

**Testimony of William Heinzen, Acting Commissioner, and Dianna Pennetti, Deputy
Commissioner of the Uniformed Services Bureau
New York City Taxi and Limousine Commission (TLC)
New York City Council
Transportation Committee
Oversight Hearing on New York City's Traditional Livery and Black Car Sectors**

November 18, 2019

Good afternoon, Chair Rodriguez and members of the Transportation Committee. I am Bill Heinzen, the Acting Commissioner for the New York City Taxi and Limousine Commission. With me today is Dianna Pennetti, TLC's Deputy Commissioner for the Uniformed Services Bureau, which includes the Safety and Emissions Inspection Division, and the Enforcement Division. Thank you for inviting me to join you today for this oversight hearing on New York City's traditional livery and black car sectors. I would like to give some brief remarks today.

The Taxi and Limousine Commission regulates over 130,000 vehicles, of which 118,000 are licensed as For Hire Vehicles. Within the FHV sector, approximately 26,000 vehicles are affiliated with one of the approximately 390 traditional livery bases or one of the approximately 400 non-app black car bases. Based on trip data collected by the City, we estimate that traditional black car and livery bases dispatch over 50,000 trips per day. Livery and black car bases have historically played an important role providing for-hire transportation to New Yorkers, especially in neighborhoods underserved by both public transportation and yellow taxis. Livery bases have offered their clients reliable, neighborhood-based for-hire service, provided by drivers and base owners from their communities. These passengers may not speak English or have access to a credit card, and livery services can reduce barriers to mobility in immigrant and lower income communities. For their part, black car bases have traditionally built a loyal base of

passengers ranging from those looking for premium for-hire-service to corporate account work for businesses like banks and law firms.

All of the long-standing segments of TLC-regulated industries have been impacted by the onset of the app-based car services, now known as the High Volume For-Hire Services and subject to new enhanced licensing requirements. Not only do the apps provide trips in Manhattan and at the City airports, areas traditionally served by yellow taxis, they also work with large corporate clients and in communities that previously relied on livery service. For people who prefer to book a trip by phone call or to pay in cash, liveries continue to fill this need, but the influx of tens of thousands of new drivers and vehicles who work for the apps has altered New York City's for-hire transportation landscape for drivers and bases alike.

Although the City missed the opportunity to cap the number of for-hire vehicles in 2015, when the apps began to provide a large number of trips, the City was able to collect and analyze a large amount of trip and fare data generated by the apps, and last year the Mayor and City Council worked together to enact a cap on vehicle licenses last year and granted TLC the authority we previously lacked to begin addressing the effects of four years of uncontrolled growth. These impacts have included significant additional congestion and damage to air quality, as well as lower driver pay. Many of these new regulations only apply to app-based services, with taxis and traditional livery and black car services exempt. These additional app-based requirements include greatly-enhanced trip data reporting, providing New York City with greater insight into the trips provided by the apps, driver pay protection rules with enhanced driver pay data reporting requirements, and limitations on the amount of time that vehicles working with apps are allowed to spend cruising empty in the most congested part of Manhattan,

below 96th Street. These data-based regulations have been major wins for the City, our drivers, and the companies looking for a fair chance to compete against the new app-based services.

The changes to the industry did not occur overnight, and it will take time to see the full impact of these recent changes in our regulation, but for the first time since 2014, the number of for-hire vehicles has slightly declined. Additionally, the two largest app companies stopped accepting new drivers last Spring, creating opportunities to attract additional drivers in the taxi and traditional livery and black car sectors.

While the TLC worked to develop the new regulatory responses to the influx of app-based services, the agency has also worked to support the traditional sectors we regulate. Together with Councilmembers and driver advocates, we have worked to address challenges facing livery and black car drivers. A wide range of TLC employees meet regularly with representatives of the industry, including drivers and businesses and drivers. We have greatly increased our industry outreach in the past three years, allowing us to meet with more and more drivers. We regularly hold TLC in Your Borough events across the City to meet drivers in their neighborhoods and provide help addressing drivers' issues. This includes understanding licensing requirements, speaking to a prosecutor about a summons, and sharing information about policy changes and connecting drivers to available no-cost City resources, such as financial counseling. Staff from Licensing and Prosecution divisions work with drivers and bases to resolve these complaints where possible, often offering settlements and reduced fines. In addition to calls to 311 and our Call Center, we also field dozens of questions, complaints and requests from elected officials' offices each week. At Chair Rodriguez's invite, we recently took part in his Washington Heights Constituent Night, where we met with several dozen drivers, and we will continue to attend those events, including this Wednesday evening.

Although we as a City have taken great strides to address the challenges and struggles facing many of our licensees, work still remains. Working together, the Council, the Mayor and TLC have enacted groundbreaking policies to respond to changes in for-hire service, changes felt not only in New York City but in cities across the globe. As we implement and evaluate these policies, I know that there may be disagreements. These conversations may not always be easy, and the solutions can be complex, but we welcome the opportunity to continue collaborating with you to address those continuing challenges and we think this hearing is another important step. Thank you.