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1 NYC TAXI AND LIMOUSINE COMMISSION

2

3 Thursday, November 17, 2011

4 Commencing at 9:21 a.m.

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7 MEETING AGENDA:

8 PUBLIC HEARING,	STENOGRAPHIC
9 COMMISSION ACTION	TRANSCRIPT OF
9 STAFF PRESENTATION	PROCEEDINGS

10 - - - - -

11

12 B E F O R E:

13 DAVID YASSKY, CHAIRMAN

14 COMMISSIONERS:

15 MARK GJONAJ

16 NORA CONSTANCE MARINO

17 LAUVIENSKA POLANCO

18 EDWARD GONZALES

19 IRIS WEINSHALL

20 ELIAS AROUT

21 FRANK CARONE

22 LASHANN DEARCY (ABSENT)

23 MEERA JOSHI, ESQ., GENERAL COUNSEL

24

25

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

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3 New York City Taxi and Limousine Commission

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7 presentation:

8 CHRISTOPER TORMEY

9 Council Member Domenic M. Recchia

10 Jasmine Leveaux

11 Julie Tattoni

12 Jeff Rose

13 Guy Palumbo

14 David Pollack

15 Bhainavi Desai

16 Ira Goldstein

17 Beresford Simmons

18 Fidel F. Del Valle

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1 >> MR. CHAIRMAN: So commissioners, good
2 morning. The meeting of the taxi limousine commission is
3 convened for today.

4 We are meeting right at this moment solely for the
5 purpose of considering a motion I'm about to make to go
6 into executive session. Commissioners, as we have
7 discussed, guided by some excellent advice by our new
8 general counsel, we are trying out a practice that the
9 cCRB uses of regular executive sessions prior to their
10 meetings but requires, of course, a public meeting and a
11 public session and vote to do that.

12 So I move that we now recess this meeting and meet
13 in executive session and reconvene at 10:00 o'clock.
14 All in favor say aye.

15 (The commissioners say aye.)

16 >> MR. CHAIRMAN: The motion is adopted. The
17 meeting is recessed until 10:00 o'clock.

18 (executive session recess until
19 10:00 o'clock .)

20 >> MR. CHAIRMAN: Good morning, And thank you for
21 your patience not for a 10:15 start because I know it is
22 difficult to travel in lower Manhattan this morning.
23 Thank you for making the effort.

24 I will, in the interest of time, I will skip much
25 of the kind of update part of the meeting. I will

1 mention just a couple of things.

2 I want to just again thank our partners in the
3 value world and particularly in the TPEP provider
4 world. We launched a new opportunity for vehicles, both
5 for passengers and taxis, both a section stream of
6 content on the taxi TV but also a passenger survey that
7 for the first time in 15 years is generating hard
8 numbers, data, about the population and riding practices
9 of the passengers. It is proving -- we are getting
10 about 900 responses a day. So statistically significant
11 on day one but amounting into a really extraordinary
12 collection of data that is really useful to our policy
13 makers and I just want to again thank the tea-tep
14 providers for their assistance there.

15 Second, I just mentioned, commissioners, there was
16 some discussion a couple of meetings ago we know we
17 adopted on the rooftop advertising.

18 At that time, there was one of the testifiers
19 spoke about four-sided rooftop advertising.

20 I'm informing you pursuant to the rules we did
21 subsequently receive a petition from the astro media
22 group requesting the rules for site rooftop advertising.
23 The TLC considered this issue when considering the
24 rooftop rule. We have reviewed that request and have
25 decided to deny that petition. I will inform the

1 commissioners.

2 I will mention again just we have had terrific
3 participation from the industry of the pilot program for
4 fully electric vehicles. We approved at the last
5 meeting, we have had I think two, maybe more information
6 sessions since then.

7 They have been tremendously well attended, Meaning
8 there is a lot of interest in participation. So I have
9 no doubt that we will be able to execute that and get
10 those vehicles on the road and learn whether and how
11 fully electric vehicles can be assimilated into the taxi
12 duty cycle. I will leave it at that so we can get to
13 work.

14 First, I want to move that we adopt the minutes of
15 the October 20, 2011 commission meeting. Commissioners,
16 those minutes are before you. I move that we adopt the
17 minutes. All in favor, aye?

18 >> MS. MARINO: It states that I was present at
19 that meeting. I was not.

20 >> MS. WEINSHALL: I was present. she was absent.

21 We will have that corrected in the formal minutes.
22 I move that with the amendment that the minutes shall
23 reflect that commissioner Marino was absent and
24 commissioner Weinshall was present. That the minutes be
25 adopted. All in favor say aye.

1 (THE BOARD SAYS aye.)

2 MR. CHAIRMAN: Opposed? No. Very good. Base
3 applications first.

4 MR. TORMEY: Good morning. licensing would like to
5 present a few speakers, Five bases with recommendation
6 for approval. There are one, there is one base. My
7 name is Chris TORMEY, Director of licensing for the TLC.

8 Licensing would like to present five base
9 recommendation for approval. There is one base
10 licensing recommending for denial for the requested
11 commission grant an additional 30 days so that they may
12 present their outstanding items.

13 >> MR. CHAIRMAN: I move that we adopt the
14 recommendations of the licensing division on the
15 renewals and denials. And all in favor say aye.

16 (The board says aye.)

17 MR. CHAIRMAN: Opposed? The motion is adopted.
18 Thank you.

19 For the licensing division, It goes without saying
20 that the brief appearance we get from licensing every
21 meeting is the teeny tiny tippy top of the iceberg about
22 a huge range of work they do day in and day out. I want
23 to make sure they know how much it is appreciated.

24 We have two rules on the agenda today for public
25 hearing and commissioner action.

1 The first rule involves our standards for
2 approving stretch vehicles as FHV's. Our general counsel
3 will describe this.

4 MS JOSHI: Good morning. before the commissioners
5 today is a proposed rule that will permit the TLC to
6 license a broader range of modified for-hire vehicles.
7 The current rules only permit the licensing of vehicles
8 with original vehicle manufacture certified
9 modifications.

10 The proposed rules will allow for-hire modified
11 vehicles that meet New York State department of
12 transportation safety standards or for-hire modified
13 vehicles that are exempt from DOT safety inspections to
14 also be licensed by TLC as long as they meet the
15 insurance requirements set forth in the proposed rules.

16 The proposed rules would published in the city
17 record. the comment period ended on November 14th. No
18 written comments were received.

19 We are now going to move to public testimony on
20 the proposed rules and I just request that you state
21 your full name, and if you are affiliated with a
22 particular entity that you name that entity.

23 >> MR. CHAIRMAN: Yes, I know we have here -- is
24 there a list, I'm sorry. I know the list of people to
25 sign up to testify I don't have in front of me. Can you

1 bring that?

2 While we are doing that, I know the one we have
3 here council member Domenic Recchia I will call him to
4 testify. Right up front.

5 Council member Recchia really brought this issue
6 to the attention of the commission. He pointed out to
7 us that there is real potential in our current rules for
8 New York City bases to be in a competitive disadvantage
9 and that was council member Recchia.

10 >> MR. RECCHIA: Good morning, Mr. chairman, David
11 Yassky. Thank you for giving me the opportunity to say
12 a few words this morning to all the commissioners.

13 I'm here to discuss the amendment to the New York
14 City taxi and limousine commission rules regulating
15 after market modification to for-hire vehicles.

16 A most important note, we are going to detail our
17 focus on how this amendment affects limousine stretching
18 on a greater level and how it is costing the City of New
19 York thousands of dollars.

20 I want to first acknowledge that restrictions
21 against limousines stretching are put in place in order
22 to ensure the quality and safety for for-hire vehicles.
23 To this end, I want to make clear that new provision
24 amendments will include a point dedicated to vehicle
25 quality.

1 The quality and safety of these vehicles could be
2 secured by requiring the after market modified vehicles
3 insured by the stretching company be bonded. they have
4 warranties and right now there is basically only two
5 companies that this rule allows stretching limos, that
6 is, Lincolns and Cadillacs because they are done by the
7 actual manufacturer.

8 All the other stretch limos that you see are not
9 probably on the New York city streets and it is not just
10 fair. We should let these bases have these limos,
11 register them properly with the taxi and limousine
12 commission and not be at a disadvantage because right
13 now in order to be legally on our streets they have to
14 be affiliated with a base in Westchester, in New Jersey,
15 Long Island or New York City. And we can have them
16 affiliated with bases here in New York City and we can
17 bring in income, which the city needs.

18 This is at a great disadvantage because many bases
19 have other vehicles and it is just not fair that only
20 Lincolns and Cadillacs are accepted by the taxi and
21 limousine commission.

22 So I ask for you to support me on this issue so we
23 can move forward because there are many bases throughout
24 New York City, and this is brought to my attention, we
25 started investigating this, There are many bases that

1 have problems like this And they would love for this to
2 be resolved.

3 In addition to that, I saw in the rules a five
4 million dollar insurance requirement. I think that's a
5 little bit excessive. I think that could hurt the
6 bases.

7 Buses, big coach buses, are required to have five
8 million dollars of insurance, And now we are requiring
9 stretch limos to have the same things as buses that
10 carry close to 60, 65 passengers. So I would ask that
11 you reconsider that part of the rule.

12 In addition, I sent a letter, also, another point
13 that I pointed out was that these bases are required to
14 have ten limos or more in order to get registered by the
15 taxi and limousine commission and I would ask that you
16 really consider lowering that requirement.

17 We are here to promote small business. We are
18 here to help small businesses prosper. Someone who
19 wants to start a small business with a limo business
20 goes out and purchases one vehicle, sees that he is
21 doing well, has some money to purchase another one but
22 he really can't start his own business because you need
23 ten vehicles or more to have your own business. And we
24 are really putting them in a position that is not fair.

25 And we believe in helping small businesses. We

1 want to see them prosper, so I ask that you really lower
2 the level to maybe two or three, if you want, but we
3 really have to not put them at a disadvantage.

4 So I think I've covered everything I wanted to
5 cover. We really need to arrest this. I request
6 permission really in amending these rules.

7 >> MR. CHAIRMAN: Thank you very much, council
8 member, and, as I'm sure you know, commissioners,
9 council member RECCHIA chairs the finance committee of
10 the city council. He's been quite instrumental to the
11 TLC in making sure that our issues brought to us are
12 considered, but, in particular, he's been quite focused
13 on the need for revenue to make sure we can support the
14 city government without going to the taxpayers Again and
15 again.

16 And so in this connection I understand why you
17 would bring this forward to us. I do think when you say
18 there are revenue implications here it makes sense to
19 me. I want to say I probably know you left -- it is a
20 busy day over at city hall.

21 Two things, first of all, I believe the insurance
22 issue that you raised, and we have some other comments,
23 too, from the industry about the level, the appropriate
24 level of insurance, just two things I wanted to make
25 clear, commissioners, and folks in the industry that are

1 here, the proposed rule speaks only about the insurance
2 that would be required of these stretched vehicles. In
3 other words, it does not mention limos.

4 We had some concerns and questions that came in on
5 the last day or two that from the way the questions were
6 asked we could tell that the people thought that it
7 meant we were raising insurance requirements overall for
8 the industry. That's not what this rule would do.

9 This rule only speaks to this rule allowing
10 stretch vehicles beyond what is allowed today and sets
11 insurance requirements for those stretch vehicles only.
12 So we want to make sure you understand that.

13 But, second, some of the questions that have been
14 raised about the level of insurance appropriate for
15 these vehicles I think does require us to consider, and
16 it is going to be my intention to table this so we can
17 take another month and consider yet the next meeting but
18 I want you to know --

19 MS. MARINO: mr. Chairman, I think the underlying
20 idea of expanding options available to bases is a good
21 one. I intend to support it. I can't speak for the
22 other commissioners.

23 MR. RECCHIA: One THING I just want to bring up
24 dealing with INSURANCE WHEN these limos are stretched,
25 it is a only a few companies, they give warranties,

1 okay. So if you want to require that they have to file
2 a copy of the warranty with the TLC not to raise that
3 insurance level so high, They do warranty them.

4 >> MR. CHAIRMAN: Thank you for that suggestion
5 and, I'm sorry. If there are questions but before
6 commissioner, I also just wanted to say council member
7 RECCHIA raised a question of this, it is the case that
8 in our rules, as you know, bases, meaning livery bases,
9 and also black car, for luxury limousine bases are
10 required to have at least ten vehicles affiliated.

11 There have been persistent questions raised about
12 whether that does choke off some small businesses that
13 could function just fine with three or four affiliated
14 vehicles.

15 But I would say council member that that is found
16 in the local law, and I consulted with our general
17 counsel. It is in our rules, too, but our rules simply
18 repeat what's in the local law. In other words, we
19 repealed our rule that ten vehicles requirement would
20 still remain in effect due to the administrative code.

21 So that would have to require a legislation from
22 the City counsel.

23 MR. RECCHIA: I will address that. Thank you for
24 bringing that to my attention, Mr. Chairman.

25 >> MR. CARONE: Welcome council member RECCHIA. I

1 know the good work you do for the city. That was my
2 comment, chairman, that the last paragraph of the
3 council member's letter amending the rule requiring ten
4 vehicles I was going to ask him if we could count on
5 city counsel to work on amending the administrative
6 code.

7 I would ask that the staff and the commission
8 inasmuch as tabling this rule for today, to consider as
9 part of that revised, to the extent we may revise it,
10 revised rule, incorporate an amendment to our section
11 59B-15 with the understanding that it would not be fully
12 in effect unless the administrative code also was
13 changed.

14 But in anticipation of that rather than to come
15 back and do it again, I would ask that you consider
16 doing that preemptively.

17 MR. RECCHIA: I will address that at the city
18 COUNCIL. Thank you very much. Any other further
19 questions?

20 >> MS. MARINO: What do you think an appropriate
21 amount of insurance would be? And I understand what you
22 said about the warranty.

23 The problem I have with the warranty if you have a
24 car with ten kids going to the prom and it snaps in half
25 and they are injured a warranty is not going to help

1 them at that point. Insurance is going to help them at
2 that point.

3 MR. RECCHIA: I understand that and that is
4 something that I think we should sit down with the
5 insurance industry, sit down with the base owners, some
6 of them and have open discussion about this and have an
7 open dialogue to see but a bus has five million
8 insurance. So I think that is way too much.

9 >> MS. MARINO: Okay. I think it is something we
10 would need to think about.

11 MR. RECCHIA: Because we don't want to put these
12 companies out of business and we don't want to force
13 them to go to westchester or Long Island or New Jersey.
14 So we have to keep them here.

15 >> MS. MARINO: Do you have any idea what the
16 insurance requirements are in those counties?

17 MR. RECCHIA: no, I don't.

18 MR. CARONE: It is a good question.

19 >> MR. CHAIRMAN: Thank you very much. We have
20 three other people signed up to speak, Jasmine Leveaux
21 From Windels marX followed by Julie tattone It says also
22 from Windels marX. Maybe perhaps it would be possible
23 for the two of you to consolidate?

24 MS. LEVEAUX: We will. I'm speaking on behalf of
25 COTA, the coalition of transportation associations. So.

1 Mr. chairman: I SEE. Go ahead.

2 >> A SPEAKER: Good morning, commissioners. My
3 name IS Jasmine LEVEAUX and I'm affiliated with the law
4 firm WINDELS marX. I'm in the transportation practice
5 group. I'm appearing on behalf of the newly formed
6 coalition of transportation associations, also known as
7 COTA And it is chairman Matthew Daus that IS
8 unavailable to attend today.

9 COTA is a coalition of all the limousines and
10 black cars trade associations in the New York
11 Metropolitan area, which include LUXURY base operators
12 association, the LBOA; the black car assistance
13 corporation, THE BCAC; the limousine association of New
14 York, LANY; the Long Island LIMOUSINE association, LILA,
15 and the limousine ASSOCIATION of New Jersey, LANJ.

16 Our law firm is also general counsel to the LBAO
17 and the LANJ.

18 The commission of COTA is working together to
19 support the economic integrity and sustainability of the
20 for hire ground transportation and to propose safety, a
21 higher quality customer service and to support
22 reasonable sound government regulations to further those
23 purposes.

24 We applaud the efforts of chairman David Yassky,
25 TLC's board of commissioners and counsel member Dom

1 Recchia to address the ability of certain super stretch
2 limousines to become licensed and subject to additional
3 safety standards.

4 However, there are some key stakeholders who have
5 not been a part of the process which we feel the agency
6 would benefit from hearing theirs knowledge and
7 expertise in this area.

8 Most of the members of the LANJ the LBAo and the
9 LILA just learned of the proposed rules within the last
10 40 to 72 hours. And they are the majority of the small
11 business owners that are both directly and indirectly
12 affected by these rules.

13 While the rules set forth a framework for
14 accountability and regulations, since most of the key
15 members of COTA were not part of the outreach and rule
16 making process they have numerous questions about the
17 regulations and their implementation.

18 For example, the largest insurance, insurer of
19 limousine and black car vehicles in the industry, Lancer
20 insurance company, only learned of the new regulations
21 to significantly enhance insurance coverage within the
22 last 24 hours.

23 Lancer has indicated it has concerns about the
24 ability to provide such coverage at the additional
25 premiums that all black car and limousine companies

1 would wear as well as the additional costs for such
2 insurance that may be passed on to the riding public.

3 There are also concerns and questions about the
4 rigors and standards that will be enforced for
5 manufacturer approved retrofitters and the licensing
6 prosper coach builders.

7 The scope of the TLC visual inspections and the
8 objective standards by which such inspection will be
9 conducted, the role interplay and overlapping
10 jurisdiction between the New York City State Department
11 of transportation, the TLC and the New York State
12 department of motor vehicles, the potential legal
13 implication under the New York City reciprocity law
14 between New York City and Nassau county taxi and
15 limousine commission licensees, and the unidentified
16 additional cost ands expenses that will be borne by the
17 small businesses in the Metropolitan area.

18 We support reasonable regulations and the goals
19 and purposes of these proposed regulations; However, we
20 are simply requesting that the board of commissioners
21 not vote on those proposed rules but rather digest the
22 public testimony and allow key stakeholders who are not
23 a part of the process to meet with TLC staff to have
24 their questions answered.

25 MR. CHAIRMAN: thank you.

1 >> MS. LEVEAUX: THANK YOU.

2 >> MR. CHAIRMAN: Jeff Rose from the limousine
3 association of New York.

4 >> MR. GJONAJ: I have a question.

5 MR. CHAIRMAN: Commissioner.

6 >> MR. GJONAJ: Why is there an issue with Lancer,
7 the largest insurance company provider, of not being
8 aware of the changes to the description in the
9 limousines? How did this --

10 >> MR. CHAIRMAN: As always our rules are
11 published 30 plus days in advance. I don't know how
12 many days this one but at least 30, And we send them out
13 to all of the trade associations with whom we deal
14 regularly Including the limousine association you will
15 hear from in a moment.

16 So these are published in the ordinary course.

17 >> MR. GJONAJ: As far as you know, you have
18 reached out to Lancer as well as anyone else?

19 >> MR. CHAIRMAN: They are not a company that we
20 have had prior experience with And I gather that they
21 are active with our licensees. Thank you.

22 >> MR. AROUT: Just to be clear, the fact that
23 Lancer has not learned of the new proposed regulations
24 is their own responsibility. We have -- the regulations
25 were posted in the 30 days as required?

1 >> MR. CHAIRMAN: We posted publish see 30 days as
2 required. But we would like to go above and beyond what
3 is required under law and affirmatively reach out to all
4 the stakeholders that we have dealt with in the past,
5 whether they might be interested in this or not. And we
6 will continue to redouble and intensify our efforts to
7 understand the full breadth of the stakeholder community
8 and make sure that everyone is notified of things as
9 quickly as we possibly can. Thank you.

10 Jeff Rose from the limousine association of New
11 York.

12 MS. TATTONI: Mr. Chairman, if I may address you.
13 I'm Julie Tattoni.

14 >> MR. CHAIRMAN: You are signed up. We will see
15 how the times goes.

16 >> MR. ROSE: Again, my name is Jeff Rose and when
17 I'm speaking on behalf of the limousine association of
18 New York.

19 We feel that the TLC's proposals for modified
20 vehicles are a step in the right direction. Market
21 based solutions that allow maximum flexibility to best
22 serve consumer demand while maintaining public safety
23 are preferable to one size fits all regulatory solution.
24 However, there is a broad consensus among the members of
25 the coalition of transportation associations that the

1 current solution can be significantly improved upon.

2 We are eager to bring together all of the
3 necessary players, the regulators, the various elements
4 of the for hire vehicle community and the insurance
5 industry to fashion the best possible solution to meet
6 the growing needs of the riding public.

7 MR. CHAIRMAN: Jeff, I'm sorry. Just so I can
8 understand, is it a concern or the improvements on the
9 insurance level, are there issues beyond that that we
10 need to focus on?

11 >> MR. ROSE: Well, we would suggest that there's,
12 for one thing, there is the issue of what the rates of
13 insurance are. Some vehicles are requiring \$20 million.
14 The chairman of the finance committee referenced the
15 \$5 million. So there is an issue of addressing what the
16 proper level of insurance is.

17 >> MR. CHAIRMAN: Are there issues beyond that?

18 >> MR. ROSE: Well, for one thing, currently it is
19 a question as to whether there are even available
20 policies being offered by the companies that right
21 livery insurance.

22 There is some question as to whether there is a
23 10 million-dollar policy available to the livery
24 industry.

25 >> MR. CHAIRMAN: I'm asking because we are going

1 to be increasingly pressed for time as the day goes on.
2 But I just want to make sure I understand what our work
3 is over the next month.

4 One is definitely to figure out what is the
5 proposed level, whether there should be additional
6 insurance required for these vehicles beyond whatever
7 limo is required to carry and, if so, how high?

8 Are there any other questions we need to
9 understand and support?

10 MR. ROSE: I would add that one of the issues THAT
11 needs to be addressed further is coordination between
12 the various agencies, just not at the city level but the
13 state and federal level as well. I didn't want to take
14 up too much of the commissioners time. I can see you
15 have a busy agenda.

16 I would say some of the elements of this proposed
17 rule are somewhat redundant with things that are being
18 done by the state as to treatment of buses that are now
19 falling upon different vehicles that have traditionally
20 been in the for hire vehicle categories such as ten
21 passenger vans and such. So there are many issues. I
22 didn't feel that this was the necessary forum but I'm
23 happy to answer your question.

24 >> MR. CHAIRMAN: I'm glad you did. What I'm
25 going to do ask, and I would ask the other witnesses,

1 including miss leveaux, who spoke just a moment ago,
2 what I would appreciate and I think would make this
3 productive would be since it is a proposed rule, please
4 get us in the next week your line edits of the Proposed
5 rule so that we can understand what the changes are that
6 people think are necessary.

7 So for people that are proposing changes, I'd ask
8 within a week or so a line edit of the proposed rule.
9 That will focus our attention. Thank you, jeff. I
10 appreciate it.

11 MR. ROSEN: Any questions other than the
12 chairman's? Thank you very much.

13 >> MR. CHAIRMAN: Guy palumbo representing
14 delivery round table.

15 >> MR. PALUMBO: Good morning, mr. chairman,
16 members of the commission. I am guy Palumbo, executive
17 director of the livery round table.

18 We would like to thank, first of all, commissioner
19 Yassky for reaching out to the livery round table for
20 allowing some input on this issue with the exception of
21 the line of concern about the level of insurance,
22 insurance required, which does seem to be a little bit
23 high, and as you've heard the other people are much more
24 expertise in that area, we find no problem with
25 supporting the intent of the TLC with these new rules.

1 We feel that allowing for diversification and how
2 stretch limos can be modified will add to the spice and
3 of the people of New York and their experiencing
4 throughout New York City. We commend the TLC for going
5 further in its work concerning the safety of these
6 vehicles. We do not object and we do support these
7 proposed rules.

8 >> MR. CHAIRMAN: Thank you, Mr. Palumbo, and I
9 appreciate very much your testimony. We are always
10 looking to add more spice to the mix. So I appreciate
11 your recommendation on that.

12 Ms. tattoni, I know you have a letter on behalf of
13 Lancer insurance. What I would ask is if we can take
14 that and make that part of the record. We are going to
15 table this for today and what I would ask you, as I
16 said, in addition to the letter that you've forward, if
17 you have edits, in other words, changes to the bill that
18 is proposed, that would be most use if you recall. If
19 you submit that.

20 >> MS. TATTONI: Thank you very much.

21 >> MR. CHAIRMAN: Commissioners, I move that we
22 table the proposed rule on the FHV stretch modification
23 until next morning. Aye?

24 (the board says aye).

25 MR. CHAIRMAN: Adopted. Our next item is a

1 proposed rule Governing the drivers bill of rights.

2 MS. JOSHI: Before the commission this morning are
3 proposed rules that will require conspicuous posting of
4 a taxi cab fleet driver bill of rights. A summary of
5 already established rules governing the rights of taxi
6 cab drivers for lease vehicles and or medallion and taxi
7 cab fleets or agents. The proposed rule specifies the
8 text, the form matter of the sign and the posting. a
9 template of the sign will be available on the TLC web
10 site.

11 Proposed rules were published in the city record
12 and the comment period ended on November 14. The one
13 comment was received and we viewed by the commission and
14 no changes have been made to the proposed rules as they
15 appeared in the city record.

16 MR. CHAIRMAN: Thank you and we will ask that a
17 number of people sign you had to speak. Two things, one
18 we will make it a two minute per witness time limit,
19 please. First will be Richard thaler followed by David
20 pollack.

21 While you are coming up, Please, I will also note
22 there are a number of people signing up listing their
23 affiliation of New York taxi workers alliance. I
24 appreciate your strength and interest among taxi
25 alliance members in this topic.

1 If it becomes clear that additional testimony is
2 largely duplicative, I'd ask you to consider
3 consolidating some or all of those witnesses.
4 Mr. thaler.

5 >> MR. THALER: Thank you, commissioners. The
6 proposed rule listed seven rights as bullet points and I
7 see for the first time the actual text, the detail of
8 the text is being displayed, I would like to add three.

9 First, the rights and responsibilities to operate
10 medallion taxi owned by a dOV operator. A medallion
11 lessee operator should be granted all of the rights and
12 responsibilities of taxi medallion operation in New York
13 for the taxi owned by the DOv operator.

14 Under the administrative code title 19, chapter 5,
15 "transportation of passengers for hire by motor
16 vehicles," the rights and responsibilities of medallion
17 taxi operation are restricted solely to the taxi owned
18 by the taxi medallion license holder. Currently
19 medallion lessees are in violation of the administrative
20 code. This violation should be remedied by granting a
21 sub license right to the medallion owner to transfer the
22 rights and responsibilities of medallion taxi operation
23 to the taxis owned by the dOV operator. The sublicense
24 would carry a permit right which is no way related to
25 the medallion license value. The DOV operator would

1 then be responsible for obtaining liability insurance
2 with the taxi medallion owner insured, the costs
3 liability insurance coverage for the operation of the
4 DOV would then be subtracted from the current medallion
5 lease cab, which would just represent the value of using
6 a medallion sublicense permit.

7 Depending on the previous exposure of the
8 medallion owner to tort claims, the medallion owner may
9 choose to continue or obtain additional medallion owner
10 insurance at their costs.

11 Second, the right to be the merchant of record for
12 credit and debit card fare payment. The federal
13 research board and the master card/visa corporate rules
14 for branded cards govern credit and debit card payment
15 and protect the rights of merchants and cardholders
16 except for the safety and security of card processing
17 hardware amounting in the taxi, the TLC does not have
18 the right to become the federal banking regulator and a
19 self-appointed sheriff over the credit card and debit
20 card payment regulation which preempts federal law and
21 master card/visa a corporate rules.

22 Under master card/visa rules the driver is
23 required to be the merchant of record. All fare revenue
24 is the property of each license medallion taxi driver as
25 independent contractor and it is the driver who is

1 present in the taxi point of card presentment to ensure
2 compliance with --

3 MR. CHAIRMAN: Mr. thaler, I apologize. I saw the
4 red light. Why don't you sum up.

5 >> MR. THALER: To ensure compliance why master
6 card/visa standards for card acceptance. As the
7 merchant of record, each driver has the right to select
8 their payment gateway and merchant acquirer processor in
9 an open and unrestricted market.

10 And the last is the merchant rights to debit
11 credit card payment must be enforced in compliance with
12 the federal reserve rules required by the Durbin
13 amendment to the dodd-frank consumer protection Wall
14 Street reform act.

15 And what that says is that the merchant has the
16 right to select the transaction network which is
17 provided by the card issuer for either signature debit
18 or pin debit, And right now that rule is being violated.

19 MR. CHAIRMAN: Thank you, Mr. Thaler. While Mr.
20 pollack is coming up, I will just say I appreciate the
21 spirit of those suggestions. We may have made effort to
22 find this proper balance between getting everything
23 important and having something pithy enough that it
24 would not look like one of my memos.

25 So we try to strike that balance on the credit

1 cards, in particular. I do understand your point and
2 share your concern that drivers be able to get the best
3 deal possible, which is in essential send.

4 >> MR. THALER: Under the law.

5 >> MR. CHAIRMAN: Under law. So I just want to
6 say that but thank you very much. David pollack is the
7 next witness. I did see David pollack earlier. I do
8 not see him at the moment. I saw Michael keto. Does he
9 want to speak? He's passing I'm told.

10 The remaining witnesses. There are --

11 >> MS. MARINO: Can I interrupt, Mr. Chairman.
12 I'm not seeing in our booklet what Mr. Thaler was
13 referring to?

14 >> MR. CHAIRMAN: He was proposing a whole host of
15 conditional items. Should be included on the bill
16 rights, and commissioners, to be clear, right, what we
17 are doing in this, what we are proposed to do in this
18 rule, is not create or alter the existing rules in any
19 way but rather to make sure that both drivers and
20 medallion owners are aware of existing rules by means of
21 publishing a drivers bill of rights.

22 So what mr. Thaler was referring to are other
23 rights and credit cards rules that are in place but he
24 was saying they are not sufficiently understood. So it
25 should be added to the bill of rights so people see them

1 and know about them.

2 And I'm just saying that this kind of balance
3 between we don't want to reprint our entire rule book,
4 as you noted commissioner Marino, it is on the lengthy
5 side. So this is an effort to kind of condense the rule
6 book into few enough things that they can fit on a
7 poster.

8 >> MS. MARINO: From what's in front of me the
9 only thing that refers to the credit card the no more
10 than five percent.

11 >> MR. CHAIRMAN: That's right. He was proposing
12 we add, I forget how many are on here now, that's how
13 many are there now? Six or seven, Right? that we add
14 additional items to the list. Dave pollack has waived
15 his testimony.

16 I'd ask that bhainavi desai she is the next listed
17 speaker, but as I say there may be 20 additional
18 speakers all identified as members of the taxi workers
19 alliance.

20 Miss desai, would you consider perhaps having
21 everyone join you and stand with you while you testify.
22 Would that be appropriate? Sure. You can speak on
23 behalf of the entire group. Can you identify yourself?

24 MS. DESAI: BHAINAVI DeSAI, Executive director of
25 the New York taxi workers alliance.

1 Good morning, commissioners. I have to first say
2 that most of the gentlemen standing behind me are
3 actually night shift drivers. The majority of them
4 worked until two, three in the morning and then made
5 their way down to this hearing, and I hope that really,
6 really gives you a strong indication of how important
7 this bill of rights is to us.

8 So we appreciate this opportunity to comment.
9 First of all, chairman Yassky, we would like to thank
10 you for even putting this on the agenda.

11 For years we have seen a bill of rights on the
12 back for passengers bill of rights. We know that the
13 relationship between drivers and the rest of the
14 industry is one that's based on a immaterial balance of
15 power, and for us what a bill of rights would do is
16 simply, simple language and plain view express what
17 rights already exist in the rule book pertaining to taxi
18 drivers.

19 What should be noted is that the majority of these
20 rules are actually are in the owners rule book. They
21 are not, of course, they are not in the driver's rule
22 book, and so, therefore, and of course, they are in
23 legalese, so they are not items that we have easy access
24 to.

25 And to us what a bill of rights would do is, first

1 of all, it is a symbol that we as drivers as a work
2 force have some semblance of rights in this industry.

3 That a work force that labors over 60 hour weeks,
4 servings over half a million people every single day,
5 that the taxi and limousine commission is making it
6 clear that you value the labor of the men and women who
7 make this industry run.

8 Secondly, what the bill of rights would do is
9 allow a work force that is overworked, does not have
10 access to all of the rule books and certainly all the
11 legalese within the rule books is simple poster that
12 would make it known what our rights are, day-to-day, and
13 things like the right to a receipt, the right to a
14 contract, the right to not be overcharged on the lease,
15 these are fundamental economic rights.

16 And we have seen violations of them through the
17 years. The fact that the TLC passed rule in 200 nine
18 that if a driver files a complaint in good faith, the
19 garage owner or the broker is not allowed to retaliate
20 against the drivers. These are things that we want to
21 see plainly stated for every driver to be aware of
22 because these are rights that you have already passed
23 through these years.

24 And so we strongly urge you to pass the bill of
25 rights without any hesitation. We would only ask that

1 the written form that you allow us it us a little bit of
2 time.

3 Mr. Chairman, for the written form we do believe
4 it should be more simplified, the language of it, and to
5 be in a more of an empowering language that's similar to
6 the passenger bill of rights, which would state you have
7 the right to, to make that clear Because, otherwise, if
8 we are just kind of copying the legal language, it is
9 already in the rule books, it is not going to make the
10 difference that we believe is really intended with this
11 regulation.

12 So with that, again, we urge all of you
13 commissioners to please pass a unanimous vote. It is
14 long overdue that for the hard working taxi drivers of
15 this city have a bill of rights, as you see there has
16 been no opposition expressed by the industry, and to us
17 we can't imagine this not being a unanimous vote. We
18 urge you to cast that vote. Thank you.

19 >> MR. CHAIRMAN: Thank you. First of all, thank
20 you very much miss desai and thank you to all the
21 drivers, particularly night shift folks asleep getting
22 some much needed rest. I sincerely appreciate very much
23 your presence here this morning.

24 Miss desai, I think, we, I think as you know the
25 way the rule is written it allows the commission staff

1 to determine the specific language of the bill of rights
2 over time. think that we can vote on this rule today and
3 still take your feedback and incorporate it as it goes
4 forward Because we would just assume move forward on the
5 agenda.

6 I will just say to the commissioners, I do think
7 there is real value here. We published this proposed
8 bill of rights a month ago and put the text out
9 there and just recently got for the first time since I
10 have been in this position, a complaint about a driver
11 said doesn't get a receipt, Doesn't have a contract,
12 Which Our rules require, and my guess is that that may
13 not be the only such violation out there.

14 But if people are unaware, that's the rule, then
15 they don't report it we issued a summons and I suspect
16 that particular operator will change their practice and
17 give drivers receipts for their payments because they
18 are required to under the rules.

19 So I just site that as an example of I think there
20 is real value in making sure people understand what the rules
21 are so they can bring forward violations and we are in a
22 position to enforce them.

23 Are there any questions?

24 >> MS. MARINO: I would agree with ms. desai,
25 every bill of rights in every industry when it is

1 attorney/client bill of rights, parents bill of rights,
2 they do say the right to. I think that is kind of, it
3 defeats the purpose not to have that language.

4 >> MR. CHAIRMAN: I hear that, and bureaucrats
5 rather than word smiths. So I think the input will be
6 very helpful. Are there further questions? If not,
7 thank you so much. Miss Desai and everyone who came
8 here today, and to folks who did come, I hope you and
9 I'm sure you made an effort to come here and
10 particularly travel conditions are a little difficult
11 today. I mean no disrespect to ask you to testify as a
12 group. It is really in the interest of time and it is
13 kind of a challenging day at the TLC.

14 Apart from this, so your voice has been heard by
15 testifying collectively as a group, I think just as much
16 as if each one of you had approached the podium. So i
17 thank you very much for coming today.

18 Commissioners, that I move that we adopt the rule
19 as proposed on the drivers bill of rights.

20 >> MR. AROUT: Second.

21 MR. CHAIRMAN: All in favor say aye.

22 (THE BOARD SAYS AYE.)

23 >> MR. CHAIRMAN: Opposed? No. I will record.

24 Let the record note I'm following up on miss Desai's
25 comments that the vote was in fact unanimous.

1 Miss Desai, thank you for that testimony. So,
2 commissioners, the remaining item on our agenda is not
3 an issue that is before us today for a vote.

4 As you know, we have been engaged in a year long
5 really process of trying to make sure that the
6 industries that we regulate, both the taxi industry and
7 the for hire vehicle industry, are accessible to people
8 who use wheel chairs, and I cannot state firmly enough
9 that this is a fundamental commitment of the taxi and
10 limousine commission. It is a fundamental commitment of
11 mayor bloomberg and his administration that this core
12 New York City industry must be accessible to people who
13 use wheelchairs.

14 We have before us, not today, but soon, rules that
15 will implement a program to allow wheelchairs users to
16 call 311 and to have either a taxi or a livery vehicle
17 dispatched to serve them.

18 We, myself and the staff, do believe that what we
19 are putting forward reflects the best balance that we
20 can between the practical needs of the industry and the
21 very legitimate needs of wheelchair users to have access
22 of transportation.

23 This is a complex issue, and so it is not one that
24 I think we can hear testimony and vote two minutes
25 later. This requires some extended consideration as all

1 of you know.

2 So for that reason, today what we have scheduled,
3 we are not voting today. What we have scheduled is a
4 presentation, a staff presentation by deputy
5 commissioner for policy and planning Ashwini Chhabra,
6 followed by we have asked, and I'm sure that there may
7 well be people who wish to participate who cannot make
8 it hear this morning, we asked any members of the
9 interested public, industry and wheelchair using
10 passengers alike, and any member of the public that
11 wishes, to testify here so that you can have their input
12 at this early stage.

13 It is my hope, commissioners, that we will be in a
14 position to vote at least in part on this by next
15 meeting. And I recognize that there really are two
16 systems that we are talking about here. There is the DO
17 taxi system and the livery system, and they are each
18 complex on their own but they are complexities are
19 different.

20 My hope, because I believe that the need to get
21 service to people in wheelchairs on the yellow side is
22 urgent. My hope is that we will be in a position to
23 consider that formally and vote at our next meeting.
24 And so I say commissioners, please let's now start our
25 series engagement with this so that today and over the

1 next month we can think it through fully.

2 I ask members of the public, if you have something
3 to say and commissioner, John, you raised before the
4 need for outreach, we have communicated to our industry
5 partners if you have something to say on this, not that
6 you will be heard over time, but please and come say it
7 today so we can get all the ideas out on the table so we
8 can be in a position to agents at least on the DO side
9 next month.

10 So with that, deputy commissioner Chhabra, would
11 you please give your presentation. Commissioners, we
12 discussed I must with regrets excuse myself.

13 At this time, I want the members of the public to
14 know commissioner Chhabra but most of our senior staff
15 here to hear the full public presentation But It just
16 cannot be avoided at this moment.

17 I'm going to ask commissioner Gonzalez if he would
18 take the chair for the rest of the meeting. Thank you.
19 So commissioner aroute has an excellent suggestion on
20 the bill of rights there and again, commissioners, we
21 can work on the language going forward.

22 >> MS. MARINO: What was the suggestion?

23 >> MR. CHAIRMAN: We will move on.

24 >> MR. GONZALES: Deputy commissioner Chhabra, you
25 are ready.

1 MR. CHHABRA: Good morning, commissioners. I'm
2 here up to date you on our progress to develop a
3 citywide dispatch system which will allow wheelchair
4 users to call 311 and have a wheelchair accessible taxi
5 or vehicle for hire to pick them up.

6 In addition to the draft rules before you, we are
7 in the process of negotiating contracts with the two
8 selected respondents to the RFP we have issued. Some of
9 the particulars of the program are still not finalized
10 but I plan to present as complete a picture as possible.

11 It is worth noting these rules are not being voted
12 on today, as chairman Yassky mentioned, but rather at
13 the next commission meeting in December. But given the
14 significance of this issue, we wanted to brief you well
15 in advance of the vote and to invite public comments on
16 the rule likewise in advance of the Vote so that you're
17 able to give this issue well deliberation.

18 As you know, the accessible dispatch program we
19 are proposing today has its beginnings in the pilot
20 program which the TLC implemented from July 2008 to June
21 of last year. That pilot program was an effort to
22 explore how to most effectively connect wheelchair users
23 with 231 plus wheelchair accessible taxis.

24 The results of pilot program were incredibly
25 informative and helped in crafting the contours of the

1 permanent dispatch system. I will return to the results
2 of the program the pilot program shortly.

3 But following the completion of the pilot program,
4 TLC staff put out a report in December of 2010 on the
5 state of wheelchair accessibility in the taxi fleet and
6 in the FHV sector, and we proposed the creation of a
7 permanent, centralized dispatch program which will
8 address the deficiencies of the pilot program and would
9 extend the concept of accessible dispatch program to the
10 FHV sector as well. Also, at this time, we issued a
11 request for information to solicit feedback from the
12 industry stakeholders and accessibility advocates to
13 best structure this program.

14 Based on input received from the request for
15 information, the TLC in April of this year put out two
16 parallel requests for proposals, one for the creation of
17 an accessible dispatch program and a medallion taxi cab
18 segment, which would respond to trips originating in
19 manhattan and one for the FHV segment which would
20 respond to the four other boroughs.

21 We received several responses to both these RFPs.
22 Seven responses to the medallion dispatch RFP and four
23 responses to the FHV dispatch and the TLC scoring
24 committee made the final selections among these in early
25 September.

1 As I mentioned, in addition to promulgating the
2 rules giving effect to the dispatch program and
3 establishing the funding mechanisms that will sustain
4 the program, we are engaged in contract negotiations
5 with the two selective respondents and we anticipate
6 finalizing these agreements by December.

7 The program once adopted would then commence
8 operation by March of 2012.

9 A word on the pilot program results As well as I
10 would like to also discuss the current rules that govern
11 wheelchair accessibility to the fhv segment.

12 Over the course of the two year dispatch pilot
13 program we saw relatively low usage of the service, an
14 average of eight trips a day. We believe this is a
15 result of a combination of several factors: Driver
16 reluctance to do these trips coupled with the drive
17 participation led to less than prompt service, The low
18 demand for the service especially when users had the
19 option of using the MTA's subsidized access-a-ride
20 program and insufficient outreach.

21 The average wait time, which is the time from the
22 call to the pick up for on demand trips was 44 minutes.
23 And if it was a scheduled trip, these are trips that
24 were scheduled 30 minutes or more in advance, the
25 average wait time was for 23 minutes. We believe these

1 were unacceptably high wait times.

2 High wait times were the function of the voluntary
3 nature of driver participation in the program. Drivers
4 were affirmatively required to log in whenever they
5 entered the pick up zone.

6 In practice many drivers simply neglected to log
7 in, thereby exempting themselves from these trips and
8 often, when they did log in, drivers were permitted to
9 decline two trips in each shift Further lengthening the
10 time to find another available driver in that zone who
11 would accept the trip or failing that, throwing the trip
12 over to all available drivers.

13 The decision to not compensate drivers for the
14 deadhead portion of the trip - this is the portion of
15 the trip when the drivers accepts the trip to the actual
16 pick up - this resulted in significant driver reluctance
17 in participation in the pilot program as well especially
18 when those trips where the driver was required to leave
19 Manhattan for a pick up.

20 And that happened in about seven percent of the
21 instances That they would leave the central business
22 visit and the data bearing this out, the vast majority
23 of drivers of accessible taxis simply didn't provide
24 dispatch trips. 97 percent of all dispatched trips
25 during the pilot program were done by 28 percent of

1 accessible medallion taxis and 68 percent of all the
2 dispatch trips were done by just 18 individuals.

3 These are all the deficiencies of the pilot
4 program which have formed the structure of the permanent
5 dispatch program.

6 I would like to look briefly now at the TLC rule
7 59B-17C. This is commonly referred to as rule 6-07F per
8 the numbering from our old rule book. This rule
9 mandates that for-hire vehicles bases must provide
10 wheelchair accessible vehicles to passengers in
11 wheelchairs by either sending their own wheelchair
12 accessible vehicle or contracting with a contractor of
13 wheelchair accessible vehicles.

14 Service provided must be equivalent to service
15 provided to non-wheelchair users. A base cannot charge
16 a wheelchair user more for a trip or requiring a longer
17 wait time or requiring an appointment if one is not
18 required for non wheelchair accessible service.

19 In practice there has been very low compliance
20 with this rule. The cost on FHV bases to comply is high
21 given the demand most of these bases have seen for
22 wheelchair accessible trips, they have not deemed it
23 economical to provide this service themselves. instead
24 they have contracted with a handful of other TLC bases
25 that have wheelchair accessible vehicles to outsource

1 this service.

2 Fhv bases pay an annual affiliation fee between
3 300 to 600 annually for the service, as well as a per
4 ride fee which exceeds the amount charged for a
5 comparable non-wheelchair accessible trip. And because
6 the fhv bases cannot pass this cost on to the passenger
7 who pay the same amount for a comparable non-wheelchair
8 accessible trip, this becomes an unprofitable venture
9 for Fhv bases and there is no limit on the number of Fhv
10 bases that can contract in this way.

11 There are approximately 23 wheelchair accessible
12 vehicles, 17 of which are paratransit vehicles, that are
13 servicing the department for 760 FHV bases. This
14 amounts to one wheelchair accessible vehicle being
15 shared by approximately 33 bases.

16 The current solution doesn't replace any real
17 accountability on the providers of the service and
18 doesn't create any economy of scale in the form of a
19 centralized Fhv solution, for example, thereby resulting
20 in an inefficient solution which really doesn't provide
21 equivalent service anyway.

22 For that reason, we believe a centralized dispatch
23 system for the FHV segment with direct accountability on
24 the dispatcher for this service is necessary.

25 So based on the lessons learned from the pilot

1 dispatch program and with the understanding of the
2 failings of section 59b-17(c), we are now requiring a
3 permanent accessible dispatch program which will address
4 the limitation on both of these two systems.

5 With the proposed permanent dispatch system,
6 passengers in wheelchairs will be able to call 311 and
7 request a pick up anywhere in the five boroughs. From
8 the end user's perspective, there is a single interface
9 311.

10 Depending on where the pick up is, 311 will then
11 forward the trip request to the appropriate dispatcher,
12 the medallion taxi dispatcher for manhattan pickups And
13 the FHV dispatcher for pickups anywhere else in the
14 city.

15 The medallion dispatcher will make use of the
16 exiting fleets of 231 plus wheelchair accessible taxis
17 to service these requests, as well as any additional
18 taxis that join the fleet.

19 If the pending five borough taxi legislation is
20 signed into law, that would bring the number of
21 accessible taxis providing dispatch up to 800 and
22 possibly more. Passengers using these taxis will pay no
23 more for this service than if they hailed a taxi on the
24 street even though they would be getting a premium
25 pick-up service.

1 The additional cost of staffing this dispatch
2 service and of compensating drivers for the pickup
3 portion of the trip, which I will elaborate on shortly,
4 will be borne by the medallion industry in the form of
5 an annual a fee payable by medallion owners.

6 We estimate this fee will be \$98 in the first year
7 and drop to \$54 in the second year of the program even
8 though we estimate there will be more trips in the
9 second year. This fee will be reassessed after six
10 months to ensure it appropriately reflects the cost to
11 provide this service.

12 The fhv dispatcher will employ their own fleet of
13 wheelchair accessible vehicles which will be provided
14 full-time to this service and directly employ its own
15 drivers to employ the service. Likewise, passengers
16 using this service will continue to pay the same as they
17 would pay for non-wheelchair accessible service, and the
18 cost of dispatcher operation will be borne by the FHV
19 industry in the form of an annual fee payable by FHV
20 bases in the amount of \$57 per affiliate vehicle in the
21 first year and an estimated \$51 or possibly less in the
22 second year.

23 And though the primary initial interface for
24 users of both services will be 311, we expect that as
25 users become accustomed to the service, they will prefer

1 to call the dispatchers direct or make use of the
2 dispatchers websites, or in the case of the medallion
3 dispatcher, even request trips through a smart phone
4 app.

5 Next I would like to discuss in some further
6 detail some of the specific features of the medallion
7 dispatch program.

8 First and foremost, in order to reduce wait times,
9 we know we must eliminate driver noncompliance. The
10 single most effective way of doing that is to eliminate
11 any economic differential between accessible dispatch
12 trip and the standard street hail-tripped. Drivers
13 should not be penalized for providing service to
14 wheelchair users. We will accomplish this by paying
15 drivers from the fund raised by the medallion industry
16 for the deadhead portion of the trip.

17 Basically, this is between when the driver accepts
18 the trip to when the wheelchair passenger is seated in
19 the taxi and the meter is engaged Including any tolls
20 incurred in the pick-up section of the trip. The amount
21 of deadhead payment will be \$6 per pick-up trips of less
22 than a half mile; \$10 for picks ups between one half and
23 one mile and \$15 for trips over one mile.

24 Drivers will similarly be compensated an
25 additional \$5 for no-shows to eliminate any disincentive

1 not to provide the service.

2 To underscore this, these deadhead fees would not
3 be borne by passengers. Passengers simply pay the
4 amount that is on the meter.

5 In addition to compensating drivers for these
6 trips, we will make the service mandatory. No longer
7 will drivers of accessible taxis need to log in in order
8 to be available to receive dispatches. As long as the
9 vehicle's meter is on and doesn't have a current fare,
10 the dispatcher will be able to see that taxi as
11 available for dispatch and that driver will be required
12 to accept any trip request from the dispatcher.

13 Employing GPS and traffic and distance
14 calculations, the dispatcher will determine which taxi
15 will provide the fastest pickup.

16 Drivers will also not have the option to decline
17 any dispatches. Any refusal to pick up a dispatch will
18 be treated like any refusal under our rules. The
19 dispatcher will be mandated to report any refusals to
20 the TLC for enforcement purposes.

21 Now, as I mentioned previously, the dispatcher
22 will manage the entire current fleet of 231 plus
23 accessible taxis, as well as any future accessible taxis
24 whether pursuant to accessible medallions or otherwise.

25 As with the pilot program, all drivers of

1 accessible taxis will be required to have sensitivity
2 training for working with wheelchair passengers and will
3 be required to be to be trained in the use of the
4 dispatch equipment.

5 In the long term, however, as the TLC revises its
6 new drivers curriculum, all drivers, not just those
7 driving accessible vehicles, will receive the
8 sensitivity training as part of the taxi school.

9 The proposed rule requires the drivers must assist
10 wheel chair users in entering and exiting the taxicab,
11 must assist with their packages and must secure them in
12 the vehicle all before the engaging the meter.

13 As part of the vendor contract, we will be
14 requiring the dispatcher to meet certain response time
15 criteria related to these trips. This includes response
16 times for answering calls, for contacting drivers, for
17 sending trip confirmations and for system maintenance
18 and repair.

19 In addition, the TLC will be requiring the vendor
20 to provide a battery of metrics to help us ensure that
21 they are performing as required.

22 The dispatcher will have to provide 24/7/365
23 service. They will have a physical presence in New York
24 City so they can provide support services to
25 participating medallion owners, including driver

1 training and equipment installation, and they must allow
2 TLC to request dispatches in event of emergency.

3 The recent experience with tropical storm Irene,
4 yes, underscores for us the importance of being able to
5 access the accessible taxi as needed.

6 Finally, given the importance of advertising and
7 outreach in ensuring that there is sufficient awareness
8 of and demand for the service, the dispatcher is
9 committed to expending over \$500,000 over the course of
10 two years on advertising this solution and collecting
11 user feedback.

12 In addition, they will regularly collect customer
13 complaints and provide these to the TLC for any
14 necessary enforcement action.

15 Now I want to discuss the features that will be
16 mandated on the for-hire vehicle dispatcher.

17 As I mentioned previously, the FHV will own their
18 own vehicles and these vehicles will be dedicated
19 full-time to the dispatch program and will be
20 strategically located throughout the boroughs outside
21 Manhattan. Similarly, the drivers of these vehicles
22 will be employees of the dispatcher, meaning they will
23 be available at all times throughout the boroughs
24 outside Manhattan to provide this service.

25 We will require that at least 50 percent of

1 pick-ups result in a pickup within 15 minutes of the
2 request. At least 75 percent of pick-ups within 30
3 minutes and all trips within 40, 45 minutes.

4 In practice, this will mean that most passengers
5 will be picked up within 15 of 30 minutes of their
6 request for service, and if the request is done in
7 advance, the dispatcher will require service to ensure
8 pick-up at the requested time.

9 As with the medallion dispatch provider, the fhv
10 dispatcher must provide 24/7/365 service, they are based
11 in New York City, and they must allow TLC to request
12 dispatchers in the event of emergency, and, finally, the
13 dispatcher has committed to expending \$200,000 over the
14 course of two years on advertising their solution and
15 collecting user feedback.

16 We believe most trip requests to the fhv
17 dispatcher will be through fhv bases so the marketing
18 will be more targeted for this system.

19 Thank you for your time on the issue and with that
20 I'm hope to take any questions on this topic Or
21 testimony.

22 MS. POLANCO: I have some questions.

23 >> MR. GONZALES: Commissioner Polanco.

24 MS. Polanco: I'm just a little bit confused and
25 I hope you will help me.

1 Basically, as of today, the, for example, the
2 livery basis, they pay a fee to a contractor to
3 basically have the accessible vehicle pick up a
4 passenger. That's the way it works now?

5 MR. CHHABRA: What we were told there is an annual
6 fee and they pay a per trip fee as well. So anywhere
7 between 300 and \$600 a year annual fee and then each
8 trip that requires the accessible vehicle to be sent is
9 an additional fee, which usually exceeds what bases are
10 getting from the passenger.

11 >> MS. POLANCO: But what is proposed now, because
12 that is what I don't understand. It says here the
13 dispatcher will own the vehicle.

14 MR. CHHABRA: The centralized dispatch service
15 will own the vehicle and employ their drivers.

16 If you are in base today, you pay an annual fee
17 and per trip fee and if there is any shortfall in the
18 service provided, you are OPEN to the possibilities of A
19 Summons.

20 MS. POLANCO: What is proposed is that most bases
21 will no longer pay any fee. So, basically, it will be
22 the responsibility of the dispatcher.

23 MR. CHHABRA: Those bases will pay into this fund
24 that will fund the centralized dispatch but that's where
25 the obligation of the base would end. There is no

1 607(F) fine on a base if they are not, if the pick up
2 isn't happening on an equivalent basis.

3 That liability and that obligation now would
4 reside on the centralized dispatcher.

5 MS. POLANCO: So all bases will be IN this
6 dispatcher fund. The fee has not been determined,
7 right?

8 MR. CHHABRA: The fee has been estimated as we
9 described in the presentation. That was the \$57 per
10 affiliated vehicle in year one, 51 in the following
11 years.

12 >> MS. POLANCO: I thought it was just medallions.
13 So now in terms of the dispatcher, is it a number
14 of vendors that we are dealing with or is it just one?

15 MR. Chhabra: One centralized dispatch.

16 >> MS. POLANCO: And do we determine how many
17 vehicles they have to have? Because how will we know
18 that they service for the outer boroughs?

19 MR. CHHABRA: We set response time requirements.
20 That was 15 percent within five minutes, 75 within a
21 half hour and 100 percent within 45 minutes.

22 If the dispatcher is able to do it with this
23 number of vehicles, that's great. If they have to go
24 out and acquire more vehicles in order to meet those
25 response times, we didn't want to dictate how they do

1 it. We simply want the outcome of meeting those
2 response times.

3 MS. POLANCO: We have to have an idea. Is there
4 one dispatcher for all other counties, like Bronx,
5 Brooklyn and queens, only one dispatcher?

6 MR. CHHABRA: It is a citywide dispatch system.
7 The vehicles will be located throughout the four
8 boroughs outside Manhattan.

9 >> MS. POLANCO: And we are in that selection
10 process?

11 MR. CHHABRA: We have selected the vendor. We are
12 in the contract negotiation process.

13 MS. POLANCO: Who is that vendor?

14 MR. CHHABRA: We can discuss this off line. We
15 are not necessarily disclosing the names of the selected
16 respondents because --

17 MS. POLANCO: We are already passed that stage.

18 MR. CHHABRA: We would select the respondents and
19 not publish the Announcement.

20 >> MS. POLANCO: The same would go with the
21 yellow? And they are different?

22 MR. CHHABRA: They are. There is one dispatcher
23 and this was, actually, I described the request for
24 information stage from December of last year through
25 March of this year, we solicited a lot of feedback from

1 industry stakeholders for folks in the livery sector
2 from folks in the yellow sector, as well as disabilities
3 advocates.

4 If we are going to do a permanent dispatch
5 program, we want your feedback. One thing we heard you
6 need to have a separate system from the medallion and a
7 separate system for the for-hire.

8 MS. POLANCO: I remember last time when there was
9 a pilot program, at the end when there was the
10 presentation, as you pointed out, it was failure, the
11 pilot program when it was run.

12 So how do we ensure that it doesn't repeat itself?

13 MR. CHHABRA: Well, I mean, it was, that's the way
14 are which of pilot programs. You run them. You do it
15 for an abbreviated period of time. You see what works
16 and what doesn't work.

17 What the lessons that we learned from the pilot
18 program are the very things that we are looking to
19 address here in the permanent program, the driver
20 reluctance, some of the technical hurdles. I think that
21 pilot program went from attempting to use Blackberries
22 to then having a system where drivers had to log into a
23 particular zone.

24 That we heard loud and clear that that just didn't
25 work and that's why the solution now is going to be, it

1 is going to be linked to the GPS and the TPEP that is
2 already in the vehicles and it is going to be mandatory,
3 And we are going to compensate drivers.

4 We should not expect that we tell drivers to go do
5 a pick up and they are going to be excited about doing
6 it if what we are saying you have to eat the cost of
7 going there and eat the cost of the wait time and you
8 should be enthused about doing this.

9 >> MS. POLANCO: Again, it goes back to the men
10 because I think that was the issue with the pilot
11 program. I think the criticism was that it was not
12 publicized.

13 MR. CHHABRA: That's exactly why one of the core
14 portions of the RFP selection was what is the respondent
15 going to do in terms of outreach and marketing? Well,
16 we heard again from disability advocates this was not
17 sufficiently well advertised. It is a pilot program.
18 It is limited in that zone, but what we want to make
19 sure here is that both providers are doing their utmost
20 to make the service known.

21 We are going to do a 311 but we need to get the
22 word out more broadly so people know you can call 311
23 and go to this web site and get this service, and we
24 feel that is going to be a crucial component of the
25 success of the program.

1 And we do think that the, I mean, I said there
2 were eight trips a day in the pilot program. It is a
3 tricky thing. I don't think that is real demand for
4 this service. It is something greater than that. We
5 don't know what that is.

6 If the program is run well, advertised well, if
7 people have faith that it will work, I think you will
8 see that demand being over that.

9 >> MS. POLANCO: Thank you.

10 MR. GONZALES: Thank you, commissioner. Any other
11 questions? Thank you very much. We will have one
12 speaker, IRA Goldstein from the black car fund.

13 MR. GOLDSTEIN: I good morning, commissioners. My
14 names is IRA Goldstein. I'm the executive director of
15 the New York black car fund.

16 I welcome the opportunity to testify before the
17 board on the proposed rule regarding the FHV three
18 program of the wheelchair accessible dispatch program.

19 The black core fund acknowledges it is important
20 to supply sufficient service to people with
21 disabilities, in particular, members of the public who
22 are confined to a wheelchair.

23 Historically, the black car industry has always
24 provided quality to its wheelchair bound clients and
25 will continue to do so regardless of any rules the TLC

1 might promulgate.

2 The reason I can state that with such authority is
3 because the black car industry is a contract carrier,
4 not a common carrier, like the livery industry. A
5 contract carrier does not undertake to transport the
6 general public but it transports under special or
7 individualized contracts or agreements with its clients.

8 In other words, you can't just go and call a black
9 car base off the cuff right now and say pick me up at
10 the airport. You need to have a contract in place ahead
11 of time.

12 In contrast, livery cab bases are common carriers,
13 can make a public offer of transportation services at a
14 fixed fare to all. Liveries hold themselves out to the
15 public that is ready and willing to carry differently
16 for all persons.

17 It is clear that historically livery and black
18 cars have been treated differently based on this common
19 carrier versus contract carrier distinction.

20 For example, this distinction is recognized in TLC
21 rules which require safety equipment such as partitions,
22 cameras, and emergency lights for liveries that service
23 the general public and exempt the black cars from the
24 installation of such equipment in recognition that black
25 cars do not operate in the public sphere.

1 There are also numerous instances where liveries
2 and black cars are different legislatively with more
3 economic burdens being placed upon the black car.

4 First and foremost black car bases must charge its
5 clients sales tax on every ride. This equates to
6 approximately eight and a quarter percent that gets paid
7 to the state and respective counties. Liveries do not
8 have to charge sales tax on any of their rides whether
9 paying cashing on account or by credit card.

10 This put black cars at a significant disadvantage
11 when a livery base competes with a black car base for
12 corporate clients.

13 Second, understate law black car bases must charge
14 its clients an additional two percent, which is remitted
15 to the black car fund. This surcharge provides black
16 car drivers with full workers compensation costs of
17 benefits at no cost to the base of the driver.

18 I think it is important to reemphasize that black
19 car drivers have full workers' compensation coverage
20 unlike livery drivers who do not. The black car
21 industry also pays its drivers \$300 to take the TLC
22 mandated defensive driving course annually so they do
23 not have to miss a day's pay.

24 TLC rules in general require a mandatory vehicle
25 retirement of black cars that the car must be retired

1 when it is approximately, when it is five years old.
2 There is no mandatory vehicle retirement in the livery
3 industry.

4 By requiring black car bases to contribute
5 monetarily to a wheelchair base accessible service that
6 it already provides to its contract clients will simply
7 add another economic burden to conduct of the black car
8 industry without in any way providing a needed service
9 for the customers of the black car industry.

10 It is mandatory financial burden on black car
11 bases and their customers, the black car fund faces the
12 risk of there being a diminished numbers of black car
13 drivers and the accompanying risks of such decrease
14 poses to the financial liability of the fund.

15 In conclusion, the distinction between black cars
16 and livery is clearly established. It has been used
17 several times in recent years to place onerous laws and
18 regulation on the black car industry.

19 Black car bases and its drivers cannot continue to
20 absorb these inequities in treatment and survive as a
21 viable industry.

22 Thank you for the opportunity to testify before
23 you on these rules. I would be happy to answer any
24 questions you may have at this time or at any other
25 time.

1 >> MR. GONZALES: Do the commissioners have any
2 questions?

3 >> MS. POLANCO: So, basically, unlike yellow
4 cabs, there are specific medallion, disability
5 medallions that will be participating in the program
6 under the FHV dispatch all FHV vehicles have to
7 contribute including black cars although you were not
8 real, as you pointed out, that is not something that you
9 would, you are not even involved in at all?

10 >> MR. GOLDSTEIN: The way the rule is written all
11 the FHVS and black car bases would have to on a black
12 car basis to that fund.

13 >> MS. POLANCO: Okay.

14 >> MR. GONZALES: I have a couple of questions. I
15 would like to thank IRA for bringing that up. I have a
16 couple of questions.

17 >> MR. GOLDSTEIN: I'm sorry.

18 >> MR. GONZALES: Given that, thank you for
19 mentioning the distinction between contract and required
20 vehicle. I appreciate that.

21 For your arguments, Also, I guess I would like to,
22 if possible, have some opinions on a couple of things
23 with respect to accessible vehicles in the black car
24 industry, like, first of all, just trying to gauge
25 something along the line of demand in the black car

1 industry, roughly how many trips per year does the
2 industry services and what's like the most common trip?

3 >> MR. GOLDSTEIN: In terms of with the, where
4 there is a wheelchair bound client?

5 >> MR. GONZALES: Yes.

6 >> MR. GOLDSTEIN: It is so low that it is
7 significantly, it is statistically insignificant. I
8 could just mention to you our largest operator is here,
9 and they do over, I think, a million and a half trips a
10 year and last year they had 50 customers that were
11 wheelchair bound.

12 Out of those 50, 48 of them were in wheelchairs
13 that were able to be collapsable that they were able to
14 accommodate the client. The other two, they had a
15 contract with a TLC base that provides that service.

16 When there are situations where a client in the
17 black car industry needs a wheelchair accessible
18 vehicle, they are going to take care of it and they are
19 going to get it done, because if not, they lose that
20 client, and very often it is a big corporate client and
21 they are going to go to another base.

22 So in the unusual circumstances where there is
23 that request, it gets taken care of.

24 >> MR. GONZALES: Do you know what the most common
25 trip is as far as to Manhattan, to the airports?

1 >> MR. GOLDSTEIN: I do not know. I would think
2 that it is just a situation where it is someone going to
3 work would be something possibly from the outer boroughs
4 to Manhattan or within Manhattan.

5 >> MR. GONZALES: One last question, with respect
6 to the cost of delivering the service to the customer,
7 as we continue to explore dispatch program here, what do
8 you think, what would you suggest would be things that
9 we should look out for to make sure the costs could be
10 possibly mitigated?

11 What from the experience in the black car industry
12 experience can you pass on to us as we are trying to do
13 something like this?

14 >> MR. GOLDSTEIN: Well, like I said, from the
15 black car perspective, it's such an extremely small
16 portion of our business that it is just, it is handled
17 really on a case by case basis.

18 >> MS. MARINO: Mr. Chairman, I think --

19 >> MR. GOLDSTEIN: Rides within the black car
20 industry, the clients are paying the premium for that
21 service. The public is not going to can you tell a
22 black car base and want to pay the rates that they have
23 to be able to get a wheelchair accessible vehicle.
24 There is no reason they would do that.

25 When they could get that at a lower rate through

1 an FHV base. There is no reason to call, and you would
2 have to have a contract. You would have to have it set
3 up beforehand. They wouldn't just take the car, not
4 because you are in a wheelchair, if that's the case, but
5 yourself or anyone, we just can't call up and request a
6 ride. You need to have a contract in place, an
7 agreement beforehand.

8 >> MR. GONZALES: I guess is there anything we
9 might have missed from our pilot program that you may
10 think would be something as we proceed further just
11 given the experience of your client.

12 >> MR. GOLDSTEIN: Commissioner, if I may, I know
13 that mark hem meaning way is here. And they operate the
14 pilot program.

15 He has some written testimony and I believe would
16 like to testify and he could really get into some of the
17 specifics of that. Of course, they were the company
18 that operated that pilot program that I'm sure he would
19 be happy to share those experiences with you.

20 Commissioner Marino, did you have a question or
21 comment?

22 >> MS. MARINO: It seems the position of the black
23 car somebody exempt, completely omitted from this
24 requirement.

25 >> MR. GOLDSTEIN: Yes.

1 >> MS. MARINO: Because the nature of your
2 business as opposed to the livery?

3 >> MR. GOLDSTEIN: Based on the history there are
4 other financial burdens. The industry has been treated
5 differently from FHVs in the past and we should be --

6 >> MR. GONZALES: Okay. Any other questions or
7 comments? Thanks again, IRA.

8 >> MR. GOLDSTEIN: Thank you. Good to see you.

9 MR. GONZALES: Mr. Hemingway.

10 >> MR. HEMINGWAY: Good morning. My name is mark
11 Hemingway. I'm with the executive transportation group.
12 Thank you forgiving us the opportunity to speak today.

13 We have seen the rules. We have been bound to the
14 rules and would like to make some comment.

15 The Need for comparable transportation options for
16 those who are wheelchair bound is obviously a worthy
17 cause to address. Historically, both in hard facts and
18 anecdotally wheelchair bound customers have been
19 underserved for both speed and response and sometimes
20 overall costs. As you are well aware, there have been
21 wide ranging discussions over historical issues and
22 possible options.

23 The proposed rules outline two dispatch programs,
24 one for taxis and one for FHVs. As owners of FHV bases,
25 we have focused our comments to the portions of the

1 rules which will govern the FHV bases.

2 To give you some background, our companies own and
3 manage a number of FHVs bases. At this time, we have
4 1500 vehicles providing service to our customers.

5 Our customers are almost 100 percent contract
6 corporate clients. Less than one percent are not
7 covered by a corporate contract.

8 We don't advertise at all, And there is not a
9 single person in the room who knows our phone number and
10 you can't get it from the yellow pages. Consequently,
11 we don't have much call to provide accessible
12 transportation.

13 Last year out of a little over 1.2 million trips,
14 we performed fewer than 50 trips to individuals who are
15 wheelchair bound.

16 Of those, only two had motorized wheelchairs. And
17 for those two individuals, we provided service through
18 vega transportation, who was a contract carrier for when
19 we need a lift. Other than that, we can take
20 collapsible wheelchairs in our vehicles.

21 Black car bases contract almost all of their work
22 from corporate customers. We pay sales tax to the
23 boroughs and to the states and we have a complete
24 workers compensation package for our affiliated drivers,
25 which is a different business model than livery, which

1 hold themselves out to the public.

2 To a large degree, we should be termed contract
3 carriers as our customers agree to terms and services
4 and contracts with us and we don't generally hold
5 ourselves out to the public at all.

6 We are different enough in our business model and
7 tax structure and company base to request whether such a
8 nonpublic entity should be assessed at all under this
9 program.

10 The proposed FHV rules outline a centralized
11 dispatcher to manage the borough, I'm sorry, the outer
12 borough volume. The cost of this program being funded
13 on a per allocation per vehicle allocation for livery,
14 black car and limo bases. We have some thoughts we
15 would like to share with you.

16 The FHV program contemplates allowing costs of 2.1
17 million in the first year and 1.9 million in the second
18 year.

19 About ten years ago we built a company in
20 partnership with Easter seals called symphony, that we
21 put together that was fully accessible. Unfortunately,
22 it failed due to lack of demand.

23 From the business perspective, to make the expense
24 base two million dollars self-supporting, in other
25 words, what revenue would it take to drive that, it

1 would take a revenue of somewhere around
2 20 million-dollars for about three hundred thousands
3 trips in the outer boroughs in order to cover that cost.
4 We think that is pretty ambitious.

5 As you may or may not be aware, we helped with the
6 prior pilot program. We helped the dispatcher, so we
7 are aware of where things are.

8 Speaking from experience, we can tell you
9 historically the majority of accessible picks ups have
10 occurred in Manhattan for both our symphony program as
11 well as the other accessible taxi dispatch pilot
12 programs.

13 The rules and proposals contemplate an allocation
14 for all FHV base owners of the accessibility fee. The
15 accessibility fee is based on costs divided by the
16 number of total vehicles.

17 In the example, it is utilizing 38,000 FHV
18 vehicles to allocate this cost. outright now it is
19 currently fewer than 37,000. With our base of vehicles,
20 about 1500, this allocation will be more than \$89,000 a
21 year.

22 Prior, there was no discussion about how much does
23 it cost to contract out to those providers of currently
24 exist? That cost is \$3750 right now. For all of our
25 bases, plus we paid for two rides last year above and

1 beyond the cost, which is fine. That's what we intended
2 to, But 89,000 seems like an awful lot of money.

3 >> MR. GONZALES: Just in terms of time, I'm sure
4 there are other people that want to speak as well.
5 Anything else, highlights you would like to make?

6 >> MR. HEMINGWAY: Sure, we have some other ideas.

7 What we would like to do is we would like to get
8 back together with Adrian and the whole group and put
9 some of that together. We have some ideas to eliminate
10 some costs and will be helpful with the whole program.

11 One thing that IRA didn't say, when you look at
12 black cars and you look at things how we are regulated
13 and how we are looked at, as you look at the outer
14 borough taxi program and the medallions/licensing
15 program to do dispatching out there and in street hills,
16 realize that black cars aren't a part of that either.
17 It is a completely different business model being
18 discussed here.

19 So we wanted to come up to the plate and have
20 those comments.

21 MR. GONZALES: We appreciate your comments and we
22 look forward to discussing them. We are going to do
23 something a little different here, open Mike at the TLC
24 Mike on this subject.

25 We would like to limit the comments to two minutes

1 to the degree that there are groups that have a cohesive
2 situation or collective opinion or comment We would like
3 to have that group represented by one person.

4 And, okay. Let's go with taxi alliance first and,
5 sir, you are next.

6 MS. DESAI: Good morning again. I'm taking the
7 time but I just want to say very briefly we are in
8 support of the rules and we particularly appreciate the
9 fact that the big lesson learned from the last pilot
10 program where the drivers were not compensated were, in
11 fact, they were economically punished for participating,
12 because the majority of the drivers would lease from a
13 garage and even though those garages were able to buy
14 mad at a reduced rate, that reduction was not passed
15 down to the driver in the form of the lease.

16 Now, even though this current proposal also does
17 not address the economic issue in that way, instead it
18 is proposing some sort of a compensation for the driver,
19 we think that there is no question that this is
20 necessary and we appreciate the fact that it is already
21 been, it is in the currently published rules. I'm just
22 going to turn it over to beresford simmons who operates
23 an accessible taxi.

24 MR. SIMMONS: Good morning, commissioners. My
25 name is beresford simmons and I'm a member of the taxi

1 world alliance and I'm one of the first wheelchair
2 accessible drivers and I'm also involved in the industry
3 for over 40 years And also the black car industry.

4 I'm a franchise owner in the minute men car
5 service. So I swing in and out of both industries.

6 No one should be exempt from this program. The
7 taxi and limousine commission for proposing the benefits
8 the drivers will get, because from what I understand,
9 and when the first program began, we were, like she
10 said, we were supposed to be compensated. We never got
11 anything. We paid the same Amount of money.

12 I'm what you call a dov driver, a driver owned
13 vehicle, and two vehicles I have already paid for and I
14 have not been compensated.

15 So it is quite good the TLC is looking out for the
16 drivers, and, like I said, there are many people coming
17 back into this country wheelchair accessible, from Iraq,
18 Afghanistan, young people.

19 New York City is the hub Where everybody comes and
20 have things accessible. I have had people from Italy,
21 France, Canada, Germany who I'm not supposed to make
22 arrangements with because they did not know there is a
23 program. So no one should be exempt from this program
24 and I appreciate everything the TLC is doing for us as
25 wheelchair accessible driver.

1 If this program is not economically feasible for
2 the drivers, personally speaking, I will back out of it.
3 I love working. I have developed a few friends in the
4 accessible industry. So I'm pleased of what the TLC is
5 doing for us as cab drivers. It is about time. Thank
6 you very much.

7 >> MR. GONZALES: Thanks so much for your
8 testimony. For the speakers that are approaching the
9 microphone, please state your name and your business
10 affiliation.

11 MR. DEL VALLE: It is still morning?

12 >> MR. GONZALES: Yes.

13 MR. DEL VALLE: Good morning, mr. chairman. Fidel
14 del valle. I am speaking here on behalf of the greater
15 New York City taxi association, And I'm a former
16 chairman of the TLC.

17 I want to preface my comments by saying that the
18 public notice for the hearing on this issue was set for
19 next month. So pardon me if I sound a little
20 extemporaneous.

21 When the taxi medallions that are not wheelchair
22 accessible were originally auctioned off from the City,
23 they were auctioned as taxi cabs that were capable of
24 taking wheelchair bound passengers. These rules changed
25 that somewhat.

1 I'm glad to have heard commissioner Ashwini's
2 presentation where he adopted a lot of the
3 recommendations we had given the TLC with regard to the
4 pilot program that that failed.

5 For we had told TLC that program was doomed to
6 fail when they original had designed it. The fact that
7 we operated approximately 200 accessible taxi cabs
8 apparently wasn't enough of an experience for them to
9 think that our recommendations were valid.

10 The rules that were published are somewhat at
11 variance with the presentation that was just made, which
12 is why I am a little confused as to what is the final
13 version going to be.

14 We had developed at our expense of \$40,000 of
15 software to alter the tea P system so accessible cabs
16 could be dispatched through the at the P system but the
17 rules published still seem to be addressing the old
18 Blackberry system, which is to say the least, dangerous
19 and it is not legal understate law.

20 But be that as it may, we still have approximately
21 230 accessible cabs out of 13,000 some odd taxi cabs and
22 according to TLC's web site last night there are
23 4,810,027 taxi drivers in New York City. Also according
24 to TLC's web site there are exactly zero taxi drivers
25 who are qualified to drive accessible taxi cab under

1 this program.

2 >> MR. GONZALES: We are getting close to time.

3 MR. DEL VALLE: Our issue is the program as it
4 still exists although it does mitigate some of the
5 problems that existed in the pilot program, still has a
6 huge amount of disincentives to drivers to want to drive
7 these limited number of taxi cabs.

8 >> MR. GONZALES: What incentives do you think
9 would be most credit critical?

10 MR. DEL VALLE: Most critical one is obviously the
11 training. Drivers have to take time off from work to get
12 this additional training. The training should be
13 incorporated in the taxi school, both segments of the
14 training.

15 Drivers today are trained to operate a taxi meter.
16 Trained how to operate it, T-pep system for dispatch of
17 the Taxi drivers including in the trainings could be the
18 sensitivity training.

19 But drivers also would be volunteering to subject
20 themselves to higher fines and penalties if they became,
21 if they leased an accessible cab.

22 Under the previous program, that problem existed
23 when the driver got a three hundred summons because of a
24 dispatch issue. Under these rules, he has to respond
25 within one minute, which is kind of tough when you are

1 driving through the Brooklyn battery tunnel and now it
2 can be a one thousand dollar fine and you can lose your
3 license.

4 MR. GONZALES: Again, we are trying to get as many
5 comments as we can. Your comments are really very valid
6 and should be addressed to the degree you haven't
7 already put it in writing, submit it to the TLC, we
8 appreciate that.

9 MR. DEL VALLE: They will be submitted in more
10 detail by the deadline of next month.

11 MR. GONZALES: Thank you very much. Once again
12 state your name.

13 MR. PALUMBO: Guy PALUMBO. I think I was
14 originally scheduled. The commissioners have testimony
15 before you. I BELIEVE it may have been distributed
16 early.

17 If you have a copy, we would like to withdraw
18 that. If you have that public term that was printed, I
19 ask counsel in particular to withdraw that and I will
20 update our comment based on that.

21 The reason why I'm asking for the comments to be
22 withdrawn, we are a little bit surprised at some of the
23 testimony we heard here today because previously to this
24 there was a joint letter, there was a consolidated
25 meeting and there was a presentation before the TLC,

1 which included all segments of the for-hire industry,
2 and what we are here FOR TODAY, that included black car
3 and luxury also, and some of the comments we here today
4 seem to run counter TO WHAT was PREVIOUSLY agreed to and
5 I believe a joint letter was signed, I having to pull it
6 out of my files, which was sent to the TLC on this very
7 issue.

8 Demand no matter how low it is should not be a
9 basis of exemption for any segment of the industry. We
10 held together, that is an important point, We held
11 together the RFI in particular that swaney fee had put
12 out and TLC had put out of the livery round table to
13 respond to that RFI and we were very pleased to say that
14 many of our suggestions and comments were, in fact,
15 incorporated into this final RFP that went out to the
16 public.

17 Our livery round table did not participate the in
18 the RFP but we did provide input based upon collective
19 input from everybody. That's why we are so much
20 surprised what we hear here today.

21 The livery, the black car owner luxury industry, I
22 would like to clarify one thing, obviously, not having
23 as much experience as IRA or the other people from the
24 BCAC, the black car fund and even limousine association
25 of New York and lbao but having previously been with

1 lbao and with a luxury base I can tell you that that
2 SEGMENT of the industry does, in fact, advertise.

3 Look in the yellow pages. They do, in fact,
4 solicit bases from the general public and an idea of a
5 contract is not always a contract in writing. You can
6 pick up the phone today and call any luxury base and
7 virtually any black car base, make a reservation and
8 with your credit card, that's the contract. It is not
9 always a written contract with any of these Wall Street
10 firms or Citibank or any of the other. That is the
11 extent of a contract. The contract is give me your
12 credit card and we will send a car for you.

13 So don't discount that aspect. That's quite large
14 in the industry. All segments of the industry.

15 >> MR. GONZALES: We are getting pressed for time
16 here.

17 >> MR. PALUMBO: What I would like to be able to do
18 is I will submit a revised statement of testimony and I
19 ask that the, for counsel purposes, what is in front of
20 you I will resubmit and I will provide it accordingly.
21 I'm available for any questions that you may have.
22 Thank you.

23 >> MR. GONZALES: Thank you.

24 >> MR. GJONAJ: I have to excuse me.

25 >> MR. CARONE: Me, too.

1 >> MR. GONZALES: We are going to lose
2 commissioners here. We only have time for let's say two
3 more speakers and limit it to two minutes.

4 MR. THALER: Richard Thaler, Awmen gateway, LLC.

5 The agenda today listed only a staff report with
6 the December agenda listing a comment period. So I was
7 unaware of this opportunity but, very briefly, in the
8 interest of full disclosure, I was, my company was a
9 technical advertiser and advisor and technological
10 advisor to one of the seven responders to one LLC and
11 one of the four responders that I learned today from the
12 FHV RFP.

13 I substantially disagree with the assumptions
14 heard today and what was posted for the December
15 hearing, substantially disagree with many of the
16 assumptions leading to the operating structure of this
17 dispatch system.

18 MR. GONZALES: What are the two things you
19 disagree with?

20 >> MR. THALER: Let me go back to the very, very
21 basic assumption that the FHV and outer boroughs and
22 yellow medallions have to be separated very briefly
23 because I'm aware of limited time.

24 Let's assume that a wheelchair user was picked up
25 in the Bronx and dropped off in Manhattan and somebody

1 calls from Manhattan and that just happens, because you
2 must use a location base system. And, by the way, using
3 a location base system may make it more efficient in
4 terms of limiting yellow cab cruising. I don't see the
5 need for an incentive, in fact.

6 But let's assume now the livery vehicle drops you
7 have a passenger within two or three blocks for somebody
8 that is calling for a yellow cab in Manhattan. Why
9 shouldn't the livery be able to take the yellow cab
10 customers. The two systems have to be integrated in
11 one, which was the basis of the proposal with all of the
12 technology to support that.

13 So in the interest time, there are many, many,
14 many more objections I have to the operation, to the
15 costs. It is just absurd And I would like the
16 opportunity to continue to explore this. Okay.

17 >> MR. GONZALES: Thank you for your testimony.
18 Any other speakers? Okay. I call for a motion to
19 adjourn?

20 Mr. CARONE: So moved.

21 MR. GONZALES: The meeting is adjourned. Thank
22 you everybody.

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I, MICHAEL WILLIAMS, a Notary Public and
CART Reporter of the State of New York, do hereby
certify that the foregoing is a true and accurate
transcript of the testimony as taken
stenographically by and before me at the time,
place and on the date hereinbefore set forth.

I DO FURTHER CERTIFY that I am neither a
relative nor employee nor attorney nor counsel of
any of the parties to this action, and that I am
neither a relative nor employee of such attorney
or counsel, and that I am not financially
interested in the action.

MICHAEL WILLIAMS

