CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONSUMER AFFAIRS

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June 13, 2011 Start: 10:10 am Recess: 12:05 pm

HELD AT: Committee Room - 16th Floor

250 Broadway

B E F O R E:

DANIEL R. GARODNICK

Chairperson

COUNCIL MEMBERS:

Charles Barron
Leroy G. Comrie, Jr.
Julissa Ferreras
G. Oliver Koppell
Karen Koslowitz
Michael C. Nelson

APPEARANCES

Erik Joerss Director of City Legislative Affairs Department of Consumer Affairs

Nancy Clark Assistant Commissioner Department of Health & Mental Hygiene

Fran Freedman
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David Sirk
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Gregg Zukowski Past-President New York City Pedicab Owners Association

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Joseph Garber Civic Activist NYC

A P P E A R A N C E S (CONTINUED)

Laramie Flick Pedicab Driver and Owner NYC

Stephen Malone Executive Director Horse & Carriage Association of New York

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2 CHAIRPERSON GARODNICK: Good

morning everyone, and welcome to the Committee on Consumer Affairs of the New York City Council. Today's date is Monday, June 13th, my name is Dan Garodnick, I have the privilege of chairing this Committee, and I want to welcome you all today to the hearing on three bills. One is a preconsidered bill that would require pedicab drivers to quote a fare upfront, Intro 345A, that would require a pedicab passenger bill of rights, and Intro 541A, that would ban individuals, groups or associations from selling expired over-the-counter medications. In February, 2011, this Committee held a hearing on four pedicab bills to address continuing challenges in the pedicab industry, including issues of violations of no-parking and no-standing zones, or transporting passengers with expired motor vehicle licenses. We incorporated amendments of those four bills, based on the hearing testimony, and further input from the Department of Consumer Affairs, and from pedicab drivers, and last month three of those pedicab bills were enacted into law. Today we are going to consider the amended version of the fourth

2 bill, Intro 345A, the pedicab bill of rights, which would require pedicabs display a passenger's 3 right to, among other things, a courteous driver 4 5 who obeys all traffic laws, working brakes and a seat belt, and a detailed receipt. In addition to 6 address the complaints of pedicab passengers that have contacted my offices and other offices 9 regarding unexpected exorbitant fees for a pedicab ride, a pre-considered bill would require a driver 10 11 to quote a fare upfront when an odometer or timer 12 is not used to calculate the rate, and to provide 13 a receipt indicating that the quoted fare to the 14 passenger before the ride begins. Under this 15 legislation, pedicab drivers could still, for 16 example, charge \$90 for a two-mile ride, which I 17 would encourage no New Yorker or any tourist to 18 accept, but a passenger would know upfront that 19 that is the cost, that they would the opportunity 20 to decline the ride before they are obligated to 21 I understand that in addition to these 22 bills, the Department of Consumer Affairs, which 23 we refer to as DCA for the remainder of the 24 hearing, also has additional issues they'd like 25 the Council to explore regarding caps on the

number of pedicabs that an owner, a single owner,
can own, and issues of insurance. We will
consider those, and certainly will also consider
issues of stricter motor vehicle license
requirements for pedicab drivers. Also, as I
noted at the outset, we're holding a hearing today
on Intro 541A, which is a bill that is sponsored
by Council Member Rubin Wills, that would prohibit
individuals from selling expired over-the-counter
medications. New York State general business law
currently prohibits the sale of expired over-the-
counter of medications by retailers, but
consumers are left unprotected when expired non-
prescription medication is sold by individuals,
such as at flea markets, and we have seen some
examples of that in the city in recent years. We
are going to give Council Member Wills an
opportunity to comment on his bill when we turn to
it, but we are going to start out with the first
bills, the pedicab bills, and so I'd like to
welcome DCA and their representative to come up to
the witness table, and whenever you're ready, you
can introduce yourselves or yourself, and we can
get right into it.

2	MR. JOERSS: Thank you, Chairman.
3	My name is Erik Joerss, I am the Director of City
4	Legislative Affairs for DCA. Commissioner Mintz
5	asked me to thank you for the opportunity to
6	appear before you at this hearing.
7	CHAIRPERSON GARODNICK: Do you have
8	written testimony today, or are you just going off
9	of your
LO	MR. JOERSS: I do have written
11	testimony.
12	CHAIRPERSON GARODNICK: My
13	apologies, I just don't have it right in front of
L4	my face.
15	MR. JOERSS: No problem.
16	CHAIRPERSON GARODNICK: Go ahead,
L7	thanks.
L8	MR. JOERSS: Sure. Because the
L9	Department testified at length on pedicab issues
20	in February, our remarks today are brief, limited
21	to the bills at hand. Our testimony from February
22	is attached for those that want to review it for
23	context. We have the following comments on this
24	specific legislation. On T2011-2978, this bill
25	requires pedicab drivers to provide cost estimates

and detailed receipts to customers, and it
includes a technical amendment to the code to
acknowledge the use of odometers in pedicabs. We
appreciate the technical amendment and support the
idea of disclosures as a consumer protection.
Specifically, the bill requires pedicab drivers to
provide at the beginning of a trip a written and
binding price quote to passengers if the rates are
not calculated by time or distance, or in any
instance where the driver quotes an estimate.
Because the absence of a time or distance
calculation of pricing makes it more difficult for
a consumer to determine value, this provision is a
useful consumer protection. Similarly, the
requirement to provide passengers with a detailed
receipt will certainly make it easier for
consumers who have been treated unfairly to hold
those responsible accountable. On Intro 345A,
this bill would require that a pedicab be equipped
with a bill of rights for pedicab passengers,
informing their customers of rights is an
important consumer protection. For practical
reasons, and to highlight for customers their most
significant protections, we recommend that the

2	suggested bill of rights be shortened to focus
3	only on the four most critical protections. As
4	follows, pedicab passengers shall have the right
5	to a working seatbelt, a detailed receipt, a
6	timing device visible to the passenger, if the
7	rate is calculated by time, or an odometer visible
8	to the passenger, if the rate is calculated by
9	distance, and a binding written estimate if the
10	rate is not calculated by time or distance. Now,
11	Mr. Chairman, the rest of my remarks were actually
12	on OTC's, so I don't know if you want me to do
13	that, or if you want to stop here.
14	CHAIRPERSON GARODNICK: Why don't
15	you hold that for a moment, we're going to do this
16	in two parts, and I just want to make sure that
17	all the relevant folks for 541A are present when

MR. JOERSS: Yes.

you do give that. I realize it's very brief.

CHAIRPERSON GARODNICK: But let's just hold it for a moment anyway. Okay, so that's the end of your testimony on the pre-considered and the Intro 345A, is that correct?

MR. JOERSS: Yes.

CHAIRPERSON GARODNICK: And as I

2	understand, your testimony is that you support the
3	first one without any reservations, and on the
4	second, the passenger bill of rights, you're
5	suggesting that it should be amended to just
6	include four points, is that correct?
7	MR. JOERSS: Yes, Mr. Chairman.
8	CHAIRPERSON GARODNICK: So let us
9	review what you are removing, or what you would
10	like to see removed, and I'm just going to take a
11	quick moment and get the text of that bill as
12	proposed in front of me, with help from staff, and
13	we're just going to go through that together.
14	MR. JOERSS: And while that's
15	happening, I'll just say, kind of as a preamble to
16	it, there's not everything in there is
17	important, it's just a question of whether it's
18	something that needs to be enumerated in the bill
19	of rights.
20	CHAIRPERSON GARODNICK: So, okay,
21	I'm looking here, and it looks like you would like
22	to remove that there's a right to be driven by a
23	safe and courteous driver who has a valid pedicab

driver's license and obeys all traffic laws.

MR. JOERSS: Yes.

2	CHAIRPERSON GARODNICK: Now, you
3	don't think that that should be enumerated why?
4	MR. JOERSS: Because I think it's
5	almost intuitive and obvious, that you have the
6	right to a safe and courteous driver. And again,
7	in a perfect world we would enumerate all the
8	rights, but there's at some point a diminishing
9	return, so the more you have on there, the less
LO	people pay attention to each individual right, is
11	our thought.
12	CHAIRPERSON GARODNICK: How about
13	to be driven by a driver who is not under the
L4	influence of alcohol or drugs?
15	MR. JOERSS: Again, we would one
L6	would think that that is self-evident.
L7	CHAIRPERSON GARODNICK: You also do
L8	not have any reference to working seat belts,
L9	brakes, headlights, tail lights and turn lights.
20	MR. JOERSS: We have a reference to
21	working seat belts, because it's something that
22	the passenger would kind of know and control, and
23	could know if that's not there. The same way in a
24	cab or any vehicle, you would think there's a

right to working brakes, but since ... and tail

2	lights, but since the passenger really wouldn't
3	know that from the ride, the efficacy of actually
4	putting it in there we weren't sure of.

CHAIRPERSON GARODNICK: Now you remove a whole section which talks about what a pedicab driver shall not do, correct?

MR. JOERSS: And this was ... this seemed less like a right, and more, you know ... for the consumer, they're not, I would imagine, the idea of whether or not the pedicab needs to be propelled by human power, or needs to only have three seats, that seems like it's more something that the pedicab driver would benefit from, in a sense, to be able to say to riders, I'm sorry, I can only fit three, but for the pedicab rider itself, the benefits seemed less.

CHAIRPERSON GARODNICK: Well, I understand your point. I think what we're trying to do here is to make sure that the passengers understand what the driver's obligations are, even if they are not specific rights to the passengers. But we take your point and we'll certainly consider that. And I understand what you're saying about diminishing returns and the most you

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include more things on there, the less somebody
will pay attention to them. Although I would note
that the taxi riders' bill of rights includes
many, many more items than any of these that we
have even suggested. Okay, so on the fare quoted
up front, and before I do anything, I just want to
note that we are joined by Council Member Leroy
Comrie and Council Member Charles Barron, and so
as to that pre-considered bill, the bill is one
which requires that there be a written receipt
with the price upfront if neither an odometer nor
a timing device is being used. Why is that
important from DCA's perspective?

MR. JOERSS: It's a great consumer protection in that the timing device and/or an odometer are really the ways that a passenger can keep track of what they're being charged or understand kind of with basic math beforehand what they might charge. In the absence of those, there doesn't seem to be a really good method to protect the consumer from somebody that would let's say charge \$90 for a two-block ride.

CHAIRPERSON GARODNICK: In fairness, it wasn't two blocks, but it was more or

CHAIRPERSON GARODNICK: Are most of

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2	them using odometers or timing devices, or is it a
3	minority of them?
4	MR. JOERSS: I would be guessing,
5	but I can find out for you.
6	CHAIRPERSON GARODNICK: We don't
7	want you to guess, but that's something we
8	definitely want DCA to have a handle on. And
9	because they come to you with their souped-up
10	pedicabs for the purpose of figuring out whether
11	an odometer is working properly.
12	MR. JOERSS: Exactly.
13	CHAIRPERSON GARODNICK: Or if the
14	timing device is working properly, is that
15	correct?
16	MR. JOERSS: Yes, we check whether
17	the odometer is calibrated correctly, whether the
18	timing is calibrated correctly too, during the
19	inspections.
20	CHAIRPERSON GARODNICK: My
21	impression is that it's the minority of pedicabs
22	that use odometers or timing devices, and
23	therefore the rules that are being put in place
24	here would be the predominant form of fare-

quoting. Essentially you would have the price-

2	per-mile, I'm sorry, the price-per-block, price-
3	per-avenue, cited on the side of the pedicab, and
4	a calculation done upfront by the pedicab driver
5	in most instances.
6	MR. JOERSS: Which would certainly
7	make this even more important.
8	CHAIRPERSON GARODNICK: Agreed.
9	Let's talk about the signage that is currently
10	required for a pedicab.
11	MR. JOERSS: Yes.
12	CHAIRPERSON GARODNICK: What is the
13	signage that is currently required for a pedicab?
14	MR. JOERSS: The signage is a sign
15	that says to call 311 if you have a consumer
16	complaint. I believe that has the license number,
17	the license number of the pedicab on it. There
18	needs to be a registration sticker showing that
19	this cab has passed registration and is registered
20	with the city, and the business name is also on
21	it.
22	CHAIRPERSON GARODNICK: And what
23	about the fare?
24	MR. JOERSS: You have to post how
25	you you have to post the as the fares

2	thems	selves	are	not	regulated,	you	do	have	to	post
3	what	the f	ares	are						

CHAIRPERSON GARODNICK: Does DCA specify the size of these particular postings on the side of a pedicab, like how big the "Call 311 if you have a complaint"?

MR. JOERSS: They do, yes, by rule.

CHAIRPERSON GARODNICK: Okay. Now, as a practical matter, is there room in a pedicab for more signage, like the one that we are prescribing now, the bill of rights that passengers could actually read and experience?

MR. JOERSS: That's the \$90
question, isn't it? I suppose, you know, there
certainly is room somewhere on a cab to put it.
In the original iteration, this had prominently
displayed where a passenger could see it. In the
absence of a canopy on the back of a pedicab, I'm
not sure where that would be. Frankly, we have
not thought of what the perfect place, or a great
place for that, would be, given that pedicabs, you
know, some have seat posts that could potentially
have it, some of them don't have a seat post that
could have it. We kind of leave that to the

Hygiene to discuss the underlying medical
necessity of the bill, and to answer any health-
related questions. We appreciate that we have
been included in the enforcement of this proposed
legislation, and have two recommendations to
strengthen its consumer protections, which can be
included in the legislation, or it can be left to
the rulemaking process. One would be to require
the prominent display of a sign at point-of-sale,
alerting consumers to their right to not be sold
expired medications, and two would be to increase
the fine described in section 20-813 to be up to
\$500 for each violation, which would make it
consistent with existing state penalties and
general business law. I'm happy to answer any
questions.

CHAIRPERSON GARODNICK: Thank you, this is going to be a fast hearing, I can tell. We appreciate your brevity, and want to make sure that we get into all of these issues in some detail, however. So first of all, help us understand to what extent the administration currently regulates the sale of expired over-the-counter medication.

Τ	COMMITTEE ON CONSUMER AFFAIRS 20
2	MR. JOERSS: I have, unfortunately,
3	Mr. Chairman, I have no knowledge as to how the
4	administration does that right now.
5	CHAIRPERSON GARODNICK: How does
6	DCA do it?
7	MR. JOERSS: It's not on our
8	purview right now.
9	CHAIRPERSON GARODNICK: DCA does
10	not regulate at all the sale of expired over-the-
11	counter medication?
12	MR. JOERSS: No.
13	CHAIRPERSON GARODNICK: How about
14	the Department of Health? Now it's on.
15	MS. CLARK: No
16	CHAIRPERSON GARODNICK:
17	(Interposing) And why don't you introduce yourself
18	first?
19	MS. CLARK: Yes, thank you. Do you
20	want me to read my testimony now, so it's all in
21	one place?
22	CHAIRPERSON GARODNICK: That would
23	be fine.
24	MS. CLARK: Great, because it's
25	brief. Good morning, Chairman Garodnick and

members of the Consumer Affairs Committee. My
name is Nancy Clark, Assistant Commissioner for
the Bureau of Environmental Disease Prevention for
the New York City Department of Health and Mental
Hygiene. Thank you for this opportunity to
comment on Intro 541A, a bill that would prohibit
the sale of expired over-the-counter medications.
The Food and Drug Administration, FDA, began
requiring expiration dates on over-the-counter OTC
medications in the 1970's in recognition that the
potency and effectiveness of such medications may
be diminished over time, and because some products
may actually be chemically modified over time,
causing unintended consequences. In reality, very
little is known about how long most OTC
medications remain effective, as few have been
studied for longevity of effectiveness.
Expiration dates serve to alert consumers as to
how long they may expect OTC products to retain
their intended effects. A product sold past its
expiration date should not be given should not
be used, given the uncertainty over its potency or
safety. Other conditions, such as improper
storage of the medication, may also have impact on

2	potency or effectiveness in medications. For
3	these reasons, the Department supports Intro 541.
4	Thank you for the opportunity to testify, and I'd
5	be happy to answer any questions you may have.
6	CHAIRPERSON GARODNICK: Thank you
7	very much. So let's just start off by getting to
8	the bottom of what the city's power is over a
9	consumer issue like this. If a drugstore is
10	selling expired medication off of its shelves,
11	does DCA or the Department of Health have the
12	power to enforce any particular act against that
13	drugstore?
14	MR. JOERSS: Currently we do not.
15	CHAIRPERSON GARODNICK: Is it
16	within the purview of the New York City New York
17	City's jurisdiction to be able to allow you to do
18	that?
19	MR. JOERSS: We are confident that
20	it is, yes, there is no pre-emption issue.
21	CHAIRPERSON GARODNICK: Okay. And
22	obviously your view is also that that would extend
23	to expired over-the-counter medications sold in a
24	street fair, for example?
25	MR. JOERSS: Sure.

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CHAIRPERSON GARODNICK: And you
today have no power to enforce that either, is
that correct?

MR. JOERSS: That is correct.

CHAIRPERSON GARODNICK: Okay. We just heard from the Department of Health as to why this may be a health issue. Can you say a little bit more about why you view this to be a consumer protection issue?

MR. JOERSS: I guess, you know, the bulk of this would be more of a health issue, but in terms of consumer protection, one would think that as a consumer, I mean, as a consumer, it wouldn't occur to you that somebody is allowed to sell you expired medication. And so the default thought of a consumer would be, I'm buying medication that is going to operate, or is going to affect me as it is supposed to, and in the absence of, in the absence of information to counter that, it's deceptive kind of ... it can be considered deceptive on its face.

CHAIRPERSON GARODNICK: There were some reports a number of months ago about the sale of expired over-the-counter medication at the

Aqueduct Race Track flea market, actually this was last December. What action, if any, was taken in response to reports of those sales going on?

MR. JOERSS: I don't know of any, my understanding, since we don't have, we didn't have jurisdiction of it, and will not unless this legislation is enacted, that there wouldn't have been any action on our end.

CHAIRPERSON GARODNICK: Okay, I'm going to turn to Council Member Comrie, who has questions on this bill, and unfortunately, Council Member Wills is not going to be able to join us today, but I know Council Member Comrie has been involved in this issue as well. Council Member.

COUNCIL MEMBER COMRIE, JR.: Thank you, Chairman Garodnick. Council Member Wills is apologetic, he had an emergency, that he could not be here this morning. I just found out he wasn't going to be here at ten minutes to 10:00, so I want to just try to fill in. My name should be on the legislation, though I don't know why I don't, I'm not signed on to the legislation, I thought I had. The reasons why we brought about, why this legislation was brought about was because there

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was ... there are examples, not just of the flea market example, but in other stores, where overthe-counter medication is being sold well past its expire date to consumers. And the concern was not just even that, but how these products are being handled. The things that were handled at Aqueduct, they were just in container boxes, that clearly you could see were either thrown in trucks or thrown in either the hot or cold unregulated, un ... thrown into spaces that had no control, no temperature control, no environmental control, and also probably even no control over whether or not there were other elements that might have been able to affect the packaging, even though most of the packaging of it were ... had been sealed, but then, you know, also if there's a temperature inversion, what is the effect on over-the-counter medication. So that is one of the primary reasons why this bill was brought forward. I'm glad to see that both your agencies are in favor of the bill and would like to have the authority to pass the bill, but I would just suggest that the scope is wider than just a flea market, clearly both CVS and I forget the other ... the two different

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pharmaceutical chains have already been previously fined for not following through on proper handling of over-the-counter medications and still providing sales for it. So I think that there is ... that the time is right for the city to take over and regulate how that is taken care of. But I would be concerned beyond flea markets, but also the proliferation of 99 cent stores and low-cost discount stores that also tend to sell over-thecounter medication, which also tends to be expired medication, the handling, the packaging, that the maintenance of those items is something I think that we need to protect consumers with. So we ... I know that's why Council Member Wills brought this bill forth. Also there was a report by NBC that documented the misuse in handling of over-thecounter medication that had been expired, so. You mentioned, Erik, that you would want to see an increase in the fine for up to \$500 for each violation, so that would be consistent with the existing state penalties and the general business I think that that makes a lot of sense, and I think hopefully we can include that in the legislation now, but would you ... would then ... how

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would you then start to inform these various
businesses of their new regulations, that they
would be required to, so that they could know when
to get rid of their over-the-counter medications?

MR. JOERSS: That's something I thought through before this moment you just asked. The associations, we would put it on our website, and I am not saying be limited to those, but we would think of how we could disseminate the information as broadly as possible to get compliance as quickly as possible.

COUNCIL MEMBER COMRIE, JR.: Right, so again, this is beyond just the general pharmacies, which has been documented, CVS and Rite-Aid have had problems in the past. They were in violation of handling it, if those stores, which are normally air-conditioned and properly supposedly handling materials are having a problem, we know for a fact that low-cost retailers like 99 cent stores and people that are selling at flea markets or street fairs are not handling the product in the proper condition, so also I would hope that there would be monitoring of those locations as well, to make sure that

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they're not selling expired over-the-counter
medications. We know for a fact that most of the
people that were at Aqueduct have moved on to
smaller flea markets or smaller sites to sell, and
also looking at the smaller stores and bodegas
that are selling products as well, to make sure
that they're not selling expired over-the-counter
medication products, so on behalf of Council
Member Wills and the other people that are signed
on to the bill, I want to thank both you and Ms.
Clark from the Department of Health and Mental
Hygiene for wanting to embrace this bill, and
taking on this responsibility. So, thank you.
Thank you, Mr. Chair.

CHAIRPERSON GARODNICK: Thank you,
Council Member Comrie. I just want to go back to
the contours of the DCA's ability to enforce on
deceptive practices. Can you help us understand
what DCA's role is in the city, to make sure that
unseemly or inappropriate business transactions
are not taking place?

MR. JOERSS: Yes. DCA, you can think of our enforcement powers having two distinct spots, one is over our 55 licensed

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agencies. We also enforce the 1969 Consumer
Protection Law, and within that law is a
prohibition against deceptive practices. And so
our kind of statutory authority on non-licensees
on deceptive practices springs from that.
CHAIRPERSON GARODNICK: So if you
found a deceptive practice you can enforce it

found a deceptive practice, you can enforce it under the 1969 Consumer Protection Law, is that correct?

MR. JOERSS: Yes.

CHAIRPERSON GARODNICK: Okay, so let me just go back to my example of an expired medication in a drugstore. Somebody buys expired medication, believing it to be something that it was not. Why is that not a deceptive practice as defined by the 1969 Consumer Protection Law?

MR. JOERSS: It's funny that you ask that, Mr. Chairman. As it was coming out of my mouth, that same thought occurred to me. The truth is, I do not know why it is not considered, but it has not been a practice, nor do we know of any other jurisdiction where it has been a practice to consider that.

CHAIRPERSON GARODNICK: Well, who

1	COMMITTEE ON CONSUMER AFFAIRS 30
2	decides whether or not that is a deceptive
3	practice? Is that DCA?
4	MR. JOERSS: I suppose we could
5	bring cases
6	CHAIRPERSON GARODNICK: Do you want
7	to come
8	MR. JOERSS: (Interposing) It may
9	be it may be, leave our OTC yes, the truth is,
10	I don't know the answer.
11	CHAIRPERSON GARODNICK: If a
12	drugstore were selling prescription medication and
13	they priced it at a buck, and they were selling at
14	the counter for two bucks, you would have power to
15	do that, right?
16	MR. JOERSS: Yes.
17	CHAIRPERSON GARODNICK: If they
18	were selling that medication in a box which was
19	empty, you would have the power to do that, is
20	that right?
21	MR. JOERSS: Presumably, certainly.
22	CHAIRPERSON GARODNICK: So what's
23	really the difference between any of that and
24	selling the product which has less or no
25	effectiveness?

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2	MR. JOERSS: I say this just
3	speaking contemporaneously here (sic). Packages
4	have expiration dates on them, so one could argue
5	that the consumer actually has a way to know
6	whether or not this is expired.
7	CHAIRPERSON GARODNICK: Do you
8	think Ms. Freedman, if you'd like to come join
9	us, be my guest.
10	MS. FREEDMAN: Thank you, Mr.
11	Chair, Fran Freedman, Deputy Commissioner for
12	External Affairs for the Department of Consumer
13	Affairs. What would be a deceptive practice prior
14	to this would be if a merchant, a retailer,
15	scratched off or covered up the expiration date,
16	in an attempt to deceive a customer. But as Erik
17	suggested, and this goes also to the what occurs
18	in the supermarket with other products. A
19	consumer is if a consumer is able to actually
20	see the expiration date, it is not deceptive. The
21	consumer has the choice of purchasing, or not
22	purchasing.
23	CHAIRPERSON GARODNICK: Do you

think a consumer has a right to assume that if it

is on a shelf in a drugstore or a product in a

2	supermarket,	that	it	is	not	beyond	its	expiration
3	date?							

MS. FREEDMAN: Interesting question. One would hope, one would hope, that consumers would be able to feel that kind of confidence when they purchase anything. But as we know, when it comes to medications or food or anything, that is not in fact the case, that one has to look very carefully, one has to become a savvy shopper. And one of our mission goals at the Department is to inform consumers and encourage them to become savvy shoppers.

CHAIRPERSON GARODNICK: So who ...
help us understand this, Ms. Freedman, who decides
whether something is a deceptive practice under
the 1969 Consumer Protection Law? Does DCA have
the power to say, that is a deceptive practice and
we're not going to tolerate it? Who makes the
decision that scratching off an expiration date is
a deceptive practice?

CHAIRPERSON GARODNICK: Or covering it up is a deceptive practice, whereas having it

MS. FREEDMAN: Or covering it up.

on your shelf is not?

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2 MS. FREEDMAN: I don't know the

Protection Law in terms of deceptive practices

answer to that, but by and large the Consumer

5 speaks to deceptive practices in advertising.

if you recall, for example, our used car sweep, 6

one of the things we looked for and found were a

great deal of deceptive ads which purported to

9 sell cars which had already been sold, for

example. So those are the kinds of deceptive 10

11 practices that the CPL covers, by and large.

> CHAIRPERSON GARODNICK: We're going to need some clarity on where the contours of that law lie, as to whether or not a locality like New York City has the power to determine within its jurisdiction what constitutes a violation of the Consumer Protection Law, or whether they're specifically enumerated by the state law, whether they apply specifically to advertising and things like that, which is what you're describing, scratching off, presenting something different from what it is. But I think you could make a reasonable argument that if you have drugs on your shelf, that there is a general presumption by a buyer that they are okay and ready to be used.

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2	That might be distinct from other products, which
3	you might look more carefully for an expiration
4	date.
5	MS. FREEDMAN: And there are
6	clearly, as you suggested, things for which we are
7	we the city, are preempted from acting upon, and
8	some things that we're not. We did look very
9	carefully together at the preemption issue here
L O	and found that the city would not be preempted
11	from moving forward with this law.
L2	CHAIRPERSON GARODNICK: But it's
13	your view that without this law, you don't have
L 4	the power to do what we're suggesting that you do.
L5	MS. FREEDMAN: I think not, I think
L6	not. But we can certainly look at the parameters,
L7	as you suggest, of the city
18	CHAIRPERSON GARODNICK:
L9	(Interposing) Well, it's certainly something which
20	I think we, since we interact frequently on all
21	the subjects, should have a very clear picture of.
22	MS. FREEDMAN: Right.
23	CHAIRPERSON GARODNICK: Let me go

to the Department of Health for a moment, because

I want to understand what your powers are when it

2	comes to protecting the public from issues that
3	may be a health challenge for them. If a
4	supermarket were selling meat that is past its
5	sell-by date, does that create an enforceable
6	moment for the Department of Health?
7	MS. CLARK: A thing that, or food
8	products that are sold in supermarkets, bodegas,
9	those are actually regulated by the New York State
LO	Department of Agriculture and Markets. So if we,
11	for example, received a complaint from a consumer
12	that they had bought expired products, we would
13	refer that to the state for their they enforce
L4	those regulations, and I'm not specifically
15	familiar with them. But if there is just in
L6	general a foodstuff that's sold in a grocery, at a
L7	grocery, that's under the state Department of
L8	Agriculture and Markets.
L9	CHAIRPERSON GARODNICK: The same
20	would be true of a carton of milk?
21	MS. CLARK: Correct.
22	MS. FREEDMAN: Well, a carton of
23	milk, yes.
24	MS. CLARK: Exactly, because we no
25	longer have our New York City date stamp.

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CHAIRPERSON GARODNICK: Okay, and
so you don't know, sitting here today, as to
whether or not the New York State Department of
Agriculture would view that as some sort of a
legal violation to have on the shelf or in a
refrigerator or freezer, either expired milk or
expired meat?

CHAIRPERSON GARODNICK: And you feel that ... and how about expired medication, is that also within the Department of Agriculture?

MS. CLARK: No, no, that would ... I could tell you broadly, the New York City health code does have powers to enforce certain unsafe conditions. our powers of the health code allow us to take action when there's a public health nuisance. And a public health nuisance is, I believe, actually defined both in the admin code and perhaps even the charter, as a condition that could cause death or serious harm. So if we had evidence that there was an over-the-counter medication that, because of its expiration date, for example, could make someone ill - we'd have to

2	have evidence of that - if we had evidence, then
3	we could take an action to embargo that product
4	and issue a commissioner's order to cease and
5	desist from selling that product. But that would
6	have we would have to have evidence that the
7	product itself was responsible for causing harm.
8	CHAIRPERSON GARODNICK: And not the
9	expiration of that product?
10	MS. CLARK: I would have to check
11	with general counsel, but I I would have to
12	check with general counsel.
13	CHAIRPERSON GARODNICK: Right,
14	because if
15	MS. CLARK: (Interposing) I would
16	say, unless we know that the expiration date is
17	associated with a harmful product, it would we
18	probably would not take an action.
19	CHAIRPERSON GARODNICK: Well, let
20	me just give you an example. You know, you might
21	look at baby aspirin, and you might say, well, if
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22	it's expired, you know, really, probably very
23	it's expired, you know, really, probably very little consequence, it may be less effective. And

2	from heart disease, if it's suddenly ineffective,
3	it might actually cause real problems for them.
4	Does that not constitute something which could
5	create death or serious harm as defined under your
6	end of the New York City Health Code?
7	MS. CLARK: I would put that
8	certainly into the hypothetical, right, but if we
9	had some evidence that that in fact could lead to
10	a serious injury or death, we would certainly take
11	an action. We
12	CHAIRPERSON GARODNICK:
13	(Interposing) How much evidence I guess what I
14	want to know is, how much evidence do you need?
15	We all know.
16	MS. CLARK: Right.
17	CHAIRPERSON GARODNICK: That people
18	do take aspirin for blood thinner, so does expired
19	aspirin constitute
20	MS. CLARK: (Interposing) Oh, I
21	don't know that. I mean, we'd really need like a
22	pharmaceutical chemist to answer that question,
23	and if someone, for example, asked me, or if
24	someone in the Health Department, would taking an

expired baby aspirin for the purpose of

cardiovascular health constitute a health hazard,
I would, off the my first response would be to
have that conversation with your provider or with
a pharmacist or an expert. If there's published
data that people have been injured because they
ingested an expired product, that would in all
likelihood present us, if it's good, solid data,
would give us the evidence that we would need to
take a public health action.

CHAIRPERSON GARODNICK: Thank you. I want to note that we've been joined by Council Member Oliver Koppell from the Bronx, and those are all the questions that I have. So we appreciate your testimony today, we've got a number of people who are here to testify on the bills, all on the pedicab bills, so it looks like we're, on the subject of the over-the-counter drugs, that's probably the end of the conversation for now. But I'm going to call up our first panel, and thank you all again for your testimony.

MS. CLARK: Thank you.

MR. JOERSS: Thank you.

MS. FREEDMAN: Thank you.

CHAIRPERSON GARODNICK: We've got

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Peter Meitzler of New York Pedicabs Inc., David
Sirk, and Steve Stollman, and I'd like to just
we're going to put a three-minute clock, because
we have demands on the room, and so we'll get you
guys settled and started in a minute. I do want
to note that we have been we have a submission
of testimony from Demos Demopoulos, who is the
Secretary-Treasurer, Executive Officer of
Teamsters Local 553 of the International
Brotherhood of Teamsters, and the testimony is on
345A on the bill of rights, and they are
testifying in support. So gentlemen, welcome,
nice to see you again, and as soon as you're
ready, please go ahead.

MR. SIRK: My name is David Sirk, pedicab driver since 2002. This is the fourth time that I have spoken on the public record since 2007. I'm a very stubborn fellow, and if I see what I feel in my heart as wrong being committed, and I feel that I can do something about it, rather than just complain, I will take action. I have been harping about the root causes of the pedicab problem being illegal J1 students owning and operating the majority of pedicabs for years

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now. How the fact that the DCA allowed anyone with a ticket and a foreign driver's license to own up to 30 pedicabs was the worst form of government that I have ever witnessed. Now to add insult to injury, it's been common knowledge that a Mr. Osman Zenk has owned well over 30 pedicabs, 109 to be exact. Many emails have been sent to the DCA by numerous parties, nothing has been done. So I took it upon myself to use the New York State databank, and with the help of Candice Gill of the New York Post, we came up with a February 20th, 2011 article, "A Wheel Cheater: Pedi-king, an Illegal Menace". I just saw Osman last Friday, he laughed at me, and thanked me for making him famous. Yes, in regards to the pedicab regulation, the DCA and this Committee, I mean, it's got to be a joke, right? I mean, you can't be taking any of this seriously. Osman Zenk is the one who hired a lawyer to insist on foreign licenses, even when the original City Council document had a U.S. license provision in the bill two weeks before signage. Why would the DCA and this Committee allow a crook to call the shots here? Now let's talk about the latest act of

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insanity, your pedicab bill of rights. Let's get real for a second, shall we? Do you really think that 80% of the pedicab drivers who are illegal J1 students, and who realize that their tickets will most likely have no effect on them, because only U.S. licenses are hooked up to the databank with the NYPD and the DCA? I mean, come on, these punks know this. The pedi-pirates that violate and break the law with impunity and make a thousand dollars a day charging \$100 rides for short distances, all this started after the DCA allowed tiny rate cards with convoluted formulas. No rate card, and thousands of tourists a week would not be getting ripped off like they are now. Now, Council Garodnick, I know that in many ways that you inherited this problem, but your office and yourself have been aware of these problems since October, 2010, since 2007, if you cared to have listened to any of my previous testimony. I will make a promise to you here and now, that if one of these illegal J1 students, riding one of Osman Zenk's illegal pedicabs kills somebody, like what happened in San Diego, prompting proper regulation requiring a California state driver's

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license only, I will make sure that you are held
personally responsible for ignoring the obvious,
and instituting regulation that does nothing but
hurt the few New York State driver's license
holders left. Thank you.

7 CHAIRPERSON GARODNICK: Thank you. 8 Sir, go right ahead.

MR. MEITZLER: Good morning, I want to thank the Committee for continuing to focus on this, I thank the Chair and the legislative aide and the Committee counsel. I've been with the industry- -

CHAIRPERSON GARODNICK:

(Interposing) Introduce yourself.

MR. MEITZLER: ... for quite a long time, and I'll just introduce myself, my name is Peter Meitzler. I have the longest-running pedicab company in New York, Pedicabs, Inc., dba - thank you - Manhattan Rickshaw Company. I also represent New York City Pedicab Owners

Association, and we've joined with the Chair previously in February, to support the measure of the pedicab bill of rights, and I have just a few comments, and you know, I didn't prepare a

statement that everyone would flip through, I
thought I'd try to keep it conversational. You
know, and stepping back, my big picture issue will
be stricter licensing. So, you know, I really
hope that we bring back the trust and confidence
of passengers in our industry. You know, our
industry has really weathered some incredible
moments, providing pedicab service in the frozen
zone after 9/11, being there when the electricity
went out, being there when the transit workers
went on strike, we can really provide important
service to the city. In addition, we are
ambassadors to the city, and I want passengers to
feel that they can trust us. You know, I think we
testified before, we agreed before, we were there
on the City Council steps, that we agreed with the
bill of rights, and I think many of us in all of
us in the pedicab owner's association are willing
to put that bill of rights on the cab right now,
to answer a question that the DCA had, there is
space for it. I think in reading it, I'm just not
sure what exact points are to go on the card. But
we can do it. Also I think, in regards to the
pricing measure, I think that I'd love to see it

in plain English, because I feel that we're
putting more work on the police officers on the
street, and they're going to have to go through
kind of an if-then test. If the pedicab is using
an odometer, if the pedicab is using a stopwatch,
if the pedicab is not using either one of those
two measures, then I need to go and look,
understand if it's a by-the-block pricing, and
although the DCA regulation requires a 28-point
font, I think many pedicab signs for fares are
much smaller, and you know, I'm wearing my pedicab
permit, but many drivers' permits, I was out there
this week and I saw some pretty sketchy prices and
driving. And so I'd like to see a more robust
connection between DCA and the drivership, I think
sometimes there's a misperception within DCA that
drivers are the employees of fleet-renting
companies, and I should say, I have eleven
pedicabs, which is by no means a market-maker, I
think that's something like 1.3 pedicabs 1.3% of
the total, 850. So, you know, and I like to feel
that I mentor my drivers, but I do wish for
stricter licensing, you know, referencing the
measure from California, AB2291, as well as the

2	other Federal directives restricting that should
3	restrict DCA from issuing pedicab operator's
4	permits to J1 visiting students. I mean, that's
5	actually Federal law. So, stepping back and just
6	in summation, once again I thank the Committee, we
7	support the bill of rights, we support much more
8	aggressive, stricter licensing, and I think you
9	would not have to swat so much at these flies,
10	these issues like irresponsible driving and
11	aggressive and irresponsible and unfair pricing.
12	So let's work together on that.
13	CHAIRPERSON GARODNICK: Thank you
14	very much for your testimony.
15	MR. MEITZLER: Thank you.
16	CHAIRPERSON GARODNICK: We
17	appreciate it. Sir. Can you hit the button on
18	that microphone? There you go.
19	MR. STOLLMAN: I have a group
20	called Light Wheels, 18 years ago I was the
21	midwife of the pedicab industry in New York, and I
22	have a number of issues which are not being
23	addressed today, but I want to bring them up and I
24	want to put them on the public record if I may.

You have limited passengers of three people,

that's kind of an absurdity, people go out in
couples, especially pairs of couples, parents go
out with a couple of kids. That's an arbitrary
number and it should not be maintained. It should
be four, there's absolutely no reason that's ever
been given by anybody for the number three, and it
certainly is a tremendous restraint on the
commercial viability of this activity. Not
allowing bikes in bike lanes seems cruel, they're
the safest places to be, and there's been no
complaints that I'm aware of from the cycling
community. Why should this provision be there?
Why should they not be allowed to go over bridges?
Because there was one accident? That seems
absurd. I think there's another case, when there
is an isolated example of something, which is the
so-called conference bikes that somebody turned
into party bikes, and got under people's nerves.
And that enabled the Council to pass a law that
says that two people may not contribute energy at
the same time to their propulsion. That's absurd.
We've had tandem bikes since 1890, we've had
multiple riders and multiple people contributing,
why should one badly-designed or badly-operated

business cause no people to be able to cooperate
in pedaling, that seems a terrible thing to do
when we're trying to get away from the automobile.
Why are we not using one-horsepower electric
motors? They're not legal from the state point of
view, we know that. But I think that if they were
voluntary, and I think it was possible, and Peter
can tell me if he agrees, if there were a
voluntary limit of ten miles per hour on the speed
of pedicabs, why should anybody be concerned about
the fact that they have a one-horsepower electric-
assist motor that enables older people and enables
women to be a much stronger part of the industry,
because they're not so have such a problem with
having to rely upon human energy? I think if the
real issue is speed and not wanting careening
vehicles going through the streets, then fine,
let's do that by a sensible, and I think it would
be agreed to by the industry, fairly slow speed.
I don't think there would be any problems after
that. And also, even there's small issues like
why shouldn't people be standing? Well, if
they're properly secured, they should be standing,
on buses and subways people stand all the time.

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And they ride and vehicles lurch, it's a lovely
way to see the city, and I think it's one of the,
I believe, restrictions that was put into this law
that was never really fully thought through the
implications of it, or why it was done. It was
just done in order to put some restraints on the
activity. They were not all reasonable
restraints, and obviously, you should address the
behavior of make certain this is a good idea to
begin to have some control over or some influence
over the behavior of people operating this
business, I think that's obviously not a bad idea.
Clear signs is a good idea, we should not allow
people to be ripped off, and the pedicab industry
to gain this reputation. It could be an important
new form of transportation, and it should be.

CHAIRPERSON GARODNICK: Thank you very much for your testimony, and thanks to all of you for your presence here. Mr. Meitzler, let me just go back to one point that you made, and I really just want to make sure I understand it. On plain language, I think it's undeniable that when you have multiple different types of pricing, it adds to the complexity of the whole situation.

Obviously, one of the things we're trying to do
here with this bill is to simplify that and make
it real easy, which ... so that people know what
they're getting right at the beginning and
everybody has agreed to the, you know, the price
at the very beginning of the ride. Do you think
it would be ... this is not what's being proposed
here at all but, do you ... would you support
something which changed the whole system, which
just said on the side of a pedicab in large
letters, ask me my fare?

MR. MEITZLER: That would work, that's one measure. I actually thought you were going to say something else, and you were going to go down the avenue of regulating pricing like New Orleans is about to do. I notice that it says that on tow trucks, inquire within, for rates, they don't always ... that's another activity that's regulated by the DCA. I think, I don't want to steal someone's thunder later, but I think someone is going to present a really simple idea, you know, quote up front or the ride is free. I think back in the day, before, you know, many of us were operating responsibly, before regulation and that

CHAIRPERSON GARODNICK: Okay, well, all right, I appreciate the insight. Do you ... can you also help us understand the percentage of pedicabs out there that use odometers or timing devices, as opposed to the calculation on the

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side? And it does not need to be the precise
number, we're just trying to get a handle on, is
it rare?

MR. MEITZLER: I think, to answer your question, on the odometers, that's rare. think the company that you used to work, ride with, they used odometers. I should think that it's ... it could not even be 5%. On the issue of timers, my company has always used timers. Maybe timer-based might be under 20%, I don't even know if it's that. I think for the most part you have people doing a kind of very ... okay, I'll give you an example. And I relayed this to the Committee counsel. Here's a sign I saw the other day: maximum rate, \$80 first half hour, \$15 each additional fifteen minutes. And it doesn't indicate when it kicks over to the maximum rate, and right beside that is an item ... is a heading, "Street fares per person: \$15 to start, \$1 per block, \$3 per avenue". So David, a ten-block ride, going across two avenues with two people would be what these days, under this scheme? MR. SIRK: Well, that would be like \$80.

2	MR. MEITZLER: And so these are the
3	kind of complaints that we're getting at the
4	Pedicab Association complaint box, I guess, and we
5	forwarded those on. And you know, I would always
6	side I agree that when the police are called,
7	the customer should always be right, and so I
8	think if there's any dispute, it should be we
9	should really work on this, but that's an example,
10	an extreme example. So I know that the DCA, when
11	the pedicabs went through their registration for
12	the last few years, I should think the DCA would
13	be able to they wrote down, they have an
14	odometer certification for every pedicab they
15	registered, or a stopwatch certification, I know
16	that all my stopwatches were checked. So they
17	should be able to compile that, if that helps.
18	CHAIRPERSON GARODNICK: Thank you,
19	that does help. We have questions from Council
20	Member Comrie.
21	COUNCIL MEMBER COMRIE, JR.: Just a
22	comment first, that the reason why we didn't do
23	motorized vehicles is because we would be
24	preempting state law. We've asked the Pedicab

Association time and time again to go to the state

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to deal with getting that changed, so that the	ıat
law could be changed to allow for motorized	
vehicles. I don't know if that has ever happ	pened
or if your industry has gone to that, but who	∍n I
was Chair and we looked at that, you know, th	nat
was the reason why we did not do motorized	
vehicles. We are not against the concept of	doing
a one-horsepower vehicle, but we were told is	: was
not within our jurisdiction time and time aga	ain by
every legal expert that we've consulted with	, said
that it would be preemptive of state law, and	l it
was a state law that had the autonomy and the	e sole
autonomy to deal with regulating and creating	g that
issue.	

MR. STOLLMAN: Excuse me, the State senate now has a bill, 1357A, which would enable this to happen.

COUNCIL MEMBER COMRIE, JR.: Well,
I hope you can successfully get it passed,
because, you know, I've been asking the industry
to go do that for five years now. So, you know, I
would hope that that takes it off the table. I'm
chagrined to hear that people are skirting the law
and that we have a pedicab operator that is

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skirting the law, and also hiring people that can ignore tickets. So I think that that's something that we need to deal with. You know, I think that if having an out-of-state license is allowing ... or out-of-country license is allowing people to not obey the law and be able to come in and take advantage and cream the best fares and now also he's got to be dominating the market with over 100 pedicabs, then there's something that's definitely wrong and needs to be fixed. And I hope that we could quickly work with the industry to fix that. And hopefully that would happen and I would not ... I would take some umbrage that all the blame is on one individual Council Member, to Council Member Garodnick since he's been the Chair has been trying to work hard to improve the industry and correct it, so I would say that you can't just pick on him, you know, as the one person that is holding this up. I think that he is trying to do everything he can with establishing the pedicab bill of rights and trying to find a way to create some sensible pricing, that's something that the industry needs. But I'm very disappointed to find out that there's someone that skirted the laws and

gotten around on the ability to create a monopoly,
and then also has an employee staff that is
ignoring the laws. So that's a major problem, and
I think that hurts the whole industry and the city
in general, so. You know, I hope that we can
quickly work together on cleaning up those
problems. I don't really have any questions, I
just wanted to be supportive of my Chairman and
remind some history of why we're not doing the
motorized pedicabs, and also, you know, try to
raise the red flag as to making sure that anybody
that's working in this town should be responsible
and we have to make them responsible. If they're
reaping the benefits from the city, they should be
able to meet all the obligations and all of the
rules and regulations of the city also. Thank
you.
CHAIRPERSON GARODNICK: Thank you,

CHAIRPERSON GARODNICK: Thank you,
Council Member Comrie, and I appreciate the
history and your words about my advocacy on this
issue. I'm now going to go to Council Member
Koppell.

COUNCIL MEMBER KOPPELL: Thank you, Chair. I suspect, based on some of the dialogue

matter. I mean, as far- -

and conversation, that there have been
discussions, which is not inappropriate, of the
regulation of fares that's incorporated in this
proposed local law. But in terms of the testimony
that I've heard, and I wasn't part to those
conversations, none of the witnesses, who all seem
to be very familiar with the industry, really
talked about it. So I would like to hear the
comments of the witnesses on this proposal. Is
this a good proposal, changing, I mean, right now
as I read it, the law says, pedicab drivers shall
provide passengers with a receipt, listing the
amount of the charge for the use, the license
number, and the telephone number of such business,
to which complaints shall be directed, the pedicab
driver's license number and the telephone number
at the department where complaints by consumers
can be reported. I guess my first question of the
three of you who know the industry is, are these
receipts now being provided to riders? Well, each
one of you, perhaps at a time.
MR. SIRK: Okay, it doesn't really

COUNCIL MEMBER KOPPELL:

2	(Interposing) N	o, no, please	answer the	question,
3	don't say it do	esn't matter.		

MR. SIRK: Well, I could give you a reason why it doesn't matter.

COUNCIL MEMBER KOPPELL: No, I want to know whether it is happening or not happening.

MR. SIRK: No, it's not happening.

COUNCIL MEMBER KOPPELL: And why

isn't it happening?

MR. SIRK: Because most of the pedicab drivers are lawless and they don't care, and they leave after five months, so they don't care. They're not going to comply with this law, so that's why I think it's ridiculous. What Mr. Garodnick said about ask me the price, that would solve everything, because right now, all they do is point to their little convoluted card after the ride and say, "The city told me to put this price". That's the scam, it never happened until the DCA regulated it like it is now. And I wish somebody would see that and understand that, but nobody does.

COUNCIL MEMBER KOPPELL: Does the little card ... is the little card, does it explain

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2 how the charges are arrived at?

MR. SIRK: Well, what happens on lots of signs they put a big "One Dollar" per block, and so people look at it and they go, oh fine. Then smaller, "three dollars an avenue", then smaller, "five dollars initial fare", and then even smaller than that, which is against the law, but there's hundreds of guys that do this, "all prices calculated per person". So at the end of the ride ... see, I'm the one that gets right in the middle and has fights with these kids, trying to protect the customers. I'm one of the few people out there protecting the customers, I wish you guys would step up and do something, because I don't want to end up in the hospital. But I just can't see people being charged \$50 for two blocks. COUNCIL MEMBER KOPPELL: So do you

COUNCIL MEMBER KOPPELL: So do you think that the change of language here is better, the new language?

MR. SIRK: No, I think it will have absolutely no effect whatsoever. I think it's totally ridiculous. What Mr. ... what Councilman Garodnick said, ask me price, would solve everything, because the kids could not point to

2	their to this convoluted rate card any further
3	and say, "You have to pay, the city told me this
4	is the price". They would have to the people
5	would go, "What's the price?" And then you would
6	have to give them a price, do you see what I'm
7	saying? Does that make sense?
8	COUNCIL MEMBER KOPPELL: Maybe.
9	MR. SIRK: That's a way of being
LO	upfront.
11	COUNCIL MEMBER KOPPELL: May I hear
12	from the next witness please.
13	MR. SIRK: Okay, go ahead.
L4	MR. MEITZLER: Peter Meitzler once
15	again. It's already in the law that we are
L6	supposed to, all the pedicab drivers, and I should
L7	really, I want to put the distinction on, it's the

driver that bears responsibility for quoting 18 prices and providing a receipt, but we, our 19 20 drivers must provide a ... be able to provide a 21 receipt. They don't have to, just as we carry a 22 seat belt, passengers are not required to wear it. 23 Drivers are not required to issue a receipt, but 24 they, every so often, I think in the very 25 beginning, police officers were stopping and one

of the things they were checking among drivers is,
"do you have the ability to write a receipt".
So, you know, responsible companies and operators
carry a blank receipt. You know, I, for example,
my drivers carry business cards that on the back
say, first they identify the business, and they
give space for the driver to write in his or her
name. And then you can flip it over and you can
write, for example, people come and they visit and
they want to expense it later when they get back
to their office, and so they can fill out the
to/from details. I suppose the driver could fill
it out if they wish, and they can write in a tip,
which I hope isn't ruled out by this measure, or a
starting fee, some drivers have a reasonable
starting fee, and they may waive any other
additional fees, such as by distance or time. So
a receipt is possible and occasionally is written,
if asked, but is not an industry practice.
COUNCIL MEMBER KOPPELL: Well,
that's interesting you didn't listen when I read

the law, because the law says, "shall provide", it doesn't say "shall provide on request", it says, "shall provide". Now, you know, I don't think ...

2	what I think it/a beneat of you to gar it/a revolve
4	what I think it's honest of you to say it's rarely
3	done. Have you looked at the change in language
4	in this, which would require a more detailed
5	receipt than currently? Have you looked at that?
6	MR. MEITZLER: Yes I have, and I
7	didn't mean to discount your question. I agree
8	that it's a positive change. I think more
9	disclosure, and I understand that it does change,
10	we have to provide more information on the
11	receipt, pedicab driver license number, pedicab
12	name, pedicab business
13	COUNCIL MEMBER KOPPELL:
14	(Interposing) And it also requires that you say
15	how the fare is calculated.
16	MR. MEITZLER: Exactly. You have
17	to provide
18	COUNCIL MEMBER KOPPELL:
19	(Interposing) On the receipt.
20	MR. MEITZLER: Right, and I believe
21	if you use by-the-block pricing, you have to
22	there is no exception, you have to provide the
23	receipt up front. I believe the measure gives the
24	opportunity to write the receipt at the end of the
25	trip, if the trip is calculated, the price is

tell, to determine who's playing by the rules and who isn't. COUNCIL MEMBER KOPPELL: The third witness, what's your comment about this change in language?

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MR. STOLLMAN: I think there's a

couple of points that are brought up, one is
there's no enforcement, and there's no clarity.
So if you have decent signage, and you put
something up there that says, "driver must provide
receipt" in very bold letters, I would suggest in
a few different languages, this is a multi-
cultural city, and "driver must provide estimate
of fare before a ride", in nice big bold letters,
Spanish, Hebrew, Russian, Chinese, Italian,
whatever, that's representative of the fact that
we do care about these things, that we are a
cosmopolitan city and we're not going to let
people get ripped off. The industry has gotten
severely damaged over a period of years, it is
unfortunate that the rules have not been clear
enough and the enforcement has been non-existent.
And so how can you expect certain behavior if you
don't have clear rules and you don't have clear
signage, and you don't have clear enforcement?
And so all of this has been absent, and so I think
the new law, I think what the Department of
Consumer Affairs said about keep it simple, that
you want the basic rules, you know, about
charging, that's where the problem is coming from,

not the fact that you can't stand up or there
might be an electric motor, whatever it is. Those
are all issues, and I don't think that they've
been addressed, frankly, as I said in my
testimony, very well either. But this is a key
issue, because the entire industry is being
slammed, it's being demolished, by bad behavior.
And bad behavior is clearly under the purview of
the Department of Consumer Affairs, and you can
have vehicles be confiscated, you can have people
lose their licenses on the spot, you can do you
can be pretty onerous in the methods that you
apply, and if you find the behavior is
characterizing this city as being filled with
pirates, well then you're required to act, you're
required to take that element of the industry and
bring it under control, whatever that means. I
don't mean, I don't think anybody should be abused
or oppressed because of this, I think you have to
be careful when you start, you know, making strict
rules not to hurt people and be arbitrary about
what you do. But doing nothing at all has left us
in very, very poor condition, and I think it's
mostly a matter of clear language, clear signage,

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clear regulation, and enforcement of those regulations, it's all something that you are capable of.

COUNCIL MEMBER KOPPELL: I agree, I mean I think I don't disagree with any of what you I think that each of you, and anybody just said. else in the audience who has specific comments on the particular requirements for the receipt should communicate that with the Chair and with the staff. I think that ... I think most of the receipt, as I read it, makes sense. It may be a little complicated, and just as an aside, Mr. Chairman, I would like to just indicate that before I would agree that we should have motorized pedicabs, I would need much more information than I now have. I don't ... Mr. Comrie perhaps suggested, I don't want to put words in his mouth, that the Committee was in favor of permitting motorized cabs, while I as a member of this Committee am not necessarily in favor of it. if it comes up, I just don't want people to feel that there's any unanimity in this Committee and the Committee has changed, so I think that's an issue to be determined, if it comes up. Thank

2 you.

3 CHAIRPERSON GARODNICK: Thank you, 4 Council Member Koppell, and I want to note that 5 we've been joined by Council Member Mike Nelson. Let me just go back to that clarity point for a 6 moment, because this is obviously what I'm trying to get to here, so that there's very little 9 ambiguity for people, so that people are making 10 good decisions, so that you know what you're 11 getting, and you know what's being offered. If we 12 were to change the law at some point in the future 13 to say simply, "fare quoted upfront, ask for 14 receipt at outset" in multiple languages, as has 15 been discussed, would that present a hardship on 16 the pedicabs that already have set up odometers, 17 timing mechanisms? Presumably those things cost 18 money, the investments have been made in setting 19 them up. What would be the impact on the pedicab 20 world if we were to simply just make it a, you 21 know, quick, very simple, clear, perhaps with some 22 background calculation, you know, that needs to be 23 explained somewhere, but the point is, you have to 24 ask for it and you have to get it right up front? 25 MR. SIRK: Oh, that would solve

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everything, I have been advocating that from the beginning. So I'm glad you're listening, and in my view that's the perfect solution.

CHAIRPERSON GARODNICK: Well, if I'm going to be personally responsible for all things related to the pedicab world, I might as well listen, go ahead.

MR. MEITZLER: I think that it would really help, and I think listening to drivers when we get together in the evenings and talk about our day, this would help. I'll tell you that, you know, that the stopwatch, whenever I train new drivers, I like them to understand how much a trip will take so that they can quote upfront accurately. And I think we would still have the stopwatch there as a check, if the customers want to run it anyway and just kind of see what the standard deviation is, and also for drivers who give tours in Central Park, or tours in general, that's often on an hourly basis, and so they could, you know, estimate what ... it's still I think helpful, and it would not render useless, I think, the equipment investment.

MR. STOLLMAN: I think there's a

problem with requiring a receipt for service that
hasn't been provided yet. I think you're talking
about an estimate, and I think therefore you have
to give certain parameters. You have to say this
figure has to be within a certain range of what
the last ultimate figure is, so it has to be
accurate. But I think to give an accurate figure
before a ride, it could be done if you were
counting blocks, you could say, okay, I'm charging
you by the block and it's this many blocks and
this is how much it's going to cost. But if it's
done by time, you're certainly in trouble.

CHAIRPERSON GARODNICK: Correct, what I'm asking is, dispensing with time or odometer calculations and rather just say the new way for calculating, you don't like that.

MR. STOLLMAN: No, I don't like that. I think the maximum flexibility and maximum responsibility, and if those two are not contradictory, if one does not make the other impossible, then otherwise I'm generally in favor of giving people a chance, and then as long as people have a clear idea in front what's going to happen, I think that ... the criminal element of the

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pedicab industry has to be expunged as quickly as

possible, not by the police department but by your

Committee and the kinds of rules that you

promulgate.

MR. SIRK: I have just one quick thing and then I'll be finished.

CHAIRPERSON GARODNICK: Sure, go ahead.

MR. SIRK: I ride every day, and ever since regulation I've seen the rip-offs increase a thousand times. Most of us, the few Americans left, American drivers left licensed, there's only a few of us left. We always pull up and we say, where are you going? And they say this, and we give them the price. And they get in and most of us, there's a few exceptions, give a wonderful ride. And for ... I have ... like I'm the only one who did this in the industry, I wish these guys would have followed me. I put a big sign on the back of my pedicab, it says, "Fair Price Pedicab. Most rides \$15 to \$25 for one to three people". And that's what most people have been doing from the beginning, and everybody loves it, they ... \$15, they usually give \$25, \$20, they

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give \$25. Everybody is like, "You're the best thing that ever happened". Now all I do is, I drive down the street and I see people pointing to their rate cards and people going, "What, my God, oh my God", and I see this every day. I'm not exaggerating when I say a thousand times a day, a thousand times a week, tourists are getting ripped off. So I have outrage, because I see this every day, and like I say, I've almost been fought and been beaten up because I would stand in between the tourists and the driver. I mean, I was in front of the Omni Hotel, from American girl place, right? 49th and 5th Avenue to 57th and Madison, \$54. And I stood there and I said, "No, don't pay that", and the kid was like, yeah, he was getting ready to fight me. And this is just one example out of many. So please, if that kid had a sign saying, "Ask me the rates", you think he's going to tell them \$54? No, the tourists are afraid, these people are very intimidating and they stand there and say, "You have to pay", and they just go uh, they don't read any signs, they're not going to read your bill of rights sign, they're not going to dial 311, they're going to give them the

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money and get the hell out of there, because
they're frightened, and that's the reality that
you people should really address. Thank you very
much.

MR. STOLLMAN: I have a question, which is, do you have any set of penalties when people violate these rules? I mean, I haven't seen that. And I think that if you're going to ... if you're going to try and discourage people from behaving badly, there has to be a consequence.

CHAIRPERSON GARODNICK: Go ahead.

MR. MEITZLER: I was just going to agree with Steve Stollman here that there should be some flexibility in the quote upfront, because occasionally, as you're halfway through the ride, the passengers change the destination, and some flexibility could be built into the measure to allow to perhaps re-quote, maybe re-issue the receipt.

CHAIRPERSON GARODNICK: Thanks,
gentlemen, we appreciate it, we've got other
people to testify, I'm going to bring them up, but
we appreciate it, it was very useful. John
Salido, Gregg Zukowski, and Meredith Smyth. Oh,

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and we h	nave	been	joined	by	Council	Member	Julis	ssa
Ferreras	S.	Yay,	indeed.	We	elcome,	whenever	you	are
set, we	lik	e you	r tie.					

5 MR. SALIDO: Oh, thank you.

CHAIRPERSON GARODNICK: Go ahead

7 and--

8 MR. SALIDO: (Interposing) Sponge 9 Bob.

CHAIRPERSON GARODNICK: A Sponge
Bob tie, you don't see that every day. Thank you
for coming and go right ahead.

MR. SALIDO: No, we have a lot of issues, fare gouging, the safety bill of rights.
But we've got to be honest, in the ... oh, John
Salido, I'm a private owner, pedicab driver. But in the real world with the passenger bill of rights, when's the last time you saw a tourist before they hopped into a cab look at the rates on the side of a door? It doesn't happen, it just doesn't happen. And a lot of these issues would be solved, it really goes to licensing. This is a pedicab license. Does it prove that the driver's skilled to drive on the streets of Manhattan? No, all it proves is he has the ability to pay a fee

and smile for the camera. Because the reality is,
I could push an oxcart in the mountains of the
Himalayas, and tomorrow I come down to New York
City and I present my driver's license driving an
oxcart, and then I'm on the streets of New York
City carrying lives. I'm a born and bred New
Yorker, my mother doesn't want to drive in
Manhattan. Why are we letting foreign students
come and not take the driver's licensing
requirements? Because if we don't ask anything of
these people, they're not going to give. It's
human nature. And I found that 90% of the people
who are gouging the tourists and the citizens in
this city are the foreign students, because you
know what their attitude is? I got a foreign
driver's license, the cops could issue me as many
tickets as possible, the only ones that are going
to get stuck are the Americans, who are the best
drivers. So you know what I'm going to do this
summer, I'm going to go on the streets and I'm
going to rip everybody off, because when I get a
ticket, he can't it doesn't matter, I'm going
home at the end of the summer. It just doesn't
matter. In fact, this was Saturday in front of

Saks Fifth Avenue, there was a mother and a
daughter. There was a foreign driver in front of
me, the mother walked up to him, the daughter
walked up to me. So then she walked the
daughter walked up to the mother, and they asked
how much was the price. And I saw them point to
his sign, because that's the rip. Because in
reality it's so fast, they're having a good time,
we just want to get in, you look at that sign, a
dollar per block, three dollars the avenue, you
can't you're going from here to Century 21, I
can't do the calculations. So they jump in, and
then legally, they're obligated to that ripoff.
So when he pointed to the sign, you know what I
said, I said "Ladies, I'll give you a quote, \$20
wherever you want", because a lot of the Americar
drivers, that's how we feel we're going to stop
the ripoff. So you know what these ladies did,
they got into his cab. But I'm going to show you
what brutes they are, how they come over here and
they think they he got out of his pedicab, he
walked up to me, he got the ride - I'm not going
to say what he said - and I was sitting on my
seat, you know what he did? He head-butted me.

And then you know what I did? I gave him a tight
boom, roundhouse right to his face in front of
Saks Fifth Avenue, not just from me, but for all
the drivers. But this is the way it is out there.
But how can we solve this? How can we because
you've got unlicensed ripoff artists, you've got
people getting gouged. Very simple, as you
require rate cards on the side of every pedicab,
you require one more sign that says, "Customers
are not required to pay the fare if a written
quote is not received upon entry". You know what
Einstein said? "Genius is simple". May I
demonstrate? "Hey, I'd like to go to Macy's."
"Well, here's my written quote, as required by
law." "Whoa, \$2,000, sorry, Mr. Ripoff Man, I'm
not going to get into your pedicab." Well, let's
say the worst happens, they take them for the ride
and they don't get a quote. "Okay, here we are at
Macy's, it's \$2,000." "Are you crazy, I'm not
going to pay that money." Well, this is what they
do too. "Then I'm going to call the cops."
Because the crazy thing is, they're out here
ripping everybody off, but they flip the system
and they're going to call the law, and then the

cops come and say, "This is the sign". But you
know what I say, "Well, by the sign on your side
of your pedicab, it says you didn't give me a
written quote, so I don't have to pay the \$2,000."
And in fact I am so happy, I am going to go back
to my country, China, France, Russia or wherever
it is, and I'm going to tell everybody the
vacation in New York City because the City Council
and those geniuses at the DCA, so the simplicity
of requiring this sign on the side of the pedicab,
so everybody is going to come and spend their
tourist dollars, which is going to swell the tax
base, which is going to provide more money for the
geniuses on the City Council and the DCA for big,
fat pay raises. And it's that simple, just put
that sign and, you know, people charge by the
hour, and, you know, I've got a visual sign, a fat
guy uphill is more money than skinny supermodels
downhill. And it is. Not because I like girls,
but because for every pound I carry is work. We
haul ass while we're hauling ass. And you can't
The second secon
you can't create a pricing schedule for that. But
if you require a written quote upon entry,

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2	drivers, they can barely speak English, but
3	everybody understands numbers. So they hand you
4	\$50 … it's so simple.

CHAIRPERSON GARODNICK: We got it.

Glad you like the bill. Go ahead.

MR. ZUKOWSKI: Hi everybody, I handed out this little piece for you guys to review at your leisure. My name is Gregg Zukowski, I am a New York City pedicab practitioner going at eight years, a New York City pedicab fleet renter and owner of Revolution Rickshaws for over six years, and co-founder and past president and current board member of the New York City Pedicab Owners Association. I'd like to thank this Subcommittee and Council Member Garodnick in particular for investing a surprising amount of time, effort and resources of late in attempts to optimize regulation of the local pedicab industry. The two proposed laws up for discussion today are evidence that your search continues for ways to improve the conditions for all stakeholders in the local pedicab space. Briefly, the bill of rights for pedicab passengers law, though well-meaning, needs a major overhaul.

Please see the New York City Pedicab Passenger
Bill of Rights included in my kit for an example
of a simplified and, I believe, more effective
version. And that's included in this kit. The
pricing law reflects a continued attempt to
placate sub-standard service providers within our
industry. Its byzantine framework is
unenforceable for city enforcement agents, not to
mention unintelligible for passengers who simply
wish to receive a safe, accountable transport or
tour service. To put the situation in
perspective, pedicab practitioners in our city
serve a wide array of customers, including
businessmen, commuters, theater-goers and
tourists, to name but a few. Each set of
customers demands a different type of service.
For example, a taxi-type service, a tour-type
service, and my gypsy-type service, a joyride
service, a livery-type service. To attempt to
account for each of these services by offering
pedicab practitioners an array of pricing schemes
from which to select quickly becomes unmanageable
for all stakeholders. To insure transparency for
all parties, today only one option exists, upfront

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quote required by law. Failure to quote equals complimentary ride. In large typeface, as you find in my packet. Consumer protection must be paramount. Today gullible customers from near and far daily fall victim to the ploy of predatory pedicab practitioners, the vast majority of whom are practicing business illegally in the first place in the States, which once again leads us to the 800 pound gorilla in the room that continues to be ignored by local lawmakers, the DCA's practice of issuing New York City pedicab driver business permits to drivers who in Federal law prohibits from driving a pedicab. In my packet for your review is a recent policy clarification on the U.S. State Department's website, regarding its summer work travel program. The site now explicitly lists, "pedicab drivers or operators", as being excluded from eligibility to provide unambiguous direction to any municipality in the business of licensing pedicab practitioners. York City, if you'll excuse me, I'm ... one more minute. New York City NYCPOA estimates 75% to 95% of pedicab driver businesses created by DCA every year are illegal per U.S. law, and 75% to 95% of

pedicab drivers' licensees either hold expired
visas or fall under the auspices of a summer work
travel program. There are so many reasons to
adopt the TLC's quad-state approach to driver
business licensing that I'm unable to fully
illustrate the case in the allotted time. Suffice
it to note that if the quad-state standard were
introduced, issues around pedicab safety,
accountability, transparency, legality,
enforcement, legitimacy, reputation, stewardship
and craft would all but disappear. There's a
reason most cities around the republic require in-
state DMV licenses, and it's not xenophobia. Note
I've also included in my packet a list of major
cities and their DMV licensing requirements for
your edification. In summary, the time has come
to raise transparency and accountability to their
rightful positions in the pedicab industry of New
York City, for the well-being of practitioners and
rental companies, as well as for consumers.
Anything less robs our city's residents, workers
and visitors of their lawful right to a fair and
vibrant pedicab marketplace, not to mention
oftentimes their hard-earned money. Thank you.

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CHAIRPERSON GARODNICK: Very

helpful, thank you. Ms. Smyth.

MS. SMYTH: Good morning, Council, thank you for hearing us today. Once again, like last time, I'm kind of winging it. What I really wanted to emphasize is really the importance of ... I appreciate that we're being heard here. sorry, I'm Meredith Smyth, I've been a pedicab driver since 2004, and as Peter and Gregg know, I have been also participating in the political activities throughout while regulation was happening. And what I'd really like to emphasize is the importance of those of us being in the business, having the experience, working side-byside with these people, being in the streets, and understanding the situations, actually being heard. Because my experience is that we've gotten a voice here and there, but often with very little consequence, and it's sad when I feel like if City Council, when the City Council or DCA or any of these government agencies, when they decide to start making rules and regulations without really considering the people who know what's what in the business, they're experimenting, they're taking

shots in the dark. And something might look good
on paper, but in practice or sound good in
theory, but in practice actually not only not
work, but flip around to the opposite. And the
perfect example is these pricing signs that we've
been talking about. Obviously, the DCA's
intention, the City Council's intention, was
thinking a price sign on the pedicab protects the
customer. And yet what we're all talking about
here today, it's done the opposite, it's become a
method for these pedicab drivers to gouge
tourists. And I do know that this is their
attitude, they do feel justified. And I, like
John and like David said, I am also out there
questioning these people, why are you doing this
to the visitors of our city. They feel 100%
justified in doing, tourists are for gouging. So
I'd really like to my point is, I'd really like
to see City Council, you know, concentrate on the
steak and not the peas. I agree with most of
what's in here, but a lot of it is too
complicated, it is too convoluted, all that
information on the receipts. Fine, I'm not
against it, but I agree with David, it doesn't

actually address anything or change anything. I
agree with John 100% about the price has to be
upfront, and don't even bother putting it on a
bill of rights. I mean, you can, but it works
even better on the price sign itself. If you want
to have rates on there or not have rates on there,
but on the price sign itself. Your driver is
required by law to quote a price upfront. And
that, it could be an estimate, like Peter says,
sometimes the situation changes halfway through,
but you quote them a price upfront. The other
gentleman was right, I'm wary about giving a
receipt for a service that hasn't been received
yet, that's what a receipt is, I received a
service and now I but, still, quoting a price
upfront, and of course, as Gregg just said, the
real main issue of the licensing, really, that
really attacks the problem at hand. I agree with
David 100% that the City Council is asking for a
lawsuit, they are. And when one of these kids
gets in an accident, and then takes off and goes
home, and people are injured, whether they're the
suing type or not, they may not have a choice.
They're going to have the insurance company is

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not going to pay, they'll have no choice but to
sue the city to cover their medical bills, and it
will be a matter of public record that those of us
who have been in the business for years have been
saying this for years. The city is asking for
trouble, asking for a lawsuit.

CHAIRPERSON GARODNICK: Okay, so thank you, Ms. Smyth, and I'm sorry I did damage to your name before.

MS. SMYTH: It's happened, so it's okay.

CHAIRPERSON GARODNICK: I did it last time too, I think, I'm sorry. But you should know that your testimony last time was instrumental in helping us consider ways to improve the bill, and I hope you realize that, because if you saw what came out at the end versus where it started, your testimony in particular was particularly helpful. So I just wanted you to know that. Let me just ask a question, because there's one point that I don't understand. I get the issue of clarity, and I find that an extremely appealing argument. But I also hear fare quote upfront, but keep it flexible. So what I do not

understand is how you quote a fair upfront and keep it flexible. Because to me it seems that, you know, that's an avenue for people to engage in a deceptive practice. "I gave you a quote, it's going to be \$15 to \$20, but I'm sorry, there was so much traffic, it's actually the traffic exception and it's \$30 now". How ... you can't really do that, you can't quote a fare upfront and keep it flexible, unless there's something that I'm missing. Wait, wait, let me ask Ms. Smyth first, and then you'll comment.

MS. SMYTH: Okay, yeah, I understand that question, that confusion. I said last time, I do believe this, that human-powered transportation means human gets to quote, you know, gets to choose the price. What might ... what it might be worth for John to do a ride, when it's hard weather and difficult and heavy people uphill, it might not be worth it for me to do it for \$15. If I'm providing the sole power, we don't have motors, of course, I should be able to determine that price, but the customer should know upfront what I'm going to charge them. I have a timer, and so I can set a base rate plus a dollar

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per minute. Usually what I do is, I give the customer a deal, in other words I charge a flat rate, but it works out less, in other words, I'm not overcharging them, I'm under, compared to what is my posted sign. I agree with you, that sounds convoluted, that's why I say, it gets confusing if you're going to give a person a receipt upfront. Because it does happen, like Peter said, that the passengers themselves sometimes change their mind. They're enjoying themselves so much, they say, you know what, I'm only going to be a few minutes in the store, do you want to wait for me and take me back to my hotel? Yes, and I tell them upfront, that's going to be another \$10, or that's another \$15. Fine, so in other words, it's continuously, the customer is never ... there's flexibility, but the customer is never confused. I've had it happen where I've had passengers on my bike, and they want to go someplace, and so I calculate, well, that's going to take about 20 minutes or so, I'll tell you what, I'll give you a good deal, \$20, that's way less than what's advertised on my bike. Then, sure enough, I'm on my way, and this happened to me, I take people only one avenue

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over, oops, the street's closed. I can't turn here, and that makes a big difference. Now I have to go two avenues over, up a big hill, around. I said to them, you know what, I didn't anticipate this, my fault, I didn't listen to 1010 WINS, so I took you a block, here's the deal. If I'm going to take you to your destination, this is now taking a lot longer, it's taking a lot more work, I'm going to have to charge you more money. since I didn't know that, we only went a block, if you want, you choose, you can get out right here, right now, pay nothing. Or you can, I'm going to have to increase the price if you want to continue the ride. So they get out and said they'll, you know, I got no tip and no thank you, and they got out and walked away, but so be it, it was only a few minutes of my time. So in other words there can be flexibility and still be clarity, that the customer is always aware. If the price is going to change for any reason, sometimes streets get closed and things change. Or if you have a timer, or you make it clear, if you're going to use that timer, say, well, the situation is, it's \$10 to start, plus a dollar per minute. And sometimes

2	they say, well, I don't want to sit in traffic.
3	Well, nobody does, people in taxis it's the same
4	thing, nobody wants to pay to sit in traffic, but
5	taxis work that way too. I'll sometimes tell
6	them, well, I'll tell you what, you're going to
7	pay \$10 upfront, a dollar per minute, if it goes
8	over \$25, don't worry, I'm capping it off there,
9	I'm capping it at $$25$, and I'm not going to pay
10	make you charge. That's my choice to do that,
11	because I like to do business fair. The problem
12	is, most of the people in this business don't want
13	to do business fair, and that's the problem we
14	have to attack, that's what I'm trying to
15	CHAIRPERSON GARODNICK:
16	(Interposing) Like the steak.
17	MS. SMYTH: Like exactly.
18	CHAIRPERSON GARODNICK: I got it.
19	MS. SMYTH: We're talking a lot
20	about the symptoms, when I'd really like to talk
21	about the disease.
22	CHAIRPERSON GARODNICK: Okay, well
23	it certainly is not the end of the conversation
24	here, but I appreciate those comments. I think
25	did you want to add anything to that, John?

MR. SALIDO: I think with respect
to the law, a quote is a quote. You know, you
can't have these deviations, flexibility, and
there have been times where the customer changes
it. And the customer, well, if I gave you a quote
for this and you're changing it, then it's just
common sense they realize the quote is going to
have to change. I don't need you to write
something into the law. Or there's times where,
you know what, there's traffic and now I'm stuck
for 20 minutes. You give somebody a quote and
then you've got to eat it. Although people are
good-natured, if you're stuck in traffic 20
minutes, a lot of times they realize I'll be
like, you know, folks, I'm going to take you
through to the end, and you realize we're here 20
minutes, if you could take that into consideration
at the end, but if want to stay by the quote,
that's fine too, you know. People, because it's
the pedicab is a positive experience. Most
people, they're happy, so you don't need to
legislate every little detail. A quote is a
quote, and people tend to work it, you know, work
it out by themselves. Less government is always

2	the	best	government,	I	find.
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CHAIRPERSON GARODNICK: Okay, thank you. Okay, with that, we thank you guys for your testimony and we appreciate it, and ... oh, I'm sorry, I'm so sorry, wait, don't go anywhere.

Council Member Koppell has a question.

COUNCIL MEMBER KOPPELL: Actually I have a question for you.

CHAIRPERSON GARODNICK: All right.

COUNCIL MEMBER KOPPELL: But it's relevant to the testimony. These ... and I wasn't here for most of the testimony of the DCA, so maybe that was addressed. This idea of the foreign drivers under these special visas, did they discuss that?

CHAIRPERSON GARODNICK: They did not, it's not one of the issues which is under consideration.

COUNCIL MEMBER KOPPELL: But it seems to be a major issue, and I would think that we should find out whether they're still issuing permits to these people with these visas, because it looks, from the information given by the witness, that it's not legal, that they're not

2 supposed to be doing this kind of work

3 CHAIRPERSON GARODNICK: That's

4 certainly how it looks to me too.

5 COUNCIL MEMBER KOPPELL: Yes.

Thank you.

CHAIRPERSON GARODNICK: Thanks,

Council Member. All right, thank you, everybody.

Now ... oh, I just want to recognize the presence of

Council Member Karen Koslowitz of Queens, and I

want to invite up our last panel, Joseph Garber,

Laramie Flick and Stephen ... I am sorry if I'm

doing damage to your name ... oh, Malone, yeah, I

know Stephen Malone, I just couldn't read it on

the thing here. Nice to see you, welcome folks.

Mr. Malone, come on over here on the end. Mr.

Garber, do you want to start us off, since you're

at the end?

MR. GARBER: Good morning, Chair
Garodnick, Council persons present, my name is
Joseph Garber, I'm a civic activist. I most
heartily agree with the contents of proposed Intro
345A. I also disagree vehemently with Erik, the
representative from DCA who stated that we're
putting too much for the consumer's content and

they'll never be able to understand it or pay
attention. I disagree with that. So the more you
can put of these salient regulations and features,
you do it. Then I also signed off, Mr. Chairman
for proposed 541A, and I agree with the contents
of 541A, to prohibit the sale of expired over-the-
counter medication. I was surprised that between
DCA and the Department of Health and Mental
Hygiene, there seems to be no direct function to
regulate this, and I think it's wrong. I would
therefore suggest that the Chair of the Government
Operations Committee of the City Council conduct
hearings, review the city charter and
administrative code, and also ask Director
Weinstein of the Mayor's Office of Operations to
conduct a study in this area. I also think that
the Food and Drug Administration of the Federal
government be contacted with those questions to
see would they regulate medication that is
expired. And I can't believe that in the United
States of America or New York City, two government
agencies do not see the problem to sell over-the-
counter medications. Thank you.

CHAIRPERSON GARODNICK: Thank you

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very much. Sir, go ahead.

MR. FLICK: All right, my name is Laramie Flick, I've been a pedicab driver for seven years, on my own bike for six, I'm a licensed tour guide and a long-time member of the NYCPOA. I just have a few concerns about the bill of rights. One of them is that we really don't have anywhere to display stuff. Customers will almost never read anything like this, they can barely read our names, you know, they're looking around the city or at the cars they think might hit them. So they're going to be ignored, but I was thinking maybe they could actually be intended for the police, once the police get involved. We could have something where the police know the rules. The police have a lot of things going on, and so as a result, we end up getting tickets for stuff that are legal and not getting stuff ... tickets that are illegal. Anyways, I am in favor of the rate legislation, I am wondering why it is 120 days, this is something that's happening, you know, as everybody said, just constantly. And it's a small community, news spreads quickly, this could be done in 30 days. I ... as far as providing

a receipt beforehand, I think that's a brilliant
idea. I think that that's something the police
could actually check. You know, did you write a
receipt for him, and you know, if it's not there,
then the police can write you a ticket for not
having written the receipt. And hopefully the
police will be lenient if the quote's been given
but hasn't been written down. The only thing I'm
concerned about is on the hourly rates, is the
minimum requirements, or the initial charges. You
know, very easily somebody can just write \$50
initial charge, or I think the solution to that
is just if you're going to there needs to be a
pre-receipt on an hourly rate that suggests, you
know, what the initial charges are and the hourly
rate, and nothing per person, like the total per
minute, and initial charges, written on the
receipt. And most of us are charging the same
thing over and over, so you can just have a
receipt that you give to everybody. You know, you
don't have to give it for that particular person,
it's just when it's by time, I charge \$5 to get in
and \$2 a minute, and I would just hand a card with
that pre-written to everybody, and that makes that

simple. Just on a side note related to the
industry, with bike lanes, cars nearly run us down
when we're not in the bike lanes, feeling like we
should be. They honk at us, they come as close as
they can as possible, they yell at us as they go
by. There's no reason we shouldn't be in the bike
lanes, and the two people or the three people
limit, the horse carriages have a requirement
where a half person I'm sorry, this doesn't get
into slave days or whatever, but a child is
considered a half a person, and so if you have,
you know, three two adults and three children
or, I'm sorry, three adults and two children,
that's considered four people. You could change
the pedicab legislation to just simply to have a
child described as half a person in that respect,
so that we can carry two adults and two children,
which is standard family size. And just one last
thing, the customers who have two adults and two
children and take two pedicabs get charged twice
as much as they should. So it's something that
protects the consumers again.

MR. MALONE: Yes, my name is Stephen Malone, I'm the spokesperson for the horse

and carriage industry, and just want to have my
two cents heard on part this, and I can say that I
feel with these guys here, the ones, these guys
here, are the passionate ones for their industry.
They're the ones that are doing the right thing.
I was in these guys' shoes ten years ago, and no
matter what you do, it all comes back to
enforcement. I was where these guys are in my
industry ten, twelve years ago, and what happened
was, the Department of Consumer Affairs started to
issue double jeopardy tickets which said that if
they were issued a ticket, if a driver was ever
issued a ticket for a violation, his owner was
also issued a violation. So that weeded out all
of the, or most of, the bad drivers in our
industry, and I think that's something this board
should look into, because again, it all comes back
to enforcement. It doesn't matter how much stuff
you have on the bikes or whatever the case may be,
you have to be able to enforce the law, period,
end of story. As far as the price-gouging goes, I
know for a fact there's pedicab guys up there
charging \$425 a three-hour tour. I mean, that's
ridiculous, and I think you guys need to come down

on that. And again, these guys are not the guys that are the problem. I see these guys operating every day, I've witnessed, they get in the middle of a fight with the gang mentality of these guys, and it's just ... I've been surrounded myself on many occasions with these guys. You've got to do something, it's out of control on 59th Street, and we support everything you can do.

CHAIRPERSON GARODNICK: Thank you for that. Let me just understand, I'm sorry, do you want to add something?

MR. MALONE: No.

I want to go back to Mr. Flick for a moment, on the receipt with the timing, because the appeal of knowing upfront what you're going to be charged is its clarity, its simplicity, its ease. And that's what we're trying to do, particularly where a timer or an odometer is not involved. So if a timer or odometer is involved, there's a calculation that's being done as you go. But you raise an issue about a receipt for, or what it should look like if you have a receipt for the timer, with a timer involved. How exactly would

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2 you do ... why don't you spell that out for how that
3 would work for you?

MR. FLICK: Well, all I was just bringing up was my concerns that there will be an initial charge or a minimum charge that is ridiculous. I mean, once you ... this is just I'm looking for the new loophole basically, and yeah, that.

CHAIRPERSON GARODNICK: Okay, so this is explicit in the legislation that we're putting forward here, just so you know, the receipt would include the calculation and also all the information about the driver and the license.

MR. FLICK: Yeah, but are you ... I mean, we're already required to provide receipts at the end of the ride, with all of this information. I have them on hand, and they are required, they're not ... it's not ... as far as I know, you have to provide a receipt, so that's nothing new, with all of that information. What's new is requiring it beforehand, so the police are able to check whether you provided the price beforehand. And the way I read the legislation was that you didn't have to provide any sort of

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receipt beforehand if it was done by a meter or a
timer, and yes, so the consequence of that is that
people, you know, they're going to have \$50 - \$70
minimums, and it makes it a little harder than
when you have to, you know, to get away with that,
you know, for a two-block ride. But, you know,
still the customers are going to just give in,
because these are young, like big guys to complain
to, so yeah, it's just basically you would have to
list the total charge to get into the bike, and
the total charge, as part of the final receipt
that you give.

CHAIRPERSON GARODNICK: So your suggestion is, put that all in the receipt, even if you have a timing device, and give it to them at the outset?

MR. FLICK: Yeah, with ... maybe even with ... I mean, what I always do is give an estimate of how much time it's going to be beforehand, so if it exceeds that, it's something that again, all the flexibility comes into your personal interaction with the customers, and that's--

CHAIRPERSON GARODNICK:

2	(Interposing) How would you feel about the
3	requirement, something which dispensed with the
1	time or odometer calculation of fares, but rather
5	just said, "Ask me my fare"?
5	MR. FLICK: I mean, that basically
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would be fine, that would go back to what it was beforehand, which you could put up rates if you want, to give people of an idea of what your rate was going to be.

CHAIRPERSON GARODNICK: Or how you'll approximately calculate that.

MR. FLICK: Yeah.

 $\label{eq:CHAIRPERSON GARODNICK: You deal} % \end{substitute} % \end$

MR. FLICK: Yeah. I mean, it's probably the simplest thing to do. As far as putting it in a bunch of languages, again, as with the bill of rights, pedicabs have very limited space, you can't put this in like, you know, ten different languages. And nobody takes one of these who doesn't speak, you know, zero English. They find somebody, you know, who speaks their language, so I don't think that's going to work. But yeah, it's--

2 CHAIRPERSON GARODNICK:

(Interposing) Okay, Mr. Malone, I had one question
for you. You gave the example of somebody
charging \$425 for an all-day experience or
something like that. Shouldn't somebody be able
to negotiate that if they want it? I mean, if I
wanted to take a pedicab today and spend all day
in a pedicab and, you know, I go up to one of
these folks and I say, "What would it cost me for
you to take me around New York City all day?" And
they say, "\$425". And I say, "That is a great
deal, I'm going to take it."

MR. MALONE: Absolutely.

CHAIRPERSON GARODNICK: So fine.

MR. MALONE: Absolutely.

CHAIRPERSON GARODNICK: It's just a matter of not knowing what the cost will be, is that right?

MR. MALONE: Exactly. Also, it's not posted on the side of the bike, it's on their map. That's the difference.

 $\label{eq:chairperson garodnick: It's a} $$ \text{question of clarity and transparency.}$

MR. MALONE: Exactly, you want to

2	spend we don't have any objection to you
3	charging a thousand dollars, as long as everybody
4	knows about it.
5	CHAIRPERSON GARODNICK: Right. Go
6	ahead.
7	MR. FLICK: There's one thing I'd
8	like to say, I mean, I have my own problems with
9	the carriages and horses, whatever, but like the
10	this is actually in favor of them. Again, these
11	it's the same type of people overcharging people.
12	All of Central Park South is filled with people
13	pretending to be horse carriage brokers, who then
14	tell people the wrong price on the horse
15	carriages, you know, \$60 for fifteen minutes, and
16	then \$130 for 30 minutes. They tell them they
17	don't do the big loop, and it's just something
18	that's happening constantly, is this
19	misrepresentation as carriage brokers. I'm
20	surprised you didn't bring it up.
21	MR. MALONE: We don't have time to
22	bring up everything.
23	MR. FLICK: Yes.
24	CHAIRPERSON GARODNICK: Well, that
25	will be a subject, perhaps, for future

2	conversation. But I want to thank you all for
3	your testimony, it's extremely helpful. I'm
4	sorry, Council Member Nelson has a question.
5	COUNCIL MEMBER NELSON: Yeah,
6	actually it's a combination of a it's a
7	statement first, because I'm hearing like an issue
8	of danger here, and I'm stuck on this, alongside
9	the gouging issue, and that's a major issue. It
10	seems to be mostly with foreign exchange students?
11	Is that mostly with foreign exchange students, the
12	issue of danger, punching and
13	MR. FLICK: Yeah, I don't know,
14	there's only about 20 to 40 Americans left doing
15	this job. There are plenty of people you don't
16	know what their legal status is.
17	COUNCIL MEMBER NELSON: I heard
18	gang mentality, you know.
19	MR. FLICK: There's no sort of like
20	racketeering or gang mentality going on, I will
21	say that. But there is just
22	COUNCIL MEMBER NELSON:
23	(Interposing) This is a large issue.
24	MR. FLICK: Well, there's no like
25	territory or anything.

1	COMMITTEE ON CONSUMER AFFAIRS 105					
2	MR. SALIDO: What are you talking					
3	about?					
4	COUNCIL MEMBER NELSON: Well, see.					
5	MR. SALIDO: I'll just say on					
6	record that I've been surrounded on three or four					
7	different occasions by six what I would call JV1					
8	students.					
9	COUNCIL MEMBER NELSON: Do they					
10	post bonds before they're allowed to drive in the					
11	streets? So in other words they can just abscond					
12	and owe thousands of dollars or perhaps even a					
13	felony. Okay, I think that might be an important					
14	point here. That they must post a bond and have					
15	proof of that, to be driving people on the streets					
16	of New York City, that might keep them from					
17	swinging their fists or butt-heading, or, you					
18	know, getting themselves a whole ton of tickets,					
19	if they know they're actually going to have to pay					
20	for this. It's not xenophobia, it's just factual					
21	and quite disturbing. I think that might be an					
22	important issue for the Council to tackle. Thank					

CHAIRPERSON GARODNICK: Thank you,
Council Member Nelson, and it's certainly one that

you. Thank you, Mr. Chair.

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we are hearing repeatedly and want to take a closer look at, because we do want to address the source of the major issues as they're perceived by consumers and also pedicab drivers, and that's certainly what we're trying to get closer to here, and we hope that ... well, we thank you for your support of what we're trying to do here today, and again, this is not the end of the conversation, and we look forward to working with you further, so thanks gentlemen, and thanks to everybody for their testimony here today. And with that, this hearing is adjourned.

I, Richard A. Ziats, certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

D.O. 0 No. 15

Signature_	(Crutical)				
Date	June	22,	2011		