, and is charged with "furthering the development and improvement of taxi and livery service in New York City, establishing an overall public transportation policy governing taxi, coach and car services and wheelchair-accessible vans, and to establish certain rates and standards."

TLC Mission Statement

The mission of the Taxi and Limousine Commission is to ensure that New Yorkers and visitors to the City have access to taxicabs, car services, and commuter van services that are safe, efficient, sufficiently plentiful, and provide a good passenger experience. We understand that private transportation services are an essential component of the City's transit network, alongside publicly operated mass transit. We believe both in the power of market forces to ensure that supply meets demand, and in the need for intelligent regulation to set the rules of competition, ensure safety, provide transparency to market participants, and reduce unwanted externalities such as pollution. Our fundamental principles include:

- 1. Our people are the key to our success. In recruiting new colleagues, we look for highly capable people with whom we enjoy working and who we believe will share our commitment to the TLC and its mission.
- 2. Our customers include participants in the industries we regulate, passengers transported by those industries, and businesses throughout the city whose success depends on the smooth functioning of a robust transit system. We are committed to providing excellent customer service, meaning courteous treatment, prompt responses to inquiries and requests, and evenhanded enforcement of our rules. We are committed also to making policy decisions based solely on what is best for the public we serve.
- 3. We operate with the highest level of integrity and honesty. We will be forthright with those we regulate, with the public, and with our partners in government and in the private sector, and we will expect the same in return. We are mindful that our success ultimately depends upon maintaining the confidence of each of these constituents.
- 4. We pursue long-term goals. We will always value genuine and permanent gains in our ability to accomplish our mission over immediate cost-savings or public-relations benefits.
- 5. We strive continually to improve our operations and our policies. We innovate, knowing that some innovations will fail. We encourage an environment that fosters open debate, values contrary opinions and tolerates honest mistakes. We understand and value the importance of technology and are constantly looking for ways to utilize technology to make our operations more efficient and productive.
- 6. We must continually remind ourselves of our limitations and dedicate ourselves to the avoidance of hubris. We will use all information available to us and will conscientiously seek to apply our values to the facts as we know them, but we are always cognizant of the possibility of error. We are ready to recognize, correct and learn from our mistakes.
- 7. Our mission places large demands on each of us. From time to time we will face criticism from our customers and from the public at large, and sometimes we will become frustrated. Nonetheless, we work with passion, commitment and enthusiasm, we keep the office atmosphere friendly and professional, and we try to have fun in our jobs as much as possible.

Commission Board Structure

The Board of the Taxi and Limousine Commission is comprised of nine (9) members, eight (8) of whom are unsalaried. The salaried Chairman presides over the Board and acts as head of the agency, which carries out the Commission's day-to-day licensing, regulatory, enforcement, and adjudicatory functions. Members of the Commission are appointed by the Mayor of the City of New York, with the advice and consent of the City Council, to serve a seven-year term. One representative of each of the city's five boroughs is recommended for appointment by a majority vote of each borough's respective City Council delegation.

David Yassky

David Yassky served as the Taxi and Limousine Commission's eleventh Commissioner/Chair until December 31, 2013.

Elias Arout

Re-appointed by Mayor Bloomberg on the recommendation of the Staten Island delegation to the New York City Council, Commissioner Elias Arout has served on the TLC since 1988. Commissioner Arout is a past commander of the American Legion of Richmond County and a former commander of the Legion's Five Star Post. A retired City Housing Authority officer, he was a founder and past president of the board of directors of Project Hospitality. Commissioner Arout was re-appointed to a new term, which expires on January 31, 2015.

Frank Carone

Appointed by Mayor Bloomberg on the recommendation of the Brooklyn delegation of the New York City Council in March 2011, Commissioner Carone is a Partner at the law firm of Abrams Fensterman. Commissioner Carone's term expires on January 31, 2015.

LaShann DeArcy

LaShann DeArcy was appointed by Mayor Michael R. Bloomberg to serve on the TLC Board in 2011. Commissioner DeArcy is a partner in Morrison & Foerster's Litigation group, focusing on complex commercial litigation representing Fortune 500 companies. She served our country as a member of the United States Air Force. Commissioner DeArcy's term will expire on January 31, 2019.

Edward Gonzales

Appointed in September 2005 by Mayor Michael R. Bloomberg, Commissioner Edward Gonzales is a mortgage specialist with Citigroup. Commissioner Gonzales's term will expire on January 31, 2019.

Nora Constance Marino

Appointed by the Mayor on the recommendation of the Queens delegation to the New York City Council in 2011, Commissioner Marino is a former JAG Officer in the United States Army Reserve and maintains her own law practice. Commissioner Marino's term expires on January 31, 2015.

Lauvienska Polanco

Lauvienska Polanco was appointed to the Manhattan seat of the TLC Board of Commissioners in 2007. Commissioner Polanco serves as Principal Law Clerk at the Bronx Supreme Court, and was re-appointed to the TLC Board with a term that will expire on January 31, 2015.

Iris Weinshall

Appointed by Mayor Michael R. Bloomberg in 2003, Commissioner Iris Weinshall is currently Vice Chancellor for facilities planning, construction and management at CUNY. Prior to this, Commissioner Weinshall served as the Commissioner of the New York City Department of Transportation (DOT), as well as First Deputy Commissioner of the Department of Citywide

Administrative Services. Commissioner Weinshall's term expired on January 31, 2010, though she may continue to serve until replaced or re-appointed.

Commission Meetings

The TLC holds regularly scheduled public meetings where regulatory actions are discussed, public testimony is heard and action is taken by the Commission, base station license applications are approved, and agency staff deliver presentations on new and proposed policies, legislation, pilot programs and regulatory modifications. As a result of TLC rulemaking in 2013, 13 new rules have been promulgated and gone into effect. (See chart below.) In addition, with the successful conclusion of the Hail Law litigation, the five rule-makings from 2012 to implement the Street Hail Livery Program took effect.

Rulemaking Actions - 2013

Commission Meeting Vote	Subject	Status
February 21, 2013	TPEP Security	Effective March 7, 2013
April 18, 2013	Vehicle Retirement Rules	Effective May 26, 2013
June 20, 2013	Leasecap Rule Revisions	Effective July 28, 2013
	Taxi of Tomorrow	Effective July 29, 2013
	Alternative Fuel Specifications	Effective July 29, 2013
	TPEP Revisions	Effective July 31, 2013
September 12, 2013	Street Hail Livery Updates	Effective October 27, 2013
	Tribunal Transfer Rules	Effective January 15, 2014
October 17, 2013	Green Color Rules	Effective November 2, 2013
	Accessible SHL Grant Rules	Effective November 30, 2013
November 21, 2013	Summary Suspension Updates	Effective January 16, 2014
	LPEP Updates	Effective January 16, 2014
December 19, 2013	Crash Testing Rule	Effective February 3, 2014

Some Regulatory Highlights

Five Borough Taxi Program (5BTP)

One major regulatory initiative involves street hail livery legislation for the implementation of "boro taxi" service. On December 23, 2011, Governor Cuomo signed into law Chapter 602 of the Laws of 2011, and on February 17, 2012, signed into law Chapter 9 of the Laws of 2012, which amended the previous statute. This legislation allows New York City to issue up to 18,000 transferable street hail livery licenses to for-hire vehicles authorizing them to pick up passengers by street hail anywhere outside the Manhattan Business District, north of West 110th Street and north of East 96th Street except for the airports. Twenty percent of these licenses are required for use with wheelchair accessible vehicles. The legislation also authorizes the issuance of 450 permits for bases which will affiliate these vehicles, permitting operation of the service.

Following passage of the legislation, the TLC promulgated rules to implement the new service and, following the successful conclusion of litigation challenging both the legislation and the TLC's implementing rules, the TLC began issuing permits in June 2013. All 6,000 permits authorized for the first year were issued prior to the end of 2013. During 2013, the TLC enacted three rules proposals affecting the service. These proposals(1) update certain time requirements in the original rules to reflect the passage of time (2) make clear that only fully licensed SHLs may operate for hire painted any shade of SHL green (a rule intended to mirror a similar requirement restricting use of taxicab

yellow to taxis) and (3) provide rules to govern the issuance of grants for the purchase or retrofit of a wheelchair accessible vehicle which the state legislation mandates should be available to purchases of permits restricted to use with wheelchair accessible vehicles. Toward the end of 2013, the TLC also published the HAIL Market Analysis report as required by the state legislation that authorized the Boro Taxi program. More information about the Hail Market Analysis can be found in the *Projects, Initiatives, and Events* section of this report.

Taxi of Tomorrow

Following selection of the Taxi of Tomorrow vehicle after a competitive process, the TLC passed rules to implement the Taxi of Tomorrow project. As a result of litigation challenging the program and rules, the TLC passed additional rules to address issues raised in litigation and to meet the requirements of the Nissan contract. A court decision has stopped rules from taking effect but the appeal is pending. The Taxi of Tomorrow became available for purchase by Taxi owners in October 2013. Presently, 24 taxicabs have hacked up with the Taxi of Tomorrow.

Tribunal Transfer Rules

On November 2, 2010, the voters approved Revisions to the New York City Charter which granted the Mayor the authority to consolidate the TLC tribunal, and that of other agencies, into the Office of Administrative Trials and Hearings (OATH). On June 5, 2011, Mayor Michael R. Bloomberg issued Executive Order 148 the Mayor adopted the review committee's recommendation and ordered that the TLC Tribunal be transferred to OATH. On July 3, 2011, the TLC Tribunal was transferred to OATH and is now the Taxi and Limousine Tribunal at OATH. Certain TLC Rules relating to adjudications (from Chapters 68 and 69 of the TLC Rules) immediately became effective as Rules of OATH, and both OATH and TLC began amending their respective rules to give full effect to the transfer.

TLC's amended rules were approved at the TLC's public commission meeting on September 12, 2013. Both the TLC's and OATH's tribunal transfer rules were published in the City Record on December 16, 2013 and took effect on January 15, 2014.

Most of the TLC's rule changes are deletions from the TLC Rules relating to adjudications; some are amendments to existing rules to reflect the transfer of the tribunal. Chapter 68 will retain rules for procedures that will remain with the TLC, including procedures for the service of summonses, determinations made by the TLC Chairperson, and the seizure and forfeiture of vehicles. Additionally, the rules include a process for the TLC Chairperson to review Appeals Unit decisions of the Taxi and Limousine Tribunal at OATH, to accept, reject, or modify an Appeals Unit decision based on an interpretation of a TLC rule or regulation.

Lastly, the amended rules update the sections relating to summary suspensions and vehicle seizures, and update the sections for vehicle forfeitures to reflect current case law that requires opportunity for a preliminary hearing on the continued retention of a vehicle during the forfeiture process.

Accessibility Settlement

On November 23, 2013, the TLC signed an agreement providing for settlement of a class action litigation brought by certain advocates for the disabled. The plaintiffs in the litigation charged, among other things, that the TLC, by mandating use of a non-wheelchair accessible vehicle as a taxicab, was in effect violating the Americans with Disabilities Act. Under the settlement, beginning on or around January 1, 2016, if not earlier, and as long as an accessible hybrid taxi is available, the TLC will require at least 50 percent of all taxicabs placed into service to be a wheelchair accessible vehicle to reach a 50 percent accessible fleet by 2020. The TLC has undertaken the first step required by the settlement, proposing a rule in December, 2013, which, if approved, would implement the settlement.

The settlement requires that this rule be adopted by the Commission by March 31, 2014 and that a settlement agreement will be presented by the parties to the court by April 21, 2014.

Scope of Regulated Industries

The New York City TLC is responsible for the licensing and regulation of the 13,437 medallion

taxicabs currently authorized to accept hails from passengers within the five boroughs of the City of New York, as well as approximately 40,000 other vehicles serving the public via pre-arrangement and radio These "for-hire vehicles" (FHVs) include community car service (or livery) vehicles, black cars, and luxury limousines with a seating capacity of up to 20 passengers. In 2013, additionally, TLC began issuing a new type of FHV permit known as the Street Hail Livery (SHL), which allows community car service liveries to legally provide street hail service in areas traditionally underserved by yellow taxis. TLC also licenses and regulates paratransit vehicles (ambulettes) commuter vans that are authorized to transport passengers within specific geographic zones via prearrangement. In addition to the aforementioned vehicles and drivers, the TLC licenses and regulates the businesses that manufacture, install and repair the meters used in New York City taxicabs, brokers that assist buyers and sellers of taxicab medallions, and agents that operate taxicab medallions on behalf of owners. TLC-licensed vehicles are an essential part of the comprehensive transportation network of New York City. It is estimated that approximately 55,000 of these vehicles transport over 1.5 million passengers each day.

Medallion prices increased in 2013. The highest corporate medallion sale of \$1,320,000 was recorded in May, 2013, compared to the highest price in 2012 of \$1,125,000, first recorded in September of that year. Similarly, the highest independently owned medallion sale of \$1,051,000.00 was recorded in June, 2013, compared to the highest price in 2012 of \$808,000 recorded in December of that year. Of particular note, in

By The Numbers - 2013				
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Active Licenses	179,873			
(as of December 31,2013)				
	Numbers			
Drivers				
Medallion Drivers	52,800			
FHV Drivers	59,344			
Other	3,280			
Total Driver Licenses	115,424			
Vehicles				
Medallion	13,437			
FHVs	47,058			
Other	2,756			
Total Vehicle Licenses	63,251			
Businesses				
Taxicab Brokers	25			
Medallion Agents	64			
Taxicab Meter Shops	33			
Taxicab Meter Manufacturers	3			
Total Business Licenses	125			
Bases				
Black Car Bases	135			
Community Car Services	498			
Luxury Limousine Bases	226			
Commuter Van Authorizations	47			
Paratransit Bases	167			
Total Base Licenses	1,073			

November 2013 the Commission auctioned 200 corporate wheelchair accessible medallions for an average price of \$1,133,655 per medallion and a lowest winning bid of \$1,025,000.

In addition, with the commencement of the Street Hail Livery Licensing program, the agency also developed a process to permit transfers of the permits in a way consistent with the Hail Law. In December 2013, the first permit was transferred and, to date, the highest price for a permit was \$7,000 for a non-wheelchair accessible permit transferred on December 13, 2013.

Agency Overview and Performance

Agency Budget and Headcount

The TLC's Fiscal Year 2013 operated on a modified budget of \$40,513,719 (\$27,677,933 for Personal Services and \$12,835,786 for Other Than Personal Services). The TLC had an authorized headcount of 569 for Fiscal Year 2013. The Fiscal Year 2014 budget is \$63,993,872 (\$30,109,335 for Personal Services and \$33,884,537 for Other Than Personal Services), with an authorized headcount of 594.

The Fiscal Year 2014 budget includes \$22,500,000 as part of the Accessible Street Hail Livery Grant Program, pursuant to Chapter 9 of the laws of New York, 2012.

TLC Web Site and Social Media

Following a successful launch of our new website in 2012, the TLC continued to work to make our site more interactive and informative for both our licensees and passengers in 2013. In 2013, our website saw more than 4.3 million page views, or about 12,000 views per day.

Since its launch in the summer of 2013, we have used our website to support and promote the new Boro Taxi program with information for both interested SHL permit holders as well as a new section directed towards Boro Taxi passengers. The TLC also worked with OpenPlans to create www.borotaxis.org, an interactive webpage where the public can suggest locations for Boro Taxi stands throughout the city. We have collected several hundred responses that will help us locate Boro Taxi stands in the five boroughs. At the end of the 2013, we published several agency publications on our website, allowing the public access to industry data and research and improving the TLC's public transparency.

Beginning in 2013, we have used our website to enhance our efforts in paperless licensing. Our licensees are now able to submit license renewal payments as well as pay for their summonses online. In addition, any new driver or vehicle owner wanting a TLC license can submit payments for a new license on the website. These new services cut down on the number of paper forms processed by our licensing department and save licensees the need to visit our licensing facility in Long Island City.

The TLC has also worked diligently this past year to increase our social media presence and become more active with users on our various social media accounts. The TLC began using Livestream.com to broadcast many of our live events remotely over the Internet for followers to watch along at home. These events have included our monthly Commission meetings, press conferences and medallion auctions and allow our events to reach a wider audience.

On our existing social media channels, we continue to work to generate more original content as well as share industry-related media. We are also looking to use our channels to connect more with other City agencies and agency partners. In 2013 we saw a large increase in the amount of individual inquiries on our channels and are making it a priority to connect all constituents to the appropriate solution. We have connected many followers to our 311 forms for complaints and lost property claims. Currently we have nearly 7,200 followers on Twitter and 1,700 "likes" on Facebook, our two most used channels.

Licensing Division

Processing Volumes and Wait Time

- The Licensing Division processed approximately 156,745 applications in Calendar Year (CY) 2013 compared to 142,000 in CY 2012.
- The average wait time in the facility was 18 minutes compared to 20 minutes in CY 2012.
- 65,810 inspection appointments (Visual and DMV) were scheduled.

License Application Renewal and Summons (LARS) Online Program

During Calendar Year 2013, the Licensing Division completed an enhancement to the License Application Renewal and Summons (LARS) Online Renewal Payment Program. The original version of LARS only allowed holders of TLC issued Driver licenses to tender their renewal payment online. By the conclusion of 2013, the TLC modified LARS to allow for the following transactions to take place on-line:

- 1. All renewing applicants are now able to submit their license renewal payments online.
- 2. All TLC licensees or unlicensed entities that have received a TLC summons can both plead guilty to and pay the fine amount online.
- 3. Applicants for new Driver licenses and new Vehicle licenses can submit a new application online and receive a response back with respect to any open or outstanding items that need to be addressed by them before physically having to come down to the facility.

Additional enhancements in progress for the first half of 2014 will allow:

- A. Most licensees to change their address online; and
- B. Medallion Owners or their Agents to tender the annual taxi accessibility fee for Accessible Dispatch online.

Discussions are taking place that may allow additional online options for licensees such as: (a) self-scheduling of appointments for both the filing of an application and obtaining an inspection appointment, (b) acquiring plate letters or drug test clearance letters, (c) the submission of insurance information and (d) obtaining status updates on their license. There are several other possibilities in the discussion stage as well.

Street Hail Livery Permits

- Permit Sales The Licensing Division, in a short five month period, sold all 6,000 Street Hail Livery Permits available in the first year installment. Of those 6,000 permits, 1,200 permits are for use with wheelchair accessible vehicles only.
- Grant Applications The Licensing Division set up a grants intake and review unit that
 reviews, manages and approves the grant application process. Grant funding was made
 available to purchasers of wheelchair accessible SHL permits for the purchase of, or the
 outfitting of, an appropriate vehicle to be wheelchair accessible. The grant staff reviews the
 applications with the applicants and then finalizes the documents for sign-off by our Legal
 Department once the vehicle has been hacked up.

Metropolitan Transportation Authority Tax (MTA Tax)

The Licensing Division works closely with the New York State Division of Taxation and Finance (NYSDTF) with regards to ensuring the payment of the required MTA Tax. The office coordinates with NYSDTF on identifying delinquent tax payers. The Licensing Division then issues Directives mandating compliance and follows up with summonses if compliance is not met.

For-Hire Vehicle Accountability Rules

Last year, we moved Licensing Division staff from our Woodside Facility to our Long Island City facility, and the move continues to have a positive effect as vehicle owners are able to obtain their inspection appointments immediately after the filing of their application. The no-show rate for vehicle inspections (Visual or DMV) continues in the 5 percent to 6 percent range per month. We continue to either fax or e-mail the confirmation forms to the base and put all schedule-related information on the website so that they can be readily accessed and confirmed by either a base or vehicle owner. We also continue the practice, started in 2010, of direct mailing appointment confirmation forms to all vehicle owners for all renewal inspections. We will, sometime in the first quarter of calendar year 2014, be phasing out the faxing of all appointment forms and converting to an e-mail only based notification process.

Compliance Monitoring

- The Compliance Unit continues its high level of work and coordinates with the Uniformed Services Bureau on a structured monitoring/summons process for several TLC rules.
- Monthly compliance runs on vehicle insurance and affiliation status, medallions in storage and "owner must drive" requirements, as well as paratransit electronic trip sheet requirements continue, and we added standardized monthly Directives for Multiple VIN's, Bus Plates, Base Vehicle Affiliations, Bond Requirements, Workers Compensation and Child Support.
- The Compliance Unit began monitoring Street Hail Livery compliance to ensure permit holders meet affiliation requirements. Non-compliant licensees are issued summonses.
- We have also worked closely with the TLC in Westchester County in assisting in the issuance of compliance directives for unpaid tickets incurred by NYC TLC licensed operators in Westchester County, which shares reciprocity with the NYC TLC.

State Office of Child Support Enforcement (OCSE) and the New York State Office of the Medicaid Inspector General (OMIG)

- The exchange of electronic data continues with OCSE that confirms the child support case status of all new and renewing driver licensees. Licensees and/or applicants who are indicated as having an issue with their child support cases are flagged and are referred to OCSE for clearance letters before processing of their application continues. We have further enhanced the process by adding compliance directives and summonses for non-compliance to the process.
- We continue to work with OMIG on the exchange of data between the two agencies, so that OMIG is aware of the entities licensed by the TLC to conduct business in the City and can match that data against their Medicaid reimbursement submissions.

Staten Island Office and Inspections

Thanks to the assistance and cooperation of the Staten Island Borough President, the Agency continues to operate from an office located in Staten Island's Borough Hall. We will hopefully be able

to remain there until the construction at our new, permanent location can be completed in December of 2014.

The Agency implemented the pilot proposal that allows vehicles affiliated with Staten Island bases to be inspected at TLC designated locations on Staten Island, and TLC modified the website and confirmation forms to note that option and its availability. Licensing Division staff schedule appointments appropriately based upon vehicle affiliation and update the external vendors' vehicle management system, used to track these inspections, on a daily basis to ensure the records are maintained accurately.

Driver Educational Requirements

- The Request for Proposals (RFP) to modernize and enhance the taxicab driver education process and negotiations with the selected vendor (the City University of New York) were completed. The Agency is now preparing a set of proposed rules that will allow us to make the changeover to the selected vendor during Calendar Year 2014. Discussions with the vendor on timing, requirements and structure will commence during the first guarter of 2014.
- A review of the existing exam and curriculum structure was performed and the test was updated to include all recent rule changes, including Street Hail Livery requirements. A new test grade scanner was put into operation that processes and grades the exams in half the time as the prior equipment. The enhanced software also is capable of generating comprehensive statistical reports. Over 9,000 exams were administered during the year.

Commercial Motor Vehicle Tax (CMVT)

- The Agency continues collecting the Commercial Motor Vehicle Tax for all For-Hire Vehicles
 that do business in the City of New York but are not registered in New York State and plated
 by the NYC Taxi and Limousine Commission. This has resulted in the collection of over \$1
 million during CY 2013 that would have previously gone uncollected by the City.
- In addition, the TLC continues to work with the Department of Finance on collecting outstanding and current CMVT debt owed to the City. We continue to receive quarterly updates, send compliance directives and issue summonses for non-compliance.

Owner Must Drive and Independent Medallion Driver (IMD)

- The creation of an IMD exception to the owner must drive requirement appeared in 2011. Owners who are subject to the Owner Must Drive Rules now have the option, for a set payment amount and the designation of a long-term driver, to eliminate the need to personally drive the medallion the number shifts required under the Owner Must Drive Rules. We have further enhanced the process to allow the election of an IMD to continue throughout the course of the year, as opposed to a filing period that begins in November and ends in December of each calendar year.
- The total amount collected in CY 2013 was close to \$1 million for the IMD program.
- The total amount collected from licensees who fail to comply with the owner must driver shift requirements was \$1,857,375 for FY 2013.

Call Center

• The Call Center answered 152,240 calls in 2013 -- an average of 12,686 per month. The wait time that consumers and drivers must wait to speak to an agent averaged approximately six minutes. In addition to providing information to passengers and drivers, various staff members

are assigned the task of conducting searches for property lost by passengers utilizing TPEP. TPEP enhances our ability to track down and locate lost property reported to us by the riding public. Approximately 2,868 searches have been conducted in 2013, and due to the technology, 301 lost items are known to have been recovered and returned to passengers.

• An enhancement to the existing Lost Property functionality to include both Stand-By Medallions and the new Boro Taxis is under development with DoITT/311. There have been a number of preliminary conversations on development of the new structure and a new data file is being added to the Open Data Mine data source for ease of access for 311 operators. In the interim, the Call Center is handling all lost property calls pertaining to these vehicles. The data will be real time, which should aid in the search for lost property. A further enhancement to allow direct client searches is being explored.

Fitness Review Unit

• This new unit, created in 2012 to handle the fitness hearings formerly handled by Administrative Law Judges, continues its ongoing application review and applicant interview process. Applicants who need to undergo a fitness interview to determine fitness for a license meet with an investigator who has reviewed their completed application file. The investigators conduct a comprehensive review of the file with the applicant. The interviews are a critical step in obtaining information from the applicant so as to make a more informed decision on licensure. Language line services were added to the interview process this past year allowing for more flexibility during the interview process and reducing the need to reschedule appointments. The unit handled over 2,500 cases during the year.

Taxi Technology

- The TLC approved vendors to be TPEP and LPEP authorized providers. TPEP authorized providers sell and market TPEP devices to medallion owners and LPEP authorized providers sell and market LPEP devices to street hail livery permit owners. This entailed the creation of new forms, applications, guides and a complete TAMIS structure.
- E-Hail Pilot An E-Hail Pilot Participant process was created for those vendors who market e-hail applications to our licensees.

Uniformed Service Bureau

Field Enforcement

In calendar year 2013, The TLC's Uniformed Service Bureau ("USB") continued its successful undercover enforcement initiatives from 2012. "Operation Refusal," measuring taxicab drivers' compliance with the laws, rules, and regulations that prohibit refusal of service to the riding public under any but a select few circumstances, tested over 1,300 drivers in 2013.

The 2013 calendar year also saw a dramatic increase in poaching enforcement against "straight plates", i.e. passenger plated vehicles caught and seized while transporting passengers within city limits without being licensed by TLC, as well as unlicensed livery and unlicensed TC plated vehicles. In 2013 we seized and summonsed 6,823 New York State plated vehicles, up from 4,047 caught in 2012; 2,140 out-of-state vehicles, up from 1,199 caught in 2012; and 676 Commuter Vans, up from the 568 Commuter Vans seized in 2012. The initiative, started in the second half of 2010, is an all-out enforcement action against unlicensed "straight plated" vehicles.

In sum, 9,639 vehicles were seized in 2013, up from 5,776 in 2012—an increase of 67 percent.

Included in this anti-poaching initiative are the USB airport vehicle seizure operations that increased significantly in 2013 to 283 operations, up from 91 in 2012. USB inspectors continue to partner with the Port Authority Police to observe, ticket, and seize vehicles and drivers found performing illegal activity. In 2013, the total airport summonses issued was 3,359 (including owner and driver summonses), up from 1,329 summonses issued in 2012. In addition, 2013 saw 2,159 vehicles seized, up from the 701 seized in 2012. Credit for this spike can be attributed to our newly formed Squad 14 which, as of October 8th established a permanent presence at JFK airport in a new satellite office. Since this past October, squad 14 has been responsible for 1,068 summonses and 740 seizures on their own!

Overall enforcement by USB resulted in the issuance of 61,563 summonses in 2013.

Top Ten Enforcement Summonses in 2013 Issued by Geographic Location

		Borough Precincts Airports					orts		
NYC Administrative Code or TLC Rule Violation	LICENSE TYPE	Manhattan	Bronx	Brooklyn	Queens	Staten Island	JFK	LG A	Grand Totals
19-506(B)(1) Unlicensed Operation	FHV	2,905	1,118	5,041	1,837	16	2,26 2	842	14,021
59A-25(A)(1) Owner Street Hails	FHV	2,434	431	280	811	11			3,967
55-19(A) Driver Street Hails	FHV	1,662	345	185	597	12			2,801
54-14(E)(1) Electronic Devices	MED	1,691	7	63	69	0		2	1,832
55-13(A)(1) Parking Violations	FHV	941	97	115	605	1			1,759

Administrative Enforcement

Uniformed Service Bureau uses TPEP trip sheet data and other data to determine when certain violations of TLC rules occur. Specifically, this data helps in determining the following violations:

- Drivers who drove yellow cabs while TLC license of said drivers were suspended;
- Owners who allowed their cab(s) to be driven by suspended drivers (also agents);
- Cabs that were driven when the medallion was suspended;
- Medallion owners who did not drive enough shifts in a calendar year to satisfy "Owner Must Drive" rules (also involved agents);
- Drivers who, without successfully completing an accessible training course, drove wheelchair accessible yellow cabs;

- Drivers who did not charge EZ-Pass rate on major NYC crossings (also involves medallion owners and agents);
- Drivers who overcharge passengers by using Rate Code 4 for in-City trips;
- Medallion owners who let their suspended medallions to be driven;
- Drivers who charge tolls on trips where no tunnel/bridge has been crossed;
- Drivers whose DMV license is no longer current but who did not turn in their TLC license;
- Medallion owners who used multiple agents in managing their medallions;
- Drivers who used "Rate Code 4" to overcharge passengers within the five Boroughs;
- Drivers who refused wheelchair dispatches.

In 2013, TPEP and other data continued to allow the TLC to better enforce those of its regulations which are amenable to remote monitoring and data analysis. For example, through the use of TPEP and other data, TLC issued over 29,000 summonses and settlements for violations as varied as the failure to appropriately employ E-ZPass; failure to drive a minimum number of shifts; operating a taxicab while suspended; operating a vehicle without a valid medallion license; operating a wheelchair-accessible vehicle without the requisite training; operating a vehicle that has failed its DMV inspection, etc. (TPEP even allows the TLC to "lock out" unlicensed drivers, rendering them unable to engage the meter for taxi use.) The TLC is able to better enforce its regulations with fewer resources – an example of government doing more with less.

The following chart shows the categories and the totals for each in 2013:

Critical Driver-Medallion	3,745	Street Hail	0
Critical Driver-FHV	3,964	EZ Pass	129
Critical Driver-Para Transit	186	Lease Agreement	1,109
Critical Driver -Commuter Van	10	DMV License status	0

Persistent Violators	572
Medallion Fail To Renew	0
Un-Affiliation Revocation	851
Multiple VIN	44
Workers Comp	12
Insurance Revocation	227
Insurance Paratransit	57
Insurance Van	75
Owner Must Drive	249
TPEP Suspensions Owner	180
TPEP Suspensions Driver	190
TPEP Suspensions Agent	32
Fail To Comply With Notice (Licensing or Consumers)	1,950
Lease Agreement	11,584
EZPass	243
DMV License status	0
Multiple Agents for same medallion owner	0
Rate Code 4 overcharge	659
Toll Violations	0
Wheelchair Dispatch Refusal	166
Medallion Inspection	0
Base with <10 affiliated vehicles	0
Suspended Medallions	31
Child Services	21
Unlicensed Medallion Owner	6
Double Shifting	3,931
JFK trip overcharge	446
Suspended paratransit license driving	54
Total Administrative Summonses	29,485

Illegal Street-Hails

Illegal street-hails continue to be a persistent problem, especially outside of Manhattan. The agency continues to target enforcement to reduce this problem.

Multiple Agents for same medallion owner

Wheelchair Access Training Owner

Wheelchair Access Training Driver

Suspended paratransit license driving

Owner Must Drive

Total Stipulation Letters

0

0

0

711

18

1967

From January 2013 to December 2013, TLC enforcement issued an average of 568 driver summonses per month.

Unlicensed Operation

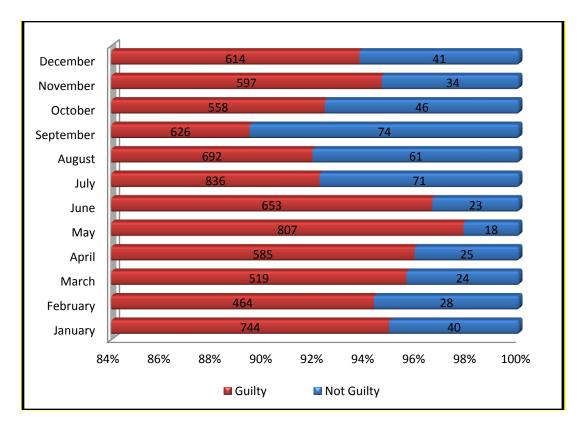
In addition to monitoring and enforcing rules for licensees, the agency also enforces against unlicensed vehicles and/or drivers operating for hire. This activity is unsafe for passengers and competes unfairly with licensed, legitimate service.

TLC enforcement issued approximately 1,200 summonses for unlicensed operation each month between January 2013 and December 2013.

Consumer Complaints

The Consumer Complaint Unit investigates and issues summonses based on complaints from the riding public. TLC saw a decrease in the number of complaints received from the riding public, receiving nearly 16,000 consumer complaints from passengers in 2013 compared to nearly 18,000 in 2012. In 2013, the Consumer Complaint Unit transferred its operations to a fully automated centralized system (Electronic Summonsing and Administration Program "ESAP") which increased the efficiency and effectiveness of the prosecutions. Despite the decrease in the number of complaints received, the number of cases prosecuted increased from 5,874 in 2012 to 8,180 in 2013. Of those prosecuted, TLC saw a marked increase in sustained violations from 5468 in 2012 to 7695 in 2013. These successful prosecutions were most often the result of a settlement prior to the issuance of a summons. Of the 7695 sustained violations, 5,739 were guilty pleas by settlement, up from 2,779 in 2012. In addition, the increase in the number of drivers being held accountable for their actions and paying penalties for their misconduct is sure to have a deterrent effect as drivers paid \$1,359,575 in fines in 2013 compared with \$981,465 in 2012. The increased efficiency is also seen in the processing times from the time of the 311 complaint to the closing of the summons as they decreased from 79 days in 2012 to 66 days in 2013. In the fall of 2013, New York Law School launched the first Administrative Enforcement Clinic and seminar at TLC. This year-long clinic for second- and third-year law students formalizes the internship program at TLC where students serve as prosecutors for the Consumer Complaint Unit.

Consumer Complaints Conviction Rate



Yellow-Taxi Service Refusals

TLC rules require yellow taxis to provide passengers with a ride to any destination in the five boroughs of New York City, to Newark Airport, and to locations in Westchester or Nassau counties. The agency has worked to raise passenger awareness and encourage reporting of service refusals.

A passenger may contact the TLC or 311 regarding a licensee-related concern, but not file a formal complaint. These passenger-contacts are considered "inquiries." The inquiring passenger then has the option to have the TLC pursue the issue further, becoming a witness to the TLC's case, at which point the inquiry becomes a formal complaint. To better monitor how TLC efforts are affecting service refusals, the agency recorded the number of inquiries and complaints received regarding service refusals in addition to summonses issued for refusals.

Passenger inquiries decreased in 2013. The agency received, on average, 339 refusal-related inquiries each month of calendar year 2013, compared with 439 each month in 2012. Formal complaints have also decreased from an average of 469 per month in 2012 to 297 in each month of 2013.

Yellow-Taxi Overcharges

TLC rules prohibit yellow-cab drivers from charging any amount higher than the metered-fare, giving a passenger incorrect change, or requesting a tip. When this occurs, passengers are encouraged to contact 311 and file a complaint. The agency tracks both complaints from consumers and the number of summonses issued to licensees for overcharging.

In calendar year 2013, the TLC received 1,957 overcharge inquiries resulting in 1,671 complaints, or an average of 139 complaints per month, a decrease from 2012 which averaged 150 complaints per month. These complaints resulted in 221 summonses issued for overcharge-related violations.

Safety and Emissions

In 2013, the Safety and Emissions Division (S&E) performed 52,054 medallion DMV inspections, 40,791 for hire vehicle DMV inspections and 3,778 street hail livery vehicle DMV inspections. Additionally, 16,739 FHV visual inspections were completed.

Accessible and Alternative Fuel Vehicles by Make and Model - 2013

Vehicle Make and Model	Total as of 12/31/2013	Total as of 12/31/2012	Total as of 12/31/11	Total as of 12/31/10
Toyota Sienna (Minivan) (Accessible)	215	224	207	137
Dodge Caravan (Minivan) (Accessible)	3	5	26	95
Ford Transit Connect (Accessible)	13	3	0	0
Vehicle Production Group MV-1 (Accessible)	2	1	0	0
Ford Freestar (Minivan) (Accessible)	0	0	0	1
Ford Escape (SUV) (Hybrid)	3,663	4,303	4,195	2,964
Toyota Camry (Hybrid)	2,674	1,510	634	448
Toyota Highlander (SUV) (Hybrid)	83	108	143	154
Toyota Prius (Sedan) (Hybrid)	852	519	318	204
Nissan Altima (Hybrid)	205	300	347	353
Chevrolet Malibu (Hybrid)	11	14	19	49
Lexus RX 400H (SUV) (Hybrid)	5	6	6	6
Mercury Mariner (SUV) (Hybrid)	4	5	6	6
Ford C-Max (Hybrid)	400	3	0	0
Hyundai Sonata (Hybrid)	0	1	0	0
Honda Civic (Hybrid)	0	0	0	1
Toyota Avalon (Hybrid)*	4	0	0	0
Nissan Pathfinder (Hybrid)*	2	0	0	0
Lexus RX 450h (Hybrid)*	1	0	0	0
Ford Fusion (Hybrid)*	1	0	0	0
Volkswagen Jetta (Diesel)	6	7	13	19
Mercedes Benz ML 350 Blue Tech (Diesel)	2	2	1	0
Mercedes Benz E 350 Blue Tech (Diesel)	1	1	0	0

^{*}New model added in 2013

Total Accessible	233
Total Hybrid	7,905
Total Diesel	9
Total CNG	3
Total Vehicles	7,917

Projects, Initiatives and Events

On November 14, 2013 the TLC held a public auction for 200 minifleet accessible taxicab medallions at the Borough of Manhattan Community College's Tribeca Performing Arts Center. Bids were accepted for medallions in lots of two for a minimum upset price of \$1.7 million per lot. A total of 245 bid packages were received, of which 235 were valid, for a total of over \$226.7 million.

Boro Taxis

Following the successful conclusion of litigation challenging both the legislation and the TLC's implementing rules, the TLC began issuing Street Hail Livery (SHL) –or "Boro Taxi" permits in June 2013. By the end of November 2013, the TLC successfully issued all 6,000 permits we were authorized to sell in the first year's issuance. Of these, 1,200 of the first 6,000 permits are restricted to be used exclusively with wheelchair accessible vehicles only. Wheelchair accessible permit holders are eligible to apply for a grant of up to \$15,000 to help with the additional costs of purchasing a wheelchair accessible vehicle. So far, 18 grants have been awarded with many grant applications under review.

To help ensure that our licensees, elected officials, and the public were educated about this new form of service, the External Affairs Division (EA) presented to community boards and elected officials, met with industry stakeholders, held information fairs, and briefed the NYPD, MTA, and Port Authority Police. In total, the EA team held more than 50 outreach meetings.

In addition to the above meetings, the TLC also launched a citywide advertising campaign to create more public awareness of Boro Taxis. We ran ads on subway platforms, in subway cars, and in buses throughout the five boroughs, which ran for four weeks each. The TLC also launched a Public Service Announcement (PSA) that highlighted the new service and its benefits. The PSA runs on the Taxi TV in the back of every yellow taxi and can be found on the TLC's YouTube page.

As of January 15, 2014, there were 3,057 Boro Taxis in operation each providing approximately 12 trips per day. Since the service launched, Boro Taxis provided over 880,000 legal street hail trips to the riding public of New York City. The average fare for a trip in a Boro Taxi is \$13 and drivers of Boro Taxis are earning an average of \$150 per shift.

Boro Taxis by the Numbers: HAIL Market Analysis

In December 2013 TLC published the first HAIL Market Analysis. The report provides information about the first stage of implementation of the program, including program background, the supply and demand for Boro Taxi permits, supply and demand for Boro Taxi service, and enforcement of regulations surrounding Boro Taxis and other for-hire vehicles. It also discusses the impact that Boro Taxis are having on the traditional for-hire vehicle and yellow taxi industries and the degree to which the program is integrating with the traffic and transit system. A key finding is that demand for Boro Taxi permits and service is high and that the public and Boro Taxi industry would benefit from the issuance of the second set of 6,000 permits as early as is permitted by law. This report was required by the legislation that introduced the Boro Taxi Program and was submitted to the NYS Department of Transportation and the NYC Council. It is available on the TLC's web site at www.nyc.gov/taxi.

Taxi of Tomorrow Project

Following nearly seven years of development, the first Taxi of Tomorrow (the Nissan NV200) began providing service on October 28, 2013. It is the only taxicab that has completed Federal safety testing with taxi components, including the partition, installed. At the end of 2013 there are now 24 NV200s providing service. At present writing, adoption of the vehicle is voluntary by medallion

holders due to pending litigation regarding the rules passed by the Commission in 2012 and 2013 regarding this project

<u>Taxicab Passenger Enhancement Program (TPEP)</u>

Administrative Enforcement and TPEP Data

In 2013, TPEP data continued to enable the TLC to enforce regulations which are able to be remotely monitored and analyzed, as described above under Administrative Enforcement. TLC worked with the TPEP technology providers to realize improvements to both the data and reporting available as required by the TPEP 2.0 rules.

Credit Card Usage

The availability and usability of the credit card readers in yellow taxicabs continued to give passengers a convenient payment option, and the steadily increasing number of trips paid by credit cards attests to the value of this functionality. For example, in October 2013, 56 percent of taxi trips (representing 63 percent of the total estimated daily farebox of \$7.2 million) were paid for by credit card, compared with 50 percent of taxi trips (representing 58 percent of the total fare box) a year ago.

Implementation of TPEP 2.0

In 2013, TLC rules to continue and improve upon the in-vehicle credit card payment system (TPEP 2.0) went into effect. Contracts with the existing vendors were extended until April 22, 2013 to allow for time for technology service providers to comply with any new or changed requirements, and then existing systems were updated to receive new functionality. TLC performed documentation reviews and in-vehicle testing to ensure compliance with the technology specifications for the three companies who applied to become TPEP Providers under the new rules, two of which successfully received authorization by year's end.

Some key improvements to TPEP realized in 2013 include the following:

- Providing key content in English and Spanish on the Passenger-facing monitors;
- Allowing Passengers to pre-swipe and authorize credit card payment during the ride:
- Preventing Rate Code 4 (out-of-town rate) from being engaged within the five boroughs;
- Improvements to the Passenger Surveys and a new TLC Feedback feature to collect passenger data;
- Improvements and standardization to Passenger Survey Data and Trip Data;
- Accommodations for Passengers with visual disabilities aligning with Local Law 57 of 2012;
- Facilitation of Driver Healthcare Fund fee collection and reporting for medallion owners; and
- Providing the ability to pay for fares using a smartphone, via TPEP Provider applications and integration with E-Hail Apps authorized under the E-Hail pilot.

Public Notifications

TLC continued to provide notifications about areas in need of taxicab service for key locations such as JFK Airport, the Brooklyn Cruise Terminal, and the Barclays Center. TLC also provided notifications about road closures due to traffic, weather, and special events, and coordinated with other organizations and agencies to disseminate relevant information about important programs such as AMBER alerts, missing persons, and the launch of Citi Bike, New York City's new bike share program.

<u>Healthcare and Disability Insurance Services for Medallion Taxicab Drivers</u> <u>Request for Proposal (RFP)</u>

In July 2012, the TLC approved a 17 percent fare increase for taxi drivers and, alongside this fare increase, authorized the collection of a \$0.06 per trip fee from taxi drivers to fund a taxi driver disability and healthcare navigation services entity. The TLC released an RFP on February 6, 2013 and an entity was chosen to provide eligible medallion taxi drivers with disability coverage over and above that which is required to be provided to them by medallion owners, and to assist taxi drivers in identifying and choosing the best health care coverage available on the New York health care exchange created by the Affordable Care Act.

Accessible Dispatch

Accessible Dispatch is a centralized service that enables customers with wheelchairs to request a taxicab for a pick-up anywhere in Manhattan. Customers may contact 311, use a smartphone app, or call the dispatcher directly to request an accessible taxi. The program is financed by an annual fee paid by all medallion owners. Customers pay the metered taxi fare and there is no additional charge for the service.

Today, taxis arrive at the customer's pickup location less than 15 minutes on average after the customer makes the request. During the first year of operation (September 2012 to September 2013) Accessible Dispatch provided approximately 18,000 trips to over 4,000 unique customers. As of December 2013, the program completed 75 trips per day on average compared to the pilot program, which completed only eight trips per day.

The TLC expects demand to increase as more customers learn about the program. In 2014, Accessible Dispatch will expand from the current fleet of 231 accessible taxicabs to include new accessible medallion taxicabs sold at auction.

Electric Vehicle Pilot Program

In October 2011, the TLC approved a pilot program to test all-electric Nissan LEAF vehicles as NYC taxis. The program tests these vehicles in a real-world setting to learn what it would take to have a taxi fleet with a larger share of electric vehicles. Electric vehicles (EVs) provide an exciting opportunity to "green" the taxi fleet because they run entirely on electricity and produce lower emissions than gas-powered vehicles; however, EVs also require behavioral changes on the part of the taxi industry (e.g., charging the vehicle battery instead of filling up the gas tank).

In April 2013 (Earth Day), after Nissan recruited participants from the taxi industry and the necessary infrastructure to support electric taxis was installed, the TLC announced the launch of the Nissan-TLC Electric Taxi Pilot Program, a program which could place up to six Nissan LEAF vehicles into real NYC taxi service for up to one year. The first participant hit the road in June 2013, followed by two more participants a few weeks later. Six months after the first participant hit the road, two owner-drivers remain engaged in the pilot program, and a third driver is in the process of having his home charger installed so that he can join the program.

E-Hail Pilot Program

In 2012, the Commission approved a pilot program for smartphone applications that allow passengers to "E-Hail" a yellow taxi. TLC began accepting applications for this pilot on January 28, 2013, and reviewed applicants' proposals for compliance with the terms of the program. After conducting testing of each E-Hail Application, TLC approved three applicants and the pilot began on April 26, 2013, with a brief hiatus due to litigation from May 1 – June 6. TLC analyzed data on E-Hail usage and TLC licensees to evaluate the impact of E-Hailing on passenger service and safety and on the FHV industry. Quarterly reports on those findings were released, showing that passengers are becoming

more adept at where and when it makes sense to E-Hail a taxi, and that E-Hail seems to be most effective in areas of the city that are typically underserved by yellow taxis.

Electronic Summonsing and Administration Program

In May of 2013 the use of the Electronic Summonsing and Administration Program (ESAP) was expanded from a pilot project to a fully implemented system that is now used by all patrolling TLC Inspectors and the ESAP back end system was expanded to enable office personnel to issue administrative and complaint summonses via mail.

More than 40,000 field summonses have now been written in ESAP and analysis of those summonses shows that ESAP field summonses:

- Can be written up to seven times more quickly than a manually written summons;
- Show a marked upward trend in guilty pleas and verdicts; and
- Show a marked downward trend in court dismissals.

OpenData Mine

In 2013 the TLC's MIS Division started migrating the valid licensee lists from the TLC website to the New York City OpenData mine. These lists provide critical information on among other things, which medallion drivers are allowed to drive on any given day. By switching to the OpenData mine the TLC was not only able to provide industry users with automated retrieval options that were not previously available, it was also able to increase updates to 6 days per week thereby providing drivers with more time to resolve licensing issues and get back to work.

Lists currently being published to the Data Mine include:

- Valid Medallion Drivers:
- Medallion Driver Status Change Log:
- Medallion Drivers Passenger Assistance Trained;
- Valid Taxi Medallions; and
- Inactive Taxi Medallions.

In addition to the above, the TLC in 2013 started working with OpenData to provide:

- An Interactive Map that enables the public to locate by neighborhood, For Hire and SHL Vehicle Bases with either accessible or non-accessible vehicles or both.
- A list that will enable the riding public to possibly contact the driver of the vehicle they were in when they lost personal property.

Local Laws Passed in 2013

During the 2013 New York City Council legislative session, there were five Local Laws that passed which relate to the Taxi and Limousine Commission.

Local Law 17

Prevents vendors from setting up near or within taxi stands.

Local Law 104

 Creates a 24-member Taxi and Limousine Commission advisory board. Members of the advisory board will consist of individuals from various areas within the taxi industry and advocates from each of the five boroughs. Each member will be appointed by either the Mayor or members of City Council.

Local 124

 Requires the TLC to report data regarding wait times to secure taxi and for hire vehicle inspections.

Local Law 134

• Amends City Charter and revises the process for public notice of final rules.

Local Law 136

 Requires the TLC to post information about commuter van operators and routes on our website.

Taxi Fact Book

In December 2013 TLC published the 2014 Taxicab Fact Book. The eye-catching, illustration- and graphics-packed 15-page report features hundreds of useful facts and figures about New York City's iconic taxi industry, as well as some interesting information about the other industries TLC regulates. The report contains a wealth of information about NYC taxicab economics and interesting notes about the people who drive and ride in them. The report is available on the TLC's web site at www.nyc.gov/taxi.