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6 NYC TAXI AND LIMOUSINE COMMISSION

7 PUBLIC MEETING

8 held on Thursday, November 16, 2006

9 40 Rector Street

10 5th Floor

11 New York, New York

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1 Public Meeting convened at 9:45 a.m:

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P R E S E N T:

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4 MATTHEW W. DAUS, COMMISSIONER/CHAIR

5 ELIAS AROUT, COMMISSIONER

6 NOACH DEAR, COMMISSIONER

7 HARRY GIANNOULIS, COMMISSIONER

8 IRIS WEINSHALL, COMMISSIONER

9 ELLIOT SANDER, COMMISSIONER

10 HOWARD R. VARGAS, COMMISSIONER

11 EDWARD GONZALES, COMMISSIONER

12 CHARLES FRASER, GENERAL COUNSEL

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1 CHAIRMAN DAUS: Good morning,

2 everyone. Please take your seats, we are

3 going to get started.

4 We are working off the agenda that

5 was revised on November 14th, it was posted to

6 website and there are copies in the back. The

7 first item is the Chairman's report. I have a

8 brief report.

9 First on the medallion sale, just a
10 quick update with some numbers. As of
11 November 15th, 248 of the 308 medallions from
12 the last sale have been hacked up, which mean
13 that 248 of those vehicles on the road serving
14 the public as we speak. In total, we have
15 closed on 256 medallions from that sale.

16 COMM. WEINSHALL: I'm sorry to
17 interrupt, how many are hybrids?

18 CHAIRMAN DAUS: I believe we have a
19 total of 277 hybrids on the road.

20 Peter?

21 MR. SCHENKMAN: 293. We had 22
22 unrestricted medallions change over.

23 CHAIRMAN DAUS: That's including the
24 voluntary as well?

25 MR. SCHENKMAN: It is.

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1 CHAIRMAN DAUS: So these are
2 vehicles that were put on the road without the
3 medallion sale and those that were with the

4 restricted, which is a tremendous, tremendous
5 step forward for the city. And we are going
6 to be doing more of them in the next couple of
7 months.

8 There are actually 52 medallions
9 remaining that need to be put on the road, and
10 the good news is that most of those closings
11 have been scheduled. So within the next month
12 or two, we should finish this up and wrap it
13 up.

14 Also, just a quick update on the taxi
15 technology customer service enhancements. We
16 have completed phase one functional testing,
17 this is taking the vehicles around the city to
18 make sure that the credit card and debit card
19 swipes work and that we try to iron out any
20 problems with what we call aggression testing.
21 If there is a problem, the vendors have to
22 come back in and basically show us that they
23 fixed the problem before we actually role them
24 out to the public.

25 We also, over the last several weeks

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1 have held and completed passenger focus
2 groups, where statistically significant
3 samples of passengers were brought in to look
4 and actually use these technology
5 enhancements, swiping credit cards, looking at
6 the content, and giving us feedback on that.
7 And we will have some results to share with
8 the Commission shortly. We are expecting a
9 report from our consultants.

10 And soon, within the next couple of
11 weeks, we hope to begin what is called phase
12 two or the live beta testing of these
13 vehicles, putting them out into actual
14 service, a limited number of them, up to 15
15 per vendor, in total that will be potentially
16 200. We are going to test those, it is almost
17 like a mini pilot. So you will get a heads up
18 when we are about to do that. But right now,
19 I anticipate, certainly before the end of the

20 year, it is very likely we will have them out
21 there. And we will keep the Commissioners
22 updated as well.

23 The Rules Project RFP, which you have
24 heard a lot about, is actually on the streets.
25 It was released, it has been published and

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1 distributed. It was released a few weeks ago.
2 We held Preproposal Conference on November
3 8th, and the deadline for those who are
4 interested, you can still pick up it if there
5 are people who are interested in applying, the
6 deadline for submissions is December 6th at
7 2:00 p.m. And the anticipated contract start
8 date for this project will be spring of 2007.

9 In terms of some of the rules that we
10 passed at the last meeting, we published many
11 of them in the City Record, final rules, and
12 we have a couple of effective dates. The fare
13 adjustment will become effective on November

14 30th, as well as the license documentation
15 rules that we passed, 11/30. The hearing
16 procedure rules that we passed at the last
17 meeting will become effective on December 2nd.

18 I believe that we have issued, as of
19 yesterday, a fare adjustment industry notice
20 for information that medallion owners need in
21 order to get their meters to the meter shops
22 and get them ready to implement the fare
23 increase by November 30th.

24 And last, but certainly not least, we
25 have had a very productive year. We have had

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1 a lot of things going on, we passed a lot of
2 rules and made a lot of progress. I want to
3 thank Chuck Fraser, I neglected to thank him
4 at the last meeting, but him and his staff
5 have been working very, very hard on drafting
6 rules and throwing them by different people in
7 the industry and Commission, and anyone and
8 everyone, especially at the Law Department.

9 And it has been very time consuming, but very
10 productive.

11 And as we enter the holiday season, I
12 want to thank the Commissioners, because it
13 has been really a lot of work for them, and
14 they spent a lot of time, reviewed a lot of
15 emails, and I thank you again for your
16 support.

17 We will have one more meeting this
18 year. It is tentatively scheduled for
19 December 14th. And the tentative date for our
20 first January meeting will be January 11th.

21 That concludes my report. Are there
22 any questions, concerns or issues?

23 {No response.}

24 CHAIRMAN DAUS: Okay, thank you.

25 I would like proceed to proceed to

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1 item 2 on the agenda, adoption of the minutes
2 from the October 25, 2006 commission meeting.

3 Any comments, questions, corrections

4 to the minutes?

5 COMM. AROUT: I make a motion to

6 accept them.

7 CHAIRMAN DAUS: We have a motion to

8 accept.

9 COMM. GIANNOULIS: Second.

10 CHAIRMAN DAUS: All in favor?

11 (Chorus of "Ayes.")

12 CHAIRMAN DAUS: They pass

13 unanimously.

14 Item 3, in accordance with our new

15 pilot program rules, since I believe they have

16 been in effect, we have had a bunch of

17 proposals that I have reported to the

18 Commissioners on. There are two in particular

19 that I have reviewed, and for a variety of

20 reasons, am recommending that they be rejected

21 and deferred at this time. And I want to just

22 briefly go through them.

23 The first one is TT Ad Space. TT Ad

24 Space is the company that is proposing to do

25 basically what our customer service

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1 enhancements are already doing without going
2 through the RFP process. So I had issued a
3 recommendation to the Commissioners, which I
4 gave them in advance of the meeting, that we
5 reject this proposal because we have had a
6 competitive RFP, which I just described in
7 some detail over the last two years. And it
8 is basically for a video type of screen that
9 goes in the back of cab. We all know that we
10 have contracts with vendors for that.

11 And the second item is Omni Media
12 Network submitted a proposal for security
13 cameras to be put in yellow cabs, and Peter
14 Schenkman and Andy Salkin and our staff are
15 working hard on putting together some
16 specifications for cameras that we intend on
17 presenting as of our part rule making agenda,
18 hopefully, early next year. So I would

19 respectfully request that we, for now, reject
20 Omni Media Network's proposal because it is
21 going to be addressed by rule making, and that
22 we would ask them to comment on those rules or
23 resubmit their proposal after we pass those
24 rules if they don't address their concerns.

25 So I am basically recommending that

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1 we reject both of those petitions, and I would
2 like to ask for any discussion or comments or
3 a motion to adopt?

4 COMM. DEAR: I will make a motion
5 that we reject.

6 COMM. SANDER: Seconded.

7 CHAIRMAN DAUS: All in favor?

8 (Chorus of "Ayes.")

9 CHAIRMAN DAUS: Thank you,
10 Commissioners.

11 Item 4 is base licensing application
12 review. On the agenda is a list of bases, and
13 there are 11 renewal apps, two renewal

14 ownership changes, one renewal relocation and
15 ownership change, three renewals and
16 relocations, one relocation ownership change,
17 and another ownership change, and one denial.

18 Sara, do you have any comments or
19 anything to add to the agenda?

20 MS. MEYERS: No. Just that for the
21 denial, we recommend denial upon giving the
22 base one last 30 days to comply, as we have
23 been doing.

24 CHAIRMAN DAUS: So you are
25 recommending approval of all the bases on the

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1 agenda, with the exception of Hospital
2 Shuttle?

3 MS. MEYERS: Yes. We have 20 for
4 approval, and Hospital Shuttle for denial.

5 CHAIRMAN DAUS: Okay, based on
6 Sara's staff's recommendation, do I have a
7 motion to adopt the recommendation?

8 COMM. AROUT: I make a motion we

9 adopt.

10 CHAIRMAN DAUS: Is there a second?

11 COMM. SANDER: Second.

12 CHAIRMAN DAUS: All in favor?

13 (Chorus of "Ayes.")

14 CHAIRMAN DAUS: Okay, thank you.

15 Item 5, rather than do a staff

16 presentation on the Flat Fare Sticker,

17 necessary to basically implement the fare

18 increase, we need to change some of our

19 stickers. I believe that we will be having

20 some more information put out in terms of what

21 the stickers should look like that we don't

22 need approval from the Commission on.

23 But one of the ones that we do,

24 because of our rules, do need approval on is

25 the Flat Fare Sticker. This is basically the

1 same sticker we have now, which would be

2 changed to make it clear that the JFK flat

3 fare is a two-way street, going from JFK to
4 Manhattan and back. And also some minor
5 language changes.

6 This is basically it. I have
7 distributed it to the Commissioners in
8 advance.

9 Are there any comments, questions?

10 COMM. DEAR: I realize now that I see
11 this again, this is what we are promoting or
12 this is just putting it on?

13 CHAIRMAN DAUS: This is just the
14 sticker that we have always had there. There
15 is a separate promotional issue that we have
16 been discussing. Actually I had a very -- and
17 we discussed this a little bit -- I had a very
18 productive meeting, my staff and myself, with
19 the President of the Hotel Association, Joe
20 Spinato. And he has agreed to actually work
21 with us to get some promotional materials
22 about the flat fare to and from JFK and the
23 use of taxicabs that will ultimately be

24 distributed at hotels.

25 And we are going to do that, it will

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1 take a little bit of time, we won't be able to
2 do it within the next week or so. And also we
3 have been working with Vinny Sappone from
4 LOMTO. There are a couple of designs that we
5 have come up with. We are still working on
6 that. So that is something that we are
7 committed to looking at before the next
8 meeting.

9 I just don't think that we are going
10 to be able to pull together a design that we
11 are happy with for the potential exterior.
12 But for the interior, I think it is important
13 that the stickers, as long as they are there,
14 which won't be for long, because once the tech
15 project goes into effect, all the stickers
16 will be coming off and we have all the
17 information on the screens in the back of the
18 cabs, the information monitors.

19 COMM. DEAR: A few things. One, I
20 know we had a discussion to promote it in the
21 loudest way we can, I would think.

22 One of the things I thought we could
23 have is maybe something with a picture of the
24 Mayor or something like that, you know, the
25 best kept secret in the City of New York.

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1 Because one of the reasons why you want to do
2 it is because you want to get rid of those
3 illegals. And the \$45 is a very attractive
4 price, and it is good for the driver, it is
5 good for the customer, it is good for
6 everybody. And if they share it with
7 somebody, the cab, it's even less. So I
8 really want to go with this promotional thing.

9 I know the Mayor is not going to ask
10 that he promote it himself. If it comes from
11 the Commission, maybe he will accept it. But
12 I think the Mayor, being a very popular guy,

13 and it is very interesting. Remember when
14 Koch did something promoting something one
15 time when he was Mayor. I noticed the other
16 day, and I told you, on a billboard you see
17 the picture of Rudy Giuliani with his picture
18 on Lotto or something like that.

19 If you don't want to do that, maybe
20 Cousin Vinny or something like that.

21 CHAIRMAN DAUS: I certainly agree
22 that we should be doing something to promote
23 this. Something more than what has been done.
24 And I think we should put our heads together
25 do it quickly, but I just don't think we will

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1 be able to come up with a plan today.

2 And the sticker, by the way, is just
3 a mandatory thing that we need to do to make
4 sure the information in the cabs are accurate.

5 COMM. DEAR: Didn't Clear Channel
6 come last time and offer to do it for free on
7 the rooftops or something?

8 CHAIRMAN DAUS: Yes.

9 COMM. DEAR: Is there a way that we
10 can start with them, let them do what they
11 want to if it is not costing us anything?

12 CHAIRMAN DAUS: I think we are still
13 reviewing and discussing that with them. I
14 think we are setting up a meeting with them
15 within the next week or so to discuss their
16 designs. I got a package from Mitch Schwartz,
17 and I think I forwarded copies to the
18 Commissioners as well.

19 So I think we need to look at all of
20 it together at once and make a decision where
21 we want it, what it should look like. I think
22 we had some very rough drafts from Vinny and
23 his people looking at it, and we would like to
24 take some of our staff and our people and look
25 at it and do it right. I think that we still

1 have some more time to promote it. I just

2 want to make sure that we have everything in
3 place for the public to get the right
4 information before the 30th date.

5 COMM. DEAR: On this, the faster, the
6 better. This will be a tool to get rid of
7 those illegals. That is what I want.

8 CHAIRMAN DAUS: Okay, I agree.

9 Any other comments on that?

10 {No response.}

11 CHAIRMAN DAUS: Do we have a motion
12 to approve the sticker?

13 COMM. AROUT: I make a motion to
14 approve the sticker.

15 CHAIRMAN DAUS: Is there a second?

16 COMM. SANDER: Second.

17 CHAIRMAN DAUS: All in favor.

18 (Chorus of "Ayes.")

19 CHAIRMAN DAUS: Okay, so approved.

20 Before we go to item 5B, I would like
21 to quickly ask Peter Schenkman to give a short
22 report on some of the concerns that some of
23 the Commissioners had a few meetings ago.

24 We have asked Peter to look into
25 different designs for partitions, especially

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1 with respect to the Sienna, and in general to
2 come up with a better design. And he has some
3 preliminary findings and information that he
4 would like to share with us very briefly to
5 respond to some of the Commissioner questions.

6 MR. SCHENKMAN: A few months ago the
7 Commissioners voted to approve a modified
8 partition for the Toyota Sienna to start with,
9 and next year just about all approved vehicles
10 will have curtain air bags.

11 We put it out to the partition
12 manufacturers nationally and we came back with
13 one local manufacturer who spent about five
14 figures of his own money to work with an
15 engineering firm to develop and to deploy
16 curtain air bags. And we weren't able to get
17 a car here this morning, but we do have some

18 pictures.

19 It may be a little hard to see, but
20 what it is, it's a scallop of the
21 polycarbonate up in the top corner to allow
22 the air bag to unfurl. And there is
23 approximately a two-inch gap on the side of
24 approximately where the seat belts are. And
25 they designed a flap as part of the partition

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1 to prevent reaching around with a weapon or a
2 hand.

3 They have deployed six air bags to
4 test it, to make sure that it doesn't
5 interfere, and the engineering firm that they
6 worked with confirmed it. To the average
7 passenger, there really isn't much difference
8 in basic view of design of it except for the
9 corners and the sides. And I am not sure
10 these pictures really adequately represent it,
11 but this is the design.

12 If there are any questions about

13 this, I will do my best to answer them. The
14 manufacturer was unable to get here. They
15 will be available through all meter shops.
16 Currently there is only one manufacturer that
17 is approved to make them.

18 CHAIRMAN DAUS: Okay, questions?

19 How many Siennas do we have now at
20 this time?

21 MR. SCHENKMAN: We have
22 approximately 1,200, but this only affects the
23 2006 and above. It's a universe of about 300
24 to 350 vehicles. We hack up Sienna every day.

25 But going forward, with the model

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1 year 2008, the Crown Victoria will have them
2 also. And I wanted make sure that the design
3 is universal enough that it will fit in any
4 car.

5 CHAIRMAN DAUS: This is going to
6 happen to all vehicles?

7 MR. SCHENKMAN: Yes. It is the
8 easiest way to meet the federal motor vehicle
9 safety standards.

10 CHAIRMAN DAUS: By the way, we had a
11 very good meeting with Commissioner Gonzalez
12 and Peter and Andy and myself the other day.

13 And I just want to publically thank
14 Commissioner Gonzalez for his help. He has
15 been very interested and he has been giving us
16 some very helpful and good advice on the
17 partitions.

18 I am glad, Peter, that you were able
19 so quickly to come up with some potential
20 solutions. It is my understanding that you
21 are working with Chuck to try to put together
22 an ultimate resolution to this issue as part
23 of the specifications for the partitions.

24 MR. SCHENKMAN: Yes.

25 CHAIRMAN DAUS: So that everybody can

1 have their concerns addressed. We are all

2 very concerned to make sure that the driver is
3 always protected and always safe.

4 MR. SCHENKMAN: Yes. And as
5 Commissioner Gonzalez had concerns two months
6 ago when I first presented the L shape
7 partition, we went back to the manufacturer,
8 the concern was the escape route in the event
9 of an accident, and the manufacturer went and
10 enlarged the opening to 18 by 22, which is a
11 decent enough size for someone to escape
12 should they be hit in the left door.

13 COMM. GONZALES: I would also like
14 to say thank you for following up on that so
15 quickly.

16 COMM. DEAR: Talking about the
17 Sienna, have you had your meeting with Toyota
18 yet?

19 MR. SCHENKMAN: I have not had my
20 meeting with Toyota. On Tuesday I went to the
21 largest mobility dealer on the east coast and
22 viewed another factory supported modified

23 Sienna.

24 It's a beautiful vehicle. There are
25 some issues. The biggest issue is whether the

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1 company will build them and allow them in a
2 commercial application and whether Toyota will
3 supply the chassis to the company.

4 COMM. DEAR: What's interesting, this
5 is a conversation we have had several times --
6 and to all my fellow colleagues, if you don't
7 know Peter Schenkman, get to know him. He
8 knows his cars and is doing a wonderful job
9 here at the Commission. Technically, Toyota
10 does not allow you to hack up, they don't
11 stand behind a commercial vehicle, for
12 example, a cab, but we are doing it anyhow.

13 Am I correct in that?

14 MR. SCHENKMAN: You are correct.

15 And that is fine, you can go buy a Sienna

16 today, paint it yellow and use it as a car.

17 The concern is when cut the chassis and drop

18 it 10 it 12 inches, one of the great things
19 about the factory-supported Sienna
20 modification is that they retain the original
21 gas tank, which is unheard in the modified
22 industry, and they maintain the integrity of
23 the vehicle because it's built to Toyota's
24 specifications.

25 The only thing I would like to point

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1 out in my research on these vehicles, is that
2 everywhere in the world, Toyota, Honda,
3 General Motors, and Ford and Chrysler build
4 accessible vehicles from the factory. They do
5 not in this country.

6 COMM. DEAR: So is there a way that
7 we, as a Commission, or what can we do?

8 MR. SCHENKMAN: I am hoping to go
9 down to the National Mobility Equipment
10 Dealers Association Conference, which Toyota,
11 Ford and General Motors sit on the Board, and

12 ask them why. I have asked Toyota why. I
13 have asked General Motors why, and I have
14 asked Ford why.

15 Ford has actually responded by
16 presenting a vehicle from Europe. As I said,
17 the vehicles are built everywhere else in the
18 world except here.

19 CHAIRMAN DAUS: It's interesting
20 because they unveiled the standard taxi at the
21 Seattle conference, and Ford was one of the
22 panel members, and as soon as we came back, we
23 were all invited to come see their plans,
24 their potential taxi for the future.

25 So I think one thing that has come

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1 out of the efforts of the Commission which are
2 very forward thinking and the efforts of us
3 working with the Design Trust is to really
4 stimulate the manufacturers because we are a
5 viable market and we want to design something
6 that is purpose built for us. And there is a

7 market here and I think it's viable and I am
8 glad to see that there is response, even from
9 the big auto makers, those who in the past
10 have worked with us, but now are working with
11 us even more closely to basically design
12 something from scratch. I think that benefits
13 the passengers, us, and the public in general.

14 COMM. DEAR: So, in reality, are we
15 going to have soon a vehicle that we are
16 really going to appreciate for the disabled
17 community?

18 MR. SCHENKMAN: You have to define
19 "appreciate."

20 COMM. DEAR: Well, at least that will
21 hold up on the road.

22 MR. SCHENKMAN: I believe so, yes.
23 I believe the new models will.

24 And the other update I just wanted to
25 give the Commission is that the lithium pilot

1 vehicle that was approved is expected to be
2 delivered to the fleet owner this week, and we
3 hope to hack it up within the next two weeks.
4 And as a result, as the Chairman pointed out,
5 we have had two or three companies reach out
6 to us and say we build lithium vehicles too.
7 And they are submitting as part of the pilot
8 program, their vehicles.

9 CHAIRMAN DAUS: Commissioner
10 Gonzalez?

11 COMM. GONZALEZ: Peter, those three
12 manufacturers that you mentioned before, any
13 public reason why they do not support vehicles
14 built domestically here?

15 MR. SCHENKMAN: No.

16 You know, Toyota, back in the 1970s
17 realized that the Japanese population was
18 aging at a very rapid rate and they developed
19 a program specifically for their country.
20 They have a solution that they are offering
21 for this country but it doesn't address fully
22 disabled people. Toyota is of the belief that

23 60 to 70 percent of the disabled or wheelchair
24 bound community can transfer out of the
25 wheelchair into a seat that drops down, kind

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1 of like a lift seat. That is their plan for
2 the United States.

3 COMM. GONZALES: Thank you.

4 MR. SCHENKMAN: Okay.

5 CHAIRMAN DAUS: Any further
6 questions?

7 {No response.}

8 CHAIRMAN DAUS: Thanks for the
9 update, Peter.

10 Before we go to item 5B, I just want
11 to quickly mention a couple of bases for
12 Licensing to follow-up with in accordance with
13 prior discussions to make sure that they have
14 business plans in place and that their
15 records are looked at.

16 That is First Class Car Service,

17 Flash Car Service, My Car Service, New Pueblo
18 Car Service, P.D. Transporter,, Rescue Car
19 Service, New American Class Car Service, Trans
20 One d/b/a Imperial Car Service, as well as
21 Skyline Car and Limo Service.

22 Also on item 5B, it's going to
23 dovetail into our first public hearing today
24 on the proposed rules, and I have Eric Kim,
25 who is going to give an overview of the

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1 Inter-Jurisdictional Pre-Arranged For Hire
2 Vehicle Operation Act and the implementation
3 plans and will talk a little bit about the
4 rules that Chuck is going to introduce in a
5 minute.

6 Good morning, Eric.

7 MR. KIM: Good morning,
8 Commissioners. I have been asked, as
9 mentioned, to do an update for you regarding
10 the statute that was recently passed by the
11 State Legislature and signed by the Governor

12 this summer, and the rules that we are
13 proposing to help us implement the
14 requirements of that statute.

15 First I will start with a little bit
16 of background. Let me give you the scenario
17 before November 14th, that was the effective
18 date of the statute that was passed at the
19 State level, the reciprocity statute. First,
20 New York City TLC licensed vehicles,
21 obviously, we call them Tier 1s, could do
22 point-to-point service within the City of New
23 York.

24 Then they were New York City
25 permitted vehicles, which we call Tier 2s as a

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1 shorthand, they were permitted to do pickups
2 within New York City for final destinations
3 outside of the city. And, in general, all
4 vehicles could drop off passengers in New York
5 City or transit through, and it important to

6 note that Nassau County actually required a
7 registration fee to be paid for the drop off
8 of passengers in Nassau County. That's an
9 important distinction. That was one of the
10 driving forces behind the movement to create a
11 reciprocity statute at the State level.

12 Now we will go to where we are today
13 with the effectiveness of the reciprocity
14 statute earlier this week. There was a change
15 to the State's vehicle and traffic law Section
16 498. The first change, there is no change for
17 New York City TLC licensed FHV's in New York
18 City. They continue to be required to meet
19 TLC requirements, get a license, and they can
20 do point-to-point service within the City of
21 New York.

22 Second, there are no more Tier 2s.
23 Tier 2 permits were authorized under that
24 provision of State law and that State law
25 provision was repealed and replaced. So what

1 we have now is a system of qualification and
2 reciprocity, which I will get into in terms of
3 the definitions in just a little bit. But
4 essentially, vehicles and drivers that are
5 licensed by qualified licensing jurisdictions
6 are able to do a pickup in New York City or
7 any other licensing jurisdiction for final
8 destination elsewhere. So very similar to
9 what Tier 2s had previously.

10 And, finally, all vehicles can drop
11 off passengers in any licensing jurisdiction
12 and they can transit through or do a
13 continuous trip.

14 I will talk a little bit about the
15 statute and try to define some of the terms
16 and offer some clarity there. First, it's
17 important to note that what the State really
18 did was establish minimum safety and licensing
19 standards for prearranged for hire
20 transportation. That was, really, sort of the
21 intent and the goal of the bill. And that's

22 what was accomplished.

23 So to talk about qualifying and the
24 licensing jurisdiction having to qualify to be
25 eligible for this reciprocity, there are a few

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1 things that have to happen. First, they must
2 meet the requirements of the statute, which I
3 will go into in just a second. Second, they
4 must be included in the actual definition
5 section of the statute. And our original
6 intent and our first drafts of the bill had
7 been to make this statewide and allow any
8 counties to participate.

9 The legislative process, as I am sure
10 many of you know, is a process with compromise
11 here and there, so what we ended up with is a
12 Bill specific to New York City, Nassau and
13 Westchester County.

14 The third thing that must happen is
15 the jurisdictions that qualify must notify the
16 other licensing jurisdictions, formally put

17 that in writing and explain how they meet the
18 different requirements, which I will go into
19 now.

20 First, there are a series of
21 requirements at the licensing jurisdictions
22 themselves, so, for example, that New York
23 City TLC must meet. Very simply, they have to
24 share information with the other licensing
25 jurisdictions and they have to act on

30

1 information that is provided to them by the
2 other licensing jurisdictions.

3 There are some vehicle requirements
4 as well in terms of licensing, that a
5 jurisdiction must require that a vehicle's
6 license be displayed. It must require that
7 there is an annual vehicle inspection, and for
8 any inter-jurisdictional trips, that they be
9 recorded in a written trip log kept in the
10 vehicle.

11 There are also driver licensing
12 requirements that are very important that are
13 part of the statute. The jurisdiction, so,
14 again, New York City TLC as an example, must
15 require that the driver's license be displayed
16 or made available to passengers and to
17 enforcement officers; must require that the
18 driver take a defensive driving course from a
19 State DMV certified provider; must require
20 that there is an annual drug test done of the
21 licensees, of the licensed drivers, and must
22 require that there is a criminal background
23 check done before the license is issued to the
24 drivers.

25 And, finally, that there is a

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1 persistent violator type program, sort of a
2 program to weed out the repeat offenders who
3 continually violate rules and safety rules.
4 There should be a way for the licensing
5 jurisdiction to take action against those

6 licensees. And we have that, obviously,
7 through our Persistent Violator Program.

8 In general, New York City TLC meets
9 or exceeds all of the driver licensing
10 requirements in the statute. Westchester, we
11 expect to meet the requirements in the
12 statute. Nassau County, at this time, and
13 its localities, are not able to meet all of
14 the requirements in the statute. Different
15 localities have different standards, and in
16 general, they are not able to meet all the
17 requirements that we have set forth here.

18 So what do we do? Why are we moving
19 forward with this? What do we have to do
20 today?

21 Our proposed rules are really here to
22 implement the statute, and that's what we are
23 trying to do today. The bill and the statute
24 that was passed really set forth that frame
25 work in which jurisdictions can qualify for

1 reciprocity, and these rules now will help us
2 make sure that we meet the requirements of
3 that frame work, and that's what we are trying
4 to do today.

5 So there are three basic things that
6 we are doing. We are going to clarify our
7 current practices and match them to meet the
8 requirements of the statute. We are going to
9 set some clear penalties for violations of the
10 requirements of the statute and we are going
11 to establish what are the rights and
12 responsibilities of licensees qualified by
13 licensing jurisdictions.

14 What do we expect to happen?

15 Westchester County, we do expect to
16 qualify. They were a partner in drafting the
17 bill, as was Nassau County, and we expect them
18 to meet the qualifications and notify us of
19 that shortly. At this time, we don't expect
20 Nassau County to qualify immediately. We are
21 working with Nassau County, with the

22 localities, and even with the State
23 Legislature, to try to address the concerns
24 that have been raised.

25 It's important to note that we

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1 believe that the challenges that Nassau County
2 faces, and its localities face in trying to
3 meet the requirements are really an internal
4 matter for Nassau County and its localities to
5 address themselves. But we have heard those
6 concerns that have been raised and we are
7 trying to come up with what we think would be
8 an appropriate solution while maintaining the
9 standards that we think are valuable.

10 The rules were published in early
11 October in the City Record. You will be
12 hearing some of the comments, and today is the
13 date of the scheduled for public hearing and
14 the vote on the proposed rules. I think that
15 ends the presentation that I have. I am glad

16 to take any questions the Commissioners might
17 have regarding the statute and the rules that
18 we have.

19 CHAIRMAN DAUS: Any questions?
20 Commissioner Gonzalez?

21 COMM. GONZALES: Eric, to the best
22 of your knowledge, what are the major
23 standards that Nassau County does not expect
24 to meet currently, or are not meeting
25 currently?

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1 MR. KIM: The statute as written,
2 and, again, I should emphasize that
3 Westchester County and Nassau County were part
4 of this process from the very beginning when
5 they drafting the requirements of the statute
6 and specifics of the language, require that
7 the County issue some type of license, permit
8 or registration for both vehicles and drivers.

9 Nassau County is currently authorized
10 to issue only a registration, I think it is,

11 to the vehicles. They don't currently have
12 the ability to issue a registration to the
13 drivers. Also important, localities in Nassau
14 County who do license the drivers, do not meet
15 various of the requirements in terms of driver
16 licensing and safety.

17 Some of them do not do annual drug
18 tests for drivers. Some of them do not do
19 regular criminal background checks of their
20 drivers. Some of them do not require the
21 drivers to take a defensive driving course by
22 state approved instructor. And some of them
23 do not have a persistent violator type program
24 to weed out repeat offenders. So there are a
25 variety of different things that different

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1 parts of Nassau County and its localities
2 don't meet. There are, I think, 65 different
3 localities. I am not sure how many of them
4 license taxis in Nassau County, but it's a

5 hodgepodge of different regulations and

6 standards there.

7 COMM. GONZALES: So it is a lot more

8 fragmented versus sort of what we see here at

9 the TLC?

10 MR. KIM: Absolutely.

11 CHAIRMAN DAUS: I think it has a lot

12 to do with the governmental structure in the

13 counties is different from the City. And it

14 is our hope that both in Nassau and Suffolk,

15 and other counties that hopefully will come on

16 board with the statute one day, is that they

17 are able to work out some of these logistics

18 in the towns and villages and the county

19 itself.

20 Right now, as Eric has stated, Nassau

21 County has the authority for vehicles; yet,

22 the power to and responsibility to issue

23 licenses to drivers is with the towns and

24 villages that are sub components of the

25 county. And we are working with all the

1 parties, and we encourage, of course, the
2 country to continue its work and discussions
3 with towns and villages to try to work this
4 out.

5 COMM. GONZALES: Thank you.

6 CHAIRMAN DAUS: Commissioner Dear?

7 COMM. DEAR: With new law now, so
8 someone from Nassau County, if they were to
9 comply with the reciprocity statute, they can
10 pick up somebody in New York prearranged and
11 drop off somebody in New York?

12 MR. KIM: Should Nassau County meet
13 the qualifications, absolutely, any qualified
14 licensing jurisdiction would be able to -- I
15 didn't hear the last part of your question,
16 I'm sorry?

17 COMM. DEAR: Nassau County, should
18 they qualify, can they now come prearranged,
19 pick up somebody in New York City and drop off
20 in New York City?

21 MR. KIM: No, no, no. Absolutely

22 not.

23 COMM. DEAR: It still remains that

24 they have to do business, because it wasn't

25 explained that way.

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1 MR. KIM: I'm sorry if I wasn't

2 clear. The requirements for doing

3 point-to-point business in the City are the

4 same and they are not touched by the statute.

5 And that's actually pretty clear and explicit

6 in the language of the statute, that the

7 authority to regulate trips that happen within

8 the City are not effected. So point-to-point

9 service, you are still required to get a TLC

10 license from New York City and meet the

11 requirements.

12 Nothing stops, of course, a Nassau

13 County licensee from also getting a New York

14 City TLC license. They can certainly do that

15 as long as they meet our requirements.

16 COMM. DEAR: Right.

17 CHAIRMAN DAUS: This is only to do

18 with pickups within the City for destinations

19 outside.

20 COMM. DEAR: It just wasn't clear.

21 MR. KIM: I apologize for that.

22 COMM. DEAR: And I didn't realize

23 that in Nassau County they obviously have

24 their internal battle, so it's about who is in

25 charge and who is getting the money. So as a

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1 result, they are not going to be able to, as

2 it stands now, law, Nassau County operators

3 can't do business in New York City?

4 MR. KIM: I'm sorry?

5 COMM. DEAR: Nassau County operators

6 are not going to be able to do business in New

7 York City; is that what you are saying?

8 MR. KIM: They can do a drop off,

9 and they always have been able to do a drop

10 off. They can transit through. They cannot
11 do a pick up unless they are licensed by New
12 York City TLC or a qualified licensing
13 jurisdiction. And right now, we don't expect
14 Nassau County to be able to meet the
15 requirements --

16 COMM. DEAR: Meaning pickup from New
17 York and bring to Nassau County?

18 MR. KIM: If that is what you are
19 specifically asking, a jurisdiction that does
20 not qualify cannot do that.

21 COMM. DEAR: Okay. So what is going
22 to happen now, they have prearranged now from
23 the airports -- this is going to be our
24 biggest problem -- Nassau County people, right
25 now as the law is written, we don't even have

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1 to pass these rules today, right, as the law
2 is written, Nassau County cars have no right
3 to pick up any persons in the New York City
4 area, including the airports?

5 MR. KIM: Right. And this is a bill
6 that was drafted with Nassau County, with
7 Westchester County from the very beginning.
8 Those provisions really haven't changed, so we
9 hope that Nassau County and its localities can
10 address the concerns and the challenges they
11 face, and we will do everything we can to help
12 do that.

13 COMM. DEAR: Are we doing any
14 enforcement on that?

15 MR. KIM: We are going to do
16 everything that we can to make sure that
17 Nassau County and its localities address their
18 issues and try to focus on that right now.

19 COMM. DEAR: So I am asking a
20 question: Are we now picking up any --
21 because any Nassau County car picking up
22 somebody at the airport, are we doing
23 something?

24 MR. SALKIN: He is just presenting.

25 In terms of operations, I think what

1 we are trying to do first is come into
2 compliance ourselves and participate in the
3 program, and when we get to that point, how we
4 proceed from there will be determined.

5 COMM. DEAR: Don't worry, I am not
6 talking about payback.

7 MR. SALKIN: We are looking to get
8 these rules passed, come into compliance with
9 the State law, and once we are in compliance
10 with the State law, we will assess where we
11 are moving forward.

12 COMM. DEAR: We should take this
13 seriously.

14 CHAIRMAN DAUS: If you are asking
15 whether we are going to have a moratorium on
16 enforcement, that is not happening. I am not
17 going to sit here and say that we are not
18 going to enforce the law. It's a state law.

19 But I think the important thing is to
20 realize that this is new, and we are going to

21 be working with the parties involved. And I
22 think there is a lot -- Eric did a good job of
23 presenting it in a very simplified form. It
24 is a very complicated subject matter, and when
25 you sit here, even if you are an attorney and

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1 you are very good, to sit and read through the
2 statute and try to figure it out is
3 challenging at best.

4 But I think there is a lot of
5 miscommunication out there and a lot of
6 misunderstanding about it. And to clarify,
7 Nassau County, under certain circumstances,
8 people can come and get what used to be called
9 a Tier 1 but what is now just called the TLC
10 vehicle license. They come in here and get
11 the point to point. And as you read the
12 rules, there is continuous trip requirements.
13 You can actually, in these rules, drop off a
14 passengers and bring them back within certain

15 period of time. I mean, they are reasonable.

16 But I think with any new statute or
17 law, there will always be discussions, and
18 tweaking and fine tunings. But I think the
19 important thing to recognize is that there has
20 been very, very good discussions and
21 inter-municipal relations between New York
22 City and the industries and the officials. In
23 fact, we have done extensive outreach. I see
24 some of the folks from Nassau here.

25 We have had meetings leading up to

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1 the passage of the statute for over a year.
2 Commissioner Dear had raised this issue early
3 on, and we really pursued it and everybody was
4 in the loop. But what happens, for those who
5 get involved with legislation in Albany, a lot
6 things get passed at the last moment, things
7 change. There were some things that we would
8 like to also see. We would like to see this
9 bill applied to every county in the entire

10 state. That is what we wanted. But the
11 Assembly kind of brought it down to Nassau,
12 New York City and Westchester Counties,
13 because they thought it was a dispute or an
14 issue that is only affected them.

15 So I mean there are a lot of issues
16 surrounding it. And I think by no means is
17 this settled to the extent that there are
18 still discussions going on. And there is
19 still a lot of work for counties like Nassau
20 to do. And I spoke to Commissioner Bogstead
21 yesterday, and he is working very diligently
22 with the towns and villages, who I also spoke
23 to their county organization yesterday, the
24 association that represents them. And I think
25 they are all amenable to working together to

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1 see if they can figure this out, because
2 everybody wants to comply and everybody wants
3 to raise their standards.

4 But at the same time, it is a State
5 law and there is no way that we can sit here
6 and say that we are not going to enforce the
7 law. I am not going to say that and I don't
8 think anyone should.

9 COMM. DEAR: Just what is funny is
10 the shoe just dropped on our side for a
11 change. We are going here for months where
12 our cars were being sized by Nassau County.
13 You were trying to talk to them about doing
14 some sort of moratorium. They were not
15 cooperating with us.

16 I am not talking about going back now
17 and start seizing all their cars, but the fact
18 is that Nassau County has not cooperated. And
19 now they want to cooperate, of course, I am
20 glad and I hope that we can work together
21 because I think it is important that we all
22 work together. But let's keep in mind the
23 past history.

24 CHAIRMAN DAUS: Any other comments
25 or questions for staff?

1 {No response.}

2 CHAIRMAN DAUS: Okay, thank you.

3 Good job, Eric.

4 I would now like to proceed to the
5 public hearing on item 6A, implementing
6 Inter-Jurisdictional Pre-Arranged For Hire
7 Vehicle Operation Act of 2006. I will turn it
8 over to our counsel, Chuck Fraser, who is
9 going to introduce the proposed rules for
10 public hearing.

11 MR. FRASER: Thank you.

12 The proposed rules would amend
13 existing rules to implement the
14 inter-municipal for hire transportation
15 provisions recently enacted as Section 498 of
16 the New York State Vehicle and Traffic Law,
17 which has generally been referred to as the
18 State Reciprocity Law.

19 Promulgation of these rules is

20 intended to qualify the City of New York
21 inter-municipal transportation under the
22 statute, thereby entitling for hire vehicles
23 and drivers licensed by the New York City Taxi
24 and Limousine Commission to pick up passengers
25 in New York City for travel to Westchester or

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1 Nassau County, to pick up passengers in
2 Westchester or Nassau County for travel to New
3 York City, and to transit through Westchester
4 or Nassau County for travel beginning and
5 ending elsewhere.

6 Under the state statute, in order for
7 drivers and vehicles licensed by one
8 jurisdiction to qualify for inter-municipal
9 transportation, the licensing jurisdiction
10 must meet minimum requirements stated in the
11 statute. In order to qualify for
12 inter-municipal transportation under the state
13 law, the licensing jurisdiction must issue a
14 certification of its compliance with all of

15 the conditions stated in the law.
16 Promulgation of these proposed rules will
17 enable the New York City Taxi and Limousine
18 Commission to issue such a certification.

19 It should be noted that the state
20 statute, which was effective Tuesday, November
21 14, 2006, eliminated Tier 2 and Tier 3
22 permits. Those permits were eliminated by
23 force of State law itself, and these proposed
24 rules are unrelated to the elimination of
25 those permits.

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1 The proposed rules were published for
2 comment on October 6, 2006. One written
3 comment was received and copies have been
4 distributed to the Commissioners. Based on
5 that comment and on agency comments,
6 Commission staff is recommending three changes
7 to the proposed rule as published for comment.

8 Those changes are as follows: One,

9 staff recommends that proposed Section 615(e)
10 be revised to clarify compliance with the
11 requirement in the State statute that
12 conviction for offenses specified in that
13 section will be result in denial of a license
14 application or revocation of an existing
15 license.

16 Two, staff recommends that Section
17 616(v)(2) of the rules be amended to clarify
18 compliance with the requirement in VTL-498,
19 that a finding following a hearing that a
20 driver has failed a drug test will result in
21 revocation of the driver's Commission driver's
22 license.

23 Three, staff recommends that a new
24 Section 627(e) be added to the proposed rule
25 to clarify that a driver who is not licensed

1 by the Commission and who does not have both a
2 valid driver's license and a for hire vehicle
3 operator's license will be subject to the

4 penalties for unlicensed operation provided by
5 Section 19.506 of the Administrative Code.

6 Copies of the proposed rule
7 reflecting these recommended changes have been
8 distributed to the Commissioners, and I
9 understand have been made available to the
10 public in the back of the room.

11 CHAIRMAN DAUS: Thank you, Chuck.

12 The first preregistered speaker is
13 Victor Dizengoff from the Black Car Assistance
14 Corporation.

15 MR. DIZENGOFF: Good morning,
16 Commissioners. My name is Victor Dizengoff, I
17 am the Executive Director for the Black Car
18 Assistance Corporation, more formally known as
19 the BCAC.

20 Just to put a little light on this
21 initially, what Eric had said in his speech on
22 how this legislation came about, this is a
23 result of our vehicles, for hire vehicles in
24 the City of New York, being charged \$750 to

25 register out in Nassau County, and unless the

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1 registration took place out there, we were
2 being forbidden from dropping off passengers
3 which we did not have the privilege of knowing
4 their destination beforehand in Nassau County.

5 We engaged in dialogue with Nassau
6 County at that time, which didn't go that far,
7 and in turn, we sued Nassau County.
8 Subsequent to the lawsuit, Nassau County and
9 the Board of Directors of BCAC decided to go
10 with a two-pronged approach. The initial bill
11 presented to the Legislature in New York was
12 bill from the BCAC. The sponsor of the bill
13 on Senate side removed his sponsorship, the
14 City of New York, Chairman and the Commission
15 entered into it, and together with us and
16 together with others that were working on the
17 bill, put through this legislation which was
18 eventually passed in conjunction with our
19 approval -- well, in conjunction with the

20 Association's approval.

21 I just really came up here today to
22 say thank you to the Chairman. I want to say
23 thank you to Eric Kim, who worked extensively
24 on the legislation, Chuck Fraser, Chief
25 Counsel, Andy Salkin, First Deputy, all the

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1 Commissioners on the Board, but especially I
2 want to single someone out here and give a
3 special thank you to this individual.

4 Noach Dear has stepped forward for
5 the for hire vehicle industry and the taxi
6 industry in the City of New York not only
7 while he has been here on the Commission, but
8 before when he was chairman of the
9 Transportation Committee on the City Council.

10 He has always been an advocate for the
11 industry and fought very hard.

12 He saw the plight of our industry and
13 brought this issue to light in a very strong

14 way. I want to, therefore, just acknowledge
15 him publically and thank him especially.
16 I just want to say one last thing
17 that I think wasn't brought out. The reason
18 that this wasn't a statewide piece of
19 legislation was, yes, primarily because the
20 issue is a down state issue, but I can give
21 you a history of how I reached out to upstate
22 people in Buffalo, Syracuse, Albany, and
23 Schenectady, and found that in those regions
24 upstate, limousines are not even registered.
25 They are not licensed, they are not

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1 registered, they don't want to have anything
2 to do with them.

3 So the Legislature realized, I guess,
4 in turn that that existed upstate and that
5 this was, in fact, really a down state issue
6 and, therefore, was made to be a down state
7 bill.

8 I would request that the Commission

9 pass the rules and regs to conform to the
10 State legislation, and I want to thank all of
11 you for the work that you have all done.

12 CHAIRMAN DAUS: Thank you, Victor.
13 Your comments are much appreciated. And it's
14 been a pleasure working with you and your
15 Association, as always. Thank you.

16 Any questions?

17 {No response.}

18 CHAIRMAN DAUS: All right, next
19 speaker is Mr. Vincent Sappone.

20 MR. SAPPONE: Good morning, Mr.
21 Chairman and Commissioners. What issue am I
22 speaking about? I signed up for two or three.

23 CHAIRMAN DAUS: You are down for both
24 hearings, the Stand-By Vehicle Retirement
25 Extension and Reciprocity.

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1 MR. SAPPONE: Well, as far as
2 reciprocity, I agree with whatever my friend

3 Victor says, because it's only fair. There is
4 no reason for them to be charged that amount
5 of money for a drop off or a pickup. And I
6 salute you guys for supporting that.

7 As far as the Stand-By Vehicles, I
8 see no reason why the fleet --

9 AUDIENCE MEMBER: We are not on that
10 yet.

11 MR. SAPPONE: Oh, you are not on that
12 yet. All right, am I done here?

13 CHAIRMAN DAUS: It's up to you. You
14 preregistered for both rules. If you want to
15 talk about the Stand-By Vehicles, we will do
16 that in a few minutes.

17 MR. SAPPONE: So I should sit down.

18 COMM. DEAR: Tell us how you feel.

19 MR. SAPPONE: Well, first of all, I
20 want to go backwards, it is not on the agenda.
21 From the bottom of my heart, I want to thank
22 this Commission here for passing that flat
23 fare. It means a lot to all cab drivers, not
24 just to LOMTO, but to every cab driver out

25 there. It has been over 17 years, well

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1 deserved, and we really needed it.

2 CHAIRMAN DAUS: Thank you, because
3 it was LOMTO's idea and it originated from you
4 from the very beginning and LOMTO gets all the
5 credit.

6 MR. SAPPONE: You know, I went home
7 smiling that night. I was so nice to my wife
8 she thought something was up. I mean it,
9 really, "Why are you so happy? Someone talk
10 to you in the office?"

11 I said, "No. We got something well
12 deserved."

13 And as far as the sticker on the
14 taxi, I really wanted them plain, but if
15 that's not feasible, a square sticker is fine.
16 I want the public to be aware of what it is.
17 Some people say they know what it is. No,
18 they don't know what it is.

19 And if we can get some information in
20 the hotels, because we are -- I had an
21 Advisory Board Meeting with the Port Authority
22 yesterday, and they are working diligently to
23 curtail these solicitors at airports. I was
24 so happy about that meeting, I went home
25 smiling again.

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1 Now if we could do something with
2 NYPD, I know you are short of manpower, but if
3 NYPD could step up to the plate and do
4 something about the hotels, we are getting
5 destroyed at these hotels. These doormen --

6 CHAIRMAN DAUS: We are getting a
7 little off topic.

8 MR. SAPPONE: All right. These
9 doormen make about \$40,000 a year, but they
10 also make another 40 taking money from our
11 drivers.

12 CHAIRMAN DAUS: To wrap that up,
13 just since you brought it up, and it is a

14 concern to the industry. The last time I went
15 out to the airport, I was literally attacked
16 by hundreds of drivers screaming at me about
17 the hotels.

18 MR. SAPPONE: Screaming at you?

19 CHAIRMAN DAUS: Yes.

20 MR. SAPPONE: You should have
21 brought me with you.

22 CHAIRMAN DAUS: Next time you will
23 be my bodyguard.

24 But they basically, at a time when
25 they should be happy about the fare

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1 adjustment, I could not believe the ground
2 swell of anger and resentment towards the
3 illegal hustlers at the airports.

4 And a few days later I was with the
5 Hotel Association President, and I made it
6 very, very clear that this is a real issue,
7 that it is happening. And we have tried very

8 diligently to do undercover operations. It's

9 very difficult to be effective.

10 And after the Advisory Board Meeting,
11 which you were at with Lieutenant Mono from
12 the Police Department, I had a very good
13 conversation with her after the meeting about
14 putting together some initiatives with them.

15 But I don't want to get into details on that.

16 MR. SAPPONE: You are doing a great
17 job and I salute you. I salute all these
18 Commissioners. I hope I didn't hypnotize
19 anybody here because it seems like you are
20 journeying a little bit of favoritism towards
21 the cab drivers. And that has been a long
22 time coming, and I thank you for that.

23 CHAIRMAN DAUS: Thank you, Vin. We
24 appreciate it, Mr. Sappone.

25 The last speaker at this public

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1 hearing is Mr. Peter Mazer.

2 MR. MAZER: Good morning,

3 Commissioners. What I want to address is what
4 is going to happen to the New York City
5 operator who does business in Nassau County as
6 the so-called Reciprocity Bill envisions,
7 after these rules are adopted.

8 We have heard a lot of talk about
9 that we are now going to have an end to this
10 border war, and, unfortunately, this is a
11 situation where an unfortunate incident and a
12 bad enforcement practice that took place in
13 Nassau County resulted in some legislation
14 that was well-meaning but may not have its
15 intended effect.

16 We all know that vehicles that were
17 dropping off in Nassau County were seized.
18 Vehicle owners were summonsed and there were a
19 lot of unfortunate occurrences that took place
20 in Nassau County because of perhaps an
21 overaggressive enforcement strategy that took
22 place in that county.

23 Now we have a bill that is a

24 so-called Reciprocity Bill, which has as its
25 intention enabling New York City operators, if

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1 the TLC complies with state law, to go into
2 Nassau County and drop ofd and to pickup
3 prearranged trips and to take the passengers
4 back into New York City. And I think that's
5 what everybody intended to happen, but if look
6 at the state law, the state law talks about
7 vehicles. The state law talks about what
8 happens to allow a vehicle to go into Nassau
9 County or Westchester County to do business
10 and not have a problem.

11 The law does not talk about drivers,
12 and these rules don't really talk about
13 drivers. So you have a New York City operator
14 who is licensed by the TLC, whose vehicle is
15 licensed by the TLC, and he goes into Nassau
16 County to drop off a fare. While the vehicle
17 can't be summonsed, the vehicle can't be
18 seized and impounded under this reciprocity

19 bill, the driver has no protection because
20 there is no requirement that the villages,
21 towns and municipalities of Nassau County,
22 which regulate the County, recognize a New
23 York City TLC license.

24 So, for example, a car service based
25 in Queens gets a call in the Village of

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1 Hempstead to come into Hempstead and take a
2 passenger to JFK. He goes into Hempstead and
3 answers the prearranged call. The vehicle is
4 okay vehicle because the vehicle is licensed
5 by the TLC and you have reciprocity. The
6 driver will be stopped, he could be issued a
7 summons and perhaps arrested, because to pick
8 up in the Village of Hempstead, he has to have
9 a Village of Hempstead license.

10 And that's true everywhere throughout
11 Nassau County, whether it is the Town of
12 Hempstead, the Town of North Hempstead, the

13 various villages, the driver is not protected.
14 So while you are passing rules that are going
15 to allow vehicles registered in New York City
16 to go into Nassau and drop off and
17 theoretically pick up, or you are telling
18 people that they can pick up, you are not
19 telling the drivers what they have to do to
20 get licensed.

21 The state law did not repeal the
22 villages' and the towns' and the
23 municipalities' authority to regulate drivers
24 in Nassau County. The only one who can do
25 that is the State Legislature. There is a

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1 section of the State Law, Section 181 of the
2 General Municipal Law which grants, in Nassau
3 County and everywhere in New York State except
4 for New York City and Westchester County,
5 local authority over licensing of drivers.
6 And the only way that Nassau County can come
7 into compliance and begin to recognize the

8 licenses of the New York City operators is for
9 the State Legislature to go back and amend
10 Section 181 of the General Municipal Law.

11 Without that, what you are passing
12 here is a so-called Reciprocity Bill in name
13 only because it is a bill that gives vehicle
14 owners the right to do certain things, but it
15 doesn't give a single ounce of protection to a
16 driver who could still be summonsed, who could
17 still face civil or criminal penalties for
18 picking up or doing business in places where
19 the vehicle owner can go in.

20 You mandate that drivers of livery
21 vehicles go into Nassau County and drop off,
22 but these same drivers can face penalties in
23 Nassau County if they drop off, they
24 can face penalties if they pick up whether it
25 is prearranged or not.

1 And I can give citations in the

2 various town codes and village codes that
3 exist out there that licensed drivers -- will
4 make sure that drivers cannot do business
5 within their jurisdictions, absent a license
6 from that local jurisdiction.

7 So while the rules under it are
8 well-meaning, they are not going to achieve
9 the intended purpose. You are not going to
10 have any kind of true reciprocity with Nassau
11 County. You are at a point where you are
12 never going to do that. You are going to have
13 to go back to the State Legislature and sort
14 out the issues. It is not a political issue
15 in Nassau County. It is not an inter-
16 jurisdictional issue. It's an issue that
17 rests solely on the laps of the State
18 Legislature because it is embodied in state
19 law, the local regulation and the local
20 licensing of drivers.

21 And until you get through that issue,
22 passing these rules and a state law has
23 absolutely no effect on operators doing

24 business to and from Nassau County.

25 Thank you, and if there are any

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1 questions, I will be happy to entertain them.

2 COMM. AROUT: Mr. Mazer, I know you

3 are a lawyer. I am not, so I get confused

4 when I read all these big bills. So I try to

5 go to my Counselor, and I would appreciate it

6 very much if our Counsel can address that, for

7 my sake and for the Commissioners' sake, what

8 you are saying about the individual driver

9 being summonsed.

10 COMM. DEAR: Just one second -- are

11 you representing anybody here?

12 MR. MAZER: No.

13 COMM. DEAR: You just decided to come

14 up. You don't represent any industry group?

15 MR. MAZER: I do not represent any

16 industry group with respect to the comments

17 that I made today.

18 COMM. DEAR: Okay.

19 CHAIRMAN DAUS: And he also
20 submitted written comments, which we took into
21 consideration and I sent to all of you.

22 And thank you for those and for your
23 testimony. Chuck, I believe, wanted to
24 address some of the questions raised.

25 MR. FRASER: Yes.

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1 Obviously, we disagree with Mr.
2 Mazer's suggestion that the statute
3 essentially in his view, I take it, has no
4 effect. I guess I would also say that the Law
5 Department believes that the statute has
6 effect because they participated in the
7 drafting. And the Assembly staff and Assembly
8 Members and Senators who voted for it,
9 obviously, assumed it had effect.

10 Just a couple of provisions that I
11 would like to point out. There is a
12 definition in the statute of prearranged for

13 hire vehicle driver's license. In other
14 words, the statute is not merely concerned
15 with vehicles, but, in fact, is concerned also
16 with vehicle drivers. And it specifically
17 defines that to mean a license issued by a
18 licensing jurisdiction, which, of course, is
19 defined to mean Nassau, Westchester and New
20 York City.

21 There are also two provisions later
22 in the bill that I would like to point out.
23 One is the licensing jurisdiction. One of the
24 conditions of qualifications for what we call
25 reciprocity is the licensing jurisdiction

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1 requires that a prearranged for hire vehicle
2 be driven only by the holder of a driver's
3 license which is valid to operate such motor
4 vehicle in the state.

5 And then the next condition is, the
6 licensing jurisdiction requires that a

7 prearranged for hire vehicle be driven only by
8 the holder of a prearranged for hire vehicle
9 drivers license, which, again, is the defined
10 the term that I gave you at the beginning at
11 the statute.

12 In other words, the vehicle that is
13 entitled to reciprocity is only entitled to
14 reciprocity if it's driven by a driver
15 licensed by the same jurisdiction, otherwise
16 it is not entitled to reciprocity. And in the
17 rules we drafted, that you have before you
18 today, Commissioners, if a Westchester driver
19 or a Westchester vehicle were to come into New
20 York without having a Westchester driver at
21 the wheel, that would be unlicensed under our
22 Ad Code, and we would prosecute as unlicensed.

23 CHAIRMAN DAUS: Sounds clear to me.

24 Any questions, concerns?

25 COMM. DEAR: So you are clear, you

1 have no issues, drivers are protected under

2 this law just as much as the vehicle?

3 MR. FRASER: Correct.

4 COMM. DEAR: Both the legislators

5 feel that way who passed it, as well as the

6 Law Department?

7 MR. FRASER: Drivers licensed by us,

8 obviously, to drive for hire vehicles,

9 correct.

10 COMM. DEAR: I just wanted to make

11 sure.

12 MR. GROVER: Mr. Chairman, can I ask

13 one question?

14 CHAIRMAN DAUS: Are you asking to

15 speak?

16 MR. GROVER: Yes.

17 CHAIRMAN DAUS: Any additional

18 speakers on this?

19 Okay, there is one more after this

20 and that will be it then.

21 MR. GROVER: My name is Artie Grover

22 and I am with the Livery Owners Coalition.

23 I am listening to all the testimony
24 and everything that is coming across right
25 now, and my basic question is: Is a livery

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1 licensed in the City of New York permitted to
2 go to Nassau after the reciprocity was passed,
3 or are we going to be ticketed, cars taken,
4 and everything else?

5 CHAIRMAN DAUS: I think it's pretty
6 clear that if a New York City vehicle goes to
7 Nassau to drop off passengers, that there is
8 absolutely no right to have the vehicle
9 summonsed, seized or otherwise.

10 Correct, Chuck?

11 MR. FRASER: Yes, that would be
12 correct. The law would entitle the driver of
13 the vehicle who we licensed to do pickups in
14 Nassau County for drop off here or pickups
15 here for drop offs in Nassau County.

16 MR. GROVER: Thank you very much.

17 CHAIRMAN DAUS: Mr. Grover, as you

18 correctly point out, that is an inequity that
19 was created in the Vehicle and Traffic Law
20 many years ago where New York was not allowed
21 potentially in certain counties to drop off
22 passengers, and everybody else from anywhere
23 could drop off passengers without having a
24 permit in our jurisdiction.

25 So I think equality and fairness have

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1 prevailed at the State Legislature, and we are
2 thankful for that.

3 I think we have one more speaker, Mr.
4 Ackman?

5 MR. ACKMAN: My name is Dan Ackman.
6 I am also a lawyer but I am not representing
7 anyone here.

8 I just wanted to point out as to the
9 drug test aspect of this, I am not sure if the
10 Commissioners know, but it is the case that
11 the Administrative Code of the City of New

12 York has no drug test requirement. What does
13 it have for licensing a taxi driver is that
14 you must not be addicted to drugs. There is
15 nothing about a drug test in the Code.

16 There is something in the TLC rules.

17 Now, as I understand, and I am not sure if I
18 understand it correctly, this new provision
19 would insert a drug test requirement. I am
20 not sure if it is within the state law or if
21 it is within the Code or within the regs. But
22 either way, it seems to me that the
23 Commissioners should consider whether a drug
24 test rule is lawful, considering that all the
25 statute requires is that a licensed driver not

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1 be addicted to drugs. And it certainly
2 cannot be said that failure of a single drug
3 test proves addiction to drugs.

4 So I think you really need to
5 consider both what the new rule does and what
6 your old rules do before you enshrine, unless

7 it is enshrined in state law somehow.

8 CHAIRMAN DAUS: Chuck, do you want
9 to address Mr. Ackman's comments?

10 MR. FRASER: Yes.

11 There is no new drug test
12 requirements in the rules that you have before
13 you today. The current drug test requirement
14 was promulgated by the Commissioners last -- I
15 may be off by a month or two, but I believe it
16 was last April.

17 The only change here is the rule as
18 it currently exists says that a driver may,
19 after notice of a hearing, have his license
20 revoked if he tests positive for illegal
21 drugs. Mr. Mazer's written comment that we
22 received suggests that that might not comply
23 with the State reciprocity statute provision
24 which says that you must provide in order to
25 be eligibility for reciprocity that a license

1 shall be revoked if you have been found after
2 a hearing to test positive for drugs. And
3 that is the sole purpose for the revision that
4 we are make in the drug test today.

5 Obviously, both we and the Law
6 Department, and for that matter, the
7 Commission, last April, disagreed that we did
8 not have authority in the Administrative Code
9 to promulgate drug testing. We have had drug
10 test requirements for some years and nothing
11 new there is inserted today.

12 CHAIRMAN DAUS: Okay, thank you.

13 Any other questions, concerns?

14 {No response.}

15 CHAIRMAN DAUS: Do we have a motion
16 on these rules?

17 COMM. AROUT: I make a motion.

18 COMM. DEAR: Second.

19 CHAIRMAN DAUS: All in favor?

20 (Chorus of "Ayes.")

21 CHAIRMAN DAUS: Okay.

22 And if the reporter could just not

23 that Commissioner Sander left prior to the
24 vote.

25 The last public hearing I have on the

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1 agenda is item 6B on the agenda. These are
2 the proposed rules for Stand-By Vehicle
3 Retirement Extensions.

4 Chuck, can you explain that, please?

5 MR. FRASER: This is a very simple
6 provision to change the vehicle lifetime for a
7 Stand-By Vehicle from three years to five
8 years.

9 The basis for this is that our
10 statistics, our inspection statistics indicate
11 that Stand-By Vehicles, which are used for
12 temporary replacements while a regular vehicle
13 is in maintenance or something like that, that
14 the Stand-By Vehicles get relatively less
15 mileage, substantially less mileage and,
16 therefore, wear and tear, than the regular

17 vehicles. So, therefore, the staff is
18 proposing the rule to create a standard
19 lifetime for a Stand-By Vehicle of five years
20 instead of three.

21 The rule was published for comment on
22 October 3, 2006. No written comments were
23 received.

24 CHAIRMAN DAUS: Thank you, Chuck.

25 We have two speakers. The first one

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1 is preregistered, Mr. Vinny Sappone.

2 MR. SAPPONE: I spoke already.

3 CHAIRMAN DAUS: So you have nothing
4 else to add?

5 MR. SAPPONE: You just like me to
6 come up here. I think it is a good thing. I
7 see no reason why Stand-By Vehicles shouldn't
8 get five years, they are hardly used. And I
9 think it's only fair.

10 Thank you.

11 CHAIRMAN DAUS: Thank you.

12 And our last and next speaker is

13 Joseph Giannetto.

14 MR. GIANNETTO: Good morning, Mr.

15 Chairperson, Commissioners. I represent the

16 Metropolitan Taxicab Board of Trade, otherwise

17 known as MTBOT, and MTBOT supports this rule

18 as it is written, and we want to thank the

19 Commission and the TLC staff for their efforts

20 in putting forth this rule.

21 You know, SBVs are playing an

22 increasingly more important tole in maximizing

23 taxicab availability to the public as well as

24 for drivers, while maintaining fleet capacity

25 for the fleet operators. You know, a

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1 combination of a modest increase in the number

2 os licensed taxi drivers over the last several

3 years, the recent fare increase, and even the

4 implementation of OBD due testing make SBVs

5 more important than ever.

6 More and more fleet operators by
7 using more and more SBVs in order to maintain
8 maximum taxicab availability while they are
9 performing preventative maintenance or
10 conducting repairs or even doing routine
11 inspections, so the use of SBVs, in actuality,
12 results in better service to the public while
13 maintaining the condition of the overall taxi
14 fleet.

15 So presently the members of MBOT have
16 a total of 59 SBVs. Typically, I think, as
17 Chuck mentioned, double-shifted vehicles can
18 log almost 300,000 miles in 36 months, while
19 SBVs probably only do 90,000 miles in a
20 36-month period. So the proposed rule
21 recognizes that a 60-month retirement deadline
22 is more appropriate and consistent with the
23 usage patterns of SBVs and will probably spur
24 interest to use SBVs on behalf of more and
25 more fleet operators as we move forward.

1 So we are thankful to the TLC for
2 their responsiveness to this matter and for
3 their efforts in reviewing their inspection
4 data. And we urge the Commission to adopt
5 this proposed rule.

6 Thank you.

7 CHAIRMAN DAUS: Thank you, Mr.
8 Giannetto.

9 Any other speakers? Anybody else who
10 wants to be heard on this?

11 {No response.}

12 CHAIRMAN DAUS: Okay, that concludes
13 our public hearing.

14 Any questions, comments, concerns for
15 the Commissioners, or any motions on these
16 rules?

17 COMM. AROUT: I make a motion to
18 accept the rules.

19 CHAIRMAN DAUS: There is a motion to
20 accept on the floor.

21 Do we have a second.

22 COMM. DEAR. Yes, second.

23 CHAIRMAN DAUS: All in favor?

24 (Chorus of "Ayes.")

25 CHAIRMAN DAUS: It is unanimous,

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1 thank you.

2 And I believe that concludes the

3 meeting.

4 Do I have a motion to close?

5 COMM. AROUT: I make a motion to

6 close.

7 CHAIRMAN DAUS: Okay. I want to

8 just thank everybody and wish all of you and

9 your families a happy and healthy

10 Thanksgiving.

11 We will see you in December.

12 (Time Noted: 10:55 a.m.)

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1 C E R T I F I C A T I O N

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4 I, MARGARET EUSTACE, a Shorthand

5 Reporter and a Notary Public, do hereby

6 certify that the foregoing is a true and

7 accurate transcription of my stenographic

8 notes.

9 I further certify that I am not

10 employed by nor related to any party to this

11 action.

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15 MARGARET EUSTACE,

16 Shorthand Reporter

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