



NEW YORK CITY TAXI & LIMOUSINE COMMISSION

# State of the Fare: A Periodic Evaluation

September 14, 2006

# Base Fares in Major US Cities

	<b>Initial charge</b>	<b>Initial distance</b>	<b>Mileage charge</b>	<b>Mileage distance</b>	<b>Wait time per hour</b>
<b>Miami</b>	\$2.50	1/6	\$0.40	1/6	\$24.00
<b>San Francisco</b>	\$2.85	1/5	\$0.45	1/5	\$27.00
<b>Boston</b>	\$1.75	1/8	\$0.30	1/8	\$24.00
<b>Los Angeles</b>	\$2.20	1/11	\$0.20	1/11	\$24.00
<b>Seattle</b>	\$2.50	1/10	\$0.20	1/10	\$30.00
<b>Las Vegas</b>	\$3.20	1/8	\$0.25	1/8	\$22.00
<b>Philadelphia</b>	\$2.30	1/7	\$0.30	1/7	\$20.00
<b>New York</b>	<b>\$2.50</b>	<b>1/5</b>	<b>\$0.40</b>	<b>1/5</b>	<b>\$12.00</b>
<b>Chicago</b>	\$2.25	1/9	\$0.20	1/9	\$20.00

•Information obtained through TLC staff research.

# NYC Trip w/ Other Fares

City	Initial Charge	Mileage Charge	Mileage Distance	Wait Time per hour	Cost for NYC Average Trip (excluding surcharges and tips)
San Francisco	\$2.85	\$0.45	1/5	\$27.00	\$10.85
Las Vegas	\$3.20	\$0.25	1/8	\$22.00	\$10.30
Boston	\$1.75	\$0.30	1/8	\$24.00	\$10.08
Los Angeles	\$2.20	\$0.20	1/11	\$24.00	\$10.07
Philadelphia	\$2.30	\$0.30	1/7	\$20.00	\$9.47
Chicago	\$2.25	\$0.20	1/9	\$20.00	\$8.68
<b>New York</b>	<b>\$2.50</b>	<b>\$0.40</b>	<b>1/5</b>	<b>\$12.00</b>	<b>\$8.65</b>
<b>DC</b>	Fares by zone system-----				

•Average NYC trip estimated 2.8 miles w/ 4.77 minutes wait time.

# Observations for Discussion

- **Tourism:**
  - Flat Fares to Airport
    - Currently a one-way fare
  - Convention Centers
    - More support for convention activities
- **Wait Time:**
  - New York's wait time is lower than other cities in the U.S.

# Tourism: Possible Directions

## JFK Flat Fare

§1-69: Flat Rates from Kennedy Airport to Manhattan.

### Possible Direction:

Rule change to include \$45 flat fare between Kennedy Airport and Manhattan (both to and from JFK).

## Javits Center

§1-71: Group Rides

### Possible Direction:

Add an additional section to this rule that allows for group rides to take place from the Javits Center to specific locations in Manhattan.

# Wait Time

	<b>Initial charge</b>	<b>Initial distance</b>	<b>Mileage charge</b>	<b>Mileage distance</b>	<b>Wait time per hour</b>
<b>Miami</b>	\$2.50	1/6	\$0.40	1/6	\$24.00
<b>San Francisco</b>	\$2.85	1/5	\$0.45	1/5	\$27.00
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<b>Philadelphia</b>	\$2.30	1/7	\$0.30	1/7	\$20.00
<b>New York</b>	<b>\$2.50</b>	<b>1/5</b>	<b>\$0.40</b>	<b>1/5</b>	<b>\$12.00</b>
<b>Chicago</b>	\$2.25	1/9	\$0.20	1/9	\$20.00

•Information obtained through TLC staff research.

# What does wait time mean for drivers?

## Driver Hourly Expense Deficit

<b>Average Lease Cost Per Hour<sup>1</sup></b>	\$113
<b>Average Shift Length</b>	11 hours (driving time)
<b>Lease Rate Per Hour</b>	\$10.27

## Driver Income Miles Only

<b>Average Miles Per Hour</b>	12
<b>Charge Per Mile</b>	\$2
<b>Fare Per Hour</b>	\$24
<b>Lease Rate Per Hour</b>	\$10.27
<b>Avg. Income per Hour (w/o tips and surcharge)</b>	\$13.73

# What does wait time mean for drivers?

## Driver Income Wait Time Only

<b>Wait Time Clicks Per Hour</b>	30
<b>Charge Per Click</b>	\$0.40
<b>Fare Per Hour</b>	\$12.00
<b>Lease Rate Per Hour</b>	\$10.27
<b>Avg. Income per Hour (w/o tips and surcharge)</b>	\$1.73

# Wait Time: Possible Directions

## Adjust Wait Time Charge

	<b>Initial charge</b>	<b>Mileage charge</b>	<b>Mileage distance</b>	<b>Wait Time charge</b>	<b>Wait Time measure</b>
<b>Today</b>	\$2.50	\$0.40	1/5	\$0.40	120 seconds
<b>Proposed</b>	\$2.50	\$0.40	1/5	\$0.40	60 seconds

# Wait Time: Possible Directions

Driver Income with Adjusted Wait Time Only

<b>Wait Time Clicks Per Hour</b>	60
<b>Charge Per Click</b>	\$0.40
<b>Fare Per Hour</b>	\$24.00
<b>Lease Rate Per Hour</b>	\$10.27
<b>Avg. Income per Hour (w/o tips and surcharge)</b>	\$13.73

# Wait Time: Possible Directions

## Impact to Driver

	<b>September 2004</b>	<b>Today</b>	<b>Proposed</b>
<b>Revenue<sup>2</sup></b>	\$286.64	\$286.64	\$315.71
<b>Expenses<sup>3-4</sup></b>	\$134.35	\$144.07	\$144.07
<b>Daily Income</b>	\$152.29	\$142.57	\$171.64
<b>Wage Per Hour</b>	\$13.84	\$12.96	\$15.60

•Wage per hour based on 12 hour shifts w/ 1 hour of break time.

# Wait Time: Possible Directions

## Impact to Passenger

<b>Avg. Trip</b>	<b>Today</b>	<b>Proposed</b>	<b>% Change</b>
<b>Miles Driven</b>	2.8	2.8	0
<b>Cost for Miles Driven</b>	\$5.20	\$5.20	0
<b>Wait Time</b>	4.77 minutes	4.77 minutes	0
<b>Cost for Wait Time</b>	\$.95	\$1.90	100%
<b>Cost for ride w/o surcharges and tips</b>	\$8.65	\$9.61	11%
<b>Cost for a ride with surcharges and tips</b>	\$10.34	\$11.44	10.63%

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Boston	\$1.75	\$0.30	1/8	\$24.00	\$10.08
Los Angeles	\$2.20	\$0.20	1/11	\$24.00	\$10.07
<b><i>New York Adjusted</i></b>	<b><i>\$2.50</i></b>	<b><i>\$0.40</i></b>	<b><i>1/5</i></b>	<b><i>\$24.00</i></b>	<b><i>\$9.61</i></b>
Philadelphia	\$2.30	\$0.30	1/7	\$20.00	\$9.47
Chicago	\$2.25	\$0.20	1/9	\$20.00	\$8.68
DC	Fares by zone system-----				

•Average NYC trip estimated 2.8 miles w/ 4.77 minutes wait time.

# References

1. Lease Rate Presentation, March 2006
- 2-3. Schaller, Bruce. (2004). *The New York City Taxicab Fact Book*.  
[www.schallerconsult.com/taxi/taxifb.pdf](http://www.schallerconsult.com/taxi/taxifb.pdf)
4. American Automobile Association (AAA) Gasoline Update:  
<http://www.fuelgaugereport.com/> collected September 1, 2006



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