

**Press Release
For Immediate Release**

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NYC TAXI AND LIMOUSINE COMMISSION APPROVES HYBRID INCENTIVE PLAN

The New York City Taxi and Limousine Commission (TLC) today voted to approve a package of lease cap modifications that will provide significant incentives for the purchase and operation of clean-air vehicles as New York City Taxicabs. The incentives were among several initiatives to increase the use of clean-air taxicabs that were announced by Mayor Michael R. Bloomberg last November.

The purpose of the incentive program is to encourage fleet owners to purchase cleaner and more fuel efficient vehicles, while holding drivers harmless for the vehicle purchase decision of fleet owners. The program will allow fleet owners to increase the lease cap fee charged to drivers in clean-air vehicles by \$3 per shift, which will offset the increased cost of purchasing a hybrid or similarly clean-fuel vehicle. The driver, while paying the increased lease cap fee, will still see significant savings due to the reduced fuel costs, which he or she pays. Taxicab drivers in fuel efficient vehicles achieve an average fuel savings of at least \$15 per shift, potentially adding up to as much as \$5,000 a year. The incentive will generate approximately \$2,000 per year, per clean vehicle, for fleet owners.

The TLC regulates "lease caps," the maximum amount a fleet or taxi owner may charge a driver for the use of a taxicab or medallion license.

"It is good public policy to incentivize the purchase of vehicles that will help us to clean our environment," said TLC Commissioner Matthew W. Daus, "while equalizing the playing field for drivers who have no say in the kinds of vehicles they drive, and how big a role fuel costs play in their income. With more than 15% of the city's taxi fleet already clean-fueled, this was the right thing to do, and it was the right time to do it."

To further incentivize the use of cleaner, more efficient taxicabs, the new leasing regulations decrease the lease cap fee an owner can charge a driver by \$4 per shift (decreasing in \$4 increments to a maximum of \$12 after two years) if the vehicle is a Crown Victoria or another non-fuel efficient vehicle. The decrease would cost fleet owners approximately \$2,830, per vehicle, during the first year, \$5,660 starting the second year, and max at approximately \$8,500 per vehicle, per year, at the start of the third year. The new lease caps, which will go into effect in approximately 30 days, will affect all taxicabs that are leased out for shift work, with the exception of wheelchair accessible vehicles.

Current lease caps allow fleets to charge a range of between \$105 (for all day shifts) and a \$129 (for weekend night shifts).