

**TESTIMONY OF NYC TAXI AND LIMOUSINE COMMISSION  
CHAIR/COMMISSIONER MATTHEW W. DAUS**

**CITY COUNCIL TRANSPORTATION COMMITTEE  
OVERSIGHT HEARING, COMMUTER VAN INDUSTRY – MARCH 29, 2006**

Good afternoon Chairman Liu and members of the Transportation Committee. My name is Matthew Daus and I am the Commissioner/Chair of the New York City Taxi and Limousine Commission (TLC). Thank you for the opportunity to share some information concerning the TLC's role in licensing and regulating the New York City commuter van industry.

Today, I will provide an overview of the TLC's role in the review process for commuter van services, and then make two key points:

First, the commuter van industry serves a vital transportation need for New Yorkers and it is important to remember that people need the services that are currently provided by commuter vans.

Second, the State's laws, local laws and TLC rules governing commuter vans are more than a decade old. The City has grown and the commuter van industry has matured to meet these new service demands. However, licensing and regulatory efforts still reflect concepts of the early 1990's.

**Overview of the TLC's Role**

Commuter vans are vehicles with a capacity of at least nine but not more than twenty passengers, authorized to transport them between residential locations and transportation or shopping hubs on a pre-arranged for-hire basis, along non-specified or irregular routes within approved geographic areas. They are not permitted to accept "street hails."

Amendments to the State's Transportation Law in 1992 transferred jurisdiction over the regulation of commuter vans operating wholly within New York City, except at the airports, from the State to the City. The New York State Department of Transportation (State DOT) retained jurisdiction over the safety requirements of the vehicles, including regular inspections.

Through local law, the City designated its Department of Transportation (DOT) as the agency responsible for the determination of public convenience and necessity for commuter van services and DOT Deputy Commissioner Howard Altschuler will offer an overview of that process shortly. The TLC is the agency authorized to review applications for fitness and then issue licenses to qualified commuter van authorities, vehicles and drivers. It is important to note that the TLC can only issue a license to a commuter van authority if the DOT makes a positive determination of public convenience and necessity.

For authority owners, the fitness standards required by local law and TLC rules include a criminal background check and a review of TLC summons history. For vehicle owners, the fitness standards include a criminal background check, vehicle insurance requirements, vehicle safety approval by State DOT, and a review of TLC summons history. For drivers, the fitness standards include a criminal background check, a commercial drivers license, 19-A certification - which is the same State standard required for bus drivers -, and a review of TLC summons history.

There are currently 62 licensed commuter van authorities, which operate 230 vehicles. These numbers have all decreased since I came before this Committee in November 2002 to testify on this same topic.

Enforcement of the local laws and rules is a matter of vital importance and the TLC works in conjunction with the New York City Police Department on numerous joint operations. Captain Patrick Carney, commanding officer of the NYPD's Surface Transportation Enforcement District (STED) is here to answer any specific questions you may have on enforcement efforts.

### **Serving a Transportation Need**

For many New Yorkers commuter vans are a critical transportation link providing mobility and access to transportation and shopping hubs. Numerous studies conducted by the City's Department of City Planning and other organizations over the past 25 years have documented a clear need for services

that can supplement or complement existing mass transit in neighborhoods throughout the City. Commuter vans provide such a service.

Spend some time on Flatbush Avenue, or at the Jamaica LIRR station, or in Flushing, or even just a few blocks north of here in Chinatown and the demand for commuter vans becomes crystal clear. They fill a variety of important transportation needs.

### **An Opportunity to Review and Assess**

As the Council is well aware, the local laws regarding commuter vans have not been significantly revised over the past decade – the TLC's commuter van rules generally track the local law and have remained relatively consistent since then as well. During this time the City's population has grown, resulting in new transportation needs, and the commuter van industry has gone from operating at the fringes of the transportation network to being an integral mobility option demanded by passengers.

I want to bring the Council's attention to an interesting set of statistics that I touched on earlier. Since November of 2002, the date of the last oversight hearing, the number of approved commuter van authorities has declined 15% and the number of licensed commuter vans has declined by about 40%. Yet simple field observations indicate that the demand for commuter van services is similar or even stronger than it was in 2002.

One explanation for this could be that the regulatory structure presents obstacles to becoming licensed and operating legally. For owners and drivers that want to operate legitimately, the requirements set forth in State and local law are voluminous and may present challenges. This is not to say that the standards should be diminished – maintaining a high bar for licensees is part of protecting the public. But it does make sense to ensure that the standards are reasonable, that they reflect operational realities and passenger demands, and that owners and drivers can understand them. We look forward to testimony today from representatives of the commuter van industry on this point in particular.

**Conclusion**

In conclusion, I want to commend the Council for taking up this important and pressing issue. The service needs met by today's commuter vans are important and need to be addressed. The important questions are how those needs can best be met in a way that continues to protect passengers and the general public, while also allowing legitimate operators to make an honest living.

Thank you and if the Chairman approves, I would like to provide DOT Deputy Commissioner Howard Altschuler an opportunity to present his testimony on DOT's role in the commuter van review process before we jointly answer any questions.

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