- Home
- About TLC
- Taxi of Tomorrow
- TLC Rules and Local Laws
- Court Administration
- Passenger Information
- Licensing
- Safety & Emissions
- Industry Information
- Commission Meetings
- TLC News
  - Proposed Rules
  - Newly-Passed Rules
  - TLC Regulatory Agenda - Fiscal Year 2011
  - Average Medallion Prices
  - Photo Gallery
  - Industry Notices
  - Press Releases
  - Public Notices
  - Informational Presentations
  - Testimony
  - Newsletters
  - Sign up for official e-mail updates, news and Industry Notices from the TLC
- Current Licensees
- Employment Opportunities
- FAQ
- Contact / Visit TLC
- TLC Site Map

SEARCH TLC

TLC NEWS | ARCHIVED PUBLIC NOTICES

PETITION

Pursuant to Section 11-02, Chapter 11 of the New York City Rules and Regulations, the Metropolitan Taxicab Board of Trade, Inc., on behalf of its member companies, hereby petitions the Taxi and Limousine Commission to consider the adoption of revised Owners Rules pertaining to the Flat Rates from Kennedy Airport to Manhattan; Metered Rate of Fare for Taxicabs; and Limitations on Lease Rates Charged to Drivers.

I. Proposed Language

The proposed language for the revised rules is set out hereafter. The portion of the existing rules proposed to be deleted is contained in brackets and the proposed new language is underlined.

"Section 1-69 Flat Rates from Kennedy Airport to Manhattan

a. Notwithstanding the rate of fare set forth in Sections 1-70(a) and (b), the fare for trips beginning at Kennedy airport with a Manhattan destination shall be a flat rate of [Thirty-Five Dollars ($35] Forty-Nine Dollars ($49), plus any tolls.

1. The [night] surcharge set forth in Rule 1-70(b) shall not be added to this flat rate.
2. The taximeter shall reflect that this trip is a flat fare.

a. If passengers request multiple stops, the fare shall be as follows: the first stop in Manhattan is paid in accordance with subdivision (a) of this section; the meter is then turned on for a separate trip at the rate of fare as set forth in Section 1-70, and the total on the meter is paid at the last stop by the remaining passenger. (For example, if three passengers request stops at 42nd St., 18th St., and 4th St., then $[35] 49 will be collected at 42nd St. and the meter will be turned on. When the second passenger exits at 18th St., the meter remains on, and no money is paid to the driver. The passenger dropped off at 4th St. must pay the fare shown on the meter.)
b. All trips beginning at Kennedy Airport and ending in a borough other than Manhattan shall continue to be governed by the meter rate of fare as set forth in Section 1-70.
c. The Chair[man]person is authorized to suspend the enforcement of this provision at any time, if in the judgment of the Chair[man]person such a suspension is necessary to preserve adequate levels of service from Kennedy Airport."

"Section 1-70 Metered Rate of Fare

a. Metered rate of fare. The rate of fare for taxicabs shall be as follows, regardless of the number of passengers or stops:

1. The charge for the initial unit is $[2.00] 2.50.
2. The charge for each additional unit is $.30.
3. The unit of fare is:

   i. one-[fifth] sixth of a mile, when the taxicab is traveling at [8]10 miles an hour or more; or
   ii. [90] 60 seconds (at a rate of [twenty] thirty cents per minute) when the taxicab is not in motion or is traveling at less than [8]10 miles an hour.

1. The taximeter shall combine fractional measures of distance and time in accruing a unit of fare. Any combination of distance or time specified in paragraph (3) above shall be computed by the taximeter in accordance with Handbook 44 of the National Bureau of Standards.
2. The fare shall include pre-assessment of the unit currently being accrued; the amount due may therefore include a full unit charge for a final, fractional unit.

a. [Night] Surcharge. In addition to the rate of fare set forth in Section 1-70(a), all taxicabs shall charge Fifty Cents ($.50) for all trips beginning after 8:00 p.m. and before 6:00 a.m. [.], as well as all weekends and holidays. For purposes of the Surcharge referred to in this Section (b), weekends shall mean 8:00 p.m. Friday through 6:00 a.m. Monday and holidays shall mean the period from 8:00 p.m. of the previous day until 6:00 a.m. of the subsequent day for each day on which the following holidays are observed: New Year's Day, Martin Luther King, Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas."

"Section 1-73 Trips Beyond the City.

(a) For a trip beyond the limits of the City of New York, except for the Counties of Westchester or Nassau, or the facilities of the Port Authority of New York and New Jersey at Newark Airport, the fare shall be a flat rate. (A flat rate is a definite amount fixed between the driver and the passenger at the start of the trip. For example, "$20" is a flat rate. "Double the meter" is not a flat rate and is not the proper fare.)

(b) For a trip to the Counties of Westchester or Nassau the fare shall be:

(1) the amount shown on the taximeter for that portion of the trip that is inside the City limits, plus twice the amount shown on the meter for that portion of the trip that is outside the City limits; and

(2) all necessary tolls to and from the destination shall be paid by the passenger.

(c) For a trip to Newark Airport the fare shall be:

(1) the amount shown on the taximeter plus a surcharge of $[10]15.00; and

(2) all necessary tolls to and from the destination shall be paid by the passenger.

(d) Any continuous trip where the point of origin and the destination are both within the limits of the City of New York shall not be considered a trip beyond the City limits, even though the shortest and most direct route requires traveling outside such limits but within contiguous counties. For such a trip the meter must be kept in the recording position throughout."

"Section 1-78 Limitations on Lease Rates Charged to Drivers.

a. Standard Lease Cap. An owner of a taxicab [of model year 1994 or a subsequent model year] may charge a lease rate to a driver that is not greater than the Standard Lease Cap [, except, however, that such an owner may charge a lease rate pursuant to paragraph (b), regardless of whether such rate is greater than the Standard Lease Cap. Any lease which is not subject to a Standard Lease Cap is subject to the Baseline Lease Cap set forth in paragraph (b)].

1. The Standard Lease Cap for a medallion and vehicle for one shift shall not exceed $[103] 126.50; provided however that the Standard Lease Cap for the night shifts on Thursday, Friday and Saturday shall not exceed $[112] 137.50.
2. The Standard Lease Cap for a medallion and vehicle for one shift for a week or longer shall not exceed $[617] 761 weekly.
3. The Standard Lease Cap for a medallion only, covering the entire time during a week or longer, shall not exceed $[741] 914 weekly.

[(b) Baseline Lease Cap.

1. An owner may charge a lease rate that is not more than fourteen percent (rounded to the nearest whole dollar amount) higher than the rate charged in the Baseline Lease, provided, however, that an owner of a taxicab of model year 1994 or a subsequent model year may charge a lease rate pursuant to paragraph (a), regardless of whether such rate is greater than the Baseline Lease Cap.
2. For purposes of this section, the Baseline Lease is as follows: If the medallion was leased to a driver at any time during 1995 on or prior to September 30, 1995 (the "Baseline Period"), then the equivalent lease with the highest lease price in effect for that medallion on any date during the Baseline Period is a Baseline Lease. An equivalent lease covers the same leasehold, such as: weekly day shift of medallion and vehicle, or Tuesday night shift of medallion and vehicle, or monthly day shift of medallion without vehicle.
3. An owner whose lease rate is higher than the Standard Lease Cap pursuant to this section shall not set terms or conditions of a lease that vary from the terms and conditions in the Baseline Lease, except as may be required by Rule 1-79, or in the view of the Commission, by mandate of State law. Such an owner shall not charge additional fees or require any purchases or payments in addition to those required in the Baseline Lease. Such an owner shall provide to drivers the same services and materials that the owner provided pursuant to the Baseline Lease.]

[(c)] (b) The complaining witness for a violation of this rule must be a driver who was subject to a lease prohibited by this rule, or a Commission employee.

[(d)] (c) The provisions of this rule do not apply to owners and lease drivers whose business relationship is governed by the terms of a collective bargaining agreement which regulates the subject of lease prices.

[(e)] (d) The Commission shall not lower any upper limitation of lease rates established in Rule 1-78 herein, unless in the view of the Commission, the record before the Commission includes substantial evidence of reduced operating expenses of the affected medallion owners. The Commission shall not raise any upper limitation of lease rates established in Rule 1-78 herein, unless in the view of the Commission, the record before the Commission includes substantial evidence of increased operating expenses of the affected medallion owners. The factors to be reviewed in consideration of any proposed increase in the upper limitation of lease rates shall also include, but not limited to, the effects on driver earnings and the retention of experienced drivers.

[(f)] (e) As relates to lease caps, the Commission shall periodically hold a public hearing and solicit written comment as to operating expenses, driver earnings and the retention of experienced drivers in the taxi industry. The first such public hearing shall be held no later than March 31, 1998. Thereafter, the Commission shall hold such a hearing no later than two years subsequent to the previous hearing."

I. Statement of TLC Authority and Purpose.

The Commission's authority to promulgate the proposed amendments to Owners Rule 1-69, Flat Rates from Kennedy Airport to Manhattan and Section 1-70, Metered Rate of Fare, is set forth in sections 2303 and 2304 of the New York City Charter. The Commission's authority to promulgate the proposed revisions in Owners Rule Section 1-78, Limitations on Lease Rates Charged to Drivers is set forth in Section 2303 of the City Charter and section 19-503 of the New York City Administrative Code. The purpose of the proposed revision to Sections 1-69 and 1-70 is to provide for reasonable rates of fare, based upon time and distance traveled, considering factors set forth in the New York City Charter, including gross revenues generated from such a fare increase and their relationship to expenses incurred, the net return derived by owners from taxicab operations, return on investment and its impact upon reserves and contingencies, the income of drivers, the relationship of taxicab fares to fares charged in other cities, and the effect on service to the public, including service by other forms of transportation. The purpose of the proposed revision in such section 1-78 is to provide for increases in the maximum limit on lease rates that correspond to the proposed increases in the rates of fare and are justified by increases in operating expenses of affected medallion owners.

II. Argument in Support of Petition.

The proposed fare increase represents an average increase of 23.36% in the metered rates of fare for trips other than those originating at JFK Airport for destinations in Manhattan, and a 40% increase in the flat rate fare for trips between JFK and Manhattan, and expansion of the Surcharge that currently covers trips between 8:00 p.m. and 6:00 a.m., as well as an increase in the Newark Airport Surcharge. This Petition for a fare increase is supported by an analysis of the operating incomes and expenses of taxicab drivers. This Petition also sets forth a request for an increase in the maximum lease rates that may be charged pursuant to the rules of the Commission, averaging 23%. An increase in the maximum lease rates may generate additional revenue to owners, and would thus enable owners to meet operating expenses that have occurred since the last fare increase. This proposal would increase fares and the maximum lease rate by essentially similar percentages, thereby maintaining the historic relationship between drivers' and owners' share of fare revenues, assuming that prevailing market conditions would enable owners to charge lease rates that approximate the maximum rate permitted. The enactment of this fare increase, as well as providing the adjustment in the lease cap set forth herein, will result in an increase of approximately twenty (20%) percent in drivers' gross revenues, and may result in an increase in owners' revenues of up to twenty (20%) percent, if market conditions permit the maximum lease rates to be charged..

The Rules of the Commission provide for a maximum lease rate, but do not mandate that any minimum lease rate be charged. Although not specifically provided for in this Petition, the Commission is requested to consider the appropriateness of a minimum lease rate that would be required to be charged by an owner or lessor. Thus, the combination of the Standard Lease Cap and a minimum lease rate would establish a range of lease rate charges that would be permitted, providing for owners and lessors the financial resources needed to properly maintain their vehicles, purchase new vehicles, provide safe taxicabs for the passenger and the driver, and develop new initiatives to benefit the riding public. Because of the critical shortage of qualified individuals who are licensed by the TLC and willing to lease taxicabs, as described in more detail later in this Petition, owners and lessors are unable to charge anything close to the maximum permitted lease rate for most shifts. Instead, they are forced to sharply discount their lease rates to attract and retain drivers. Owner revenue will continue to erode with the increase in projected costs described below. A minimum lease rate would assure that the owners actually share in the proposed fare increase. Without it, as stated above, the anticipated 20% increase in gross income is based only on the expectation that the increased driver revenue will attract and retain sufficient drivers to reduce the current driver shortage.

The proposed changes in the fare are summarized as follows:

	Current Fare	Proposed Fare
Initial Unit	$2.00	$2.50
Mileage Charge	$.30 per 1/5 mile	$.30 per 1/6 mile
Waiting Time	$.30 every 90 seconds	$.30 every 60 seconds
Average Fare (based upon an average trip of 2.64 miles)	$6.85	$8.45
Flat Rate from JFK to Manhattan	$35	$49

The TLC has not approved a taxicab fare increase since 1996. Changes in the economics of owning and driving a taxicab have occurred since the last fare increase, most notably: (a) the increase in the costs of operation of a licensed New York City taxicab since the last fare increase; and (b) the reduction in drivers' real incomes in relationship to alternative employment opportunities currently available, contributing to a serious shortage of qualified drivers. These are compelling changes in circumstances that support the proposed increase in the rates of fare at this time. This Petition presents an analysis of: (1) the significant increases in the costs of operations since the last fare increase in 1996 as well as projected costs of operation anticipated during the next year; (2) significant increases in expenses incurred by drivers, particularly with respect to the entry of new drivers into the industry since the last fare increase; (3) a shortage of drivers caused by insufficient income, which has reduced the available service to the public and sharply reduced revenue for owners; (4) the impact of lost revenue upon the taxicab industry, drivers and the riding public. Data is also presented showing the relative costs of taxicab travel in major U.S. cities, which shows that New York City fares are among the lowest in the country.

In its companion request for an increase in the maximum lease rates, the petitioner will show that a fare increase will attract drivers to the industry, and ultimately cause an increase in the amount that drivers are likely to willingly pay owners to lease taxicabs. An increase in lease rates will generate additional revenue for owners who lease their vehicles. Taxicab owners who drive their vehicles will directly benefit from the proposed fare increase and will be able to generate additional revenue to meet operating costs that have increased since the last fare increase.

Increased Annual Costs of Operation of a Licensed Taxicab

The following is a sample of some of the major component costs of operation of a taxicab in 1995, the last complete year prior to the previous fare increase, compared to present costs. Although these figures were derived from members of the Metropolitan Taxicab Board of Trade ("MTBOT"), these figures are comparable to costs incurred by other taxicab owners:

	1995	Current	Percentage Increase
Cost of New Taxicab	18,580	24,420	31.43%
Payroll costs for mechanical and garage personnel per car, per year	7,095	10,290	45.03%
Liability Insurance	6,508	10,174	56.33%

Explanation of Selected Component Costs

New Taxicab – Each taxicab owner must replace its taxicab with a new vehicle every three to five years. Commencing later in 2001, most taxicab owners will be purchasing a new expanded Ford Crown Victoria, which will provide up to six inches of additional leg room for passengers. The new vehicle, according to Ford management, will be available in November or December of 2001 and will be priced at approximately $24,220, about 12½% more than the current cost of a taxicab and 31.43% more than the cost of a taxicab in 1995. The expanded Crown Victoria will provide a much more comfortable ride for the public and will be particularly attractive to drivers. It represents the first serious initiative by any of the major automobile manufacturers to improve the design of the taxicab in a vehicle that can withstand the rigors of New York City taxicab operation since the demise of the Checker.

Insurance – In September, 1998, required insurance coverage for medallion taxicabs was increased. Personal Injury Protection coverage increased from $100,000 to $200,000 and liability insurance limits were raised from $25,000/$50,000 to $100,000/ $300,000. A combination of an increase in insurance limits and the general increase in rates since 1995, has resulted in an increase of 56%. Although the figures supplied are average fleet expenses per car, the percentage increase experienced by fleets is similar to the increase experienced by other segments of the industry.

Garage and Payroll Costs – While MTBOT members have garages, mechanics and other expenses not relevant to individual owners, the average cost of maintaining a vehicle, including tires, batteries, accessories, oil and repairs, and increased significantly and proportionately for all taxicab owners.

Increased Costs Associated with Compliance with TLC Rules Enacted Since the Last Fare Increase.

Subsequent to the 1996 fare increase, taxicab owners were required to incur the following series of one-time costs resulting from new TLC regulations. These one-time costs resulting from new TLC regulations include:

(1) Conversion of stand by vehicles to CNG (fleets only) $834 per SBV

(2) Meter conversion:

Automatic Receipt printing $ 45 per meter
Receipt printing with TLC Hotline telephone number $ 45 per meter

(3) Talking Taxi device:
Initial installation $100 per medallion
Required replacement for longer message $ 35 per medallion

(4) Braille lettering $ 80 per medallion

Declining Owners' Revenues

To a limited extent, some taxicab owners have been able to contain operating costs by reducing garage expenses. In addition, taxicabs are being operated for fewer miles since many owners who lease their vehicles are experiencing a shortage of qualified drivers. Accordingly, although overall operating expenses have not increased by the same percentage as certain fixed expenses, such as the cost of vehicle replacement and insurance, revenues have actually declined. For MTBOT's member fleets, at least twenty percent (20%) of their taxicabs are not on the road for most shifts. Owners have discounted their usual lease rates in order to encourage qualified drivers to work. Inadequate driver revenues, resulting in part from the September 11, 2001 World Trade Center tragedy, in part from the general decline in the economy since the Summer, and in part from the opportunities available to drivers for more lucrative employment, has affected both drivers and owners and has contributed in large part to this driver shortage. It is anticipated that increased drivers' revenues derived from a fare increase will alleviate the driver shortage and ultimately generate additional revenue for owners as well.

The analysis of the effect of this proposal upon drivers' revenues is highly complex. As a result of the severe shortage of drivers and the large number of lost shifts, owners have been forced to sharply discount their lease rates, resulting in a steep decline in revenue. While a mandatory minimum lease rate as a counterpart to the Standard Lease Cap (not a part of this proposal) would make certain the beneficial impact of the fare increase for owners, it is anticipated that, with the fare increase, owners will be able to attract and retain more drivers and significantly reduce the discounting of lease rates, resulting in approximately a 20% increase in gross revenue through the charging of higher lease rates for most shifts. .

While we are cognizant of the provisions of New York City Charter Section 2304(c) which suggests that consideration of owner's return upon capital may be appropriate in determining the rate of fare, we believe that such an analysis is neither helpful, nor appropriate in the context of a fleet-owned vehicle. Petitioner's member fleets have acquired the medallions which they operate at varying times spanning more than four decades. Accordingly, the prices paid for medallions vary tremendously. The return upon capital calculated for a medallion acquired some 30 or 40 years ago would bear no resemblance to the calculations with respect to a medallion acquired last year. However, for owners who have recently purchased medallions, this analysis is relevant. MTBOT members have reported in recent years an after-tax income of approximately $2,300 per medallion. Based upon a current acquisition cost of $200,000 (not including the cost of the vehicle, license and hack-up) for a taxicab medallion, this represents an annual return upon capital of 1.15%.

This rate of return will vary directly with the owner's cost for acquiring the medallion and on an industry-wide basis, or even among the Petitioner's member fleets, return on capital does not provide meaningful information.

In 1996, 1997, and 1998, lost shifts for Petitioner's member fleets averaged approximately 11%. In 1999, this figure climbed to approximately 15% and reached about 20% in 2000. Through September, 2001 lost shifts for the year have averaged approximately 23%, reaching a high of 33% during September, 2001. There are various reasons for this shortage of drivers. The relatively strong economy (at least prior to September 11, 2001) has made driving a taxicab a less attractive option when compared to other positions available to mostly entry-level workers. As a result, it has become increasingly difficult to attract new drivers and retain veteran drivers at a time when consumer demand for taxi service is at an all time high. It is anticipated that a fare increase will help attract new drivers to the industry, as well as retain veteran drivers. In this way, the Commission would be promoting the public interest by providing quality taxi service that is easily accessible. The fare increase would offer a marketing advantage to the taxi industry by making the job of driving a taxi more competitive with other employment opportunities in New York City.

Increased Driver Expenses Incurred in Obtaining a New or Renewal License – Drivers' expenses have increased substantially since the 1996 fare increase. Some of these increased costs have resulted from TLC mandates, as follows:

	1996	Current
Mandated Medical Exam	$17	$25-$30
Taxi training school	$70	$325
Defensive driving course—at time of application and every three years thereafter	-	$29
Annual drug test	-	$24
Continuing education – at first renewal	-	$20

In addition, with the onset of two-year licensing a new applicant must pay for a two-year license prior to driving and earning any money. The requested fare increase calls for a 23.36% increase in the rates and would benefit drivers. It is anticipated that, as shown below, the drivers will derive more than a 22% net increase in their revenue, generating income of approximately $2.63 per hour.

Driver Estimated Revenues and Expenses For A Twelve Hour Shift

	Current Meter	Requested Meter Rate Increase of 23.36%
Revenues:		
Driver Average Bookings	$205.50	$253.50
Tips	30.50	38.00
Night Surcharge	7.50	7.50
	$243.50	$299.00
Expenses:		
Driver Lease Agreement	$ 80.00*	$104.00
Gasoline	21.00	21.00
	$101.00	$125.00
Driver Estimated Profit	$142.50	$174.00
Per Hour (based on 12 hrs.)	$11.875	$14.50

* The $80.00 expense figure for the lease fee has been used because it is a more realistic figure than the Standard Lease Cap rate in view of discounting in the lease rate charges described in the next paragraph.

As noted above, Petitioner is requesting that the Surcharge – previously applicable only for nights – now apply to weekends and all public holidays. Weekends and holidays have even more lost shifts, as drivers tend to avoid these days. It is hoped that the Surcharge will induce more drivers to work on these otherwise slow days.

An analysis of the taxicab fares in major cities in the United States prepared by the Taxicab, Limousine and Paratransit Association indicates that current fares in New York City are the lowest in the country among the major cities in the Association's survey. A comparison of the fares in those cities is set out below. It should be noted that the Association's analysis utilizes a 2.3 mile trip for comparison purposes, rather than the 2.64 miles trip referred to on page 5, which accounts for the difference between the $6.15 current fare for New York City noted in the analysis and the $6.85 current fare mentioned on page 5. The proposed fare increase, using a 2.3 mile trip, would increase the New York City fare to $7.55, moving New York City approximately to the mid-point of the fares referred to in the comparative analysis.

Year 2001 Trip Comparison Between Selected U.S. Cities

City	Initial Charge	Mileage Charge	Wait/ Idle Time	Add'l Passen.	Total
New York	$2.00	$3.15	$1.00	$0.00	$6.15
Chicago	$1.90	$3.00	$2.00	$.050	$7.40
Houston	$2.50	$3.30	$1.50	$0.00	$7.30
Miami	$1.50	$4.10	$1.50	$0.00	$7.10
New Orleans	$2.50	$2.60	$3.00	$1.00	$9.10
Atlanta	$2.00	$4.35	$1.25	$1.00	$8.60
Boston	$1.50	$4.10	$1.85	$0.00	$7.25
Philadelphia	$1.80	$3.90	$1.00	$0.00	$6.70
Detroit	$2.50	$4.00	$1.30	$0.50	$8.30
Los Angeles	$1.90	$4.00	$1.50	$0.00	$7.40
Baltimore	$1.80	$4.40	$1.50	$1.00	$8.70

Duration of Proposed Revision in Fares – The proposed fare structure and corresponding revision in the Lease Rate Cap should continue in effect until the Commission shall approve revisions in the fare structure and Lease Rate Cap.

Note on the Proposed Increase to the JFK Flat Fare

A JFK flat rate of $49.00 has been proposed, rather than the $43.00 which would have resulted from applying the fare increase percentage to the current $35.00 charge, because Petitioner believes that a $43.00 flat rate is not sufficient and it also reflects the view expressed at the time of the commencement of the $35.00 flat rate – a view expressed by several TLC Commissioners as well – that the $35.00 rate was insufficient. A limited study conducted by MTBOT in May, 2001 indicated that the $35 flat rate did not accurately reflect the metered rate of fare. Most of the trips indicated a metered rate of fare well in excess of $40.00. Since September 11th, drivers have reported that the increase in traffic congestion has exacerbated the situation, rendering the $35 flat fare even more inadequate. Drivers report that they are avoiding JFK because of this, significantly reducing service there. MTBOT submits that a $49 flat fare rate will more accurately reflect the fare that would be charged on a taximeter for a trip from JFK to representative destinations in Manhattan. This petition presents an opportunity for the Commission to revisit the issue of the appropriate JFK flat rate in view of continuing concern about a lack of sufficient cabs at JFK to adequately service the airport. Petitioner further observes that it is currently less expensive for a couple to take a taxicab from JFK to Manhattan than it is to take the Super Shuttle which transports up to nine people and makes multiple stops, while charging $18.00 per passenger. It is not surprising, therefore, that drivers have tended to avoid trips from JFK to Manhattan, reducing the availability of essential service there.

Note on the Proposed Increase to the Newark Airport Surcharge

A $5.00 increase in the Surcharge for a trip to Newark Airport has been proposed which would increase the Surcharge, which is added to the meter rate of fare, to $15.00. Petitioner believes that the current $10.00 Surcharge does not adequately compensate drivers for traveling to Newark Airport, where drivers are not permitted to pick up passengers and must, therefore, return to New York City without a fare.

Health Care Insurance for Drivers

Petitioner has been exploring the feasibility of a program for providing health care insurance for taxicab drivers. Discussions are underway with health insurance companies in an effort to structure an appropriate plan for qualified drivers and to analyze the costs associated with such plan. Petitioner's member fleets feel strongly such coverage should be provided, pursuant to an industry-wide TLC mandate, funded initially by a required payment by each medallion owner at the time of renewal of the medallion, with reimbursement of such payment and the continued cost of providing such coverage to be funded by a future fare increase. Funding for health insurance coverage for drivers is not part of this Petition for a fare increase.

Respectfully submitted,

Metropolitan Taxicab Board of Trade, Inc.
On Behalf of Its Member Companies
24-16 Bridge Plaza South
Long Island City, New York 11101
Tel.: 718-784-4343

By:________________________
Ronald Sherman, President

Copyright 2011 The City of New York