

2 NYC TAXI AND  
3 LIMOUSINE COMMISSION

4

5 THURSDAY, MARCH 22, 2012

6 COMMENCING AT 9:30 A.M.

7

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9 MEETING AGENDA:

10 PUBLIC HEARING, STENOGRAPHIC  
ON PROPOSED STREET TRANSCRIPT OF  
11 HAIL RULES PROCEEDINGS

12 - - - - -

13 B E F O R E:

14 DAVID YASSKY, CHAIRMAN

15 MEERA JOSHI, GENERAL COUNSEL

16 COMMISSIONERS:

17 NORA CONSTANCE MARINO

18 LAUVIENSKA POLANCO

19 EDWARD GONZALES

20 IRIS WEINSHALL - Absent

21 ELIAS AROUT

22 FRANK CARONE - Absent

23 MARK GJONAJ

24 LASHANN DEARCY

25 Job No. NJ36332

2 A P P E A R A N C E S:

3

4 NEW YORK CITY TAXI AND LIMOUSINE COMMISSION  
BY: Allan J. Fromberg  
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7

8 PRESENTATION:

9 COMMISSIONER CHHABRA

10 SPEAKERS:

11 CIRA ANGELES

12 RICHARD EMERY

13 FRED DRASNER

14 JOSE ALTAMIRANO

15 TAREK MALLAH

16 JENNY AHMED

17 FERNANDO GARCIA

18 MARK GOLDSTEIN - (Interpreter)

19 ETHAN GERBER

20 RICHARD THALER

21 TOM DOHERTY

22 FELIKS BOGONOVSKIY

23 ABDUL JABBAR AHMED

24 RICHARD KAY

25 VINCENT SAPONE

2 LLOYD TAYLOR  
3 ARTHUR GROVER  
4 JAMES GROSSO, JR.  
5 ERASMO TAVERAS  
6 CORTNEY HOGAN  
7 BHAIRAVI DESAI  
8 JOSE  
9 ABUBAKR MOHAMED  
10 BILL LANDAUER  
11 ASMAD CHAUDERY  
12 MOHAN SINGH  
13 PAVEL LOPEZ  
14 DAVID POLLACK  
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2 MR. SWITZER: Good morning, ladies and  
3 gentlemen. We will be getting started in a  
4 couple of minutes. If you would like to sign up  
5 to speak on the five borough taxi rules, please  
6 go to the sign-up sheet in the front on the  
7 podium. If you need additional seating, there is  
8 seating in the overflow room. Thank you.

9 (A break is taken at this time.)

10 >> MR. SWITZER: Good morning. There is  
11 seating in the overflow room, if you go out to  
12 the hallway and make a right and someone will  
13 direct you into the room. Thank you. Good  
14 morning.

15 As a reminder, if you would like to sign up  
16 to speak during the public hearing, please do so  
17 by going to the sign-up sheet in the front.  
18 There is additional seating in the overflow room.  
19 Please go to the hallway and make a right. Thank  
20 you.

21 >> MR. CHAIRMAN: First of all, good  
22 morning. Thank you very much for joining us  
23 today. I note that we are beginning the hearing  
24 of this commission meeting at 9:30. I was told  
25 I was supposed to note the time. Can we round up

2 to the nearest five, 9:34 in the morning. Today  
3 I'm joined by Commissioners Marino, Polanco,  
4 Gonzalez, DeArcy and Arout and the  
5 public. I note that both Commissioners Carone  
6 and Weinshall will not be joining us. They had  
7 last minute work emergencies. I've spoken or  
8 e-mailed each of them and they are very, very  
9 focused on this. They will get a full report of  
10 all the testimony here today.

11 We know that this is an issue of great  
12 importance and I can assure you you that all nine  
13 commissioners are quite interested in this and  
14 quite focused. Commissioner Weinshall and Carone  
15 will not be here today. They will get a full  
16 report.

17 Before we get going with our main business  
18 today, a few items to note. First of all, some  
19 excellent news for the commission and the public.  
20 As you know one of our ongoing efforts has been  
21 to ensure full accessibility to the taxi and  
22 livery industry for people in wheelchairs. This  
23 is a policy goal of top importance for this  
24 administration, for this commission.

25 At the same time, there has been litigation

2 that is -- I never think litigation is the best  
3 way to solve the problem and, particularly, when  
4 government is involved.

5 I think it is the elected representatives of  
6 the people have that to bear responsibility for  
7 crucial policy decisions. So I was very pleased  
8 that yesterday a U.S. Court of Appeals for the  
9 Second Circuit lifted an injunction that had been  
10 in place that really would have narrowed the  
11 flexibility of the agency to pursue this greatly  
12 important policy goal I think unacceptably.

13 So that is very good news for us and I think  
14 it gives us the flexibility and the freedom to  
15 move forward, to pursue not only the goal of  
16 accessibility but the other goals of the agency  
17 as well and that is very good news.

18 I want to congratulate Mr. Joseph Mermelstein,  
19 age 88, on the occasion of his retirement from  
20 the taxi industry. Mr. Mermelstein is a master  
21 taxi cab driver who owns his own medallion and  
22 has given this city and this industry a half  
23 century of service. Drivers join the profession  
24 and leave the profession. We don't know each and  
25 every one but this is kind of a big deal, someone

2 who has driven for over 50 years, and every  
3 indication that he has just been as good a taxi  
4 driver as you could ask for. So I want to wish  
5 him, on behalf of the Commission, very well on  
6 his retirement.

7 Also, many of you maybe have seen an article  
8 in the New York Times on Tuesday which  
9 highlighted the superb work of our enforcement  
10 division. I want it give them a particular shout  
11 out.

12 Deputy commission Ray Scanlon and his team  
13 at U.S.B had stepped up to the challenge. It is  
14 relevant to the topic today.

15 We start talking about the five borough taxi  
16 idea, I think we acknowledged that it would make  
17 enforcement demands that were already large even  
18 larger, and that we, as a Commission, would have  
19 to step up to that challenge.

20 We have done that in many ways. We have  
21 staffed up, doubled at this point, the number of  
22 inspectors we have out in the field giving them  
23 better technology; that we are getting hand-held  
24 devices that should be in in the next few months  
25 out in the field and giving them clear direction

2 that we have zero tolerance for poaching.  
3 Absolutely zero tolerance for drivers and  
4 vehicles that are not licensed, acting like taxi  
5 cabs, and the way I think you do that is not to  
6 just say it but do it.

7 And Ray and his folks have really moved  
8 enormously far in that direction, handing out now  
9 an average of over 1600 poaching summonses a  
10 month for the last several months compared to 400  
11 a year ago, seizing twice as many cars. That was  
12 what was highlighted in the Times, to the point  
13 where we have not only exhausted pound space  
14 available to us, we are using the parking lot at  
15 Woodside to store towed vehicles. We want to  
16 make use of every single resource at our disposal  
17 to enable even more seizures.

18 We have put out an RFP and I would ask  
19 somebody, Ray, tell me is it out on the street  
20 yet? No. Next week. Next week we will go out  
21 on the street for representatives for proposals  
22 for storage capacity. We are looking for a  
23 partner, a business partner to help us by taking  
24 cars that we seize and storing them.

25 I would ask all industry stakeholders who



2 are interested in this vigorous enforcement if  
3 you could help us find that partner so much the  
4 better. So that is very good news.

5 We also put out another RFP last week for  
6 looking for a smart phone application to enable  
7 taxi passengers to pay via their smart phone,  
8 trying to keep the industry in the very cutting  
9 edge of technology.

10 Finally, I want to thank, I'm shifting on  
11 topics, I want to thank the New York Daily News  
12 not just for their efforts every day for  
13 information and entertainment but specifically  
14 for the coverage of the danger associated with  
15 not buckling up in the back seat of the taxi  
16 cabs.

17 As you know, no doubt, because you have been  
18 listening to the PSAs, more than 60 percent of  
19 taxi passengers do not use their seat belts. To  
20 be clear, as you also know, taxi drivers are safe  
21 drivers.

22 The average vehicle in New York is in an  
23 accident every 150,000 miles. For a taxi it is  
24 220,000. So every 150,000 for a regular car,  
25 every 220,000 for a taxi. That's an impressive

2 safety record. Still, when there is an accident,  
3 the passenger is not buckled up, they are at a  
4 much greater risk.

5 So I would -- we try to tackle this with  
6 public service announcements. The drivers in the  
7 audience may have heard once or twice, and I  
8 suggest to the drivers that this is something you  
9 can also help with, when a passenger gets into  
10 the car, politely, not to be a nuisance, but  
11 politely suggest you mind as well buckle up. It  
12 is always safer.

13 So with that, let us move to the business at  
14 hand. First of all, we have minutes to adopt.  
15 Commissioners, you have before you the minutes of  
16 the March 1, 2012 commission meeting. I move  
17 that we adopt those minutes. All in favor say  
18 aye.

19 (The Board says aye.)

20 CHAIRMAN YASSKY: Opposed? No. Minutes  
21 adopted. We have some base applications. Do I  
22 see Director Tormey?

23 >> MR. TORMEY: Good morning. My name is  
24 Chris Tormey, director of applicant licensing.  
25 We have 12 bases for approval this month.

2 >> MR. CHAIRMAN: I move the recommendation  
3 of licensing be adopted and those bases be  
4 approved. All in favor say aye.

5 (The board says aye.)

6 MR. CHAIRMAN: Opposed? No. Thank you very  
7 much, Chris.

8 Finally, our only additional item of  
9 business today is a public hearing on the rules  
10 that we have published for borough taxi service,  
11 street-hail livery service.

12 We will start with a presentation by Deputy  
13 Commissioner Chhabra. As he comes forward, I  
14 will just say commissioners and public, as you  
15 know, I regard this as the most significant  
16 opportunity that we have to improve the City's  
17 public transit network.

18 This industry is already moving 1.2 million  
19 people a day, is an integral part of the City's  
20 transit network, supplementing the buses and the  
21 subways, and as good as it is, the reality is  
22 that there are too classes of service.

23 There's Manhattan, or Midtown and downtown  
24 Manhattan, and then there is everywhere else, and  
25 everywhere else now does not, which is 80 percent

2 of the City, has no, in fact, access to legal  
3 taxi service. Yes, it is legal for yellows but I  
4 don't want to take up your time.

5 Deputy Commissioner, that means that we have  
6 a tremendous opportunity here. We have a state  
7 law, a mandate really that now directs that  
8 liveries be given the ability to accept  
9 street-hailed passengers. Our task now is to  
10 adopt rules that flush out that state law.

11 I want to say right at the outset, I know  
12 many stakeholders here. We understand that this  
13 is a significant change in the industry. My  
14 belief and my hope is that the bulk of the  
15 industry sees it as change for the good.

16 I understand that there are people who do  
17 not, who see it as change that they are concerned  
18 about, and since it is a big change, then the  
19 magnitude of that concern I understand is  
20 commensurately big.

21 And I do want to assure you that we are here  
22 today, and over the next period of weeks leading  
23 to adoption of the rule, to hear those concerns,  
24 to address whatever concerns there are about how  
25 this is being implemented that we can and that we

2 think makes sense. We do want to do it in a way  
3 that the industry feels will be, will work for  
4 everybody, and I think that is achievable and I  
5 hope that can get to that outcome.

6 So, Deputy, please make your presentation  
7 and then, again, today for the members of the  
8 public, there is no vote today. This is the  
9 opportunity for public hearing and comment. The  
10 commissioners then will digest those comments.  
11 We will vote. The vote is scheduled for April.  
12 We will publish an exact date as soon as we get  
13 that schedule but Deputy Commissioner.

14 >> MR. CHHABRA: Thank you, Commissioner  
15 Yassky.

16 >> MS. MARINO: I want to mention that  
17 Commissioner Gjonaj entered.

18 >> MR. CHAIRMAN: Thank you. We have been  
19 joined by Commissioner Mark Gjonaj.

20 >> MR. CHHABRA: Thank you for the  
21 introduction. I will now be able to limit my  
22 presentation to one hour and 57 minutes down from  
23 the previously planned two hours.

24 My name is Ashwini Chhabra and I'm the  
25 deputy commissioner for policy and planning at

2 the TLC, and today I will review briefly the  
3 background and basis for the five borough taxi  
4 plan and present a synopsis of the recently  
5 proposed TLC rules to create this service.

6 As you and every New Yorker know, yellow  
7 taxi service is limited to Manhattan's central  
8 business district, below 96th Street and the  
9 airports. This map shows taxi pickups over the  
10 course of a typical day.

11 As you can see, while there are some trips  
12 in Queens and Brooklyn, the map illustrates that  
13 overwhelmingly trips are Manhattan and the  
14 airports, nearly 95 percent of the total trips in  
15 any given day.

16 Clearly, if you are looking for a ride on  
17 the street today, you will only find legal  
18 options in the Manhattan CBD or the airports.

19 While legal regulated service as offered by  
20 yellow taxis is only available in certain parts  
21 of the city, we know that New Yorkers in all five  
22 boroughs want on-demand street-hail service.  
23 This map shows just that. TLC staff in terms of  
24 street-hail in many locations outside of the  
25 Manhattan CBD found that this demand was being

2 met in large numbers although illegal by livery  
3 vehicles.

4 While this is illegal under today's rule, it  
5 is still the best option for many residents to  
6 get home from the train station, carry groceries  
7 back from the supermarket or take their children  
8 to school.

9 In some locations, the TLC observed more  
10 than one trip per minute, a level of demand  
11 matching that on some of Manhattan's busiest  
12 days.

13 Today much of the demand for street-hail  
14 service outside of the Manhattan central business  
15 district is met by liveries operating beyond  
16 their license or wholly unlicensed and wholly  
17 illegal vehicles.

18 These options don't have many of the  
19 passenger convenience and safeguards offered and  
20 expected in the City's iconic yellow cabs,  
21 including a metered fare, rigorously screened  
22 drivers and frequently inspected vehicles and  
23 customer service vehicles such as credit card  
24 payment capability.

25 This also forces many licensed livery

2 drivers to routinely break our rules to make a  
3 living and puts business districts outside of  
4 Midtown and downtown Manhattan at a competitive  
5 disadvantage.

6       Legislation passed by the state legislature  
7 and signed by the governor introduces a new class  
8 of vehicle and service for the New York City  
9 street-hail liveries. These vehicles will be  
10 permitted to pick up passengers on the street  
11 outside the Manhattan business district and  
12 airports.

13       The Commission may issue up to 18,000 new  
14 livery permits. Each permit allows the owner to  
15 place one vehicle into service with the exception  
16 for wheelchair accessible vehicles which allows  
17 ownership up to five permits. Licenses last for  
18 three years; they are renewable and can be  
19 transferred.

20       As outlined in the legislation, the new  
21 permits will be issued in three one-year periods.  
22 During each year, the TLC may issue up to 6,000  
23 licenses. Prices for these permits are also set  
24 in the legislation. Permits will cost \$1500 each  
25 in year one, 3,000 in year two and 4500 in the



2 third year.

3       Additionally, bases wishing to affiliate  
4 these new vehicles will be required to have a new  
5 permit as well. Each base license will cost  
6 \$3,000, will be valid for three years and will be  
7 renewable and nontransferable. 450 of these  
8 licenses may be issued by the Commission.

9       Finally, it is important to note,  
10 participation in this new service is completely  
11 voluntary. Drivers and bases that do not want to  
12 provide street-hail service can continue to  
13 operate as they do today and offer prearranged  
14 service throughout the City.

15       This map summarizes how street-hail liveries  
16 will operate. No pickups either street-hail or  
17 prearranged will be allowed in the Manhattan  
18 Business Central District, the solid yellow area.  
19 Only prearranged pickups will be permitted at JFK  
20 and LaGuardia Airports, the hatched area, and  
21 street-hailed liveries can provide prearranged or  
22 street-hail service in the areas colored green,  
23 Brooklyn; the Bronx, Queens, Staten Island and  
24 Northern Manhattan.

25       Street-hail livery drivers will also need to

2 meet a new set of requirements. Each vehicle  
3 will need to have a taxi meter installed for use  
4 on all street-hailed trips and similar to the  
5 TPEP systems in today's yellow cabs that allows  
6 passengers to pay by credit or debit card and  
7 provides GPS information to the Commission.

8 To make these cars identifiable to  
9 passengers, all street-hail liveries will be  
10 painted a uniform color and have similar markings  
11 and a roof light that will signal its  
12 availability.

13 The street-hail livery program will also  
14 expand service for wheelchair users throughout  
15 the City. 20 percent of the vehicle permits  
16 issued will be restricted for use with the  
17 wheelchair accessible vehicle. These accessible  
18 permits will be sold at the same time as  
19 nonaccessible permits and the Commission must  
20 sell 200 accessible permits for every 1,000  
21 permits issued.

22 The TLC will provide assistance for riders  
23 with accessible permits. Grants of up to \$1500  
24 will be available to defray additional costs  
25 associated with wheelchair accessibility and,

2 additionally, purchases may qualify for \$10,000  
3 state tax credit when purchasing a  
4 wheelchair-accessible vehicle. Rather than being  
5 limited to one permit at any time, the applicants  
6 that buy accessible permits may buy up to five at  
7 a time.

8 As I mentioned earlier, the TLC can issue up  
9 to 450 nontransferable three-year permits to  
10 bases. These bases will affiliate street-hail  
11 liveries and ensure that vehicles comply with the  
12 proposed service rules. Additionally, bases will  
13 collect the 50 cents MTA tax on hailed trips from  
14 drivers and remit it to the state.

15 A driver of the street-hail livery will need  
16 to be a currently licensed FHV driver,  
17 paratransit driver or a yellow taxi driver. FHV  
18 drivers will be permitted to operate street-hail  
19 liveries for up to the next four years with their  
20 current license.

21 By 2016 all street-hail livery vehicle  
22 drivers will need to have a hack license.

23 Finally, service requirements related to  
24 service refusal, customer service and so forth  
25 for drivers will be very similar to those for

2 yellow taxi drivers today.

3 Street hail-liveries will also have a  
4 technology system installed similar to TPEP and  
5 yellow taxis today. While the current TPEP  
6 vendors are governed by contracts with the TLC,  
7 technology providers for street-hail liveries  
8 will be licensed directly by the Commission.

9 This will enable us to add new vendors at  
10 any time and will foster competition. Like  
11 yellow cabs, the technology system will include a  
12 driver information monitor, passenger information  
13 monitor, optional, credit card reader and GPS.

14 The requirements for licensure closely  
15 mirror the current contract requirements. A key  
16 part of the five borough taxi plan is  
17 enforcement.

18 Our enforcement staff's efforts focus on  
19 three main goals: to protect the value of yellow  
20 taxi medallions, to protect the value of new  
21 street-hail livery licenses and to protect  
22 licensed prearranged livery business.

23 To achieve these goals, we will be  
24 aggressively enforcing against illegal  
25 street-hail livery pick ups at the Manhattan CBD

2 and airports, against livery picking up  
3 passengers off the street and against wholly  
4 unlicensed operators.

5 We will use new tools and resources for  
6 these efforts. New technology, LPEP, in the  
7 street-hail liveries will allow us to issue  
8 administrative summonses for illegal street-hails  
9 and other violations with less people power and  
10 new officers will mean more field and enforcement  
11 capability to better deter unauthorized  
12 activities.

13 Finally, bases will share in these  
14 responsibilities. Bases will be held responsible  
15 for illegal pickups made by their affiliated  
16 vehicles.

17 So where do we go from here? We will hear  
18 public testimony following our presentation today  
19 and we encourage participation today so the  
20 Commission can consider all comments.

21 A third forum for base drivers and members  
22 of the public will be held Monday, April 2nd, at  
23 Lincoln Hospital and, finally, another public  
24 hearing and the Commission vote will happen in  
25 three weeks on April 19th at Brooklyn Borough

2 Hall.

3 Thank you for your attention and now we will  
4 hear testimony on the proposed rules.

5 >> MR. CHAIRMAN: Thank you, Commissioner.

6 First we will hear from Cira Angeles  
7 representing the livery base owners coalition.  
8 Then next Richard Emery, Metropolitan Taxi Board  
9 of Trade, and after that Fred Drasner.

10 I note, let me just say, before you start,  
11 that there are already several people signed up  
12 to speak. I'll ask a couple of things.

13 One, if you are here and you intend to  
14 speak, please do sign up with someone. Maybe  
15 just raise your hand and someone from the TLC  
16 staff -- so we know what to expect and, also, if  
17 there are multiple people representing an  
18 organization, I would ask you, everyone has the  
19 right to speak, I would ask you to consider maybe  
20 joining together rather than have three  
21 successive people and I'll try to tell you who  
22 are the next two or three as we go so you can be  
23 prepared. Miss Angeles.

24 MS. ANGELES: Cira Angeles, general  
25 secretary of the livery base owners. We

2 represent the membership of 128 bases with over  
3 9,732 affiliated licensed TLC vehicles. The  
4 livery base owners have been in the forefront in  
5 supporting the needed five borough street-hailed  
6 plan, a much needed service to the community we  
7 serve.

8 MR. CHAIRMAN: I know often times we rush.  
9 We will give flexibility. Don't feel you have to  
10 rush everything in. We are not going to be here  
11 for days and days. Rather speak audibly.

12 MS. MARINO: We really want to hear what you  
13 say.

14 MS. ANGELES: We want to thank Commissioner  
15 Yassky and the staff for working with us to help  
16 resolve these issues and for carefully  
17 considering our suggestions as to how bases can  
18 demonstrate it is compliant with the rules and,  
19 also, for your outreach efforts.

20 To the industry at large, we would like to  
21 bring to your attention some of the concerns that  
22 should be addressed and that we believe will  
23 compliment the new rules and help compliance with  
24 a much needed enforcement. Please note that we  
25 submitted testimony to the Commission already.

2 First of all, we are very concerned about  
3 the base liabilities, eight summons, guilty plea  
4 versus hearing.

5 While this might sound like a pretrial  
6 settlement, settlements often carry a  
7 nonadmission of guilt component to them and at  
8 least downsizing of the offense, the proposed  
9 pretrial settlement does not offer any of those.

10 The impact on bases and drivers, we know  
11 many of our drivers are intimidated when  
12 presented with the option of pleading guilty  
13 before a hearing and accept the lower fine. The  
14 vast majority of our drivers are immigrant and of  
15 the lower economic class and would rather pay a  
16 lower fine as directed and that immediately  
17 impacts on their income.

18 If a driver accepts such an arrangement to  
19 save money, even though they have a valid or  
20 generally accepted explanation, then the base is  
21 equally found guilty without a chance to defend  
22 or explain themselves.

23 Base affiliation or disaffiliation protocol  
24 is very critical for us to really set something  
25 that can allow the base to actually identify the



2 vehicle that is affiliated properly or not, and  
3 given proper notice base transferability is also  
4 a concern because we have no ability to transfer  
5 or to sell or to leave to our kids, as my parents  
6 did to me, the ability to transfer that permit.

7       The point system on drivers suspension and  
8 revocation has a direct impact to the base  
9 license. The permit renewal fees, we still do  
10 not know how that will impact our drivers when it  
11 comes to the time that they have to remove their  
12 permits.

13       Equipment for prearrangement, to properly  
14 monitor driver's behavior in an exclusionary zone  
15 is very important for us to monitor as an  
16 enforcement key component of this whole thing.

17       The cost associated also with credit card  
18 transactions is also a concern to us and our  
19 responsibility in collecting the MTA tax. That  
20 liability itself should be easy for our base  
21 owners to have a system that allows them to  
22 identify where the vehicle is, the street-hail  
23 vehicle that now has a dual usage and, also, the  
24 prearranged finance and access to account  
25 liability to purchase these street hail permits.

2 A lot of people are talking about providing  
3 finance but we also have a concern because they  
4 cannot borrow against the permit itself.

5 Workers compensation, currently our industry  
6 is provided for by the livery fund. This  
7 coverage is totally inadequate. Only  
8 catastrophic injuries, loss of a limb, paraplegia  
9 or quadriplegia and total and permanent blindness  
10 or deafness and injuries caused by crime are  
11 covered and only for those injuries caused in the  
12 course of a prearranged call.

13 In practice, the livery fund coverage means  
14 that only job injuries for livery drivers  
15 generally result in claims under their no-fault  
16 system rather than workers compensation claims.

17 The inadequacy of the livery fund coverage  
18 also means that the premiums are expensive, \$260  
19 per vehicle per year. Even at that level, the  
20 livery fund collected \$5.3 million in premiums  
21 from livery bases in 2010, the first year of  
22 operation, and paid out only \$580,000 in  
23 benefits. A closer look at the livery fund is  
24 needed to see if it can adopt to the new law and  
25 be transformed to something else that addresses

2 the analysis of the industry.

3 In conclusion, we are pleased that the five  
4 borough street-hail plan is near completed and  
5 want to work with the TLC in developing rules  
6 which protect the riding public but do not  
7 adversely affect the economic viability of our  
8 base ands drivers. Thank you.

9 >> MR. CHAIRMAN: Thank you very much.

10 The next speaker is Richard Emery from  
11 MTBOT. Let me also note we have been joined now  
12 by my predecessor here, Matt Dawes, a very, very  
13 distinguished guest. Thank you, Commissioner,  
14 for joining us today.

15 And, Commissioners, we have, in case, for  
16 example, Miss Angeles who submitted written  
17 testimony, we will just collect that. I know you  
18 have it here. We will collect it as well and we  
19 will send you a packet after today's meeting with  
20 any alternate testimonies who have that.

21 In addition, as you know, the staff has been  
22 compiling a list of the concerns that have been  
23 raised. It can be a working document for us.

24 I just want you to be assured whatever  
25 issues are raised in the written testimony or

2 spoken today will be added to that list. I'm  
3 sure a lot of things will be raised today, so if  
4 you are feeling I'm losing track of the issues  
5 that have been raised, we will get you in a week  
6 or two from today a list that includes any of the  
7 issues that have been raised today prior to the  
8 communication of TLC or before today of the  
9 hearing in writing.

10 Thank you, Mr. Emery, and I'll also note  
11 that the papers that you have submitted we  
12 thought in the accessibility case were superb and  
13 I'm sure resulted, in part, were responsible for  
14 that order.

15 MR. EMERY: We will see where the whole thing  
16 comes out but we are hopeful with you to get the  
17 right result.

18 Today I'm here, Richard Emery, on behalf of  
19 the Metropolitan Board of Trade.

20 I'm proud to be here on behalf of this  
21 organization, which is a fundamental component of  
22 the Public policy debate and, of course, many  
23 interests that are represented in the taxi  
24 industry and the public transportation industry,  
25 if you will.

2           We have some prepared remarks, which are  
3 distributed to you. We have them here for  
4 everybody and I'm going to basically follow them,  
5 but I'm going to deviate a little bit, if I may,  
6 because I think it will be helpful to really talk  
7 to this Commission as opposed to read what will  
8 be submitted to you in writing.

9           And I want to start with the proposition  
10 that I really think that relations between many  
11 aspects of the industry and certainly MTBOT and  
12 this Commission have been much too adversarial  
13 over the past several years.

14           Sherry Askey and I and others at MTBOT have  
15 been talking regularly in the effort to try and  
16 bridge a lot of the gaps that have been occurring  
17 in litigation and in policy debate over the past  
18 many years, and we really think, and honestly so,  
19 that there is much common ground here, more  
20 common ground than there is differences between  
21 what this Commission, what this administration  
22 wants to do and what the public policy interests  
23 and economic interests of MTBOT and other  
24 components of the taxi industry are.

25           So those common interests, those interests

2 are what I want to emphasize throughout and our  
3 differences, which are substantial with respect  
4 to these rules and which will be explained in  
5 great detail in much more extensive testimony or  
6 commentary, if you will, written commentary,  
7 submitted on March 30th, well beyond what I'm  
8 about to say here today, our understanding that  
9 there has been an adversarial nature in some  
10 sense, but the idea is to be truly constructive  
11 and truly find the common ground, which, I'm  
12 afraid that the new law has in some sense  
13 disrupted.

14       The new law, which, as you know, was created  
15 in Albany. It was created with an end run around  
16 the City Council. City Council had a new role in  
17 the new law which is remarkable because there is  
18 nothing that has happened in the taxi industry  
19 over the last many, many decades that has not  
20 happened without the City Council imprimatur.

21       So we will start with the proposition that  
22 this has occurred without abiding by the spirit  
23 of home rule in the interest of New York City  
24 where senators and assembly people from Buffalo  
25 and Syracuse have as much say about what happens

2 on the street of New York City as we do, as you  
3 do and as the City Council does and as the  
4 citizens of New York City do.

5 So we are concerned about this because it  
6 starts out in a very different vein than many of  
7 the reforms of the past, and this reform, of  
8 course, is much more expensive, much more  
9 fundamental than anything that we have seen over  
10 many, many decades. So, in fact, it ends up that  
11 it dissolves to this Commission to try and  
12 translate what Albany has now said to us is the  
13 law of the state and to make that make sense on  
14 the streets of New York City.

15 This Commission has a lot of power in its  
16 rules and regulations to, even within the  
17 confines of this law, which has a lot of problems  
18 with it, in our view, make sense of it, to try  
19 and really translate it so that it works.

20 And there are two fundamental points which I  
21 want to address today with respect to what this  
22 Commission can do to make that law much more  
23 reasonable and workable in New York City, but  
24 there are going to be many more in the comments  
25 we submit on the 30th and I know you are in a

2 rush.

3 I know you want comments as soon as possible  
4 but we want to do these carefully and thoroughly  
5 and constructively, so I would urge you to  
6 consider these comments which will come in about  
7 a week.

8 So specifically what I want to talk about  
9 today quickly is the failure to ensure  
10 enforcement against the illegal daily poaching of  
11 taxi fares. I know Mr. Chhabra has addressed  
12 that to some degree and I know and I want to  
13 compliment him; that's the first thing.

14 Second thing I want to talk about is the  
15 authorizing of taxi drivers and how that is going  
16 to undermine the yellow medallion industry, the  
17 authorizing of these hailed drivers and taxi  
18 drivers to become hail drivers, but let's take  
19 the first thing first.

20 What is the TLC doing to protect medallion  
21 owners and taxi drivers from having their fares  
22 continuously poached by for-hire drivers? There  
23 is no question, and I want to compliment  
24 Commissioner Scanlin at the outset and this  
25 Commission for making a huge effort at the



2 enforcement process. There is no question that  
3 enforcement is getting much better and that this  
4 Commission and the administration is doing a  
5 great deal to improve the poaching problem, but  
6 there are fundamental questions about the  
7 poaching problem that can be improved much more  
8 with only a hundred or slightly more than 100  
9 enforcement officers.

10       It is a drop in the bucket of a problem  
11 where you have 50,000 for-hire drivers, many of  
12 whom, or some substantial component of whom,  
13 violate the law and pick up street fares  
14 undermining the medallion and undermining the  
15 yellow processes.

16       To those who will be added, all of the  
17 18,000 and the 2,000, 18,000 more for livery  
18 drivers who will have every incentive to violate  
19 the rules regrettably under this law and under  
20 the regulations as currently constituted.

21       What we want to say is, as a practical  
22 matter, that under the current situation where  
23 you only as effectively, only in reality, seize  
24 vehicles that have the straight plates, that do  
25 not have the TLC plates, the TC plates, that that

2 situation has to change because you must be able  
3 to and you must, in fact, to make this effective,  
4 seize the for-hire vehicles with the TC plates in  
5 order to create the deterred effect.

6 With such a small enforcement group, the  
7 only effective way that law enforcement can work,  
8 as many of you probably know and understand, is  
9 to create a very serious deterrent.

10 If you had a huge enforcement group, then  
11 you could go out there and fine and do the things  
12 that you might do that are less draconian than  
13 seizing vehicles. But with a very small  
14 enforcement group, the only way you are going to  
15 affect behavior of drivers is by taking away  
16 their cars, and that isn't going to really make a  
17 difference if it is only the TC, TLC plates that  
18 you are taking away. Excuse me. If it is the  
19 only the straight plates that you are seizing  
20 vehicles for.

21 You are going to have to seize vehicles,  
22 yes. Yes, they have a right to a hearing quickly  
23 and a right to due process, but you have to  
24 initially seize the vehicles to take away their  
25 livelihood under the fine structure that you now

2 have, which you have not done and you are not  
3 doing, as I understand it, under these regs and  
4 the current initiatives for the TLC vehicles.

5 In fact, the fine structure is such that it  
6 makes perfect economic sense for these drivers to  
7 go out and accept the fines and to go forward  
8 with the problem, at least on a number of  
9 occasions, especially under the current  
10 enforcement scheme.

11 And the straight drivers actually have fines  
12 that are less under the administrative code and  
13 the state law, and I'm not sure how much this  
14 Commission can do about that, because that is  
15 written into law elsewhere, except go to the City  
16 Council and change the administrative code but  
17 the current situation is, in fact, simply  
18 unacceptable in terms of enforcement unless you  
19 are able to take away, forfeit, not forfeit,  
20 seize the cars of the TLC with the TLC plates and  
21 not simply fine them.

22 The simple fact is that evading these  
23 enforcement efforts with so few enforcement  
24 people on the street compared to the problem is  
25 going to be the fundamental problem, and that is

2 going to make the yellow cab industry devalued.

3       It is going to take away, as you've already  
4 taken away many aspects of its exclusive right to  
5 pick up hail service, it is going to dilute the  
6 hail service along with the two thousand more  
7 medallions and the 18,000 out of borough livery.  
8 It is going to dilute the yellow cab and the  
9 medallion to such a degree that it is going to  
10 threaten the financial viability and the reality  
11 of that industry in fundamental ways that this  
12 Commission cannot afford to allow.

13       So that enforcement becomes the primary  
14 effective enforcement, enforcement with  
15 deterrents becomes the primary mission of this  
16 Commission. So I would hope, and our comments  
17 will come more specifically on March 30th, that  
18 this Commission will focus on that reality.

19       The second point, and the last point I'm  
20 going to try to make, is that the TLC in these  
21 proposed regulations has compounded some of the  
22 fundamental problems by permits, current taxi  
23 drivers to drive, though not purchase, the new  
24 hail livery licenses or the driving of the  
25 proposed rule, which conflicts with both state

2 law and administrative code, in our view; and we  
3 will spell that out in more detail, threatens the  
4 livelihood of medallion openers, many of whom are  
5 individual owner/drivers and small businesses.

6 And that it is not only the yellow industry  
7 that is being asked to absorb an additional and  
8 unprecedented 2,000 new medallion taxi cabs, but  
9 the 18,000 new owners of a right previously  
10 limited to those medallion owners, the exclusive  
11 right to pick up the street hails.

12 So what you have here is the medallion  
13 owners being forced to compete with these new  
14 18,000 livery hail licensed owners to attract  
15 drivers.

16 And now if you take away the exclusivity of  
17 the drivers who now have hack licenses and only  
18 drive for the yellow cabs and you allow them to  
19 go drive with the 18,000 new liveries and you  
20 create the incentives to do so, you are forcing  
21 the yellow cabs to compete for drivers in a way  
22 with and, also, two thousand new medallions, that  
23 is going to substantially lower the  
24 attractiveness for the drivers to go in the  
25 livery industry is that these rates may be lower.

2           They don't have to have all the same  
3 drivers, in general, do not have to have all the  
4 same requirements. So you don't want to expand  
5 the pool by putting yellow cab drivers in that  
6 group and undermining the ability of the yellow  
7 cab medallion industry to attract drivers.

8           So the rules provide no answer to this  
9 problem and undermine the yellow cab industry by  
10 allowing their drivers to go elsewhere and not  
11 keeping the pool narrowed to the yellow cabs.

12           So we would urge you to focus on that point  
13 and, again, we will put the written matters, the  
14 written materials will focus on that as well.

15           The rules as currently constituted, the  
16 proposed regulations provide no answers and no  
17 guidance to how the new and existing taxi  
18 operators and drivers are supposed to really earn  
19 a living with their exclusive right to pick up  
20 street hails, which has long been protected, now  
21 being abolished or substantially constricted.

22           And we urge you to focus carefully and  
23 thoughtfully on who the pool of drivers are going  
24 to be in the yellow industry versus who the pool  
25 of drivers are going to be in the hail industry,

2 and where that, the rules as currently  
3 constituted, make sense, where they don't make  
4 sense.

5 Finally, overall, we urge you to vote down  
6 these rules in their current form. There is  
7 nothing in state law which mandates the passage  
8 of these or any other rules. There should be  
9 substantially new focus on these rules to figure  
10 out what the right way is to have this balance  
11 work; and, in that regard, I just want to say  
12 that in the spirit of cooperation with the  
13 industry, and especially with MTBOT, my clients,  
14 who are the most experienced on-the-ground people  
15 in this industry, I think it behooves this  
16 Commission, which, of course, has enormous  
17 experience in its own right, to figure out where  
18 these balances are going to practically make  
19 sense with respect to this huge new change of  
20 trying to provide hail service in a new way to  
21 the outer boroughs.

22 It probably has. It is a balloon if you  
23 press on one place it is going to bulge in a  
24 another and, quite frankly, I would argue to you  
25 that my clients at MTBOT have more sense of how

2 the balloon is going to bulge than anybody or  
3 even staff at this Commission. They have a  
4 longer and deeper knowledge of how the taxi  
5 industry works.

6 Yes, they have their own economic interest  
7 at heart, and nobody makes any bones about that,  
8 but they also have public policy at heart and  
9 they have the long term interests of the  
10 regulatory relationship between this Commission  
11 and their own industry very much at heart.

12 And so to ignore this group or any of the  
13 groups that are on the ground, to forge ahead  
14 without carefully thinking this business through  
15 and thinking where the balloon is going to bulge  
16 is not going to serve New York City, meet it in  
17 terms of taxi and in terms of transportation  
18 needs.

19 It is not going to serve this Commission  
20 because it will be patching its mistakes for the  
21 future in ways that we can't even contemplate,  
22 and it is not going to serve the long term  
23 industry interest unless we really figure out how  
24 to work together to make this system work, and I  
25 think engaging in top down assumptions about how



2 it should work is the mistake I would urge you to  
3 avoid and cooperate with this group, with MTBOT.

4 In particular, I can say because I know of  
5 their sophistication and their thoughtfulness and  
6 their good will and their interest in providing  
7 the right kind of taxi service to the City and  
8 with the other groups in the industry who, also,  
9 have this granular sense of what this industry,  
10 how it operates, how it should work and how it  
11 can best serve the public at large. Thank you  
12 very much, and, obviously, I will answer any  
13 questions.

14 >> MR. CHAIRMAN: Thank you very much and a  
15 couple of things. First of all, I would note for  
16 everybody, we really have respect for MTBOT and  
17 their leadership role in the industry. We turned  
18 the red light off and it was important to hear it  
19 fully.

20 I would still ask and I hope nobody accuses  
21 me of a double standard because we have at this  
22 point some 30 people signed up, I'm going to ask  
23 to keep your remarks to three minutes. We want  
24 to hearing everything. If we have to go to three  
25 minutes-and-a-half, we are not going to pull out

2 the hook but please do keep your remarks to the  
3 important points.

4 Just a couple of things, Commissioners,  
5 while Mr. Emery was testifying, Commissioner  
6 DeArcy asked me about the enforcement issues that  
7 were raised, the rationale for the policy we have  
8 on seizures. Rather than address issues as they  
9 are raised today, which I think would lengthen  
10 the hearing really beyond where it would be  
11 productive, my plan would be to hear all  
12 comments. We are going to be discussing this, as  
13 you know, over the coming weeks so we can process  
14 them altogether.

15 Enforcement is absolutely a critical, issue  
16 and we will put together a specific presentation  
17 for you commissioners on all the enforcement  
18 issues. I think it is worth the attention of the  
19 Commission, as a group, to understand the  
20 enforcement topic in a specific and undistracted  
21 way. I'm going to put that together for you.

22 Just on that point, I also want to make sure  
23 the record is clear. The point was raised about  
24 home rule and the role of the council. I do want  
25 to note for the record that the Black Latino and

2 Asian caucus of the City Council issued a formal  
3 letter in support of this bill, of the state  
4 bill.

5 The council as a whole did not take it up on  
6 their agenda. That is not up to us. That is up  
7 to the council and written the state legislature,  
8 of course, a strong majority of New York City  
9 members voted in favor. They voted both in the  
10 assembly and the Senate to be sure the assembly  
11 and the senate both contain members from outside  
12 New York City. But even putting their votes  
13 aside, the New York City members voted  
14 overwhelmingly in favor of this.

15 And I do also want to, Mr. Emery, assure you  
16 that the Commission, or at least I do, and I know  
17 the staff do, and I really believe I speak for  
18 all the commissioners, in sharing your belief  
19 that a productive and collaborative relationship  
20 with MTBOT, with all the industry stakeholders is  
21 -- I think we will serve the public less well if  
22 we are not able to achieve that. I truly believe  
23 that.

24 In that spirit, I would say we should not  
25 have, nor, I would respectfully say, should

2 anyone have an all or nothing approach. So I  
3 think it calls to vote down a bill or vote down a  
4 rule.

5 To me what we would really welcome would be  
6 specifics, here are the changes in this draft  
7 rule that need to be made to make it work better.  
8 I think that is most likely to result in a  
9 productive not only a working relationship but in  
10 the public interest going further. We welcome  
11 those suggestion and assure you that they will be  
12 treated with seriousness and respect.

13 MR. EMERY: You will have extensive  
14 suggestions in that spirit and in that regard on  
15 March 30th.

16 >> MR. CHAIRMAN: Thank you. Next we have  
17 Fred Drasner from vehicle production group to be  
18 followed by Jose Altamirano from the Livery Base  
19 Owners Coalition.

20 Let me just say, Mr. Drasner, I want to  
21 again thank you. As you know, the Commission  
22 approved for use as taxi cab the MV-1 that your  
23 company produces.

24 We are eagerly looking forward to seeing  
25 those deployed in the taxi fleet and we have not

2 as yet seen as many into Woodside to be hacked  
3 up. I hope it will be sooner rather than later  
4 that we do because we think that it holds great  
5 promise to have a vehicle that provides service  
6 to our wheelchair users passengers, in  
7 particular, at a much higher level than is  
8 currently available so we are going to say -- as  
9 far as the court reporter, that copies of the  
10 written remarks be given to him as well. We will  
11 do that.

12 MR. DRASNER: Thank very much for the kind  
13 remarks and I compliment you on this monumental  
14 task of changing taxi service in New York. It  
15 takes incredible fortitude to take this project  
16 on. I want to address a limited section of the  
17 regulation as it deals with accessible vehicles.

18 MS. MARINO: Can you identify from what group  
19 you are from, please.

20 MR. DRASNER: Fred Drasner. I'm the chairman  
21 of the Vehicle Production Group.

22 MS. MARINO: If every speaker could do that  
23 to be helpful, address who they are speaking for.  
24 It is very important.

25 >> MR. CHAIRMAN: I would ask at the outset,

2 folks, please just identify yourself, not just by  
3 name but if there is organizational affiliation  
4 and, also, because some of the organization names  
5 can kind of run together and reflect maybe, even  
6 if not wholly transparent, identifying a very  
7 brief description of that organization.

8 >> MS. MARINO: Thank you.

9 >> MR. CHAIRMAN: Not five paragraphs.

10 MR. DRASNER: The Vehicle Production Group.

11 >> MR. CHAIRMAN: None of that is out of  
12 Drasner's time.

13 MR. DRASNER: You can take that. The Vehicle  
14 Production Group is a new American automobile  
15 company and we manufacture the MV-1, which was a  
16 vehicle designed from the ground up to be  
17 wheelchair accessible. It was designed with the  
18 assistance of numerous fleet owners and a large  
19 number of representatives from the disabled  
20 community and the U.S. access board.

21 It meets all the requirements of the  
22 Americans with Disabilities Act. It is also the  
23 only vehicle that was crashed tested for  
24 occupancy safety and it meets all of those  
25 requirements. We are approved in all 50 states

2 and Canada. We have an annual production of  
3 68,000 vehicles. We have 1200 vehicles in  
4 service.

5 Fifty are in service in New York, the MTA;  
6 25 in gasoline and 25 in compressed natural gas,  
7 and we have had excellent performance from the  
8 vehicle.

9 The vehicle was designed for passenger  
10 comfort. It has strong body on frame  
11 construction, like the Crown Victoria, which was  
12 the taxi of choice for years, and is powered by  
13 the same Ford power train, the 4.6 liter V-8. It  
14 is fully crash tested and approved and we have an  
15 OEM power train in compressed natural gas.

16 The compressed natural gas differential is  
17 about two dollars a gallon, and if you drive  
18 60,000 miles a year, the vehicle pays for itself  
19 Without subsidy in about three years.

20 It is also designed to provide dignity for  
21 the wheelchair occupant. You enter from the side  
22 in a sturdy ramp twice the ADA load capacity,  
23 make a right turn. You ride shotgun, which is  
24 the preferred position from your high school  
25 days. That is the first thing you yelled out,

2 don't ride shotgun.

3 >> MR. CHAIRMAN: Many of us are not New  
4 Yorkers, from New York City. Not a lot of  
5 driving around for New York City.

6 MR. DRASNER: This is an outer borough  
7 initiative. The outer boroughs in Brooklyn -- I  
8 grew up Brooklyn, Coney Island and Far Rockaway.  
9 Before the subway came out you needed a car.

10 MR. CHAIRMAN: I stand corrected.

11 MR. DRASNER: Our new ramp deploys from both  
12 sides of the vehicle. So in an urban environment  
13 on a one-way street you can load from either side  
14 and equally accommodate for scooters, people on  
15 crutches and walkers. The vehicle allows  
16 passengers to maneuver easily and quickly as they  
17 position their wheelchair or scooter in place;  
18 and based on our considerable research of over  
19 1,000 individuals in the disability community,  
20 the right front seating position is the preferred  
21 position.

22 They don't like to be loaded like luggage in  
23 the rear of the vehicle. Rear entry vehicles  
24 have extreme difficulty and extreme danger  
25 associated with them.



2           On your mission statement it says you are  
3 providing safe transportation.

4           To require an individual in a wheelchair,  
5 particularly in mid block, to try to get off the  
6 curb -- in my hotel I'm staying at you couldn't  
7 load a re-entry vehicle in front of the hotel.  
8 You have to leave the sidewalk. Currently, the  
9 curb cuts are generally at the corner -- and  
10 enter the stream of traffic, you are exposing the  
11 driver to the danger of the traffic flow. You  
12 have exposed a wheelchair occupant to the dangers  
13 of the traffic flow and this is not a healthy  
14 situation.

15           Once in the vehicle, they are in a very  
16 uncomfortable riding position, on the rear axle  
17 and on display; and in the event of a rear end  
18 accident, you have a very, very high probability  
19 of severe injury and, also, severe damage to the  
20 wheelchair.

21           A deformation of that rear door would  
22 prevent the evacuation of the occupant. This  
23 vehicle has been banned from service in several  
24 jurisdictions.

25           The main advantage of these vehicles, as I'm

2 told, is it is inexpensive. It is less expensive  
3 than our vehicle and we understand the difficulty  
4 this Commission has in trying to encourage people  
5 to take the accessible permits. So for the  
6 introductory period of your permits, we will  
7 match the price paid for any rear entry vehicle  
8 over the past year.

9 MR. DRASNER: With the 15,000-dollar grant  
10 and the 10,000-dollar state tax credit this will  
11 bring the cost of our accessible vehicle in the  
12 range of 6 or \$7,000, and we hope this would  
13 encourage people to step up to the accessible  
14 window, purchase the accessible vehicle, relieve  
15 the pressure on you to get accessible medallions  
16 out there again my red light went off.

17 I would like to thank for the opportunity to  
18 be here today. I appreciate the issues you are  
19 struggling with, and we are here to help with  
20 that portion of the licensing problem for  
21 accessible vehicles with a safe, reliable vehicle  
22 and we are available at your convenience. And if  
23 you have any questions I would be happy to answer  
24 them.

25 >> MR. CHAIRMAN: Thank you very much. This

2 is somewhat a topic we haven't discussed a ton  
3 before. Thank you, Mr. Drasner.

4 The next is Jose Altamirano representing  
5 LBOC, and then we will hear from Tarek Mallah is  
6 here from Livery Round Table to be followed by  
7 Fernando Garcia from ASOTINY. Mr. Altamirano.

8 MR. ALTAMIRANO: Good morning. I would like  
9 to give thanks to the Commissioners of the New  
10 York City Taxi and Limousine Commission.

11 My name is Jose Altamirano and I am speaking  
12 as a member of the Livery Base Owners Association  
13 and owners of Barrios Car Service loading in East  
14 Harlem.

15 The livery base owners have been pushing  
16 vigorously for this five borough hail plan to  
17 become a reality. We appreciate all the work  
18 that Commissioner Yassky and his staff have done  
19 to draft regulations. However, after reading the  
20 proposed rules, I feel that our industry is still  
21 not being understood correctly.

22 The current draft base rules put all the  
23 liability and burden on the base owners to police  
24 the behavior of independent affiliated drivers.

25 These rules are being adopted from a yellow

2 car industry to ours in what seems to be almost  
3 verbatim except for a change of one word, from  
4 yellow to livery. Pour industry is very distinct  
5 from any other. Our drivers own their own  
6 vehicles and, in essence, work together instead  
7 of working for one another. We are not fleet  
8 owners. My drivers are not my employees. There  
9 is no ownership interest in any of the vehicles  
10 we dispatch. They are independent contractors.

11 As such, how can I, as a base owner, agree  
12 to rules that penalize me financially for  
13 infractions committed by drivers.

14 Certain rules here, 59B-13L fines a base  
15 \$1,000 for every vehicle that has not paid an MTA  
16 tax. Rule 59B-17(e) (2), a base can be fined  
17 \$1,000 for every affiliated street hail livery  
18 that does not have an EZ Pass.

19 59B-23(c), a base can be fined \$200 if a  
20 driver overcharges on a street hail trip.  
21 59B-23d, e and f each charge a base \$500  
22 respectively for a driver improperly accepting a  
23 passenger, for a driver accepting a hail in the  
24 exclusionary zone and for dispatching a call in  
25 the exclusionary zone.

2           The financial burden placed on a base is  
3 beyond measure, especially for larger bases.

4           When I took over my company from my parents  
5 at the age of 18, my dream was to have over 200  
6 cars affiliated. I then only had about 75.

7           After achieving this victory, I am now faced  
8 with a law that can cripple me in fines. We are  
9 not against taking responsibility but we are  
10 against taking responsibility for the actions of  
11 others.

12           After speaking with the base owners, the  
13 overall consensus between us is that the way the  
14 laws are currently written they only give us  
15 liability and fines but no protection. Even when  
16 it comes to base license transferability, we have  
17 been left out of the equation.

18           We can purchase the street-hail livery base  
19 license for \$1,000 a year but it cannot be  
20 transferred, should I ever decide to sell my  
21 base.

22           Furthermore, now that the street hail livery  
23 vehicles are permitted to pick up passengers via  
24 street hails, why are our bases still responsible  
25 for off-street parking? Off-street parking was

2 implemented so that our cars would have a place  
3 to wait while they are waiting for a prearranged  
4 call. This is no longer needed.

5 Another major concern for us is the five  
6 borough plan that -- how will the five borough  
7 plan affect our workers' compensation and we have  
8 heard no answers to our questions.

9 I am hear to ask for your support. This law  
10 will change a business model that we have made  
11 over many years.

12 While change is necessary, we, the base  
13 owners, are asking for fairness and due process.  
14 We want to know that you understand how our  
15 business model runs and that it is not the same  
16 as the yellow car business model. I would like  
17 to know that my business is secure and protected  
18 by the law, not persecuted by it.

19 MR. CHAIRMAN: Thank you. Commissioners,  
20 without going one by one, I would say that I  
21 think the issue that has been raised about what  
22 should the base be responsible for as opposed to  
23 the driver is definitely an important one and one  
24 where I think the proposed rules do need some  
25 change.

2           Just in response to the comments that we  
3   have heard prior to today even, from folks in the  
4   industry, I think we have to strike a balance.  
5   In other words, the base owner is not responsible  
6   for everything. The drivers running the  
7   liability should not be responsible for that,  
8   does have responsibility for some things but not  
9   just on the yellow medallion side.

10           Drivers overcharge a passenger, the fleet is  
11   not responsible for that. Some things the fleet  
12   is responsible for.

13           Commissioners, Mr. Altamirano and colleagues  
14   here, we have heard those comments.

15           We need to take another pass through these  
16   draft rules to not do it again in this all or  
17   nothing way and finally distinguish things that  
18   the base should be responsible for. Things that  
19   the driver should be responsible for. So I thank  
20   you for your comments.

21           The next speaker was Tarek Mallah from  
22   Livery Round Table followed by Fernando Garcia  
23   from ASOTINY and Ethan Gerber from the Greater  
24   New York City Taxi Association.

25           MR. MALLAH: Good morning, Mr. Chairman.

2 >> MR. CHAIRMAN: Please, written testimony  
3 just hand to the inspector here or, inspector, if  
4 they appear to have written testimony, please get  
5 that and make sure a copy goes to the court  
6 reporter.

7 MR. MALLAH: Good morning, Commissioners.  
8 Good morning colleagues and associations and all  
9 of us who are interested in keeping New York  
10 moving.

11 I just want to take a quick opportunity to  
12 acknowledge the fact of the previous meetings  
13 with the commission staff regarding submitting  
14 our notes, so they are aware of a lot of our  
15 concerns about the proposed laws, as well as  
16 rules, as well as the actual law.

17 I'm going to keep it very breach brief and,  
18 just for the sake of consolidating our statement,  
19 Jenny Ahmed will be continuing my speech but I'm  
20 only going to do a small introduction. We are  
21 not going to go beyond the time and, of course,  
22 you have the statistics in my presentation that  
23 would speak to the points we are trying to make.

24 Concerns regarding the proposed rules were  
25 provided by Livery Round Table in a meeting with



2 the Taxi and Limousine Commission.

3 As a general proposition, it is important to  
4 note that both these who oppose as well as  
5 advocate for the new state law are in opposition  
6 to the proposed new TLC rules.

7 For its part, the Livery Round Table  
8 strongly opposes the proposed rules for reasons  
9 that relate to the negative impact on the  
10 prearranged section on the for-hire-vehicle.

11 As a starting point, we believe that the  
12 rules include a direct and unjust attack on the  
13 prearranged only bases who coincidentally oppose  
14 the rules in New York. For this reason, some  
15 amongst us wonder if the TLC knew the proposed  
16 rules have a political taint to it.

17 I'm going to leave Jenny to go back through  
18 the rest again. Thank you for our time in  
19 listening to us.

20 MS. AHMED: Good morning, everyone. I'm  
21 Jenny Ahmed. I'm on the Livery Round Table and  
22 I'm also the president of the Asian Base Owners  
23 Association and the vice-president of the PV Car  
24 Limousine.

25 Mostly what I would like to address is the

2 proposed rule 59B-23(d)(3), which is, "A base  
3 owner is responsible and will be issued a summons  
4 if the driver improperly accepts a passenger."

5 My business had --

6 MS. MARINO: That section again, please.

7 MS. AHMED: 59B-23(D)(3). My business, we  
8 don't use independent operators. We phased them  
9 out. Our drivers are our employees. They pay  
10 taxes. They get benefits from my company. We  
11 are 100 percent green.

12 We just invested over three-and-a-half  
13 million dollars for 2012 for the PV-1 transit  
14 connects will all be handicapped accessible. We  
15 are creating over 200 jobs for New York. Our  
16 employees come from the unemployment line that  
17 have been unemployed for 27 weeks or more. We  
18 train them to get their TLC license. We give  
19 jobs for veterans coming back from active duties.

20 I would like to think we are trying to do  
21 something positive for the community; however, I,  
22 if I have a driver that decides in between calls  
23 he wants to do a street hail, I have the risk of  
24 not only incurring the fine but, also,  
25 potentially losing a vehicle that is an asset to

2 my base.

3 In addition to that, I would say about  
4 80 percent of my drivers are coming from the way  
5 that I just mentioned, my employees. I try to  
6 hire my drivers very, very responsibly. They go  
7 through an exhaustive background check. If I  
8 hire someone with an existing TLC license, they  
9 have zero points on their license. I won't hire  
10 anyone with points.

11 In addition to that, our cars are also  
12 equipped with the drive cam so I can see what's  
13 going on in every car and I can also see what's  
14 going on outside the car, just in case of an  
15 accident or something.

16 But other than putting someone from  
17 administration in every single car, I don't know  
18 how much more I can comply with this law to  
19 patrol my drivers.

20 So here I'm making a significant investment  
21 through over \$3 million this year and next week  
22 we are slighting for another 140 cars for 2013,  
23 which is going to create another 250 jobs for  
24 drivers, not counting dispatchers and  
25 administration, and I would like to know what the

2 Commission is going to do to protect me in my  
3 investment and that is all I have to say.

4 >> MS. DEARCY: You talked about the  
5 drivers, out of curiosity, because I don't know  
6 your business the way you do, if you had a driver  
7 that got repeated summonses for unlawful or  
8 improper pick ups outside the exclusionary zone,  
9 do you have a system in place where you would  
10 suspend that driver for working with you? I  
11 understand that they are not employees.

12 MS. AHMED: They are employees. Everyone is  
13 an employee. They all pay city, state.

14 MS. DEARCY: Do you have systems in place  
15 where you would penalize them for these  
16 infractions internally?

17 MS. AHMED: To be honest with you, every one  
18 of my drivers at this point in time nobody has  
19 any infractions.

20 MS. DEARCY: Assuming that they did.

21 MS. AHMED: They would not be working for my  
22 company. I have zero tolerance and I make them  
23 sign a statement the company cannot tolerate it.  
24 We have enough work. We don't need I think  
25 street pick ups. I have to do everything I can.

2 They have driver manifests so when they come in  
3 at work at 5 a.m. they know every call they are  
4 doing.

5 I'm sorry. Just for the other business  
6 model, that is, the Livery Round table represents  
7 the other percentage, your answer is absolutely  
8 zero. There is nothing we can do other than  
9 disaffiliating the driver, which keeps him still,  
10 which is the point that everybody is making,  
11 Which still keeps him licensed, allowed to drive  
12 by the TLC.

13 If we choose not to take him as an assigned  
14 risk, and you will see in my presentation, the  
15 list of 1800 or 1900 drivers, that they are  
16 disaffiliated from bases but are still driving on  
17 the streets causing havoc and not affiliated to  
18 any base.

19 Now, as an affiliate, we have over 500  
20 drivers in our base alone. All we can do is  
21 teach, warn and promote awareness because they  
22 are not employees and they own their own  
23 vehicles. And there is nothing we can do about  
24 them breaking a red light or taking in a street  
25 hailer or anything that is nonphysical with the

2 car or at the beginning of a shift or once a  
3 week. There is nothing we can do about it. We  
4 would love to.

5 MR. MALLAH: Again, as Jenny said, unless I  
6 can physically ride myself in 900 cars  
7 simultaneously, it is a physical impossibility.

8 >> MR. CHAIRMAN: Thank you and,  
9 Commissioners, I agree. Commissioner DeArcy  
10 didn't really express it but I think the burden  
11 of her question is, I agree with, that this is a  
12 tough one. There has been a practical reality of  
13 livery bases that do very little prearranged work  
14 and have served as a vehicle, if you will, for  
15 drivers to be affiliated, have the TLC plates and  
16 accept street hails in violation of our current  
17 rules. That has been a reality on the ground.

18 Going forward, once there is a mechanism  
19 where people who want to do that business do it  
20 legally and to affiliate with bases that say that  
21 is the business that they want to be in, maybe  
22 that practical reality will change and a penalty  
23 structure, kind of penalty mechanism like this  
24 would then be unnecessary.

25 I think that is something that I personally

2 am very open to and interested in discussing as a  
3 group, Commissioners, and seeing what we think is  
4 the right answer there.

5 On the one hand, I hear the point that says  
6 the base can't control what the driver does when  
7 they are out there.

8 On the other hand, we do not want to have  
9 rules that countenance or even encourage a base  
10 business model that is built on affiliated  
11 drivers paying fees to the base and then not  
12 playing by the rule themselves.

13 >> MS. DEARCY: I would be interested in  
14 hearing from you all, perhaps suggestions on how  
15 it is, if you put aside a penalty base model, how  
16 it is that you all could propose a rule that  
17 would give you a stake, a vested interest in the  
18 conduct of your drivers so that we could have  
19 some assurance that, in fact, you are not  
20 benefiting from the wrongful conduct of your  
21 drivers and encouraging it but, also, protecting  
22 your investment.

23 It seems to me that there must be some other  
24 alternative or mechanism that perhaps all of us  
25 intelligent people can come up with.

2 MS. AHMED: It does exist in the rules and  
3 regulations today a rule that forces a base to  
4 have a program in place where the base encourages  
5 dispatchers to, and in the laws today other than  
6 the street-hail, a driver must receive every  
7 single job they do from the dispatch base.

8 Having said that --

9 >> MS. DEARCY: That's no different. What  
10 I'm talking about.

11 MS. AHMED: Having said that, of the rules  
12 in the TLC today, the base must show proof, I'm  
13 not caught up with the 59, with the new chapters,  
14 it forces the base to have a proof of an existing  
15 program and disciplinary actions within, as far  
16 as they -- because, again, they are  
17 owner/operator.

18 >> MR. CHAIRMAN: It does have a required  
19 disciplinary action, at least on the face of it.  
20 We do have a rule that requires the base to have  
21 a policy against this. We have issued summonses  
22 and then the base shows up and says here's our  
23 written policy. I think that that probably needs  
24 some more teeth. These may be kind of razor  
25 sharp incisors that are more kind of Wolverinish



2 than they are appropriate.

3 But I think it does need more teeth and we  
4 should talked about what those teeth need to look  
5 at.

6 MS. AHMED: I apologize. The fact that it  
7 takes, you are holding the base responsible after  
8 reaching a certain number of points and that  
9 keeps drivers still licensed to drive that  
10 contradiction has to end.

11 So if you don't feel the driver should not  
12 be affiliated with, he should not be allowed to  
13 drive. Action should be coming from the  
14 Commission to revoke his driver license or  
15 suspend. If he is not good enough to drive for  
16 my business base, he should not be good enough to  
17 drive for any base.

18 >> MR. CHAIRMAN: That is a fair comment.  
19 On that 60-day period, the staff has been, I  
20 think, Commissioners, we ought to address that  
21 comment and that will be one of the things we add  
22 in the revised version.

23 MS. AHMED: And we will continue to work  
24 with the Commission to resolve these new rules as  
25 we get feedback from the commission that we have

2 not got yet, but once we do, we will continue to  
3 work with you.

4 >> MR. CHAIRMAN: 60 days I think is an  
5 excellent point. Fernando Garcia from ASOTINY,  
6 followed by Ethan Gerber from the Greater New  
7 York Taxi Association followed by Richard Thaler  
8 from OMN Gateway. Mark Goldstein is going to be  
9 interpreting for Fernando.

10 MR. GOLDSTEIN: I'm also a member of ASOTINY  
11 as well.

12 MS. MARINO: What was the group?

13 MR. GOLDSTEIN: ASOTINY.

14 >> MS. MARINO: Association of?

15 MR. GARCIA: New York Association of  
16 Independent Taxi Drivers.

17 >> MR. CHAIRMAN: Tell me if ifs fair to  
18 paraphrase, drivers of livery vehicles.

19 >> MS. JOSHI: Do you have prepared written  
20 testimony?

21 >> MR. CHAIRMAN: You don't have something  
22 you are distributing. So Mr. Garcia and  
23 Mr. Goldstein translates.

24 (Through the interpreter)

25 MR. GARCIA: Good afternoon to the entire

2 Commission, especially Commissioner Yassky.

3 Thank you for the feedback and the ability  
4 to hear our input with these new regulations and  
5 laws that are going to take effect.

6 We have various points we wanted to express  
7 here. We have been meeting with the Commission  
8 regularly and reviewing all of the points that  
9 are going to be effecting us particularly. Some  
10 things have been well received.

11 We have one major issue that is, I guess,  
12 the most important issue of what we are going to  
13 discuss. We are not in agreement that the costs  
14 of the renovation, cost of the license to  
15 renovate it or renew it every three years should  
16 be what it is under the current rules and  
17 regulations.

18 It doesn't make sense for a lot of the  
19 drivers to purchase the license when the renewal  
20 fee is going to be the same cost to purchase the  
21 license. We understand that the yellow cabs  
22 right now don't pay a renewal fee. They pay, if  
23 I understand correctly, they pay a tax every year  
24 and that a lot of the drivers, livery drivers,  
25 are saying that there is no point in making the

2 investment, the purchase, if they are going to  
3 have to pay that initial cost again every three  
4 years, but the renewal fee will be equal to the  
5 initial cost.

6 >> MR. CHAIRMAN: I don't want to interrupt.

7 The yellow medallion owners do pay, it is an  
8 annual fee, although they pay it b every two  
9 years. So they do pay a licensed fee for each  
10 year, but you can complete the testimony.

11 (Through the interpreter)

12 MR. GARCIA: The other issue we're concerned  
13 about is the points that are going to be applied  
14 to the license. There are a lot of regulations  
15 that if they are violated are, obviously, going  
16 to have an effect on the points on the license.

17 We understand that there should be a fine  
18 but maybe not in every case there should be  
19 points to the license because the driver will  
20 accumulate points very quickly and is not going  
21 to be able to operate the new license, new  
22 street-hail livery.

23 Please remember a lot of these drivers  
24 depend on this income for their families and that  
25 a couple of infractions will make them lose their

2 license.

3 Thank you very much for hearing us and being  
4 open to our input. We appreciate it for letting  
5 us represent these 15,000 livery drivers.

6 >> MR. CHAIRMAN: Thank you for the work  
7 that you and your colleagues do every day in  
8 transporting New Yorkers.

9 All I would ask, and you may have already  
10 communicated this to the staff, if you have, I  
11 apologize, under the issues of points, which I'm  
12 interested in, if you have suggestions as to  
13 which offenses should carry points and which  
14 should not, I would be eager to see those. So,  
15 please, I heard your point about that.

16 I will say in the interim, what we have done  
17 in the proposed rules is really, as an earlier  
18 speaker who said, made this point, kind of  
19 transport directly the rules for yellow drivers  
20 to the drivers of livery, street-hail liveries.  
21 I think that my position, Commissioners, in  
22 general, is that that is appropriate.

23 And I will tell you in the yellow world,  
24 while it is true, you will see some drivers do  
25 get enough points that they get a suspended

2 license, not too many. I think we have kind of  
3 hit the right balance there, but if you have  
4 suggestions as to things that carry points in the  
5 proposals that you think should not specifically,  
6 please do let us know. Thank you.

7 >> MS. POLANCO: One thing in the  
8 presentation that was made, is there a section  
9 about the -- he mentioned about renewal fee. He  
10 mentioned \$1500 for each license the first year,  
11 \$3,000 for the second year but his issue has been  
12 the renewal of.

13 >> MR. CHAIRMAN: The proposed rules do not  
14 specify a renewal fee and there is some question  
15 from the industry about what that fee is and what  
16 it should be. We should discuss that as well,  
17 Commissioners.

18 And my inclination would be, what you are  
19 really doing when you specify renewal fees you  
20 are approaching what our fees are going to be  
21 three years in the future, which we don't know in  
22 any circumstances because things may change. So  
23 we say to people three years from now our fee is  
24 going to be X. We don't do that.

25 In any other case our fees are what they are

2 today but there has been a desired express for  
3 some more kind of certainty on that. That we  
4 should discuss, Commissioners, and you what your  
5 views are.

6 The next speaker is Ethan Gerber  
7 representing the Greater New York Taxi  
8 Association followed by Richard Thaler and then  
9 Tom Doherty from Mercury. Yes, sir.

10 MR. GERBER: Good morning, Chairman. I'm  
11 executive director of the Greater New York Taxi  
12 Association, as you know, is the association that  
13 represents virtually all corporately owned  
14 accessible wheel-chaired, accessible vehicles and  
15 limited hybrid vehicles.

16 Last year, with great fanfare, the mayor  
17 started an initiative that promised street-hail  
18 service to the outer boroughs that would have  
19 equal value to the street-hail typically in  
20 Manhattan. Over a year later we are presented  
21 with a mishmash of laws and rules, 142 pages of,  
22 and given the time that we normally are given on  
23 a one-page rule to respond.

24 Rules that do not accomplish the goals of  
25 the law. Rules that call for drivers who have no

2 training or language proficiency testing rather  
3 than hours of training and testing for taxi  
4 drivers. Rules that allow the use of old cars  
5 unlike taxis that must be new cars. Rules that  
6 allow old cars on the road rather than like taxis  
7 that can be no more than three or five years old.  
8 Rules that do not require state of the art  
9 vehicles such as the taxi of tomorrow that is  
10 coming.

11 The rules only require biannual vehicle  
12 inspections even though the cars are older than  
13 the three times a year required for the taxis.

14 These rules even allow someone with as many  
15 as nine unanswered TLC summons to apply for a  
16 license.

17 These rules create a phantom accessible  
18 street-hail livery from paratransit bases rather  
19 than increase the number of available accessible  
20 vehicles to the level mandated by the  
21 legislation. These rules mandate designating  
22 bases and vehicles as accessible liveries that  
23 are not intended or authorized by law.

24 The only people deemed qualified to purchase  
25 these new permits are the people who the Chair



2 referenced before as operating currently  
3 illegally. This is akin to ending prohibition  
4 saying that only bootleggers can sell alcohol  
5 because they are the ones who have been doing it  
6 all along.

7       The law grants street-hail privileges at  
8 nominal cost to a host of people who have been  
9 operating outside the TLC rules and banned those  
10 who have been operating within the TLC rules,  
11 like yellow drivers and yellow owners.

12       Last year when the administration  
13 encountered resistance at the City Council,  
14 specifically the transportation committee, it did  
15 this end run, which went directly to the assembly  
16 with no time to consider the issues.

17       What we have issued now with these rules is  
18 going back to the 1937 chaos that gave rise to  
19 the need for the Hass Act which formed this  
20 commission and the yellow industry that is  
21 imitated all over the world.

22       When the Governor of New York State got  
23 involved, he took seriously the administration  
24 concerns, as well as the stakeholders, as well as  
25 the disabled community, and a very precise

2 compromise was fashioned by the Governor that  
3 addressed many of the concerns of the  
4 administration and the stakeholders, including  
5 the Commission.

6 While we believe the resulting legislation  
7 is still fatally flawed, it took everyone's  
8 concerns seriously and not cavalierly.

9 The law signed by Governor Cuomo requires  
10 that before any non-accessible street-hail  
11 licenses are sold by the TLC, the first  
12 20 percent of that block of licenses be  
13 accessible street-hail licenses. Until the quote  
14 of 20 percent street-hail licenses are sold, the  
15 TLC cannot sell accessible licenses.

16 The idea, of course, was to do an accessible  
17 street-hail vehicle. The idea was not to  
18 designate existing ambulettes. These vehicles do  
19 not add a single accessible vehicle to the  
20 streets of New York.

21 These ambulettes would be providing  
22 pre-existing service. Ambulette service is  
23 neither a livery or taxi service. It is a  
24 completely different business. That is why they  
25 have a distinct paratransit license.

2           Those rules with the paratransit is simply  
3 meant to circumvent the clear intent of the  
4 legislation and absolutely Governor Cuomo's  
5 intent making that a reality.

6           I will give to the Commissioners very  
7 specific concerns on very specific rules but I  
8 just want to mention a few of them.

9           Proposed rule 82-06(3) allows someone under  
10 suspension to apply for this license. It doesn't  
11 make sense.

12           82-09(D) (9) allows someone with nine  
13 unpaid --

14           MS. MARINO: Give me that section please.

15           MR. GERBER: 82-09(d) (9) allows someone with  
16 nine unpaid or unanswered summonses to apply for  
17 a license. 82-12 reads like a license to poach  
18 when it specifically states that a livery license  
19 holding itself out as, a street-hail livery  
20 holding itself out as a taxi and operating even  
21 in the forbidden zone is not "unlicensed  
22 activity."

23           This seems a way to bypass the City charter  
24 which gives the TLC the power to seize vehicles  
25 that are operating as unlicensed activity.

2           82-26 requires street-hail liveries to use  
3 their meters only for street hails contrary to  
4 the TLC's stated earlier position on this  
5 question.

6           82-61 provides no vehicle retirement  
7 schedule or hack requirement for street-hail  
8 liveries. This is not what goes in the yellow  
9 industry. I do not understand and cannot  
10 understand why we want to give to the outside of  
11 Manhattan a lessor service than exists for  
12 Manhattan. If the purpose of these rules were to  
13 give equal service, let's give equal service.

14           82-13(a) (4) is in direct contravention of  
15 state law where it said industry livery  
16 associated with a street livery paratransit base  
17 may accept prearranged airport calls. The state  
18 law explicitly forbids street-hail liveries from  
19 airport pickups.

20           Section 19-506 of the New York City  
21 Administrative Code clearly states that operating  
22 without first having obtained an appropriate  
23 license, therefore, is a violation of law.

24           19-506(e) makes a guilty decision and order  
25 by the TLC designated tribunal a money judgment

2 enforceable as such. This includes the ability  
3 to notify DMV which will suspend the offender's  
4 license and registration. Furthermore,  
5 19-606(h)(1) states "Any officer or employee of  
6 the Commission designated by the chairperson of  
7 the commission and any police officer may seize  
8 any vehicle which he or she has probable cause to  
9 believe is operated or offered to be operated  
10 without an appropriate vehicle license for such  
11 operation."

12 By redefining the term of what appropriate  
13 is, these rules are circumventing the power of  
14 the TLC to enforce the rules as given. The TLC  
15 is dedicated to enforce the rules and they should  
16 allow them to. They must vigorously use every  
17 available tool or the taxi industry is no more  
18 than a con on the investment by both street-hail  
19 business and on the taxi industry. Ultimately,  
20 the riding public will be ill-served.

21 Again, it is impossible to adequately  
22 address 240 pages of rules in the time allotted  
23 for one page, which I will be giving detailed  
24 responses to some of these responses. Thank you  
25 very much. I will take any questions if you have

2 them.

3 >> MR. CHAIRMAN: Mr. Thaler, followed by  
4 Tom Doherty and Felix Bogonovskiy.

5 >> MR. THALER: Good morning, Commissioner  
6 Yassky and Commissioners.

7 The rules for livery street-hail licenses  
8 are deficient --

9 MS. MARINO: Identify yourself.

10 MR. THALER: Thaler, Richard Thaler, OMN  
11 Payment Gateway.

12 MS. MARINO: Payment Gateway. I'm trying to  
13 get what everybody is saying here.

14 >> MR. THALER: The rules for livery  
15 street-hail licenses are deficient, incomplete,  
16 in violation of federal and state law and ruffed  
17 with apparent unintentional policy oversights in  
18 the following ways:

19 One, a rate four should be added for trips  
20 into Manhattan, Manhattan's excluded areas, for  
21 the same reason a taxi medallion rate force is  
22 used for entry into Nassau and Westchester.

23 Two, explicit rules are missing in  
24 prearrangement for return round trips at  
25 additional stops in the excluded areas.

2           Three, a third requirement for a livery base  
3 has to be in good standing, must be added  
4 requiring a livery base to be a franchise or  
5 approved by the New York City State Department of  
6 law under the New York City State Franchise Act  
7 and for compliance with the Federal Trade  
8 Commission Franchise Rules.

9           Four, dual rate of fare if not changed will  
10 lead to rate four violations deja vu all over  
11 again. A driver whether intentionally or not may  
12 not hire the taxi meter on a street-hail and  
13 instead use a prearranged zone rate fare.

14           The commission must prevent this risk and  
15 not repeat its failure to take responsibility for  
16 preventing rate four violations as it did when it  
17 was advised to do so by means of TPEP operating  
18 specifications. Prearranged trips must be  
19 taxi-metered to avoid misuse of zone fares and  
20 avoid the MTA tax. Dual right cannot work.

21           Five, a passenger presence sensor with the  
22 addition of time of entry and location to the  
23 trip record must be required. This was a point  
24 that a commissioner raised.

25           As stated, GPS is not sufficiently

2 intelligent to detect the presence of a passenger  
3 and IVCS, an in-vehicle camera system, type  
4 simple door opening sensor does not provide  
5 certainty of the presence of a passenger.

6 An immediate notification to the base and  
7 TLC must be provided if passenger entry and the  
8 sensing of their presence did not correspond to  
9 taxi-metered street-hail or prearrangement in  
10 included zones or passenger entry is detected in  
11 an excluded zone.

12 Six, car payment systems must accept chip  
13 and PIN EMV cards coming soon.

14 As the need and justification for a 30  
15 second tracking interval has been determined, a  
16 30 second tracking interval will provide data  
17 approximately every three or four blocks. Three  
18 seconds will track every block approximately but  
19 could add significantly to the drivers' data  
20 plan.

21 Will the tracking data be posted in real  
22 time to the City's new open data own line system?

23 I think the question was raised before about  
24 workers comp coverage for the street-hail  
25 vehicles affiliated, and I was curious, will the



2 commission wheel-chair accessibility plan be  
3 posted and submitted to Judge Daniels prior to  
4 the street-hail license date? How does the March  
5 21st, that was yesterday's Appeals Court  
6 decision, to stay the December ruling affect the  
7 Commission's plans?

8 I really sincerely hope that these  
9 suggestions will be given careful consideration.  
10 That the street-hail licenses cannot be issued  
11 until the rulings of operation are corrected.  
12 Looks like the Commission has a lot of work to  
13 do.

14 >> MR. CHAIRMAN: We do. Thank you  
15 Mr. Thaler. While Mr. Doherty is unavailable,  
16 just because you raised the issue of workers comp  
17 and a couple of the earlier people did as well, I  
18 know for folks in the industry, particularly in  
19 the livery sector, we are looking at getting the  
20 street-hail licenses.

21 I know we have a lot of questions about how  
22 workers comp is going to be covered. Our rules,  
23 of course, don't address that. It is a state law  
24 issue, other than the rules say you have to be in  
25 compliance with whatever state law workers comp

2 regs there are. So that is not an issue that we  
3 sort out in our rules; however, I understand it  
4 is of great interest to you.

5 I do want you to know, we have been in  
6 discussion with the state workers comp board to  
7 make sure that we understand what their rules are  
8 and how they want to interpret them.

9 What they have told us is our understanding  
10 as well, that a base that acquires a street-hail  
11 livery, street-hail license rather, will be in  
12 the same position as it is today before it got  
13 that street-hail license.

14 In other words, and Miss Angeles made this  
15 point, drivers will be covered only for  
16 catastrophic injuries and only for injuries that  
17 are covered in the course of a prearranged trip.  
18 So there is a hole in that coverage in the sense  
19 that the drivers are not covered for injuries  
20 that are not catastrophic or that are not in the  
21 course of prearrangement. It is the same hole  
22 that exists today.

23 While, and I understand that the interest in  
24 working on that, any rate, the answer is for a  
25 base that's in operation today, acquiring the

2 street-hail license will not change the workers  
3 comp situation at all.

4 Mr. Doherty, to be followed by Felix B. and  
5 Abdul Jabbar Ahmed.

6 MR. DOHERTY: Chairman, Commissioners, my  
7 name is Tom Doherty. I represent the United  
8 Ambulette Coalition, about 1,000 ambulettes.

9 Mr. Chairman, as you know, 60 days ago you  
10 met with the coalition and we had come to you,  
11 quite frankly, to say we would like to be part of  
12 solving a long time problem with handicapped  
13 individuals around the City; however, we are  
14 adamantly opposed to the way this has been put  
15 forward, to mandate ambulettes, which are part of  
16 the medical community in servicing the medical  
17 population, that we would have to be stopping  
18 along the Grand Concourse and picking up handicap  
19 individuals is really unfair on many, many, many  
20 different levels.

21 And we had hoped when we came to see you 60  
22 days ago, those that were interested in taking  
23 part in this process, could sit down and discuss  
24 a negotiated rate, et cetera, because of the cost  
25 of maintaining these vehicles. They are not

2 livery cabs. They are not taxi cabs. They are  
3 ambulettes, really would put many, many drivers  
4 and businesses, quite frankly, out of business.

5         And so our industry, which for many, many  
6 years going back to 1966 when we were mandated  
7 under Title 19 to take part in this system of  
8 picking up people with dialysis, chemotherapy, et  
9 cetera, et cetera, we have had many, many changes  
10 recently where they have tried to drive us, or  
11 many of our patients, into livery cabs, et  
12 cetera.

13         We have been working with the State of New  
14 York under those new regulations, as you know,  
15 but today is a day, quite frankly, we are not  
16 taxi cabs. And it would almost be like, and I  
17 don't want to make light of this. I have lived  
18 in New York most of my life. I have never seen,  
19 and having grown up right outside of Grand  
20 Concourse, a person in a wheelchair hailing a  
21 taxi cab. I've not seen it.

22         Now, there may be cases where it is needed,  
23 and there certainly should be a call center to  
24 call the proper vehicle to come.

25         But to think that an ambulette is going to

2 be driving down one of these types of roads and  
3 they are going to pull over and pick up somebody  
4 and drive them seven blocks for \$3 and 75 cents  
5 that company would be out of business in a matter  
6 of months. It makes no sense whatsoever, and  
7 that's why we came to you 60 days ago to say,  
8 let's sit down. We want to be part of the  
9 process.

10 Any extra vehicles we have, we want to help  
11 you out, but to mandate that this is what we are  
12 to do is just completely unfair.

13 So, again, I say to you, Chairman, we would  
14 love to sit down with you as a coalition and work  
15 to fix out a system that all people, all New  
16 Yorkers, have the rides that they need, but to  
17 say that we are going to do it on these vehicles  
18 and we are going to have to get licenses and we  
19 are going to have to get meters and repaint our  
20 ambulettes is really just unfair. So I thank  
21 you.

22 We have written remarks for you and we  
23 really hope to hear from you in the next month or  
24 so when you take a final vote.

25 >> MR. CHAIRMAN: Be sure we will and it

2 won't be a month either.

3           While Mr. Bogonovskiy is coming up, I want  
4 to really thank you, Mr. Doherty, and your  
5 clients for reaching out, absolutely. And I want  
6 to tell you these proposed rules on this issue,  
7 more than others, we put forward as proposed  
8 rules to have a discussion.

9           I recognize that these are not the product  
10 of give and take in the way that some other parts  
11 of the rules are. We have to do that give and  
12 take. We want to make sure it works for you.

13           On the kind of core issue raised for the  
14 development hail service by people in  
15 wheelchairs, all I can say to you and to  
16 everybody else here today, I think there is a  
17 difference of opinion a lot.

18           Other people have made the point there is no  
19 demand. There is a kind of power, advocacy  
20 community impassioned that believes there is a  
21 demand; and if it is available, if you bill it,  
22 they will come.

23           All I can say is that from our perspective,  
24 whether the demand is two people or 2,00, we do  
25 have an obligation to make sure it is available

2 for people who want that service. We want to  
3 work with you for you to do your part and your  
4 contribution, which I fully recognize is not the  
5 bulk of the answer, and we look forward to  
6 working with you.

7 MR. DOHERTY: Thank you so much.

8 >> MS. DEARCY: I just want to make a  
9 distinction between the question of whether there  
10 is a demand and whether or not these paratransit  
11 vehicles are the proper vehicles to meet that  
12 demand. And I think that you can have the  
13 conversation without plating those two issues. I  
14 just think that is important.

15 >> MR. CHAIRMAN: Indeed. Mr. Felix  
16 Bogonovski and then Abdul Jabbar Ahmed.

17 MR. BOGONOVSKIY: Ladies and gentlemen, my  
18 name is Felix Bogonovski. I --

19 MS. MARINO: From where?

20 MR. BOGONOVSKIY: I'm resident of SeaGate  
21 Brooklyn.

22 MR. CHAIRMAN: Representing an organization  
23 or here --

24 MR. BOGONOVSKIY: I'm from general public.  
25 I'm resident SeaGate in Brooklyn. It is a large

2 gated community of about 5,000 residents, the  
3 most southern of edge of Brooklyn, New York.

4 There is no public transportation available  
5 in our community as MTA bus routes do not go to  
6 pass SeaGate. Every time when I come back home  
7 from my workplace in Manhattan, I take a car  
8 service from Coney Island, Stillwell Avenue  
9 subway station to my house, as riding on the bus  
10 and walking inside of SeaGate will take 40  
11 minutes while the car ride takes about six  
12 minutes.

13 The car services are standing at subway  
14 entrance without prearrangement. Every day they  
15 charge \$2 per passenger for the ride and they  
16 usually take from four to six people during the  
17 peak hours depending on the size of their car  
18 program. This practice has been taking place for  
19 years.

20 The driver waits until his vehicle gets  
21 fully packed with passengers and then stops  
22 moving.

23 Similar practice takes place during the peak  
24 hours of other Brooklyn subway station, such as  
25 Kings Highway, Sheepshead Bay Road and others.



2 Car service vehicles are stationed at or close  
3 around the subways entrances picking up the  
4 people returning from work and it is all  
5 prearrangement.

6 It is difficult to prearrange the car  
7 service to pick me up at the subway station as  
8 car service cannot wait for me outside the  
9 station since there are no standing signs all  
10 over.

11 And based on all above, I believe legalizing  
12 of car service street-hail in outer borough will  
13 be a solution that will satisfy passengers and  
14 car service as well.

15 Thanks for your attention.

16 >> MR. CHAIRMAN: Thank you very much. I  
17 appreciate that as kind of a representative of  
18 the customers I will say. Mr. Abdul Ahmed and  
19 Richard Kay from TSA.

20 Commissioners, I've noticed in my couple  
21 years, and I'm sure you have as well, it is  
22 routine for us to hear from members, from people  
23 representing the various industry segments.

24 As to why should we be hearing from them,  
25 they're critical stakeholders and it's not

2 routine for us to hear from a customer, and we  
3 get customers e-mailing us.

4 And as this permanent staff of the  
5 commission, we hear from customers a lot but for  
6 this body it is not as common as it should be  
7 and, in truth, there are a lot of them out there  
8 and really it is our job to represent them.

9 Thank you, sir.

10 I will also note, Commissioners, one issue  
11 that was kind of in Mr. Bogonovskiy's testimony  
12 was the question of group servicing, if you will,  
13 and that is one place we, as the Commission, have  
14 been discussing with the staff, it might be  
15 appropriate for the livery rules to differ  
16 somewhat from the taxi rules in making explicit  
17 provision for some kind of group service.

18 I think it is common place out there.  
19 People get out at the subways and travel forward  
20 in time rather than that's not so common in the  
21 taxi world.

22 And, anyway, even though the rules did not  
23 address that as proposed here, I think between  
24 now and when we adopt them that should be part of  
25 your discussion, too. As Mr. Thaler said, we

2 have a lot to discuss.

3 >> MS. MARINO: It is also much greener.

4 MR. CHAIRMAN: Much greener.

5 MR. AHMED: Good morning to you Chairman and  
6 the Commissioners. I'm pleased that we have one  
7 resident as well as an omni driver, actually  
8 driver and the whole audience here. I don't know  
9 how many drivers are here. Someone can put their  
10 hands up. Any drivers here? No. I'm glad I'm  
11 one and he's the one. So actually --

12 MR. CHAIRMAN: They are working.

13 MR. AHMED: Am I sacrificing my time? This  
14 is the same that happened when the gold started  
15 first. That's what I think this whole package  
16 has to be because the drivers were not  
17 facilitated to be available.

18 The old people from here, they could have  
19 gone to another place where the drivers are  
20 available because we are the end provider for all  
21 of these finance people, all the alliance to have  
22 the common interest, the financial interest. We  
23 are the provider. We should be facilitated first  
24 than anybody else.

25 Number one, first of all, the conflict is

2 how the taxi stand in the outer boroughs is going  
3 to share the taxi stand with yellow cab? It is  
4 like a dead body. Who's going to be responsible,  
5 the yellow or the black?

6         Anyone have an answer because these  
7 conflicts have happened many time because when  
8 you give same medallion to the borough taxi and  
9 the yellow cab they will be fighting together.  
10 That's number one.

11         Number two, the diamond has not been  
12 mentioned nowhere. In the borough taxi paying  
13 the same to diamond as yellow cab what return  
14 they have? They are not going to be prearranged  
15 from New York City so they can only pick up from  
16 airport and cannot take the same person back even  
17 though he is in the transit area or waiting.  
18 There should be an answer for that one. Other  
19 than that, what else is there?

20         The burden for the driver, if you put like  
21 three pound on the yellow cab, and the borough  
22 taxi will have three and a half pound burden on  
23 him, so why should he take the borough taxi  
24 instead of yellow cab? Therefore, all these  
25 groups have their own interest and feedback but

2 they do not represent the drivers.

3       Therefore, in the next 60 days of next  
4 meeting we should facilitate to gather more  
5 drivers and their opinions.

6       So there is a lot of mistrust when you take  
7 the customer and you don't take him back. This  
8 is a big mistrust between the client and the  
9 driver. So scenic versus the other person, she  
10 says I fire my drivers, so this is like the  
11 driver is like offering.

12       When there is a trouble, nobody want it.  
13 When there has been first, everybody want it.  
14 This is not a right way of doing business.

15       I believe the whole, this zigzag position,  
16 this whole mechanism has to be adjusted and only  
17 the fair deal to the drivers.

18       Nobody have mentioned nothing about the  
19 drivers. What is their interest? If they take  
20 everything on their load and then what return  
21 they have? If we impart like Honorable  
22 Bloomberg, he went to come along, too, and we are  
23 going to pick up many street another post, the  
24 whole public reject it. If he impart this idea  
25 along with Governor to have the borough taxi or

2 not to have them work in New York City, so what  
3 is return? We should impart the good ideas as  
4 well with it.

5 What is the return for the driver? There is  
6 no medical. There is no benefit. No nothing.  
7 So there should be some kind of advantage giving  
8 to the drivers as well. This is their whole  
9 situation, very zigzag. So I believe the driver  
10 should be involved in whole process. Thank you  
11 very much.

12 >> MR. CHAIRMAN: Thank you, sir. Next is  
13 Richard Kay followed by Lloyd Taylor and then  
14 James Grosso.

15 MR. SAPONE: My name is next to his.

16 >> MR. CHAIRMAN: Mr. Sapone, I apologize.  
17 You are correct. It is handwritten next to.  
18 That is my error.

19 MR. SAPONE: It wasn't --

20 >> MR. CHAIRMAN: In order just to be clear,  
21 it is written in here. Richard Kay and  
22 handwritten Vincent Sapone. Are you going  
23 together or separately? Separate. Well, why  
24 don't you go ahead.

25 MR. SAPONE: Can I stand behind him?

2 >> MR. CHAIRMAN: You can follow, Mr. Kay.

3 Absolutely.

4 MR. KAY: Good morning, Chairman Yassky and  
5 members of the Commission. My name is Richard  
6 Kay and I'm the president of the Taxi Cab Service  
7 Association, an association of credit unions that  
8 lend to owners of New York City taxi medallions.

9 I'm here today to voice our concern about  
10 the potential environmental impact on New York  
11 City of the medallion and street-hail livery  
12 licenses authorized by the taxi bill and the  
13 proposed rules.

14 The TLC has just issued a positive  
15 declaration requiring that an environmental  
16 impacts statement be produced before the City can  
17 issue any of the two thousand taxi medallions  
18 authorized by the bill based on an environmental  
19 assessment statement that rightly identified a  
20 number of areas of potential significance,  
21 adverse environmental impact, including air  
22 quality, noise, socio-economic conditions,  
23 transportation, public health and neighborhood  
24 character.

25 My question is, has the TLC or the city

2 commissioned an environmental assessment  
3 statement to determine whether or not to issue a  
4 similar positive declaration for the 18,000  
5 street-hail licenses that have been authorized  
6 under the bill? If not, why not?

7 And if so, when does the TLC anticipate  
8 releasing the EAS and positive or negative  
9 declaration with respect to street-hail licenses?

10 It is TSA's belief that the TLC should  
11 commission such a review and that it should  
12 release the results as soon as possible.

13 >> MR. CHAIRMAN: Is that the conclusion of  
14 your testimony?

15 MR. KAY: That is.

16 >> MR. CHAIRMAN: In answer to your  
17 question, the state law that authorizes the hail  
18 livery licenses does not require a formal  
19 environmental impact review. Of course, we at  
20 the TLC are enormously sensitive to the  
21 environmental consequence of all of our  
22 regulations. This one is no exception.

23 But, fortunately, for the taxpayers, the  
24 expense of a formal review was eliminated in the  
25 state law. Thank you.



2 MR. KAY: Thank you. I followed it up with my  
3 written testimony.

4 MR. SAPONE: Am I next? What's going on?  
5 I'm getting sloppy.

6 MR. CHAIRMAN: Mr. Sapone followed by Lloyd  
7 Taylor and then James G.

8 MR. SAPONE: Mr. Taylor is a nice man. I've  
9 known him for years.

10 Anyway, my name is Vincent Sapone.

11 MR. CHAIRMAN: Are all the witnesses nice  
12 people?

13 MS. SAPONE: Everybody is nice. Everybody  
14 here is nice, depending on which side you're on.

15 You made me lose my train of thought here.  
16 How are you? You are missing Brooklyn here.

17 My name is Vincent Sapone, managing  
18 director. I don't know why it is managing  
19 director and not executive. I don't know, but  
20 managing has been there for a long time, of the  
21 League of Mutual Taxi Owners. Some people know  
22 it as LONGCO but the true name is League of  
23 Mutual Taxi owners.

24 We represent medallion owner drivers. Guys  
25 that own medallions, maybe two, may be rare and

2 drive it themselves.

3 If they have two, they can't drive both  
4 themselves. You realize that.

5 This is just to set the story straight here,  
6 someone mentioned about England or London. From  
7 the business district in London to get to the  
8 airport you would probably, I would say probably  
9 pay \$90 compared to our 45, which is half. Half  
10 of it is used up by gas or someone at the hotel  
11 putting an arm on us to get there.

12 Also, they probably make, not probably, I'm  
13 sure they make, probably, again being probably,  
14 double the amount of money that the New York City  
15 taxi driver gets.

16 Also, medallion owners, they pay a renewal  
17 every two years, which most people don't know,  
18 \$1100, with inspections. It comes to 16 and \$15  
19 and with a two-year tax stamp the medallion owner  
20 is laying out \$3650. That's a lot of fazool. Do  
21 you know what I mean? Let me get on with what I  
22 have to say.

23 Maybe there is a little something in here  
24 somebody is not going to like too much but there  
25 is no harm meant. All right.

2 I would like to speak, can you hear me? I  
3 would like to speak up against -- did I say  
4 something funny?

5 I would like to speak --

6 MR. CHAIRMAN: It was the turning on of the  
7 yellow light that caused the ruckus.

8 MR. SAPONE: The yellow light. Excuse me.  
9 I've got an easy solution for illegal street  
10 hails. First, you give them a 30-day suspension,  
11 if they get caught doing illegal street-hail, no  
12 matter who it is, if it is my brother.

13 Second, if he gets caught again, you give  
14 him a 90-day suspension. If he gets caught  
15 again, you revoke his license and that will be  
16 dead.

17 You don't need 2,000 inspectors. That will  
18 be dead, or take away his car, but I know that is  
19 a problem about taking the car and storing it  
20 somewhere. We don't have any room for that.

21 But why don't you guys talk to maybe the  
22 city council or Albany and put in these rules and  
23 that's it. You won't need 1,000 inspectors. Let  
24 me get on with what I'm going to say to you.

25 I would like to speak up against the TLC

2 plan, if you will forgive me, to allow ambulette  
3 companies that provide prearrangement  
4 Medicare/Medicaid transportation for the disabled  
5 and the elderly would be eligible and would be  
6 required to apply for a street-hail permit.

7 Ambulettes were licensed for prearranged  
8 Medicaid trips for the disabled and seniors.  
9 This plan looks to me, where maybe the TLC can  
10 add more, I understand you got to do 20 percent  
11 your first 6,000 liveries, so this would add to  
12 the 20 percent. I hope that's not the reason why  
13 the TLC or the City is asking for the ambulettes  
14 to be in this program. Anyway, I don't think  
15 that's right.

16 Why would an ambulette company want to get  
17 2.50 or 3.50 for a street-hail when they can make  
18 50 or \$200 picking up a call. I don't understand  
19 that.

20 Anyway, I know a lot of people are going to  
21 disagree with me and maybe there are a few people  
22 who will agree with me. I don't think it is  
23 their call to pick up street hails. Have a nice  
24 day. Thank you.

25 MR. CHAIRMAN: Thank you, Mr. Sapone. Lloyd

2 Taylor, Board of Livery Transportation. Are you  
3 here, Mr. Taylor? Followed by Jim Grosso and  
4 then Arthur Grover.

5 >> MR. TAYLOR: Good morning. My name is  
6 Lloyd Taylor. I was on my way out and I was  
7 called back.

8 I'm a little overwhelmed by the discussions  
9 this morning.

10 MS. MARINO: Whom do you represent?

11 MR. TAYLOR: Board of livery Industry  
12 transportation trades, but I speak on behalf of  
13 the sentiments of base owners and drivers in  
14 Central and southern Brooklyn, and in Central And  
15 Southern Queens, and they have been grossly  
16 underrepresented in this process through no fault  
17 of their own.

18 I simply wanted to endorse our sentiments  
19 made from Mr. Emery from MTBOT and Mr. Ethan  
20 Gerber as something we need to pay attention to.  
21 Also, some of the comments made by Tarek Mallah  
22 and I wanted to add my own small piece here,  
23 which is to remind the commissioners that law and  
24 regulations are only enabling instruments. The  
25 objective is to make street-hail universally

2 available and accessible.

3 We thought we were doing that 71 years ago  
4 in the Hass Act and we didn't get it because of  
5 the way it was implemented and the way it was  
6 done and the way the implementation was  
7 monitored.

8 I want to put it to you that if we are not  
9 careful, to have a problem balance of this  
10 discussion, we could be looking down the same  
11 pipeline.

12 And the reasons for this, somebody talked  
13 about a bulging this morning. But sometimes the  
14 balloon comes in with its own set of bulges, and  
15 I want to stress that because the way the  
16 campaign for street-hails in this phase was  
17 conducted, and the way TLC joined it as part of  
18 the public education programs, these made the  
19 campaign very limited and not enough people,  
20 bases, drivers, not even the community was  
21 properly informed.

22 I went to two meetings, one in Elmhurst and  
23 the one in WoodHall, Brooklyn. There were less  
24 than 100 people on both of those occasions.

25 And if we are talking about one organization

2 represented 128 bases and 19,000 drivers, then we  
3 are talking about a serious limitation in the way  
4 we are educated in the industry and the public on  
5 these issues.

6 I, therefore, want to stress the need for a  
7 genuinely balanced perspective of all the  
8 stakeholders, and I believe we may come close to  
9 achieving that if we organize the heads of  
10 industry meeting chaired by the Taxi and  
11 Limousine Commission in much the same way we  
12 tried to have under the auspices of the governor  
13 of New York State while the issue was being  
14 projected and I thank you for the ability to  
15 speak.

16 MR. CHAIRMAN: Let me ask you, sir, thank  
17 you. Let me ask you for your help. We have  
18 begun the public education process to try -- this  
19 is an enormous part of our task. There are almost  
20 50,000 licensed livery drivers, another 25,000  
21 licensed livery owners, many of those same people  
22 but still we are talking about 50, 60,000 people  
23 in the livery industry that this is a big change  
24 in rules, and we want to make sure they  
25 understand it.

2           We have sent letters to every licensee, but  
3 I recognize this is going to take a lot of  
4 effort. We have had three public information  
5 sessions so far. About 400 people in total. So  
6 that still leaves maybe 49,600 to go to talk to  
7 them directly.

8           Sir, I would love to have your help, if you  
9 would -- is Deputy Chhabra still here? There he  
10 is. Could you just give him your card.

11           We would like to go directly to the larger  
12 bases or have the help of people in the industry  
13 in organizing information sessions that they can  
14 help us market and get livery folks to come to so  
15 we can explain what these rules are. We know we  
16 have a lot to do there and if you could help us  
17 with that, I would appreciate it.

18           MR. TAYLOR: The reason I'm making this  
19 point there is a real danger we will get at queue  
20 distribution of these licenses in Manhattan and  
21 the Bronx.

22           >> MR. CHAIRMAN: To be clear, when the  
23 license counter opens, it is open for everybody  
24 and it is first come and first serve. You are  
25 right then, education, so people know it is out



2 there that is critical, if you can --

3 MR. TAYLOR: We will meet to consider  
4 setting aside for the various boroughs.

5 >> MS. MARINO: That brings up one of the  
6 other points, with respect to all these rules,  
7 and this a little off topic, perhaps we should  
8 also consider some kind of grace period for the  
9 fines and violations.

10 If someone believes they are allowed to pick  
11 up a street-hail and they don't realize  
12 something, it is a lot to digest here.

13 >> MR. CHAIRMAN: I share your concern that  
14 when those rules go into effect, if the next day  
15 we are out issuing tons of fines, that is not  
16 quite fair.

17 So part of your enforcement discussion here  
18 with Ray and the staff should include how we make  
19 sure that we have rules, and they are there, but  
20 we are not unfair to people. I understand that.  
21 And, look, the reality is, yes, I agree with  
22 that.

23 How do we notify the public about  
24 information sessions? We have a list of some  
25 over 7,000 industry folks that have signed up to

2 get our e-mails. We e-mail them. In the case of  
3 these particularly, and that we do for all our  
4 public stuff, in the case of these meetings, we  
5 sent a letter to every livery base so there are  
6 450 some odd bases . You figure that is the way  
7 to get to them to tell their drivers something is  
8 going on. Of course, it is on our web site and  
9 so forth but that is how we've done it.

10 MR. GJONAJ: Why don't we do a mass mail to  
11 each of the Drivers?

12 >> MR. CHAIRMAN: We do one mass mailing.  
13 It is costly. We did one mass mailing to every  
14 livery licensee, am I correct about that? Yes?  
15 We did one mass mailing to every livery.

16 MR. GJONAJ: That entails the dates of these  
17 open hearings?

18 >> MR. CHAIRMAN: Because we didn't want to  
19 have a mailing knowing that things would change  
20 and whatnot. The minutes we have a public  
21 hearing, go to our web sites and see the dates.  
22 I agree. And you know what else, especially for  
23 the borough representative commissioners, if you  
24 can help us in that sort of outreach, I think  
25 elected officials can be very useful. They have

2 large e-mail lists and so forth, community  
3 boards. I would ask for your help in that.

4 MR. GJONAJ: We certainly agree this is such  
5 a significant matter we should do everything  
6 necessary to get information to each one of those  
7 drivers and I would encourage that we do another  
8 mass mailing this way they have notice.

9 >> MR. CHAIRMAN: We certainly will do  
10 another, at least one mailing to every licensee  
11 about the rule change. That we will certainly be  
12 doing. Mr. Grosso.

13 MR. GROVER: He's not here yet. He's trying  
14 get here from Staten Island.

15 >> MR. CHAIRMAN: But Mr. Grover then you  
16 were next anyway to be followed by a Mr. Taveras  
17 from City Livery Leasing. Abdul Jabbar Ahmed was  
18 signed up twice followed by Cortney Hogan.

19 And, Commissioners, we have about nine or  
20 ten more people signed up who have not yet  
21 spoken.

22 MR. CHAIRMAN: Mr. Grover.

23 MR. GROVER: My name is Arty Grover. I'm  
24 president of the Fleet Livery Owners Association,  
25 member of the Livery Round Table and I represent

2 the car services on Staten Island.

3 About 25 years ago the City Council  
4 understood that would be a good idea if you took  
5 the radios out of the yellow medallions. Why?  
6 Because it didn't work. You would have a lot of  
7 people taking the best call possible and if it  
8 was a hail on the street, or if it was a radio  
9 dispatch call, they did what was best for them  
10 and a lot of people got hurt.

11 So they decided, in their wisdom, that we  
12 should take the radios out, and now we will  
13 create an industry of liveries that would do  
14 nothing, nothing but prearranged work.

15 Last time anybody heard from the City  
16 council was when they had the vote. No one  
17 educated the public except on Staten Island where  
18 we put advertisements into the Staten Island  
19 Advance and we handed out flyers at the ferry, at  
20 the hotels, the malls, to let the public know how  
21 to get service.

22 We were the only ones that did it. Then you  
23 had the people who were running the streets  
24 illegally, just kept running the streets; and the  
25 TLC at that time, no offense to you,

2 Mr. Chairman, you weren't here then, I'm just  
3 giving information of what it is, the livery ran  
4 the industry.

5 Now, also, nothing was mentioned that 25  
6 people in the last 20 years were murdered by  
7 street hails. One was by a prearranged call and  
8 that is because that person walked into a base  
9 and got a car and whatever. So that doesn't work  
10 unless there is some sort of control.

11 I do understand and I appreciate that  
12 something has to be done with the outer boroughs.  
13 Staten Island is a different animal. You can't  
14 deal with Staten Island the way you are dealing  
15 with everybody else simply because we own all our  
16 cars. Anybody is caught picking up in the street  
17 loses his job because he's stealing from me.

18 The people in the other boroughs are  
19 different. They are mostly all independently  
20 owned cars except for people like in Bensonhurst,  
21 Bayridge, Sheepshead Bay, Canarsie, Queens.  
22 There are certain areas that don't want this.  
23 They want exemptions.

24 I was told by the TLC there are going to be  
25 no exceptions. What is going to happen is if you

2 don't want to do it, just don't do it, which I  
3 can't really understand or really feel that it  
4 would be in anybody's best interest.

5 For argument sake, on Staten Island, I take  
6 a call from the mall. I won't hear from that  
7 call coming back. Right now 90 percent of the  
8 calls I hear from the mall I take them to the  
9 mall and take them back. People going to the  
10 doctors, hospital, supermarkets, people going to  
11 schools, we take them and we take them back.

12 It is a different ball game on Staten Island  
13 and in the areas where fleets that own the  
14 vehicles operate, and TLC has to understand this  
15 and have a different feeling towards it.

16 After speaking to my elected officials, all  
17 my elected officials are for it, for us to be  
18 exempt. We have spoken, actually, I spoke to  
19 Senator Andrew Lanza. Senator Lanza said that  
20 the mayor's people said that Staten Island was  
21 going to be exempt. I go to two TLC meetings and  
22 I'm told by a clerk that, nope, You are not  
23 exempt. If you don't want to do it, you just  
24 don't do it.

25 I didn't want to hear that answer. There

2 are a lot of things that we have to go over. You  
3 don't want to destroy the legal industry. The  
4 legal industry works well.

5 As a matter of fact, Mr. Chairman, when you  
6 were on the Channel Five news and you stated that  
7 two million people take the ferry across every  
8 year and there is no way of getting  
9 transportation, I know it slipped your mind, but  
10 there is a livery stand right at the bottom of  
11 the ferry.

12 So we do take care of the people coming over  
13 from Manhattan, tourists, and there is always a  
14 way for these people to get a cab within 10  
15 minutes.

16 They don't have to stand down a lonely  
17 street hoping and praying a car comes by that is  
18 going to pick them up. It is not the way we want  
19 to work.

20 I personally feel the way it is written now  
21 and the way it is said and the way it is going to  
22 go in now it is going to fail. I don't want it  
23 to fail because there are a lot of people in the  
24 outer boroughs that need this type of  
25 transportation, but it has to be done correctly

2 where it is equal for everyone.

3 Don't destroy my industry and create an  
4 industry for people that have been illegal for  
5 the last 30 years. Just keep it in mind so that  
6 everybody gets a fair shake at this. If you have  
7 any questions, I would be happy to answer them.

8 >> MR. CHAIRMAN: Thank you very much.

9 MR. GROVER: James will be here in a little  
10 while. Here he is now.

11 MR. CHAIRMAN: You can come up then,  
12 followed by Erasmo Taveras from City Livery  
13 Leasing and then Cortney Hogan.

14 MR. GROSSO, JR.: I would like to thank the  
15 chairman and then the commissioners for allowing  
16 me to speak. I appreciate your patience.

17 I would like to discuss the proposed  
18 street-hail rules for you today. I'm James  
19 Grosso, Junior. I represent the New York City  
20 Fleet Owners Association, also Mid Island Car  
21 Service, a livery based in Staten Island and  
22 Livery Round Table, and I'm Arty Grover's  
23 son-in-law, and I don't know how I follow up with  
24 what he said but I will try.

25 While I understand the rationale behind the



2 street-hail legislation and the resulting rules,  
3 the street-hail owners association did not agree  
4 with the concept.

5 For 40 years many neighborhoods throughout  
6 the City had no real access to reliable livery  
7 services, thus fostering the growth of the livery  
8 culture as we know it today. Unfortunately,  
9 instead of call-ahead service being the mode of  
10 choice, the illegal street-hails flourished in  
11 many areas even though the practice was against  
12 the law. However, this is not the norm in every  
13 part of the five boroughs of New York. There are  
14 many areas where prearrangement still prevails.  
15 This was not recognized during the legislative  
16 process.

17 The two areas we need to look at more  
18 closely is the hail exclusionary zones and the  
19 enforcement.

20 I'm going to breeze through some of this  
21 because of brevity of time. Again, to piggyback  
22 on what Arty Grover had said, Staten Island  
23 certainly was promised -- a promise was made. A  
24 vote was given in good faith with the legislation  
25 but a county is being made to conform to a law

2 and rules that are the antithesis to how business  
3 has been done there for over 40 years.

4 There is something terribly wrong with this  
5 outcome and it's not just the one senator who  
6 wanted this exclusion. All three city council  
7 members, all four state assembly members, Senator  
8 Diane Savion, all three community boards, the  
9 Chambers of Commerce and base owners were all  
10 opposed to allowing street-hails in Staten  
11 Island.

12 Again, why is it not an exclusionary zone if  
13 the overall consensus is that street-hails are  
14 not wanted by the elected officials and community  
15 leaders alike? We don't know.

16 The TLC has pulled out the stops in order --

17 MR. CHAIRMAN: Because stopped, I don't know  
18 actually what the number is, but if in a week the  
19 TLC handed out 400 summonses to people picking  
20 up, street-hail licensed liveries, not street  
21 plates, in Staten Island, does that tell us that  
22 there is a demand for it and we should  
23 accommodate that or should that tell us no, we  
24 should stamp it out?

25 MR. GROSSO: I can say in front of you

2 honestly, upfront, Commissioners, 95 percent of  
3 the work that does go on, of the ground  
4 transportation work that does go on on Staten  
5 Island is through prearrangement. 400 in  
6 comparison to the number of streets that go on in  
7 say a given day or a given month. What's the  
8 percentage of those summonses who are caught?

9 One of my bases, one of the bases I  
10 represent, yes, his driver was caught picking up  
11 a street-hail, and I understand that.

12 And in my testimony I say that it is  
13 something -- I would be lying to you in effect.

14 >> MR. CHAIRMAN: Your answer is you think  
15 you should stamp it out. It wasn't a trick  
16 question.

17 MR. GROSS, JR.: I'm not saying it was by any  
18 means. What I'm saying is, again, the culture is  
19 different, meaning the time and energy that went  
20 into creating the culture of prearrangement  
21 within the Island, the elected officials, the  
22 community boards, everybody stands together and  
23 says we don't want it.

24 I believe one of my city council people was  
25 supposed to send a letter to the TLC in

2 opposition of street-hail.

3 >> MR. CHAIRMAN: Would that include even  
4 places like the ferry terminal where we now allow  
5 people to get off the terminal and get into a  
6 car --

7 MR. GROSSO, JR.: There is a livery stand  
8 that has been successful since December 20.  
9 Transportation --

10 MR. CHAIRMAN: -- and call the livery stand  
11 to allow people to get off the boat and get a  
12 ride into a car? Should we permit that?

13 MR. GROSS, JR.: Is that considered  
14 street-hail to you?

15 MR. CHAIRMAN: Absolutely. There is no  
16 prearrangement. It is explicit in our rules. It  
17 was a pilot program to allow pick up without  
18 prearrangement at the stand.

19 MR. GROSSO, JR.: So by definition --

20 >> MR. AROUT: I know but what,  
21 Mr. Chairman, why did we establish it, if you  
22 feel it was illegal? Why do we start the process  
23 of having that livery stand come there for the  
24 ferry terminal? They do over two and 300 a day.

25 >> MR. CHAIRMAN: We put a stand there

2 because there were three or 400 a day illegally  
3 picking up. People were getting off the ferry,  
4 going out to the street and getting into a car  
5 Without prearrangement.

6 And so then the question was should we have  
7 inspectors there to ticket that every time so  
8 that somebody gets off the ferry can't do that or  
9 should we deem it legal?

10 And we all thought, the Commission decided  
11 at that spot, that's one particular spot, let's  
12 deem it legal.

13 In some ways it is the very small version of  
14 what we are now doing in the rest of the four  
15 boroughs.

16 MR. MARINO: Can I just clarify something?  
17 If I live in Queens and walk up to a livery base  
18 and walked in and knocked on the window of the  
19 door, is that illegal right now?

20 >> MR. CHAIRMAN: That would be  
21 prearrangement.

22 >> MS. MARINO: Isn't that the same thing at  
23 the Staten Island ferry? I'm confused.

24 >> MR. CHAIRMAN: There is no actual livery  
25 base there?

2 MR. GROSSO, JR.: Isn't there the base that  
3 is there is a licensed base that operates out of  
4 there.

5 MS. MARINO: Has a dispatcher? Someone  
6 comes to the dispatcher.

7 >> MR. CHAIRMAN: We decided we would  
8 declare that an extension of the base.

9 MS. MARINO: Is there a building there, a  
10 structure?

11 MR. GROSSO, JR.: There is a little structure  
12 there. There is a dispatcher. When someone  
13 comes, they say they need a car, they bring one  
14 of the cars up in the line and effectively  
15 dispatch out that call to that car that is next  
16 in line as opposed to no intervention on the part  
17 of an employee or member of the base where  
18 someone just walks out and someone pulls up in  
19 line and hails it and gets in.

20 In that definition, it really is a  
21 prearrangement.

22 MR. CHAIRMAN: In the sense that we could  
23 have a little shack on every block on Flatbush  
24 Avenue with a person standing there. That is not  
25 clear how replicable that is. I apologize. I

2 shouldn't have interrupted.

3 >> MR. AROUT: What I'm trying to say,  
4 Mr. Chairman, is that legal or illegal now? Now  
5 you got me confused.

6 >> MR. CHAIRMAN: We deemed it legal.

7 MR. AROUT: What is the problem?

8 MR. CHAIRMAN: I agree. There is no problem.  
9 I did not mean to confuse you.

10 >> MS. POLANCO: But I just wanted to add  
11 and, hopefully, this will not cut into your time,  
12 but if the culture of Staten Island is different  
13 from the outer boroughs in terms of the  
14 prearrangement, then it makes business sense that  
15 no one is really going to buy -- this is  
16 optional. This is optional -- no one is really  
17 going to buy a permit in Staten Island. They are  
18 going to stay out of there. It doesn't make  
19 sense for me to invest this money and invest in  
20 this vehicle.

21 Also, since the permits are given to bases  
22 that have already been established, what would be  
23 there incentive to want these permits since they  
24 already know the culture of Staten Island?

25 MR. GROSSO, JR.: That is a very good

2 question, and the bases themselves that are based  
3 out of Staten Island will not purchase until they  
4 are forced to, meaning there is direct  
5 competition if you can't beat them, join them.

6 One of the issues we had at the Staten  
7 Island ferry, and the Staten Island Commission  
8 could attest to this, most of the bases that were  
9 operating at the ferry illegally prior to the  
10 institution of the livery stand weren't  
11 necessarily affiliated or opened by bases in  
12 Staten Island. The majority of them came out of  
13 Brooklyn. The majority of cars were based out of  
14 Brooklyn, affiliated with bases in Brooklyn, came  
15 to Staten Island and it was easy pickings.

16 We had gone to meetings years ago where we  
17 were with the Staten Island commissioner and we  
18 would walk out and we would have no less than 10  
19 people, taxi, taxi, taxi.

20 Me being the idiot said, is this illegal?  
21 He tells me shut up. Why? Because he thinks I'm  
22 going to get jumped by people and they laughed at  
23 me. They laughed at me in front of a  
24 commissioner because I'm saying is this illegal.

25 And it went on for over 25 years with the



2 people operating there out of Staten Island.

3 There probably were a percentage from Staten  
4 Island. I'm not going to lie but the majority  
5 were from outside.

6 So me as an operator in Staten Island, even  
7 if all 19 bases or 20, including the luxury base,  
8 if all 19 bases say we are not going to buy a  
9 permit, we are not going to get street-hail  
10 livery permits, what is to prevent bases from  
11 outside the borough and, again, any money they  
12 make, even if they do service a small percentage  
13 of the people that are actually hailing and,  
14 thus, producing 400 summons, is that money going  
15 back into our community? Absolutely not.

16 Are the consumers paying much more than the  
17 prearranged price we normally would have on zone  
18 pricing? Yes, I pretty much guarantee it.

19 >> MS. DEARCY: Forgive me because I don't  
20 want to presume I understand the unique culture  
21 of Staten Island. I live in Harlem, but part of  
22 what you are suggesting in your comments suggests  
23 that there is actually a demand for street-hails  
24 because there would be some competition, and so  
25 I'm not understanding, if there is a demand for

2 it, such that you are saying bases from outside  
3 from another borough could come in and then the  
4 prearranged bases would lose some of their  
5 business to them, it suggests to me that there is  
6 consumer demand and that the market effectively  
7 is requiring it.?

8 MR. GROSSO, JR.: And I can understand where  
9 you would infer that from the discussion taking  
10 place but, in reality, what most people will do,  
11 because Stat Island is prearranged, I don't know  
12 what markings are going to be on the vehicles.

13 If there is a phone, because these vehicles  
14 are going to be dual-use vehicle, if there are  
15 phone numbers most people just say there is a new  
16 base on Staten Island and call the number. They  
17 may not always utilize the vehicle for  
18 street-hail purposes. The vehicle may be coming  
19 out from Queens or Brooklyn.

20 We knew of bases in Queens wanting to put in  
21 a proposal at the ferry.

22 MS. DEARCY: You're certain new street hails  
23 would be taking business from you? They would  
24 not see the number for bases and call them for  
25 pre-arranged business so it is prearranged

2 business.

3 MR. GROVER: You have the wrong impression.  
4 We take people to the mall. We pick them up  
5 within 10 minutes. We bring them home. You have  
6 people coming up there, hanging out at the mall.  
7 I'm not getting that call coming back for no  
8 other reason than there is a car there that is  
9 going to be permitted to pick up in the street.  
10 It is going to be hail.

11 Are the people satisfied with us? Well, you  
12 could check with our community board. You could  
13 check with our city council people. You could  
14 check with our state senators and assembly  
15 people. They will tell you how satisfied they  
16 are with our service. You don't break it -- you  
17 don't fix it if it is not broken. If it is  
18 broken somewhere else, fix it, not on Staten  
19 Island.

20 >> MS. DEARCY: You are saying that your  
21 consumers are pleased with your service and there  
22 is no need for us to introduce it?

23 MR. GROVER: It is not necessary on Staten  
24 Island. I could see somebody waiting for a car  
25 on Lavonia Avenue in Stated Island where there is

2 no streets around them waiting for a cab, for a  
3 hail car to come by.

4 I hope they brought lunch with them. You  
5 have to, it is a different world.

6 MS. DEARCY: They are not precluded from  
7 doing prearrangement because street-hail is  
8 available?

9 >> MR. CHAIRMAN: The person on Lavonia  
10 Avenue will continue do call like the person on  
11 Sheepshead Bay and neighborhoods like that from  
12 throughout the City.

13 MR. GROVER: To go from three hours. But  
14 when you walk out of Staten Island Hospital and  
15 you have 10 cars sitting there, they are not  
16 going to call me. They are going to get into one  
17 of those cars if that goes into effect.

18 MR. CHAIRMAN: I guess that is the core  
19 point. Absolutely.

20 MR. GROSSO, JR.: Again, to answer some of  
21 the questions, yes, there are street hails that  
22 go on. Yes, I would lie if I said there wasn't.  
23 I would lie if I said there wasn't because,  
24 again, it is the nature of the industry.  
25 Percentagewise, very, very small percentage of

2 cars on Staten Island, Very small percentage.

3 >> MR. CHAIRMAN: Thank you. I'm sorry. Do  
4 you have more? Did you want to finish?

5 MR. GROSSO, JR.: He touched on a lot of  
6 stuff. The issue of enforcement and, again, the  
7 issue of enforcement is not to take anything away  
8 from the uniformed officers because you look at  
9 the number of vehicles that are licensed by the  
10 TLC in comparison to the number of uniformed  
11 officers within the TLC, it is a staggering,  
12 staggering number.

13 It is not, say, they are not doing their  
14 job. It is just not new and even with the  
15 promise of added enforcement, it is not going to  
16 do the job.

17 >> MR. CHAIRMAN: I do want to assure you  
18 and Commissioner Raes, as well, our increased  
19 staffing now allows us -- if you are correct, we  
20 did not have regular enforcement rotation on  
21 Staten Island. Thanks to our current numbers, we  
22 now do have regular enforcement and I know you  
23 have raised that and, as we continue to grow, if  
24 that will increase in frequency, as it will  
25 everywhere, Staten Island is part of the regular

2 enforcement rotation.

3 MR. GROSSO, JR.: And we have always had a  
4 good rapport with the enforcement unit. Our  
5 concern goes back to 2009 with the accountability  
6 rules, one. Unfortunately, off-shoots of that  
7 was more gypsies, more illegal activity because  
8 people didn't want to take their car to get  
9 inspected at Woodside; therefore, they chose to  
10 have straight plates and run the streets.

11 Our worry is that because, up to this point,  
12 there hasn't been enough enforcement, even though  
13 the TLC for the latter part of 2011 till now has  
14 done a much better job, there are still issues  
15 for the, say, the medallions, at the hotels.

16 We know Jacob Javits you raise your hand.  
17 You are going to have a livery pull up. It is  
18 going to take away from the yellow cab industry.

19 We are afraid, even though there are all  
20 these incentives the TLC is putting in place for  
21 this plan, that there is going to be a large  
22 majority of those that are operating illegal that  
23 will remain illegal.

24 So now if you don't have enough enforcement  
25 in place, it is just going to become the wild

2 west, essentially. It is going to create havoc  
3 and it is going to be a detriment to the product  
4 the City offers as far as the livery industry  
5 and, again, potential loss of life.

6 >> MR. CHAIRMAN: Thank you. Erasmo Taveras  
7 is next and Cortney Hogan. Then Bhairavi Desai,  
8 and while you are coming up Mr. Taveras, a couple  
9 of things, our general counsel reminds me,  
10 Commissioner Arout, and Staten Island folks that  
11 the Staten Island pilot program, just Meera  
12 reminds me that when we -- the pilot program  
13 that, in effect, allows street-hail pick ups at  
14 the ferry terminal, allows people to get off and  
15 get into a car was a pilot program. It is time  
16 limited. It expires in September.

17 MR. AROUT: I had no idea it was going to be  
18 a three-year program. I misunderstood you if you  
19 did tell me that.

20 But I think the whole purpose of the Staten  
21 Island ferry boat there was one ramp there where  
22 all these illegal cars used to come in and park  
23 there and wait for the people to get off the  
24 ferry boat and they would take them out.

25 Now, we raised all kinds of hell about how

2 the department navigates it. To make a long  
3 story short, they eliminated that row. Now they  
4 have buses, but they decided what do we do now.  
5 People get off the ferry.

6 We established this car service that is down  
7 the ramp with three other companies and made a  
8 ceremony at the ferry terminal saying in all  
9 lines, all kinds of lines coming off the ferry,  
10 if you need a car service there, you would go --  
11 I always assumed it was personally all legal. If  
12 I was mistaken, I'm sorry.

13 >> MR. CHAIRMAN: It is absolutely legal.  
14 The whole point of it was to make the practice of  
15 getting into a car legal and it was done,  
16 although, as I say, it is in a pilot program that  
17 expires in September. I just want to be clear of  
18 that.

19 MR. AROUT: September of this year?

20 >> MR. CHAIRMAN: Yes.

21 MR. AROUT: What did we do? What do we do  
22 in the case of this now?

23 >> MR. CHAIRMAN: When it expires?

24 >> MR. AROUT: Yes.

25 >> MR. CHAIRMAN: Fortunately by then the



2 street-hail rules will be in effect and it will  
3 be legal by virtue of those.

4 So the other point, I just want to make sure  
5 because there is this discussion about being  
6 forced again, I want to make sure livery base  
7 folks and drivers are very clear that the  
8 street-hail license is entirely optional.

9 A livery vehicle licensee or base licensee  
10 that wishes to continue to do only prearranged  
11 service absolutely can do that and I expect many  
12 will choose to do that. I want to make sure we  
13 are clear on that.

14 No one is required to change their business  
15 practice. Mr. Taveras.

16 MR. TAVERAS: I guess it is afternoon  
17 already. Good afternoon, Mr. Chairman and the  
18 rest of the Commission. I will try to keep my  
19 comments a little shorter than the previous  
20 speakers.

21 My name is Erasmo Taveras and I represent an  
22 entity called City Livery Leasing.

23 MS. MARINO: Who?

24 MR. TAVERAS: Which is based in the Bronx.

25 >> MR. CHAIRMAN: City livery leasing?

2 MR. TAVERAS: And we have been in operation a  
3 little over one year. Right now we hold  
4 approximately a couple of hundred, 300 plus TLC  
5 licenses.

6 What we do is we acquire late model Toyota  
7 Camry hybrids and we just made an agreement with  
8 Freedom Motors from Detroit to begin to offer the  
9 handicap accessible Sienna van.

10 What we do is that we acquire this vehicle.  
11 The 2012 we buy it brand new. The 2011 we buy it  
12 with low milage. We equip it with everything  
13 that the TLC requires. We put in leather seats;  
14 we put in cameras. We put the emergency light.  
15 We get the licenses. We get the insurance and we  
16 proceed to get the inspections on these vehicles.

17 Once the inspection is passed, we find the  
18 drivers that we like to be their own boss and own  
19 their vehicles.

20 Each of these vehicles will cost us any  
21 where from 25,000 to 40,000 to have it ready to  
22 roll on the street. We put up that money and the  
23 driver is required to lease on a lease-to-buy  
24 program in which they can have a down payment of  
25 approximately 2, \$3,000 and the weekly payment

2 that will cover his insurance, cover the license  
3 and title and cover the costs of the vehicle.

4 Over the period of the lease, at the end of  
5 the lease, they don't have to pay anything extra  
6 and the title is passed onto the driver.

7 So they become owners in a facility that  
8 they have because of a weekly rate that they pay  
9 right now is approximately the same amount that  
10 they will pay if they were to lease one shift  
11 from another owner.

12 Our concern in the business is that we have  
13 those hundreds of drivers right now, and most of  
14 them are interested in becoming licensed with the  
15 street-hail license that is coming up. And we  
16 are willing and able to provide that, but there  
17 is one clause in the regulation that prohibits  
18 any institution to have an interest, a financial  
19 interest in more than one unit or five units if  
20 it is a handicap accessible.

21 What that means to us is that we will have  
22 no security in lending to this driver and that  
23 will prevent us and any other financial  
24 institution, bank, credit union and anyone in the  
25 financial industry will be hurt and back up from

2 lending to this new vehicle because they have no  
3 collateral, more than one vehicle.

4 I think that what we are asking the  
5 commission to see how we can overcome that. We  
6 are willing to work with the Commission. We want  
7 to work with the Commission. We want to convert  
8 those cars into street-hail. We are willing to  
9 support the driver and give them the financial  
10 backing that they need to be able to get into  
11 these vehicles, but we have to be able to protect  
12 our investment and at least have a financial  
13 interest until the vehicle is paid off and then  
14 we transfer it over to the owner.

15 >> MR. CHAIRMAN: Thank you, Mr. Taveras,  
16 and I don't know if the TLC reached out to  
17 Mr. Chhabra. Find Mr. Chhabra and make time.

18 We under the leasing model have become an  
19 important part of the livery industry. The rules  
20 that we have proposed here permit a continuation  
21 of the leasing model. You are right, that the  
22 state law, the business in the state law about  
23 one per, five per, which it is not honestly clear  
24 to me why that was in there, but it is. So  
25 obviously we have to follow it, but we are quite

2 certain that that does not preclude continuation  
3 of the leasing model.

4 We would like to walk you through that, and  
5 if you have suggestions for how the rules need to  
6 be tinkered with to make it even more crystal  
7 clear, we would be happy to hear from you. I  
8 believe it is permitted under the rules we put  
9 out. Let us walk you through that.

10 MR. TAVERAS: Another concern that I have is  
11 that we hate to be able to take back a car when  
12 somebody doesn't pay. That is probably a  
13 nightmare to us. We don't like to do it but it  
14 is a business and sometimes that has to be done.

15 What will happen if we have to repossess a  
16 vehicle and we've only done it to the vehicle  
17 with a license but we are not supposed to have  
18 it. Can we give a leeway probably 90 days so  
19 that we can transfer over to another eligible  
20 driver?

21 >> MR. CHAIRMAN: I understand. That is  
22 part of the wrinkle that you need to understand  
23 how that would function in practice. Please do  
24 make time to come in and let's go over that  
25 detail.

2 MR. TAVERAS: Thank you very much for your  
3 time. It is a very productive meeting.

4 >> MR. CHAIRMAN: I'm glad you feel that  
5 way. I feel this way as well. Cortney Hogan has  
6 signed up followed by -- I'm sorry. The name  
7 says here Jose, livery Round Table, I'm sorry,  
8 followed by Bhairavi Desai from New York Taxi  
9 Workers Alliance.

10 >> MR. CHAIRMAN: You're Cortney Hogan.

11 MR. HOGAN: I am Cortney Hogan. You sound  
12 like you know my name already. I will try to  
13 figure out how my father got that name.

14 I'm Cortney Hogan. I'm a resident of  
15 Parkchester and the Bronx, and I'm speaking from  
16 the viewpoint of a resident in that neighborhood,  
17 which is subjected to noise pollution, air  
18 pollution, from idling cars and honking,  
19 soliciting vehicles that I wish would say taxi,  
20 taxi when somebody came out the train station or  
21 from Macy's or off the 44 or from a bus to get a  
22 car. Instead, they honk the horn over and over  
23 and over, the same vehicle.

24 The same people will use Hugh Grand Circle  
25 as their base, the bus stop as their base,

2 forcing 44 buses to have to parallel park to  
3 discharge wheelchair passengers or have to go  
4 around the corner.

5 One particular driver who has received  
6 summonses over and over to the point where his  
7 license is suspended, revoked, his New York State  
8 driver's license. Does that matter? No. He  
9 still has a TLC plate vehicle. He will take the  
10 arrest and the next arrest and the next arrest  
11 because he knows that this is a money making  
12 place to be, Grand Circle, and this is what they  
13 do.

14 This is his life-style. This is all the  
15 drivers lifestyle. If they don't get penalized  
16 for hefty penalties for honking horns, parking in  
17 a bus stop, parking in a lane of traffic, they  
18 are going to keep doing it over and over. It  
19 means nothing.

20 They didn't care before. They don't care  
21 now. They won't care in the future. This is  
22 what they do. This is their business plan.

23 So I'm asking the TLC not only to come up  
24 with a method of enforcing noise violations,  
25 which is to me it is a public health issue.

2           If you are making unnecessary noise, which  
3           is also a disorderly conduct issue. People's  
4           health is affected. Cardiovascular issues  
5           increase, blood pressure issues. So we would  
6           like to know how the TLC is going to, I would  
7           like to see patrols in my neighborhood.

8           I sent e-mails to the office regarding the  
9           horn honking and the reply I got was we can't  
10          enforce horn honking.

11          I will sit at the bus shed. I will take  
12          every plate number down that comes to that corner  
13          and stops and honks the horn. There could be  
14          nobody around. They are waiting for somebody to  
15          come out the back, right. I don't know, but this  
16          is what they do.

17          It happens to be a 24-hour bar and  
18          restaurant outside my window. People stand out  
19          there smoking cigarettes. They are not looking  
20          for a cab. They are not. They are just outside.  
21          This is their life-style throughout the day and  
22          see who catches it.

23          MR. CHAIRMAN: Thank you, Mr. Hogan. Thank  
24          you very much for taking your time to come here  
25          from Parkchester and I do -- next is Bhairavi



2 Desai.

3 As she is coming up to speak, you can sit.

4 MR. HOGAN: I thank all the officers who are  
5 patient with me for taking my complaints.

6 >> MR. CHAIRMAN: You are a frequent flyer.  
7 You are a frequent customer. You are glad then  
8 our inspectors are out there?

9 MR. HOGAN: As I was waiting, I got a phone  
10 call.

11 >> MR. CHAIRMAN: I do want to say I think  
12 that the street-hail livery, bar taxi initiative,  
13 it is my hope, no guarantees, that it will ease  
14 some of those problems, patrol the honking,  
15 because the whole point of this is that the  
16 borough taxis, street-hail livery shall be  
17 clearly identified as vehicles that are available  
18 for hiring. They will be marked that way, taxi.

19 Yellow taxis don't go around honking for  
20 customers because everybody knows that is a taxi.  
21 They don't need to honk. There is a customer  
22 there. They raise their hand, and the idea is  
23 that the liveries will be able to operate in the  
24 same way. So, Mr. Hogan, that is my best  
25 statement.

2 MS. DESAI: Good morning. I'm Bhairavi  
3 Desai, executive director of the New York Taxi  
4 Workers Alliance. I just have to make a side  
5 note. I'm a co-op city resident. I guess you  
6 have North East Bronx represented.

7 >> MR. CHAIRMAN: It is in the house.

8 MS. DESAI: I want to comment on three point  
9 in particular.

10 First of all, we absolutely feel very  
11 strongly that the drivers licensing should be for  
12 a hack license. I mean, it should be one  
13 standard for the licensing. From my  
14 understanding, the point of this entire  
15 initiative is to have one standard for customers  
16 service.

17 So why would you not have one standard for  
18 the driver licensing? And the argument that if  
19 you give hack license holders this option, they  
20 will somehow jump ship and go into another  
21 segment of the industry should not be a reason to  
22 basically shackle an entire work force.

23 If you are afraid that you are going to lose  
24 drivers, then the simplicity and most logical  
25 thing to do is to change the conditions by which

2 they are working under you and then maybe you'll  
3 give people an incentive to stay with you.

4 Secondly, taxi drivers, the majority of them  
5 invest years and years into the industry. People  
6 don't just jump that easily, not only from one  
7 segment to the other but out of the industry as a  
8 whole. So I think a lot of the paranoia it is  
9 just that. It is because those concerns are  
10 basically paranoia. We think the rules should  
11 stay really as it is written.

12 Thirdly, on the point of enforcement, I  
13 mean, we all know illegal pick ups, hustling, has  
14 gone on for over a decade.

15 It has been increasing, especially as the  
16 recession gets worse. You look at hotels where  
17 10 years ago yellow cabs would have been the  
18 first in line, now you are double parked next to  
19 a black car. We have seen illegal pick ups not  
20 only by license plates but also by private  
21 plates.

22 We are hopeful that through this initiative  
23 for the first time there will be some  
24 enforcement. The boundaries have been clearly  
25 laid out and there finally be some enforcement.

2           We're particularly supportive of the rule as  
3 it states that for the relocation period, for the  
4 relocation, the measurement, the time period  
5 stretches out to over 10 years. And we ask you  
6 to absolutely keep that in the rules as it  
7 remains and to further think about penalties for  
8 those that would not be covered, for those who  
9 will do illegal picks ups would not be covered  
10 under this particular provision if they don't  
11 have the street-hail permit license.

12           Lastly, I just want to say very quickly that  
13 we understand that this whole initiative in many  
14 ways was about creating a fairer market, not only  
15 for the customers, but we would like to believe  
16 even for the drivers.

17           As you know, the majority of the drivers in  
18 this industry throughout all the segments don't  
19 own the capitol. The yellow cab industry with  
20 the medallion is the capitol, less than  
21 20 percent of the drivers own it.

22           In this, as you are creating this new market  
23 with the permit really being a new capital, we  
24 hope that you create this market with the  
25 advantage point giving drivers a fighting chance

2 to really make a livable income through this  
3 market and to allowing all segments of the  
4 drivers to maintain a sense of mobility  
5 throughout this market, just as we provide  
6 mobility to close to a million people out on the  
7 streets. Thank you.

8 >> MR. CHAIRMAN: Thank you, Miss Desai.  
9 Next is Jose representing Livery Round Table. We  
10 have, Commissioners, there are I believe seven  
11 people now signed up to speak. Jose, Abubakr  
12 Muhammad. I don't know if I got that right.  
13 Then there are a few who I've names I believe I  
14 recognize from the Taxi Workers Alliance, Bill  
15 Lindauer, Asmad Chaudery, Mohan Singh, Pavel  
16 Lopez and Dave Pollock, David Pollock. That's  
17 it.

18 I would just ask if you are here and you are  
19 intending to speak say so now. If you are  
20 already signed up, if you are here and I did not  
21 read your name, is there anybody in that  
22 category?

23 So, Commissioners, that's the remaining  
24 witness list. I just wanted you to know,  
25 commissioners.

2 I knew this. We cannot ask them -- he's  
3 entitled to a break. So we are going to take a  
4 30 minute break and then we will conclude with  
5 the people. I'm sorry. I know you have been  
6 waiting for a long time. We will conclude with  
7 the remaining people on the list. We are  
8 breaking at 12:25. We will resume at 12:55.

9 (A luncheon recess was taken from  
10 12:25-12:55 p.m.)

11 >> MR. SWITZER: Good afternoon, ladies and  
12 gentlemen. We will be starting in about five  
13 minutes, please take your seats. Five minutes.

14 Ladies and gentlemen, we are about to get  
15 started. Please take your seats. Thank you.

16 MR. CHAIRMAN: Thank you very much folks for  
17 your indulgence today. We will start today with,  
18 we will reconvene and start with Jose from livery  
19 round table. Would you please come up, followed  
20 by Abubakr Muhammad and Bill Lindauer.

21 JOSE: Good afternoon, everyone. My name is  
22 Jose. As part of the Livery Round Table, I  
23 represent the New York State Taxi Foundation of  
24 Drivers. We will be very brief because our  
25 representation was already included with the LRT.

2           Basically, we will stand on the facts in the  
3 proposal to allow ambulettes and paratransit  
4 vehicles to be licensed.

5           We don't think that will, is not only  
6 business wise but it is not going to solve,  
7 Commissioner, the issue of hailing wheelchair  
8 people in the street. We have to be real about  
9 it. So that is our position in regards to that,  
10 and, of course, we have to recognize the industry  
11 in the last 30 years, when it comes to livery  
12 bases, has not updated the business models. The  
13 business models remain the same.

14           Until they make changes within the business  
15 models, we are still going to have all these  
16 issues even though we state great laws is  
17 regulation for the new license. We have to  
18 assume our responsibility in regard to meeting  
19 you halfway.

20           In that regard, I want to say thank you for  
21 joining us in the Bronx, Commissioners, and Ely  
22 from Staten Island for also speaking up on that  
23 topic and taking our conversations or comments.

24           By the way, on Tuesday in the afternoon we  
25 meet on a weekly basis, the LRT with Miss

2 Phillips, Adrian, Gregg and Mike. We appreciate  
3 very much the fact that they meet with us and  
4 will listen to what we have to say and maybe not,  
5 and we understand on Tuesday when we want an  
6 answer, they just have to tell us.

7 We are just listening and presenting to you  
8 our recommendations but, you know what, we are  
9 very quick to criticize but I have to say thank  
10 you to these folks on Tuesday for being with us  
11 and accepting our ideas and I say thank you to  
12 you, Commissioners.

13 >> MR. CHAIRMAN: I really appreciate you  
14 saying that and I do want all the stakeholders to  
15 know, given the complexity of this initiative and  
16 its importance, we wanted to get feedback from  
17 all the stakeholder groups.

18 The staff is quite right, we are hearing it  
19 and then we will digest it because often times  
20 people have different perspectives.

21 For example, the medallion owner  
22 representatives may feel like I want tougher  
23 penalties against street, illegal street hails.  
24 The drivers might say, the livery drivers might  
25 say, maybe not so tough. So we have to hear it



2 all, and then we will circle back to you with the  
3 revisions based on those comments and then we go  
4 final.

5 JOSE: One last thing, we had sent warning  
6 signals from the beginning of this debate to  
7 advise the fact why should have taken a second  
8 and third look at the issue instead of rushing  
9 it. We just wanted to make sure from the  
10 beginning, people might not like it, but we sent  
11 warning signals about things of today.

12 I am amused to hear base owners saying that  
13 they are concerned about this and that.

14 The taxi federation back then had sent  
15 signals with warnings be careful. We should not  
16 rush into this. Thank you very much.

17 >> MR. GJONAJ: I just want to add,  
18 Chairman, on that note, I would like to make sure  
19 that we are exactly doing what the Chairman said,  
20 that this Commission wants to hear from all the  
21 stakeholders, and I'm actually surprised that the  
22 people in this room have taken the time, taken a  
23 good portion of their day to attend and hear what  
24 is being said but very little input, in my mind,  
25 not that I want to be here all day.

2           Also, everyone in this room should have  
3 signed up to say their piece, as long as it is  
4 not repetitively adding to substance.

5           Members of this Commission want to hear your  
6 concerns, your issues and based on that we can  
7 make a better decision for you and the whole of  
8 the industry.

9           JOSE: It is striking to go to these opening  
10 meetings in the hospitals and conference rooms  
11 around the city and you have, what, 100 people.  
12 Something is not right. Thank you.

13           >> MR. CHAIRMAN: Thank you. And  
14 Mr. Abubakr Mohamed followed by Mr. Lindauer and  
15 Asmad Chaudery.

16           While Mr. Mohamed is coming up, yes, on the  
17 one hand we want to make sure every driver and  
18 livery industry person we can talk to directly.  
19 On the other hand, people have jobs to do and we  
20 recognize that fully, and that's why the trade  
21 associations and organizations really do function  
22 as the intermediary and when the people talk to  
23 you, Mr. Volaria, we are talking to the people  
24 that you represent and similarly for the round  
25 table and, of course, the Taxi Workers Alliance

2 and even more so. We do understand the role that  
3 you play.

4 Mr. Mohamed.

5 MR. MOHAMED: Hello, ladies and gentlemen,  
6 I'm the second driver here. Most of them are  
7 busy now.

8 Just the only concern I'm voicing here is to  
9 give the chance or to preserve power of this new  
10 permits, livery held permits to the drivers.  
11 Just like if there is any way they can get chance  
12 of that because many of the drivers like me  
13 driving 11 years, or them feeling like I want to  
14 get something, start business or something, back  
15 pain.

16 First of all --

17 MR. CHAIRMAN: You drive a livery or taxi?

18 MR. MOHAMED: Taxi. Just as my concern a  
19 driver to get a percentage because this I feel  
20 taxi and limousine commission is ours before  
21 anybody else.

22 So if you can get like preference that's  
23 what I want to voice for the drivers. We will  
24 get a chance to get in because the medallion, the  
25 yellow medallion now is already hard for the

2 driver to own it. No more than recent years.  
3 This is a good chance and we welcome it very  
4 much. Thank you. I get most of my questions  
5 answered during the break.

6 The other whole thing, if there is a big  
7 base, how many license they can get?

8 >> MR. CHAIRMAN: So, there is a limit of  
9 one vehicle license per customer. A base can  
10 affiliate as many vehicles as they want to  
11 affiliate with the base, just as it is today. So  
12 a base can affiliate 10, 20, 300 vehicles, but  
13 any vehicle, someone obtaining a vehicle license  
14 will only be permitted to obtain one unless they  
15 are obtaining vehicle accessible. They can  
16 obtain five. I don't want to take too much time.

17 On the issues of taxi drivers, I understand  
18 what you are saying. Though I want to be up  
19 front with you, the state law that created this  
20 program says that the livery, the vehicle  
21 license, the license to have a street-hail livery  
22 vehicle must -- we can give that only to somebody  
23 who has been a licensed livery person either  
24 vehicle owner or driver for a year.

25 And that was a deliberate decision by the

2 state, and by the state legislature, and I  
3 understand the reasons behind it.

4 The reason behind it was that people in the  
5 livery industry who were today operating by  
6 street-hail should have the first crack at  
7 keeping their business and shouldn't be put out  
8 of work by somebody who has not been doing that.

9 But, you're right, it does mean that a  
10 yellow driver, a medallion holder driver would  
11 have to wait that year in order to have access  
12 except for the accessible ones. A wheelchair  
13 accessible license would be available after three  
14 months. So I know it is complicated.

15 But, in other words, yellow drivers, you're  
16 right, are kind of in line behind the livery  
17 drivers for this license; although, if you or  
18 anybody is interested in a wheelchair accessible  
19 one, that would be available three months after  
20 you started.

21 MR. MOHAMED: The yellow cannot apply?

22 MR CHAIRMAN: For the vehicle license, for  
23 wheelchair accessible. That you would be able to  
24 get.

25 MR. MOHAMED: That one not until after one

2 year. If I buy, one of those have 50 bases,  
3 can't I just get buy base because, for example, I  
4 want to get into next step and get into this  
5 business as a new block here, not the old  
6 company. I want to get in. I want to have a  
7 base just for 50 that is going to be new. Is it  
8 possible I can get some advantage and get one of  
9 these for 50?

10 >> MR. CHAIRMAN: If I understood your  
11 question, I think the answer is no. But what I  
12 would ask you to do on a specific question like  
13 that, if you would just give Mr. Chhabra, who is  
14 our deputy commissioner for policy and external  
15 affairs, he's got his hand up in the back, give  
16 him your number and we will get you a full  
17 answer.

18 MR. MOHAMED: Thank you very much.

19 MR CHAIRMAN: Bill Lindauer followed by Asmad  
20 Chaudery and Mohan Singh.

21 >> MR. LINDAUER: First I want to say the New  
22 York State Federation of Taxi Drivers is a bantum  
23 organization. It is a fraud and its leader,  
24 Fernando Matio, is a fraud, too. He represents  
25 no yellow cab drivers.

2 >> MR. CHAIRMAN: I appreciate the point or  
3 I understand why you feel like you have to make  
4 that point but I guess I would say let's keep on  
5 the topic, if we could, to the issues here and  
6 especially not admonish.

7 >> MR. LINDAUER: This is addressed to the  
8 greeting garages and the brokers who charge rates  
9 that would make Mafia loan sharks blush. The end  
10 of the taxi tycoon will soon be to an end.

11 MR CHAIRMAN: Moderate the homonyms.

12 >> MR. LINDAUER: All too long they have had  
13 culture card blanche to pillar and plunder  
14 drivers to Atoll the Hun. Now it amuses me that  
15 they are complaining, oh, the yellow cab drivers  
16 may go driving liveries because the rates are  
17 low. Hey, I have a modest proposal, lower your  
18 own terrible rates.

19 Come on. A little fairness here, a little  
20 competition might be a good thing for them.

21 Thank you.

22 >> MR. CHAIRMAN: Asmad Chaudery.

23 MR. CHAUDERY: Good afternoon. I testify my  
24 new organization is Unit Taxi Drivers, NOC, Inc.

25 Again, thank you, Mr. Chairman. You are

2 busy to all colleagues to accident. Mr. Mohan is  
3 in the hospital. Thank for you. We are happy  
4 for feelings and topics earlier.

5 >> MR. CHAIRMAN: I appreciate you saying  
6 that. All staff at TLC wishes him well.

7 MR. CHAUDERY: And, also, the testified taxi  
8 person here he described his feeling on behalf of  
9 Unit Taxi Drivers, taxi driver fare take the  
10 lead. They testified it is hard for taxi but my  
11 question you looked at the TLC rule six days or  
12 seven days. They charge you every day like \$86  
13 but why is transit do if they work weekly. I  
14 have 666. It doesn't look that way. It is only  
15 look for our fare, livery cab. It is not  
16 justice.

17 Livery driver is hostage to this industry.  
18 They are going to make fair my driver, if it is  
19 they don't work, they don't get car. It is  
20 hostage. It is their car. If they do want, they  
21 don't get car.

22 What is this? Give me the weekly lease.  
23 Then we can get benefit. Then I can benefit it.  
24 This suffering and everything, somewhere else,  
25 even the car, too. Drivers are seven day weeks.



2 If you don't work, you have to pay. It is not  
3 fair rules.

4 And, also, the industry, because yellow  
5 because they want to know exactly livery plan but  
6 they are happy to get license because some driver  
7 have Hack license they are driving livery but  
8 they are not allowed to get livery car and  
9 license. I think it is that way.

10 And, also, the other way industry a little  
11 back. The livery cars city council pass  
12 authority that they have the wheelchair access  
13 give the driver. That is not true. They are  
14 cars and they buy the medallion, high price and  
15 they are still driving happy to make this money.  
16 That say all the wheelchair car go to driver and  
17 the industry can't. How is the driver going to  
18 benefit?

19 And another thing, the livery plans I like  
20 but to have to learning something. We don't give  
21 me all the cars, broker and fleet, then they do  
22 the same thing is going to happen. The same is  
23 going to happen. Given all the cars, individual  
24 driver in this industry and people are going to  
25 get service.

2           If you go to the fleet, they are going to  
3 more charge. Money goes to general public. They  
4 are not going to have too much money because a  
5 lot of things they are still making. All the  
6 cars goes to driver in livery, not limited, given  
7 the fleet.

8           Also, why do you have to pay, drivers 1500.  
9 The livery driver --

10          MR. CHAIRMAN: I'm going to have to ask you  
11 to sum up.

12          MR. CHAUDERY: People points.

13          MR CHAIRMAN: Conclude.

14          MR. CHAUDERY: Because it is not livery cab  
15 driver. They don't make enough money. Now you  
16 have the 1500 license fee and buy another car. A  
17 lot of things going on. Give me break then.  
18 Reduce and everybody is going to join this  
19 project and, also, in other words, the medallion  
20 new taxi plan what happening now? New York City  
21 cost if it is reasonable, they are going to do  
22 two at time. Sometimes one --

23          MR CHAIRMAN: We are straying off topic.

24          MR. CHAUDERY: Also, the effect of new laws  
25 two six point within 18 month, one month my

2 license is going to take away. Why not on the  
3 license they stop this thing because people are  
4 going to do for the family. Family, what should  
5 they do for their life.

6 >> MR. CHAIRMAN: Thank you. Mohan Singh,  
7 followed by Pavel Lopez and the final speaker is  
8 David Pollack.

9 MR. SINGH: Good afternoon, everyone. I am  
10 Mohan Singh. I'm DOV driver. I just came down  
11 here to tell you people that we are driving from  
12 the long time. Now we don't have the chance to  
13 do the transportation. We can't afford to. It  
14 is only for the livery.

15 Before we cannot drive the taxi without the  
16 Hack. Now we have the Hack license and now you  
17 say go back to livery.

18 Another thing the price, which you are  
19 quoting 1,500 for first year, 3,000 for second  
20 year and 4500 for third year, and I ask the  
21 officer and he told me it can raise to \$6,000.

22 So what do you expect then? The livery  
23 person who's going to drive outside of the  
24 borough, can he earn this amount? I don't think  
25 so.

2           Even he has to maintain the car. He has to  
3 maintain everything, even someone he has to pay.  
4 So the price will be less and it should be fixed  
5 so that each and every driver can go and buy it.

6           >> MR. CHAIRMAN: Okay.

7           >> MR. SINGH: Then even if you can do  
8 something for the liveries that when they buy  
9 this outer borough, they can be just doing the  
10 work only on the outer borough, not on the  
11 airport, JFK, La Guardia or Manhattan, not even  
12 prearranged because prearranged can be raised  
13 within a minute.

14           If a person is there inside, he call them to  
15 the base, they can send one minute, not more than  
16 that. So it can be misused.

17           So this not be allowed in the area where it  
18 is ticket. So it can be good if you can keep it  
19 out of that place.

20           >> MR. CHAIRMAN: Thank you, Mr. Singh.

21           Next.

22           >> MR. GJONAJ: Can you reiterate exactly  
23 the issue on the Hack license versus the comment  
24 he was making.

25           >> MR. CHAIRMAN: A couple of things. You

2 can be seated, thank you. Just for clarity,  
3 there are two issues here: Who is eligible to  
4 be licensed, the licensee for that vehicle that  
5 owns it. And the owners, who is able, I'm sorry.  
6 Who is able to be the licensed owner of the  
7 livery vehicle and who can drive it?

8 The statute provides that for the vehicle  
9 licenses, what's called the owner, that license  
10 is available only to someone who has been a  
11 licensed livery owner or driver for a year or  
12 more.

13 >> MR. GJONAJ: Before the lawsuit?

14 >> MR. CHAIRMAN: Before they get the  
15 license. So starting tomorrow, if they were  
16 available tomorrow, you would have to be licensed  
17 for a year as of tomorrow.

18 >> MS. MARINO: As a livery driver?

19 >> MR. CHAIRMAN: As a livery driver or  
20 other than. There is an exception for wheelchair  
21 accessible, the licenses for wheelchair  
22 accessible vehicles that are open to anyone  
23 starting three months into the program.

24 >> MS. MARINO: Anyone meaning anyone?

25 >> MR. CHAIRMAN: Even you. Anyone. So

2 that is one issue. And that does reflect, that  
3 first part certainly does reflect a policy  
4 decision by the state legislature that they  
5 wanted livery drivers and current livery drivers  
6 and owners to have first crack at those licenses.  
7 That is to be the vehicle owner driver.

8 We get to set the rules, and the draft rules  
9 allow any, either yellow taxi, licensed yellow  
10 taxi driver or licensed livery driver to drive  
11 the vehicle.

12 The rationale there is, of course, livery  
13 drivers should be able to drive the livery  
14 vehicles. Yellow taxi drivers, in addition to  
15 meeting the requirements for livery drivers, have  
16 in addition passed an English proficiency test, a  
17 geography test, a test of TLC rules. So there is  
18 a higher standard. So, if anything, they have  
19 met the requirement for livery driver and then  
20 some.

21 So that the draft rules provide that any  
22 licensed driver in either of the two segments can  
23 drive a street-hail livery. I hope I have been  
24 clear there.

25 And on the fees, I just also want to --

2 6,000, I'm not sure what that referred to. The  
3 statute does set license fees for these  
4 street-hail livery licenses that are set by the  
5 statute. That is not something we can vary.

6 Licenses issued during the first year are  
7 issued at \$1500 for three years. So you can call  
8 it 500 hundred a year but it is a 1,500-dollar  
9 payment initially for a license with a three-year  
10 term.

11 Licenses issued during the second year are  
12 issued for \$3,000 for a three-year term, and  
13 licenses issued during the third year are issued  
14 for \$4500 for a three-year term.

15 I was going to say I hope I have been clear.  
16 I know that is clear. It still may be  
17 complicated but that is in the statute and that  
18 is not something that we have the power to vary.

19 First year, 1500 for three years; issued in  
20 the second year, 3,000 for three years; issued in  
21 the third year, 4500 for the three years.

22 >> MS. POLANCO: Total of nine years, it is  
23 a permit for three years. So every three years  
24 you apply for the first permit, second permit,  
25 third permit.

2 >> MR. CHAIRMAN: I'm sorry. For one  
3 vehicle. I am a livery owner. I come in the  
4 first day they are available and I'm issued a  
5 license. I pay \$1500. I have a license that is  
6 eligible, lasts for three years.

7 What about the next three years and the next  
8 three years?

9 MR. CHAIRMAN: Our rules don't specify a  
10 renewal fee and we talked about that earlier.  
11 Maybe we should, but the argument against  
12 specifying renewal fee is that.

13 >> MS. MARINO: What is the 3,000 after this,  
14 first three years?

15 >> MR. CHAIRMAN: That's a new person that  
16 comes in in the second year. The first time,  
17 let's say we start issuing licenses May of 2012.  
18 Anyone who gets a license from May 1, 2012  
19 through April 30, 2013, anyone who comes into our  
20 counter, gets that license issued in that year  
21 period will pay \$1500 for a three-year license.

22 If you come in for the first time on May 1,  
23 2013 now you are going to pay 3,000.

24 So perhaps the rationale, I don't want to  
25 speak for the state legislature, perhaps the



2 rationale is an incentive to come in earlier  
3 rather than wait a year. Perhaps, I think the  
4 rationale was in part they thought that the value  
5 of these things would grow over time and so it  
6 was fair to charge people more who came in later.  
7 Whatever the rationale was, that's what it says  
8 in the statute.

9 >> MS. MARINO: That wasn't clear to me at  
10 all.

11 >> MR. CHAIRMAN: I'm sure that was not  
12 clear. I hope I clarified it.

13 >> MS. MARINO: Maybe it was me. I don't  
14 know.

15 >> MR. CHAIRMAN: I doubt it. Pavel Lopez  
16 and David Pollack and those are the only people  
17 signed up.

18 MR. LOPEZ: Good afternoon. My name is  
19 Pavel Lopez. I represent about 20 radio shops  
20 and our association is New York Radio  
21 Communication Association. We are the companies  
22 that have been servicing the livery taxi cabs for  
23 about 25 years providing radio communications for  
24 the past three years, providing cameras, security  
25 system as well as the turbo lights and

2 everything.

3       On different occasions we have brought to  
4 the Commission after these new or taxi plan  
5 what's up? Our concern is how this equipment of  
6 the livery is going to be handled in regards to  
7 the licensee of new taxi people or people that  
8 will do the jobs on the liveries. We also want  
9 feedback telling them how is actually the  
10 presence of licensing for taxi mini-shops doing.

11       In the way it is now, we have very little  
12 opportunity to know to be part of the equipment  
13 of these livery cabs at this point.

14       What we request is that the Commission take  
15 into consideration that our business provides a  
16 lot of opportunities to employ.

17       Right now we have over 100 employees in our  
18 companies, as well as we manage virtually  
19 90 percent of the service to the livery cabs, but  
20 we don't know how what is the plan to include us  
21 into the persons, into the companies that are  
22 going to be able to provide these taxi meters,  
23 the booth lights, and all these other services  
24 that comes together with these livery cabs, as  
25 well as we are already approved by TLC as taxi

2 camera authorizing installers at this point, and  
3 we would like to know how is this going to be  
4 handled in the manner in the way that is being  
5 licensed in the taxi shops right now.

6 >> MR. CHAIRMAN: Did I understand  
7 correctly, you are asking about being a licensed  
8 meter shop; is that right?

9 MR. LOPEZ: Yes.

10 >> MR. CHAIRMAN: Have you spoken to anyone  
11 at TLC about this?

12 MR. LOPEZ: A few letters have been sent as  
13 well as e-mails and Beverly also speak to the  
14 commissioner.

15 MR CHAIRMAN: I would also ask you to  
16 identify Mr. Chhabra a few rows back. And we are  
17 very eager to have folks. We have not issued a  
18 new license to a meter shop in quite sometime.  
19 We would love to have more licensed meter shops  
20 just to give the licensees, right, more  
21 opportunities to purchase those.

22 So we have some exacting specifications.  
23 The meter has to be, it is the guarantee of the  
24 passenger about the fare so we want to make sure  
25 somebody who is installing that is qualified, but

2 we don't intend that to be a hurdle that is tied  
3 to the meter. We want people to be able to be  
4 licensed meter shops.

5 So I would ask you to talk to Mr. Chhabra.  
6 If you are interested in that, we would like to  
7 guide you through that.

8 MR. LOPEZ: Just to bring to your attention  
9 the way the license is managed right now, the  
10 process is not just TLC approval. It goes  
11 through a whole process and manufacturers and all  
12 that. It is very romantic for years and you need  
13 to understand --

14 MR CHAIRMAN: I understand there is rigor to  
15 it but we would like to help shepherd you through  
16 that.

17 >> MR. GJONAJ: What is the process? How  
18 long does it normally take?

19 >> MR. CHAIRMAN: The truth is, Gary can  
20 tell me. I'm not sure when is the last time we  
21 have had a new meter license but it has been  
22 quite sometime.

23 >> MR. GJONAJ: It doesn't sound like it is  
24 very transparent.

25 >> MR. CHAIRMAN: It is plenty transparent.

2 We just haven't had people come in and seeking to  
3 install meters. It is an existing business,  
4 13,000 people, not an infinite number.

5 I can understand why there have not been new  
6 people cropping up to do it. By the same token,  
7 now that we have this whole new reg, I think it  
8 will be terrific to have new vendors.

9 MR. LOPEZ: We don't do yellow cabs. We just  
10 do livery cabs. So the process that has been  
11 made for the yellow cabs is about meters and all  
12 that is totally different.

13 We're just requesting you take into  
14 consideration on the way to the business of  
15 livery and maybe open, I don't know if it is  
16 possible, a new kind of license just for taxi  
17 jobs for liveries or something like that. That's  
18 what we want to discuss with the Commission,  
19 probably, if it is possible.

20 MR CHAIRMAN: It will be the same meter. We  
21 will have the same standards for the installation  
22 of the meter and the street-hail livery as for in  
23 a yellow taxi.

24 Whether people want to serve only one  
25 segment or not is up to the business.

2           MR. LOPEZ: We understand but there are  
3 18,000 new livery cabs going. With the meter  
4 jobs we have right now, it is impossible to  
5 handle all these jobs together with the yellow  
6 cabs. So we're just trying to suggest the  
7 separation of special kind of licenses if it is  
8 possible for the meter shops that work only with  
9 livery.

10           >> MR. CHAIRMAN: At the risk of belaboring  
11 this, are there aspects -- it sounds like you are  
12 familiar with our license requirements.

13           MR. LOPEZ: Yes.

14           MR CHAIRMAN: Are you saying there is an  
15 aspect of our license requirement that is  
16 unnecessary or?

17           MR. LOPEZ: No. What I'm saying is in order,  
18 in our research, in our seeking to get approval  
19 for a taxi meter should be, we find out the meter  
20 manufacturers are the ones that first have to  
21 certify a meter shop to be able to apply.

22           So at the point of view of most of the meter  
23 manufacturers, there is no need to get a lot of  
24 people servicing, but they are looking probably  
25 to the 18,000 new cars that are coming that are

2 actually our customers because we install the  
3 cameras in them, right, and all these other  
4 things we do.

5 MR CHAIRMAN: We can certainly facilitate  
6 interaction with the meter manufacturers. That  
7 we can certainly do.

8 MR. LOPEZ: Perfect.

9 >> MR. CHAIRMAN: Thank you. And David  
10 Pollack.

11 MR. POLLACK: Good afternoon. I'm David  
12 Pollack, the executive director for the Committee  
13 of Taxi Safety. Although we have submitted  
14 comments on the proposed rules already, I felt it  
15 necessary just to make a few comments about  
16 everything I've heard here today.

17 This is certainly the greatest kind of  
18 change in this industry since the law was  
19 instituted back in the 1980s and I was privileged  
20 to know some of those people. Unfortunately,  
21 that law was years ago when I entered this  
22 industry. There is a lot of fear out there.

23 You've heard testimony today from the  
24 paratransit industry who is terrified their model  
25 is going to be destroyed. You've heard testimony

2 today from the distinguished Mr. Emery where  
3 there is a legitimate concern of the work force  
4 of the yellow taxi industry being affected.  
5 You've heard from the taxi service association,  
6 an association my father started in the 1980s,  
7 With environmental concerns. Those 18,000 are  
8 not fuel efficient, if I recall. It is a  
9 transfer of existing.

10 We have heard from Tarek, from the livery  
11 car industry. We have heard from other people  
12 how dual usage is a possible threat to their  
13 segment of the industry and there is an awful lot  
14 of fear here, and I urge this Commission to  
15 listen to the voices of experience and, please,  
16 take into consideration what all these  
17 associations with hundreds of years of  
18 experiences in their field have behind them and  
19 make the appropriate rule changes that do two  
20 things or they don't do two things.

21 Do not pit segments of the industry against  
22 each other and do not destroy any one segment of  
23 the industry and that's it. Thank you.

24 MR CHAIRMAN: Thank you, excellent, a very  
25 good way to end the day.



2 >> MS. MARINO: Agreed.

3 >> MR. CHAIRMAN: So, first of all, I just  
4 want to thank all the people who came out and  
5 gave of their time, as the commissioner points  
6 out, to come and speak out today.

7 Commissioners, I think we have heard a great  
8 deal of feedback, valuable feedback. The staff,  
9 as we have discussed, will put together some  
10 summaries so that you can read, in addition to  
11 having heard, we will get those out to you over  
12 the next week or so. We will then talk and  
13 process it. The staff will work up an evaluation  
14 of every single proposal that has been raised by  
15 a stakeholder.

16 We are scheduled, as you know, to vote. I  
17 believe our current calendar has that on  
18 April 19th. As we discussed at our meeting and  
19 advised people in the audience, that day may  
20 shift around in April just to make sure that we  
21 schedule properly but we certainly should be  
22 ready to proceed then.

23 Commissioners, I just want to thank you. I  
24 know it has been a long day and we have a lot of  
25 work to do and I know you are all eager as I am.

2           Our next public forum is April 2nd at  
3 Lincoln Hospital in the Bronx. What time?  
4 6:00 p.m. So the next public forum and, again,  
5 we really take to heart all the injunctions. We  
6 have to do a lot of outreach in the livery world  
7 to make sure people understand. April 2nd, 6 to  
8 8:00 p.m., Lincoln Hospital. That is our next  
9 public forum. Thank you.

10           >> MR. GJONAJ: I encourage the TLC to send  
11 official letters to every license.

12           >> MR. CHAIRMAN: I want to assure you, I  
13 will check during our break, we sent so far one  
14 letter to every livery licensee. 60,000, 65,  
15 whatever that is. Here is the rule, here is the  
16 bill. It is passed. Here is what the proposed  
17 rules say in summary. We will do at least one  
18 additional full mailing to everybody.

19           But I also, believe me, nobody thinks every  
20 driver reads through all their mail. So that's  
21 why we are visiting bases. That's why we are  
22 doing the meetings in neighborhoods throughout  
23 the City. We will try to reach as many people as  
24 we possibly can.

25           >> MS. MARINO: Can you possibly send is

2 commissioners a copy of our community boards.  
3 Somebody had a great idea for us to reach out to  
4 our elected and our local community boards. If  
5 you could send us the letter and we can forward  
6 it on.

7 >> MR. CHAIRMAN: I thank you very much.

8 >> MR. GJONAJ: In that letter advising them  
9 of the next public hearing. That's my intent  
10 that they participate and make themselves heard.  
11 We understand their concerns.

12 >> MR. CHAIRMAN: Agreed. We will do one  
13 additional mailing to be sure and with that, I  
14 move that we adjourn today's meeting.

15 MS. MARINO: Second.

16 MR CHAIRMAN: All in favor say aye.

17 (The Board says aye.)

18 MR. CHAIRMAN: I note we are adjourning at  
19 1:46 p.m. and thank you again for your service.

20 (Whereupon, the hearing concludes at 1:46:  
21 p.m.)

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## C E R T I F I C A T E

3 I, MICHAEL WILLIAMS, a Notary Public and  
4 CART Reporter of the State of New York, do  
5 hereby certify that the foregoing is a true  
6 and accurate transcript of the testimony as  
7 taken stenographically by and before me at the  
8 time, place and on the date hereinbefore set  
9 forth.

10 I DO FURTHER CERTIFY that I am neither a  
11 relative nor employee nor attorney nor counsel  
12 of any of the parties to this action, and that  
13 I am neither a relative nor employee of such  
14 attorney or counsel, and that I am not  
15 financially interested in the action.

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MICHAEL WILLIAMS

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