Taxi & Limousine Commission

Testimony of Chair and Commissioner David Do
New York City Taxi and Limousine Commission
Before the City Council Committee on Transportation and Infrastructure
February 10, 2025
Oversight – TLC: The Status of the Yellow Cab Industry

Good morning, Chair Brooks-Powers and members of the Committee on Transportation and Infrastructure. I am David Do, Chair and Commissioner of the New York City Taxi and Limousine Commission. I am here today with General Counsel Sherryl Eluto and Deputy Commissioner for Operations, People, and Innovation Evan Hines. Thank you for the invitation to provide an update on the city's taxi industry and start a dialogue on the set of bills on the agenda. As the oversight topic of this hearing is the taxi industry—following the oversight hearing held by this Committee in September, which concentrated on for-hire vehicles and commuter vans—I will focus my testimony on yellow cabs.

In recent months, yellow taxis have reported about 3.7 million trips each month. This represents a steady increase from previous post-pandemic months. In fact, the 3.8 million trips completed in October 2024 were the highest since early 2020. Taxi trips overall are at about 50-55% of pre-pandemic levels. Even before 2020, taxi trips were on the decline, with 11-13 million trips completed each month in 2015 and 6-8 million completed each month in 2019. So, while the longer trend in taxi trips has been one of significant decline, there are hopeful signs in the recent trip increases.

Similar positive trends are evident in other taxi-related data, including the numbers of drivers and vehicles on the road each month. Working drivers, working vehicles, and vehicles not in storage have been on a consistent rise, all hitting post-pandemic highs in recent months. For example, 9,768 taxis completed a trip in December of 2024, which is the highest number of active taxis since the 11,315 that completed a trip in March of 2020. Industry revenue is also on the rise, with hourly and monthly gross revenue for taxi drivers even exceeding 2019 levels thanks to the taxi fare increase TLC adopted in 2022. Industry farebox revenue is now consistently at about $3 million per day, up over 40% from before the fare increase. In sum, while there are fewer trips than in 2019, there are also fewer drivers and vehicles, and each trip has more revenue potential, so on average those who are working are earning more than they did in 2019.

While it is still far too early to make any assessment on the impact of congestion pricing on the taxi industry, the early data is hopeful, with taxi trips up about 10% in the first week it was in effect compared to the same week in 2024, which is consistent with the general upward trend of taxi trips before congestion pricing went into effect. As we continue to monitor the data, we may see that some people are choosing to take taxis rather than use their personal vehicles in the central business district, reduced congestion allows taxis to complete more trips in shorter times, the general increase in taxi trips is strong enough to overcome the impact of the small additional surcharge, or, most likely, some combination of all these factors. TLC will continue to analyze the impact of congestion pricing on the taxi industry and all our licensed industries as more data accumulates, and we will continue to show that data—and all the data I've mentioned today—on the TLC Factbook so the public can monitor the industry trends and impacts for themselves.

Perhaps the most impactful recent issue for the taxi industry has been wheelchair accessibility. As ordered by the federal district court, TLC adopted rules requiring all new taxis to be wheelchair accessible. This has a major impact on the finances of both the taxi industry and the TLC's Taxi Improvement Fund (TIF), which uses a one-dollar passenger surcharge to subsidize accessible vehicle conversions and accessibility programs. As more taxis become wheelchair accessible—which is of course a good thing—TLC has to make difficult decisions about how to allocate limited TIF money most efficiently and effectively to improve WAV service and make sure we meet the court-imposed deadlines for 50% of the taxi fleet to be accessible. We will continue to work with stakeholders from the taxi industry and the disability community to determine how we can increase accessibility while ensuring the continued economic viability of the industry.

This brings us to the bills on the agenda, and I will start with **Intro 193.** This bill would require all taxis and for-hire vehicles to display a decal warning passengers to look for cyclists when opening the door, with the decals being provided by TLC at no cost to vehicle owners. As a Vision Zero agency, the safety of all road users is TLC's top priority. For example, last year TLC launched our new Driver License Renewal Course, which includes Vision Zero material and simulations; in 2024 TLC issued 17,993 violations to TLC-licensed drivers for illegal parking, stopping, or standing, including for blocking a bike lane; and just last week we proposed new rules that would increase the penalty for these violations under TLC's Persistent Violator Program to better deter this behavior in the future. TLC has provided Vision Zero "look for cyclists" window decals to vehicle owners since 2012 and continues to do so at our Licensing and Inspection facilities and at outreach events. We also enlist industry stakeholders such as fleets and base owners to distribute the decals to their members on our behalf. We think this voluntary approach has worked well and has achieved widespread use of these decals without the enforcement measures that a requirement would entail. If the Council is interested in creating this new decal requirement, it may be worth considering a review of the numerous other required decals—required by state law, local law, and TLC rules—to avoid clutter, which runs the risk of passengers overlooking all the messages.

Intro 373 would allow taxi owners to extend their vehicle retirement dates during the COVID-19 state of emergency declared by the Governor. TLC understands the financial hardship that many drivers and vehicle owners sustained during the pandemic. TLC already has a process for vehicle retirement extensions and granted 3,775 during and in the aftermath of COVID from 2020 through 2023, granting 90% of extension applications over that period. Additionally, TLC recently amended its rules to eliminate the retirement schedules for wheelchair accessible vehicles in an effort to increase the number of WAVs on the road while also providing vehicle owners financial relief. As to the proposed bill, the COVID-19 state of emergency has long since lapsed, so it appears that this bill would no longer have the desired impact on retirement dates. More generally, because of the new WAV requirements discussed earlier, we have serious concerns that any retirement extensions for non-accessible vehicles would risk the taxi industry failing to meet the court-mandated accessibility thresholds discussed earlier. In other words, if a non-accessible vehicle is scheduled to be retired and replaced by an accessible vehicle, extending that vehicle's retirement would prevent a WAV from being put into service, reducing accessibility and causing TLC to run afoul of the federal court order. For these reasons, TLC opposes Intro 373.

Intro 676 would require TLC to conduct a study and issue a report on the costs and challenges of electrifying the TLC-licensed fleet. TLC's Green Rides Initiative, adopted in October 2023, requires high-volume for-hire services—currently Lyft and Uber—to dispatch 100% of their trips to electric or wheelchair-accessible vehicles by 2030, with annual benchmarks increasing until then. I'm proud to note that we are more than a year ahead of schedule on this effort: by the end of 2024, about 20% of trips were dispatched to EVs or WAVs, outpacing the 15% required in 2025. But I recognize that we have a long way to go, as a city and as a country, in electrifying the transportation sector, especially when it comes to charging infrastructure. An all-of-government approach, along with private investment, is needed to ensure that infrastructure keeps up with demand.

To help inform our public- and private-sector partners, TLC has recently published two electrification reports, the first in 2022 called *Charged Up!* and the latest called *Electrification in Motion* released in September 2024, with the most recent report developed after Intro 676 was introduced and with a deliberate eye towards many of the questions that this bill would direct TLC to address. *Electrification in Motion* analyzes data generated by the fleet of more than 10,000 EVs now performing trips and documents the rapid expansion of charging investments since the Green Rides Initiative launched. As discussed in the report, Green Rides is already having its desired effect of spurring new charging infrastructure, including more than 200 new fast-charger stalls from Tesla and Revel, a DOT fast charging site in the Bronx, and an upcoming dramatic expansion of DOT's curbside Level 2 network in neighborhoods where TLC drivers live. As documented in the report, while not an infrastructure provider, TLC has worked closely with public- and private-sector partners, including other city agencies, Con Edison, the Port Authority, and companies like Tesla and Revel. We will continue to advise them on how best to ensure that charging infrastructure keeps pace with TLC-licensed EVs, including by sharing data where appropriate, especially with other city agencies like DOT. To this end, alongside the report, we published a new interactive driver residence map that partners can use to inform their plans for new charging.

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We hope that the voluntary reports TLC has published, in addition to the EV metrics posted on our Factbook, tools like the interactive driver residence map, the analysis of EV infrastructure in our annual license review report, and the analysis of EV driver expenses in the expense report we recently commissioned address many of the concerns raised by Intro 676, but we would be happy to further discuss how TLC could be even more transparent about the EV landscape as it relates to TLC-licensed vehicles.

Lastly, **Intro 1050** would prohibit TLC from requiring licensed vehicles to have personal injury protection (also known as PIP or no-fault) coverage in an amount greater than state law, effectively reducing PIP coverage from $200,000 to $50,000. In the late 1990s, TLC adopted insurance requirements that exceed the minimum levels set by the state as part of a broader effort to address safety in the for-hire industry. In our view, these higher no-fault limits ensure that all road users—drivers, passengers, pedestrians, and cyclists—are quickly and adequately compensated in the event of an injury-causing crash, especially when the injuries are significant or involve claims by multiple people. Additionally, we think the higher coverage is appropriate for TLC-licensed vehicles, which are largely used as full-time for-hire vehicles by professional drivers, as compared to other locations in New York and elsewhere in the U.S. where drivers are more likely to be part-time. While we understand that the intent of the bill is to lower insurance premiums for drivers and we support this goal, it is not clear that driver premiums will actually go down, as reduced coverage doesn't necessarily mean reduced premiums. In other words, we are concerned that the savings resulting from this bill may be kept by insurance companies rather than passed on to drivers, while needed coverage for road users is reduced. We welcome further discussion of this issue with the Council and stakeholders to ensure that any changes benefit drivers and all New Yorkers.

Thank you again for inviting me to provide an update on the taxi industry and offer the Administration's position on the proposed bills. We look forward to continuing to work with you to ensure that the taxi industry, and all TLC-licensed industries, can continue to provide safe, accessible, and sustainable service for New Yorkers and visitors. I am now happy to answer any questions you may have.