

Testimony of Meera Joshi
NYC Taxi & Limousine Commission Commissioner/Chair
PRELIMINARY BUDGET for FISCAL YEAR 2017
City Council Committees on Finance & Transportation
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Good afternoon, Chairs Ferreras-Copland and Rodriguez, and members of the Finance and Transportation Committees. I am Meera Joshi, Commissioner and Chair of the New York City Taxi and Limousine Commission. Thank you for the opportunity to speak today regarding the TLC's Fiscal Year 2017 Preliminary Budget, our accomplishments in the past year, and our goals for this coming year.

Current Licensed Vehicles and Drivers. The number of vehicles and drivers the TLC regulates has continued to climb to new heights. We currently license over 89,000 vehicles, and approximately 150,000 drivers, compared to 41,000 vehicles and 110,000 drivers in 2012. This increase is especially evident in the black car sector, which grew from approximately 8,000 vehicles in 2012 to over five times that number, at over 41,000 vehicles today. As our licensed fleet grows, so does our responsibility to ensure the taxi and for-hire vehicle industries remain safe, accountable and accessible.

Accessibility

WAVs. As Mayor de Blasio has made clear, every passenger in New York City is entitled to an accessible ride, and we must ensure that important steps taken in the yellow and green taxi sectors are not undermined by the current lack of accessibility mandates in the for hire sector, and that passengers of all sectors are ensured access. Beginning in January of this year, the TLC began converting the yellow taxicab fleet to wheelchair-accessible vehicles, pursuant to the City's goal of 50% accessibility by 2020.

To achieve this goal, the TLC has created two financial incentive programs for drivers and owners of yellow wheelchair accessible taxis. Every yellow taxi driver can earn approximately \$2,000 to \$4,000 more per year, just for driving a wheelchair accessible taxi, and an additional \$500-\$2,000 per year for picking up passengers who request a ride through our accessible dispatch program. Vehicle owners get \$14,000 to cover the cost of purchase of a wheelchair accessible taxi and \$4,000 a year to cover operating costs for the next four years. These funds are needed because owners and drivers have no flexibility to increase fares to cover these costs.

Similarly, the City hopes to transform the green taxi fleet, so that by 2024, at least 33% of it will be wheelchair-accessible. The costs of conversion for vehicle owners and drivers will be defrayed in part by a 30-cent per ride taxi improvement surcharge on all yellow and green taxi trips. We currently have over 7,000 green taxis in service, that is, vehicles that have passed inspection and are not out of service due to suspension, revocation or surrender, of which over 6,000 are non-WAV, and approximately 950 are WAV. These efforts are crucial to expanding our Accessible Dispatch Program citywide, which we hope to complete this year.

SAFETY/VISION ZERO

As always, we prioritize passenger and driver safety, and the TLC proudly supports Mayor de Blasio's Vision Zero program through education and outreach. As you know, taxi drivers attend "Taxi School," and in December 2015, TLC launched a 24-hour pre-licensure course for FHV drivers, including driver safety content, which we created together with the Department of Transportation. The TLC will soon offer a continuing education course for every driver renewing his or her license, which will help us keep all medallion and FHV drivers up to date on new Vision Zero initiatives and TLC rules and programs.

In other outreach, the TLC conducted over 250 base visits to discuss Vision Zero and traffic safety rules and strategies with drivers, and our second annual TLC Safety Honor Roll recognized 256 TLC-licensed drivers who had no crashes involving fatality or injury, no traffic violations, and no violations of TLC safety related rules for five or more years.

VST Pilot. In 2015, the TLC began the Vehicle Safety Technology Pilot to study the potential benefits of collision avoidance sensors, driver monitoring technology, and driver alert systems to improve the driving habits of TLC licensees. The pilot's six vendor participants have installed their safety technology in a total of 52 TLC-licensed vehicles, including yellow medallion taxis, green boro taxis, and for-hire vehicles (liveries and black cars). TLC continues to add vendor participants to this pilot, which was just extended for an additional year to evaluate even more innovative systems for safe driving. The TLC will use the findings of the pilot program evaluation to inform any future policymaking involving these innovative technologies.

Drive Like Your Family Lives Here. The TLC worked with Families for Safe Streets, Transportation Alternatives, and DOT to tell the stories of five families whose lives have been devastated by crashes, resulting in the film "Drive Like Your Family Lives Here," which has been integrated into driver training programs for all prospective taxi drivers as well as the new training course for prospective FHV drivers. The MTA, DCAS, and NYPD use the film in their driving and enforcement training programs, and DOT includes the film in its safety curriculum in the City's high schools. The film has had over 17,000 hits on the TLC's YouTube channel.

Traffic Safety Enforcement. The TLC Traffic Safety Squad, a subset of TLC enforcement officers formed in January 2015 to focus specifically on traffic safety, issued 5,623 traffic safety summonses in 2015. This squad focuses on deterring dangerous behaviors such as speeding, distracted driving, and other moving violations.

Driver Fatigue. Before moving on from safety, I want to address the topic of driver fatigue. Most people are aware of the dangers of drinking and driving but don't realize that drowsy driving can be just as dangerous. For this reason, the TLC will be addressing fatigued driving as one of its key initiatives in the third year of the Vision Zero program.

Data

FHV trip records. In 2015 the TLC began collecting electronic trip records from FHV bases, which are now required to provide them monthly. Last year we collected over 62 million trip records, and our FHV trip record database gives the City access to information about the extent of livery and black car services in the City. Nonetheless, we still lack significant data from the FHV sector, for example data about drop-off locations and fare data that would better help us understand driving behaviors as we do with yellow and green taxis. This data will allow the City to better craft policy on safety and accessibility, and automated collection is far superior to even the best self-reporting model. We believe that not only the agency will benefit from automated trip data, but also new investors, academics, industry players and market analysts, as for hire vehicle data is more equitably shared. We look forward to the Council's support as we seek greater insight into the impact of the entire for-hire vehicle sector on New York City.

USB/Enforcement

Setback in seizure power. The TLC's major enforcement concern is with livery and black car drivers illegally picking up street hails and unlicensed, or so called "straight plate" operators, doing the same. Unlicensed operators in particular present a serious safety threat to New Yorkers. Their vehicles have not been inspected for safety, they do not carry the proper commercial insurance, and the drivers have not been subject to background checks, including

criminal and DMV record checks, as well as ongoing drug testing. In addition to depriving customers of their right to a safe ride, every unlicensed, illegal trip deprives licensed drivers of income, and the City and State of revenue, as well as avoiding contributions to make our yellow and green taxis accessible.

The TLC regularly enforces against unsafe illegal operators, but, as you are aware, we lost our best tool last October, when a federal district judge ruled that in certain circumstances seizing vehicles used for illegal pick-ups, as authorized under 19-506 of the Administrative Code, was unconstitutional. While that litigation continues we are exploring other enforcement methods. For example, we are summoning for this conduct under provisions of the State Vehicle and Traffic Law where the penalty is suspension or revocation of the driver's DMV license and/or the vehicle owner's registration. Further, under local law, vehicles are subject to forfeiture where the owner has two or more violations in the past 36 months for unlicensed activity. As the federal court decision regarding TLC seizures did not eliminate TLC's ability to seize vehicles that are subject to forfeiture, we are developing a robust plan to utilize this enforcement tool.

But obviously this court decision has resulted in lower seizure numbers this fiscal year, and they will remain low unless and until the seizure power is restored. Before the court decision, the TLC had seized 2,957 vehicles (2,886 cars and 71 vans) in Fiscal Year 2016, compared with 6109 (5,697 cars + 412 vans) in Fiscal Year 2015.

With that said, TLC continues to enforce against FHV licensees who illegally accept street hails and, so far this fiscal year, we have issued almost 3,800 summonses for illegal street hails, including over 1,000 in the Manhattan Exclusion Zone.

Licensing

So far this fiscal year, our licensing unit has processed almost 69,000 driver applications for new and renewal driver licenses, versus 52,000 in the same period last year, a 32% increase, and almost 40,000 vehicle applications for new, renewal and transfer vehicle licenses, up from 34,000 in the same period last year, a 16% increase. This ever-increasing volume has strained our ability to lessen wait times—a high priority for the agency. In the first six months of Fiscal Year 2015, the average wait time to get a driver's license was 75 days for a taxi driver's license and 50 days for an FHV driver's license. However, with continued heavy volumes and an increase in FHV applications, those license application wait times for the first six months of fiscal year 2016 averaged 61 days for taxi and 71 for FHV.

Licensing Improvements. So in the past year, the TLC has prioritized licensing efficiencies and customer service. We recently extended driver license terms from two years to three years. This reduces the amount of driver time spent on license renewals, and it also reduces the overall volume of renewal applications staff must process, which is key for improving processing times given the high application volume we have been experiencing. We also instituted a uniform 90-day window to complete all application requirements, replacing a confusing variety of timelines for different items. This will give drivers more time to complete their requirements, and it should reduce instances of incomplete applications, which cause delay.

New Facility. In November 2015, the Licensing and Standards Division moved to a new location in the Falchi Building in Long Island City. This new facility was designed to create a more efficient and modern flow for our clients since our previous facility could not accommodate the over 200,000 visits by licensees in Fiscal Year 2015. The facility features an open accessible waiting room that allows for easier access to customer services. The new

location provides a combination of self-service ticketing options, together with additional customer service representatives on the floor to assist in answering questions and providing direction. Coupled with the move to our new facility, we have cross-trained our Counter Operators to accept all application types, so we are able to spread the workload across a wider number of operators.

In addition to Licensing's new home, we've made other changes to improve the experience for our customers. We now provide appointments for the most common transactions, giving customers greater certainty of when they will be seen. The appointment system has dramatically reduced our less predictable walk-in traffic, and therefore has reduced the incidence of particularly high-volume days. This, in combination with new queue management techniques we implemented starting in December, has virtually eliminated the lines that TLC customers sometimes experienced, simply to enter our facility.

Moving our process online. Just as important as improving the experience for visitors to our facility, we've also made changes to minimize demands on drivers' time and provide more options to them on how to interact with the agency. We have moved to an online-only driver license renewal process, so drivers can complete forms from a home computer or through email, allowing them to spend more time on the road earning.

We are also automating many of our back office functions to free up staff so we can process at higher volumes. We are working with DoITT to put our entire new vehicle and driver application processes online, except for finger-printing and photographing, which would take place at sites citywide.

Driver Communications. We continue to improve communications with our customers. Each applicant now receives personalized renewal letters that tell them exactly what is needed.

Text messaging helps us connect directly and quickly with drivers to give them information about missing requirements. Providing this information earlier in the process and more often, and with a link to instructions on how to fulfill the requirement, should make it easier for them to complete their applications and get licensed. The TLC continues to explore ways to leverage texting and increasing our capacity to connect with licensees, in their preferred language.

Plain Language & Language Access. Our plain language project continues, with the ultimate goal of simplifying all public-facing documents. We have revised all prosecution summonses and written consumer communications, and we have begun the same task with all of our Licensing and Inspections notices. In partnership with the Department of Small Business Services' SB1 initiative, we've created plain language guides for our customers. Our ongoing goal is to better capture language preferences for all licensees; translate more public-facing communications; encourage hiring of bi-lingual staff, and continue to revise public facing communications into plain language. We have translated our rules into Spanish and Urdu, and we will translate them into other languages common to our drivers and post them on the TLC website.

The Budget

Our Preliminary Budget for Fiscal Year 2017 is \$71.8 million, broken down into \$39.6 million in personal services (PS), and \$32.2 million in other than personal services (OTPS).

The Preliminary Budget represents a \$3.2 million increase from Fiscal Year 2016. Major line items in this expense budget include \$21 million in grant issuance for Green Boro taxi permit holders to bring wheelchair accessible vehicles into service. This line item represents a three million dollar increase from Fiscal Year 2016 and accounts for most of the increase from

last year's budget. As part of the full-scale implementation of the Five-Borough Taxi Plan, these grants provide up to \$15,000 to defray the costs of wheelchair accessible vehicles. As of mid-February, the TLC has awarded 1,152 grants, totaling over \$17 million.

Expenses/New needs. The Fiscal Year 2017 budget also reflects our new needs. The TLC completed the initial construction and move to our new Licensing Facility in Long Island City. Our budget reflects additional resources to support the operations and maintenance of that facility. The TLC has also modernized the customer service experience for our licensee population, and this budget provides for additional language access services to reflect the diverse population of drivers and the growth of stakeholders in the industry.

This budget also continues to prioritize ongoing projects such as Vision Zero, with over \$1 million dedicated to enforce safe driving for our licensee population. And we recognize that nothing compares to real-time enforcement in the field. This Fiscal Year 2017 budget will also increase its targeted enforcement efforts by aggressively filling positions left vacant due to attrition. I am pleased to report that DCAS has completed the investigation of 182 candidates from the Taxi and Limousine Inspector Certification List, and that interviews have already been scheduled for candidates this week. The TLC is looking forward to welcoming additional inspectors later this fiscal year.

Revenue/Medallions. The TLC has a projected Fiscal Year 2017 revenue budget of \$53.5 million, which does not provide for medallion sales. This preliminary budget has been adjusted to defer medallion sales until Fiscal Year 2018, which will allow continued monitoring of the industry. This year, we are reviewing additional rule changes to help streamline the medallion system, including evaluating the continued relevance of the distinction between

Individual and Corporate medallions. We remain very open to working with the Council on identifying and addressing any additional market obstacles in the Administrative Code.

Conclusion. It's been a busy year. We have increased access for people with disabilities, implemented new programs to improve safety for the riding public, and we have expanded accountability measures through the collection, publication and analysis of millions of new data points. In the coming year, I look forward to working with the Council to address the needs of this ever-changing field, and to ensure our regulated industries remain safe, accountable, and accessible.

This concludes the TLC Preliminary Budget testimony for Fiscal Year 2017. Thank you for the opportunity to speak with you today, and I would be happy to answer any questions you may have.