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4 NEW YORK CITY TAXI & LIMOUSINE COMMISSION

5 PUBLIC HEARING

6 Held on Thursday, April 19, 2012

7 209 Joralemon Street

8 Brooklyn, New York

9 Time: 9:56 a.m.

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13 B E F O R E:

14 David Yassky, Chairman

15 Commissioner Nora Constantine Marino

16 Commissioner Elias Arout

17 Commissioner Lauvienska Polanco

18 Commissioner Iris Weinshall

19 Commissioner LaShann De'Arcy

20 Commissioner Mark Gjonaj

21 Commissioner Ed Gonzales

22 Commissioner Frank Carone

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1 S P E A K E R S:

2 Micah Kellner
Carlos Sanchez

3 Abdul Ahmed
Steven Solarsh

4 Vincent Sapone
Jose Altamarino

5 Erhan Tuncel
Cliff Adler

6 John Moraida
Mark Goldstein

7 Steven Schnier
Richard Thaler

8 Ethan Gerber
Rocky Collavo

9 Bhairavi Desai
Peter Mazer

10 Erasmo Taveras
Sandra DeToni

11 Thomas Grandy
George Panagos

12 Jorge Rodriguez
Pedro L. Bedoyo

13 Alan Platt
Artie Grover

14 Guy Palumbo
James Grosso

15 John Mascialino
Osmin Choudry

16 Malcolm Rattner
Akiva Shapiro

17 Surinder Singh
Bachirou Fall

18 David Pollack
Avik Kabessa

19 Marcelino Aeruias
Kane Mamadou

20 Fernando Garcia
Richard Chitman

21 Richard Kay
Arthur Goldstein

22 Frank Wanzi
Anthony Focorino (ph)

23 Michael Simon

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2 MR. SWITZER: Thank you all for
3 being here. If you would like to speak
4 at today's public hearing, if you would
5 please sign up. The sign-up sheet is on
6 the podium to sign up at this time,
7 please do so.

8 If you have signed up to speak and
9 you have you written comments, please
10 hand them to the inspectors, they will
11 be in front of the desk. Thank you very
12 much.

13 MR. YASSKY: Good morning. Thank
14 you for joining us this morning. Let
15 the record show that we are beginning
16 this meeting of the Taxi and Limousine
17 Commission at 9:56 a.m., and we are
18 joined today by Commissioner Carone,
19 Commissioner Gjonaj, Commissioner
20 De'Arcy, myself David Yassky,
21 Commissioner Weinshall, Commissioner
22 Arout, and Commissioner Marino -- I will
23 let you know, now I see why we spent so
24 much money on that curved bay at our
25 regular Commission office -- and of

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course Commissioner Gonzales. I know that -- people in the audience, I know Commissioner Polanco is en route, we're joined also by Commissioner Polanco.

Today we have a full house of public and stakeholders, and I appreciate very much your coming to today's historic meeting of the Taxi and Limousine Commission.

We are also joined by a host/special guest, the president of the Borough of Brooklyn, the Hon. Marty Markowitz, this is his house.

(Applause)

MR. YASSKY: This is his people's house, but he presides over it with more generosity, charm and class than any host that you could possibly imagine, so, it's my privilege to ask him if he will formally welcome us this morning.

MR. MARKOWITZ: Thank you, David. Thank you very much, Commissioners, and thank you all very much. Briefly, welcome to City Hall- and this is City

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2 Hall, the City of Brooklyn. And of
3 course, all of you that don't reside in
4 Brooklyn, I consider all of you
5 residents of the outer boroughs.

6 (Laughter)

7 MR. MARKOWITZ: So, thank you.
8 Thank you very much.

9 Our Chair, David Yassky- Brooklyn
10 resident I might add. And I have to
11 tell you, I think you're doing a great
12 job. You'll never be loved by
13 everyone. Not everyone will agree 100
14 percent. And if you know Brooklyn they
15 way I know it, believe me, whatever we
16 feel here, comes out of here (indicating
17 "the heart.") So, I know that we'll
18 display a very modified Brooklyn
19 attitude today as the deliberations go
20 forward.

21 Also, Brooklyn's own Commissioner,
22 Frank Carone. Frank, good to have you.

23 (Applause)

24 MR. MARKOWITZ: Assemblyman Micah
25 Kellner is here, and I really want to

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2 thank Micah Kellner, his loyalty to the
3 physically-challenged community, really
4 owe him a great debt of gratitude.

5 Finally, I want to welcome all of
6 you here. You're the most important
7 folks, you're a large reason why the
8 economic engine of New York is the envy
9 of America, and you make sure that this
10 city continues to run. And I know that
11 your jobs, those of you that are in your
12 vehicles everyday- you're priests,
13 you're rabbis, you're psychiatrists and
14 confidants to a host of characters that
15 you meet, that's for sure. And I have a
16 hunch quite a few of them are from
17 Brooklyn for sure.

18 There's an old saying, "All roads
19 lead to Rome." In our case, all roads
20 lead to Brooklyn. And we all know that
21 more and more visitors across the world
22 and across the City are visiting
23 Brooklyn restaurants and its
24 entertainment and shopping, our economy
25 is increasingly booming. But your

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2 business as well, between all of our
3 Brooklyn visitors and the fact that
4 fewer and fewer people are really
5 driving these days, the services that
6 you provide I think will continue to
7 increase in the days ahead.

8 The bottom line is we want to make
9 sure that transportation is available in
10 all parts of our boroughs. And I hate
11 when they use the term -- we should get
12 rid of this term, Commissioner -- "outer
13 boroughs." I cannot stand that term
14 "outer borough," whether I live in
15 Staten Island or Queens or "The" Bronx,
16 or Brooklyn certainly, any of these
17 boroughs, we're five boroughs, one city,
18 and there is no outer borough, that's
19 for sure.

20 (Applause)

21 MR. MARKOWITZ: So, by giving our
22 residents in all boroughs options where
23 they need to go gives our economy a
24 lift. So, David let's get the meeting
25 rolling. Thank you all, thank you for

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2 being here.

3 (Applause)

4 MR. YASSKY: Thank you, again,
5 Mr. President.

6 So, a couple of housekeeping matters
7 before we get to the main events.

8 First, Commissioners, you have before
9 you the minutes of the March 22, 2012
10 meeting. I move that the minutes of the
11 March 22, 2012 meeting be adopted.

12 All in favor, say aye.

13 THE COMMISSION: (In unison) Aye.

14 MR. YASSKY: The minutes are
15 adopted.

16 We have a handful of base
17 applications before us today,
18 Christopher Cormier is here as usual.

19 MR. CORMIER: Good morning, my name
20 is Christopher Cormier, Director of
21 Applicant Licensing at the Taxi and
22 Limousine Commission. Today we have two
23 base applications to the Commission for
24 approval today, and we have one denial
25 and request that they get a 30-day

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2 extension so that they can get their
3 outstanding items in order.

4 MR. YASSKY: I move that the
5 recommendations of the Licensing
6 Division be adopted and the bases be
7 renewed, requiring the name and
8 ownership changes be adopted. All in
9 favor, say aye.

10 THE COMMISSION: (In unison) Aye.

11 MR. YASSKY: Opposed, no?

12 (No response)

13 MR. YASSKY: Thank you.

14 We have, as you know, one rule on
15 the agenda for a vote today. It is a
16 significant rule and we'll spend some
17 time discussing it for public debate.
18 Before we do that, we have one
19 additional item that you will hear a
20 very brief, extremely brief staff
21 presentation on a proposal that really
22 was brought forward by Commissioner
23 Arout and some of his neighbors in
24 Staten Island to do a pilot program to
25 make life for Staten Island-based livery

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vehicle owners somewhat more convenient.

Rather than me describe it, I believe Gordon is to present it; is that correct? Come on forward please.

Commissioners, as we've discussed, our practice generally, absence some urgency, on a matter like this, we'll hear a presentation and then we'll vote on it at the following meeting. So, this staff presentation from Mr. Gordon, and then it will be on the agenda for a vote in the following meeting.

Mr. Gordon, I mean, err on the brief side the with questions, Commissioners, because we have a lot to get to today. I appreciate it, thank you.

MR. GORDON: Good morning, Commissioners. My name is Greg Gordon, I'm an external affairs analyst for New York City Taxi and Limousine Commission. I'm in front of you today to present our plan to bring inspections to Staten Island.

We are here because the agency has

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2 asked to identify reasonable and viable
3 options for requiring the vehicles
4 affiliated with Staten Island bases
5 having to go to our facility in
6 Woodside, Queens for inspections. The
7 agency is proposing to address this
8 issue for the change in process created
9 by a pilot program. The pilot program
10 will cover two areas of the inspection
11 process: visual inspections and DMV
12 inspections.

13 Vehicle owners in Staten Island have
14 raised concerns regarding the time they
15 spend associated with getting their
16 vehicles inspected at the Woodside
17 facility in Queens. Currently there are
18 473 vehicles affiliated with Staten
19 Island bases, 422 of which have primary
20 addresses indicated that they are
21 located in Staten Island. We will be
22 addressing the needs of these vehicles
23 in the proposal.

24 Staten Island vehicles make up 1.2
25 percent of the total 38,116 for-hire

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vehicles licensed by the TLC. Visual inspections occur on all new vehicles, license renewals and base transfers. Last year, 55 visual inspections were completed on Staten Island-affiliated vehicles.

DMV inspections occur three times per year for each for-hire vehicle. Last year, 234 DMV inspections were performed at our Woodside facility on vehicles affiliated with Staten Island bases for the required tri-annual inspections. The first part of the inspection -- one part of the inspection process is visual inspections. This proposal will allow vehicles affiliated with Staten Island to come to the TLC's Staten Island office located at 1893 Richmond Terrace for visual inspections. In order to complete these visual inspections, our facility will need appropriate indoor and outdoor space; equipment that will allow us to record inspection results and print

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2 required permit decals at the Staten
3 Island location; we will also need to
4 make some program changes to our
5 inspection software allowing Staten
6 Island to be an option in the inspection
7 process.

8 The next part of the inspection
9 process is the DMV inspections. All
10 vehicles get six DMV inspections over
11 the two-year life span of their
12 license. Five of these inspections are
13 completed by a private garage which the
14 vehicle owner chooses and pays for, and
15 one of the inspections is completed at
16 our Woodside facility. This pilot
17 program will change the rules and allows
18 vehicles to be inspected at our facility
19 in Staten Island.

20 To do this, we will utilize a vendor
21 the City has which is contracted to
22 complete the DMV inspections on City-
23 owned vehicles. This pilot program will
24 enable drivers affiliated with Staten
25 Island bases to have their vehicles

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2 inspected on Staten Island. Once
3 approved, the pilot program will be
4 implemented in four to five months.

5 After the conclusion of the pilot
6 program, the TLC will evaluate the
7 results and decide whether or not to
8 make this program a permanent procedure.

9 MR. YASSKY: Thank you, Mr. Gordon.
10 If there are any questions, please --
11 also just again, I commend really
12 Commissioner Arout. This was an issue
13 and he has brought this to the
14 Commission. As Greg's presentation
15 suggests, there are some costs, but the
16 staff has worked quite hard over a
17 period of a few months now to figure out
18 how to do this in a way that is as
19 little costly as possible and giving the
20 potential for benefit to Staten Island
21 livery owners. I certainly feel that
22 the benefits outweigh the costs. So,
23 when we bring it up next week, I will
24 recommend adoption.

25 So, if there are questions,

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2 otherwise --

3 MR. GONZALES: I have one question.
4 This facility in Staten Island, is it
5 solely done for Staten Island bases? Or
6 if for some reason someone in Brooklyn
7 may elect to have their vehicle
8 inspected in Staten Island, would that
9 be able to be accommodated?

10 MR. GORDON: The pilot program for
11 now is going to work on affiliated
12 vehicles at the Staten Island bases.

13 MR. YASSKY: Thank you.

14 The next item on our agenda, of
15 course, are the Street Hail Livery Rules
16 that are before us today. So, we will
17 have today a public hearing on these
18 rules, followed by a vote. Before
19 the -- and I know Commissioners, that
20 any, perhaps all of you, would like to
21 make statements or have debate, which I
22 think that we should, and what I gather
23 is that you'll make those statements at
24 the end after the public testimony, I
25 think that makes sense.

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2 We will move very quickly now to
3 public testimony, followed by an
4 opportunity for our discussion and
5 statements, followed by the vote.

6 Before we begin the public
7 testimony, let me just frame the issue
8 for us very briefly. Today we are
9 solving a problem that has been decades
10 in the making. Our taxi system, which
11 is wonderful in so many ways, a jewel of
12 the City, a critical part of the transit
13 network that transports 600,000 people a
14 day that has evolved into a two-tier
15 system.

16 One part of the City- midtown
17 Manhattan, downtown, residential
18 neighborhoods just north of midtown,
19 this part has first-rate street hail
20 service and first-rate free range
21 service.

22 But the rest of the City, northern
23 Manhattan, virtually the entire boroughs
24 of Brooklyn, Queens, the Bronx and
25 Staten Island, has excellent free range

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2 service but no legal street hail taxi
3 service. Now, this vacuum has been
4 filled by a huge underground market.
5 Some 100,000 times a day, a passenger in
6 those areas looks for the convenience of
7 the ease of a taxi trip, sees no yellow
8 in sight and flags down a livery car.
9 Unfortunately, the drivers who pick
10 these passengers up are violating TLC
11 rules as they stand today. That is why
12 it is time for those rules to change to
13 fit the reality.

14 Now, to be sure -- and I know this
15 point has been made by many of you who
16 are here today in the audience. To be
17 sure, the City government did let this
18 problem go on for a long time. For
19 decades we looked the other way. The
20 illegal taxi market grew and grew. And
21 I will tell you, sitting in this chair,
22 I can understand why no one was eager to
23 send inspectors and police officers to
24 Flatbush Avenue and Bedford Avenue and
25 Queens Boulevard and Jamaica Avenue and

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2 Tremont Avenue and Fordham Road, and
3 yes, the Staten Island Ferry Terminal
4 where there are illegal pickups day in,
5 day out, I can understand why people
6 were reluctant to ticket all those
7 vehicles and drivers doing that.
8 Imagine if they did. Because -- and I
9 have to mention, because that is exactly
10 what the opponents of this proposal are
11 asking for.

12 I've heard some suggest we can just
13 leave the rules as they are but not
14 enforce them, right? Pretend that they
15 don't exist. That is obviously not the
16 right answer, that is not a way that a
17 government can behave. We can't ask our
18 staff, sworn law enforcement officers,
19 to pick and choose which rules they will
20 enforce. I think we have to be real
21 about this.

22 There is a choice between allowing
23 street hails, as this rule would do, or
24 prohibiting them and enforcing that
25 rule. That is the choice before us.

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2 So, when the medallion owners urge
3 defeat of this rule, what they are
4 asking is that we put out of work the
5 10,000-or-so livery drivers whose
6 livelihoods depend, in fact, if not all,
7 on street hail passengers. Those
8 drivers are not criminals, they are
9 hardworking people trying to earn a
10 living and providing a needed service
11 that is not otherwise available.

12 And, perhaps most important, the
13 people who depend on that service, the
14 80 percent of New Yorkers who live in
15 Brooklyn, Queens, the Bronx and Staten
16 Island, they should be our main focus,
17 Commissioners, even more so than the
18 industry we regulate. As important as
19 our industry stakeholders are, it is our
20 facet test of whether we've done our job
21 right is when we have provided the best
22 service for the public that is possible.

23 The current rules push passengers in
24 the boroughs into illegal service.
25 Actually enforcing those rules will keep

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2 them without any taxi service at all.
3 Adopting the rule will give them, will
4 give us -- because I know every single
5 one of these Commissioners lives in an
6 area that would be served by the hailed
7 liveries under this rule. Adopting this
8 rule would give those 80 percent of New
9 Yorkers the same legal, regulated,
10 quality service that is available in
11 midtown Manhattan- cars that are clearly
12 identified as available street hails so
13 passengers know they're safe, and with
14 meters so that they don't have to have
15 to haggle. And that, Commissioners, is
16 the clearest reason to vote for this
17 rule.

18 The 100,000 passengers who flag down
19 cars every day in the boroughs are
20 voting with their hands, they are
21 telling us the rules need to change.
22 Those passengers may not have lobbyists,
23 but they are the people we are here to
24 represent and their vote should count
25 the most.

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Now, a problem decades old is not solved overnight, and it has already been a long path to this day. 15 months ago in Staten Island at his State of the City Speech last year, Mayor Bloomberg called on us to fix this problem. After months of consultations and negotiations with organizations representing every segment of the taxi and livery industries, including organizations that formed as a result of this effort, and as a byproduct of the push of livery owners and bases to achieve legalization, after dozens of meetings with drivers, medallion owners, livery owners, base owners, presentations at every single community board, every single one around the City, meetings with neighborhood groups, civic organizations, all in all five boroughs, after months of these discussions and a huge amount of public debate, the State Legislature voted last June to allow hail service in the boroughs.

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2 And when I say months of public
3 debate, Commissioners, I was trying to
4 compare -- we filed all the press
5 clippings on this plan (indicating)
6 since January 2011 when it was passed.
7 And I was going to read it to prepare
8 for this, and I did get, you know, at
9 least halfway. But this is the public
10 debate, and forget all our internal
11 meetings. This is in newspapers,
12 whether it's El Diario or the New York
13 Times or the Brooklyn papers, the public
14 debate on this was enormous.

15 And it's worth noting that the vote
16 in the legislature was overwhelming.
17 And yes, I've heard people make points
18 that the legislature includes members
19 from outside New York City, of course
20 that is true. But just looking at the
21 New York City members -- forget outside,
22 they also voted. But even just the New
23 York City members, the bill passed by
24 more than 2-to-1 in the Senate and 3-to-
25 1 in the Assembly. I think that those

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2 legislators understand what their
3 constituents want.

4 After the bill passed, still more
5 discussion and negotiation. And then
6 Governor Cuomo announced his support and
7 then the legislature signed the bill --
8 after it was done for Governor Cuomo's
9 comments, they refined still further by
10 an even more lopsided vote in favor.
11 And then the Governor signed the final
12 product.

13 Then that brought the ball into our
14 court. And we, the TLC, drafted rules
15 to fill in all the specifics. The State
16 Legislature, as is should be,
17 articulated the basic principles, our
18 job to fill in the specifics, put those
19 rules out for public comments. And
20 followed still more meetings. And I say
21 that not to complain -- it's my job to
22 go to meetings -- but to emphasize that
23 I have participated in more meetings and
24 discussions, and our staff has, with
25 stakeholders, with the public, on this

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2 issue, by far than on any other issue
3 that we have dealt with. As we should
4 have, because of the significance, no
5 question that it was not too much, but
6 it certainly was a great deal.

7 More meetings, discussions again,
8 every single facet of the industry made
9 comments on these rules, many of them
10 were good comments and resulted in
11 changes. And as you know,
12 Commissioners, we got comments and
13 feedback on the rules, evaluated them.
14 The ones that made sense, we changed the
15 proposed rules to reflect the industry
16 feedback.

17 At the same time, we held numerous
18 open forums attended by hundreds of
19 livery drivers. Truly have made every
20 effort I believe, and successfully, to
21 make sure that the industry understands
22 what we're doing and had the opportunity
23 for feedback. The rule before us today,
24 which is the result of that effort, I
25 will not claim it is perfect, but it

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2 does address the key issue that we heard
3 again and again from the
4 stakeholders: the issue of enforcement.

5 And I want the leadership and the
6 rank and file of the taxi and livery
7 industries who are concerned about
8 enforcement to know we have heard your
9 message. And not that we heard it, not
10 just we'll be saying it, but we are
11 doing it. We are issuing four times as
12 many street hail tickets just today -- I
13 mean just a month now -- than we were a
14 year ago, seizing more than twice as
15 many vehicles, and continuing to build
16 up. And I'm not saying the work is
17 done, of course it is not. But we have
18 heard the -- and this bill -- these
19 rules I should say -- will give us a
20 great deal of help.

21 And really, to single out the
22 efforts of Commissioners Carone, De'Arcy
23 and Gjonaj, particularly on these
24 enforcement issues, Commissioners, you,
25 as you know, have spoken out forcefully

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2 about the need for enforcement. I think
3 the staff has heard that loud and clear,
4 and certainly these rules reflect that,
5 by, for example, providing for
6 suspension, license suspension for
7 drivers who commit illegal street hail
8 violations; by providing, for the first
9 time, accountability for livery bases
10 who, you know, tacitly or not, are
11 complicit in illegal pickups.

12 And again, we have to keep -- we're
13 pushing on this front as well, and
14 Commissioners, as we've discussed, the
15 TLC, the administration has already gone
16 to the City Council to say, to the
17 extent that are penalties, as there are,
18 that are set by the Administrative Code
19 and we are not free to raise, that we
20 have asked the City Council to work with
21 us in raising those penalties for
22 illegal street hails. I do think a \$350
23 fine is not sufficient, and we have
24 asked the Council to work with us to
25 increase that fine for an illegal street

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2 hail.

3 So, when I say, it has been a long
4 path, I am under no illusion that our
5 work will finish today. The special
6 interests who are fighting this reform,
7 after failing to persuade the
8 legislature and failing to persuade the
9 Governor, and apparently in anticipation
10 of failing again today, are making a
11 last-ditch effort in court, so the
12 taxpayers will have to spend even more
13 money to fend off this frivolous
14 litigation. They will do it, and we
15 will proceed. But that's only part of
16 the work that we need to do.

17 Gary (Inaudible) and Gary Weiss, our
18 Deputy Commissioner, are already hard at
19 work making sure that the Licensing
20 Division can do what it needs to do to
21 the forms and the computer systems to
22 accommodate this whole new series of
23 licenses. And Gary, I see that wry
24 smile, and I know that we will be ready
25 for June when the licenses become

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2 available.

3 And of course Ray Scanlon and his
4 team have an enormous enforcement
5 challenge. They've already done the
6 build-up and will continue to do it.

7 And last, I want to just point out
8 that, Commissioners, our work is not
9 done. Each of you or almost each of you
10 has pointed out to me that there are
11 aspects of this rule about which you are
12 not 100 percent certain they will work
13 as expected. What I say to you is, just
14 as we continue to tinker with the rules
15 for yellow medallions 80 years into it,
16 surely this will not be the last word on
17 street hail liveries. We know already
18 that, I believe at least, that on the
19 issue of accessibility we will need to
20 do more to encourage the industry to
21 meet the goal set out, the status of 20
22 percent. We have to make sure that this
23 industry is accessible to people in
24 wheelchairs, and I think the rules we'll
25 have to revisit, I personally predict.

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2 I know that there are members,
3 Council, and we will do our best to work
4 with the industry to see if they can do
5 it voluntarily. But I use that as an
6 issue that I understand we will be back
7 here, and I just don't want people and
8 any Commissioners to think that we're
9 doing this and we're going away and we
10 can go on vacation for a year. We have
11 more work to do.

12 So, with that said, let us hear the
13 public comment. We'll start with Micah
14 Kellner, Assembly Member from
15 Manhattan. What I would ask from each
16 speaker is to begin with your name, and
17 your organizational affiliation if you
18 have one.

19 We will be limiting speakers to
20 three minutes. And members of the
21 public, I will tell you we will be firm
22 about this, because if we let some
23 people speak and then we get three hours
24 down the road and our time constraint
25 forces us shortchange people who are

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2 later on the list, that would not be
3 fair. So, everyone must have the same
4 opportunity, we will limit you to three
5 minutes.

6 Assemblyman Kellner, and next we
7 will hear from Carlos Sanchez and then
8 Abdul Ahmed.

9 Assemblyman?

10 MR. KELLNER: Thank you, Chairman
11 Yassky. I will try to keep my comments
12 brief. I'm here today to follow-up on
13 the comments I sent earlier about the
14 draft rules regarding ambulette service
15 as well as enforcement.

16 You know, when we do rules and
17 regulations, they are designed to
18 implement a law, not to circumvent major
19 parts of the law. We know that
20 ambulettes are not taxis, they are not
21 liveries. It was not in the spirit of
22 this law or in the letter of this law to
23 be saying that ambulettes should act as
24 taxis.

25 I want to correct the Chairman, it

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2 was not a goal of 20 percent,
3 Mr. Chairman, it was a requirement. I
4 worked very hard along with many of the
5 people in this room to ensure that. And
6 I do not want it undermined by saying an
7 ambulette putting a light and a meter is
8 just as good as a livery or a taxi,
9 because it is not. And I am so very
10 glad that the Commissioners heard me and
11 took it out of the rules.

12 You know, I have to say, as someone
13 who has watched this Commission for many
14 years, I have not seen a more active and
15 engaged group of Commissioners than
16 this, so I want to say thank you. And I
17 think it this is very (inaudible) that
18 we are in the Borough of Brooklyn,
19 because Commissioner Carone spent a lot
20 of his free time and his personal time
21 working on this with to me, and I wanted
22 to say thank you specifically to him.

23 But in lieu of the fact that the
24 Chairman said we would be back, I wanted
25 to be ready, and I've introduced a bill

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2 in the State Legislature -- I have a
3 Republican sponsor in the Senate in
4 waiting -- that would prohibit
5 ambulettes from carrying street hail
6 livery licenses. They were never meant
7 to do this, and we should not be looking
8 to circumvent the law.

9 It is the job of this Commission to
10 make sure we reach that requirement of a
11 minimum of 20 percent, and those should
12 be livery drivers who want to go out and
13 pick up, not just able-bodied
14 passengers, but also disabled
15 passengers.

16 The second thing I would like to
17 speak about is enforcement. You know,
18 this proposal, the Chairman spoke about
19 the facts that this proposal was voted
20 on not just by members of the City but
21 also from all over the State. And one
22 thing, when I talk to my friends from
23 (Inaudible) County and (Inaudible)
24 County, they say, "Assemblyman, you got
25 to be okay with this, because they tell

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2 us there's going to be enforcement.
3 There's going to be strong
4 enforcement." And you know, this was
5 sold to all of us, it was sold to the
6 industries, it was sold to the public
7 that there be superhuman enforcement.
8 And as someone who grew up reading comic
9 books, I like to quote one of my comic
10 book heroes, Spiderman, when he said,
11 "With great power comes great
12 responsibility." And you all have --

13 MR. YASSKY: Or the other way
14 around.

15 MR. KELLNER: You have a great
16 responsibility, Mr. Chairman. You are
17 -- (inaudible) and we can no longer have
18 a wild west. We need a one-strike-and-
19 you're-out provision.

20 I agree with you, \$350 is not
21 enough. I have also introduced a piece
22 of legislation this past Monday in the
23 State Legislature making it an undefined
24 misdemeanor if you are caught committing
25 illegal street hails, and that comes

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2 with a fine of up to \$1,000. I thought
3 maybe this might be a little too tough,
4 except on my way down here, as I was
5 crossing York Avenue and 84th, waiting
6 for the light to change, not one, not
7 two, but three illegal liveries stopped
8 to try to see where I was going and if I
9 wanted a ride.

10 We have many competing industries,
11 but I think we've learned over time that
12 they can work together. So, you all
13 must be very measured in doing this. I
14 thank you for your time. I thank you
15 for your work on this. But we do need
16 strong enforcement.

17 (Applause)

18 MR. YASSKY: Thank you.
19 Commissioner?

20 MR. GJONAJ: Can you ask the
21 Assemblyman to come back? I have a
22 question for him.

23 MR. YASSKY: Assembly Member?

24 MR. KELLNER: Sure.

25 MR. YASSKY: I will just urge you,

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2 Assembly Member, and every member of the
3 public, to call 311 when there are
4 violations on our rules. We rely very
5 heavily on the public to identify those
6 things, and I would ask for that. Thank
7 you.

8 MR. KELLNER: Can I answer his
9 response or call 311 first?

10 MR. YASSKY: No, it's just a
11 request.

12 MR. GJONAJ: Thank you, first of
13 all, because certainly without you, this
14 bill would not have made it past the
15 Assembly, it was your involvement and
16 your commitment to this bill. So I
17 congratulate you, first of all.

18 And I reinforce my commitment to you
19 that we will hold true to that
20 20-percent rule. It is a commitment and
21 I will make sure that we deliver that in
22 the manner that it was proposed and the
23 spirit of the law.

24 MR. KELLNER: Thank you, Mr. Gjonaj,
25 I know you will do that. Thank you.

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2 MR. SANCHEZ: Good morning,
3 Mr. Chairman. My name is Carlos
4 Sanchez, and I'm here representing ER
5 Livery Service and ABC1 Livery Service,
6 two small corporations for for-hire
7 vehicles.

8 I'm here to inquire what is the Taxi
9 and Limousine Commission and the City of
10 New York doing for this whole industry
11 on going "Green"? We heard about bits
12 (inaudible) and we have heard about
13 everything but nobody has actually
14 mentioned about these vehicles going
15 green to help New York City and the
16 environment.

17 I know some of you are going to be
18 in Queens and everything else. But we
19 are asking from our drivers to help on
20 the wheelchair accessible community, but
21 we have no help for going green, and I
22 know that the yellow cabs actually, it
23 went years and years to go green.

24 But I think this is the best time to
25 introduce it into this full regulation

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2 that's starting now, and with your help,
3 they can actually introduce it from the
4 beginning for this industry, as more
5 vehicles in the street than the actual
6 yellow taxis are doing.

7 I know that I'm short on time, but
8 my brother and I, we've actually
9 (inaudible) enormous help of clean
10 energy and (inaudible) not only for
11 wheelchair but the elderly, and all 10
12 units are running on fresh natural gas.

13 (Inaudible) I know that the
14 infrastructure in New York is not well,
15 but even using the network of filling
16 stations (inaudible,)

17 (Inaudible) an enormous amount of
18 money just to go green, but we think
19 it's worth it, because me and my brother
20 (inaudible) our drivers of savings of
21 over \$10,000 a year, just for the
22 drivers themselves, that they're going
23 to be saving on gas.

24 MR. YASSKY: Thank you. And I just
25 want to say to you and other folks in

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2

the industry who have the same passion

3

you do, the Commission is very, very

4

strongly interested in sustainability

5

and efficiency. And if there are rule

6

changes that would help businesses like

7

yours achieve those goals, please bring

8

those forward and we would be eager to

9

work with you on that.

10

MR. SANCHEZ: Thank you.

11

MR. GJONAJ: Just curious, the 10

12

MV-1s that you purchased, were they

13

purchased in anticipation for the

14

legislation or for some other purpose?

15

MR. SANCHEZ: We have been working

16

for approximately a year to introduce

17

(inaudible) into the industry.

18

(Inaudible) the opportunity of getting

19

wheelchair-accessible vehicles with the

20

CNG (inaudible.)

21

MR. GJONAJ: Thank you.

22

MR. YASSKY: Abdul Ahmed, followed

23

by Placida Robinson. Again, speakers,

24

if you would, please begin with your

25

name, and if there is one, your

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2 organizational affiliation.

3 MR. AHMED: Good morning.

4 (Inaudible.)

5 MS. MARINO: You have to speak into
6 the microphone.

7 MR. AHMED: Thank you. There's a
8 lot of talking about this whole issue.

9 MS. MARINO: (Inaudible.)

10 MR. AHMED: I am the driver. I'm
11 (inaudible) myself, solely just by the
12 welfare and benefit of the drivers.

13 MS. MARINO: Yellow or livery?

14 MR. AHMED: Livery driver. So, the
15 objective of this bill is mostly and
16 solely is to accessible which is --
17 that's handicap facility. Everything
18 else came up on the TLC from their own
19 enforcement. And I go back to the first
20 speaker who said enforcement. If they
21 enforce misdemeanor or this and this,
22 (inaudible) as other individuals?
23 (Inaudible.) Because the inspectors
24 (inaudible) holding his job, and all the
25 people that were holding (inaudible)

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2 will be punished. (Inaudible.) I will
3 say, I take my license and give it to
4 somebody? Okay. (Inaudible.)

5 So, Somebody has to be responsible
6 for (inaudible.) And I have questioned
7 (inaudible.) Mr. Chariman, some driver
8 education, the meetings should be in
9 (inaudible.)

10 (Inaudible) who are selling the
11 equipment. (Inaudible.) We can play
12 football here. It has to go back to the
13 roundtable starting from the Governor's
14 office where there are driver in the
15 office, no driver opinion, no driver
16 benefit.

17 All these people, insurance company,
18 taxi meter, credit card company, they
19 are just selling peanuts in a cinema
20 more than the ticket price. If you buy
21 a \$5 ticket in the cinema, you go inside
22 and you get popcorn for \$20.

23 (Inaudible)

24 The TLC issue, the medallion which
25 is used, you know, you put it on and you

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use it. All these other equipment you can't afford, because the price of using those equipment is more than -- yellow cab medallion, right now I drive yellow cab. That's a major issue.

The other thing is --

MR. YASSKY: Mr. Ahmed, I'm sorry, but you're time is expired. Thank you very much. Thank you for your comments.

Placida Robinson, followed by Steven Solarsh.

(No response)

MR. YASSKY: Okay, we'll skip Placida Robinson. Is Steven Solarsh here?

(No response)

MR. YASSKY: Cira Angeles, followed by Mohamed Jahinger.

MS. ANGELES: Hi, my name is Cira Angeles. We're livery base owners. We represent about 128 bases in all five boroughs and 9,700 affiliated vehicles.

I want to thank the Commissioner

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2 David Yassky and his staff for
3 recommending (inaudible) driver bases,
4 industry stakeholders and the general
5 public regarding the regulations and
6 allow them to voice their concerns and
7 questions and for providing answers.

8 Today, I'd also like to thank the
9 Commissioners who worked countless hours
10 to ensure that the rights of our drivers
11 are protected, that businesses are
12 preserved and the riding public gets the
13 much-needed service in a safe, legal and
14 reliable way, as well as the needs of
15 the wheelchair accessible community.

16 For over 40 years, our industry has
17 been waiting for this day. We have been
18 called all kinds of names from gypsies,
19 (inaudible.) But this historic
20 legislation and the rules and
21 regulations that will enable our
22 industry to work legally and continue to
23 build what we created out of the
24 community's own needs and the lack of
25 service in our boroughs, because the

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2 right given to the yellow industry was
3 not exercised.

4 The reality is illegal street hails
5 is present every single day in our
6 neighborhoods, 100,000 per day, as the
7 Commissioner said. How long are we
8 going to continue to ignore the fact
9 that technology can and will allow for
10 more effective enforcement to protect
11 both industries, as well as a more
12 proactive role of law enforcement
13 agents.

14 At the end of the day, legitimizing
15 our industry is not a reward for good or
16 bad behavior, it is the right thing to
17 do and (inaudible) the hard work of the
18 men and women of our industry.

19 Today, (inaudible,) Riverside.
20 (Inaudible) proud to have participated
21 in this process which is far from over,
22 but that gives dignity, and forever will
23 change the way our industry has been
24 viewed in the four and five decades
25 before me.

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2 Hailing a taxi, a livery in the City
3 of New York is not a constitutional
4 right, it's a privilege. It's a chosen
5 business and it's a way of life. Thank
6 you.

7 (Applause)

8 MR. YASSKY: Mohamed Jahinger Alam?

9 (No response)

10 MR. YASSKY: The next is Vincent
11 Sapone, I know Vincent Sapone is here I
12 have seen him, followed by Jose
13 Altamarino.

14 MR. SAPONE: Good morning,
15 Commissioners. Thank you, Mr. Chairman,
16 for giving me the opportunity to speak.
17 I want to make a few comments. It's
18 true that we met with the taxi industry
19 about the solutions, but I think it fell
20 on deaf ears, if you'll excuse me for
21 saying so.

22 The taxi industry often (inaudible)
23 of solving the problem. But for some
24 reason, the TLC did not seem to hear our
25 suggestions or want to hear anything we

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had to say. I mean, you were there and the staff was there, but nothing ever happened. I think you guys had your mind made up before you even met us.

MS. MARINO: No.

MR. SAPONE: Quiet please. Let me tell you something, okay? I drove a yellow back in 1964, and I worked the Bronx and Harlem only because I didn't like coming out to Manhattan with those snoopy 10-cent tippers.

(Inaudible)

And the livery bases came in and everybody made calls to the liveries for a ride who wanted one, and then people who wanted a yellow came to a taxi stand. Then the day came when the taxi stand was full with liveries, in Parkchester, Pelham Bay, all over the Bronx. So what happens? You get involved and they get in fights. And they push you out to Manhattan. And the TLC -- you weren't there at the time -- and NYPD did nothing, nothing.

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2 So, now the yellow industry is
3 suffering because you want to take over,
4 and you, the TLC and the honorable Mayor
5 wants to take away a living from our
6 guys, take away a fleet of guys whose
7 father worked 18 hours a day, seven days
8 a week to make what he had.

9 I borrowed from everybody I knew to
10 purchase my medallion. And to come up
11 with 10 to 15 grand at the time was
12 (inaudible) coming \$100,000 now. You
13 know, we offered solutions and it fell
14 on deaf ears.

15 We want service for everybody, but
16 we want to do it right. The yellow
17 industry is the best in the world. You
18 know, people want to make what we work
19 hard for? Let them go on the same route
20 that we went on. I didn't go up easy.
21 My biggest reward was buying a bottle of
22 cream soda on a Sunday, you know. So
23 everybody wants what I got. I don't
24 want people coming into my house and
25 eating my food. Thank you.

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2 (Applause)

3 MR. YASSKY: Very sincerely, thank
4 you, Vinny, for your participation. I
5 don't want to go past the time, but I do
6 say sincerely, thank you, and I think
7 you have expressed, you know, change is
8 difficult under the best of
9 circumstances. But I appreciate your
10 being here.

11 Jose Altamarino, followed by Ethan
12 Tuncel and Cliff Adler.

13 MR. ALTAMARINO: Good morning. My
14 name is Jose Altamarino and I am here
15 speaking as a member of the Livery Base
16 Owners Association and owner of
17 (inaudible) located East Harlem. I
18 would like to thank the Commissioners
19 for giving me the opportunity to speak
20 here today.

21 Although our organization is
22 relatively new, at the same time it's
23 relatively old. Maybe because this is
24 the first time livery bases have
25 gathered together to have honest

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2 (inaudible) and because we have always
3 been.

4 I am most likely the youngest member
5 of our organization, and my peers I'm
6 sure are far more knowledgeable than
7 myself. Even then, I have been managing
8 my family business for the last 16 years
9 actively. And before that, I was
10 running around my parents' base while
11 they were trying to grow business from
12 scratch.

13 To that point, you can imagine the
14 wealth of knowledge (inaudible) and
15 understanding that our organization as
16 base owners has regarding our industry.

17 When we, the livery base owners,
18 were approached by the TLC Commissioner
19 Yassky and his team to help them review
20 and give feedback on the proposed rules,
21 we were ready for the task presented
22 before us. I will admit that I was a
23 bit skeptical at first. Unfortunately,
24 as a base owner, many years of
25 disappointing TLC regulations have left

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2 me a bit tired. However, after sitting
3 down with the TLC team and even
4 Commissioner Yassky himself, I saw other
5 feedback and certain other (inaudible)
6 were actually being taken into account
7 (inaudible.)

8 Of course not everything we wanted
9 was entertained, but it felt good to be
10 heard, especially by the office that
11 governs and enforces regulations in our
12 industry. It was then I realized that
13 the TLC wasn't (inaudible) for our
14 previous passing of regulations that
15 didn't make sense to our industry, but
16 the lack of (inaudible) for base owners
17 that we have today.

18 Today's proposal will legitimize our
19 livery bases so that we are no longer
20 considered "the illegals." They will
21 allow us to keep our business
22 (inaudible) while at the same time open
23 the doors for share of the street hail
24 market that we honestly already have and
25 have been exercising. It will give us

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2 the necessary (inaudible) to ensure that
3 only street hail vehicles pick up the
4 street and that no street hail vehicles
5 will pick up in exclusionary zones.

6 Also gives us the opportunity to
7 service our communities better by being
8 able to purchase accessible vehicles,
9 and through that service, in the future,
10 help our city's citizens by working
11 directly with the MTA.

12 We are and have been a part of our
13 communities, so who better to continue
14 serving than us?

15 For my drivers, it will give them a
16 great economic opportunity. Legalizing
17 street hails will give our livery
18 drivers the respect and courtesy from
19 the general public that they deserve.

20 Stabilizing prices for the use of
21 meters will reap a benefit for both my
22 drivers and the passengers they cater
23 to. No more need for haggling over a
24 price, and the passenger will feel
25 comfortable that he is not being

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2 cheated.

3 (Inaudible) it will benefit both
4 drivers and passengers so they are
5 easily identified to one another.

6 Also very important is the fact that
7 through the accessible vehicles in this
8 proposed law is we can now cater to our
9 passengers that are wheelchair-bound in
10 a realistic way, giving them the equal
11 service that is within their right.

12 After discussions with Commissioner
13 Yassky's team and the Commissioner
14 himself, I believe that the TLC is
15 starting to understand just how vast the
16 difference is between the livery and the
17 yellow car business model. I sincerely
18 hope that this level of communication
19 between the Taxi and Limousine
20 Commission and the livery base owners
21 will continue. The livery base owners
22 supports these proposed laws and we look
23 forward to continue working hand in hand
24 with the TLC. Thank you.

25 MR. YASSKY: Thank you very much.

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2 Thank you for your kind words about the
3 staff. I do want to say, however people
4 feel about the final product of the
5 rules, the staff has just worked, just
6 really -- some may encounter superhuman
7 dedication and diligence. I thank you,
8 sir.

9 The next speaker is Erhan Tuncel and
10 Cliff Adler, followed by John Moraida.

11 MR. TUNCEL: Good morning,
12 Mr. Chairman and Commissioners. My name
13 is Erhan Tuncel, and I'm a medallion
14 taxi owner and driver, and I thank you
15 for the opportunity to speak.

16 I have many concerns about licensing
17 livery cars to pick up street hails.
18 One of my concerns is how it will affect
19 my income. I take my passengers
20 anywhere they want to go, and oftentimes
21 that takes me to Brooklyn, Queens or the
22 Bronx and even to Staten Island. When I
23 drop off, I'm looking to pick up another
24 fair; as I've counted, 15 percent of my
25 income comes from picking up fares in

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2 the boroughs.

3 It's hard enough to get these fares
4 because of (inaudible) that's constantly
5 happening with no effort by the City to
6 stop it. If there was more enforcement,
7 there would be more yellow taxis in the
8 boroughs, I can assure you that.
9 Allowing (inaudible) liveries to do
10 street hails will hurt me and any taxi
11 driver.

12 Also, from the comments made in this
13 room, I still have a hard time
14 understanding the logic behind putting
15 out 18,000 livery street hails for
16 100,000 illegal street hails in the
17 boroughs, as was stated.

18 When I bought my medallion I
19 understood that I had the exclusive
20 right to pick up street hails in the
21 five boroughs in New York City. That
22 right is being taken away from me.

23 (Inaudible)

24 But this administration is choosing
25 to punish the yellow industry for

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2 obeying the rules for over 30 years,
3 while rewarding the segment of the
4 industry that broke every single rule in
5 the book for the same amount of time.

6 I had bought my medallion with the
7 exclusive right to pick up street hails
8 and expected the government to protect
9 that right rather than give it away to
10 the lawbreakers for pocket change.

11 I'm a small businessman, and as a
12 small businessman, I feel betrayed.

13 Thank you four your time.

14 (Applause)

15 MR. ADLER: Mr. Chairman,
16 Commissioner, good morning. My name is
17 Cliff Adler. I'm an owner/driver,
18 driving 37 years.

19 Like Erhan, when I bought my
20 medallion, the understanding was the
21 City would demand that the only people
22 who could do street pickups in the five
23 boroughs -- which I've been doing ever
24 since then -- was yellow cab drivers.

25 When I started, we had hustlers out

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2 in the streets, over the years, it's
3 become and more and prevalent. We know
4 that, the public knows that, the TLC
5 knows that. Unfortunately, I think the
6 TLC is somewhat overwhelmed by the
7 amounts of the illegal street pickups
8 that go on, especially when it's
9 raining, especially around hotels,
10 especially around Park Avenue. You take
11 some of the hotels, like the Millennium,
12 they have their own car service sitting
13 out front. You never as a yellow cab
14 get an airport ride because they're
15 selling them for \$5 for Laguardia, \$10
16 for Kennedy and \$15 for Newark rides to
17 the airport. That's not right.

18 So, this attempt right now to get
19 18- 20,000 -- whatever -- medallions to
20 people who can pick up in the boroughs,
21 and also pick up by radio call in the
22 street? That's why we were told to the
23 get the radios out of the yellow cabs in
24 the first place, when that started.

25 (Applause)

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2 MR. ADLER: Unfortunately, as we see
3 in that case already, it hasn't
4 happened. And for that, I think it's a
5 real shame. Thank you, Mr. Chairman.

6 (Applause)

7 MR. YASSKY: Thank you. The next
8 speaker is John Moraida, followed by
9 Mark Goldstein.

10 MR. MORAIDA: Good morning,
11 Commissioners. I'm John Moraida from
12 the Livery Base Organization, also
13 (Inaudible) Car Service, and a member of
14 the Brooklyn community, and most
15 important, a member of the Bushwick
16 community in Brooklyn- that we were
17 center of the world for a little while
18 in this argument.

19 I come here, like Marky said,
20 straight from the heart. Forget about
21 writing and stuff like that.

22 We've been doing this service, the
23 livery bases have been doing this with
24 minority people that came from abroad to
25 work here and have stood in the livery

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2 business and have honestly, and send
3 their children to college and stuff like
4 that. And we have worked hard for the
5 last 40 years picking up people, because
6 of the (inaudible) of our communities to
7 have street hail pickups. We've been
8 doing it for the last 40 years.

9 So, when other people say, "You know
10 what? You're coming now into our house
11 and I'm not going to let you come into
12 my house," well, I have my community
13 support 100 percent for this legislation
14 and I have it here, that sent out a
15 letter to the Governor, and I will have
16 a copy for everybody, that the community
17 board in Bushwick is in support.

18 And we need it. And that's why we
19 say to the yellows, "If you want to
20 share, you can come into my house, we'll
21 share with you." But we're legalizing
22 what we have been doing for the last 40
23 years.

24 (Applause)

25 MR. YASSKY: Thank you. Mark

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2 Goldstein, followed by Steven Schneir.

3 MR. GOLDSTEIN: My name is Mark
4 Goldstein, I'm a board member of the New
5 York Association of Independent Taxi
6 Drivers of New York.

7 To the best of our knowledge, we are
8 the only group --

9 MR. YASSKY: I'm sorry, I need to
10 interrupt, I apologize. But I was
11 prompted by the exchange at the end.
12 What I would ask speakers, please
13 address the Commissioners rather than
14 addressing your remarks to other people
15 in the audience. That leads nowhere
16 very productive. This is an opportunity
17 for people to speak to the Commission.
18 I want to make that practice. Thank
19 you.

20 MR. GOLDSTEIN: I'm Marty Goldstein,
21 (inaudible) To the best of our
22 knowledge, we are the only group that
23 has spoken on behalf of livery drivers
24 and has been actively engaged with the
25 Commission raising our concerns

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2 regarding the new street hail livery.
3 We would first like (inaudible) and the
4 staff, particularly (inaudible) for
5 meeting with us throughout this process.

6 Our association supports and is
7 behind the new outer borough taxi plan.
8 While we did not initially agree with
9 some of the initial rules and
10 regulations, we recognize that
11 Commission has taken steps to address
12 many of our concerns and we support the
13 plan in its current form.

14 Our members have expressed great
15 enthusiasm and interest in the plan.
16 Many of the drivers we represent often
17 work 12 hours a day, six days a week,
18 sometimes seven, to earn a living and
19 provide for their families. This plan
20 (inaudible) to participate an
21 opportunity to invest in their business
22 and their future just as yellow taxis
23 have in the past. Drivers are well
24 aware that this permit will be an asset
25 and they will work hard to protect it.

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2 The street hail (inaudible) income.
3 (Inaudible) high insurance premiums and
4 costly maintenance repairs make it
5 difficult for livery drivers to earn
6 sufficient income.

7 (Inaudible) not working just as
8 yellow taxi owners currently do.

9 (Inaudible)

10 While we do not approve of current
11 drivers making illegal street hail
12 pickups, we acknowledge that in practice
13 it occurs frequently, due to the high
14 demand and the lack of yellow taxis
15 servicing many of the outer borough
16 locations.

17 We are confident that this service
18 will be safer for the passengers and
19 will increase the public's confidence in
20 the new livery cabs. Passengers will no
21 longer negotiate fares and can be sure
22 that the vehicle they're getting into is
23 properly licensed and the driver has met
24 the appropriate TLC requirements.

25 At the same time, drivers will be

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able to provide a service they already provide without breaking the law.

Our members understand that participating in the new plan is completely voluntary. We are confident that many will take advantage of the opportunity while others will continue to operate as before and only do pre-arranged pickups.

We understand that there must be strict enforcement of the rules in order to make the street hail livery work, as well as to protect the investment.

We also understand that education is an important part of the process, and we look forward to working with the Commission to ensure drivers are knowledgeable regarding the new systems and operations of the vehicle and are able to provide the best possible service to the public.

We believe that the public will be better able to identify legitimate cabs in all five boroughs with this new plan,

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1
2 due to the distinguished markings that
3 will set them apart from illegal
4 vehicles.

5 Additionally, the public, in the
6 outer boroughs will now have the option
7 of paying with credit cards or debit
8 cards and will be better able to find
9 lost property.

10 Lastly, the new outer borough taxis
11 will provide increased access to
12 individuals who use wheelchairs, while
13 very few yellow taxis currently provide
14 this service.

15 In conclusion, we are very excited
16 about the new plan and look forward to
17 being a part of this (inaudible.) Thank
18 you for your time and your important
19 work. Thank you.

20 (Applause)

21 MR. YASSKY: (Inaudible) and your
22 colleagues who have legitimate and
23 substantial concerns about how this
24 would work in their daily lives, and I
25 just want to recognize their flexibility

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and commitment in working on the rules.
So, thank you.

Stove Schneir, followed by Richard
Thaler.

MR. SCHNEIR: Good morning. My name
is Steven Schneir, I'm general manager
of MV-1 of Greater New York City. I
want to thank Chairman Yassky and
Borough President Markowitz for the
opportunity to speak here today.

(Inaudible)

I support the need for better
service to the other four and a half
boroughs that are not served now.

(Inaudible)

There are a lot of problems with
accessibility in New York, there are a
lot of problems with the environment in
New York. Our vehicle offers a
solution. We offer a U.S.-built,
wheelchair-accessible vehicle that runs
on clean, natural gas. We created 1,000
jobs in the U.S. for the local five
(inaudible.)

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2 And I'm here to support both the
3 yellow taxi industry and the livery taxi
4 industry in achieving the goals that are
5 being set forth here today.

6 MR. YASSKY: Thank you very much.
7 As you take your seat, I will tell you,
8 we're going to have to be a little bit
9 (inaudible.) It's a mandate of 20
10 percent of the borough taxi in Queens be
11 accessible. (Inaudible) economically
12 attractive to industry members to invest
13 in the accessible vehicle.

14 (Inaudible)

15 Look forward to working with you and
16 other people in the automotive industry
17 in achieving that. So, stand ready.

18 UNIDENTIFIED SPEAKER: Thank you
19 Mr. Chair.

20 (Inaudible)

21 MR. YASSKY: Well, thank you.
22 Richard Thaler.

23 MR. THALER: Chairman Yassky,
24 Commissioners, I would like to add five
25 additional comments to those already

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1
2 submitted March 22nd. I will not repeat
3 those, but before I go over these five
4 additional ones, I'd like to say that I
5 believe an Environmental Impact
6 Statement should be required for the
7 street hail licenses, because the dead
8 mileage for the cruising in the street
9 hail should be significantly greater
10 than the operation in pre-arrangement.
11 That's not on the list. I thought I
12 would add that.

13 The Commission remains complicit in
14 the violation of the New York State
15 Franchise Act and Federal Trade
16 Commission regulations requiring
17 licensed livery bases, (inaudible) in
18 order to legally operate in New York
19 State. A livery base has to be granted
20 a New York State franchise in order to
21 receive and legally operate a livery
22 base under the street hail license. It
23 sounds like the willfull acts of
24 ommission should be implied to the
25 Commission, as well as to these

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2 non-franchise livery bases.

3 The rest of the comments have to do
4 with Chapter 59(b) for livery bases.
5 The livery base rules should require
6 realtime trip-record posting for access
7 by TLC enforcement for each pre-arranged
8 dispatch and street hail trip, including
9 the time and location and the period of
10 passenger presence determined by a
11 presence sensor. The TLC enforcement
12 should be able to access trip records
13 in realtime on mobile phones
14 (inaudible.)

15 In addition to fare payment by
16 credit, debit and pre-paid cards for
17 street hail trips, as indicated in the
18 rules, voucher-account passengers
19 hailing a for-hire vehicle affiliated
20 with the livery base providing the
21 passenger's voucher accounts should also
22 be able to pay buy voucher; the rule has
23 specified this is the case, the rule
24 must also specify the rate of fare for
25 this purpose as "taxi metered" or

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2 "vouchered."

3 The first part of the Merchant's
4 Definition 1 is in incorrect. As stated
5 in the Merchant Definition 1
6 (inaudible.)

7 (Inaudible)

8 Thank you.

9 MR. YASSKY: Thank you. Ethan
10 Gerber, followed by Rocky Collavo.

11 MR. GERBER: Hi, I'm Ethan Gerber,
12 from the Greater New York Taxi
13 Association, and also the Brooklyn Bar
14 Association. (Inaudible.)

15 I acknowledge that there are several
16 Commissioners who understand the gravity
17 of what they're doing here today, that
18 made strenuous efforts to add some
19 sanity into in these rules, I thank
20 those of you who tried hard to do so
21 (inaudible,) that has been added because
22 of your efforts.

23 That being said, make no mistake,
24 this Commission is poised to vote on the
25 biggest taking of property ever

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2 undertaken by an administrative agency
3 in the history of New York City. You're
4 about to vote on a measure that would
5 give away the license that you sold us,
6 give away the right that we purchased
7 from you, give away our livelihoods and
8 our businesses, give away the collateral
9 that banks based loans on, give away the
10 small businesses of thousands of New
11 Yorkers who purchased them from you,
12 give away our exclusive rights to pick
13 up street hails that you auctioned to us
14 having secured through loans to
15 purchase.

16 There are nearly \$5 billion in loans
17 on the line, have you considered what
18 happens when an asset suddenly
19 diminishes?

20 (Inaudible)

21 Was anyone in the City government
22 paying attention when this happened to
23 the housing market?

24 Have you asked the banks? I know
25 the staff has asked the banks, but have

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you asked the banks what would happen?

Have you conducted any kind of economic study? Have any of the Commissioners read such a study or talked to the banks? I know the Chairman and staff have, they disagree with the banks and professional lenders. I ask you, who knows better?

Let me tell you what these proposed rules do not do. They do not create, I'm sorry to say, Mr. Chairman, the jewel that you referred to. They do not provide Brooklyn, Queens, Staten Island and the Bronx the same quality service that medallions provide. They will not benefit the passengers.

What they do is create a second-class street hail license for second-class service for 80 percent of the city. First-class yellow cabs must be brand new cars when they hit the streets. The new second-class borough cars can be any old junk box.

First-class yellow cabs are supposed

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2 to retire after three years. The new
3 second-class borough cab could be driven
4 until it falls apart. Don't the
5 boroughs deserve new cars?

6 First-class medallion cabs must be
7 inspected for safety emissions
8 quarterly. Second-class borough cabs do
9 not. Don't boroughs deserve clean air
10 and safe cars?

11 First-class medallion cars, drivers
12 must undergo 85 hours of training.
13 Second-class borough drivers do not.

14 First-class medallion drivers must
15 demonstrate basic proficiency in
16 English. Second-class borough drivers
17 do not. Don't the boroughs deserve
18 trained drivers who speak English? If a
19 driver picks you up in Brooklyn, is it
20 somehow okay if he can't understand
21 you? This is patronizing.

22 Since 1937, the City of New York has
23 said to thousands of New Yorkers, many
24 of whom were immigrants, that if they
25 work hard and invest in their own small

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1
2 business represented by taxi medallions,
3 they can prosper and get the
4 (inaudible)a secure foothold in
5 America.

6 42 percent of the taxi industry is
7 one driver with one medallion. Each
8 represents one small tax-paying New York
9 City business; a business that supports
10 a family and allows it to own a home and
11 to send its kids to college, and finally
12 get a nest egg for its old age; all on
13 that basis of a medallion, after 75
14 years, since 1937, the City has said
15 represents an exclusive right. They
16 have paid hundreds of thousands of
17 dollars for this right, some have paid
18 over a million dollars for this right.
19 They are burdened with huge loans
20 (inaudible.)

21 Now the TLC is proposing to give
22 away as many as 18,000 (inaudible) for
23 virtually nothing and with falling
24 standards that don't come close to
25 approaching those of taxis. This is not

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a gift to the boroughs, it is an insult.

(Inaudible)

Does anyone seriously believe that only 120 or 150 taxi inspectors can adequately monitor a total of over (inaudible) vehicles?

Mr. Chairman, you said people hailing cabs are breaking TLC rules. That's not true. That license, the drivers are the ones breaking the rules, and the drivers are the ones that you are giving this right to.

Does anyone seriously think that these vehicles would (inaudible)? These rules did allow applications for people who already have outstanding TLC summonses for doing precisely that conduct. Who among the Commissioners think they will stop? If you do, what is the basis of your opinion?

MR. YASSKY: Could you sum up please.

MR. GERBER: Yes. (Inaudible,) they take away our rights. They take away

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2 our equity. They take away our value.

3 The enforcement is not there. It
4 has not been there. Our own studies
5 show that you can get as many as --

6 MR. YASSKY: Mr. Gerber, could you
7 sum up please.

8 MR. GERBER: Yes. Commissioners, I
9 beg you, do not destroy, in one vote,
10 what this industry and what your
11 predecessors have built over 75 years.

12 (Applause)

13 MR. GONZALES: Mr. Gerber, I have a
14 question. So, you mentioned about \$5
15 billion in all of the outstanding loans
16 and over (inaudible)?

17 MR. GERBER: That's correct.

18 MR. GONZALES: Which is probably
19 slightly north of about 50 percent
20 (inaudible.) Do you happen to know what
21 the debt coverage ratio is for these
22 loans?

23 MR. GERBER: It varies,
24 Commissioner.

25 MR. GONZALES: What is it on

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2 average?

3 MR. GERBER: The lenders have made
4 those statements. The lenders are
5 available. And I know that if you
6 consult with the lenders, as I have,
7 you'll find that they are terrified on
8 (inaudible.)

9 MR. GONZALES: Terrified in what
10 sense? I mean, that's a pretty strong
11 word.

12 MR. GERBER: They are terrified,
13 Commissioner, because they have based
14 their loans on an asset. Today, what
15 you are doing if you vote this way is
16 you are changing the definition of the
17 asset. You are actually limiting that
18 asset tremendously. You're also
19 plugging a market with the vehicles that
20 are not controlled by --

21 MR. GONZALES: I need numbers.
22 Those kinds of statements have no
23 substance. I'm looking for something --

24 MR. GERBER: Right now if I had a
25 medallion, which I do, I have exclusive

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2 rights to pick up street hails in 100
3 percent of the City, you're now giving
4 away the vast majority of the City,
5 including areas that are dominated by
6 yellow cabs. These rules, by the way,
7 talk about 96th Street, they talk about
8 110th Street in Manhattan. Those areas
9 are dominantly yellow. I know. I live
10 in that neighborhood. The cabs are
11 flooded there.

12 Mount Sinai Hospital is on 100th
13 Street. Columbia University is on 116th
14 Street. These are yellow areas serviced
15 by the yellow industry. You are taking
16 away our rights in these areas. You are
17 flooding these markets.

18 To assume that you could sell a
19 medallion taxicab that's legal to
20 operate on 95th Street for \$1 million,
21 that your basing your entire budget
22 on -- the entire budget of the City of
23 New York is based on the auction
24 (inaudible,) and to say that at the same
25 time, you're going to sell a car that is

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2 on 96th Street for \$1,500 is
3 preposterous. How does it not change
4 the value? How does it not change the
5 asset structure?

6 How does it not change the
7 collateral that's based on these
8 mortgages? These mortgages are
9 something. A New York City medallion
10 taxi, the medallion is just a little
11 piece of tin, it has no descriptive
12 value whatsoever. The only thing you're
13 selling is an exclusive right. Tell us
14 to break apart that right, and tell the
15 bankers today, "Well, in 2012, we're
16 going to take away 80 percent." What
17 are we going to do in 2013? What are we
18 going to do in 2014? What is that piece
19 of tin worth?

20 MR. YASSKY: Mr. Gerber.

21 MR. RATTNER: He's been around a
22 long time. His father's business is in
23 business for over 40 years. Give him
24 the courtesy to speak. People here are
25 losing their livelihoods, including me.

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2 (Whereupon, there was an outburst in
3 the audience.)

4 MR. YASSKY: Sir --

5 (Outburst)

6 MR. YASSKY: You certainly have your
7 right to speak.

8 (Outburst)

9 MR. YASSKY: Inspectors?

10 Let me just interrupt for a second,
11 if I may. So, again, for people in the
12 audience who wish to participate, just
13 put your name on the list. You will
14 have the opportunity to speak within the
15 time constraints. You will have that
16 opportunity.

17 You folks know, (inaudible) the
18 auction for medallion closings. There's
19 a purchaser there today who's been now
20 in the process of closing a minifleet
21 sale, that's two medallions together,
22 for \$2.1 million.

23 MR. GERBER: Has the volume of sales
24 been consistent?

25 MR. YASSKY: Mr. Gerber, may I?

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2 MR. GERBER: You're throwing out a
3 figure, and the figure doesn't tell the
4 full story.

5 MR. YASSKY: You will have your
6 turn.

7 So, just to be clear, that the
8 purchaser -- in case he didn't know,
9 that the purchaser was advised of --
10 we'll be talking again later today. But
11 the sale was in the process of -- I'm
12 sorry, you can continue your questions.

13 MR. GONZALES: Okay, the only thing
14 I want to say is that if this gentleman
15 would like to speak, please sign up.
16 And if you have a response to my
17 question, either speak today, or if you
18 want to contact staff with the
19 information with respect to the debt-
20 service coverage ratio.

21 MR. GERBER: The gentleman you
22 referred to was one of the principal
23 lenders in this industry.

24 MR. YASSKY: Thank you, Mr. Gerber.
25 I'm sorry, commissioner Gjonaj?

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2 MR. GJONAJ: Will you be more
3 specific on the enforcement, and what is
4 it that you're looking for today?

5 MR. GERBER: The enforcement --
6 first of all, there is no real
7 enforcement in New York City. The
8 Chairman has increased the numbers
9 double I think -- the Commissioner, the
10 Chairman, (inaudible) has I think
11 doubled the number of enforcement. But
12 what it comes out to, the last time I
13 (inaudible) is about 18 summonses per
14 man, per month, was the last number I
15 saw. That number is absurd. That
16 number is absurd.

17 We did our own private test and we
18 were able to get basically that number
19 per day -- not per month, per day, per
20 man.

21 MS. MARINO: When you say "per man,"
22 you mean per enforcer?

23 MR. GERBER: Per enforcer. There
24 are I believe 130 agents on the ground,
25 total agents. And that's 24/7,

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2 obviously they're not working seven days
3 a week and they're not working 24 hours
4 a day. The cabs are, the livery
5 vehicles are, they're out on the street,
6 24/7, seven days a week.

7 At any given time, you might have
8 50, 40 inspectors out there, there's no
9 way to enforce this this way. It's
10 simply impossible. And all you have to
11 do -- I understand the concerns when
12 people talk about Bushwick and I
13 understand Brooklyn.

14 Look in Manhattan, just walk down
15 the street in Manhattan and see how much
16 illegal activities are going on right
17 now at any given time. And to say that
18 you're going to issue thousands of these
19 permits and you're going to put the
20 indicia of respectability on these cars,
21 you're going to put the rooftop on it,
22 and you're going to say that these cars
23 are not going to drive in Manhattan,
24 it's simply absurd.

25 They're going to go where the volume

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1
2 is. They're going to go where they
3 think they can make the most money,
4 because that's what taxi drivers do.
5 They circulate in a place where they
6 think they can get high volume. They're
7 going to be taking this business.

8 Commissioners, I'm not against --
9 and I don't think anyone in this room is
10 against better service for the
11 boroughs. We have suggested all along
12 that you can create great service to the
13 boroughs, similar service to the
14 yellows, similar requirements to the
15 yellow.

16 Sell the yellow, sell a borough
17 medallion, sell it cheap, make it a
18 transferable medallion. Make it
19 something that you can borrow against
20 the yellow medallion. Make it have the
21 same exact requirements that a yellow
22 Manhattan medallion has to.

23 Why should it be a different type of
24 car in Brooklyn than it is in
25 Manhattan? Why should it be a different

1 HEARING 4/19/12

2 type of car in Queens than it is in
3 Manhattan? Why should it be a -- why
4 should it be a 10-year-old car in
5 Brooklyn is okay but a two-year-old car
6 in Manhattan is not?

7 (Applause)

8 MR. YASSKY: Mr. Gerber --

9 (Whereupon, there was an outburst in
10 the audience.)

11 MR. YASSKY: I'm asking the
12 inspectors to remove this gentleman and
13 this gentleman, and you can come back in
14 a few minutes, but you are going to be
15 removed for now. We cannot have
16 shouting at each other in the audience.

17 And I'm going to ask the members in
18 the audience -- I understand the loud
19 clapping, it's appropriate. But we're
20 not going to have clapping/booing-kind-
21 of arguments between folks here in this
22 audience. We are going to conduct this
23 discussion in as an appropriate way as
24 we can.

25 MR. GERBER: And I further say, why

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2 is it that a car -- I was at the last
3 Transportation Committee hearing that a
4 Commissioner was talking about cars that
5 are three years old, they're three years
6 old, (inaudible,) inspections aren't --
7 maybe not necessary.

8 We have cars that two years old, one
9 years old, have to be inspected
10 quarterly for emissions. Why is it a
11 10-year-old car doesn't have to?

12 MR. GJONAJ: Mr. Gerber, I want to
13 get to the point. Let's stick to
14 enforcement; what is it specifically
15 that you can suggest to us as a
16 Commission that would be --

17 MR. GERBER: Thank you,
18 Commissioner, and I appreciate that.
19 One thing that has to be done is there
20 has to be a one-strike-you're-out, as
21 someone else said. It has to be a
22 seizure of vehicles with (inaudible)
23 forfeiture proceedings. It has to
24 stick. It has to be incentive at the
25 cost of doing business. Because you're

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2 making money every single day on the
3 street. A \$350 fine, as the Chairman
4 said, isn't substantial. But you know
5 what? So is a \$500 and so is a \$1,000
6 fine. Because if you're making money
7 every single day that way, you're going
8 to continue.

9 MR. GJONAJ: Thank you. And I think
10 Commissioner De'Arcy wants to ask a
11 question.

12 MS. DE'ARCY: I just wanted him to
13 respond specifically to the enforcement
14 point, but I think you just answered the
15 question.

16 MR. GERBER: The other thing I
17 noticed that I think will help is that
18 you're going to need a lot more boots on
19 the ground -- one more point.

20 I believe there was a last-minute
21 change, and I'm not sure about this,
22 this was hearsay that I was told, that
23 the technology that goes into these cars
24 should stop the meter from running
25 automatically, and should notify the TLC

1 HEARING 4/19/12

2 if this car is in the zone, if this car
3 is in the district, it should be noted.

4 I believe this was a last-minute
5 withdraw from the rules -- but it was
6 hearsay, I didn't see it for myself.
7 But I heard this morning that the TLC
8 actually just recently took these rules
9 out, that, why not have the same type of
10 technology solutions? For some
11 reason -- you can (inaudible) and I
12 can't. The agency is resistant to
13 having the technology solution of making
14 sure that that meter cannot go on in our
15 boroughs, making sure that the TLC is
16 notified of a violation and that if
17 they're in the boroughs a violation is
18 automatically generated.

19 MS. DE'ARCY: If you get a
20 pre-arranged call in the outer boroughs
21 to Manhattan, now what?

22 MR. GERBER: I agree with you,
23 Commissioner. So, let the technology
24 justify that. If there's a call, let it
25 register with the TLC. The TLC data

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2 mines all the time. We are
3 constantly -- summonses issued on yellow
4 cabs constantly on data mining.

5 MR. YASSKY: Just in the interest of
6 everyone, those are excellent
7 suggestions on the enforcement. As to
8 penalties, as to seizure, as to
9 suspension, some of that is in our rules
10 that we're voting on today. Some we do
11 need the City Council's help with, and I
12 certainly will encourage you and ask for
13 your help to in getting the City Council
14 to work with us to raise the penalties
15 for illegal street hails.

16 MR. GERBER: I'll be happy to help.

17 MR. YASSKY: (Inaudible.)

18 As far as the technology, the rules
19 do require, which was suggested,
20 originally put forward I believe by
21 you're industry or somebody in your
22 industry, that the credit card machine
23 and meter in the borough taxis will go
24 off, not be able to be used in the
25 exclusion zones. That is in the rules

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2 that are before you.

3 MR. GERBER: (Inaudible.) I would
4 ask that you go to the City Council, fix
5 it before you do this, get it done
6 right, and then vote on it.

7 MR. YASSKY: I'm with you half and
8 half on that.

9 (Applause)

10 MR. YASSKY: The next speaker, Rocky
11 Collavo, followed by Bhairavi Desai.

12 MR. COLLAVO: Good morning,
13 Commissioners. (Inaudible.)

14 It is the oldest base here in New
15 York City for-hire.

16 (Inaudible)

17 The playing field is not level at
18 this time. We, as an industry, we have
19 to stand strong in unison and respect
20 each other as livery and yellow cab
21 drivers.

22 (Inaudible)

23 Thank you.

24 (Applause)

25 MR. YASSKY: The next speaker is

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2 Bhairavi Desai, followed by Peter Mazer,
3 from MTBOT.

4 Mr. Collavo, I want to make sure you
5 understand, as a business person, that
6 the decision whether to obtain a hail
7 license for your base or for any of the
8 vehicles affiliated with your base is
9 entirely up to you and up to the vehicle
10 owner. No base will be required to get
11 the new license. For the businesses
12 that wish, as you apparently do, to
13 operate as you have been doing,
14 exclusively at free range, will do so.
15 And I encourage you to make that
16 decision.

17 MR. COLLAVO: Thank you,
18 Mr. Commissioner.

19 (Inaudible)

20 MR. YASSKY: Thank you, sir.

21 MS. DESAI: Good morning. I'm
22 Bhairavi Desai, executive director of
23 the New York Taxi Workers Alliance. We
24 represent the drivers in the yellow
25 medallion taxicab industry.

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2 UNIDENTIFIED SPEAKER: No, you
3 don't.

4 MS. DESAI: Yes, we do. And we
5 don't represent the people who feel
6 aligned with the garages and the agents
7 and the brokers in this industry.

8 More than 80 percent of the drivers
9 in the yellow cab industry are these
10 drivers. We have members who are both
11 lease drivers, as well as
12 owner/operators.

13 And I'm here to say to you, we've
14 been hearing over and over and over
15 again from the yellow industry that this
16 the biggest transition that has ever
17 happened in history. What they failed
18 to remember is the bringing on of the
19 leasing system which changed the playing
20 field for the drivers in this industry.

21 The yellow solution will pin
22 everything on the backs of drivers.
23 They talked about having us do a 12-hour
24 shift only in the outer boroughs without
25 lowering the lease or certainly even

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2 paying for the fuel. When leasing was
3 brought on, not only did we start to
4 have paying up front for that 12-hour
5 shift, but we also had to start paying
6 the cost of fuel, two expenses that we
7 did not have during the commission time.

8 In fact, it's the leasing that's the
9 main reason why we don't have yellow cab
10 drivers cruise throughout their shift in
11 the outer boroughs. There's no question
12 that many fares in the outer boroughs
13 are served by yellow cabs today and will
14 continue to be served by yellow cabs,
15 and there's no question that those fares
16 are necessary for yellow cab drivers to
17 survive. But the idea that somehow you
18 leave things as they are and you pit the
19 drivers against each other, you leave
20 that as the solution? It's absolutely
21 preposterous and it's outright cruel to
22 the drivers in this industry.

23 We need a solution that does not pit
24 the workers against each other. If
25 there's so much concern about the loss

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2 of livelihood for drivers, why are
3 garages like SLS Jet charging a \$25 late
4 payment fee every single shift? They
5 don't let you pay, and then they charge
6 you a late payment fee which amounts to
7 over \$9,000 within the year.

8 Why did the fleets stop charging you
9 a weekly rate when you're a weekly
10 driver, instead start charging a daily
11 rate which amounts over \$200 above the
12 weekly lease cap, \$10,000 in overcharges
13 for every single driver?

14 Why did the agents start adding on
15 the additional driver fee? The tax
16 stamp, which a medallion costs, it
17 should be covered within the medallion
18 lease cap.

19 What I'm here to say to you is that
20 there are serious economic issues that
21 impact the livelihoods of 50,000
22 licensed yellow cab taxi drivers in this
23 city. We beg you that through this
24 measure you have a comprehensive
25 enforcement plan that not only puts more

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2 people on the streets, but absolutely
3 uses technology, absolutely uses
4 adjudication, not summonses, but you
5 make a real effort. And the way you
6 start doing that is by getting off of
7 our backs.

8 Of all the workers and all the
9 owners in this industry, between the
10 yellows, black cars, liveries, you name
11 it, nobody, nobody is more regulated and
12 gets more punished than the yellow cab
13 drivers in this industry.

14 (Applause)

15 MS. DESAI: Nobody. And I fear for
16 the medallions, the corporate
17 medallions -- not the owner/operated
18 individual, the corporate medallions
19 that have gone up to \$1 million, I get
20 that they're crying because they're
21 worried. Guess what? We have less to
22 begin with, so we have less security.
23 It's our concern, the concerns of yellow
24 cab drivers' needs; comprehensive
25 enforcement on the pickups, we need

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2 comprehensive enforcement on lease cap
3 violations, we need a fair rate.

4 We need a retirement plan- not
5 because you sell your medallion, but
6 because you're a hardworking yellow cab
7 driver, you put your life and your
8 livelihood into this industry. Whether
9 you buy a medallion or not, you should
10 have equal rights to a retirement plan.
11 We need a health fund, we need a
12 pension, we need disability insurance
13 for the drivers. We want you to resolve
14 this issue so your attention can come
15 back to the segment of this industry
16 that has been historically the most
17 neglected, incredibly punished and
18 ignored, and that's the yellow cab
19 drivers of New York City. Thank you.

20 (Applause)

21 MR. YASSKY: Peter Mazer, followed
22 Erasmo Taveras.

23 MR. MAZER: Good morning, Chairman
24 Yassky and members of the Commission.
25 My name is Peter Mazer, I'm general

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2 counsel of the Metropolitan Taxicab
3 Board of Trade. We represent the owners
4 of nearly 4,000 medallion taxicabs,
5 virtually all who provide services 24
6 hours a day, seven days a week, 365 days
7 a year.

8 I'd like to start by applauding the
9 Commissioners for their hard work and
10 dedication. Many of you have
11 individually devoted countless hours on
12 trying to understand our industry, work
13 with our industry, and respect the
14 thousands of lives and families that are
15 tied to the medallion. We hope that in
16 doing so, you'll conclude that you
17 cannot pass these rules today.

18 We had hoped that the Commissioners
19 would defer consideration of these
20 rules, as some Commissioners have
21 recently suggested, in order to address
22 the serious concern rate by the taxicab
23 industry when the outer borough law
24 passed by the legislature was signed
25 into law. When it became clear that

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2 this would not happen, it became
3 necessary for MTBOT to commence legal
4 actions to challenge the outer borough
5 law, which we did yesterday. A copy of
6 the MTBOT complaint will be attached in
7 the comments that I will give to the
8 stenographer.

9 Let me be clear: These rules will
10 irrevocably destroy the medallion
11 taxicab industry as we know it and will
12 depart the public of the service that it
13 has come to known and expect.

14 Unless you put off today's vote, or
15 unless the court acts quickly to stop
16 (inaudible) of the unconstitutional
17 state law, this Commission will be
18 responsible for adding up to 18,000 new
19 hail licenses that cruise the streets of
20 New York City- vehicles that will
21 legally be permitted to operate just
22 like medallion taxicabs- four fifths of
23 the City.

24 At the same time, you will add 2,000
25 more medallion taxicabs that will be

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2 confined in the small areas of the City,
3 competing against each other for fares,
4 competing against hail permit drivers
5 for fares, competing against other
6 livery drivers for fares- more and more
7 drivers competing against each other,
8 fewer fares -- many of them in areas of
9 the city that are either too crowded
10 with cars already -- and does not
11 justify the expense associated with
12 cruising that area.

13 All of this is being done without
14 any review whatsoever- no review of the
15 environment, no review of traffic
16 congestion, no review of air quality, no
17 review of the economics that the impact
18 these rules will have on the existing
19 taxicab and for-hire industries. You've
20 heard from both segments of this
21 industry that this will destroy the way
22 they do business.

23 If history and experiences
24 (inaudible,) hail vehicles will steal
25 fares from yellow taxicabs in areas

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2 where only yellow taxicabs will be
3 permitted. Since for-hire vehicles
4 already steal fares every day from
5 medallion cabs in Manhattan, in
6 violation of the existing rules, why is
7 there any reason to believe that the
8 18,000 hail vehicles will also not steal
9 fares from Manhattan under the new
10 rule?

11 When this happens, it will be too
12 late, the damage inflicted by this law
13 will be irreparable. But it's not too
14 late to stop the damage, it's not too
15 late. You can defer the rules so that
16 there's adequate time to examine these
17 issues and propose a solution that works
18 for all segments of this industry.

19 MR. YASSKY: Thank you, Mr. Mazer.

20 MR. MAZER: We know that you're
21 sincerely trying to do the right thing
22 and not hurt people's livelihoods and
23 businesses, but how do you know that
24 these rules (inaudible) the families
25 medallion driver owners (inaudible,)

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2 when the medallion value plummets, as it
3 has already begun doing?

4 What about highly-mortgaged
5 immigrant minifleet owners who worked
6 hard to save his medallion at the last
7 auction? Long consider the safe
8 investment because of the exclusive
9 rights backed by City law, and you will
10 not be able to find drivers.

11 Thank you for your hard work and
12 your consideration.

13 (Applause)

14 MR. YASSKY: Thank you. Erasmo
15 Taveras and Amarilis Reyes.

16 MR. TAVERAS: Good morning,
17 Commissioners. Thank for allowing me to
18 speak to you on this historical day.

19 I represent a company on either side
20 of the aisle. I'm a leasing company
21 headquartered in the Bronx. In the next
22 two weeks, we're going to be opening a
23 branch office in this great borough of
24 Brooklyn.

25 Our job is to provide a livery

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2 driver -- and we're open to work with
3 yellow cabs if they cannot get their
4 financing through other means. What we
5 do is we provide practically brand new
6 2011, 2012 fuel-efficient vehicles,
7 hybrid and late-model Camrys. We also
8 provide to (inaudible,) handicap-
9 accessible brand new vans that we're
10 going to be offering to those who would
11 like to buy the street hail license.

12 Hearing the argument on both sides
13 of the aisle, I feel that I'm not in New
14 York.

15 (Inaudible)

16 I believe that this new law is not
17 going to be affecting the yellow as I
18 hear them crying out, because they only
19 service 3 percent of the community. 3
20 percent is not going to hurt them that
21 much, compared to what they're doing
22 now. They're going to continue to do
23 the same things.

24 (Inaudible)

25 The only thing that is going to

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2 change is that we're going to be able to
3 provide service to (inaudible.)

4 (Inaudible)

5 And if I compare the quality and the
6 conditions of the vehicles, in the outer
7 borough, I'm very happy to say that the
8 conditions of the livery cars are much
9 better than the yellow.

10 (Applause)

11 MR. TAVERAS: (Inaudible)

12 And I urge the Commissioners to go
13 ahead and approve this law. I think
14 it's been way too long (inaudible.)

15 MR. YASSKY: Thank you very much.

16 (Applause)

17 MR. YASSKY: Amarilis Reyes?

18 (No response)

19 MR. YASSKY: The next speaker is
20 Gabriele DeToni, and then Sandra DeToni.
21 If you're related, maybe you can just
22 speak together.

23 MS. DeTONI: I'll be speaking for my
24 father.

25 MR. YASSKY: Okay.

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2 MS. DeTONI: I'm Sandra DeToni, with
3 my father here, Gabriele DeToni. We are
4 medallion owners. Who I'm
5 representing? Friends, family,
6 etcetera.

7 This entire situation I believe is
8 unacceptable. And you yourself,
9 Chairman, had stated in the beginning
10 that due to the fact that there was
11 slacking in the regulations and
12 controlling of this industry, it's
13 escalated to the point where,
14 unfortunately, livery drivers, gypsy
15 drivers, yellow cabs, we're all pitted
16 against each other. It doesn't make any
17 sense.

18 We all want the same thing. We want
19 to raise our families. But from my
20 perspective, and it disappoints me, with
21 all the booing, and it's not necessary.
22 We're all adults here, and we are all
23 trying to come down to a solution.

24 But as I sit here with my father,
25 after 30 years, with friends and family

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2 that suffer, saving money, going
3 without, what is our medallion going to
4 be worth after you vote and flood the
5 industry with other medallions that are
6 of less value?

7 I am not saying that no one has the
8 right to make a living. Make your
9 living, we all have that right. But my
10 father at this point is 78 years old, so
11 are some of my aunts and uncles, they
12 depend on that monthly income, which is
13 what? less than a couple thousand
14 dollars a month? He's 78 year old,
15 cancer treatments, bills, housing, food,
16 how do you expect them to live with just
17 that? And now you're going to be
18 flooding the industry with other
19 medallions that are going to deplete the
20 value of what we sacrificed for, and
21 what is that income going to turn into?
22 What is it going to turn into?

23 How are the senior citizens of
24 today, who were the original cab owners
25 of yesterday, going to survive? Gas

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prices are going up to 4.20. Now, food, everything is going up, and you want to lower their income, it's unacceptable, and it's -- you know, I just don't understand how it reached this point.

If there was a problem with irregularities or illegalities, I'm sorry, but we can turn around and look at everything today and we can go onto other subjects other than livery.

However, if you knew this problem was building up, the solution is not to just regulate everything or give people, you know, what they need to make it more efficient or to make friends. Unfortunately, the decisions that you have to make, some people are going to walk away happy, and others are not.

And I don't envy the decisions or the votes that you have to do today, but I do ask you, before you make any decisions, please keep in mind all of the lives that you are going to be affecting, all of the sacrifices that

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2 have come from these people. And I'm
3 talking about everyone.

4 MR. YASSKY: Ms. DeToni, first of
5 all, I just want to thank you very much
6 for your quite powerful statement here,
7 and for coming yourself to try to give
8 the personal side, (inaudible,) the
9 theory of the medallion, whatnot. To
10 give your personal side of it, I think
11 it's certainly very helpful to me and to
12 all the Commissioners.

13 I want to tell you, I think that you
14 are right in several points that you
15 make, you're right that it should have
16 been years ago. In truth, you know,
17 Mayor Koch 20 years ago proposed exactly
18 what we're doing here at a time when
19 medallions were worth considerably less,
20 and unfortunately the same special
21 interests that are trying to stop this
22 brought that plan to Mayor Koch. I
23 think if it would have been done at the
24 time, it would have been done with a lot
25 less kind of emotion and dislocation.

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2 I want to say, to address your key
3 point about the people who rely on
4 medallions, if the person who drives
5 your medallion is like everybody else,
6 then 95 percent of that revenue comes
7 from Manhattan under 96th Street, and
8 the airports. That's just the plain,
9 factual reality. And we know that --

10 MS. DeTONI: Is your father a taxi
11 driver?

12 MR. YASSKY: Of course not. I've
13 never stood up here and said I had
14 personal pride from my family, and I
15 respect those who do.

16 MS. DeTONI: From the time I was a
17 child, I sat in the front seat making
18 change for customers. So I know exactly
19 where my father used to go, leaving the
20 house, driving down Northern Boulevard,
21 picking up local people, going to
22 Laguardia, waiting on line, and then
23 we'd go around. And then the special
24 treat was to go to McCann's (ph,)
25 because there was a taxi stand in

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2 Manhattan. Okay? And I'm sure a lot of
3 taxi drivers remember McCann's.

4 MR. YASSKY: No doubt that's the
5 case.

6 MS. DeTONI: However, there was a
7 promise that was made. And you said
8 that the Commissioners here are all
9 sworn in to abide by the law. The law
10 is you made an agreement, a promise,
11 that we had exclusive rights. Now, how
12 are you defending that law by coming to
13 us with a compromise?

14 MR. YASSKY: The reason is, and it's
15 true, I think a lot of the
16 Commissioners, certainly myself, if we
17 believed that allowing liveries to pick
18 up in Sheepshead Bay or in Corona or in
19 Throgsneck, if we thought that was going
20 to harm the medallion owners, I think
21 that would give a lot of people second
22 thoughts.

23 But the problem is that we know for
24 a fact -- if you wish we can later look
25 at your medallion and we can bring up

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2 the trip sheets for the past three years
3 and see where the revenue to that
4 medallion comes from, but if it's like
5 every other medallion, that's not where
6 it comes from. It may one day have
7 been, but it's not today.

8 So, to deny service to people in
9 those neighborhoods and to tell the
10 people who are providing service today
11 that they're criminals and we're going
12 put them out of work, I think that would
13 be the wrong thing to do.

14 MS. DeTONI: That's not what I'm
15 saying. And I appreciate your little
16 speech over there which had nothing to
17 do with what I was saying. What I'm
18 saying is that you all promised to obey
19 the law, you swore.

20 You don't have to agree the with the
21 law. There are plenty of laws that I
22 don't agree with. But if I break that
23 law, I'm a criminal, aren't I? and I'm
24 going to go to jail. You promised to
25 abide by the law. You swore, when you

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2 took your places in office, that you
3 were going to respect the law. The law
4 is written, that your agreement is
5 written, therefore, it is up to you to
6 abide by the law.

7 We have abided by the law. I'm not
8 saying and I'm not pointing any fingers,
9 but everyone has to start from Point A
10 to get to Point B. And some of us reach
11 Point Z before others, then it's up to
12 them to catch up. We all have to do our
13 part. But to just smooth things over so
14 easily, or to go off on a tangent that
15 had nothing to do with what I was
16 saying -- you know, everyone deserves a
17 car service in every borough. I am not
18 saying that. But the (inaudible,) when
19 I need a taxi and there's not a yellow
20 one around, I go in the phone book and I
21 make a phone call and I call a taxi
22 service and they come. It's very
23 specific. There are rules on how people
24 --

25 MR. YASSKY: I understand. I just

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2 want to make sure we give time for
3 everybody.

4 (Applause)

5 MR. YASSKY: Thank you, Mr. DeToni,
6 for your presence here.

7 MS. DeTONI: And everyone here, I
8 hope everything gets resolved. And
9 please, this isn't personal, everyone is
10 fighting for their own family and their
11 own livelihood, so, please respect each
12 other. That's what we're trying to do.

13 (Applause)

14 MR. YASSKY: Thomas Grandy, and to
15 be followed by George Panagos.

16 MR. GRANDY: Good morning. My name
17 is Thomas Grandy, and I'm an owner and
18 driver, medallion. So, I've been
19 driving 35 years, and today
20 (inaudible.)

21 (Inaudible)

22 The medallion costs over \$500,000.

23 (Inaudible)

24 I beg you, please, do as the paper,
25 do the right thing and try to settle

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2 this thing. Thank you.

3 (Applause)

4 MR. YASSKY: George Panagos,
5 followed by Jorge Rodriguez.

6 MR. PANAGOS: Ladies and gentleman,
7 Mr. Chairman, my name George Panagos, I
8 have the yellow cabs. I worked my first
9 cab December 16, 1972, and I'm still in
10 business. But it's not easy, it's very
11 hard. I work night and day, seven days
12 a week.

13 (Inaudible)

14 What's the necessity to put all
15 these cars together and be such a big
16 problem for us, for these people, too?

17 (Inaudible)

18 More money for the City, that's what
19 it is.

20 Thank you very much. Have a good
21 day.

22 (Applause)

23 MR. YASSKY: Our next speaker is
24 Jorge Rodriguez, followed by Pedro
25 Bedoyo.

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MR. RODRIGUEZ: Good morning,
Commissioners. My name is Jorge
Rodriguez. I own medallion
(inaudible.) It was purchased in 1980.
I raised five kids with the medallion.

(Inaudible)

Now, the thing about the 6,000 or
8,000 cars that are coming every year,
we have 38,000-plus livery cars.

(Inaudible)

The boroughs, believe me, the
boroughs are well-served.

(Inaudible) Friday and Saturday.

So, that means that really this is
unnecessary to approve this law, and I
beg of you not to do it.

Another thing is this, the value of
the medallion. Right now I owe
\$500,000. You know what I'm going to
do? I'm paying 2,750 a month. What
happens if that medallion falls below
500,000? You know what I'm going to do?
I'm going to take it out of the hood,
take it to one of you or take it to the

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Mayor for him to pay for that medallion. Because I am not paying for something that is not worth -- plus I put 40 years of my life in order to have a decent pension, something to rely on. I have nothing to rely on.

(Inaudible?)

MR. YASSKY: Up to 18,000, depending on how many wish to get their license.

MR. RODRIGUEZ: (Inaudible)

MR. YASSKY: That's right.

MR. RODRIGUEZ: (Inaudible)

MR. YASSKY: I'm sorry, just because of the time and we have to get to everyone, if you can sum up.

MR. RODRIGUEZ: (Inaudible)

Why don't Mayor Bloomberg with all the money that he has give it to the City and --

(Applause)

MR. YASSKY: Pedro Bedoyo, followed by Alan Platt.

MR. BEDOYO: I represent myself and I am a yellow driver. (Inaudible)

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2 MR. YASSKY: Thank you very much.

3 (Applause)

4 MR. YASSKY: We have two more
5 speakers, that should take us to 10
6 after 12:00, and then we will break for
7 lunch and then convene back at 1:00
8 promptly.

9 So, I'm going to read the list, so
10 people know who is still yet to speak.
11 We will hear from Alan Platt, and then
12 from Artie Grover, and then we'll break
13 from lunch.

14 And following lunch promptly, folks,
15 at 1:00, we will hear from James Grosso,
16 Guy Palumbo, John Mascialino, Malcolm
17 Rattner, Akiva Shapiro, Surinder Singh,
18 Bachirou Fall, Lionel Saint, Adiola
19 Siguncia, David Pollack, Avik Kabessa,
20 Marcelino Aeruias, Kane Mamadou,
21 Fernando Garcia, Jean Chesy, and Frank
22 Wanzi.

23 So, let's hear from Mr. Platt,
24 Mr. Grover, and then break for lunch
25 until 1:00. That sounds like about 15

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2 people remaining to speak after the
3 lunch break.

4 MR. PLATT: Good morning,
5 Commissioners. My name is Alan Platt.
6 I've been a medallion owner since 1973
7 and I've been a driver since 1970. Lots
8 of you were kids when I started.

9 It's very hard to follow the acts
10 that I heard so far. A lot of the
11 concerns that I have were already
12 mentioned. But I'm going to try and add
13 a little more. By the way, out of
14 respect for you, Commissioners, I wore a
15 suit today.

16 I'd like to start out, I'd like to
17 give my heartfelt thanks to you
18 (inaudible.)

19 Now I'll quickly get into the matter
20 at hand.

21 (Inaudible)

22 First thing I notice listening to
23 everybody is that a lot of words
24 (inaudible,) simple words, (inaudible.)
25 Let me explain, go a little further.

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2 Excuse me, but when I bought my
3 medallion, I was sold the exclusive
4 right to pick up hails throughout the
5 whole city. The whole city means all
6 the boroughs. And you might say there's
7 only so much business down in the outer
8 boroughs, but business is growing by
9 leaps and bounds now. People are moving
10 out to the boroughs, it's becoming a
11 very viable source of income.

12 And this right was already sold to
13 us. So, we could all just go home, it's
14 over.

15 But actually, we bought this, and
16 sometimes the business does well when
17 you're buying (inaudible,) sometimes it
18 doesn't. You take the good with the
19 bad.

20 And this happened to do well, and we
21 should reap it.

22 By the way, I own an individual
23 medallion which consists of 40 percent
24 without the yellow medallion fleet,
25 which is a pretty big percentage.

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2 And we were sold this Bill of Sale
3 of the exclusive right to pick up in all
4 boroughs, and now it looks like this
5 word, "sale," what we were sold, doesn't
6 mean sale anymore.

7 (Inaudible)

8 This gets me to enforcement. By the
9 way, (inaudible,) it's sort of similar
10 to riding down the street on a hot
11 summer day with gnats flying all over
12 your head, because I have liveries to my
13 left and to my right.

14 (Inaudible)

15 MR. YASSKY: You've made your
16 point. I ask you to sum up.

17 MR. PLATT: Let me just say, there
18 is going to be a sale of 2,000
19 medallions, what are you going to say to
20 the perspective buyers of these 2,000
21 medallions?

22 (Inaudible)

23 I'm more sure you of it than you're
24 sure that it won't affect it. And I'm
25 just wondering (inaudible) economic

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2 impact survey made?

3 MR. YASSKY: Mr. Platt, your time is
4 expired.

5 MR. PLATT: (Inaudible)

6 MR. YASSKY: Thank you.

7 (Applause)

8 MR. YASSKY: Commissioner De'Arcy,
9 please.

10 MS. De'ARCY: At the outset of this
11 hearing you identified me as one of the
12 Commissioners who specifically wanted to
13 ensure that there were enforcement
14 provisions that were included in these
15 rules to ensure that we are protecting
16 the rights of the medallion owners. And
17 it remains important to me that we do
18 so.

19 You asked the last speaker whether
20 it was okay to refer to the livery
21 drivers as criminal. I'd like to
22 respond to that and say that I
23 personally take issue with painting an
24 entire community of hard workers in that
25 manner.

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2 (Applause)

3 MS. De'ARCY: (Inaudible.)

4 MR. YASSKY: Mr. Grover?

5 MR. GROVER: Good afternoon,
6 Commissioners. Commissioner Yassky, you
7 throw a great party.

8 MR. YASSKY: Thank you.

9 MR. GROVER: I never saw such a large
10 group of people in our industry in one
11 room. (Inaudible)

12 My name is Artie Grover. I
13 represent the Fleet Livery Owners
14 Association, which is an (inaudible)
15 citywide fleet-owned vehicles in the
16 livery industry.

17 Number One: I'd like thank very much
18 for doing what you did as far as the
19 inspection station is concerned on
20 Staten Island.

21 (Inaudible)

22 So, we got that out of the way. I
23 really appreciate what you did with the
24 (inaudible.)

25 The second thing I'd like to bring

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1
2 up is the, (inaudible) looking to pass
3 without having any exemptions for Staten
4 Island as far as the street hail program
5 is concerned. It was stated that 1.3
6 percent of the cars owned in the City,
7 livery cars, are from Staten Island.
8 1.3? That's nothing. 473 cars out of
9 35,000? All we're asking from you,
10 since we were legitimate from day one,
11 where we did abide by the rules, educate
12 the public, advertise in the papers, we
13 worked by pre-arrangement and
14 pre-arrangement only.

15 Since we own our vehicles, if
16 anybody gets a call up the street, he's
17 stealing from me. If he's going to
18 steal from me, I fire him on the spot.

19 That's what it is. We have to have
20 some sort of -- you're giving a pilot
21 program with the inspection station.
22 Why don't you try a pilot program with
23 an exemption for Staten Island and work
24 it out? Otherwise, it's not going to
25 work and I know it's not going to work.

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2 It's also stated there were 400
3 robberies in the year 2010, one of the
4 newspapers had it in the paper. Out of
5 the 400 robberies, do you know how many
6 were poised by vehicles that pick up
7 street hails or were pre-arranged
8 calls? Does anybody know, or is it just
9 400? I know we had 25 drivers murdered
10 in the last 20 years, which is a
11 horrible number, and I know, all except
12 one was a street hail. I got to say
13 something about this. I don't want to
14 see anybody else get killed, I don't
15 want to see anybody else get hurt and I
16 don't want to see anybody else get
17 robbed.

18 MR. YASSKY: Thank you, Mr. Grover.
19 I appreciate your remarks.

20 I do want to be clear, even though
21 it is a small number of vehicles, and I
22 speak as a Commission when I say we do
23 not regard Staten Island as nothing and
24 that's all.

25 You used the word "nothing." I

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2 think, in my perspective, every one of
3 those 473 vehicles is absolutely as
4 important as any other livery vehicle
5 that we licensed. So, I just want to be
6 clear about that. I thank you for your
7 statement.

8 Commissioners, we will now break for
9 lunch. We will hear the people that
10 I've listed off after that.

11 Folks, Commissioners, we will have a
12 couple of inspectors here throughout the
13 break period, you can feel free to leave
14 your papers in here on the table if
15 you'd like. It is now 12:16.

16 (Whereupon, recess was taken from
17 12:16 p.m. until 1:05 p.m.)

18 MR. YASSKY: This meeting of the
19 Taxi and Limousine Commission will be
20 reconvene. I note that it is 1:05 p.m.
21 We are adjourned at this moment by
22 Commissioners Carone, Commissioner
23 Gonzales, Gjonaj, De'Arcy, myself
24 Yassky, Weinshall, Polanco, Arout and
25 Marino.

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2 The next speakers are James Grosso
3 and Guy Palumbo. If one of you wishes
4 to speak on behalf of the couple, that
5 would be fine. Followed by, it says
6 Peter Mazer, but of course he has
7 already spoken. Followed by John
8 Mascialino.

9 MR. PALUMBO: Good afternoon
10 Commissioners, Commissioner Yassky. I'm
11 speaking on behalf of the New York City
12 Fleet Livery Owners Association.

13 New York City Fleet Livery Owners
14 Association is a not-for-profit
15 organization that represents base owners
16 who own for-hire fleets throughout New
17 York City. The bases that we represent
18 comprise close to 15 percent of the
19 entire livery car services. And our
20 business model concerns are different
21 from what you've heard from what most
22 other associations are saying. Our
23 members own nearly all of their vehicles
24 and use very few, if any, independent
25 drivers. We are responsible for every

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2 facet of the business, including full
3 Workers' Compensation and vehicle
4 insurance, employee payroll, maintenance
5 of vehicles, costs, all TLC fees,
6 registrations, inspections, advertising,
7 etcetera. This makes us unique within
8 the industry, with a different set of
9 issues than what you've been hearing
10 today from other associations.

11 We are true small business owners.
12 (Inaudible) original rules, it is with
13 blatant disregard with industry
14 stakeholders that TLC wants to continue
15 with the vote today. The rules will not
16 affect those voting today in the same
17 way that it will affect those small
18 business owners, (inaudible.)

19 So we ask of you, why? Why rush
20 today?

21 The TLC wants to pass these ever-
22 changing rules (inaudible) by first
23 issuance of street hail licenses by June
24 of 2012.

25 However, key elements of licensing

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2 including Workers' Compensation
3 insurance and vehicle insurance coverage
4 have not been finalized or fully
5 discussed, nor has the true impact on
6 community residents been explored. We
7 think that those who have been operating
8 illegally for so many years will
9 suddenly embrace the possibilities of
10 paying insurance premiums up to six
11 times what they are paying now while
12 also paying taxes and being accountable
13 to the TLC for the first time in
14 decades, we say it's naive to say the
15 least.

16 MR. YASSKY: Please sum up, if you
17 will, Mr. Grosso.

18 MR. PALUMBO: I want to address one
19 point very quickly on what was said
20 earlier. Commissioner Yassky, going
21 throughout the boroughs, I was a bit of
22 a shadow with some of the community
23 boards and have been with many of them,
24 and you were presented today with a
25 community board statement. We have over

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2 14 community board statements opposed to
3 this, along with the Bronx Chamber of
4 Commerce and chapter of the NAACP.

5 MR. YASSKY: Thank you, Mr. Grosso.
6 Very briefly, for people in the audience
7 on the Workers' Comp issue, because I
8 know people have asked about this quite
9 a bit, and I've talked with some of the
10 industry folks, we have been in regular
11 contact with the State Workers' Comp
12 Board. Obviously it is the Workers'
13 Comp Board that is the authoritative
14 determiner about Workers' Comp
15 obligations, the Taxi and Limousine
16 Commission does not.

17 But we want to be able to give good,
18 accurate information. They have said to
19 us recently and clearly -- and we've
20 worked to get this you in writing, but
21 they've said on the point that a livery
22 base that affiliates street hail livery
23 vehicles will be able to remain in the
24 Livery Workers' Comp Fund and meet its
25 Workers' Comp obligation through that

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2 membership just as they do today. In
3 other words, a livery base will have no
4 greater Workers' Comp obligation than it
5 does today.

6 As of today, if people wish fuller
7 coverage -- and I know that many in the
8 community are concerned about the
9 narrowness of the coverage in the Livery
10 Workers' Comp Fund, certainly a base can
11 get broader coverage that would give its
12 affiliated drivers in charge of its
13 affiliated vehicles coverage comparable
14 to what other employees get.

15 But if the base wishes to continue
16 to take advantage of the special
17 situation for livery bases that was set
18 up by the State that results in, you
19 know, a low premium, they will be able
20 to do that, most of all, just as they
21 can now. And as I said, we'll get a
22 written statement from Workers' Comp
23 Board to that effect, Mr. Grosso.

24 MR. GROSSO: Good afternoon
25 Commissioners. My name is James

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2 Grosso. I represent the New York City
3 Fleet Livery Owners Association, and
4 (inaudible.)

5 First I want to thank you again,
6 thank the Commissioners for the pilot
7 program that's been long in coming,
8 close to three years, hard work. Thank
9 you, Commissioner Arout, for all your
10 work. So, thank you.

11 Just briefly, you know, it's a
12 paraphrase, as Commissioner De'Arcy
13 stated to me last month. I'm from
14 Staten Island, I don't pretend to know
15 the culture in other areas outside of
16 Staten Island, meaning like Bushwick,
17 we've heard from even Washington
18 Heights. I can't pretend to know what
19 the culture is on the street hail end.

20 But what I do know is that creating
21 a new classification of license is not
22 the answer right now. You know, these
23 are issues that go back as far as the
24 1960s. In fact, not since the Haas Act
25 of 1937 which imposed a decades-long cap

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2 on the number of licenses issued or the
3 City Council passed it with Local Law 76
4 in '87 which put TLC's regulatory
5 control over the FHV's has there been
6 such a monumentous decision to be made,
7 and the rules to be inaccurate.

8 And we ask -- not to necessarily go
9 back to the drawing board. But there's
10 been a lot of grave comments, and I'm
11 sure you're going to get a lot more
12 afterwards, after the vote.

13 We're asking, don't vote. We're
14 asking table it. Let the Commissioners
15 observe all the information that's being
16 brought forth to them today. I think
17 that would be a better benefit to those
18 who have the most to lose.

19 You know, we firmly believe that the
20 entire rulemaking process has been
21 rushed, and unfortunately it's for the
22 sake of those who had really no major
23 stake in the industry or the outer
24 borough communities. And it's really
25 going to impact those that are going to

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2 lose possibly their entire savings,
3 possibly their entire business. And
4 it's not just single-generational, it's
5 a multi-generational issue for a lot of
6 medallion owners and for base owners.

7 Again, we ask that you reconsider
8 voting today. And we ask, why rush?

9 MR. YASSKY: Thank you.

10 (Applause)

11 MR. YASSKY: Next is John
12 Mascialino, followed by Osmon Choudry.

13 MR. MASCIALINO: Good afternoon.
14 I'm John Mascialino. I'm from Greenberg
15 Traurig, a law firm, and we represent
16 Verifone, Inc., one of the current TPEP
17 vendors with the TLC.

18 We submitted a letter last evening
19 (inaudible,) taking on comments on the
20 previous drafts that we've submitted
21 (inaudible.)

22 I'm not going to go through the
23 whole letter again, just a couple a
24 points that some of the prior speakers
25 actually mentioned.

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2 There were a couple of speakers who
3 mentioned the use of technology to help
4 prevent the hiring of the meter within
5 restricted zones and (inaudible.) So,
6 just want to have that confirmed, and
7 appreciate --

8 MR. YASSKY: Yes.

9 MR. MASCIALINO: Two other issues
10 that were mentioned by someone- Safety.
11 One of the things that was added to the
12 recent rules was the (inaudible.)

13 Our concern about safety is
14 twofold:

15 One is from a Consumer Affairs point
16 of view. In the beginning, it's always
17 been the TLC's opinion, way back to
18 TPEP, and verifying (inaudible,) that
19 the credit card compartment always be
20 left in the back seat of the cab,
21 (inaudible.) We think that that is an
22 important aspect and the additional
23 option added kind of hurts that security
24 issue, from TPEP's point of you view.

25 And also from a driver protection,

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2 someone mentioned driver safety. Right
3 now, many of the liveries have the
4 option off in-cab cameras or partitions.
5 The way the rules are read, a driver
6 with that one single device from in the
7 front (inaudible.)

8 So that's one of our concerns that
9 we raised in our letter, as well as the
10 consumer issues of having the potential
11 of the driver not to pass the device
12 back and demand control of the credit
13 card processing, and potentially to
14 bypass the whole idea of using the
15 credit card. (Inaudible)

16 So, just to reiterate those points.
17 We appreciate you taking our things into
18 consideration already in adopting the
19 (inaudible.)

20 MR. CARONE: Just a quick point. I
21 think it's important to know that, from
22 my standings in working with the staff
23 and a community stakeholder, a letter
24 was received or a meeting was had on the
25 substance of the rule, but not

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2 necessarily on whether the legislation
3 should -- (inaudible,) the staff acting
4 very promptly in analyzing the
5 suggestion, if it was reasonable or not,
6 and ultimately that it helped have a
7 better system.

8 Much like you just testified to, one
9 of your letters -- and even as early as
10 last night -- identified a small
11 substantive change to that.

12 MR. MASCIALINO: (Inaudible)

13 MR. YASSKY: Thank you. I think
14 it's been the case that throughout the
15 TPEP program, you know, we regard the
16 vendors as really our partners in this.

17 MR. MASCIALINO: Agreed.

18 MR. YASSKY: I have no doubt that we
19 will have to pay especially close
20 attention to how the technology
21 functions in the separate borough use.
22 Even though I stand by the rules that
23 we're voting on today, it would not at
24 all surprise me if six months, four
25 months maybe even, we have to go back

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and tweak, because this is pretty complicated.

MR. MASCIALINO: (Inaudible)

MR. YASSKY: Just as every couple months, we realize --

MR. MASCIALINO: Thank you very much.

MR. YASSKY: Osmon Choudry, followed by Malcolm RATTNER.

MR. CHOUDRY: Good afternoon. My name is Osmon Choudry.

(Inaudible)

MR. YASSKY: I will say I think we need both tough fines and enforcement, I think it goes hand in hand. If you could sum up.

MR. CHOUDRY: (Inaudible)

They are spending millions and millions of dollars, the loan.

(Inaudible)

No, that is not the American dream.

(Inaudible)

MR. YASSKY: Mr. Choudry, please do sum up.

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2 MR. CHOUDRY: Okay, thank you.

3 MR. YASSKY: Thank you very much
4 Mr. Choudry. We have Malcolm Rattner,
5 followed by Akiva Shapiro.

6 MR. RATTNER: Commissioner Yassky,
7 first let me apologize to all the
8 Commissioners about my outburst before.

9 But this industry is very near and
10 dear to me. I grew up in it, I don't
11 know anything else other than that. I
12 started off sweeping floors in this
13 industry.

14 When I came out of the army, I
15 bought my first medallion. After that,
16 my wife and I worked like dogs, 12
17 hours, 14 hours, seven days a week. We
18 got loans from credit unions.

19 I just bought a building on
20 (Inaudible) Avenue over \$7 million that
21 houses 200 vehicles. Not all of them
22 are mine, I own 50 vehicles, which are
23 hocked up to my elbows.

24 My garage in the last year paid
25 \$1,535,841 in MTA tax, not a penny

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2 short. I paid all my sales tax, which
3 comes out to about, every quarter about
4 close to \$60,000.

5 Commissioner Yassky, I'm pleading
6 with you. You went to Dalton, a very
7 prestigious school. This is bad
8 business. This is not good business.

9 What you're doing, is you're
10 dividing -- not you, sir, not even this
11 Commission. What New York City is
12 doing, they're dividing the City again,
13 into different issues. You can't give
14 away these lease permits and then
15 promise them that they have the right to
16 pick up. What's going to happen when
17 somebody else comes in your seat and
18 changes that and takes that away from
19 them?

20 I was promised the right to pick up
21 in all five boroughs when I bought the
22 medallions at the auction, I would like
23 to keep that right.

24 You have no enforcement on the
25 street. The enforcement was taken off

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2 the street years and years ago. Most of
3 these Commissioners that are sitting
4 here today -- good afternoon -- don't
5 realize and understand. I'm 66 years
6 old this May 21st. I've been around
7 since the inception of this industry,
8 since the Taxi and Limousine Commission
9 came into being. First it was the TLC,
10 then it was the Taxi and Limousine
11 Commission -- the Taxi Commission and
12 then the Taxi and Limousine Commission,
13 I stand corrected.

14 Your agents are wonderful people,
15 but they don't carry the tools of the
16 trade to do their job. That's why
17 they're never in the outer boroughs to
18 enforce it, that's why they never went
19 in deep ends of Brooklyn to enforce it,
20 because (inaudible.)

21 A carpenter cannot build his house
22 without proper tools. And your
23 Commission cannot enforce these rules
24 unless you hire more enforcement, at
25 minimum of 300.

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2 I myself will be broke, out of
3 business, like a lot of my other friends
4 that are standing behind me. Can I turn
5 around, sir?

6 MR. YASSKY: Yes.

7 MR. RATTNER: (Turning.) I know each
8 and every one of these people. I know
9 Anthony, I know this gentleman. They
10 all sent their children to college and
11 to schools. They bought into this
12 thing. Everybody bought into this
13 thing.

14 You're dividing this city, sir,
15 you're dividing it terribly. How can
16 you give away a permit for \$3,000 per
17 year, when these guys have an investment
18 for retirement?

19 I have a man sitting right here that
20 was a Holocaust survivor when he was a
21 little boy. He bought into this
22 industry. He bought into it with the
23 idea that he could retire and get money
24 for his medallion and live happily ever
25 after. So did each and every one of

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these people here. They committed nothing, the only thing they did was follow every rule of the Taxi and Limousine Commission.

I have a gentleman also standing behind me. (Inaudible.)

MR. YASSKY: Out of respect for --

MR. RATTNER: We have a gentleman here that came to your Commission --

MR. YASSKY: Believe me, I have respect for the leadership role you've played for years in this industry. I don't want to cut you off, but I do want to ask you to respect the time. We have other people we have to hear from. So, if you could sum up, I appreciate it.

MR. RATTNER: Can I sum up?

MR. YASSKY: Yes.

MR. RATTNER: What are these people going to do when they're not even allowed to drive in Brooklyn because they get their windows and windshields busted? What did they do to this Commission, what did they do to cause

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this? Look at their faces. These are

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hardworking people that pay every cent

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of tax that they're supposed to pay.

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They're not collecting anything that

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they shouldn't get. All they're asking

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for is the right to pick up exclusively

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in this city. Thank you,

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Commissioners. And again, I'm extremely

10

very sorry.

11

(Applause)

12

MR. GJONAJ: I have a question.

13

Mr. Malcolm, I'm curious as to how you

14

came up to 300 enforcement agents.

15

MR. RATTNER: I met my friend David

16

Yassky in the men's room, and we had a

17

chat over the urinal, and he said, "How

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many agents would it take?" And I said

19

300. Am I telling the truth, Dave?

20

MR. YASSKY: Telling the truth. I

21

will waive the men's room privilege for

22

purposes of discovery in this matter.

23

(Laughter)

24

MR. YASSKY: But I would not take

25

that to say that there wasn't some --

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2 even though it was an off-the-top-of-
3 the-head number for Mr. Rattner, it
4 reflects his intuition based on years
5 and years in this business, and it's
6 entitled to some respect. Thank you.

7 MR. RATTNER: I think that was your
8 number.

9 MR. YASSKY: No, I think that was
10 yours.

11 MR. GJONAJ: MR. Malcolm, you came
12 up with the number of 300?

13 MR. RATTNER: I came up with the
14 number maybe of 300. I recall we both
15 came up with the number of 300. If I
16 recall right, I think we wound up
17 shaking hands on it, but I said, "Not in
18 the men's room." Ask him, it's true.

19 (Laughter)

20 MR. YASSKY: That part is certainly
21 true. I remember that quite with some
22 unpleasant clarity.

23 We have Akiva Shapiro, followed by
24 Surinder Singh.

25 MR. SHAPIRO: Good afternoon,

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2 Mr. Chairman and Commissioners.

3 MS. MARINO: Speak into the mic
4 please so we can hear you.

5 MR. SHAPIRO: My name is Akiva
6 Shapiro. I'm from the law firm of
7 Gibson, Dunn and Crutcher. Along with
8 my colleague Randy (Inaudible) at the
9 firm, we represent some of the leading
10 lenders in the New York City taxi
11 industry, including Richard Kay from the
12 Taxicab Service Association.

13 Commissioner Gonzales had a
14 (inaudible.) Before I turn to my
15 prepared remarks, I just wanted to
16 answer Commissioner Gonzales' question
17 briefly.

18 Of course every loan is different
19 and different players in the industry
20 are regulated somewhat differently. But
21 generally speaking, the loan value ratio
22 is set at a limit of 80 percent with
23 some loans can go up 9 percent, and many
24 loans in fact hit that limit.

25 So, any drop in value, even 5 or 10

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2 percent on the value of the medallion
3 will have a significant impact on my
4 clients in the lending industry. They
5 have to set aside reserves for whenever
6 it goes above that limit. In theory, it
7 could lead to catastrophic insolvency in
8 the industry if medallion values fall
9 too far.

10 (Inaudible)

11 MR. GONZALES: Speak closer to the
12 microphone.

13 MR. SHAPIRO: Because of the new
14 medallions and new licenses.

15 We recently submitted written
16 comments to the Commissioners --

17 MR. YASSKY: The report that you
18 just described, are you referring to
19 something you have submitted to us?

20 MR. SHAPIRO: It's something that we
21 will provide to you. It was prepared
22 a year ago, but we both provided it to the
23 Commission in response --

24 MR. YASSKY: I can see why you would
25 wait. Continue.

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2 MR. SHAPIRO: We recently submitted
3 written comments to the Commission.
4 (Inaudible) attention to those comments
5 and limit my remarks here today to just
6 something very brief. I implore you to
7 review our written comments and take
8 serious consideration to the objections
9 that we raised.

10 In particular, we believe, along
11 with many others in the industry, that
12 the legislation that these proposed
13 rules implement violates the New York
14 and United States Constitutions and
15 other laws, and that issuing violations
16 is efficient to render the street hail
17 legislation as invalid.

18 (Inaudible)

19 In closing, we encourage the
20 Commission not to rush forward today to
21 pass the proposed rules, and not to rush
22 forward in the near future to issue
23 street hail licenses and new medallions,
24 in light of and without properly
25 considering the street hail legislation

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2 (inaudible.)

3 MR. YASSKY: Can you sum up?

4 MR. SHAPIRO: The significant and
5 severe economic impact on the

6 (inaudible.)

7 MS. De'ARCY: I have a question.

8 (Inaudible) a former colleague of mine.

9 When you talk about a negative impact as
10 a result of the influx as a result of
11 the street hails, are you suggesting
12 that street hail pickups in the outer
13 boroughs and in the upper Manhattan will
14 make this negative impact, or are you
15 suggesting that illegal pickups in the
16 exclusionary zones would result in this
17 negative impact? Because I think that
18 those are different.

19 MR. SHAPIRO: Sure. We believe that
20 the legal pickups authorized by street
21 hail legislation will have significant
22 environmental impact -- environmental
23 and economic, both.

24 MS. De'ARCY: Notwithstanding the
25 fact that currently that 70 percent of

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2 current street hails are not in the
3 outer boroughs and upper Manhattan? I'm
4 just trying to understand.

5 MR. SHAPIRO: I think that the 3
6 percent is sort of washed over as if
7 it's kind of pocket change. But the
8 fact, when you looked at, especially
9 with the loan devalue ratio regulations
10 and the fact that this is a heavily
11 regulated industry, that the little gap
12 there will make a huge difference,
13 because there will be -- the yellow
14 medallion drivers will face competition,
15 now legal competition for street hails
16 in the exclusionary zones.

17 MR. YASSKY: Do you think that the
18 amount that medallion owners charge to
19 lease medallions to drivers, do you
20 think those amounts will come down as a
21 result of this? Because obviously, half
22 the revenues goes to the medallion
23 owner. The revenue that goes to the
24 driver in some ways is irrelevant to the
25 ability of the medallion owner to repay

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(inaudible.) Do you expect that they'll

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drop?

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MR. SHAPIRO: I don't know the

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answer to that.

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MR. YASSKY: Otherwise there's no --

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MR. SHAPIRO: We will get back to

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you on that.

9

MR. YASSKY: Fair enough.

10

MR. GJONAJ: I have a question. I

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can see that using the 3 percent yellow

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transactions that occur outside of the

13

designated area in lowering the value of

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the medallion by 3 percent -- and maybe

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I even stand corrected, 20 to 60 percent

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devaluation of the medallion; is that

17

what you're saying?

18

MR. SHAPIRO: No. I'd say the 20 to

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60 percent hit on net income. I don't

20

think the medallion --

21

MR. YASSKY: Of the medallion owner

22

or of the driver?

23

MR. SHAPIRO: Of the driver.

24

MS. MARINO: Speak into the mic.

25

MR. SHAPIRO: Thank you. The

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2 largest impact there is of the 2,000 new
3 yellow medallions, as well as a smaller
4 impact from the new 2,000 licenses, and
5 that's 20 percent -- again, my analysis
6 (inaudible.)

7 Because, depending on how strong or
8 relaxed the enforcement is, there will
9 be greater influx of illegal pickups in
10 the City, will cut into the income of
11 the yellow cab drivers.

12 MR. GJONAJ: The additional 2,000
13 yellow medallions and 18,000 outer
14 borough permits, you estimate what
15 percentage of devaluation to the current
16 medallions?

17 MR. SHAPIRO: I only have the number
18 of -- I want to say it's 25 percent.

19 MR. YASSKY: Can you say what part
20 of that is due to the street hail livery
21 permits and what part is due to the 2,00
22 additional medallions?

23 MR. SHAPIRO: Of the 20 percent --

24 MR. YASSKY: You just said 25
25 percent.

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2 MR. SHAPIRO: Like I said, it's a
3 range. If you pick the low number of 20
4 percent, it's 14 percent based on yellow
5 medallion and the 2,000 new, and 6
6 percent based on the new street hail
7 licenses.

8 MS. De'ARCY: So, for the purposes
9 of the rules that we're enacting today,
10 with respect to the street hails in the
11 outer boroughs and in upper Manhattan,
12 the number is 6 percent, right? I just
13 want to focus on that.

14 MR. SHAPIRO: Sure. That's the
15 number for just the street hail that
16 we're discussing today.

17 MS. De'ARCY: Excuse me. Because
18 that number doesn't carry the
19 catastrophic consequences the large
20 number that you used, which includes the
21 2,000 medallions that are not part of
22 what we're dealing with today.

23 MR. SHAPIRO: Sure. But I think the
24 Commissioner has to look at the picture
25 of totality, all of which is

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2 (inaudible.) It's an extent of your
3 flexibility over what you're authorizing
4 in both yellow cabs and the street hail,
5 you have to look at the impact, the
6 additive and total impact of both.

7 MR. GONZALES: Keeping in the same
8 line of thought, so the value of the
9 medallion, with respect to the Five
10 Borough Taxi Plan, is estimated to have
11 a negative 6-percent impact on the value
12 of the medallion. So, said another way,
13 that we are suggesting that the 3
14 percent -- and again, this is taking it
15 to the extreme. Taken to the extreme, 3
16 percent of pickups and drop-offs that
17 occur outside of what's currently being
18 called the hail exclusionary zone has a
19 6 percent impact on the long-term value
20 of the medallion?

21 MR. SHAPIRO: I think that the
22 impact on the driver's income from --

23 MR. GONZALES: Not driver income.
24 This is value of medallions.

25 MR. SHAPIRO: Driver medallions is

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2 not directly related to the amount of
3 pickups or income that's going to be hit
4 on. So, in other words, the 3 percent
5 is outside.

6 And let's says it's a full 3 percent
7 loss off income, that doesn't
8 necessarily (inaudible.) To be honest,
9 I don't know enough about the valuation
10 (inaudible.)

11 Again, in answer, other than to say
12 I think there's a 3 percent difference
13 in income is not the same thing of what
14 they had on the value of the
15 (inaudible.)

16 MR. GONZALES: The income hit taken
17 over some period of time will have an
18 impact on the overall value of the
19 medallion?

20 If you you're going to throw numbers
21 and things like that out there, please
22 make sure that you have and you're able
23 to inform about how you got to that
24 number.

25 MR. YASSKY: I won't keep you up

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2 here. But I would also appreciate some
3 more clarity about your clients'
4 position on the relationship between the
5 driver income and medallion owner
6 income, namely, what is the policy of
7 medallion owners that you -- if driver
8 income does go down, does that mean that
9 those medallion owners will charge less
10 for the leasing of the medallion or the
11 medallion and car?

12 I think if you can provide some
13 clarity as to that policy, it would help
14 us understand whether there really is
15 any risk to the medallion. Thank you.

16 Next is Surinder Singh, followed by
17 Bachirou Fall.

18 MR. SINGH: Good afternoon, ladies
19 and gentlemen and Mr. Chairman. My name
20 is Surinder Singh. I drive 22 years in
21 yellow cab. I bought my medallion in
22 1996 when City to promised to me, "You
23 the only one who have the right to pick
24 up in the the five boroughs."

25 (Inaudible)

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2 Also I want to explain to everybody,
3 I started working to help my children's
4 school, to the point where I could get
5 him in Harvard. 30 days a month I do
6 this, and I pick up 20 fares on Queens
7 Boulevard every day.

8 (Inaudible)

9 It's going to hurt our business.
10 Please, Mr. Chairman, postpone. Please,
11 we beg you.

12 (Inaudible)

13 MR. YASSKY: Please sum up.

14 MR. SINGH: Please. (Inaudible)

15 MR. FALL: (Inaudible) Since I
16 bought that medallion, and I'm working
17 so hard to see if I can invest some
18 money somewhere else. What I just did,
19 I just bought a house.

20 (Inaudible)

21 MR. YASSKY: Thank you.

22 MR. FALL: Thank you so much.

23 MR. YASSKY: Adiel Siguncia?

24 (No response)

25 MR. YASSKY: David Pollack?

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2 (No response)

3 MR. YASSKY: I know David Pollack is
4 here, followed by Avik Kabessa.

5 MR. POLLACK: Good afternoon,
6 Commissioners. How are you? My name is
7 David Pollack. I am from Committee for
8 Taxi Safety.

9 We certainly heard a lot of
10 impassioned testimony today from both
11 sides of the floor. We've heard from
12 medallion owners, small businessmen,
13 we've heard from livery owners, you've
14 heard from taxi technology people. And
15 there's a lot of passion flying in the
16 room.

17 Based on you the new testimony
18 you've heard today, based on the new
19 rule changes that have occurred quite
20 recently, I just hope that you decide to
21 table this for one more month. There
22 are so many things to consider, and it
23 looks to me like we have one class of
24 workers you pitted against another class
25 of workers, for a political solution.

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2 And I think that we need to look at the
3 rules a little closer and not to make a
4 historic mistake in the industry.

5 That's it.

6 MR. YASSKY: Thank you,
7 Mr. Pollack.

8 (Applause)

9 MR. YASSKY: Mr.
10 Gjonaj, you have a question?

11 MR. GJONAJ: Mr. Pollack, what do
12 you think you will achieve with a 30-day
13 delay?

14 MR. POLLACK: Well, first off,
15 there's so many changes on the rules, I
16 can't keep track of them myself -- I
17 don't know, I mean, if you can, that's
18 great.

19 You know, on today's notice and
20 testimony, without digesting it, I don't
21 know.

22 But you know, we talked about -- I
23 really don't want to get into
24 specifics. But we talked about
25 enforcement, that's been talked about

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today. Why isn't anyone talking about FHV enforcement, why are they just talking about the street hail license enforcement?

You know, there's a chance this thing can really work. But it seems the real crust of the problem seems to be circumvented for pushing these rules through, in my opinion. That's just one example.

MR. YASSKY: Thank you. Avik Kabessa, and then the next speaker is Marcelino Aeruias.

MR. KABESSA: Good afternoon.

(Inaudible)

I'm also a member of the Livery Roundtable and I'm also the Chairman of the Livery Workers' Compensation Fund.

(Inaudible)

We are objecting to the discriminatory changes regarding the off-street parking rule.

(Inaudible)

MR. YASSKY: Thank you,

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2 Mr. Kabessa. Mr. Kabessa I agree with
3 you that while the bases continue to
4 operate and meet their obligations, the
5 lack of coverage for drivers is, while
6 maybe not a TLC transportation issue, it
7 is a policy issue that really does need
8 to be dealt with. We stand ready to
9 work with you to get Albany to address
10 that issue.

11 In terms of the information -- don't
12 tell me now, but I'm told that we did
13 send the information you requested, but
14 if it's incomplete, tell me and we'll
15 work on the information you requested.
16 Thank you very much.

17 MR. AERUIAS: Chairman Yassky, nice
18 to see you again. I met you at JFK.

19 MR. YASSKY: Nice to see you again.

20 MR. AERUIAS: My name is Marcelino
21 Aeruias, I've been yellow taxi for the
22 last 28 years.

23 (Inaudible)

24 MR. YASSKY: Really I think we are
25 honored by your presence and your

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2 testimony and just the work and heart
3 that you put into this industry and
4 serving your passengers on behalf of
5 your children, but really on behalf also
6 of the country, the American Dream you
7 spoke about. And I thank you for your
8 very moving statement.

9 I also want to assure you that it is
10 all the thought and all the work and the
11 months and months and years of work that
12 has gone into this. And nobody wants to
13 take away from the yellows. What we
14 want to is to allow the same newcomers
15 to this country who are struggling today
16 to make a living in Brooklyn and Queens
17 and Bronx and Washington Heights, and
18 are doing it now by the skin of their
19 teeth, and allow them to do it legally
20 and with the same dignity that you've
21 been able to do it.

22 Since the rules are very clear that
23 the new licensed cars cannot compete
24 with the yellows in the part of the City
25 where the yellows make their money. But

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2 we're trying to get the yolk of the
3 government off the necks of the drivers
4 who are earning money in the Bronx and
5 Queens and let them enjoy the same
6 liberty and the same American Dream that
7 you have been able to enjoy.

8 I think that your statement was
9 deeply inspiring. I do want you to know
10 the values (inaudible.)

11 MR. AERUIAS: I want just want to
12 ask you not to sacrifice the backbone of
13 this whole industry that (inaudible.)

14 MR. YASSKY: Yes.

15 MR. AERUIAS: I just want you to
16 know that when I was young and like you,
17 I didn't have the choices to go to any
18 business.

19 (Inaudible)

20 MR. YASSKY: Mr. Aeruias, I am going
21 to have to ask you to sum up.

22 MR. AERUIAS: Because you've made
23 uncertainty.

24 MR. YASSKY: Thank you very much.

25 (Applause)

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2 MR. YASSKY: I don't know if there
3 are still people signing up, but we are
4 going to close the sign-ups now, because
5 we have to come to a close.

6 So, Mr. Mamadou, please go ahead,
7 then Fernando Garcia.

8 MR. MAMADOU: Good afternoon,
9 Commissioners. Before anything, I like
10 to (inaudible.)

11 Give us an opportunity to fulfill
12 our American Dream. We are the American
13 Dream. Thank you.

14 (Applause)

15 MR. YASSKY: Fernando Garcia,
16 followed by Jean Chesy.

17 MR. GARCIA: (Through an interpreter)
18 Buenos tardes.

19 MR. YASSKY: Buenos tardes.

20 MR. GARCIA: I'd like to begin by
21 first talking about something you
22 already addressed here. Chairman, this
23 is a country of immigrants. The
24 majority of the people who are here, I
25 would say about 80 percent are

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2 immigrants.

3 MS. MARINO: Is Mr. Garcia a yellow,
4 a livery?

5 THE INTERPRETER: Livery.

6 MR. GARCIA: How is it possible that
7 the generation that came here on the
8 Mayflower, that came here looking for
9 the American Dream, today, they can look
10 forward to having that dream come true?

11 We are not asking for anything that
12 can't be accomplished. We are asking
13 you that we be allowed to work in areas
14 that the yellow taxis do not want to
15 service.

16 For 40 years, we have risked our
17 lives and have put in our effort, and
18 today it's becoming a reality, our dream
19 that we have had for 40 years, we want
20 this to be accomplished.

21 All I ask is that we become a little
22 more human and that we can all work in
23 our own areas while not conflicting with
24 each other.

25 MR. YASSKY: Thank you.

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MR. GARCIA: I would like to ask the Commission to consider all this, so that the rules will be enforced to avoid conflict between one sector and another. I only ask that we can all live in New York without coming into conflict with each other.

MR. YASSKY: Thank you.

MR. GARCIA: Thank you very much.

(Applause)

MR. YASSKY: Jean Chesy, followed by Frank Wanzi.

(No response)

MR. YASSKY: Jean or Frank?

(No response)

MR. YASSKY: Richard Chitman.

MR. CHITMAN: Good afternoon, Mr. Chairman, Commissioners. I had no intention on speaking today. I'm a little nervous. I'm not a great speaker, but I can tell you -- my name is Richard Chitman, I'm from West Point Medallion Sales, I'm a licensed New York City taxi driver, and I'm also a lender,

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2 of rapid funding.

3 I can tell you that from the prior
4 auction, my office sold close to 25
5 percent of all the individual medallions
6 sold at (inaudible.) They bought this
7 medallion with the exclusive right to
8 pick up in all five boroughs, as we
9 know.

10 You guys are looking to have a sale
11 of medallions after these rules get in
12 place. And I can tell you that right
13 now in my office I have a lot of sellers
14 and I don't have any buyers. It will
15 definitely affect the value of the
16 medallion.

17 You're asking for percentages. I
18 can't give you an exact percentage of
19 what it's going to go down, but I can
20 tell you that for the medallions to drop
21 10 percent, on an individual to go down
22 \$70,000, that's not a lot of money,
23 that's not a big percentage for it to go
24 down, but I think it can go down more.
25 And at that point you'll see a lot of

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2 loans with a lot of lenders going upside
3 down, where they (inaudible.)

4 At that point, the banks that are
5 giving us money to re-lend to the
6 borrowers, they're going to cut us back
7 and you're going to see a crisis going
8 on in the City.

9 (Inaudible)

10 I think there's a lot of rules that
11 need to be implemented into your rules
12 now, some things that need to be put
13 into place: better enforcement, more
14 protection for us.

15 I'm just asking that you re-think
16 everything that's in the rules, you
17 don't rush to vote on this today. It is
18 a historical vote and I'm asking you to
19 please delay it.

20 MR. YASSKY: Thank you. And I
21 appreciate your coming here today. And
22 I want to assure you that even if we do,
23 as I expect, vote on this today, it
24 doesn't mean that if you have ideas of
25 what we need to do -- you said that

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there are things that you think need to be done on enforcement and so forth, I really encourage you to stay in contact with us at the Commission. We value people's input who understand this industry. I hope you will take advantage of that.

MR. GONZALES: You mentioned you were seeing more sellers than buyers earlier. Instead of sales, what would you say the change of year-to-year percentage was?

MR. CHITMAN: What is the percentage of the change?

MR. GONZALES: How many sales are you seeing this year versus last year?

MR. CHITMAN: I can just tell you that it's a lot lower.

MR. GONZALES: As far as the transactions today?

MR. CHITMAN: It's 24.7 percent less transfers than last year.

MR. GONZALES: In your opinion, how much of that 24.7 percent is due solely

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2 to the Five Borough Taxi Plan?

3 MR. CHITMAN: I think most of it is
4 due to it, because --

5 MR. GONZALES: Not most. How much?

6 MR. CHITMAN: (Inaudible.) I can
7 tell you to you most of it due to
8 everybody is scared; what are they
9 actually buying at the auctions? The
10 City printed up these nice pamphlets and
11 everything that showed, you know, nice
12 lighting and sufficient light to pick up
13 street hails in all five boroughs. And
14 now they're saying, "Well, what am I
15 really buying?"

16 Right now, they narrowed it down to
17 96th Street. And then what happens if
18 two years from now, a year from now, the
19 liveries whou bought the outer borough
20 medallions are saying, you know, "We
21 can't make money only on 96th Street.
22 We need 86th Street"? And then they
23 come in and they (inaudible.)

24 MR. GONZALES: Let me ask you one
25 last question. In your opinion, how

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much of the reduced number of sales would you attribute possibly to that in the financial services industry in total; is there higher lending standards or lower them?

MR. CHITMAN: I don't really understand the question.

MR. GONZALES: For example, the mortgage business prior to the recession.

MR. CHITMAN: Right.

MR. GONZALES: You could easily just, you know, it's okay, you receive 100 percent financing on a piece of property. Right now, as of this moment, you got to walk in with 20 percent equity.

MR. CHITMAN: Right.

MR. GONZALES: So, that particular scenario, how much have you seen?

MR. CHITMAN: I think it's more of the lenders' uncertainty of what we're lending on. Banks and credit unions are regulated to do about 80 percent.

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2 Brokers like me and lenders like me, we
3 take a chance and we put less money
4 based on if their credit is bad.

5 When we're lending money on a
6 medallion, we were secure on what we
7 were lending money on before.

8 Right now we don't really know what
9 we're lending money on either. So, I
10 can tell you as a lender, I've tightened
11 my reins, I'm not lending as much money
12 and letting guys in and lending them 95
13 percent to buy a medallions at the
14 auction.

15 At the prior auctions, I financed 95
16 percent, sometimes I financed almost 100
17 percent.

18 MR. GONZALES: So, less?

19 MR. CHITMAN: (Inaudible.)

20 MR. GONZALES: Would you say that
21 the tightening of lending started to
22 incur as (inaudible)?

23 MR. CHITMAN: No.

24 MR. GONZALES: No?

25 MR. CHITMAN: No.

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2 MR. GONZALES: Thank you.

3 MR. YASSKY: Thank you. The next is
4 Richard Kay, followed by Arthur
5 Goldstein. We have four more speakers:
6 Richard Kay, Arthur Goldstein, Anthony
7 Cassarino (ph) and Michael Simon, and
8 that is all the speakers. Mr. Kay?

9 MR. KAY: My name is Richard Kay.
10 I'm the president of the League of
11 Mutual Taxi Owners. I'm the CEO of
12 Lomto Federal Credit Union. And I'm the
13 president of the Taxicab Service
14 Association, representing four credit
15 unions who are major lenders to the
16 yellow medallion taxi industries.

17 I hadn't planned on speaking today,
18 but I've heard so many things said --

19 MS. MARINO: Microphone please.

20 MR. KAY: That I felt compelled to
21 say something. I have a few things that
22 I made some notes about concerning
23 lending. I also have some things just
24 concerning the industry in general, and
25 I hope that I have the time to finish

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2 this.

3 I've been in the medallion taxi
4 industry for 37 years, the problem
5 concerning illegal livery street hails
6 started long before that. The police
7 department regulated the taxi industry
8 at that time. The police department did
9 not enforce the rules about illegal
10 street hails, especially in certain
11 areas of the city.

12 When the TLC was created in the
13 early 70s, TLC didn't enforce the rules
14 then either. So, it grew and it grew
15 and it grew.

16 Yellow cabs used to service all the
17 boroughs in all areas of the City. I
18 remember that. The yellow cabs were
19 driven out of many neighborhoods because
20 of the lack of enforcement and the
21 illegal cars taking over those areas.
22 The yellow cabs (inaudible) of illegal
23 competition and violence from the
24 drivers in the illegal cars. And I know
25 this firsthand.

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2 If there was proper enforcement back
3 then, the illegal drivers would have
4 been encouraged to get a hack license
5 and drive a yellow cab. But That wasn't
6 done. That's not my fault. You were
7 weren't around then, but this Commission
8 was, and this Commission didn't do its
9 job.

10 The practice of non-enforcement
11 continues today the same way it did 20
12 years ago, 30 years ago, and 40 years
13 ago. And now I'm hearing that I should
14 believe that it's going to change. I'm
15 sorry, I don't believe it.

16 (Applause)

17 MR. KAY: Instead of having black
18 Lincolns, that everybody knows are
19 illegal, to pick up street hails, you're
20 going to have cars that look like yellow
21 cabs -- even though they're not yellow,
22 they're going to have a roof light and a
23 meter and rates on the door, and then
24 you're going to say, "You can't pick up
25 in this area, but you can pick up across

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2 the street."

3 Or, you know what? The people
4 flagging cabs don't care. They're so
5 used to making flat rate deals with the
6 drivers that they're going to do that in
7 those cars, too. And GPS system is
8 going to be able to tell you about
9 that.

10 (Applause)

11 MR. KAY: This bill will harm the
12 people who followed the rules, followed
13 the laws, all of your regulations, paid
14 their taxes and did everything that they
15 were supposed to do.

16 MR. YASSKY: I'm sorry, Mr. Kay, out
17 of respect for everybody and their time
18 limits, I'd ask you to sum up.

19 MR. KAY: Everyone should be allowed
20 to earn a living, everybody. And if the
21 drivers of these illegals cars really
22 want to drive a cab, why don't they get
23 a hack license? Why doesn't this City
24 want to issue more medallions?

25 The yellow industry has discussed

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this with the Chairman, and every plan that we've discussed was found to be no good. But that doesn't mean that there isn't a plan that is good. And that's the way we should look at this.

And everybody can get a hack license, and with more medallions, they all get a cab to drive and everybody will make a living.

In answer to Commissioner Gonzales' question, if I can answer the question?

MR. YASSKY: Yes.

MR. KAY: The (inaudible) on many of the leased medallions, where somebody leases a medallion through a leasing company and gets a fixed amount of money every month, and we base a loan on the payment amount equal to lease amount at 1.0. It goes up to approximately 1.25, depending on how the medallion is being used. Only drivers will have a different (inaudible) than other types of operations.

(Inaudible)

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2 MR. YASSKY: Okay. Thank you,
3 Mr. Kay.

4 MR. KAY: I respectfully urge this
5 Commission to postpone this vote, to
6 table it, and I can get you more
7 information from NERA, who is a
8 nationally recognized economic
9 consulting company that did white papers
10 for the TSA, and it will show -- and
11 this is totally independent. We just
12 paid for it, we didn't tell them what to
13 put in, and it showed that the medallion
14 value drops 25 percent with 2,000 yellow
15 medallions and also with this livery
16 street hail rule. And I have
17 documentation, I can get it to you
18 tomorrow, and I hope you consider that.

19 MR. YASSKY: We certainly look
20 forward to that. Thank you, Mr. Kay.

21 MR. GJONAJ: When did you obtain
22 that report?

23 MR. KAY: It's approximately one
24 year old.

25 MR. GJONAJ: And that 25 percent

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2 depreciation in the value of medallions
3 is due to the sale of 2,000 yellow
4 medallions, in addition to the outer
5 borough?

6 MR. KAY: Yes.

7 MR. GJONAJ: I have one question.
8 Why didn't you bring that report with
9 you?

10 MR. KAY: That's a good question,
11 and I don't have a good answer for you.
12 The report was made public. It was
13 submitted on a state level.

14 MR. YASSKY: Certainly would have
15 been useful for us to see it.

16 MR. GJONAJ: Did you submit that to
17 the State at the time we were discussing
18 the outer borough plan?

19 MR. KAY: Yes.

20 MR. GJONAJ: Have you seen this,
21 Mr. Chairman?

22 MR. YASSKY: Not to my knowledge.

23 MR. KAY: It's been well-
24 publicized. I was under that impression
25 that our counsel had submitted it to the

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2 Commission, but I'm not 100 percent
3 positive.

4 MR. YASSKY: I don't believe so.

5 MR. KAY: All I'm asking is before
6 this Commission makes this judgment
7 today, consider how serious it is and
8 how irreversible it will be. To wait
9 another month to make that decision
10 would be the prudent thing to do.

11 MR. YASSKY: Thank you, Mr. Kay.

12 (Applause)

13 MR. CARONE: I just want to clarify
14 something you mentioned on the DSCR,
15 that you came here representing a
16 banking institution that lends?

17 MR. KAY: Correct.

18 MR. CARONE: Using the medallion as
19 collateral; is that correct?

20 MR. KAY: Yeah. I'm the CEO of the
21 Lomto Federal Credit Union,
22 approximately \$250 million in assets
23 primarily to the yellow New York City
24 taxi medallion industry.

25 MR. CARONE: You base your DSCR on

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whether it's 1.0 or in some cases, as

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you testified to, 1.25, and you use that

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to guide how high of an LTB you would go

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to determine your lending criteria; is

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that correct?

7

MR. KAY: Well, they're not exactly

8

related that way. We go up to a --

9

well, if a DSCR misses at least one --

10

MR. CARONE: Right. So, how much

11

you're going to give them is based on

12

the cash flow of the asset.

13

MR. KAY: Yeah.

14

MR. CARONE: You mentioned you gave

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some economic study to the public, and

16

you're not sure to where, but since the

17

hail legislation was passed into law

18

until today, has your institution

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reduced its DSCR as you stand here

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today?

21

MR. KAY: We have reduced the dollar

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amount of (inaudible.)

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MR. CARONE: Have you reduced your

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DSCR below 1.0?

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MS. De'ARCY: I hate to sound

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ignorant, but can you define DSCR?

MR. KAY: It's debt-service coverage ratio, which is used to -- it's a calculation that every lender will have to use on any loan to determine if the borrower has, or in this case the business has enough income to repay the loan on a monthly basis.

MR. CARONE: Mr. Kay, if I'm understanding you correctly, the DSCR, as defined a few minutes ago, has not really incurred a change since this (inaudible) legislation was publicized by the Mayor a few months ago, and right up until today --

MR. KAY: There's no reason (inaudible.)

MR. CARONE: I'm not saying there was. I'm just asking, have you changed it?

MR. KAY: I have not changed the underwritten standards of the DSCR. I have changed the amount of the loan. We refinanced loans at a much lesser amount

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2 now than we did two years ago.

3 MR. YASSKY: Thank you. I will also
4 point out that if indeed there was a 25
5 percent drop in values from where we're
6 at today, it would bring them roughly to
7 where they were when the study was done,
8 in other words (inaudible.)

9 So, next is Arthur Goldstein. And
10 then I believe Frank Wanzi, is he here?

11 (No response)

12 MR. YASSKY: Okay. I skipped
13 over -- I called his name earlier and I
14 guess he must have been out of the
15 room. So, Arthur Goldstein, then Frank
16 Wanzi, then the final two speakers.

17 MR. GOLDSTEIN: Thank you and good
18 afternoon. I'm general counsel to the
19 Taxicab Service Association- Richard
20 Kay's organization. Just a couple
21 comments. I also didn't intend to speak
22 until I heard all this.

23 First of all, the study was
24 commissioned by the TSA and widely
25 circulated at the time. I'm not sure if

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2 it was sent to the Chairman's attention
3 directly, but there were newspaper
4 stories about it, and at that point, the
5 weekly meetings that we were having with
6 the Commissioner had stopped. I don't
7 know if you know the history here, but
8 there was a whole, very good, strong
9 dialogue by the so-called "special
10 interests" that happened immediately
11 after Mayor Bloomberg made the
12 announcement. A number of the
13 organizations got together, first
14 yellows and then we met with livery
15 organizations, and we collectively said,
16 "This is real. Something's going to
17 happen here, and we have to come up with
18 a plan."

19 And then we went to the Chairman, we
20 went to City Hall, and started meeting
21 just about weekly, and we were throwing
22 ideas on the table -- and I represent
23 TSA for 18 years now, and, you know, I
24 never thought I'd see some of the
25 interesting ideas we heard about- you

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2 know, mandate, using all yellow taxicabs
3 as a solution, trying to, in essence,
4 take back the streets that was theirs,
5 you know, 30, 40 years ago.

6 But all the ideas that went on the
7 table meant jobs for everyone, all cabs
8 in a measured way. And what I mean by
9 measured is you analyze demand. Do we
10 even know today the -- do they, the
11 Commissioners, know how many fares are
12 out there that are being picked up in
13 the boroughs outside of Manhattan above
14 96th Street? I got to say the answer is
15 no, none of you know what that number
16 is.

17 So, all of a sudden we have a plan
18 to take 2,000 cabs- that's 50,000 fares
19 a day if you multiply each shift 25.
20 And then if you take the 18,000 vehicles
21 that pick up another 10 fares a shift
22 and maybe make a shift-and-a-half,
23 that's 270,000 fares. Do we know that
24 270,000 -- plus the 50 -- fares are out
25 there? We don't know. This was never

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2 done in a measured, tested way.

3 MR. YASSKY: If you can sum up
4 please.

5 MR. GOLDSTEIN: I will. So, my
6 point is, besides the NERA study, it's
7 out there and I believe it's also common
8 sense, the medallion is a commodity. If
9 you forward 2,000 commodities into a
10 market, common sense tells you it's
11 going to have an impact.

12 And now if you're going to throw
13 18,000 more into that marketplace, it's
14 going to have a bigger impact. The key
15 point here is that this Commission --
16 forget the public having to pay for a
17 study, or an industry, this Commission
18 needs to study this before you vote.

19 Before you change an industry
20 forevermore, even if you might tinker
21 with whatever you vote on today because
22 some things go wrong and you may correct
23 them, this is too big today to make the
24 vote today.

25 (Applause)

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2 MR. GOLDSTEIN: You sit there back
3 in the room like -- you know, maybe some
4 of us failed our clients, and hopefully
5 we (inaudible,) as well, but most of the
6 time, even when we were talking with
7 some of the livery organizations on the
8 side -- and I think the chairman was as
9 well, we really weren't in the room,
10 ever, together, until way down the road,
11 probably four months after we stopped
12 talking on a weekly basis.

13 Where are you going to find the
14 solution where people don't lose jobs
15 and demand it's taken care of in a
16 measured approach? The way to do it is
17 to get back into a conference room and
18 maybe involve some more Commissioners.
19 Thank you.

20 (Applause)

21 MR. YASSKY: Mr. Wanzi, followed by
22 Edwin Rodrigo (ph,) followed by Michael
23 Simon, and then we'll close.

24 I just got an email. Just on the
25 question on number of sales from

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2 (inaudible.) In the first three months
3 of 2012, 55 transfers of medallions; the
4 first three months in 2011, 55
5 transfers. So, that sounds like a
6 change of zero. Thank you.

7 MR. WANZI: Mr. Chairman,
8 Commissioners, ladies and gentleman,
9 good afternoon. My name is Franklin
10 Wanzi, I'm a graduate student of City
11 College, and I'm taking a course now in
12 transportation management. The former
13 Commissioner Daus is now the president.
14 So, (inaudible.)

15 Can you hear? I'm also a yellow cab
16 driver, and I live on 176th Street in
17 the Bronx. I am a yellow cab driver.
18 I'm outraged when I'm driving downtown
19 and I see black cabs (inaudible.) I'm
20 outraged, because I have to pay my lease
21 and I need to make money for myself. I
22 am not saying -- I also see why
23 (inaudible.)

24 So, I'm pleading, sometimes change
25 is how you are managing or how you work

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2 (inaudible.) I thought maybe this
3 change was -- what's that word --
4 incentive to be professionals.

5 (Inaudible)

6 But put a little bit more
7 enforcement into the City, and try to
8 balance it a little bit.

9 (Inaudible.) Try to balance it a
10 little bit like the very first man said
11 at the beginning. But please,
12 (inaudible) is change. How you manage
13 it is (inaudible.) Thank you very
14 much.

15 (Applause)

16 MR. YASSKY: Mr. Wanzi, I'll tell
17 you very sincerely, sir, that is the
18 best articulation on what we are trying
19 to accomplish in this rule that I have
20 heard. And I think you're absolutely
21 right, had we -- had I, and we as the
22 TLC, articulated it as well and as
23 thoughtfully and as just clearly as you
24 just did, maybe it wouldn't have been so
25 controversial. I really appreciate your

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2 testimony. Thank you.

3 So, finally, Anthony Focorino (ph,)
4 followed by Michael Simon.

5 MR. FOCORINO: Good afternoon,
6 Commissioners.

7 MS. MARINO: Into the mic please.

8 MR. FOCORINO: I'm in the business
9 since 1985. I'm a medallion owner.
10 Currently my house is under water. I do
11 not wish my medallion to go underwater.

12 (Inaudible)

13 Over 2,000? See the impact, see the
14 environmental study, see the pollution,
15 see how many guys will kill one another
16 for a fare in the outer boroughs. You
17 have no idea.

18 (Inaudible)

19 Get a hack license.

20 (Inaudible)

21 Get a hack license. Become a
22 driver. See where we are.

23 (Applause)

24 MR. YASSKY: Thank you,
25 Mr. Focorino.

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2 MR. FOCORINO: Any questions?

3 MR. YASSKY: Thank you very much.

4 MR. FOCORINO: Any questions?

5 MR. YASSKY: I think you said it

6 all. Michael Simon is our last

7 speaker.

8 (No response)

9 MR. YASSKY: We'll skip Mr. Simon --

10 MR. SIMON: I wasn't intending to

11 speak, I've never spoken at any

12 Commission meeting, but this is of real

13 importance, so I decided to come up.

14 I've been a taxi owner since 1976. I

15 was an owner/driver for about 15 years.

16 I own a few minifleets right now.

17 One aspect of the financial

18 situation that I think that hasn't been

19 discussed enough is the aspect of

20 drivers. I hang out with my drivers, we

21 chat, we talk, when they pick up the

22 cabs we have chitchat. And one time I

23 asked them, you know, "Why don't you

24 guys drive gypsies, why do you guys

25 drive yellow?"

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2 And basically the reason why yellow
3 cab drivers drive yellow is because
4 they're good people. They don't want to
5 do anything wrong, they don't want to be
6 illegal. That's why they're driving
7 yellow.

8 To drive a black car, it's a much
9 nicer car. You don't have a partition,
10 you have a nice Towncar, you take it
11 home. It's very comfortable, it's a
12 very easy way to wait, it's a very easy
13 way out from being legal and doing
14 something illegal and making a living
15 that way, rather than do it right, in my
16 opinion.

17 So, what I want to bring up, the
18 gypsies, their car services are
19 illegal. And what's going to happen to
20 the drivers who are driving yellow cabs
21 now; will they need a small operator
22 like me, and will my cabs be, you know,
23 not going out like they are now?

24 I remember about -- I don't know how
25 many years ago it was -- maybe five, 10

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2 years ago, the Commission started
3 implementing more rules concerning
4 drivers, and the standards went way up,
5 and there were a lot of drivers that
6 left and a lot of my cabs weren't going
7 out, and during that time I lost a lot
8 of money. Every day the cabs of mine
9 weren't going out because there weren't
10 enough drivers.

11 So, what if that situation comes
12 back? That's a financial aspect that
13 hasn't been discussed yet, is whether
14 drivers who leave driving yellow cabs
15 and begin to drive gypsy cabs and what
16 do all of the other cab owners do to
17 find drivers? Because now the yellow
18 cab drivers don't drive yellow cabs,
19 don't drive a gypsy cab because they're
20 not legal. So, that's something I
21 wanted to bring up. And that's really
22 an important point.

23 MR. YASSKY: I'll ask you to sum up,
24 Mr. Simon. Thank you.

25 MR. SIMON: One other thing I feel

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2 is very important in this whole
3 discussion is the ethical, moral and
4 also legal aspects of this whole thing.
5 I think a lot about those, and a lot of
6 my own thinking has to do with like,
7 what's the moral, correct point here?
8 What's the ethical, right thing to do?
9 And to me, as an owner/driver, I was
10 driving in Brooklyn back in 1976,
11 working all parts of Brooklyn, and then
12 I saw the beginnings of the gypsy cabs,
13 and then when I saw that, I found it
14 harder and harder to find a fare, so I
15 started driving more in Manhattan.

16 And that's when I also started
17 buying medallions at that time. Those
18 drivers who decided to go to the gypsy
19 cars, they could have bought medallions,
20 but they decided to go the way of a
21 gypsy car and not invest.

22 So, my point of view is on ethics
23 and morality. Why should somebody who
24 did something which was illegal way back
25 be rewarded for that?

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2 If I did something right, then I
3 should be rewarded for doing something
4 right. And I tend to think, why weren't
5 the yellow taxi drivers, you know,
6 included in any kind of way with getting
7 these permits? They were completely
8 shut out.

9 MR. YASSKY: Alright, Mr. Simon, I
10 am going to have ask you to just end
11 your testimony.

12 MR. SIMON: Thank you.

13 (Applause)

14 MR. YASSKY: Thank you to all of the
15 members of the public and the industry
16 who are here and participated. I think
17 this has been just a terrifically
18 illuminating hearing. This was just
19 what this process was supposed to be.

20 Commissioners, I thank you, and I
21 know it's been a long day.

22 Before I call for a vote, though, I
23 know that many, if not all of you, would
24 like to make statements, and I think
25 that's appropriate, given the

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2 seriousness of this.

3 We do have -- I won't speak at
4 length, just to say that that is a sort
5 of an opportunity for us to fix the
6 problem that, speaker after speaker
7 after speaker has said, should have been
8 fixed years ago, and it's the case that
9 the boroughs should have been provided
10 for.

11 Maybe more medallions were needed 20
12 yeas ago, maybe they should have been
13 directed to the boroughs. But whatever
14 should have been done 20 and 30 and 40
15 years ago, we are here today with the
16 problem, it's now in our lap and it's up
17 to us to fix it. I guess it's a burden,
18 but it is also just an enormous
19 opportunity and privilege to be in a
20 position to try and fix it.

21 So, Commissioner Carone.

22 MR. CARONE: Thank you very much,
23 Chairman. Just so I'm clear, we're
24 making statements and deliberations and
25 then voting for them?

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2 MR. YASSKY: That's correct.

3 MR. CARONE: It's a little late in
4 the day, especially after breakfast and
5 lunch, but I am happy to be here with my
6 fellow Commissioners. Although, I'm
7 certainly privileged to serve on this
8 Commission for a little over a year, I
9 feel like I've known each and every one
10 of you for much longer than that, and
11 that's a good thing.

12 (Inaudible)

13 Whether we agree or disagree, as far
14 as sitting here in Brooklyn Borough
15 Hall, in the Borough of Brooklyn, in the
16 borough of my birth and both my parents
17 and grandparents, I think it's entirely
18 appropriate that we are doing so.

19 Moving on to my comments, based on
20 what I've heard in the last several
21 hours, I want to start with the comment
22 that is rushed. I've heard the word
23 "rushed." I've seen it in writing, I've
24 heard it several times today, I've heard
25 it over the phone.

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2 And I think, Mr. Chairman, we
3 started, correct me so, in giving a
4 15-month history, of when this was just
5 an idea. And I know I personally sat
6 through multiple community meetings, not
7 necessarily 15 months, but certainly for
8 a better part of the year, more than I
9 could even count. So, I don't believe
10 that we are rushing on a deliberation.
11 As a matter of fact, I think I heard
12 testimony from many people today, I
13 think it was maybe Richard Chitman --
14 forgive me if I mispronounce your
15 name -- who said that it was a year, I
16 think his quote was, until we had "rules
17 in place."

18 In preparation for today, I used the
19 15-month history and the year-history,
20 and together with the numerous documents
21 that have been sent to me, I just want
22 to list some of them. They are letters
23 from the MTBOT; Committee for Taxi
24 Safety; Greater New York Taxi
25 Association; NYC Fleet Livery Owners;

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2 Livery Roundtable. I received letters
3 from most of those organizations I just
4 mentioned. I received letters from
5 lobbyists. I received numerous
6 community board letters.

7 I also received copies of litigation
8 papers on (Inaudible) and MTBOT
9 litigations that are presently pending,
10 and I read them all. Read them all
11 carefully.

12 I've also, for the most part, spoken
13 to all of the representatives who called
14 me from all those organizations that I
15 just mentioned. I spoke to those
16 individuals, they asked and I asked some
17 questions. And I usually asked the
18 following question, because the written
19 material -- I'm not going to say a
20 certain percentage, but a good majority
21 of them have started with they're happy
22 to see the hail legislation, from the
23 onset, not whether our ruling should
24 have particular rules or not particular
25 rules, but why the legislation passed in

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2 the first place.

3 It's a very frustrating question,
4 since no one on this Commission had
5 anything to do with that, those are now
6 the laws, and it's not appropriate for
7 us to sort of find imposing.

8 But the question I'd ask was, "Which
9 particular rule as presented do you have
10 an issue with? And if you have an issue
11 with a particular rule, how do you
12 suggest that we change or amend it?"

13 Not many of the individuals that I
14 spoke to had substantive questions like
15 that, not a substantive response. Some
16 did, but not many. "When did the
17 conversation fall on our Commission to
18 rule on this legislation in the first
19 place?" And I just reminded those
20 individuals I was on the phone with, it
21 is the law. We're not here to challenge
22 that law.

23 And I'll tell you why I say that.
24 Our roll, our roll in rules is
25 rulemaking, and whether or not the rules

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2 that we so make will reflect the
3 accuracy -- or accurately reflect the
4 legislation as passed on for us to do
5 so; in this case, start it over.

6 Where? The Assembly.

7 The Assembly can waive the bill, the
8 Assembly can (inaudible.) The
9 Assembly, elected by the people in the
10 State of New York to be their voice,
11 proposed the bill. That wasn't enough.

12 Then we went to the Senate which had
13 its own bill. Then we went to the
14 Senate conference, they heard from all
15 of those lobbyists and stakeholders and
16 their constituents within their
17 particular districts, and I don't
18 think -- they would not have voted if
19 they didn't believe in their minds that
20 this is what their districts reflected,
21 whether they voted no or they voted
22 yes.

23 That final version was sent to the
24 Executive Branch. They held onto it for
25 several months. During that time there

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2 was more negotiations and there were
3 some changes proposed. When the
4 Governor, through the Executive Branch,
5 signed this bill into law, it then
6 became law.

7 It ends there, not here. We don't
8 have the power -- that's why it's a
9 frustrating feeling -- to neglect the
10 law, ignore the law or change the
11 substance of the law, we're here, as
12 someone said earlier, to follow it and
13 implement it.

14 We can, however, hear and take
15 suggestions on how to implement it. And
16 I think we have done that.

17 What made it easy to do that, and I
18 use "easy" very, very -- I guess
19 shouldn't use that word, "easy," but I
20 have to say this, the staff marshaling
21 the comments on the (inaudible,) and it
22 goes on and on, and on. They finalized
23 the best comments for us so that we can
24 focus on the substance of the rulemaking
25 that accurately reflects the agreement,

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2 disagreement or suggestions from the
3 industry at large. And I thank them for
4 that, I also thank them for making those
5 available within minutes, for
6 suggestions.

7 With that being said, and I have to
8 say I have enormous respect for everyone
9 who testified today, (inaudible,) as I
10 said earlier, my role I believe as a
11 Commissioner and a Commissioner from
12 Brooklyn is a substantive one, on the
13 rules itself.

14 So, with that preparation, the
15 history and the enormous responsibility,
16 I determined there were two threshold
17 issues for me: Personally.

18 One, Handicap Accessibility.
19 Whether you agree with it, you don't
20 agree with it, whether it's practical,
21 whether it's workable, it's not for us
22 to determine, it's the law. The law
23 requires 20 percent. In my view, that
24 doesn't mean alternative or another
25 option, it means 20 percent of the exact

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2 licenses we're selling or we will be
3 selling.

4 And if the Governor or the
5 legislature would have called for 5
6 percent, we would be bound by the 5
7 percent. If they would have called for
8 100 percent, we'd be bound by the 100
9 percent, I personally would like that
10 better, but it's not for me to say.
11 What is for me to say is to follow the
12 law, and I will not support a rule that,
13 whatever in my mind, does not follow and
14 mandate the spirit or the exact verbiage
15 of it.

16 The second threshold issue for me
17 was enforcement. Very difficult one.
18 And we worked very hard to try to come
19 up with what the Commission, what we can
20 do in the confines of our authority as
21 it relates to enforcement. And I
22 probably join in many of the reasons
23 stated by the New York Taxi Association
24 and Ethan Gerber on why enforcement is
25 important. I think everyone is saying

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2 the same thing, certainly is, especially
3 now.

4 However, the kind of teeth that will
5 make adequate (inaudible) is outside of
6 our purview as well. It will mean a
7 change in the administrative code,
8 whether that is it either goes to the
9 City Council or once again in Albany.

10 But the changes that we did make
11 within the rules I believe reflect as
12 strong an enforcement as you possibly
13 can, and those changes I think are
14 substantive. However, to go further, we
15 would need outside help from the Council
16 or Albany.

17 I do believe the rules, as presented
18 today with the amendments, they're as
19 strong as we can in enforcement. And I
20 hope that the staff continues,
21 (inaudible) and enforce it on the
22 streets.

23 The last thing I want to say, the
24 hail legislation falls to many of the
25 things that were stated here today, such

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2 as reports, studies. We're not able to
3 (inaudible) after the Stage 1, which is
4 one third, we're obligated to report --
5 we being the TLC and the Commission, to
6 report studies, reports and facts that
7 we learned in the first stage. And that
8 is very small.

9 Even without that, what would we do
10 anyway, what would we do? This is a
11 work in process, it is a work in
12 progress. As we learn what needs to be
13 adjusted, we will take those adjustments
14 and then learn those lessons seriously,
15 and debate amongst ourselves and
16 hopefully implement a new rule that
17 reflects that. And I think we've proven
18 that.

19 Just yesterday, we received a final
20 substantive change and amended it here
21 today. So, the past suggests that we're
22 open to those changes as they become
23 known to us. This is not the end, this
24 is the beginning. I do believe, though,
25 the industry, all sides need closure.

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2 We need some finality, I'm happy to be
3 doing that today.

4 MR. YASSKY: Thank you,
5 Commissioner. Commissioner Gonzales?

6 MR. GONZALES: Thank you, Chairman
7 Yassky and my fellow Commissioners, the
8 TLC staff and the industry, passengers
9 and industry reps again for taking the
10 time to come out to Brooklyn today.

11 I'm going to say it does feel
12 appropriate, though, to push our quorum
13 here to have the Five Borough Taxi Plan
14 up and going here and Brooklyn.

15 As they'll tell you, the third-to-
16 last speaker, I'll just say that change
17 of times can be a tough thing. But to
18 quote Heraclitus, "Nothing endures but
19 change." And while I'm most certain
20 that while the Greek philosophers did
21 not really have the New York City taxi
22 for-hire, I just want to remind you, it
23 wouldn't have gotten here without
24 change.

25 And the structure of change, I sense

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that the resistance of tolerance towards change is apparent and present with respect to this Five Borough Taxi Plan which we will vote on today.

One thing I noticed about this particular journey called the Five Borough Taxi Plan is that this resistance -- which again, this is necessary in times of change. This was relayed to this board at the last Commission meeting and also here today, it merely focuses, in my opinion, primarily on the industry's perspective. Up until today, it is my opinion that there is very limited air time given to the driver perspectives and still almost zero air time given to the passenger perspectives.

Let me tell you why this is important to me. Thinking for myself, I for one base my decision on balancing the interdependency among the passenger, driver and industry perspectives.

For the passengers and drivers, I

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2 pay key attention to safety.

3 Having spent my entire career in the
4 private sector, I pay key attention to
5 the overall business liabilities of the
6 industry.

7 From where I sit, I definitely see
8 overwhelming concentration of the hailed
9 passenger pickups and drop-offs
10 occurring in Manhattan south of 110th
11 Street of the west side and south of
12 96th Street on the east side. I also
13 see a concentration of pickups and drop-
14 offs occurring at the airports. What I
15 infer from this data is that the target
16 market outside the exclusionary zone is
17 not being served.

18 The last time I checked, there were
19 five boroughs in New York City. If my
20 inferences regarding the current yellows
21 serving this target market are
22 incorrect, there has been more than
23 ample opportunity to share that
24 objective data to my fellow
25 Commissioners and TLC staff.

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2 For those of you who are keeping
3 score, I'd also like to point out that
4 there were 87 comments that were brought
5 to the staff's attention that were
6 substantive in nature. 40 of those
7 issues staff agreed with the comments
8 and revised the rules accordingly.

9 If my math is correct, that's about
10 55 percent of the comments reviewed by
11 staff resulted in the rules update that
12 we have before us today. I see that as
13 an example of good, two-way knowledge
14 between the staff and the stakeholders.

15 Finally, I'd like to address those
16 who may have opinions that the TLC has
17 moved too fast on the rules that the
18 Governor signed off on on the Five
19 Borough Taxi Plan this past February,
20 and we have the rules here two months
21 later. In my opinion, the clock really
22 started ticking around June of last
23 year, not this past February.

24 Also keep in mind -- because, again,
25 it's a building process for the whole

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Commission. Because the TLC brought the

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industries in for making the decision in

4

the Rules Revision Project, developing

5

and modifying rules made it an

6

expeditious yet comprehensive manner in

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the direct sense for rules revision.

8

Throw into the mix, an excellent,

9

responsive and diligent staff here at

10

TLC, and we're here where we are today

11

because of that.

12

In closing, should the rules pass

13

today, I see the rules as comprehensive,

14

yet flexible enough- such as if new

15

information comes in and unintended

16

consequences and benefits reveal

17

themselves in the implementation stage,

18

I trust that staff will make the

19

necessary adjustments in a timely

20

manner. Thank you for your time.

21

MR. YASSKY: Thank you.

22

Commissioner Gjonaj, do you wish to make

23

a statement?

24

MR. GJONAJ: I sure do. One of the

25

advantages of being a Commissioner is we

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2 don't have to adhere to those three-
3 minute cards. Sorry guys.

4 David, our Chairman, has informed us
5 early on that this is not a perfect
6 thing, and in no regard is 100 percent
7 of the industry going to be 100 percent
8 happy, we knew that going in. But boy
9 oh, boy, when the Commissioner signed up
10 and sent in the nomination to the TLC,
11 we had no idea what we were stepping
12 into, I'll tell you that much.

13 But we did embrace the concerns of
14 the industry organizations -- to driver,
15 to the small businesses -- and gave
16 every bit of attention to the issues
17 that were brought up to the exclusive.

18 I've always been supportive and
19 encourage participation from each one of
20 you. I'm pleased when I hear a person
21 signed up and starts the testimony with,
22 "I had no intention of speaking, but,"
23 that's what you're supposed to do,
24 that's why you're here. Your
25 participation and comments will

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2 influence our decisions. That's the way
3 good government should be.

4 I again applaud each and every one
5 of you for the time that you've taken to
6 represent your interest and your
7 concerns.

8 Without having going through a
9 rhetoric of my fellow Commissioners and
10 trying to leave something on the table
11 for the rest of the Commissioners to
12 say, I do want to thank the TLC staff.
13 I do want to thank all the Commissioners
14 that have taken this position. For many
15 of you that may not know, this is a
16 voluntary position. There is no
17 salary. We are here on our own free
18 will and no compensation and do this
19 with the utmost respect and
20 responsibility.

21 With that, the changes that were
22 recently made, the booing, as we
23 witnessed yesterday and here in today's
24 testimony, one thing is evidently clear,
25 and that's from all facets of the

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2 industry, much more has to be done in
3 enforcement. Rules and laws on paper
4 with the lack of follow-up are not
5 useful. We will continue to work on
6 that. I assure you that I will give it
7 the attention that it deserves, we will
8 diligently work to alleviate your
9 concerns.

10 The AVA, or the Accessible Vehicle
11 and I hear the paratransits, as
12 Commissioner Carone already pointed out,
13 is not the viable choice. It undermines
14 the intent of the law, the purpose it
15 was put in there, and I'll make sure
16 that I do my part in rendering that
17 suggestion going through. If we have to
18 come up with other ideas if necessary,
19 be more creative, I will not let you
20 down. I am trying to represent your
21 interests the best I can.

22 With that in mind, I think we are
23 going to vote today, yet I see no real
24 -- and no -- significant issues were
25 brought up to my attention today. I

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2 would have loved to have seen that
3 report showing 25 percent devaluation in
4 the medallions. That would have had a
5 certain impact on me. Regardless, we
6 leave that for another day.

7 With that, I'll leave it to the rest
8 of the Commissioners to make their own
9 comments. And I just thank all of you
10 for your time and the input. Thank you.

11 MR. YASSKY: Commissioners, be clear
12 on the process that you're more than
13 welcome -- and I expect for everyone to
14 want to make a statement, but you do not
15 have to, then we will have a vote and
16 you can express your yes or no during
17 the vote. I just don't want anybody to
18 feel on the spot. Everything has been
19 said that needs to be said.

20 Commissioner De'Arcy?

21 MS. De'ARCY: I want to echo the
22 sentiments of my Commissioners and thank
23 this Commission, the staff and TLC for
24 all their hard work, and in particular,
25 to thank the stakeholders who engaged in

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1
2 way that we asked you all to at our last
3 meeting. I think that this process was
4 thoughtful and deliberate, and it was
5 responsive on both sides. I think it is
6 evidence of the success of this
7 process.

8 We've heard very few comments today
9 that challenged any specific rule that
10 we've proposed. That's successful.
11 That's what we're here today is to
12 determine whether or not the proposed
13 rules should be enacted. And there is
14 very few comments that challenged any of
15 those rules.

16 That being said, and I participated
17 in this process, like my fellow
18 Commissioners, what was key to me was
19 the accent on the rules that would
20 address enforcement. I recall that I
21 said to the Chair, "We made a
22 commitment. We made a deal with the
23 industry when we advocated for the Five
24 Borough Plan that we would ensure that
25 part of that, to protect the interest of

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2 the existing taxi industry. And I
3 believe that the changes that we've made
4 since the rules were first proposed
5 addressed enforcement and provides
6 greater deterrence for those who want to
7 break the rules.

8 Do I think that more should be
9 done? I do. But, as Commissioner Carone
10 pointed out, we have gone as far as this
11 Commission can with respect to
12 enforcement. I personally will advocate
13 and support any measure that we can
14 bring to City Council so that we can add
15 more teeth and greater deterrence with
16 respect to anyone who wants to behave
17 unlawfully.

18 I also make a personal charge to the
19 members of the livery community who have
20 stood up here today and say that the new
21 rules will create a legitimacy, in their
22 minds, that didn't previously exist.
23 So, I charge you not to jeopardize the
24 legitimacy the rules created today like
25 breaking the rules.

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2 Ultimately, I think it's important
3 that we vote today. I think it's
4 important that we act. At the end of
5 the day, I didn't hear any evidence that
6 would suggest that the communities in
7 Brooklyn, the Bronx and Queens and
8 Staten Island, and in upper Manhattan,
9 an area of New York City in which I
10 personally reside, are receiving the
11 sorts of service that we believe -- I
12 think we can collectively agree, a
13 service that we all deserve.

14 So, as a result of that, I feel that
15 I'm compelled to act today. I don't
16 feel that there is time for us to
17 continue to delay action, especially
18 when the rules that we have proposed
19 today reciprocally have not resulted in
20 much challenge since we have responded
21 to the comments that we received.

22 So, I am proud to participate in
23 this process. I am honored that I will
24 have an opportunity to vote on this, and
25 I encourage all you of you, all, to

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2 support us as we continue to address the
3 issues that will arise in the
4 implementation of the law that was
5 passed by the State.

6 MR. YASSKY: Thank you.
7 Commissioner Weinshall?

8 MS. WEINSHALL: Thank you, David.
9 I'm going to be very brief, because I
10 don't want to repeat a lot of what my
11 fellow Commissioners said, because I
12 feel like we've been in this room all
13 day, because we have.

14 First, I want to thank everybody who
15 came here to testify on both sides of
16 the issue. I know that I found it very
17 useful to hear the different viewpoints
18 and the passion that people felt about
19 this issue.

20 I also want to say that there's been
21 tremendous amounts of work by the TLC
22 staff and by my fellow Commissioners,
23 who we spent weeks and weeks discussing
24 and debating these issues. And it
25 really was, I believe, a collaborative

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2 effort on behalf of everybody on the
3 Commission.

4 I also feel that we can't ignore the
5 fact, and this was a start of a new
6 statistic for me, that there are 100,000
7 daily illegal hails going on in the
8 City. Enforcement can't be everywhere,
9 and that's not, as you can see, that's
10 not the answer.

11 So, I believe that these rules will
12 help us to not only bring service to
13 parts of the City that don't get it, but
14 will bring these qualities to that
15 service that we don't currently have.

16 I was a little upset when I heard
17 somebody testify and say that this
18 measure was being put forward to punish
19 the yellow car industry. And I have to
20 say, I take issue with that. I don't
21 think that's what's going on here at
22 all.

23 And I am the daughter of a yellow
24 cab driver. My dad drove a cab for 30
25 years. And I remember as a young girl

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2 my dad had a radio in his cab. And for
3 those of you who've been involved in the
4 industry a long time, you remember when
5 they took the radios out of the cab,
6 right Vinny?

7 VINNY: Right, and your father was a
8 (inaudible.)

9 MS. WEINSHALL: I know he was. But
10 I remember at the kitchen table the
11 discussions with my father and my
12 uncles, who were also cab drivers, that
13 this would be the end of the yellow cab
14 industry, that this would change it
15 forever. But it didn't. And this
16 industry has gone through various
17 hearings and has always come out
18 stronger in the end, and I have faith,
19 both in this City and this industry.

20 VINNY: Who's going to tell the cops
21 to make sure the illegal pickups will
22 get tickets and whatever? Because they
23 turn their heads. They don't even look
24 at a black car picking up an illegal.
25 Who gets to take care of that?

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2 MS. WEINSHALL: I just want to close
3 with one more statement, that I have
4 faith in the TLC that if things -- and I
5 think other Commissioners said this as
6 well, if we have to tweak this rule and
7 we have to make changes, I have faith
8 and confidence, both in the TLC and our
9 Council, that we will be able to do
10 that.

11 So, again, I just want to thank
12 everybody who came today. I know this
13 was a hardship for a lot of drivers who
14 aren't out there earning a salary today,
15 and it's appreciated.

16 MR. YASSKY: Commissioner Polanco?

17 MS. POLANCO: Thank you. I want to
18 thank everyone for coming here today to
19 the Borough of Brooklyn. And I've been
20 part of this Commission close to five
21 years. I know that this is a very
22 important vote. I do not need to
23 reiterate the historical background that
24 lead to this legislation, but I do know
25 firsthand of the enormous impact that

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2 this legislation will have on the lives
3 of not only the riders in the outer
4 boroughs, but also the lives of all the
5 drivers of the livery and taxi industry
6 as well.

7 And I will say that we all know that
8 it was in need in our community -- and I
9 say "our" community because I live in
10 north Manhattan and I work in the Bronx,
11 and I've experienced firsthand the
12 difficulty in basically hailing a cab.
13 Instead I have to rely on another sector
14 of the industry, which is the livery.

15 I'm extremely proud of the TLC
16 staff, and you, Mr. Chairman, as well as
17 my fellow Commissioners and also the
18 stakeholders for their hard work and
19 timeliness in this legislation.

20 TLC is about to implement a State
21 law that was heatedly debated last year,
22 and even days before Governor Cuomo
23 signed it into law, there was still
24 meetings, and changes were made. The
25 State law has passed, and now it's time

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2 to implement it.

2

3

I truly understand the fears that

4

some of the industry has. Since last

5

year, I have met with various groups,

6

from livery base owners, livery drivers,

7

yellow medallion owners, and recently,

8

just three days ago, I met with the

9

wonderful -- who I see here today, I'm

10

so proud that you guys are here, they're

11

individual yellow medallion owners, and

12

basically I was just hearing their

13

concerns. And I understand completely

14

where you're coming from.

15

I will do everything in my power to

16

protect the rights of all drivers, also

17

individually owned, corporate owned,

18

livery drivers, livery bases, but most

19

importantly, riders of New York City and

20

I'm proud to have participated in this

21

legislative process and I'm ready to

22

vote today, Chairman.

23

MR. YASSKY: Thank you, Commissioner

24

Polanco. Commissioner Arout.

25

MR. AROUT: Good afternoon,

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2 everyone. You've heard so much out
3 there that I don't think you're going to
4 want to hear some of my comments, but my
5 comments are almost exactly like these
6 Commissioners just recorded.

7 Mr. Chairman, I'd like to thank you
8 for following through on your commitment
9 to have inspections on Staten Island.
10 This is something my people on Staten
11 Island have been fighting to get this
12 closer to them for the past three
13 years.

14 In my 54 years of serving as a
15 Staten Island Commissioner, I have seen
16 changes to this industry, some good,
17 some bad. When it comes to the street
18 hails today, I don't think it is just to
19 expect the Commissioners to rush our
20 votes, but to listen to their problems,
21 which they have.

22 How can we review and understand all
23 the changes in such a short time that we
24 got this information? And my remark
25 will be very short. I request that we

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2 table these rules until at least one
3 more month. This is such an important
4 decision that affects the entire
5 industry, and I think it is wrong to
6 push this along quickly. I vote no.

7 (Applause)

8 MR. YASSKY: Commissioner Marino?

9 MS. MARINO: I'm going to make this
10 quick, because being last means that
11 everyone really just wants to go home
12 simply now.

13 First I want to thank everyone, as
14 my colleagues have thanked everyone. I
15 have a prepared statement and I'm not
16 even going use it, because a lot of my
17 sentiments were repeated here today.

18 My problem with these rules -- and
19 one of the Commissioners said that they
20 didn't hear anyone bring up a specific
21 rule. And I can't even bring up a
22 specific rule. I was given this
23 testimony today, it simply is too much
24 to digest. I can't mention a specific
25 rule in this book, that I haven't even

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2 had a chance to go through in detail as
3 I'd like to before I vote on such a
4 historic event.

5 As far as the studies go, there was
6 some talk about how, you know, certain
7 reports would be nice before we vote
8 here. And yes, I think we as a
9 Commission have the obligation to
10 conduct those studies, not turn to the
11 public. You need to do traffic
12 congestion report? You need to do
13 environmental --

14 (Applause)

15 MS. MARINO: That's our job. We
16 need to do these reports before we place
17 this vote. It's like, "shoot now, ask
18 questions later."

19 (Applause)

20 MS. MARINO: I mean, it will affect
21 a lot of people. I'm not saying I'm
22 against the outer borough plan. I'm all
23 for it. I live in the boondocks of the
24 City, I'm out in northeast Queens, we
25 never see a yellow cab in my

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2 neighborhood or any way to hail a cab.

3 It's a great idea, but what's the
4 rush?

5 And the fact that one of my
6 colleagues said that it's now the law,
7 the State has come down with this law-
8 The law says that we can, not that we
9 must. There's no time limit here. I
10 say let's put this off for a couple of
11 months. Let's get some reports, let's
12 get some studies.

13 (Applause)

14 MS. MARINO: (Inaudible,) until we
15 have a proper opportunity to get the
16 experts that we need to really give us
17 some comprehensive, meaningful responses
18 to what this is going to create to occur
19 within the industry. The lenders, the
20 banks, the yellows, the liveries, the
21 supply and demand, there's so much here,
22 that, while -- yes, the staff has done a
23 tremendous job, they've been tireless,
24 and I applaud them for that, and I
25 applaud my colleagues as well. Everyone

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2 has worked really hard.

3 And I know I've been on the phone
4 and I had a lot of late nights since
5 last week or so, and I've spoken to many
6 of you out there, and I'd really like to
7 educate myself. But frankly, I don't
8 think it's enough time and I think we
9 need to get the proper experts in here
10 who have the proper analysis before we
11 make a decision.

12 (Applause)

13 MR. YASSKY: Thank you, all the
14 Commissioners, for your very eloquent
15 and thoughtful comments. Before I call
16 the question, for CAPA purposes, because
17 it's the right thing to do, Meera, our
18 general counsel, will do a brief summary
19 of the changes in this rule since they
20 were published in March. That is the
21 CAPA process.

22 Meera, will you go ahead and do that
23 please.

24 MS. JOSHI: Good afternoon, before
25 the Commission today are proposed rules

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2 for a new service. The proposed rules
3 consist of amendments to TLC Rules
4 current Chapters 51, 59, 54, and 64, and
5 two new additional chapters, Chapter 82
6 and Chapter 83.

7 Chapters 51 and 59 were published on
8 March 6, 2012 and the comment deadline
9 was April 9, 2012.

10 Chapter 54 was published on March 8,
11 2012 and the comment deadline was April
12 9, 2012.

13 Chapter 82 was published on March 8,
14 2012 and the comment deadline was April,
15 9, 2012.

16 Chapter 64 was published on March
17 15, 2012 and the comment deadline was
18 March 15, 2012.

19 Chapter 83 was published on March
20 16, 2012 and the comment deadline was
21 April 16, 2012.

22 The public comments received in
23 response to these publications were
24 forwarded to the Commissioners for their
25 review, including any comments that came

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2 in after the comments deadlines.

3 The CAPA public hearing for all the
4 proposed rules was published in The City
5 Record for today, April 19th.

6 Based on the comments received,
7 revisions were made to the proposed
8 rules and a blackline version of the
9 rules showing these revisions was made
10 available to the public on the TLC
11 website on April 12, 2012.

12 In summary, the revisions reflected
13 in the blackline are as follows:

14 Penalties for persons holding
15 themselves out as operating a taxi were
16 raised.

17 Penalties for owners of street hail
18 vehicles who failed to maintain base
19 affiliation were raised.

20 The period during which a vehicle
21 can remain unaffiliated before its
22 license is revoked was reduced from 60
23 days to 30 days.

24 Several base liability revisions
25 were deleted: Liabilities for E-ZPass

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2 usage; liability for driver
3 overcharging; base liability for
4 affiliated drivers who do illegal street
5 hails was reduced from \$100 per
6 occurrence to an escalating fine scale
7 based on the number of violations per
8 affiliated vehicle; and the base permit
9 requirement was reduced from 15,000 to
10 \$5,000.

11 Hack-up deadlines were added. The
12 proposed rules now require the street
13 hail livery vehicle be hacked-up within
14 90 days of license issuance and an
15 acceptable street hail livery vehicle be
16 hacked-up within 180 days.

17 The rule mandating that paratransit
18 bases with 10 or more acceptable
19 vehicles buy a street hail livery base
20 license and affiliate five street hail
21 livery vehicles was deleted.

22 The rules were amended to waive FHV
23 license fees for two years for purchase
24 of its street hail livery license in the
25 first issuance, a savings of \$550. And

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2 for one year for purchase of its street
3 hail livery license in the second
4 issuance, a savings of \$275. The rules
5 were amended to waive the fees for
6 acceptable street hail livery licenses
7 purchased in the first issuance, a
8 savings of 1,500. These two license
9 waiver fees provisions are exclusive,
10 you can take advantage of one, but not
11 both.

12 The rules were also amended to make
13 suspension an available penalty for the
14 second offense of solicitation of a
15 passenger by a hail vehicle in a yellow
16 zone.

17 After April 12th, the Commission
18 made additional changes to the proposed
19 rules. Driver rules were amended to
20 allow FHV drivers to drive street hail
21 liveries, as long as they remain
22 licensed. Previously the rules had
23 allowed them to drive only until 2016,
24 after which date, they were required to
25 get a hack license.

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2 The rules were amended again to make
3 suspension an available penalty for the
4 first offense of solicitation of a
5 passenger in the yellow zone by a hail
6 vehicle.

7 The rules were amended to permit
8 Single-Use Device for driver information
9 and credit card processing, however, the
10 Single Device must be handed to the
11 passenger to swipe his or her credit
12 card.

13 Line changes were made to reflect
14 various technical requirements for LPEP
15 providers in Chapter 83.

16 Rules were added to require that
17 LPEP licensees provide geofencing around
18 the yellow zone so that the meters would
19 be locked down for hail vehicles and
20 turning the meters on.

21 And the following provisions which
22 appeared on the April 12th blackline
23 version posted on our website pertaining
24 to paratransits were deleted: The
25 exemption for mandatory retirement; the

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2 ability to dual-affiliate; exemption for
3 unpaid parking; credit card reader and
4 partition and secure an in-cab camera.

5 MR. YASSKY: Thank you, Meera. I am
6 about to call the question, and given
7 the significance, I'll ask for a roll-
8 call vote, Meera, rather than do it by a
9 voiced vote.

10 before I do that, my final comment
11 will just be to thank -- not because we
12 didn't say it, but just to acknowledge
13 and tribute to the heroic work of the
14 TLC staff in preparing for this day.
15 This was truly hard work, enough work to
16 have a breakdown in tears, because I
17 know how hard, and I honor the blood,
18 sweat and a tears and effort and heart
19 and dedication the team at the TLC has
20 put into this, truly.

21 Throughout the agency, I'm just
22 going to name the senior staff, have
23 each of them stand for their entire
24 team, of course Gary Weiss and Ray
25 Scanlon as the heads of our operational

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2 positions, who have the burden --
3 measuring the burden of doing all the
4 work authorized by this rule. Of
5 course, throughout the rulemaking
6 process, at every time I want to make
7 some change, you know, have some idea,
8 they have to figure out we implement it,
9 and either bring me back to Earth or
10 come in with some very clever way which
11 it could be done. So, they've put in
12 hours and hours.

13 Alan Fromberg has managed an
14 extraordinary amount of (inaudible)
15 throughout this and has made sure that
16 the public was superbly well-informed
17 about what we were up to here.

18 Deputy Commissioner Cohen (ph,) our
19 Chief Operating Officer, not just made
20 sure that we have the resources, the
21 budgetary and the personnel resources
22 that everybody has in the MIS to do what
23 they need to do, but really working with
24 Ray and Gary and the rest of us to
25 coordinate all of the operational

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2 details. I don't think you're going to
3 find, frankly, a better civil servant --
4 public servant in all of the City.

5 And finally, Deputy Commissioner
6 Ashwini Chhabra, policy team and
7 external affairs team. (Inaudible)

8 And last, I do want to single out
9 our Chief of Staff Emily Gallo, who I
10 think I can say for sure, without
11 Emily's dedication and vision and pure
12 brain power, this would not have
13 happened.

14 So, I just want to thank each -- and
15 I'm sorry -- shockingly -- I'm sure that
16 when you say the amount of paper that
17 was generated is extraordinary --
18 Commissioner Marino, that was all
19 generated by a tiny but extraordinary
20 legal staff, it is by Meera Joshi. And
21 I know for a fact that she was on the
22 phone with the Commissioners at all
23 hours of the night and probably into the
24 morning. (Inaudible)

25 You know, rulemaking of this

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magnitude, it's not that it should take

3

months and months and months and months

4

in terms of our deliberations, but the

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thing is, any other staff in a City

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agency would have taken three times as

7

long to get to this point. And TLC has

8

the very best selection of public

9

servants that I've ever pretty much

10

worked with. So, that's my honor and

11

privilege every day.

12

Meera, will you call the roll.

13

MS. JOSHI: Commissioner Carone?

14

MR. CARONE: Commissioner Carone

15

votes yes.

16

MS. JOSHI: Commissioner Gonzales?

17

MR. GONZALES: Commissioner Gonzales

18

votes yes.

19

MS. JOSHI: Commissioner Gjonaj?

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MR. GJONAJ: Vote yes, with the

21

commitment that we cite the enforcement

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and providing the accessibility for the

23

wheelchair.

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MS. JOSHI: Commissioner De'Arcy?

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MS. De'ARCY: Commissioner De'Arcy

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votes yes.

MS. JOSHI: Commissioner Weinshall?

MS. WEINSHALL: I'm going to pass.

MR. YASSKY: I just thought it might
be appropriate, since this is really a
(inaudible.)

MS. WEINSHALL: (Inaudible,) I vote
yes.

MS. JOSHI: Commissioner Polanco?

MS. POLANCO: Commissioner Polanco
votes yes.

MS. JOSHI: Commissioner Weinshall?

MS. WEINSHALL: Commissioner
Weinshall votes yes.

MS. JOSHI: Commissioner Arout?

MR. AROUT: Commissioner Arout votes
no.

MS. JOSHI: Commissioner Marino?

MS. MARINO: Commissioner Marino
votes no at this time.

MR. YASSKY: I'm sorry I think we
missed a vote. I vote yes.

(Applause)

MR. YASSKY: The rules are adopted.

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Commissioners, unless there are any
last-minute items today on the agenda,
we will adjourn the meeting. I will see
you next month. Thank you.

(Time noted: 3:29 p.m.)

