

NEW YORK CITY TAXI AND LIMOUSINE COMMISSION

Notice of Public Hearing Relative to Fares and Lease Caps

The Taxi and Limousine Commission (“TLC”) will hold a public hearing on the rates of fare and the maximum lease rates for taxicabs, known as “lease caps,” as required biennially by section 52-04(b) of the TLC rules. Regarding the rates of fare and whether such rates of fare should be changed, the TLC requests comments, testimony and evidence regarding gross revenues, net return, expenses of operation, return upon capital, and other matters specified in Section 2304(c) of the New York City Charter. Regarding lease caps, the TLC requests comments, testimony and evidence as to operating expenses, driver earnings, the retention of experienced drivers in the taxi industry, and other matters relevant to the setting of lease caps.

The TLC also seeks the submission of evidence relating to the contribution, if any, the current lease cap system (i.e., daily caps, tiered system based on vehicle type, shift hours) has on business operations, including how these factors affect the availability of taxicabs during the evening rush hour period (4PM to 6PM). Any statistical data, studies, or surveys would be of specific interest to the TLC.

A non-exclusive list of specific, detailed questions for which the TLC seeks input is attached to this notice.

A public hearing will be held by the TLC at its offices at 33 Beaver St., 19th Floor, New York, New York 10004 on April 2, 2015, at 10:00 a.m. for the purpose of allowing the TLC to hear testimony and receive evidence regarding both matters. Persons wishing to testify at the hearing may notify the TLC in advance, either in writing or by telephone to the TLC’s Office of Legal Affairs at the contact information given below. Any request for a sign language interpreter or other form of reasonable accommodation for a disability at the hearing must be submitted to the Office of Legal Affairs in writing, by telephone, or by TTY/TDD no later than March 30, 2015.

Written comments in connection with this topic should be submitted to the Office of Legal Affairs and must be received no later than April 2, 2015 to:

Christopher Wilson
Deputy Commissioner for Legal Affairs/General Counsel
Taxi and Limousine Commission
33 Beaver St., 22nd Floor
New York, New York 10004
Telephone: 212-676-1135
Fax: 212-676-1102
Email: tlcrules@tlc.nyc.gov

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Questions for the April 2, 2015, Public Hearing on Lease Caps

The TLC seeks input on the following list of questions related to maximum lease rates for taxicabs; this list is not intended to be exhaustive or exclusive, and the TLC welcomes input on other matters relevant to lease caps.

For Fleet Operations:

We seek information on fleet operations, including estimates of the average cost of operating a fleet of taxicabs. In assessing the costs, we seek input on the following questions. Please provide concrete data, including actual cost data for individual fleets, to the greatest extent possible:

1. What is the purchase price of each vehicle? Specify make and model.
2. What are the costs associated with collision insurance and repairs?
3. What is the cost of routine vehicle maintenance?
4. What are the administrative costs related to dispatching drivers?
5. What is the cost associated with maintaining standby vehicles?
6. What are the costs associated with administering payments from TPEP providers?
7. What is the utilization rate of fleet vehicles? Which shifts are most heavily utilized?
8. When does your garage start and end shifts currently? If you offer staggered shifts, please specify.
9. Do you offer leases outside of the typical 12-hour AM/PM shifts (i.e., leases covering shorter time periods)?
10. Do you offer different lease prices for certain model vehicles?
11. Do you offer different lease prices for older model vehicles?
12. What effect, if any, should extended vehicle retirement schedules have on the lease amount charged?
13. Do you require drivers to return to your garage at the end of their shift?

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For DOV Operations:

We seek information on DOV leasing operations, including estimates of the costs of providing such services.

1. Do DOV lessors typically assist lessees in purchasing and financing vehicles and, if so, what is the cost of providing this service?
2. Do DOV lessors typically provide collision insurance and/or vehicle repairs and, if so, what is the cost of providing this service?
3. Do DOV lessors typically provide routine vehicle maintenance and, if so, what is the cost of providing this service?
4. Do DOV lessors typically administer payments from TPEP providers and, if so, what is the cost of providing this service?
5. For all-in (medallion and vehicle) leases, do you typically assign the title of the vehicle to the lessee after three years, or is it done after the vehicle retires?
6. For all-in (medallion and vehicle) leases, does a driver automatically transition to a medallion-only lease, with an option to continue for up to the remainder of the vehicle's assigned retirement schedule?
7. What portion of your leases are for the medallion only versus all-in (medallion and vehicle) leases?
8. What effect, if any, should extended vehicle retirement schedules have on the lease amount charged?

For Fleet & DOV Drivers:

We seek information on drivers looking to lease daily or weekly through a fleet garage, or long term through an agent.

1. What is your preferred way to lease a taxicab, and why?
2. For fleet drivers, does your garage charge you a flat rate for twelve hours, or can you work a certain number of hours and only pay for that time worked?
3. For fleet drivers, how are you refunded for time when the vehicle is out of service during a leased shift?
4. For DOV drivers, what financial or operational barriers, if any, prevent you from entering a medallion-only lease with a DOV agent?

If you have any questions concerning the above list of questions, please contact the Office of Legal Affairs at 212-676-1135 or tlcrules@tlc.nyc.gov.