

Testimony of David Yassky, NYC Taxi & Limousine Commissioner/Chair

INTRO 234-A, In relation to the creation and composition of a Taxi and Limousine Commission Advisory Board

INTRO 449, In relation to the livery passenger bill of rights

INTRO 695-A, In relation to the prohibiting a taxicab from soliciting or accepting passengers with their off duty light engaged

INTRO 676-A, In relation to the number of hours certain owners of individual taxicab medallions are required to personally drive their vehicles

City Council Transportation Committee

March 1, 2012

Good Morning, Chairman Vacca and members of the City Council Committee on Transportation, I am David Yassky, Chairman of the Taxi and Limousine Commission. Thank you for the opportunity to speak to you today regarding the four Introductions affecting the City's for-hire industries and the oversight committee hearing on the inspection process.

I would like to provide some basic background information about our inspection process and operations – one of our agency's points of pride. As you may know, the TLC operates a state-of-the-art inspection facility in Woodside, Queens. At this facility, we inspect vehicles from all of the industries we regulate.

We inspect yellow taxis three times each year. These inspections are required for taxi operation and each cab's inspection appointment is scheduled by our Safety and Emissions Division. Our staff provides a comprehensive inspection for each cab. The inspection is divided into two major parts - the DMV emissions test and a visual inspection. The emissions portion of the inspection uses on-board diagnostics and follows all NYS DMV requirements. The second part - the visual inspection - checks cabs for compliance with all TLC rules including required equipment, cleanliness, and in-vehicle technology. This past year, our staff inspected our 13,237 cabs 52,804 times. While many cabs failed their initial inspection when this requirement was first instituted, 72% of taxis passed inspection in 2011.

Additionally, our inspectors see all for-hire vehicles (liveries, black cars, and luxury limousines) once every two years, and when a new vehicle is put into service or a license is transferred to a different vehicle. Vehicles appearing for their regularly-scheduled inspection receive a DMV emissions test as well as a visual inspection, much like yellow taxis. Transfer and new vehicles only receive the visual inspection for compliance with TLC rules. This is necessary to ensure driver and passenger safety, high-quality customer service, and maintain fleet quality. After passing their inspection, decals are affixed to all vehicles indicating to the public that the vehicle they are using is licensed and safe. Our inspectors conducted 37,379 inspections for FHVs this past year. While we have seen improved pass rates for the yellow industry, only 63% of FHVs pass their initial inspection – a sign that requirements may not be met immediately and that vehicles should not begin service until they are certified by the agency.

The first proposed item of legislation, Intro 234-A, amends current local law requirements for advisory boards for the Commission, by collapsing the four currently required into one. The legislation also specifies how members are selected for the board and reserves seats for particular advocacy groups and particular segments of the for-hire industry.

The TLC takes public input seriously and actively engages with our regulated industries and the riding public. For example, we meet quarterly, (and often, more frequently), with all groups representing the taxi industry, the for-hire and commuter van industries, paratransit businesses and driver groups to discuss proposed rules, projects and policy. We also meet with other groups including environmental advocates and members of the disability community. In addition, at the Commission's public meetings, typically held once a month, TLC Commissioners discuss proposed policy changes and rules, and hear testimony regarding constituent and industry concerns about rules and other matters.

In sum, we think the Commission does, in fact, today benefit from an open and comprehensive public discussion of issues affecting regulated industries and the riding public and that a formal advisory panel is not as necessary as it might have once been in the absence of such direct and regular communication. We would like to work with the Council to further refine this proposed legislation.

The second proposed item of legislation, Intro 449, adds language to the Livery Passengers' Bill of Rights regarding equivalent service for passengers who use wheelchairs. Providing and expanding service to all New Yorkers is a top priority for the TLC, and we fully support adding this new language.

This is a good opportunity to update you on the TLC's newly designed accessible dispatch system, which will greatly increase our capacity to provide faster and more consistent service for passengers who need a wheelchair-accessible vehicle. Using GPS technology, the dispatcher will assign the closest available accessible taxi to the passenger – greatly decreasing wait times. Drivers who provide these trips will be compensated for their efforts from a fund raised by the yellow taxi medallion owners, so they will be incentivized to provide this service. At the same time, refusal to provide this service will be dealt with like any service refusal under our rules and we will have the tools to ensure that any drivers refusing this service will be fined appropriately and, if necessary, will have their license revoked. Also, with the addition of 2,000 new accessible yellow taxi medallions and 3,600 accessible Street Hail Livery licenses in the coming years, accessible vehicles will be more readily available throughout the City to provide meaningful access to passengers in need of service.

The Commission passed rules giving effect to this accessible dispatch system in December. We have executed a contract with Metro Taxi, a leading provider of accessible for-hire service in Connecticut, and the contract is currently being reviewed by the Comptrollers office. We expect this service will begin early spring, 2012.

The third proposed item of legislation, Intro 676-A, waives minimum driving requirements for some taxicab medallion owners. The Commission's "Owner Must Drive" rules are crucial to preserving the owner-driver segment in the taxi industry. We are strongly committed to preserving the increased passenger and driver safety, improved customer service, and driver career path that this segment of the industry ensures. Studies have shown that owner-operators have far fewer accidents, receive fewer summonses, and pass TLC vehicle inspection at higher rates. This bill would greatly change the set of "Owner Must Drive" rules established by the Commission in 1990 and would undo the Commission's actions this past year fundamentally eroding our commitment to the owner-driver segment.

Just this past summer, after conferring extensively with representatives of the medallion taxi industry; the "Owner Must Drive" requirements were amended by the Commission to ease the burden on owner-drivers. For example, shift requirements for all owners were decreased from 210 nine-hour shifts annually to 180 nine-hour shifts, and owners over the age of 62, who have owned and operated a medallion for at least ten years, are only required to drive 150 seven-hour shifts each year. The new rules also allow up to four drivers to meet the annual requirement, provided that each owns at least a ten percent interest in the medallion. Owners may also stop driving completely, provided that the owner pays the TLC and the medallion is operated by a long-term driver who owns a share of the medallion. Finally, the new rules only require inheriting spouses to meet the same service requirements as their deceased spouse. If the driver was not required to drive their vehicle, then the spouse is not required to operate the taxicab.

The "Owner Must Drive" requirement is an effective way for drivers who are dedicated to the taxi industry to eventually retire after years of driving while retaining their medallion. By creating additional exemptions to this rule, this bill risks taking away the very purpose for which it was created – to give hardworking, dedicated people the opportunity to go from being an employee to becoming an owner. The language in the proposed bill is so broad that the exemptions would in effect allow ANY inheriting

spouses and any military veteran to be exempt from the operation requirement. We believe this would mean that many independent medallions will just be leased through agents, even many of those operated by their owners today, and drivers who would like to upgrade into medallion ownership will find their opportunities to do so to be considerably diminished. More exemptions will bring more loopholes and would contradict the intent of these important rules. The “Owner Must Drive” rules, as recently amended, strike the right balance between ensuring high quality service provided by long-term drivers and ensuring that medallion owners are able to retire and reap the rewards of their investment. As such, we oppose this proposed legislation.

The last proposed item of legislation, Intro 695-A, will prohibit a taxicab from soliciting or accepting passengers with their off-duty light engaged except for one passenger along driver’s route. I applaud the bill’s sponsors for addressing reported abuse of the off-duty light by some taxi drivers. We have heard complaints from the riding public about off-duty light abuse and about the general confusion created by the current medallion light and off-duty light configuration. After soliciting feedback from the industry and passengers, we are firmly of that view that the current roof light is confusing and does not clearly convey the messages it is intended to. As a result, the TLC is drafting new rules to eliminate the off-duty light altogether, which would obviate the need for this legislation. We expect these rules to be heard and voted on this May at our Commission hearing.

This concludes my testimony regarding the our inspection process and the Introductions being considered today. I would like to thank you for the opportunity to testify today about these proposed items of legislation. At this time, I would be happy to answer any questions you may have.