

New York City Taxi and Limousine Commission

2010 Annual Report



Commissioner's Introduction

Dear Friends:

This has been a busy and productive year at the New York City Taxi and Limousine Commission. We've consolidated the gains made possible by past investments, we have marched forward on important projects, and we've embarked on some exciting new initiatives. Our performance metrics remain strong (though there's always room for improvement) and, most important, we continue to develop a skilled and motivated workforce.

The TLC's core mission "is to ensure that is to ensure that New Yorkers and visitors to the City have access to taxicabs, car services, and commuter van services that are safe, efficient, sufficiently plentiful, and provide a good passenger experience" (see our full Mission Statement later in this report). To that end, our Licensing Division processed more than 105,000 new and renewal license applications this year. Our Safety and Emissions staff performed more than 96,376 vehicle inspections. Our Enforcement personnel issued more than 37,638 summonses, and our Adjudications Division adjudicated more than 66,275 summonses, representing 76,315 violations, including both hearings on summonses issued by our inspectors and hearings generated by passenger complaints. Of these, 2,392 consumer cases were held via teleconference, maximizing convenience for passengers. All in all, the staff has worked hard to make our day-to-day operations efficient and productive.

This year saw some of the TLC's recent investments pay significant dividends. The Taxi Passenger Enhancement Program (TPEP) systems continue to offer the riding public better service, including the convenience of credit/debit card payment and better outcomes for passengers who lose personal belongings in taxicabs. Latest statistics tell us that, by the year's end, over 39% of all trips were paid for by credit cards, representing 43% of the total daily farebox, which averaged \$5,862,663 as of the end of October 2010. TPEP systems also enabled the TLC to discover, analyze and remedy the problem of some taxicab drivers using the "Rate Code 4" option, normally used for trips to Nassau and Westchester Counties, to knowingly overcharge passengers. Yet another benefit of the new technology provides the TLC with the ability to monitor and adjudicate violations of the TLC's requirement that taxicabs use E-ZPass and pass along the discounted toll to passengers.

We've undertaken some groundbreaking efforts to raise the quality of livery service with such initiatives as inspecting – for the first time – every livery and black car vehicle the TLC licenses. The TLC also created a new forgery-proof decal for display in multiple places on each livery vehicle that will empower the riding public to distinguish between legitimate, licensed services and unlicensed hustlers.

In order to make our rules clearer, easier to understand, and more consistent across the six industries we regulate, we've made significant progress in our Rules Reform Project with a new and improved rulebook that will take effect on April 1, 2011. This year also saw the TLC bring to light persistent problems like the abuse of our policy on adjournment, and we've reopened default cases, adopted new rules to address both of these pressing issues.

I am pleased to report that we have also advanced a number of key projects in the last year. Our efforts to create a *Taxi of Tomorrow* to take us into the next decade and beyond have yielded enthusiastic responses from the automotive manufacturing community, from which we chose three

leading contenders. We also launched a successful public input campaign with an on-line survey that saw 20,000 responses over just a few short weeks. Continuing in our efforts to enhance agency efficiency, we made progress in our movement toward state-of-the-art handheld units to assist TLC Officers in performing their crucial enforcement function.

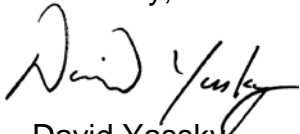
The pilot project to test an Accessible Dispatch System, which allowed wheelchair users to request an accessible medallion taxicab via 311 ended, culminating in a detailed report and a proposal to create a permanent dispatch system, in collaboration with the taxicab and for-hire vehicle industries, that incorporates the lessons learned in the useful pilot.

We also began new projects. We've taken our first steps toward putting a number of licensing functions, such as driver renewals and transaction appointments, on-line for our licensees' convenience. We began a pilot project for Group Ride Vehicles to assist those commuters who were displaced by recent MTA bus cuts. Rider demand did not support these service areas, but it did show the strengths and weaknesses of this model of service, and suggested how such a pilot could be a useful supplement to the MTA. The Staten Island Livery Stand we launched in late 2010 showed high demand for "taxi like" street hail service in at least some places where medallion taxicabs do not ordinarily cruise, and suggested opportunities to provide more mobility options for New York City residents outside of Manhattan by expanding this pilot or some variation on it.

Of course, the picture is not entirely rosy. During the last part of 2010, we saw a substantial increase in the number of passenger complaints about service refusal. Our Customer Service Unit was not up to the task of handling this work and we accumulated an unacceptable backlog of unprocessed consumer complaints. As 2011 begins, we are in the midst of eliminating this backlog and creating a new Passenger Services Unit to streamline the processing of complaints.

That said, while 2010 was, in sum, a year of great progress and innovation, 2011 is already on track to be even brighter, and filled with fresh new ideas and projects, and continuing progress in the initiatives we've already begun.

Sincerely,



David Yassky
Commissioner

TLC's Mission and Structure

Charter Mandate

The New York City Taxi and Limousine Commission (TLC) was created by Local Law No. 12 of 1971, and is charged with “furthering the development and improvement of taxi and livery service in New York City, establishing an overall public transportation policy governing taxi, coach and car services and wheelchair-accessible vans, and to establish certain rates and standards.”

TLC Mission Statement

The mission of the Taxi and Limousine Commission is to ensure that New Yorkers and visitors to the City have access to taxicabs, car services, and commuter van services that are safe, efficient, sufficiently plentiful, and provide a good passenger experience. We understand that private transportation services are an essential component of the City's transit network, alongside publicly operated mass transit. We believe both in the power of market forces to ensure that supply meets demand, and in the need for intelligent regulation to set the rules of competition, ensure safety, provide transparency to market participants, and reduce unwanted externalities such as pollution. Our fundamental principles include:

1. Our people are the key to our success. In recruiting new colleagues, we look for highly capable people who we would enjoy working with and who we believe will share our commitment to the TLC and its mission.
2. Our customers include participants in the industries we regulate, passengers transported by of those industries, and businesses throughout the City whose success depends on the smooth functioning of a robust transit system. We are committed to providing excellent customer service, meaning courteous treatment, prompt responses to inquiries and requests, and evenhanded enforcement of our rules. We are committed also to making policy decisions based solely on what is best for the public we serve.
3. We operate with the highest level of integrity and honesty. We will be forthright with those we regulate, with the public, and with our partners in government and in the private sector, and we will expect the same in return. We are mindful that our success ultimately depends upon maintaining the confidence of each of these constituents.
4. We pursue long-term goals. We will always value genuine and permanent gains in our ability to accomplish our mission over immediate cost-savings or public-relations benefits.
5. We strive continually to improve our operations and our policies. We innovate, knowing that some innovations will fail. We encourage an environment that fosters open debate, values contrary opinions and tolerates honest mistakes. We understand and value the importance of technology and are constantly looking for ways to utilize technology to make our operations more efficient and productive.
6. We must continually remind ourselves of our limitations and dedicate ourselves to the avoidance of hubris. We will use all information available to us and will conscientiously seek to apply our values to the facts as we know them, but we are always cognizant of the possibility of error. We are ready to recognize, correct and learn from our mistakes.
7. Our mission places large demands on each of us. From time to time we will face criticism from our customers and from the public at large, and sometimes we will become frustrated. Nonetheless,

we work with passion, commitment and enthusiasm, we keep the office atmosphere friendly and professional, and we try to have fun in our jobs as much as possible.

Commission Board Structure

The Board of the Taxi and Limousine Commission is comprised of nine (9) members, eight (8) of whom are unsalaried. The salaried Chairman presides over the Board and acts as head of the agency, which carries out the Commission's day-to-day licensing, regulatory, enforcement, and adjudicatory functions. Members of the Commission are appointed by the Mayor of the City of New York, with the advice and consent of the City Council, to serve a seven-year term. One representative of each of the city's five boroughs is recommended for appointment by a majority vote of each borough's respective City Council delegation.

David Yassky

David Yassky is the eleventh person to serve as Commissioner/Chair of the New York City Taxi and Limousine Commission. He was nominated by Mayor Michael R. Bloomberg on March 12, 2010, and confirmed by unanimous vote of the New York City Council on March 24, 2010. Yassky's term will expire on January 31, 2017.

Elias Arout

Re-appointed by the Mayor on the recommendation of the Staten Island delegation to the New York City Council, Commissioner Elias Arout has served on the TLC since 1988. Commissioner Arout is a past commander of the American Legion of Richmond County and a former commander of the Legion's Five Star Post. A retired City Housing Authority officer, he was a founder and past president of the board of directors of Project Hospitality. Commissioner Arout was re-appointed to a new term, which expires on January 31, 2015.

Harry Giannoulis

Appointed by the Mayor on the recommendation of the Queens delegation to the New York City Council in 1998, Commissioner Harry Giannoulis is a founding member of the Parkside Group, a governmental relations and public affairs consulting firm. Commissioner Giannoulis' term expired January 31, 2001, though he may continue to serve until replaced or re-appointed.

Mark Gjonaj

Mark Gjonaj was appointed by Mayor Bloomberg on the recommendation of the Bronx delegation to the New York City Council. Commissioner Gjonaj is the president of MP Realty Group and is also a founding member of the ILLYRIAN Partnership. Commissioner Gjonaj term expires January 31, 2015.

Edward Gonzales

Appointed in September 2005 by Mayor Michael R. Bloomberg to a seven year term on the TLC, Commissioner Edward Gonzales is a mortgage specialist with Citigroup. Commissioner Gonzales' term expires January 31, 2012.

Jeffrey A. Kay

Commissioner Jeffrey A. Kay was appointed by Mayor Michael R. Bloomberg to serve on the TLC Board in 2007. He is the former director of the Mayor's Office of Operations where he oversaw publication of the Mayor's Management Report, and managed the daily operations of city agencies, initiatives and special projects to improve the delivery of City services. Commissioner Kay's term expires on January 31, 2012.

Lauvienska Polanco

Lauvienska Polanco was appointed to the Manhattan seat of the TLC Board of Commissioners in 2007. Commissioner Polanco worked briefly as a mediator for insurance defense claims, before spending some years at a personal injury law firm. After that, she joined the New York State Unified Court System, first as a Court Attorney in the Lower Civil Court, and now in an elevated role as Principal Law Clerk at the Bronx Supreme Court. Commissioner Polanco was re-appointed to a new term that expires on January 31, 2015.

Iris Weinshall

Appointed by Mayor Michael R. Bloomberg in 2003, Commissioner Iris Weinshall is currently Vice Chancellor for facilities planning, construction and management at CUNY. Prior to this, Commissioner Weinshall served as the Commissioner of the New York City Department of Transportation (DOT). Commissioner Weinshall also served a distinguished tenure as First Deputy Commissioner of the Department of Citywide Administrative Services. Commissioner Weinshall's term expires on January 31, 2010.

Commission Meetings

The TLC holds regularly scheduled public meetings where regulatory actions are discussed and publicly heard, base license applications are reviewed, and agency staff delivers presentations on new and proposed policies, pilot programs, and regulatory modifications. In 2010, the TLC promulgated 22 rulemaking actions. (See chart below.)

Rulemaking Actions – 2010

Commission meeting	Subject	Status
March 18, 2010	Chapter 8 (Taxi Owners)	Conditionally approved March 18, 2010
	Chapter 20 (Transition Provision)	Conditionally approved March 18, 2010
May 20, 2010	Chapter 1 (Definitions)	Conditionally approved May 20, 2010
	Chapter 3 (Accessible Vehicles)	Conditionally approved May 20, 2010
	Chapter 5 (FHV Drivers)	Conditionally approved May 20, 2010
	Chapter 9 (FHV Vehicle and Bases)	Conditionally approved May 20, 2010
July 15, 2010	Commuter Van Bill of Rights Rules	Effective August 26, 2010
	Transfer Fee Rules	Effective August 20, 2010
	Final TATC rules approval	Effective April 1, 2011
September 16, 2010	Black Car Retirement Rules	Effective October 24, 2010
	Taxicab Re-inspection Fees	Effective October 27, 2010
	Livery Workers' Compensation Rules	Effective October 28, 2010
October 21, 2010	Amendments to "Items Which Must Be in Clear View of Passengers for Taxis and For Hire Vehicles"	Final Approval Pending
	LLC Rules	Final Approval Pending
	Black Car Rules	Final Approval Pending
	Cell Phone Rule Amendments	Final Approval Pending
	Camera Rules	Final Approval Pending
	Accident Rules	Final Approval Pending
November 18, 2010	Critical Driver Rules	Final Approval Pending
	Adjudication Rules	Effective January 1, 2011
	TATC Adjudication Rules	Effective December 26, 2010
	Rulebook Effective Date	Effective December 26, 2010

Some Regulatory Highlights

Livery Workers Compensation Law Codified. In July, the Commission approved rules implementing the recently enacted Livery Workers' Compensation Law, a state law that created a

fund to provide limited coverage for livery drivers injured on the job. The Commission's rules require that livery base stations certify that they are members of the fund, or that they have bought standard workers' compensation insurance for their drivers. As noted in the chart above, the rules were effective as of October 28, 2010.

Retirement of For-Hire Vehicles in Black Car Service. As noted above, effective October 24, 2010, the TLC has implemented, for the first time, a schedule by which all for-hire vehicles affiliated with licensed black car bases will retire after their useful lifespan. Similar to the retirement regulations in effect for the medallion taxicab industry, these regulations will enhance passenger and driver safety as well as the environment.

As an incentive to replace retiring black cars with environmentally cleaner vehicles, the retirement date of vehicles classified as "level one clean air vehicles" are extended for an additional two model years, while the retirement date of vehicles classified as a "level two clean air vehicles" are extended one model year. Level one vehicles have received an air pollution score of 9.5 or higher (estimated by the Department of Energy to emit 5.0 tons or less of equivalent carbon dioxide per year) from the US Environmental Protection Agency, while level two vehicles have received a score of 9.0 or higher (6.4 tons or less of equivalent carbon dioxide per year).

Scope of Regulated Industries

The New York City TLC is responsible for the licensing and regulation of the 13,237 medallion taxicabs currently authorized to accept hails from passengers within the five boroughs of the City of New York, as well as approximately 40,000 other vehicles serving the public via pre-arrangement and radio dispatch. These "for-hire vehicles" (FHVs) include community car service (or livery) vehicles, black cars, and luxury limousines with a seating capacity of up to 20 passengers. TLC also licenses and regulates paratransit vehicles (ambulettes) and commuter vans, which have a seating capacity of between nine and 20 passengers and are authorized to transport passengers within specific geographic zones via pre-arrangement. In addition to the aforementioned vehicles and drivers, the TLC licenses and regulates the businesses that manufacture, install and repair the meters used in New York City taxicabs, brokers that assist buyers and sellers of taxicab medallions, and agents that operate taxicab medallions on behalf of owners. TLC-licensed vehicles are an essential part of the comprehensive transportation network of New York City. It is estimated that approximately 55,000 of these vehicles transport over 1.5 million passengers each day.

Taxicab medallion prices rose significantly during 2010. Corporate medallion prices rose almost ten percent, from \$775,000 to \$850,000 during the year. Independently-owned medallion prices rose almost seven percent, from \$584,000 to \$624,000.

By The Numbers – 2010	
Active Licenses	161,692
<i>(as of December 31, 2010)</i>	
Numbers	
Drivers	
Medallion Drivers	49,129
FHV Drivers	53,755
Other	3,829
Total Driver Licenses	106,713
Vehicles	
Medallion	13,237
FHVs	37,782
Other	2,833
Total Vehicle Licenses	53,852
Businesses	
Taxicab Brokers	25
Medallion Agents	69
Taxicab Meter Shops	29
Taxicab Meter Manufacturers	3
Total Business Licenses	126
Bases	
Black Car Bases	76
Community Car Services	490
Luxury Limousine Bases	194
Commuter Van Authorizations	50
Paratransit Bases	191
Total Base Licenses	1,001

Agency Overview and Performance

TLC Web Site

The TLC's Web site – www.nyc.gov/taxi -- is a valuable centerpiece in the agency's efforts to effectively communicate with its regulated industries. In 2010, the Web site received 4,779,324 visits. In addition to our ongoing efforts to enhance our customers' ability to conduct business via the Internet, we have continued to update the Web site on an almost daily basis, and have added new sections, including those with detailed interactive information pertaining to the new For-Hire Vehicle Accountability Rules, vehicle inspection schedules, and the agency's Rules Revision Project. As always, the Web site also includes such highlights as fully updated Transcripts and Minutes of all public meetings and PDF versions of all informational presentations made by the members of TLC staff.

Call Center

The TLC Call Center maintained a high level of answered calls in 2010 -- an average of 7,600 per month. The wait time that consumers and drivers must wait to speak to an agent averaged approximately six minutes. In addition to providing information to passengers and drivers, a staff member is assigned the task of conducting searches for property lost by passengers utilizing the new technology systems that are now in all taxicabs. This technology, the Taxicab Passenger Enforcement Project, more commonly referred to as T-PEP, has greatly enhanced our ability to track down and locate lost property reported to us by the riding public. Approximately 2,147 searches have been conducted in 2010, and due to the new technology, 253 lost items have been recovered and returned to passengers.

Agency Budget and Headcount

The TLC's Fiscal Year 2010 operated on a modified budget of \$31,277,296 (\$23,928,911 for Personal Services and \$7,348,385 for Other Than Personal Services). The TLC had an authorized headcount of 416 for Fiscal Year 2010. The Fiscal Year 2011 budget is \$31,259,457 (\$24,323,803 for Personal Services and \$6,935,654 for Other Than Personal Services), with an authorized headcount of 414.

Adjudication Division

A total of 66,225 summonses were adjudicated in 2010 by the Taxi and Limousine Commission's Administrative Tribunal, covering 76,315 violations. Over 1,677 appeals decisions were issued and 18 new Administrative Law Judges were appointed and given extensive training. The Division continues to offer teleconferencing between the TLC's Staten Island satellite office and the Long Island City Adjudication facility, which allows respondents who received summonses to participate in hearings at the Staten Island satellite office rather than make a personal appearance at the TLC's Long Island City tribunal. In 2010, Adjudication conducted 2,392 consumer complaint hearings via teleconference and continues to aggressively adjudicate consumer complaints.

There was also an extensive revision of Adjudication rules governing hearing procedures. Rules regarding motion practice, adjournments and appeals were streamlined and refined to increase efficiencies. In addition, Adjudication continues with its Docketing Program which, in conjunction with the Civil Court of the City of New York, resulted in approximately 20,000 decisions being converted into judgments representing close to \$8 million in collectible debt. Also, we recently partnered with the Department of Finance (DOF) and entered into a Memorandum of Understanding whereby DOF will aggressively work and attempt to collect docketed debt.

Lastly, the Language Line initiative, which is a free translation service that covers 189 languages available to respondents or witnesses at hearings held at TLC Courts in Manhattan and Long Island City, as well as to anyone engaging in business at the TLC's Licensing Division, continues. As of the end of December 2010, 550 calls have been placed through Language Line, granting numerous individuals free over-the-phone interpretations in languages such as Spanish, Russian, Mandarin, Bengali, Cantonese, Korean, Punjabi, Urdu, and Polish.

Licensing Division

Processing Volumes and Wait Time

- The Division processed over 105,000 applications in CY 2010, similar to processing levels in CY2009, with less staff.
- We have continued to maintain an average wait time in the facility of 19 minutes, the same as in CY2009. This is down from our average of 32 minutes from three years ago.

For-Hire Vehicle Accountability Rules

- We continued to maintain two offices for processing vehicle applications, including our main office in Long Island City and a satellite office at the Woodside Safety & Emissions facility. Vehicle appointments are either faxed or e-mailed to the base and we continue to put all schedule-related information on the Website so that they can be readily accessed and confirmed by either a base or vehicle owner. We also instituted a new process in 2010 of direct mailing appointment confirmation forms to all vehicle owners for all renewal inspections.
- We began utilizing new permit decals in 2010 for all vehicles inspected at Woodside – either visual or full DMV inspection. The new permits and decals are circular, color coded by industry and contain information that is unique to the vehicle and the base to assist the passenger in confirming that the vehicle is legitimate and has been properly licensed. They are designed to be highly visible to a rider, and are mounted on the side windows and/or exterior of the vehicle.

Compliance Monitoring

- The Compliance Unit continues its high level of work and coordinates with the Uniformed Services Bureau on a structured monitoring/summons process for several TLC rules.
- They have successfully instituted monthly compliance runs on vehicle insurance and affiliation status, medallions in storage and “owner must drive” requirements, as well as paratransit electronic trip sheet requirements. They monitor vehicle affiliations and the status of TC plated vehicles to ensure that, when needed, the plates are revoked by the DMV.

State Office of Child Support Enforcement

- We began an electronic data exchange with OCSE that confirms the child support case status of all new and renewing driver licensees. Licensees and/or applicants who are indicated as having an issue with their child support cases are flagged and are referred to OCSE for clearance letters before processing of their application continues.
- We have begun working on providing access to data on medallion owners in our next cooperative efforts in this area and available data elements have been provided to OCSE for review. We will continue to develop this functionality and hopefully have it live before the end of 2011.
- New forms required by OCSE were added to all business license applications.

Insurance

- We began discussions with Hereford Insurance (the largest provider of workers compensation insurance to the medallion industry) on obtaining electronic information on the current status of

individual workers compensation policies. This will drastically reduce the level of paperwork that we deal with and will provide for more accurate data in the TLC database once completed.

Driver Educational requirements

- A comprehensive review of responses to an education-specific Request For Information (RFI) was completed in 2010, and the Licensing Division has been working on a Request For Proposals (RFP) to modernize and enhance the taxicab driver education process that we anticipate releasing sometime in 2011.

Drug Test Requirements

- A comprehensive review of our drug test requirements and process was undertaken. A Request For Proposals (RFP) to determine a service provider for applicant drug testing has been prepared and is currently under review. An additional RFP for Medical Review Officer should likewise be released sometime in 2011.

Developing ON-LINE capabilities

The TLC began working with Department of Information Telecommunications and Technology (DoITT) in June 2010 on two customer-service projects that will enhance a licensee\applicant's ability to manage their business over the Internet:

- On-line Driver Renewals: This project is broken up into two stages. Stage 1, when fully developed, will allow licensees the ability to tender payment of their license renewal fees over the Internet and provide them with some basic status data on their license requirements. Stage 1 is expected to be completed sometime in March or April 2011.
- On-line Appointment Scheduling: This project is in the earliest stages and, when completed, will allow the licensee\applicant to select the date and time for either the filing of an application at one of our facilities or to schedule the date and time of their DMV or TLC visual inspection. The Web site modifications will also allow for re-scheduling of an appointment when an emergency arises and an individual cannot make their appointment. Preliminary discussions have taken place with DoITT, and we anticipate program teams being set in the latter part of 2011.
- Enhancements are also being planned to offer applicants and licensees the abilities to handle Web based Change of Addresses and to submit a New Driver Application for review and preliminary approval. Applicants could then be given an appointment for processing, which would help to streamline the process.

Forms modifications

- Vehicle and medallion renewal forms were redesigned to make them simpler and more user-friendly. Both documents will go into production in 2011.
- Medallion Guides, Base and Vehicle guides and the appointment request pages on our Web site were redesigned to be simpler and more instructive.

Livescan (Fingerprint and Photo-imaging) Equipment

- New Livescan fingerprint and photo-imaging equipment was delivered and installed in 2010 replacing ageing hardware and software that had reached the end of its useful life. The new equipment was put into full operation and has helped to alleviate prior downtime issues and help expedite the applicant experience. A new unit was included in the purchase for the Staten Island Satellite Office as well, and a last unit is in the planning stages for Rector Street so that individuals coming to the TLC for medallion-related closings can have their fingerprints taken in a central location without the need for them to travel to Long Island City. This final move will take place in early 2011.

Group Ride Vehicles

- 2010 saw the creation of a new license class and new license structure in record time. New application forms, instructions, checklists, and licenses were developed and put into production to accommodate the pilot program (*more details on this program later in the report*).

DORIS Records Management Grant

- 2010 saw the approval of a Licensing grant request (jointly with four other City agencies) for the purchase of records management software that will enhance the TLC's ability to track and monitor its files.

JPM Chase - Edge

- 2010 saw the TLC become an advanced user of a new program entitled EDGE that significantly reduced the amount of paper the agency must manage and retain. Data is managed through the JPM Chase EDGE system and retained for seven years. All payments processed through the "lockbox" are managed and stored in this system.

Uniformed Service Bureau

The TLC's Uniformed Services Bureau (USB) continued in its efforts to protect the public during 2010. The agency's principal undercover enforcement initiative, "**Operation Refusal**," which measures the compliance of taxicab drivers with the laws, rules and regulations that prohibit their refusal of service to the riding public under any but a select few circumstances, tested 4,143 taxicab drivers in 2010. This testing yielded a 96.48% compliance rate, an improvement of almost 3% since 2007 when the compliance rate yielded 93.80%.

"**Operation Street Hail**", another signature undercover initiative testing for-hire drivers' compliance with regulations requiring their services to be delivered via pre-arrangement, resulted in the issuance of 2,854 summonses for illegal activity in 2010.

In addition, USB worked closely with the Licensing Division to implement inspections required by the 2009 changes in the for hire rules. New permanent decals, color coded for each industry are now placed on all vehicles after inspections at the Woodside facility, replacing the diamond.

Lastly, to continue protecting the riding public, in the last few months of 2010, an all out enforcement action against unlicensed commuter vans was done which was so successful, a number of unlicensed vans and drivers immediately applied for licenses! In all, 180 vans were seized.

In 2010, the Safety & Emissions Division (S&E) performed 55,255 medallion DMV inspections and 37,320 for hire vehicle DMV inspections. Additionally, 3,801 visual inspections of FHV's were done.

In response to the issue of drivers being able to change the meter to charge "Rate 4", which is appropriate for trips to destinations in Westchester or Nassau Counties, but not within the city limits, our authorized TPEP vendors were able to create an Alert Screen that notifies passengers whenever Rate 4 is engaged both visually and with an audible signal.

TLC Enforcement Officers have also noted some taxicab drivers using cash lanes instead of the required E-ZPass lanes, and sometimes charging more than the discounted E-ZPass rate. The TPEP also notifies passengers to be alert to their right to a discounted E-ZPass charge to reimburse bridge and tunnel tolls. Enforcement action has been taken against the worst offenders.

Accessible and Alternative Fuel Vehicles by Make and Model - 2010

Vehicle Make and Model	LL54 Class	Total as of 12/31/10	Total as of 12/31/09	Total as of 12/31/08	Total as of 12/31/07
Saturn Vue (SUV) Hybrid	CA2	0	0	0	1
Dodge Caravan (Minivan) (Accessible)	WAV	95	140	140	16
Ford Freestar (Minivan) (Accessible)	WAV	1	1	4	27
Chevrolet Uplander (Minivan) (Accessible)	WAV	0	0	0	40
Toyota Sienna (Minivan) (Accessible)	WAV	137	99	93	N/A
Ford Escape (SUV) (Hybrid)	CA2	2,964	2,248	1,319	515
Honda Civic (Hybrid)	CA1	1	2	2	1
Lexus RX 400H (SUV) (Hybrid)	CA2	6	4	3	2
Mercury Mariner (SUV) (Hybrid)	CA2	6	6	6	6
Toyota Camry (Hybrid)	CA1	448	254	112	25
Toyota Highlander (SUV) (Hybrid)	CA2	154	148	122	76
Toyota Prius (Sedan) (Hybrid)	CA1	204	68	135	90
Nissan Altima (Hybrid)	CA1	353	223	73	12
Chevrolet Malibu (Hybrid)	CA1	49	90	71	N/A
Volkswagen Jetta (Diesel)	CA2	19	17	0	0

Total Accessible	233
Total Hybrid	4,185
Total Diesel	19
Total vehicles	4,437

Clean Vehicles

Despite legal challenges to the City's efforts to green the New York City taxicab fleet, voluntary efforts have yielded impressive growth in the number of clean-fueled taxicabs in 2010. As of the end of 2010, the TLC has registered a total of 4,208 clean-fuel vehicles (including 4,185 hybrid-electric, 19 clean diesel and four compressed natural gas vehicles), comprising 32% of the taxicab fleet as a whole. This compares to 3,060, or 23%, at the end of 2009.

Projects, Initiatives and Events

Taxi of Tomorrow Project

Progress continued in 2010 on the *Taxi of Tomorrow* project. In May, the City received seven responses to the RFP that was issued in December 2009 asking automobile manufacturers to submit designs for taxicabs that meet the highest safety standards; offer passengers a superior riding experience and drivers greater comfort and amenities; have an appropriate purchase price, as well as ongoing maintenance and repair costs; leave a smaller environmental footprint; and an iconic design that will ably represent New York City.

TLC, working with Ricardo, Inc., a leading engineering consultancy firm, evaluated the proposals and found that the three most promising were from Ford Motor Company, Nissan North America, and Karsan. Each of the proposers was invited to submit a best-and-final-offer due in early 2011. TLC will continue to work with each provider to ensure that selected vehicles will meet the City's needs, the policy goals of the administration, and the desires of industry stakeholders, including passengers, drivers, and medallion owners. If none of the proposals meet the City's needs, we don't have to make a final choice.

The successful respondent to the RFP is expected to have the right to provide New York City taxicabs for ten years, beginning at the end of 2013.

Taxicab Passenger Enhancement Program (TPEP)

Administrative Enforcement In 2010, TPEP data continued to allow the TLC to better enforce those of its regulations which are amenable to remote monitoring and data analysis. For example, through the use of TPEP, TLC issued over 5,000 summonses and settlements for violations as varied as the Rate Code 4 infractions (where taxi drivers were charging out-of-town rates for local trips, and which resulted in criminal charges for dozens of the worst offenders); the failure to appropriately employ E-ZPass; failure to drive a minimum number of shifts; operating a taxicab while suspended; operating a vehicle without a valid medallion license; operating a wheelchair-accessible vehicle without the requisite training; and operating a vehicle that has failed its DMV inspection. (TPEP even allows the TLC to "lock out" unlicensed drivers, rendering them unable to engage the meter for taxi use.) The process of prosecuting these infractions has fundamentally changed because the cost of information collection has, in some instances, fallen to zero. This allows the TLC to better enforce its regulations with fewer resources – an example of government doing more with less.

Credit Card Usage The availability and usability of the credit card readers in yellow taxicabs give passengers a convenient payment option, and the steadily increasing number of trips paid by credit cards attests to the value of this functionality. For example, in October 2010, 39% of taxi trips (representing 43% of the total estimated daily fare box of \$6.3 million) were paid for by credit card, compared with 29% of taxi trips (representing 34% of the total fare box) a year ago.

Similarly, the total estimated fare box increased over 2010, due in no small part to the increased functionality of TPEP. From 2008 to 2009, in the middle of the worst recession in 80 years, the total fare box held steady at approximately \$2 billion; and from 2009 to 2010, thanks in part to the convenience of TPEP-enabled credit card payments and overall customer satisfaction, it grew an estimated 12% to almost \$2.3 billion.

Better Customer Service

The majority of TLC-related 311 calls relate to lost property, and the majority of these don't have enough information to find the lost item without TPEP. TPEP's ability to provide searchable trip sheet details (e.g., pick-up and drop-off locations and times, medallion numbers, fare amounts, payment type) have allowed the TLC to better respond to lost property complaints from taxi passengers (including for such high value items as lost artwork and manuscripts, rare instruments, and other sensitive materials). For example, with just a rough idea of a pick-up and/or drop-off location, and an estimate of the time of a trip, the TLC staff is able to search through the 500,000 daily trip sheets to locate the specific medallion and the specific driver; send that driver a text message via the DIM alerting her/him to the likelihood of a lost item; and often reclaim the item within hours of the report being made. In 2010 the TPEP system, the TLC helped over 250 people find irreplaceable lost items left in taxicabs. A couple of examples from this past year include famed Grammy Award-winning singer Roberta Flack's suitcase, with irreplaceable master recordings of her as-yet unreleased new album; and journalist Ellis Henican's sole edited copy of a manuscript for his next book.

In conjunction with the Office of Emergency Management and the Department of Information Telecommunications and Technology, the TLC also implemented the broadcast of both Amber and Silver Alerts on TPEP Driver Information Monitors. Amber Alerts note critical information about missing children, while Silver Alerts offer information on missing senior citizens, some of whom may be suffering from Alzheimer's disease.

Technology Providers

The TLC has extended the contracts of two of the three authorized technology vendors – Creative Mobile Technologies (CMT) and VeriFone Transportation Systems (VTS). The TLC, however, has chosen not to extend or renew its contract with Digital Dispatch Systems (DDS). All DDS customers are in the process of transitioning to other authorized systems.

Group Ride Initiatives

The TLC facilitated the testing of a number of Group Ride scenarios in 2010. In late February of 2010, the TLC announced group ride stands allowing medallion taxicabs to transport as many as four passengers between pick-up sites at West 57th Street and 8th Avenue, East 72nd Street and 3rd Avenue, and West 72nd Street and Columbus Avenue and the final destination of Park Avenue and 42nd Street for a low flat fare. Passengers had the ability to "hop off" anywhere along the route. This program was not extended past its initial phase due to lack of demand.

In May 2010, the TLC began a pilot program of group ride stands at the Port Authority Bus Terminal, LaGuardia Airport (in the Marine Air Terminal), and York Ave. and East 70th Street. The goal of the pilot was to test whether encouraging passengers to share a ride along heavily-traveled routes during peak-demand hours would make it easier to get a ride, save passengers money, and increase driver revenue (on a per-trip basis). Each stand provided an opportunity for two or more passengers to share a ride from the stand to a similar destination zone, with each passenger paying a reduced fare. The total fare paid by all passengers would exceed what the fare would have been if the driver had provided that trip to a single passenger.

Results of the group ride stands have been mixed. Few passengers used the York Avenue and East 70th Street stand. We believe this may be because there was already a more successful group ride stand just nine blocks north, or because the stand location was obstructed by paratransit vehicles (ambulettes) serving the nearby hospital. The TLC anticipates removing the 70th Street stand. The LaGuardia Airport stand has not received any ridership. This may be because taxis are plentiful at this airport taxi stand (thus taxi shortages would not be driving passengers to share taxis), or because passengers exiting a flight prefer privacy and time to make phone calls or unwind over the cost savings of a shared ride. The TLC believes there still may be demand for this service at LaGuardia,

and is considering re-locating the stand to another terminal. The most successful stand is at the Port Authority Bus Terminal. Overall demand for taxis at this location is high, and passengers can save both time and money by joining the shorter line for the group ride stand. TLC plans to continue operating this stand.

In June 2010, budget pressures led the MTA to discontinue service on several bus lines. To test whether private, unsubsidized group ride vans could help maintain mobility in affected areas, the TLC created the Group Ride Vehicle (GRV) Pilot Program. The program created GRV stops in areas formerly served by MTA buses and competitively selected five private van operators to serve them. GRVs offered a \$2 ride from a GRV stop to any destination within a set service area. They began operating in mid-September 2010.

While there is some need for service in these areas, ridership in GRVs was low. After three months of the program, only one operator had enough ridership to maintain its viability as a continuing operation. One reason for low ridership was that, in the three-month period between the service cuts and the implementation of the GRV program, many former MTA bus passengers had already found alternative transportation options. Low ridership may also be attributable to insufficient marketing, inconsistent service by operators, or low demand (many discontinued MTA routes had low ridership). The TLC continues to evaluate the program, and is soliciting replacement operators for those no longer operating. The TLC is also considering piloting GRVs in additional service areas.

Livery Stand Pilot Program

In 2010, the TLC Livery Stand Pilot Program was developed to allow for “on demand” livery service at major transportation hubs and retail centers throughout the five boroughs. In September 2010, the TLC launched a livery stand at the Staten Island Ferry Terminal that has been a great success, providing 300 legal, licensed rides a day to commuters.

With special focus on areas of the City outside the Manhattan central business district, the TLC plans to work further with retail centers and commercial partners including Kings Plaza Mall, Gateway Center, IKEA, Queens Center Mall and the Greater Jamaica Development Corporation to create stands where customers and the community will have access to safe and reliable on-demand service.

TLC Rules Revision Project

In 2010, the TLC completed its project to redraft the existing agency rules into plainer, clearer language in order to assist our licensees in complying with them. TLC Commissioners approved the complete new set of rules in late 2010. The new rulebook is scheduled for implementation in mid-2011 and the agency will engage in outreach to stakeholders and the public to make them aware of changes.

Accessible Taxicab Dispatch

The year 2010 saw the culmination of a two-year pilot program that tested the demand and service delivery aspects of a Wheelchair Accessible Taxicab Dispatch that allowed wheelchair users to request a medallion taxicab by calling 311. The dispatch program was designed to maximize the availability of the existing 240 (now 232) roll-in accessible medallion taxicabs, which otherwise would only be available via street hail. The TLC has completed and publicly released a report that explores the lessons learned from this pilot, which concluded last summer, as well as the For-Hire Vehicle industry’s compliance with TLC rule 6-07(f), which is our mandate to the For-Hire Vehicle industry that it provide the same service to wheelchair users as it does to non-wheelchair users. In the report, we recommend the creation of a central dispatch for all wheelchair-accessible vehicles that addresses the shortcomings of the TLC’s previous accessibility policies. A public hearing on the report and its

recommendations was held in December 2010. Subsequent to the hearing, the TLC released a Request for Information (RFI) that asks how we should design and operate a wheelchair-accessible dispatch facility. We anticipate responses no later than January 31, 2011.

Customer Service Week

From October 4-8, 2010, the TLC celebrated Customer Service Week throughout the agency as a reflection of a citywide initiative to recognize the people whose job it is to provide quality customer service in government. The theme of the week was “Doing More with Less.” Commissioner David Yassky and senior staff took the opportunity to thank staff for their customer service efforts through contests, prizes and acknowledgement ceremonies. Joan Carter, a Medallion Licensing Specialist from TLC’s Licensing and Standards Division, was named as TLC’s recipient of the Mayor’s Office *Citywide Excellence in Customer Service Award* for her outstanding record in providing customer service.

Cash Cab Welcomed Back for Another Season

In 2010, the TLC’s Legal Division prepared and entered into a memorandum of understanding with Lion Television, authorizing a sixth season of the wildly-popular Discovery Channel show *Cash Cab*, hosted by Emmy Award-winning comedian Ben Bailey.

You The Man!

Once again, the TLC has partnered with the NYC Department of Transportation, CIROC Vodka and E! Entertainment to encourage holiday revelers to make use of the thousands of “designated drivers” of the TLC’s regulated industries. Both smart phone and Web applications assisted people in finding licensed, professional for-hire vehicle services, and 2,000 specially-coded pre-paid \$25 debit cards good for taxicab rides were distributed in various communities throughout the city.

Taxicabs to Assist Access-A-Ride Passengers

In late 2010, the TLC helped to facilitate the launch of a pilot program that would allow an initial 400 Access-A-Ride users in Manhattan who do not require wheelchairs to use pre-paid debit cards to hail medallion taxicabs instead of using Access-A-Ride vans.

The program is expected to reduce the MTA’s per trip cost for Access-A-Ride trips by nearly 70 percent and improve service for Access-A-Ride users. Access-A-Ride is the MTA’s program to provide transportation for people with disabilities, who are unable to use public bus or subway service, with 24-hour, door-to-door service. The program currently uses fully accessible vans for most users, with an average cost to the MTA of \$49 per trip. Pilot program taxicab rides are expected to cost the MTA an average of \$15 per trip.



David Yassky
Commissioner

MEMORANDUM

TO: New York City Council

FROM: David Yassky, Commissioner

DATE: April 27, 2011

RE: Addendum to 2010 Annual Report

Summary

This is an addendum to the New York City Taxi and Limousine Commission's 2010 Annual Report submitted to the City Council on January 14, 2011. In accordance with Council requirements, the addendum details data and trends regarding yellow-taxi overcharge complaints and summonses; yellow-taxi service refusal inquiries, complaints, and summonses; EZ-Pass violation summonses; illegal street-hail summonses; and unlicensed-operation summonses.

Data included in this report reflects inquiries, statistics, and complaints filed with the agency between March 2010 and March 2011. Yellow-taxi overcharge complaints were not tracked by the Taxi and Limousine Commission (TLC) until July 2010; therefore, data reflects complaints filed from July 2010 to March 2011.

Yellow-Taxi Overcharges

TLC rules prohibit yellow-cab drivers from charging any amount higher than the metered-fare, giving a passenger incorrect change, or requesting a tip. When this occurs, passengers are encouraged to contact 311 and file a complaint. The agency tracks both complaints from consumers and the number of summonses issued to licensees for overcharging.

As noted above, the TLC did not begin tracking overcharge complaints until July 2010. From July 2010 to March 2011, the TLC received an average of 307 overcharge complaints each month. Complaints peaked in October 2010, when the agency recorded 363 complaints. Since this peak, overcharge complaints have mostly been steady, around 270 per month.

After filing a complaint with the City, the TLC issues a summons to the licensee. Licensees can, and oftentimes do, challenge the summons at a hearing. In these hearings, the agency is dependent on passenger (acting as the TLC's witness) testimony for the charge to be substantiated. Those summons issued due to passenger complaints are tracked by the TLC. From March 2010 to March 2011, an average of 187 (excluding August 2010) summonses were issued for overcharge-related offenses.

In the summer of 2010, the TLC, using TPEP data, identified a widespread overcharge scheme. A significant number of drivers were charging passengers the out-of-City rate (Rate Code 4) for City trips. Most of these summonses were issued in August 2010,



when the agency issued over 1,600 overcharge summonses. The city has issued criminal charges against some of the more extreme cases.

Yellow-Taxi Service Refusals

TLC rules require yellow taxis to provide passengers with a ride to any destination in the five boroughs of New York City and locations in Westchester or Nassau counties. The agency has worked to raise passenger awareness and encourage reporting of service refusals.

A passenger may contact the TLC or 311 regarding a licensee-related concern but not file a formal complaint. These passenger-contacts are considered "inquiries." The inquiring passenger then has the option to have the TLC pursue the issue further, becoming a witness to the TLC's case, at which point the inquiry becomes a formal complaint. To better monitor how TLC efforts are affecting service refusals, the agency has recorded the number of inquiries and complaints received regarding service refusals in addition to summonses issued for refusals.

So far the results have been positive. Passenger inquiries began to rise at the end of 2010 and have continued to increase in the first few months of 2011. The agency received, on average, 492 refusal-related inquiries each month between March 2010 and March 2011. Inquiries spiked in July 2010 (741 inquiries) and most recently in March 2011 (823 inquiries).

Formal complaints have not increased as dramatically. From March 2010 to March 2011, TLC received an average of 371 refusal-related complaints each month. Complaints rose in late 2010, to a high of 463 in October, and after receding in January 2011, a record 509 complaints were filed in March 2011.

EZ-Pass Violations

Yellow-cab drivers are required by TLC rules to use EZ-Pass for all tolls during trips, and the EZ-Pass savings are passed onto passengers. Using TPEP data, the agency has identified a significant amount of noncompliance with this rule. TPEP records indicate when a passenger is charged the cash, non EZ-Pass, rate, and in these cases, the TLC issues a summons to the driver. This enforcement was not possible before TPEP, but it is now easily enforced using automatically-collected data.

Increased enforcement has yielded a change in behavior. An average of 41 summonses was issued each month between March 2010 and March 2011. However, unlike many other trends, the number of EZ-Pass-related summonses peaked in May 2010 and has since declined - only four were issued in March 2011.

Illegal Street-Hails

Since the inception of the modern-day medallion system, only medallion (yellow) taxicabs are permitted to pick up street-hail fares on New York City streets. However, illegal street-hails have been a persistent and recently increasing problem, especially outside of Manhattan. The agency has recently increased and targeted enforcement to reduce this problem.

From March 2010 to March 2011, TLC enforcement issued an average of 341 summonses per month. Due to increased and more-focused enforcement, the agency issued 1,178 summonses in March 2011 alone.

Unlicensed Operation

In addition to monitoring and enforcing rules for licensees, the agency also enforces against unlicensed vehicles and/or drivers operating for hire. This activity is unsafe for passengers and competes unfairly with licensed, legitimate service.



TLC enforcement issued approximately 330 summonses for unlicensed operation each month between March 2010 and March 2011. Enforcement was mostly uniform over the twelve months, and the most summonses were issued in October 2010 (465 summonses).