

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

NYC TAXI AND LIMOUSINE COMMISSION
PUBLIC COMMISSION MEETING
held on Thursday, July 12, 2007
40 Rector Street
5th Floor
New York, New York

Public Commission Meeting
convened at 10:50 a.m.

1 P R E S E N T:

2 MATTHEW W. DAUS, COMMISSIONER/CHAIR

3 NOACH DEAR, COMMISSIONER

4 EDWARD GONZALES, COMMISSIONER

5 ELIAS AROUT, COMMISSIONER

6 HARRY GIANNOULIS, COMMISSIONER

7 LAUVIENSKA POLANCO, COMMISSIONER

8 IRIS WEINSHALL, COMMISSIONER

9 HOWARD R. VARGAS, COMMISSIONER

10 CHARLES FRASER -- GENERAL COUNSEL

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 CHAIRMAN DAUS: Good morning,
2 everyone. I am sorry to keep everybody waiting.
3 My sincere apologize.

4 I would like to proceed to the
5 revised agenda that was distributed this
6 morning. Item 1 is the Chairman's Report.

7 First, I am happy to report that
8 the technology project is proceeding quite well.
9 We have done a tremendous amount of outreach
10 upon approving our four vendors and giving them
11 the ability to proceed and sign industry people
12 up in the industry for contracts and start
13 getting the units out there.

14 We held two very successful
15 vendor expos. It was very hot so we thank all
16 of the staff that coordinated that, Ira
17 Goldstein and his staff, and all of the folks at
18 our Woodside facility at Safety and Emissions
19 who put in the extra effort to set up the area
20 so people coming in for inspection could spend
21 time meeting the vendors, comparing products one
22 to another, seeing them in the cars.

23 The first one we had over 1,000
24 people there, and so I think that was a
25 tremendous success, and as a result we had

1 another one. We had one on June 25th and also
2 on July 10th, a day or two ago, and we will see
3 if we can add some more. We will take a look at
4 that.

5 It is very hot so, you know, the
6 attendance was not as high at the second one,
7 but there is certainly a lot of interest.

8 Also, we are bringing the show to
9 you, so to speak. We are going to the airports
10 to meet and do outreach with the taxi
11 driver-owners so you folks out there can get a
12 better idea of the technology.

13 We have been out there at least
14 five times at the airport, and from now until
15 the end of July, which the sign-up deadline is
16 August 1st, every medallion owner must have
17 signed a contract with one of the four vendors
18 by that date.

19 Between now and the end of the
20 month we will be out at the airports every
21 Tuesday, Wednesday and Thursday.

22 Just a couple of reminders. Like
23 I said, again, the August 1st deadline, every
24 medallion must have put pen or pencil to a
25 contract and committed themselves to one of the

1 four vendors.

2 We are seeing a lot of movement
3 on that and we are very, very pleased.

4 The 4-month inspection cycle
5 where the roll-out will start to begin will
6 start on October 1st.

7 As of October 1st if you are a
8 medallion owner and your regularly scheduled
9 inspection is held on that date or thereafter,
10 between October and I guess January 31st of
11 2008, during that time frame you will be
12 required to, and the vendors will be required
13 to, install in each one of your cabs the unit.

14 So it is a nice, steady roll-out.
15 It should work very, very well.

16 I was pleased, quite frankly,
17 during the first expo to get a tremendous amount
18 of positive feedback. You read the newspapers
19 and hear what people say on TV, they talk as if
20 the drivers are really against this, that they
21 don't like it, and it is horrible. I didn't get
22 that message at all. I think anyone, all the
23 industry people that were there, saw that the
24 driver-owners and the fleet owners have accepted
25 it.

1 I think they are coming to a
2 realization, a lot of the outreach we have done,
3 a lot of the information we have acquired,
4 indicated this is not a bad thing; it is a good
5 thing for the industry, and I saw a lot of
6 excitement there.

7 I was very, very pleased and,
8 quite frankly, pleasantly surprised, and I
9 wanted to share that with my colleagues that it
10 is not all gloom and doom. I think the industry
11 is welcoming that.

12 As we get closer, in my history
13 with the TLC, I have never seen such compliance
14 ahead of time.

15 My 10-plus years I have been
16 here, you set a deadline, nobody complies, you
17 have to extend the deadline, issue summonses.
18 That is not happening here.

19 I almost see there is kind of a
20 renaissance or a new beginning or a rebirth, and
21 just a very different outlook; a lot of positive
22 feelings in the industry.

23 I have never seen that before.

24 The level of compliance is
25 basically close to half the fleet at this point.

1 We have 5,630 contracts have been
2 signed out of the 13,000 or so cabs, which is a
3 43 percent compliance rate, and we have actually
4 488 units on the road already, even though they
5 are not required to be on the road.

6 We had the 200 for the pilot, and
7 an additional 288 have already been put out
8 there thanks to the aggressive marketing and
9 actions of the vendors.

10 So thank you very much and
11 congratulations to everybody, but it is not over
12 yet. There is still a lot more outreach to be
13 done.

14 If you have not been in tune with
15 what is going on, I think in addition, the best
16 way instead of calling 311, I think a better way
17 in this scenario is to get the information
18 directly from the website.

19 We have a list serve you can
20 easily sign up for on our website by going to
21 the upper left-hand of the home page.
22 Basically, you have to plug in some simple
23 information including your e-mail address.

24 The second we have any additional
25 information, you know, about the project, you

1 will be getting an instantaneous e-mail.

2 There is also a special
3 technologies project section that is constantly
4 updated on our website.

5 So kudos to the technology team,
6 and I wanted to share that with my colleagues.

7 Number two, there are a couple of
8 RFI's out there, request for information.

9 There is an update on the Hearing
10 Enhancement RFI. We put out a request for
11 information to see what type of technology is
12 out there and what type of interest there is in
13 terms of hearing loop technology and other types
14 of enhancement systems possibly for a pilot to
15 go into the yellow cabs.

16 The deadline for that RFI was
17 June 29th. We actually received several
18 responses, but among those responses, two
19 vendors who manufacture and have rights to that
20 technology have responded, Assistive Audio and
21 Oval Window so our staff is reviewing those
22 responses.

23 I don't believe the responses
24 made it very, very clear that they are actually
25 interested in and committed to doing a pilot

1 themselves, but from what I understand they
2 explained the technology and its applicability
3 so Jen Palmer and our staff, and Andy Salkin,
4 are going to be following up with these vendors
5 and exploring what the recommendations of staff
6 will be to us as to what we should do.

7 The rules revisions RFP, we are
8 getting some movement on that, actually. The
9 Agency had a competitive procurement process,
10 and we have a tentative winner that was
11 selected. It is called TATC Consulting. They
12 are from Bethesda, Maryland.

13 I believe there is a public
14 hearing at the Mayor's Office of Contract
15 Services taking place today, which is part of
16 the public procurement process where we announce
17 the award.

18 There is a contract that is
19 awaiting to be approved by the Law Department.
20 It is in draft form, and we are negotiating
21 that, and we anticipate that work on the project
22 will begin as early as this fall.

23 One thing that Andy and I have
24 discussed, which I think is a great idea, is
25 having at some point one-on-one meetings with

1 the Commissioners so that the consultants and
2 also our staff can get a flavor for what each
3 one of our Commissioners' thoughts are on our
4 rules, and our priority policies, and what our
5 vision should be consistent with the Charter,
6 and I think a lot of that information is going
7 to be digested so the Commission drives the
8 process and basically kind of sets the
9 priorities and parameters for what we would like
10 the consultant to do, which includes a whole
11 rewrite of our rules to make them simpler, more
12 easy to understand, some policy recommendations
13 and streamlining measures as well.

14 There is also another RFP which
15 is not issued by us but which has an impact on
16 us, which is a follow-up to several discussions
17 we had on the Board about the, quote unquote,
18 cab of the future.

19 The City's Economic Development
20 Corporation has put out an RFP to hire a
21 consultant that is an expert in the automotive
22 industry that will assist us in better
23 understanding not only the interests in the way
24 by which we can go about developing a cab of the
25 future, given the automobile industry, as

1 Commissioner Dear has pointed out many times,
2 but interested in developing a cab that meets
3 our specs, more so than they have in the past,
4 even though they have worked with us to a
5 certain extent.

6 I think they are basically going
7 to help us for the most part at the outset
8 determine what we want, and then is what we want
9 doable, and then at that point, how do we do it?

10 So this is basically automotive
11 experts that understand the technical aspects of
12 automotives so that we can -- if we wanted to
13 write a specification saying "This is what we
14 want to see in a car," they can take the lingo
15 that is used in say the Society of Engineers,
16 something that Peter Schenkman would understand,
17 a lot of the technical specifications.

18 We are looking for somebody and
19 the EDC is looking for somebody that is going to
20 have an understanding of how the automotive
21 industry works, what their economic interests
22 are and how do we get to the decision makers
23 what we want.

24 This is the beginning of a very
25 long term project. It is not something that is

1 going to be accomplished overnight, and the
2 consultant is there just to consult, and
3 everything is really in a preliminary stage at
4 this point.

5 The proposals are due no later
6 than July 23 at 4:00 p.m. The RFP is available
7 to be picked up in person between 9:30 a.m. and
8 4:30 p.m. Monday through Friday at the New York
9 City Economic Development Corporation located at
10 110 William Street on the 6th floor, New York,
11 New York between Fulton and John Streets.

12 Also, we had discussed at various
13 prior Commission meetings the Accessible Vehicle
14 Demonstration Project and the Dispatch Project
15 whereby we will be looking for technology to
16 utilize yellow taxicabs and possibly other
17 vehicles to better serve the accessible -- the
18 disabled community in New York City; in
19 particular, using the dedicated medallions that
20 are sold at auction that are wheelchair
21 accessible.

22 We published a notice in the City
23 Record, and it was on our home page. The
24 deadline has passed, which was June 25 at
25 3:00 p.m. We had six responses.

1 TLC staff has basically consulted
2 with and heard from each and every one of the
3 responders and has decided to continue
4 negotiations at this point with Executive
5 Transportation Group, which was the first entity
6 under this project that had come to us.

7 We anticipate that a final
8 decision on this, as well as rules that will
9 impact this project, will certainly be brought
10 before the Commission within the next few
11 months.

12 So we will have a final
13 presentation and a recommendation for rules at
14 some point before the year is over.

15 I just want to remind everyone
16 about Gardens and Transit. We are getting
17 closer and closer to the kickoff of this event,
18 which has been in the works.

19 So far -- I think the Mayor had
20 spoken at his press conference when he announced
21 it pretty much around this time last year --
22 this could be one of the biggest volunteer
23 efforts in City history. So far we have 23,000
24 volunteers that have assisted in terms of going
25 there and painting the decals.

1 Many people in this room, myself,
2 some Commissioners were there with family
3 members and staff, and many members of the
4 industry, taxicab drivers and just people quite
5 frankly walking by, see an interesting
6 storefront, walk in and inquire about the good
7 cause so that is a good sign.

8 The other good sign is that at
9 this point, by the end of the next week or two
10 estimate that there will be enough panels that
11 have been painted to cover every cab almost.
12 That is 750,000 square feet.

13 Our next phase will be industry
14 outreach. I know we have spoken about it.
15 There have been articles about it in the trade
16 papers and newspapers, but now the tough part
17 comes where Garden and Transit working closely
18 with the Mayor's Office as well as the TLC will
19 now be talking to the industry as to how we can
20 best accomplish this.

21 Again, this is a voluntary
22 endeavor, but it is our hope that every
23 medallion owner will consider putting these
24 decals on their cars.

25 We believe based upon information

1 that we have it is very simple. It is not going
2 to hurt anybody, and it is a magnetic decal that
3 will go on and off.

4 They are looking for the most
5 convenient way for us to accomplish this without
6 taking time away from you running your business.

7 We don't want cabs not to be on
8 the road because we are doing that. They will
9 probably be going out to the airports, going to
10 Woodside, working with some of the fleets who
11 have graciously volunteered setting aside some
12 time to have them come to their facilities as
13 well.

14 We are not done with the painting
15 just yet. There is one final paint-a-thon or
16 paint-in that is going to be held next Saturday,
17 July 21, open to the general public from
18 10:00 a.m. to 10:00 p.m. There will be live
19 music and refreshments there.

20 In particular, the industry is
21 invited from four to six. They are going to
22 have different groups of people coming at
23 different times. If you are able to join us,
24 you can call -- you can actually just show up,
25 149 West 32nd Street, but more importantly, if

1 you are a fleet owner or medallion owner and you
2 want to make arrangements to get this on your
3 cab, of course you can call 311. They will
4 probably refer you to the following two numbers.
5 If you want to call directly, Gardens and
6 Transit, (212) 216-9441, or Jen Palmer from our
7 staff who is coordinating with Gardens and
8 Transit, her number is (212) 676-1024.

9 We do have -- are the Consumer
10 Relations staff here?

11 Samara, are they here?

12 Could I ask you to stand for a
13 second, the Call Center staff?

14 You know, the Commissioners
15 mostly deal -- welcome, by the way -- these are
16 New York City employees that are working for our
17 Consumer Relations Call Center, which field the
18 calls that are transferred from 311; could be
19 anything from an inquiry about how do I get a
20 license to a passenger complaint. They come
21 from a variety of different disciplines,
22 including some folks who have worked at
23 universities, also at 311 itself.

24 We have an employee who came from
25 311, and they have a customer service

1 background, and all of our staff have met and
2 have been training them.

3 We just want to welcome you,
4 because the Commissioners, as you can see, we
5 make these policy decisions that impact the
6 operations of the agency, and they are very
7 familiar with the high level managerial staff,
8 but I can tell you that, with all due respect to
9 the high level managerial staff including
10 myself, the real hard work is done at the lower
11 levels of the agency, at the grass roots level
12 where you are taking the calls, where you are
13 dealing with the frustrated consumers, where you
14 are giving the information that impacts people's
15 lives on a daily basis.

16 Samara Epstein, Andy and I had
17 organized for all of our managerial staff to go
18 in and sit in and do their job for a day.

19 Let me tell you, this is the
20 hardest job I have ever done, sitting on that
21 phone, and it is certainly harder than I do in
22 my office on a daily basis.

23 It takes a strong personality,
24 somebody who has a lot of patience, tolerance
25 and knowledge and ability to basically bring

1 that together.

2 I want to officially welcome you.
3 We appreciate you, and all of our staff, what
4 they do every day.

5 I want to start bringing them
6 around more often so you can see what we do, and
7 so we can see the wonderful faces that we have
8 so welcome you, and congratulations.

9 COMM. AROUT: I had the
10 opportunity many, many times to dial 311, and I
11 had the greatest response. They were so
12 personal and listened to your problems, and I
13 want to thank them personally. It is nice
14 meeting some of them. Thank you very much for
15 being so helpful to me anyway.

16 CHAIRMAN DAUS: Thanks for
17 joining us here today.

18 Also, the last item I have -- I
19 have one more personal announcement which is
20 very, very important.

21 David Klaar, are you here? David
22 Klaar is our new Chief of Staff to the First
23 Deputy Commissioner. If you remember, Eric Kim
24 was the person who had that position before.
25 Those are pretty big shoes to fill, but we are

1 very confident that David is a very, very good
2 fit. Shoes may be a little bigger, but we will
3 see. He has a lot of experience out there.

4 He comes to us from Columbia
5 University where his last job he was employed
6 there I think in the provost's office, and he
7 has a Masters in Public Administration. He is
8 committed to the City and public service.

9 The Commissioners are going to be
10 seeing a lot of him, and he is doing a lot of
11 work in the agency, and he is going to be
12 working very closely with Andy and I so welcome
13 aboard and welcome to the TLC.

14 Last item is upcoming Commission
15 meetings. We are still scheduled to have our
16 Thursday, August 9 Commission meeting. In fact,
17 paratransit rules, proposed rules have been
18 published for comment in the City Record so we
19 will have a public hearing on that.

20 Also, very important is that we
21 will be having a presentation by staff and
22 possibly the Mayor's Office will be joining us
23 concerning the clean air initiatives.

24 Mayor Bloomberg has announced a
25 variety of initiatives, as you know, that will

1 make for a better environment in health in the
2 City of New York. A significant part of those
3 proposals involve the TLC, the green hybrid
4 proposal.

5 We also have an obligation to
6 meet our oversight requirements with the City
7 Council. They have passed some legislation that
8 we need to prepare and come up with a clean air
9 report so we are going to put all of that
10 together and talk about all of the things we
11 have done and will do to help make cabs and
12 for-hire vehicles contribute as a partner to the
13 cleanest city in the United States, which is our
14 goal to help combat global warming and to help
15 with the environment in our local areas as well.

16 It is a very, very important
17 presentation staff will be putting on at the
18 August meeting.

19 There are some issues with the
20 September meeting. I believe there is a Jewish
21 holiday that our regularly scheduled meeting
22 falls on so the next September date will be
23 announced. We will be in touch with you on
24 that.

25 That basically concludes my

1 report to the public and to the Commissioners.

2 Do we have any questions or
3 issues?

4 Thank you.

5 I would like to move to actually
6 out of order on the agenda, instead of going to
7 item number 2, since we do have time
8 constraints -- we have some visitors -- I would
9 like to move to item 4, For Commission Action,
10 A, Approval of Clean air and Accessible Vehicle
11 Stickers.

12 I believe Willie Wong from New
13 York City Marketing, New York City & Co. is here
14 today, and I want to welcome you back again.

15 In advance I would like to thank
16 you and George Fatida for all of your time that
17 you are spending on us. I hope it is time well
18 spent, and we have been very pleased with your
19 work product, and it is a great pleasure working
20 with you, and thank you.

21 MR. WONG: Thank you for inviting
22 me to be here again today.

23 I am here to present the markings
24 that we have been working on with the TLC to
25 identify the accessible vehicles and the

1 alternative fuel vehicles.

2 Just to give you a little
3 background, City Council had passed Local Laws
4 54 and 55 in 2006 that mandated that the cars
5 have markings to communicate a vehicle is either
6 accessible or clean air, and rules were passed
7 in May, and we have been working with the TLC to
8 identify the two markings that would basically
9 look like this for accessible vehicles.

10 Basically our goal here was to
11 develop an icon that was universally
12 recognizable but still inflected the design of
13 the taxi, and that everyone has the ability to
14 use New York City's taxicabs.

15 Basically, it references the
16 icons on the New York City cabs that we have
17 been designing with the little man hailing a cab
18 within a wheelchair accessible icon.

19 The second marking we were asked
20 to look at is the clean air and sustainability
21 marking for the City cabs.

22 With this one we referenced the
23 City's initiative that you mentioned before, the
24 Mayor's commitment to sustainability, and the
25 initiative is called Green NYC, and it is a

1 fully integrated consumer basing program that
2 basically challenges New Yorkers to make the
3 city a much greener place.

4 The city's Long Term Planning
5 Sustainability Office had identified ten
6 different steps that New Yorkers can take that
7 really help contribute to greening the City.

8 The logo mark that they
9 developed, which we will be adopting for the
10 clean air vehicles, is this infinity apple, that
11 the big apple is also a green apple, and it is a
12 sustainable initiative, and so our proposal is
13 to use those two markings on the pillars of
14 either the hybrid taxis or accessible taxicabs.

15 CHAIRMAN DAUS: That is it?

16 MR. WONG: Yes.

17 CHAIRMAN DAUS: The Commissioners
18 have received in advance prototypes of the
19 stickers with the designs so does anybody have
20 any comments on them, everybody is okay with
21 them?

22 I personally love them. I think
23 they are fantastic.

24 MR. WONG: One of the things I
25 want to point out with this marking is that NYC

1 & Co. had been working with the Mayor's Office,
2 and there is lots of support for this mark.

3 It is appearing as we speak now,
4 there was a press conference several weeks ago,
5 but in the New York Times, the Post, Daily News,
6 community papers, in El Diario, Spanish
7 newspapers and across the networks from Channel
8 2, 4, 5, 6, 7, History Channel; tons of support
9 in the media to make this the universal icon for
10 the Mayor's commitment to making the City a
11 greener place so it is great the TLC will adopt
12 this as well.

13 CHAIRMAN DAUS: Do I have a
14 motion to approve?

15 COMM. GONZALES: I have one
16 question in the interest of being thorough. If
17 we have an accessible green accessible hybrid,
18 how will the decals --

19 MR. WONG: I believe that isn't
20 the case yet, but I think if that eventually
21 does become the case, they can exist either
22 alternating pillars or one above each other.

23 CHAIRMAN DAUS: Any other
24 questions?

25 COMM. DEAR: I know the cost is

1 not much. Who is responsible to put these
2 decals on the car?

3 MS. PALMER: Much like the
4 markings we discussed at the last Commission
5 meeting, we are going to draft an MOU that
6 people can sign -- we will be drafting an MOU
7 that people will be able to sign with the TLC
8 that will give them the right to print these.
9 We anticipate the cost to be around five
10 dollars. Very inexpensive.

11 COMM. DEAR: Last markings are
12 were \$20, \$30.

13 CHAIRMAN DAUS: I have to point
14 out also that this is a mandate from the City
15 Council that we are required, and actually we
16 should have done this --

17 COMM. DEAR: Should we ask the
18 City Council to fund it? It is an unfunded
19 mandate.

20 CHAIRMAN DAUS: I don't think
21 there is any statute of limitations on that,
22 Commissioner Dear.

23 In the interest of my counselors
24 having to go, unless there are any issues, could
25 I get a vote on it?

1 COMM. DEAR: In line of what the
2 Commissioner just said, I think just to
3 understand, we have 10,000 vehicles
4 approximately that are owner-operated, like you
5 would say mom and pop people, and every burden
6 of expense is on them, and it just chips away
7 from what they are trying to earn.

8 With gas prices soaring, it is
9 ridiculous. I can't believe what is going on.

10 It is eating up on everything
11 that they are making, insurance, everything
12 going up.

13 I just don't want to be --
14 speaking as an individual, I care about people,
15 I care about -- and you think it is a joke,
16 about \$20. \$20 to people who make a few hundred
17 dollars a week is a lot of money, and it is
18 something that they probably are not going to
19 put on their table because of the \$20, \$5 here,
20 \$10 here. Before we know it it is another \$200,
21 and I think we have to start thinking about the
22 owner-operator of a vehicle. That is my
23 concern.

24 CHAIRMAN DAUS: Any other
25 comments?

1 Thank you.

2 The next item on the agenda is
3 the adoption of the minutes.

4 Does anybody have any --

5 COMM. AROUT: Motion to accept
6 the minutes.

7 CHAIRMAN DAUS: Second?

8 COMM. POLANCO: Second.

9 CHAIRMAN DAUS: All in favor?

10 (Chorus of "ayes.")

11 CHAIRMAN DAUS: Just for the
12 record, Commissioner Weinshall is out of the
13 room.

14 Item 3, Base Licensing
15 Applications Review.

16 Just before we get started on the
17 base licensing applications, we have had some
18 very intense good policy discussion over the
19 last several months, but in particular at the
20 last meeting, and just before we actually vote
21 on these bases, part of the presentation on the
22 agenda today is to basically have the staff give
23 its final plan on how we are going to handle
24 bases moving forward so just in case you are
25 wondering, that is what that item is on the

1 agenda.

2 MS. RADWAY: Licensing would like
3 to present before the Commission 37 bases with a
4 recommendation for approval.

5 CHAIRMAN DAUS: Any questions on
6 the particular bases?

7 By the way, for the record, the
8 reason the agenda was revised is because there
9 are two bases that were unintentionally omitted,
10 clerical error from the first agenda, and that
11 is 4621 Avenue N Corp., and Central Rockaway Car
12 Service Corp. doing business as Shore Car
13 Service, and 4621 Avenue N Corp. is doing
14 business as Mill Basin Car Service.

15 Just for the record also, that
16 the Commissioners had copies of all the
17 executive summaries and information. It just
18 was omitted from the agenda. That is the only
19 reason why we revised the agenda yesterday.

20 Do we have a motion to approve?

21 COMM. DEAR: Is this the last of
22 the batch going -- of licenses going through the
23 first time we are doing this process, or do we
24 still have more?

25 MS. RADWAY: We still have a few

1 more.

2 COMM. DEAR: How many more?

3 MS. RADWAY: By the next

4 Commission meeting --

5 COMM. DEAR: Let me finish. From

6 now on do we start looking -- because

7 Commissioner Arout and I and others have

8 concern. Now we start looking differently at

9 bases.

10 Thank you.

11 CHAIRMAN DAUS: That is a good

12 question.

13 Do we have a motion?

14 COMM. GONZALES: Make a motion.

15 CHAIRMAN DAUS: To approve?

16 COMM. GONZALES: To approve.

17 CHAIRMAN DAUS: Second?

18 COMM. DEAR: Yes.

19 CHAIRMAN DAUS: All in favor?

20 (Chorus of "ayes.")

21 CHAIRMAN DAUS: It is unanimous.

22 MS. RADWAY: There are two bases

23 that Licensing is recommending for denial with

24 the request the Commission grant an additional

25 30 days so they may present the outstanding

1 items.

2 CHAIRMAN DAUS: Any questions?

3 Do I have a motion?

4 Howard, and seconded by

5 Commssioner Arout.

6 All in favor?

7 (Chorus of "ayes.")

8 CHAIRMAN DAUS: Thank you,

9 Georgia.

10 Moving to item 5A, the lithium

11 battery pilot update.

12 After we passed our pilot rules
13 we promised we would update you periodically on
14 pilots, whether they are successful or
15 unsuccessful.

16 Although this pilot was
17 well-intended to get a zero emissions vehicle
18 out there that would work for the City,
19 unfortunately, this particular one with this
20 particular company was unsuccessful.

21 Peter Schenkman is going to join
22 us today and tell us why it failed and give you
23 an update.

24 Good morning, Peter.

25 MR. SCHENKMAN: We are very

1 excited about the prospect of going back to the
2 future with an electric taxi.

3 Unfortunately, the vehicle was
4 not prepared for cold weather when it debuted in
5 March, and it had only done 30 shifts. The
6 company took the car back about 55 days ago to
7 change the battery and to make some changes, and
8 they have been non-responsive and have violated
9 their MOU with the fleet owner and have not
10 returned the car so I am recommending that the
11 pilot be canceled or terminated.

12 It is unfortunate, but we have
13 had other companies express interest.

14 MR. FRASER: I believe at one
15 point you told me there was a maximum number of
16 miles, of the shifts that the car did run, the
17 farthest it ever ran?

18 MR. SCHENKMAN: The farthest the
19 car ran was 90 miles with one of the engineers
20 driving it. The car returned on flatbed tow
21 truck about 12 times before the fleet owner just
22 threw his hands up. They were doing everything
23 to try and make it work, but the vehicle did not
24 live up to the 120-mile advertised range.

25 CHAIRMAN DAUS: Do we have to

1 officially -- Chuck -- discontinue this?

2 MR. FRASER: We have to terminate
3 the RMOU, but we don't need a Commission vote
4 for that, no.

5 COMM. GIANNOULIS: When you say
6 you have other proposals, is that for electric
7 vehicles?

8 MR. SCHENKMAN: I have been in
9 contact with companies, Phoenix Motor Cars,
10 Tesla Motors, and a couple of -- I don't know
11 if it is the right term -- fly-by-night
12 companies that say they make electric-powered
13 cars.

14 None have actually come to
15 fruition. We have actually never seen any of
16 the vehicles.

17 COMM. GIANNOULIS: What is the
18 status of electric powered vehicles in general
19 in terms of the world, not the country?

20 MR. SCHENKMAN: Within the next
21 five years it will start trickling in like the
22 hybrids did.

23 The federal government believes
24 that plug-in hybrids are the transition solution
25 where you can get an extra 40 miles on just

1 electricity.

2 COMM. GIANNOULIS: Is one of the
3 concerns out there where you can -- how you can
4 plug in, where you can plug in?

5 MR. SCHENKMAN: The new
6 generation are talking about grid sharing where
7 when you plug in your car at night, you are
8 giving back to the grid once it is charged.

9 COMM. GIANNOULIS: That would be
10 a particular concern for us in the taxi
11 industry?

12 MR. SCHENKMAN: Yes, and the
13 other thing is the duration of the charge.
14 Companies are now advertising 20 minute charges
15 at a ridiculously high voltage, and that kind of
16 scares me.

17 COMM. GIANNOULIS: If for some
18 reason there were charging outlets or stations
19 every few blocks, you might be -- that would be
20 helpful to you?

21 MR. SCHENKMAN: There are in
22 California and most municipal parking lots.

23 COMM. GIANNOULIS: You should
24 talk to me, because I am working on a project
25 that may interest you.

1 MR. SCHENKMAN: I will talk to
2 you.

3 CHAIRMAN DAUS: How about
4 hydrogen fuel cell technology?

5 MR. SCHENKMAN: I don't know if
6 anyone watched Myth Busters last night, but they
7 actually did it. It works.

8 That is something that I don't
9 think is allowed in New York City yet due to
10 fire codes. I don't think you can drive around
11 with hydrogen tanks. The one chief at the fire
12 department just said Hindenburg, and that was
13 the end of the discussion.

14 But it is something that every
15 manufacturer is researching right now, and it is
16 through hydrolysis generates electricity.

17 CHAIRMAN DAUS: We certainly
18 can't fault you for trying. This is what makes
19 New York City great and makes the TLC a leader
20 around the world in regulation, in having these
21 ideas and testing them. A lot of times they
22 work, sometimes they fail.

23 In terms of what is on the
24 horizon, do you anticipate there will be more
25 electric vehicles?

1 MR. SCHENKMAN: I anticipate
2 within the next year or so we will have another
3 pilot proposal. I think the next big proposal
4 is going to come in the way of clean air
5 diesels, which would run on 20 percent biofuel,
6 which could be recycled vegetable oil or
7 components such as that.

8 CHAIRMAN DAUS: I would just
9 encourage the Commissioners in spite of the
10 failure of this project to keep an open mind on
11 these new technologies. Hopefully we will have
12 some more pilots.

13 Thank you, Peter. Good work.

14 Item 5B is the for-hire vehicle
15 industry accountability presentation I was
16 talking about.

17 Sara Meyers, who is a newly
18 minted Assistant Commissioner, I believe, thank
19 you and welcome.

20 First of all, I would like to
21 just talk a little bit about the whole scenario
22 in the for-hire world and how we got here to
23 date.

24 Sara is going to give a little
25 bit of a history as to how we got here as part

1 of this presentation, but I have had personally
2 several conversations, very impassioned
3 conversations with individuals on this
4 Commission, both privately and publicly, and the
5 same concern comes up over and over again: How
6 do we make the bases more accountable and the
7 for-hire vehicle more accountable to make sure
8 that a lot of the things that are happening
9 don't happen?

10 The biggest one that was on the
11 plate is vehicles that are being dispatched with
12 suspended drivers or unlicensed drivers.

13 The deeper and deeper we looked,
14 we found there are issues beyond some of the
15 bases' control, and there might be other
16 creative ways that we can tackle this problem
17 once and for all.

18 The Commission has been very
19 diligent, has been very, very concerned and very
20 discriminating in looking at each and every one
21 of these bases and their record, and basically
22 expressing their concerns and making sure the
23 business plans that were put into place are
24 going to remedy the situation.

25 Recently Commissioner Gonzales

1 asked for and actually analyzed some of the base
2 operating plans that have been submitted to Gary
3 and Sara in Licensing as part of our process so
4 they vary, and they are given the individual
5 autonomy to basically choose how they are going
6 to make their base run more efficiently and
7 solve the problem.

8 At the end of the day, it has
9 been a couple of years now, and we are still
10 seeing some of these convictions so it leads us
11 to be concerned that there might be something
12 else we can do.

13 I know the staff had proposed
14 some aspects of reforms that have been tabled to
15 date, which we would like to take another look
16 at at some point, but they have come up with
17 some new ideas and are really working hard since
18 the last two meetings.

19 I just want to make sure you knew
20 this is something that has not been forgotten,
21 and they have been working very hard on that,
22 and Gary, Andy, Sara and the entire staff in
23 Licensing.

24 Welcome and thank you for all
25 your hard work.

1 MS. MEYERS: Good morning.

2 Over the past two-and-a-half
3 years, tremendous changes have taken place in
4 regards to livery-based licensing process.

5 Beginning in January 2005, the
6 Commission, the First Steps Office and Licensing
7 began a journey to change the application and
8 approval process.

9 While many positive outcomes have
10 resulted from the changes, it is clear that there
11 is a need for additional changes that most likely
12 will have to happen through rule making.

13 The Commissioners have spent many
14 Commission meetings debating the problems within
15 the industry, and these are problems that cannot
16 be easily fixed by a new application.

17 A few months ago I briefly spoke to
18 the Commission about the agency's plan for making
19 substantial rule and policy changes.

20 Today I am here to give you a
21 formal update on our progress and present some
22 ideas to you.

23 Please note that these are just
24 ideas and not formal rule proposals. Please feel
25 free to stop and ask me questions, or I am happy

1 to answer questions at the end of the
2 presentation.

3 The presentation is going to be a
4 brief review of changes that have already
5 happened, and some items about what we have
6 learned about the industry in the past two years,
7 and then a presentation of our ideas for policy
8 and rule changes for not just livery bases but
9 also for livery vehicles and livery drivers.

10 Just a little background. As I am
11 sure you are aware, but just to reiterate, when
12 this started in January 2005, we were focusing
13 solely on the livery bases, which are part of the
14 for-hire vehicle industry. There are about 1,000
15 for-hire vehicle bases, but the livery industry is
16 only about 500, and those are the community car
17 services.

18 What was happening is that many
19 bases have not submitted their renewal
20 applications over several years, and thus the
21 requirements were not being continually reviewed
22 so we implemented two major initiatives. One was
23 an administrative overhaul of the internal review
24 process, and then, significantly, all the base
25 applications for livery bases were coming in front

1 of the Commission for review and for a vote before
2 they were sent to City Council.

3 There has been a lot of success.
4 We have modified our applications, and we have a
5 very close working relationship with Enforcement,
6 who visits every base during the renewal cycle,
7 and now all the bases have caught up and they are
8 reviewing regularly and on time. If they don't,
9 they are closed down.

10 But what we have learned in the
11 past two years is that the industry is not
12 perfect, and that we have been exposed to many law
13 abiding and well-functioning bases, but we have
14 overwhelmingly learned that within the industry
15 there is a clear disregard for our rules, a lack
16 of connection between the base, the vehicles and
17 the drivers, and this results in an industry that
18 does not always operate with the public's best
19 interest at heart.

20 It would be simple to only hold the
21 bases accountable for the problems in the
22 industry. There are a mere 500 livery bases,
23 which is a small and easy number for us to manage.

24 Clearly the base owners must be
25 held to a high standard, and we will be presenting

1 many rule ideas about holding them to an even
2 higher standard; however, with that said, we also
3 note that the vehicle owners must also be held to
4 a higher standard.

5 It is apparent that the vehicle has
6 the ability to find a loophole within the industry
7 to act in a renegade fashion, and this behavior
8 should not bring the base down.

9 In most cases it is the vehicle
10 owner that chooses the driver that drives his or
11 her car.

12 This is why we think the vehicle
13 owner rules really need to be enhanced to hold the
14 vehicle owner more accountable for their role in
15 problems in the industry.

16 So we have learned that there is a
17 lack of accountability to our rules, but there is
18 also a weak relationship between the base, the
19 vehicle and the driver, and this presents some
20 public safety concerns.

21 How are we proposing to fix the
22 industry? We would like to implement rule and
23 policy changes that get at the very things that we
24 have learned: Increasing base owner, vehicle
25 owner and driver accountability, strengthening the

1 relationship between base, vehicle and driver,
2 which hopefully will increase public safety and
3 increase communication from the industry to the
4 riding public.

5 So first I am going to speak to
6 accountability rules, and we are going to start
7 about the bases.

8 We would like to analyze and
9 consider the business plan more seriously as we
10 have talked about the business plan is extremely
11 serious, and we want to make sure that it is very
12 clear within the rules that the business plan
13 speaks to what is important in the industry.

14 As well we want to strengthen the
15 rules regarding multiple dispatches of TLC
16 licensed drivers. Obviously that is the one thing
17 that the Commissioners have brought to our
18 attention continually, but we are also going to
19 speak about how that plays a role with the
20 vehicles.

21 Finally, we want to talk about we
22 want rules about operating while on suspension.

23 There are many bases that
24 continually operate while on suspension.
25 Unfortunately, we haven't been able to have rules

1 that sufficiently attack that problem.

2 Not all bases are operating -- the
3 suspensions that we have, some are administrative
4 in nature so it is until the base is in
5 compliance, but we want to separate out an
6 administrative suspension for a clear disregard of
7 our rules, which would be a suspension having to
8 do with failure to show up for your hearing or
9 failure to show up to pay your fine.

10 But now onto vehicles. It is
11 evident that there is a loophole that exists
12 within our rules. Bases, while not without
13 responsibility, are scrutinized for 6-12K1 and
14 6-12K2 violations much more than the vehicle
15 owner.

16 The time has come where vehicle
17 owners' disregard for our rules has a severe
18 penalty. After all, it is the vehicle owner that
19 puts the driver in the car.

20 We also know the vehicles work for
21 multiple bases at multiple times, which is another
22 loophole in our rules.

23 We wanted the rules to be clear
24 that multiple violations will result in a fitness
25 hearing for all licenses held by the vehicle

1 owner. The end result could be revocation of all
2 licenses held by the vehicle owner.

3 An extremely important note is that
4 the driver's TLC license and a DMV license are
5 easily monitored by a vehicle owner, or a base for
6 that matter if they so desire.

7 The point I am trying to make is
8 the vehicles can check the licenses of the drivers
9 that are in their car. They can check our website
10 to see if the TLC license is valid, and they can
11 also get a contract with the DMV to monitor the
12 driver's DMV license.

13 It can't be stressed enough that we
14 want the vehicle owner to be held responsible for
15 what happens when his or her car is operating as
16 vehicle for hire.

17 Whether the vehicle owner is the
18 driver or leases out the vehicles, the actions
19 that take place by the vehicle need to affect the
20 owner.

21 Our idea is that a few serious
22 violations will lead towards revocation
23 proceedings. We then believe that the vehicle
24 owner's previous revocation should be considered
25 when he or she applies for a new license.

1 This is similar to the reapplicant
2 fitness hearing that exists for our TLC licensed
3 drivers.

4 Additionally, we believe that the
5 vehicle owners need to be held responsible when
6 involved in a street hail. We think fitness
7 hearings and revocation proceedings should be
8 commenced in these situations.

9 We will need input and advise from
10 the Commissioners as to the number of convictions
11 which would lead to such hearings.

12 Drivers must also be held
13 accountable for blatantly breaking TLC rules and
14 putting the public at risk. As such, we are
15 proposing to strengthen the penalty for driving
16 without a valid DMV license and for doing street
17 hails.

18 The rules must be clear that this
19 activity is prohibited, and multiple offenses
20 could lead to fitness hearings and, as such,
21 revocation proceedings.

22 So I have been speaking a lot about
23 accountability, but we also believe very strongly
24 in about strengthening the relationship between
25 the bases and the vehicle owners and the drivers.

1 We do believe that if that
2 relationship is strengthened, there could be a
3 substantial change in the industry so we have
4 talked a lot within Licensing and with Andrew in
5 how to strengthen the relationships between the
6 base, the vehicle and the driver.

7 I am just going to talk briefly
8 about some things that happened in the industry,
9 and it may be a little confusing, because we
10 haven't brought these terms up so feel free to
11 interrupt and ask me to clarify.

12 While making our rules clear and
13 stronger will hopefully bring increased
14 accountability, we also want to add rules that
15 strengthen the relationship between base owners
16 and vehicles.

17 As I said, after all, we are hoping
18 a better relationship will result in increased
19 accountability.

20 I am going to speak a little bit
21 about the affiliation process in the vehicle
22 industry.

23 As you are aware, every vehicle
24 must be affiliated to a base to obtain a license.
25 Please note that although the vehicle is

1 affiliated to one base, we are aware that most
2 vehicles work for several bases. This presents
3 several problems for Enforcement, which I know
4 that Deputy Commissioner Mullings can speak to;
5 however, from Licensing's perspective, there are
6 two changes to the affiliation process that we
7 would believe -- that we believe would help to
8 strengthen the relationship between the bases and
9 the vehicles.

10 Just as quickly as a vehicle is
11 affiliated to a base, the base can unaffiliate the
12 vehicle. All they have to do is send Licensing an
13 e-mail or a fax and say the vehicle doesn't work
14 for them anymore.

15 So we know this happens for many
16 different reasons. We know it is possible the
17 vehicle has left the industry, there could have
18 been a falling out, or the vehicle just decides to
19 go work for another base, but it happens with such
20 frequency, and often the vehicle doesn't even know
21 they are unaffiliated.

22 We would like to add a fee to the
23 unaffiliation process. Although we know that that
24 is not simply something the TLC could do, it is
25 just an idea we have to maybe make it more

1 difficult for the bases to unaffiliate, and maybe
2 they won't be affiliating -- unaffiliating as much
3 a they do.

4 In addition, we would like the
5 vehicle to participate in the unaffiliation
6 process so currently the vehicle doesn't have to
7 sign-off on being unaffiliated. They have to get
8 the base's signature to get affiliation, but the
9 base then doesn't have to subsequently get the
10 vehicle to sign-off to be unaffiliated.

11 It is true that if the vehicle left
12 the industry, the base could fine the vehicle.
13 This could potentially present some problems, but
14 these are just some ideas we have been tossing
15 around.

16 Transfer, similarly, vehicles are
17 allowed to transfer from one base to another and
18 so they come in. It is just an administrative
19 function. They get a new license with their new
20 base on it, but they do this all the time and with
21 frequency, and our suggestion is to limit the
22 number of transfers allowed in a given time frame.

23 We also are going to stress that
24 the markings rule, which has been brought up for a
25 vote here before and wasn't successful, we are

1 hoping that it could come back, because we
2 adamantly believe that the markings rule, where
3 the bases would have their name and information on
4 the vehicles --

5 CHAIRMAN DAUS: Actually, just to
6 clarify that, I don't believe we actually voted
7 on it. It was tabled. It is still under
8 consideration.

9 MS. MEYERS: Right. Licensing is
10 just reiterating its support for the markings
11 rule, hoping that it would bridge a good
12 relationship between the vehicles and the bases
13 if the vehicle was working for fewer bases.

14 We are not saying it would only
15 work for one, but it would work for fewer bases
16 be.

17 We also want to increase the
18 communication to the public and the public
19 safety, because the public safety is paramount.
20 It is our ultimate goal in all that we do.

21 It is clear the public safety is
22 not necessarily the priority of the livery
23 industry. We want you to consider these rule
24 and policy proposals as we believe the
25 increasing accountability in strengthening

1 relationships can only better the industry which
2 increases public safety.

3 Additionally, it must be
4 reiterated that we do believe the markings rule
5 for FHV's will also greatly increase the public's
6 safety and enhance the communication between the
7 TLC, the industry and the public.

8 Finally, we are also in strong
9 support of the rule, which was also tabled, that
10 has been proposed, namely the inspections of FHV
11 vehicles at the TLC S&E site. These inspections
12 would be of great benefit to the public.

13 In conclusion, to reiterate, the
14 rules we have outlined today we would like to
15 call phase 1. Based on the Commissioner's
16 feedback, they will be worked on and hopefully
17 completed in a relatively shortened time line.

18 What we are calling phase 2 will
19 be an analysis of phase 1 rules when
20 implemented, when passed and implemented.

21 We want to see how the rules that
22 are passed based on today's presentation will
23 change the industry. We are hopeful and believe
24 they will have a dramatic impact.

25 Upon that analysis, it is

1 certainly possible we will commence with rules
2 that will address some larger, more systemic
3 changes in the industry, although the phase 1
4 rules have that potential too.

5 At this point I just wanted to
6 say thank you to the Commissioners for all their
7 ideas and concerns they have put forth regarding
8 the livery industry.

9 We certainly have taken your
10 ideas and insights into consideration in the
11 crafting of these ideas, and we welcome your
12 continued feedback and participation in the
13 process.

14 CHAIRMAN DAUS: Thank you. Well
15 done.

16 Commissioner Arout?

17 COMM. AROUT: I want to say,
18 Sara, you did a very, very good job. It is a
19 long time coming, and I think we will really go
20 after for-hire vehicles this year as Noach and I
21 understand each other.

22 I think we did a great job on
23 medallions. Now is the time to go after
24 for-hire vehicles. They are way overdue, and I
25 hope that this Commission will work very hard to

1 get it back into operation.

2 Thank you very much.

3 CHAIRMAN DAUS: Commissioner
4 Gonzales and then Commissioner Dear.

5 COMM. GONZALES: I also would
6 like to reiterate my appreciation for you guys,
7 staff in particular, taking the time and effort
8 and coming up and making progress on this issue.

9 Instead of -- two quick
10 questions. One, with respect to this one
11 particular violation that is the focus on
12 dispatching unlicensed drivers and vehicles,
13 what would you characterize percentage-wise what
14 we should be able to resolve via an
15 administrative solution versus a
16 not-administrative solution; an administrative
17 solution being, again, just cross-referencing --
18 defined as something where we cross-reference a
19 list of a vehicle versus a list that the TLC
20 puts out?

21 And also, can you expand on just
22 a general example of this affiliation,
23 unaffiliation?

24 MS. MEYERS: Sure. Well, I am
25 not quite sure I know what you mean by

1 administrative.

2 The vehicles currently are
3 affiliated to one base. We have talked about
4 that. There is one base's license number on a
5 license -- on a vehicle's license, on their
6 diamond.

7 Now, those vehicles, they work
8 for several bases so that is one of the
9 problems, because while, let's say, a car is
10 affiliated to Gonzales base, they can work for
11 Gonzales base Mondays and Tuesdays, but say they
12 don't get dispatches from Gonzales base. They
13 could easily go and have a contract with another
14 base and be dispatched.

15 Any time the driver is sanctioned
16 for being unlicensed, it is the Gonzales base
17 that is always going to pay the penalty for
18 that.

19 So that is where some of the
20 trickiness comes into the industry.

21 We mandate one affiliation, but
22 we know there are several affiliations going on.

23 COMM. GONZALES: We mandate one
24 affiliation, but in actual practice there is
25 multiple affiliations?

1 MS. MEYERS: Multiple
2 affiliations, but there is one base on the
3 license that will always get penalized, which is
4 also why we want to stress, the vehicle owner,
5 they always should know what is going on,
6 whether or not they are being dispatched by
7 Gonzales base or any other base.

8 We are hoping to, you know, put
9 the scrutiny on the vehicle owner, because
10 whether it is the vehicle owner who is driving
11 him or herself, or they are leasing their
12 vehicle out, they should always know that the
13 driver in their vehicle has a valid TLC license
14 as well as a valid DMV license.

15 Is that clear?

16 COMM. GONZALES: Yes.

17 MS. MEYERS: As far as the
18 transfers, is that what you are asking about?

19 COMM. GONZALES: No. I guess a
20 split between -- just percentage-wise, a
21 dimension what the scope is of what we are
22 trying to tackle here; something that is
23 administrative, at least in my opinion, should
24 be relatively quick to implement, and I am
25 defining "administrative" as just, again, a

1 cross-reference of a list.

2 In your general opinion, what do
3 you think the percentages are; is it like 60/40?

4 MS. MEYERS: Gary Weiss, Deputy
5 Commissioner of Licensing, Andrew Salkin and
6 myself met, and we came up with a lot of
7 administrative things that we want to do which
8 is cross-referencing lists and trying to
9 compare -- and I think that is very manageable
10 so there is a lot of administrative things that
11 we are hoping to implement that will -- on the
12 Licensing end that we can monitor the behavior
13 of the industry.

14 MR. SALKIN: One comment I would
15 like to make. A lot of this is just adding
16 teeth to items that we already do.

17 It is one thing for a vehicle to
18 have a driver that is unlicensed without a DMV
19 license, but the penalty for that vehicle, for
20 it being driven around by somebody without a
21 license, is not that severe.

22 What we are proposing today is
23 making the penalty much more severe and just
24 adding some more teeth to language that is
25 already in the rules, but because it is not

1 there, the severity, that it continues to
2 happen, we think, at a greater level.

3 I don't know if that ends up
4 being administrative. We don't have to change
5 what we are doing; we are just changing how the
6 industry will be penalized for doing something
7 everybody here has decided is inappropriate.

8 CHAIRMAN DAUS: Commissioner
9 Dear?

10 COMM. DEAR: At the present time,
11 if an unlicensed vehicle is dispatched, because
12 I know when you do the undercover work, when you
13 ask people to come, you call a base and get a
14 car, you can seize that vehicle, right?

15 MS. MEYERS: Yes.

16 COMM. DEAR: Are we doing that?

17 MS. MULLINGS: Yes, we are. In
18 fact, at the renewal process, licensing sends us
19 a list of all the bases up for renewal, and
20 every base we do what we call a bait, fish and
21 hook where we call up, and if they send an
22 unlicensed vehicle, we seize the vehicle.

23 COMM. DEAR: What happens then?
24 What is the next step in order for them to get
25 the vehicle back?

1 MS. MULLINGS: They have to go to
2 adjudication and either take care of -- pay the
3 fine -- either have the hearing, which is
4 scheduled within ten days, or they can post a
5 bond and take the vehicle.

6 COMM. DEAR: What is the normal
7 fine that usually --

8 MS. MULLINGS: I believe -- I am
9 not positive -- I believe generally it is 750.
10 I think it can be up to 1,500, but part of the
11 confusion is if a base dispatches an
12 unaffiliated licensed TLC vehicle, and the
13 driver is unlicensed, either by TLC or by DMV,
14 there is no summons that can be written to the
15 base under our current rules.

16 COMM. DEAR: Only to the driver?

17 MS. MULLINGS: Only to the
18 driver.

19 COMM. DEAR: So who has to change
20 that; we as the Commission?

21 MS. MULLINGS: Yes. That is part
22 what of what we are talking about.

23 COMM. DEAR: I understand that.

24 COMM. GIANNOULIS: Can I just
25 jump in on that point?

1 In other words, a driver who is
2 in multiple bases -- a vehicle who is in
3 multiple bases inevitably is unaffiliated with
4 some of them?

5 MS. MEYERS: Yes.

6 COMM. GIANNOULIS: So if you are
7 an unlicensed driver --

8 MS. MULLINGS: You can go --

9 COMM. GIANNOULIS: It is
10 certainly in the base's interest to be involved
11 in multiple bases at that point?

12 MS. MULLINGS: The vehicle
13 owners, yes.

14 COMM. GIANNOULIS: That is really
15 bizarre.

16 MR. SALKIN: It is not that you
17 are not allowed to be affiliated with multiple
18 bases, it is that you are officially
19 declaring -- the way the term, the practice is
20 is you are officially declaring an affiliation
21 with one base. It is that base always gets the
22 summons.

23 COMM. GIANNOULIS: Is that like
24 high level poker?

25 MR. SALKIN: It basically ends up

1 playing itself out like that. It is a trump
2 base, and that trump base always gets a summons
3 even if you are working for another base.

4 MR. FRASER: If I may, on the
5 rules point, the rules are clearly written with
6 the intent that one vehicle will be affiliated
7 with one base, not multiple bases. I assume the
8 rule was written at a time when the industry
9 actually worked that way.

10 The rules don't therefore ever
11 explicitly say you can't be affiliated with two
12 bases, and here is the penalty for doing trying
13 to do that so the rules assumes something that
14 probably was true at the time and has become not
15 true, but there is no penalty provided for that
16 in the rules.

17 COMM. GIANNOULIS: We use the
18 word "affiliation," and that simply means there
19 is some registration done with the TLC that says
20 "I am affiliating," right?

21 MS. MULLINGS: Right.

22 COMM. GIANNOULIS: And then we
23 are using the term loosely to describe other
24 affiliations mean whenever somebody is getting a
25 call from that base to do a pickup; is that

1 correct?

2 COMM. DEAR: Let me go back to my
3 issue again, and this is probably the biggest
4 issue that we have, that the dispatcher -- and
5 we know it. I guarantee you now, I take you to
6 any base you want anywhere in Brooklyn, and I
7 will show you half the cars are legal and the
8 others illegal, and they told me openly "We
9 can't work, we can't work any other way because
10 of insurance issues and everything else."

11 COMM. GIANNOULIS: What do you
12 mean by legal and illegal cars?

13 COMM. DEAR: Straight plate cars.
14 So brazen they are, they even have now
15 out-of-town plates: Florida, North Carolina,
16 New Hampshire. I think it is a good idea to
17 affiliate there maybe.

18 It is right in front of your
19 eyes. They don't care. They tell you, "We have
20 no choice otherwise we have to close down."

21 So I think -- and that is the big
22 issue Commssioner Arout and I have, and others
23 have as well, is that those who are totally
24 illegal, we don't need any more laws. We have
25 the laws already.

1 You take away their cars enough
2 times, they are not going to have any money
3 anymore, and we fine them up to \$1,500, and if
4 you want to increase the fine, increase it to
5 \$2,500, but the idea is that is what is
6 necessary, that enforcement, and I guarantee
7 you, once you do enforcement, you will see a
8 change in attitude.

9 You know, I am looking at the
10 people in the yellow industry. There was a time
11 everybody said "you can't do" -- nothing
12 happens. "You can't do anything."

13 There were times many years ago
14 when the yellow cabs went amok, and what
15 happened? It was easy to go after them, because
16 you gave everybody authority.

17 So I watched how cops and our
18 people, they don't give one summons, they give
19 20 summonses. I mean, they really go after them
20 so they are an easy target.

21 Instead of focusing again on --
22 and the yellows have improved drastically. We
23 know it. We are proud of it.

24 I think we have to do the same
25 effort, get the Police Department involved too.

1 I asked you for the law because I
2 spoke to the Chief of Transportation myself. I
3 know him very well. He used to be my precinct
4 commander.

5 He said, "You give me the law,
6 and we can work together, we will do enforcement
7 too."

8 CHAIRMAN DAUS: And also, I know
9 the Chief of Transportation very well and he is
10 very committed to this.

11 COMM. DEAR: Let's do it.

12 CHAIRMAN DAUS: With all due
13 respect, we are doing that with the Police
14 Department. We attend the traffic stat
15 meetings. We work hand in hand on them on a
16 variety of issues, but I do agree with you that
17 there is still a lot more work to be done.

18 I believe at this point a lot of
19 the issues are systemic, and it involves action
20 by us coupled with the enforcement efforts that
21 Pansy and the Police Department are doing.

22 It is as simple as this. In my
23 personal viewpoint, I believe that the free
24 market should prevail and the free market is
25 best.

1 I can see a variety of different
2 reasons why it would make sense for both bases,
3 vehicles and drivers to affiliate with several
4 bases, and for us not under ordinary
5 circumstances to get involved with such a free
6 market.

7 Perfect example, you have a
8 shortage of drivers; supply and demand. It is
9 in the best interest of the bases to have as
10 many drivers affiliated with them so when the
11 calls come in at peak hours, they want to
12 leverage their resources to make sure that they
13 basically have the drivers that are there with
14 the vehicles to serve them when they need them.

15 And then, unfortunately, there
16 are some base owners that don't care what these
17 vehicles and drivers do, and they kind of turn
18 their head to it, unfortunately, and that is
19 where the accountability piece comes in; "let
20 them do what they want to do."

21 "I only care about four,
22 5:00 o'clock I have calls coming in, I want to
23 make sure my drivers are there."

24 You know, the flip side of that
25 is vehicle owners and drivers, who are we to be

1 telling them that they can't work part-time for
2 one, two, three or four bases? Who are we to do
3 that when we want to encourage an industry to
4 thrive and have them basically support
5 themselves?

6 In a perfect world I would say
7 that is fine, but, unfortunately, it seems clear
8 to me at this point, based on the information we
9 have amassed, that that loophole or that lack of
10 oversight on the free market aspect of it is
11 perpetuating an illegal practice.

12 Perfect example, a little bit
13 different from what came up. You have a base,
14 base ABC, has a driver, like most of the
15 industry, unlike Staten Island and some other of
16 the fleet operations. Like 90 percent of the
17 livery and black car industry, the driver also
18 owns the vehicle.

19 They affiliate with ABC Car
20 Service. ABC Car Service has arranged with them
21 that between certain hours they are going to be
22 on call to take calls.

23 The driver and owner of that
24 vehicle, after 5:00 p.m., decides that they are
25 going to give the car to make some extra money

1 to their cousin who doesn't have a license, who
2 takes the car and starts picking up street
3 hails.

4 With all due respect to the base,
5 can we or should we really be holding them
6 accountable for determining when they are not
7 scheduled to be on call for that base, what
8 their cousin is doing with the car picking up
9 street hails at midnight, and how can you
10 reasonably as a base owner prevent that?

11 That is where I think the staff
12 started turning towards how was the vehicle
13 owner able to escape all these regulations when
14 they were first drafted many years ago?

15 The vehicle owners are not
16 necessarily also the drivers.

17 What we are finding, and much to
18 our surprise, there are corporations set up as
19 holding companies that own title to multiple
20 vehicles.

21 ABC Corporation is not a base,
22 but it is a corporation that owns title to and
23 has applied for and received the permit to
24 operate 20 vehicles that are affiliated with all
25 these bases.

1 COMM. GIANNOULIS: What happens
2 in the same exact situation with a medallion
3 owner?

4 CHAIRMAN DAUS: There is very
5 tight oversight over it, because we have the
6 vehicles and drivers of record.

7 COMM. GIANNOULIS: I am saying,
8 if a medallion owner owns a vehicle, owns a
9 medallion, they give the car to their cousin who
10 claims he is driving somewhere, and then that
11 person doesn't have a license, and they go and
12 they start picking up fares, what happens?

13 CHAIRMAN DAUS: The medallion
14 owner is going to be held accountable.

15 COMM. GIANNOULIS: The medallion
16 owner is going to be held accountable because he
17 should -- what does that mean? Going to be held
18 accountable in what way? What happens to that
19 person?

20 CHAIRMAN DAUS: Penalties.

21 MS. MULLINGS: He allowed
22 somebody to operate his vehicle without a
23 license.

24 COMM. GIANNOULIS: Fundamentally
25 there is no difference between that and the

1 person who owns the livery car, no?

2 CHAIRMAN DAUS: There is a slight
3 difference, because --

4 COMM. DEAR: Not every base has
5 their own cars --

6 CHAIRMAN DAUS: Most bases do not
7 have their own cars.

8 COMM. DEAR: You are talking if
9 he is unlicensed, he gets his car, he gets his
10 car towed, and he has a penalty.

11 When you pick up a driver that is
12 unlicensed --

13 MS. MULLINGS: A driver who is
14 unlicensed --

15 COMM. DEAR: Right. Say
16 90 percent of the time it is his car, but let's
17 say in the instance it is not his car, he loans
18 it to someone -- it is someone else's car.

19 MS. MULLINGS: -- A non-licensed
20 TLC vehicle?

21 COMM. DEAR: Straight plate. He
22 took his friend's car, and now he has become a
23 car service for the day. Then he gets caught.
24 You grab the car. What happens? Who gets all
25 the penalties? Who do you go after; the driver?

1 MS. MULLINGS: The driver and
2 owner.

3 COMM. DEAR: Both?

4 MS. MULLINGS: Yes, sir.

5 COMM. GIANNOULIS: I am confused
6 by this. If somebody does a straight plate and
7 they are just illegally -- if somebody has a
8 straight plate, and I just decided when I leave
9 here, I am going to go and pick up somebody and
10 charge them 20 bucks in my own car, quite
11 honestly, what does it have to do with the TLC?

12 MS. MEYERS: Nothing.

13 COMM. GIANNOULIS: Nothing,
14 right?

15 MS. MEYERS: Nothing.

16 MS. MEYERS: It affects the TLC,
17 but they are not part of the problem in the
18 livery industry.

19 COMM. DEAR: Commissioner
20 Giannoulis --

21 COMM. GIANNOULIS: I don't see
22 what the TLC --

23 MS. MEYERS: If it is a straight
24 plate doing a the street hail, that is a
25 complete renegade action.

1 MS. MULLINGS: Straight plate you
2 are talking?

3 COMM. DEAR: The bases that are
4 supposed to have ten vehicles, five of them are
5 legal and five you call unaffiliated, whatever
6 you want to call them, they are straight plate,
7 they are all illegal. They are not licensed,
8 they are not anything. The driver is not
9 licensed, the car is not licensed.

10 MS. MEYERS: We consider that act
11 to be the same as if they were dispatching a
12 licensed vehicle without a licensed driver. It
13 should be scrutinized exactly the same. The
14 vehicle owner has to pay the penalty, and the
15 base does, but we really want to scrutinize the
16 vehicle owner.

17 COMM. DEAR: Exactly.

18 MR. SALKIN: The reason it is so
19 complicated, because I think as the general
20 counsel outlined, the way the industry has
21 changed versus when the rules were written,
22 makes it very complicated.

23 What we are going to try to do,
24 and it sounds like the encouragement is there
25 from the Commission, is to clarify in the rules

1 exactly what is appropriate and what is not
2 appropriate.

3 Really, what we are talking here
4 is what is not appropriate, being clear about
5 that, and what the penalty is for being not
6 appropriate, and the fact when you are doing
7 something not appropriate, the penalty is severe
8 enough you should really think twice about even
9 consider doing it, or of it is cost of business
10 that your car gets impounded every now and then,
11 it still should be -- I think your general
12 statements all together are kind of where we are
13 exactly.

14 COMM. DEAR: I would also like to
15 make a recommendation. You have traffic stats,
16 you have all kinds of stats. I think I would
17 like to see if we can, for the next few months
18 at least, because I want to be comfortable that
19 you are really doing the enforcement and seizing
20 vehicles, I would like to see if you could give
21 us a report every month how many vehicles you
22 seized, what boroughs and what bases they were,
23 generally, so I know.

24 MS. MULLINGS: No problem.

25 COMM. DEAR: I would like we

1 should start to focus the next few months on
2 really doing this enforcement.

3 I will tell you what my concern
4 is. We are going to give you more laws? You
5 have enough laws on the books to do enough
6 enforcement.

7 MR. SALKIN: Hang on. I have to
8 disagree with you a little bit.

9 We do a lot of enforcement but it
10 can only go so far. We need a little more
11 teeth.

12 COMM. DEAR: What can't you do --
13 tell me one thing.

14 MR. SALKIN: We can't take away a
15 base's license for performing inappropriately or
16 a vehicle license for performing
17 inappropriately.

18 COMM. DEAR: For dispatching a --

19 MR. SALKIN: We can't give a
20 summons, we can't bring --

21 COMM. DEAR: What else? I can't
22 believe if you do proper enforcement, take these
23 cars off the streets, I can't believe these guys
24 are coming back for more after a \$1,500 fine. I
25 can't believe they are coming back for more.

1 MR. SALKIN: You raise some good
2 points, and we will share with you what we are
3 doing.

4 I think ultimately, there are two
5 issues that have been brought up. One is the
6 legal activity, or those that are licensed, and
7 then the activity they are performing that is
8 legal and illegal, and the activity of people
9 who are completely renegade and what they are
10 doing.

11 Again, there is different
12 enforcement abilities. In a lot of ways we have
13 a lot less we can do for people who are
14 completely unlicensed, and we are looking to
15 strengthen the rules. That is why we have
16 lobbied Albany, to strengthen the rules.

17 If you are driving a car without
18 a TLC license, you could lose your DMV license,
19 things like that we have lobbied for.

20 The best place for us to be is
21 within the legal industry doing legal service
22 that is safe and efficient.

23 COMM. DEAR: We all agree.

24 Again, I really believe this
25 enforcement is an important issue.

1 Another thing, by the way, this
2 is something we are going to have to deal with,
3 and I have mixed feelings. The unspoken or the
4 way that we don't enforce the pickups of
5 liveries picking up street hails in boroughs
6 where there is no yellow service, you know that
7 that is like the unspoken rule that we don't
8 really do enforcement there, and that is
9 something I am not so sure -- I don't know where
10 we go with that.

11 MR. SALKIN: Again, in Sara's
12 presentation we talked about street hails and
13 penalty for street hails and what the right
14 level of penalty should be, and that is
15 something we can bring up for the Commission, we
16 can have a conversation about when you are doing
17 something the Commission has determined to be
18 inappropriate, illegal by Commission rules, and
19 when do you lose your license, and when does
20 something happen to you?

21 That is something we can bring
22 that up, and based on the Commission, you can
23 weight things in different ways and have that
24 conversation.

25 It is clear the way the rules

1 read right now, you cannot do street hails, take
2 passengers that are not pre-arranged.

3 COMM. DEAR: There are
4 neighborhoods in the City of New York that it is
5 accepted. We have accepted it, the community
6 has accepted it, and that is the way of life.

7 If we are going to change their
8 way of life, we can't do it all of a sudden with
9 a bang over the head. We may have to go through
10 the community, educate the community, talk to
11 them. We can say "It is for your protection."
12 There are a lot of issues here.

13 Then what do you do; bring up
14 yellow cabs up there? This is something we have
15 to do real discussions before we go, but before
16 we do that there is so much that we can do, and
17 that is what we have to focus on.

18 Part of the problem is these
19 illegal pickups, street hails, are going into
20 Manhattan, going into the hotels. There we can
21 do real enforcement.

22 I know it works because every
23 time there is enforcement at the hotels, for
24 months it is great, and now all of a sudden --

25 CHAIRMAN DAUS: I think you would

1 also agree there are systemic issues here in
2 addition to enforcement?

3 COMM. DEAR: Yes, because --
4 systemic -- no --

5 CHAIRMAN DAUS: Close some of the
6 loopholes as well.

7 COMM. DEAR: I asked for the
8 loopholes. One, two loopholes. The loopholes I
9 am not worried about.

10 You take away anybody's car and
11 make them pay \$1,500. I can't believe -- he
12 will do it one more time maybe, but if he gets
13 caught again --

14 CHAIRMAN DAUS: They just walk
15 away from the car and get another used one that
16 is worth less than \$1,500.

17 COMM. DEAR: It is still another
18 \$1,500.

19 CHAIRMAN DAUS: It is a fair
20 point, and I think --

21 COMM. DEAR: While you were out,
22 I asked them to give us every month a list of
23 how much enforcement they did with seizing
24 vehicles and things like that.

25 COMM. AROUT: May I say

1 something?

2 CHAIRMAN DAUS: Yes,
3 Commissioner.

4 COMM. AROUT: Sara, do we have
5 any regulations, the age of a vehicle, for-hire
6 vehicles; is there anything in the rules and
7 regulations?

8 MS. MEYERS: No.

9 COMM. AROUT: I think we ought to
10 come up with some sort of regulations as far as
11 the years of the vehicle.

12 CHAIRMAN DAUS: A vehicle
13 retirement for liveries and limousines?

14 COMM. AROUT: Yes.

15 CHAIRMAN DAUS: Do we have any
16 issues with including that in the package?

17 COMM. DEAR: I have said it many
18 times. There is an issue, because if you
19 remember, they are not yellow taxis. There is
20 an economic issue, but, like Commssioner AROUT
21 was talking about, I am talking about the car
22 that looks like it came out of bombed out
23 Baghdad.

24 COMM. AROUT: Every time these
25 cars renew their license, they should be

1 cosmetically inspected by an inspector.

2 MR. SALKIN: The idea of having
3 the vehicles come to Woodside, get visually
4 inspected, DMV inspected and have our inspectors
5 put stickers on them I think is very important.

6 At least it gives one check.
7 Yes, maybe it is only every two years when they
8 get licensed, but I think it would go a long way
9 to --

10 COMM. AROUT: Because my feeling
11 was, and no one ever really explained this to
12 me, if I come down to Woodside to make --
13 opening bays and come down with proper
14 identification and dollars and cents and show
15 you ten vehicle registrations, you don't even
16 look at the cars so how do we know what kind of
17 shape they are in?

18 MR. SALKIN: That is absolutely
19 something that we think is critical.

20 CHAIRMAN DAUS: I think the
21 Commissioner has a great point, and it is a
22 great process to have Commissioner input before
23 the rules so I would ask in light of his point
24 that staff gives some consideration and analyze
25 the effect that a vehicle retirement policy for

1 the limousine, black car and livery industry
2 would have, and inspections, but also vehicle
3 retirement.

4 I think it has been proven the
5 longer a vehicle has been on the road, the more
6 polluting it is.

7 Also, I would like to personally,
8 consistent with what The mayor is doing with
9 clean air, is have that analysis include what
10 would happen if we mandated every single one of
11 those vehicles be hybrid over a period of time,
12 and how would that affect the environment, and
13 how would that parlay into whether we need a
14 vehicle retirement policy?

15 These are all questions, because
16 I think there are two policy reasons for vehicle
17 retirement, and I think safety and aesthetics of
18 the vehicle is one thing, and also emissions and
19 the harmful effect it has on the environment.

20 Part of Plan NYC is for us to
21 come up with a plan that will include decreasing
22 emissions not just in the yellow cab industry
23 where, quite frankly, the entire City of New
24 York and the industry has benefited from a
25 vehicle retirement policy that after we did it

1 in '96 has been replicated in every major US
2 city, and that is one of the major reasons why
3 this yellow cab industry has been successful.

4 In light of the Commissioner's
5 comment, I would urge we throw that into the mix
6 of issues we should analyze.

7 COMM. POLANCO: One question I
8 have in terms of your report, which is
9 excellent, is what has been the input from the
10 industry itself? Have you met with the
11 industry? What have been their recommendations?

12 MS. MEYERS: Obviously anything
13 we would come forward with has been presented to
14 the industry, but a lot of what we talk about in
15 regards to the vehicles, that has come directly
16 from speaking with the base owners.

17 Most of that I have learned all
18 from the base owners talking to me about how it
19 is not that simple to just -- the vehicles don't
20 always act with the base's best interest at
21 heart so most of that has come from the
22 industry.

23 COMM. DEAR: We did have
24 discussions already about some of these rules,
25 and there was some opposition, including the

1 inspection, I want to remind Commssioner Arount.
2 What Artie raised, it is a very big problem, and
3 at first I started to think yes, yes, yes, but
4 taking a guy from Staten Island to travel with a
5 car two hours each way, it means there is down
6 time --

7 MS. MEYERS: Once every two
8 years.

9 COMM. DEAR: I understand, but
10 these are things they said how about local?
11 They were talking about opening up something in
12 Staten Island, not just in Queens.

13 Don't forget you have yellow cabs
14 already there so there are issues before we run
15 away with that issue.

16 Also, you talked about the
17 markings. I am telling you the more and more I
18 have learned about this, and more I understand
19 it, I am dead set against any markings the way
20 it should look like a Christmas tree, for a lot
21 of different reasons.

22 Commissioner Giannoulis raised it
23 about there are certain livery car services that
24 are trying to be like black cars but they are
25 trying to be high-end livery services. They

1 don't want to be markings all over the place.

2 There are plenty of ways we can
3 identify cars we know who they are and the
4 public will know where to look and everything
5 else. We will educate them. Like everything
6 else we educate them.

7 Having markings on the car
8 doesn't necessarily help us who is affiliated
9 with what and everything else.

10 We go to the enforcement part,
11 they know who to pick up, who not to pick up.
12 That is what we have to look at.

13 COMM. GIANNOULIS: On the issue
14 of markings, it is almost like the holy grail of
15 this industry. Something has to be done.

16 I have a particular issue with a
17 particular company which I thought had a
18 legitimate particular point of view that there
19 were -- we talked about maybe there was this
20 kind of different segment of the industry that
21 was catering to corporate clients --

22 CHAIRMAN DAUS: Like a hybrid.

23 COMM. GIANNOULIS: Right, and I
24 think that is a legitimate point. I think that
25 is different from -- I mean, there is no real

1 reason that anybody else who is hailing, who is
2 ordering a car, is attempting to not show that
3 they are a car -- not that it is easy to figure
4 out, but certainly, you know, when it comes to
5 street hails, the argument had merit that if
6 there were clearer markings, that would help in
7 terms of enforcement, and the argument about
8 them being private vehicles, there is things you
9 could put on the car you could take off.

10 I do think that segment of the
11 industry that was concerned about -- we have to
12 deal with them, because the guy I talked to,
13 president of one company, he made some
14 legitimate points.

15 MR. SALKIN: I think your point
16 and Commissioner Dear's point is well taken. I
17 think part of the reasons for tailoring the
18 rules is listen to the input and do some further
19 thoughts.

20 What we are doing today is adding
21 even more to that conversation beyond just
22 public communication and public knowledge.

23 I think everything that has been
24 said today is in a lot of ways pretty much
25 similar to the conversations we have had

1 internally, and I think your point is well
2 taken.

3 There are things that are
4 happening in the industry that we don't think
5 are appropriate that we don't think meet the
6 spirit of the rules that have been written.

7 What we need to do is take those
8 steps and start moving forward.

9 What Sara proposed today is an
10 outline of things that we are going to start
11 adding some details to, and then there will be
12 conversations here, and hopefully we will be
13 able to take some forward positive steps maybe
14 on all of it, maybe on some of it, but I think
15 the idea is to do that sooner than later.

16 COMM. GIANNOULIS: Do you have a
17 plan?

18 MR. SALKIN: The first part is
19 get the feedback. I think some of these
20 things -- and I think Comm. Giannoulis was
21 getting at it -- are easier to deal with and
22 easier to write and put into rule definitions.
23 Some of them are going to be a little bit
24 harder. Some of them might disappear if you do
25 some of the easier things. So some of the hard

1 things might disappear.

2 COMM. GIANNOULIS: Six months?

3 MR. SALKIN: I think -- we didn't
4 necessarily talk about this, because we didn't
5 know what your feedback would be, but I
6 certainly think adding teeth to the vehicle
7 piece, adding teeth to the base piece and the
8 driver so there is the fitness piece, that if
9 you are caught doing illegal activity or
10 activity that has been determined to be
11 inappropriate by the Commission, you can be
12 brought up for fitness, and you will know you
13 are going to brought up for fitness in front of
14 the Commission, lose you license immediately,
15 and not kind of have it linger, and we should
16 put that kind of language in there, because that
17 sends a clear message of the level of standard.

18 CHAIRMAN DAUS: That is a good
19 point.

20 In terms of time frame, I think
21 we have waited long enough on this, and I think
22 we should do it as soon as possible, but bearing
23 in mind this is complicated. We do have our
24 hands full with things.

25 It is largely going to be how

1 quickly the counsel can work with the staff to
2 get it done.

3 I believe at this point -- we
4 rely greatly on the expertise of the staff and
5 the work they have done.

6 I am sure there are some
7 questions you are going to have answers to here
8 today including how many bites of the apple do
9 you get with the street hail.

10 I think we will rely on your
11 specific recommendations at this point in terms
12 of what you think is a fair penalty to do the
13 trick based upon your experience and other
14 rules.

15 It is a one strike you are out.
16 If you are caught and convicted as a vehicle
17 owner of giving your car to an unlicensed or
18 suspended driver, should you after found guilty,
19 should you automatically lose your vehicle
20 license?

21 I think, you know, the fines and
22 the penalties in terms of next step should find
23 their way into a specific first draft of rules
24 with the Commissioners' edification should
25 have -- there should be an executive summary

1 that kind of explains pretty much what is in
2 here adding some stuff to your final
3 recommendation, and try to do it as soon as
4 possible and get it back here so we can vote on
5 it, make some meaningful change.

6 COMM. GIANNOULIS: This is going
7 to be my first question, maybe last, maybe it is
8 a silly question. Is this going to be part of
9 the bigger rule change?

10 MR. SALKIN: If we can talk about
11 the greater rule change, the intent of the
12 greater rule change, and I want to make it
13 clear, because different questions have been
14 brought up -- is over the last 35 years,
15 different people have sat where you are sitting
16 and have made rules, and the rules have been
17 made. Some have been forward thinking policy,
18 some have been "Oh, here is what is happening,
19 let's make rules," some have been "Here is this
20 new industry coming down, let's make rules."

21 The idea is the rules have been
22 made kind of over the years.

23 I think the best example is, out
24 of the 16 chapters, eight have to do with taxis,
25 one has to do with FHV's, including black cars

1 and liveries, even though there is more liveries
2 than black cars.

3 So the way the rules are
4 structured and the way they are written, there
5 is many different definitions for the concept of
6 driver. Is that the right way to go, or is
7 there one definition of driver, one definition
8 of passengers and service, and certainly levels
9 of same.

10 The idea, these rules and this
11 exercise is to make those rules make sense, be
12 clear, have a clear thread from beginning to
13 end. Not necessarily change the industry --

14 COMM. GIANNOULIS: So more
15 consistency than policy?

16 CHAIRMAN DAUS: It is also
17 housekeeping and how you structure them. A lot
18 of it is draftsmanship.

19 Like Andy pointed out, I think
20 there has been some confusion among some members
21 of the Board about that, initially including
22 myself at the very beginning.

23 I think as that process has
24 evolved, we all came to the conclusion that
25 important public safety rules and other issues

1 shouldn't be held up by what is, in effect,
2 lawyers and policy analysts taking what we have;
3 making them easier to understand, organizing
4 them into different chapters.

5 That is the bulk of the work that
6 is going to be done.

7 COMM. GIANNOULIS: There is an
8 RFP put out for that?

9 CHAIRMAN DAUS: There is, and
10 people responded to it.

11 MR. SALKIN: The company selected
12 is TATC, and today is the public hearing, and
13 assuming all goes well --

14 COMM. GIANNOULIS: Who is TATC?

15 MR. SALKIN: I don't know what
16 the acronym stands for. They are a company
17 based in Bethesda, and they do work with the
18 federal government. If all goes well, they
19 should be working by September.

20 COMM. GIANNOULIS: Is this
21 public --

22 MR. SALKIN: It is a public
23 hearing.

24 CHAIRMAN DAUS: Commissioner, do
25 you have another comment?

1 COMM. DEAR: One of the things I
2 wanted to do, a zero tolerance policy and put
3 into the law, when they come for renewals, if
4 they have any violations with regard to
5 dispatching an illegal car, we do not renew
6 them. I mean, that's --

7 CHAIRMAN DAUS: I would agree
8 with that.

9 COMM. DEAR: Even one vehicle,
10 because it seems to me --

11 MR. SALKIN: This is one of the
12 things we are trying to make clear today, a
13 base -- and you can talk to any of the base
14 owners -- there could be a vehicle that was --
15 you are saying if the base --

16 COMM. DEAR: If the base
17 dispatched.

18 CHAIRMAN DAUS: If we can approve
19 that a base --

20 COMM. DEAR: I know --

21 MR. SALKIN: You are saying
22 unlicensed vehicle, a straight plate?

23 MS. MEYERS: That's not the
24 6-12K1 and 2 rules.

25 COMM. DEAR: I am talking about a

1 switch and bait when they call and dispatch an
2 illegal car, straight plate, whatever you want
3 to call it.

4 CHAIRMAN DAUS: Zero tolerance.
5 I think if there is even one conviction of a
6 base that we have proven that they knowingly
7 dispatched an unlicensed vehicle, a straight
8 plate, that base should be automatically -- it
9 shouldn't even come to us. The judge should
10 have the power to revoke.

11 MR. SALKIN: It will be
12 interesting to have that hearing, and you will
13 hear from the industry.

14 CHAIRMAN DAUS: But in terms of
15 drafting the rules, I think it is a better way
16 to do it that way than to wait two years so that
17 renegade bases that are endangering the public,
18 because it is the beginning of their license
19 terms, waits for this Commission to decide
20 whether we are going to renew them.

21 The other thing is, I think there
22 should be zero tolerance for vehicle owners that
23 are basically out there that give their car to
24 people without a license. I think that is
25 endangering the public.

1 I think that if you call anybody
2 in here, the Police Department, they would
3 probably agree that that is a concern they would
4 have, especially since if you drive your
5 automobile, your own personal automobile without
6 a DMV license, you get arrested.

7 We have members of a
8 professionally licensed industry out there
9 basically not just driving themselves without
10 licenses, driving third parties under the public
11 perception that they are safe in cars, and I
12 don't know if it is everywhere as rampant as
13 maybe some people think it is, but it is
14 happening.

15 There are some good bases out
16 there, and I don't want to take anything away
17 from them. They are bases that have their act
18 together, they are very careful and have their
19 own controls in place, but there are also a heck
20 of a lot of them that don't.

21 In terms of the Commission's
22 business, I have to tell and say basically that
23 the limousine and the black car industry and the
24 yellow cab industry do do a decent job on this
25 area.

1 finalize in rule format these ideas.

2 In the interim, between now and
3 the drafting, if you have concerns or ideas or
4 want questions answered, I could always -- we
5 could always run it by the Commissioners.

6 I would like for them to see
7 maybe a first draft before we put it out to the
8 public.

9 That is it.

10 Thank you. Congratulations.

11 Good work.

12 That concludes the public portion
13 of the meeting.

14 Now I would like to have someone
15 make a motion to adjourn to executive session.

16 COMM. DEAR: Before we adjourn, I
17 want to recognize we have former Commissioner
18 here, Commissioner -- Deputy Commissioner --
19 whatever the title is -- Executive -- Carter --
20 who is standing in the audience.

21 I never had a chance. You ran
22 away on us.

23 I want to commend you for the
24 work you have done in the past, for the many
25 years you put into this agency. You did a

1 damned good job.

2 CHAIRMAN DAUS: Welcome back,
3 Bill.

4 He did come to say good-bye
5 before he left, in all fairness to him.

6 Welcome back.

7 COMM. DEAR: It is after the
8 year.

9 CHAIRMAN DAUS: This is a
10 discussion I am sure you know very well, Bill,
11 having done this for many years, and welcome
12 back.

13 A motion to adjourn to executive
14 session without the Chair being present, in my
15 absence, to consider the appeal item 6 on the
16 agenda, TLC versus Mohammed Elbstamey, license
17 number 443681. It is an appeal of a
18 discretionary revocation decision, and it has
19 been marked final.

20 Do we have a motion?

21 COMM. DEAR: Motion to adjourn.

22 CHAIRMAN DAUS: Do we have a
23 second?

24 COMM. AROUT: Second.

25 CHAIRMAN DAUS: All in favor?

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(Chorus of "ayes.")

CHAIRMAN DAUS: Have a cool
remainder of July, and we will see you in
August.

(Time noted: 12:23 p.m.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATION

I, HELENE GRUBER, a Notary Public
within and for the State of New York, do
hereby certify:

THAT the foregoing is a true and
accurate transcript of my stenographic notes.

IN WITNESS WHEREOF, I have
hereunto set my hand this ____ day of
_____, 20 .

Helene Gruber, CSR

