

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEES ON TRANSPORTATION AND TECHNOLOGY

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September 19, 2012  
Start: 10:13 a.m.  
Recess: 1:55 p.m.

HELD AT: 250 Broadway  
Committee Room, 14th Floor

B E F O R E:  
  
JAMES VACCA  
FERNANDO CABRERA  
Chairpersons

COUNCIL MEMBERS:  
Jessica S. Lappin  
Ydanis Rodriguez  
G. Oliver Koppell  
Vincent Ignizio  
Daniel R. Garodnick  
Letitia James  
Mark Weprin  
Darlene Mealy  
David Greenfield  
Eric Ulrich  
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## A P P E A R A N C E S (CONTINUED)

Ashwini Chhabra  
Deputy Commissioner for Policy and Planning  
NYC Taxi and Limousine Commission

Dr. Karen Gourgey  
Director of Computer Center for Visually Impaired  
People  
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Jay Bregman  
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Melissa Plaut  
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Jing Wang Herman  
CEO  
GetTaxi USA

Ron Srebo  
VP of Innovation  
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## A P P E A R A N C E S (CONTINUED)

John Mascialino  
Greenberg Traurig  
VeriFone, Inc.

Peter Mazer  
General Counsel  
Metropolitan Taxicab Board of Trade

Pasqualino Russo  
Special Counsel  
Windels Marx Lane & Mittendorf, LLP

Avik Kabassa  
Livery Roundtable

Carolyn Castro  
Executive Director  
Livery Roundtable

Victor Dizengoff  
Executive Director  
Black Car Assistance Corporation

Bhairavi Desai  
Executive Director  
New York Taxi Workers Alliance

Bill Lindauer  
New York Taxi Workers Alliance

Richard Thaler  
Omni Media Network

Edith Prentiss  
Chair  
Taxis for All

1  
2 CHAIRPERSON VACCA: It is September  
3 19th at 10:10 a.m., and I'm James Vacca, I'm  
4 Chairman of the Committee on Transportation and  
5 I'm joined by Council Member Fernando Cabrera,  
6 Chair of the Committee on Technology, and members  
7 of both committees will also be joining us today.  
8 I want to thank Chairman Cabrera for cosponsoring  
9 this important hearing.

10 We're here this morning to address  
11 the future of technology in the taxi and for-hire  
12 industry. First, we will hear testimony on Intro  
13 599, which I introduced in order to make the  
14 screens in the back of medallion taxicabs  
15 accessible to people with visual and audio  
16 impairments.

17 Aside from being the right thing to  
18 do, I have to tell you this has been a personal  
19 issue with me. Many of you know that my late  
20 father was blind and as someone who grew up in a  
21 household with a blind parent, I understand how  
22 difficult it is for blind people and the visually  
23 impaired to navigate our city streets and our city  
24 transportation system. My legislation, I think,  
25 recognizes their right to accessible

1  
2 transportation, and we have been rolling this out  
3 slowly but surely and we now, through this  
4 legislation, want to codify it into law.

5           Most taxis don't include technology  
6 that allows a visually impaired rider to pay with  
7 a credit card, they simply don't know where on the  
8 screen to push credit or cash or to enter a tip.  
9 Without knowing where on the screen to touch for  
10 credit or cash, visually impaired users have had  
11 no choice but to pay with cash or rely on the cab  
12 driver to swipe their card. This puts the  
13 visually impaired rider at risk of fraud,  
14 including overpayment. In addition, much of the  
15 screen is audio-based, thus, disadvantaging the  
16 hearing impaired as well.

17           But before this bill even got any  
18 attention, Creative Mobile Technologies came to me  
19 and said they wanted to do it anyway, so they  
20 partnered with Lighthouse International, and in  
21 April, we were joined by former Governor David  
22 Paterson on the steps of City Hall to announce a  
23 partial rollout of technology that gives step-by-  
24 step spoken instructions to a visually impaired  
25 passenger so he or she can pay the fare by credit

1  
2 card independently and without the assistance of  
3 the driver. Intro 599, which I am sponsoring and  
4 which we're hearing testimony today, would mandate  
5 these new features be extended to the entire taxi  
6 fleet and would codify it in city law.

7           Now the second part of our hearing  
8 will deal with oversight on the apps that have  
9 sprung up in the taxi and for-hire industry. I  
10 firmly believe that there is space for  
11 applications to enhance services in the taxi and  
12 for-hire industries; however, I also believe that  
13 the strict delineation among taxis, liveries, and  
14 black car services must be maintained no matter  
15 what and that the TLC needs to promulgate rules  
16 and regulations that protect those industries  
17 before it allows apps to enter this space.  
18 Capital Otherwise, we will be left with a wild,  
19 wild West of regulations, leaving passengers,  
20 drivers, base owners, fleet owners, and the long  
21 supply chain of businesses that support these  
22 industries in the lurch. There are simply too  
23 many livelihoods at stake for TLC not to do this  
24 and do it right.

25           In addition to the need to maintain

1  
2 the strict delineation between the industries, I  
3 have serious concerns about how drivers use  
4 applications while on the road--and these are  
5 safety concerns. We all have a stake in this.  
6 Distracted driving is one of the leading causes of  
7 crashes on New York City streets. Currently, taxi  
8 drivers aren't allowed to use mobile devices at  
9 all. Any initiative that would allow taxi drivers  
10 to use applications to find passengers must be  
11 done with safety first. Passengers and  
12 pedestrians need to feel safe knowing their  
13 drivers aren't fiddling around with an app while  
14 driving.

15 I also have real concerns about  
16 consumer protection. The system that handles  
17 payment processing known as T-PEP went through a  
18 rigorous testing phase to ensure that passenger's  
19 credit card data is hack proof. TLC has said  
20 that, for now, apps are not permitted to be used  
21 for hailing or payment, but it has left the door  
22 open for future use, and TLC must ensure beyond a  
23 shadow of a doubt that passenger's credit card  
24 information is absolutely secure and hack proof  
25 before it approves any application for use in

1  
2 these industries.

3           As we have seen through T-PEP,  
4 regulation can be used in tandem with some very  
5 positive results. Because the T-PEP system  
6 processes credit card payments, it alerts the  
7 driver that the credit card transaction has gone  
8 through so that he knows he has been paid. If he  
9 is a fleet driver, at the end of the night he  
10 cashes out at his garage. But if apps are  
11 permitted to process payment, TLC must ensure the  
12 drivers are paid properly and in a timely fashion.

13           The T-PEP system also collects  
14 statutorily imposed taxes, including a \$.50  
15 surcharge on all medallion taxi trips that funds  
16 the MTA and sales tax on all livery rides. TLC  
17 must have a way to track those amounts and make  
18 sure that those taxes are properly collected by  
19 the apps and remitted to the proper authorities.

20           In addition, one of the gold  
21 standards of the New York City's medallion taxicab  
22 industry is that no matter who you are or how much  
23 money you have, what is on the meter is what you  
24 owe. We cannot have a two-tiered system in this  
25 city where people with money pay a premium to get



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2 a cab and the rest of us are left out. Under no  
3 circumstances should the TLC allow applications to  
4 charge a premium to book a yellow cab, and under  
5 no circumstances should the passenger be forced to  
6 pay a minimum tip rather than selecting the tip  
7 amount he or she feels the cab driver deserves.

8 In addition to these issues, the  
9 TLC will have to grapple with how applications  
10 change the game for passengers on the street. The  
11 City Council recently passed my bill upping the  
12 penalties without--on people who have no type of  
13 TLC license, and possibly don't even have a  
14 driver's license, who decide that they are a cab  
15 the day. The last thing we need are technologies  
16 that encourage that behavior. TLC must find a way  
17 to prevent an unlicensed driver from downloading  
18 an application, soliciting rides, and using his  
19 unlicensed vehicle to solicit rides. This is a  
20 basic matter of passenger protection. We have too  
21 many people in this city at this point in time who  
22 are boarding cabs that are not cabs. They are not  
23 yellow, they are not livery, they are not  
24 registered with the TLC. They take their lives in  
25 their hands when they get into vehicles, not even

1  
2 knowing whether the driver is licensed to drive a  
3 car or whether the car is, indeed, actually  
4 insured. This is a basic matter of protection for  
5 the passenger.

6 Now let's be honest, most New  
7 Yorkers don't know the ins and outs of this  
8 industry and when they push a button to get a car  
9 and one pulls up, they expect it to be legitimate.  
10 TLC licensed vehicle with a TLC licensed driver is  
11 something that people expect. They don't care  
12 what color the car is. The TLC must ensure that  
13 only licensed drivers in licensed vehicles are  
14 using technology to solicit passengers in any of  
15 its regulated industries. If TLC's eventual plan  
16 is to allow use of electronic devices for hailing  
17 and dispatch services, it will also have to up  
18 enforcement on drivers who decide to refuse to  
19 service passengers in the street by claiming an  
20 app call. The actions must be swift and forceful  
21 against drivers who decide to claim that they are  
22 on an app call rather than picking up someone who  
23 isn't going where they want to go or doesn't look  
24 like the driver wants them to look like. Just  
25 like TLC enforces against drivers who flick off

1  
2 their lights and drive away when a passenger tells  
3 them they're going to the Bronx.

4           We've gone through this before and  
5 we continue to have this problem in the city  
6 where, when certain drivers say--when certain  
7 drivers hear that a passenger wants to go to an  
8 outer borough, which I still say we have no outer  
9 boroughs, we're all part of New York City, but  
10 when they hear you want to go to the Bronx, they  
11 all of a sudden have somewhere else to go,  
12 something else to do, their lights go on and they  
13 pass you by. Well we enacted legislation raising  
14 the penalties against people like that and I don't  
15 want the apps to be used as a pretense by anyone  
16 to avoid taking people to the Bronx or to Brooklyn  
17 and Queens or Staten Island. Legally, when you  
18 get your TLC license, you have to understand that  
19 you are obliged to treat all people in this city  
20 equally, I don't want apps to be used as a  
21 pretense to avoid that. We've been there, done  
22 that before.

23           As you can see, the challenges that  
24 the TLC faces in this industry are real, but we  
25 all know that this is the wave of the future. All

1  
2 of this technology is the wave of the future so  
3 TLC has to get this right. Above all, we must  
4 protect the riders and the drivers. We must  
5 ensure a system where the apps are allowed to make  
6 money without taking it from the drivers, without  
7 creating a two-tiered system, and by ensuring that  
8 the metered fare and a tip of the rider's choice  
9 is all what's paid. Credit card information must  
10 be safe and secure, and we must maintain the  
11 traditional boundaries between medallion taxis,  
12 liveries, and black car operations.

13 With that, I'd like to introduce  
14 the members of the Transportation Committee who  
15 are joining me today: To my extreme right,  
16 Council Member Jessica Lappin, Council Member  
17 Ydanis Rodriguez, Council Member Oliver Koppell,  
18 Council Member Vincent Ignizio, Council Member Dan  
19 Garodnick.

20 And I will now hand the mic to my  
21 co-chair today, Council Member Fernando Cabrera,  
22 Chair of the Technology Committee.

23 CHAIRPERSON CABRERA: Thank you so  
24 much, Chair Vacca. Good morning and welcome to  
25 this joint oversight hearing on the use of

1  
2 technology in the taxi and for-hire vehicle  
3 industries. The technology industry has grown  
4 considerably in the city recently and smartphone  
5 applications have become an everyday part of life  
6 for many New Yorkers. The use of apps to assist  
7 in hailing a cab or paying for a cab fare seems  
8 like a logical and inevitable next step in this  
9 innovative city; however, we want to ensure that  
10 this new technology meets the rules and  
11 regulations of the taxi industry while also  
12 maintaining the safety of drivers and passengers.

13           Additionally, the committees will  
14 consider Intro 599, which will require that all  
15 taxis, no matter which software or payment  
16 platform they're using, be accessible to people  
17 with visual and audio impairments. While software  
18 is currently being upgraded in some taxis to make  
19 the credit card payment system accessible to  
20 people with visual impairments, this upgrade is  
21 not currently required and will only be available  
22 in small percentages of taxis.

23           New York City has been a leader in  
24 creatively using technology to increase access to  
25 information and make the lives of New Yorkers

1  
2 easier. Today's hearing will explore the current  
3 state of technology in the taxi and the for-hire  
4 vehicles industry and I look forward to hearing  
5 from the TLC, app makers, and industry  
6 representative on how technology could be used in  
7 a lawful and safe manner moving forward.

8 Let me recognize members of the  
9 Technology Committee: We have Council Member  
10 Koppell and Council Member James. I'm turning it  
11 back over to Chair--okay. Well let's call on  
12 Ashwini Chhabra from the TLC. Welcome, you may  
13 begin.

14 [Pause]

15 CHAIRPERSON VACCA: I apologize, I  
16 had to vote in Land Use and I apologize. We will  
17 call the Taxi and Limousine Commission. Would you  
18 identify yourself for the record, please?

19 [Pause]

20 CHAIRPERSON VACCA: You have  
21 written testimony to submit?

22 ASHWINI CHHABRA: We do.

23 CHAIRPERSON VACCA: We haven't seen  
24 it yet.

25 [Pause]

1  
2 ASHWINI CHHABRA: Thank you. Good  
3 morning, Chairman Vacca and Chairman Cabrera and  
4 the members of the City Council Committees on  
5 Transportation and Technology. I am Ashwini  
6 Chhabra, Deputy Commissioner for Policy and  
7 Planning at the New York City Taxi and Limousine  
8 Commission. I'm standing in for Commissioner  
9 David Yassky, who is attending to other pressing  
10 agency business.

11 Thank you for the opportunity to  
12 speak to you today regarding Intro 599, which  
13 would affect the Taxi Passenger Enhancement  
14 Program, T-PEP. This is the bundle of technology  
15 in taxis that includes the taxi TV screens, the  
16 credit card reader, GPS unit and driver messaging  
17 screen. Increasing accessibility for all  
18 passengers is a primary goal of the Taxi and  
19 Limousine Commission. We know and understand that  
20 people with low or impaired vision often have  
21 difficulty using the T-PEP systems to pay for  
22 their trips without requesting assistance from the  
23 driver. It is our goal to ensure that every  
24 passenger can pay for their trip confidently and  
25 independently, and we support what we understand

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2 to be the objectives of this proposed legislation,  
3 namely, that any payment technology equipped with  
4 a credit card reader installed in a vehicle should  
5 also have a payment option for visually impaired  
6 passengers to pay for the taxi trip on their own;  
7 and also that periodic audio announcements should  
8 inform the passenger of the current metered fare,  
9 any accrued tolls and the rate codes used for the  
10 trip.

11                   Earlier this year, at your urging,  
12 Chairman Vacca, one of our two outside T-PEP  
13 vendors, CMT, developed software that allows blind  
14 or visually impaired passengers to pay unassisted  
15 on some of their screens through the use of audio  
16 commands and screen touches. The TLC permitted  
17 and urged CMT to begin testing this technology,  
18 with the goal of bringing this functionality to  
19 the entire taxi fleet. They currently have the  
20 technology installed in approximately 1,500 taxis.  
21 We have also urged VeriFone, the other T-PEP  
22 vendor, to develop the same functionality for  
23 their screens and they have indicated that they  
24 will. We think this is promising technology and,  
25 provided it can be done in a secure and user-



1  
2 friendly manner, we agree with you that it should  
3 be mandatory in every taxi. As you may also know,  
4 the current T-PEP contracts run through February  
5 2013, and we're in the process of drafting rules  
6 to succeed these contracts, and these rules will  
7 require this technology in every taxi.

8           However, the proposed bill as it is  
9 currently written does not allow for changes to  
10 the current T-PEP technology, nor does it allow  
11 the flexibility to implement new innovations.  
12 Again, we agree with the goal of the proposed  
13 Local Law, but it should be revised to allow for  
14 technological improvements.

15           The proposed law also requires  
16 assistive features for the hearing impaired.  
17 Again, while the objective of this requirement is  
18 one the TLC supports, in fact, this is better  
19 accomplished not as part of adjustments to the T-  
20 PEP system, but through the changes to the design  
21 of the vehicle itself. In fact, starting in  
22 November 2013, hearing loop technology will be  
23 standard in the Nissan NV200--the Taxi of  
24 Tomorrow. This will allow hearing impaired  
25 passengers to better hear, not only what is

1 broadcast from the taxi TV screens, but, more  
2 importantly, this technology, coupled with a  
3 passenger-to-driver intercom system, will allow  
4 passengers to better communicate with the driver  
5 and other passengers. This technology was brought  
6 to our attention by the Hearing Access Program at  
7 the Bell Association for the Deaf and Hard of  
8 Hearing and we worked with Nissan to ensure that  
9 it will be installed in each and every NV200 taxi.  
10 In addition to the hearing loop, the NV200 will  
11 also include several other features that will  
12 greatly improve the passenger experience. The  
13 NV200 is equipped with a deployable step and a  
14 grab handle to help passengers get in and out of  
15 the taxi easily; and easy-to-open sliding doors,  
16 which require significantly less force to open  
17 than the sliding doors on the cabs today, and  
18 which should also reduce incidences of passengers  
19 swinging car doors into cyclists or other cars.  
20 There is floor lighting and high-contrast markings  
21 on the entry step and the seats which will further  
22 assist visually-impaired passengers. The vehicle  
23 also features a wide entryway, more legroom than  
24 any of the taxis available today and a flat floor,  
25

1  
2 which is great news for any passenger who has had  
3 trouble fitting into the current models, but  
4 especially good news for persons with service  
5 animals.

6 This concludes my testimony on  
7 Intro 599. To reiterate, the TLC supports the  
8 objectives of this proposed Local Law, and with  
9 the changes I have highlighted in my testimony, we  
10 will support the legislation.

11 I would now like to speak on the  
12 other topic on today's agenda--challenges and  
13 opportunities for technology in the taxi and for-  
14 hire vehicle industries. New York City has always  
15 been at the forefront of technological innovation  
16 and New York City government is no exception.  
17 Whether in the form of innovation in government  
18 services like 311 and 311 Online or in the form of  
19 support to tech startups to locate in Silicon  
20 Alley and elsewhere in the five boroughs.  
21 Likewise, our taxi and for-hire vehicle industries  
22 are continually adapting to technological advances  
23 to provide better service to the riding public,  
24 and the TLC supports that innovation. In 2004,  
25 Mayor Bloomberg advocated for fleetwide in-taxi

1  
2 technology to provide consumers with increased  
3 functionality and better service, in particular,  
4 the ability to pay for taxi rides with credit  
5 cards. These efforts led to the development of  
6 the T-PEP system.

7           Again, the core elements of the T-  
8 PEP system are a credit card reader with the  
9 capacity to process credit card transactions in  
10 real time, and a GPS tracker that records the  
11 pickup and drop-off time and location, distance  
12 traveled, and fare for each taxi trip. Each of  
13 these features has provided significant,  
14 measurable benefits. The GPS data has given the  
15 TLC a powerful tool to identify and enforce  
16 against rule violations without requiring  
17 expensive field enforcement. GPS tracking has  
18 also proved invaluable in helping to locate items  
19 left in taxis and it has brought economic  
20 transparency to an industry that was previously  
21 opaque to its regulators.

22           In addition, the T-PEP system  
23 includes a passenger-facing touch screen that  
24 provides information and entertainment to  
25 passengers and a dashboard text screen that

1 enables the TLC to directly communicate with  
2 drivers. Over the four years that it has been  
3 available in taxicabs, the T-PEP system has  
4 improved industry efficiency, TLC effectiveness,  
5 and customer service for the city's iconic yellow  
6 taxis, and it has become the standard that other  
7 municipalities have sought to emulate in their  
8 for-hire vehicle industries.

10 Looking ahead to 2013, when the  
11 current, exclusive T-PEP contracts will expire and  
12 we will need to provide specs for T-PEP 2.0, the  
13 Commission recently approved a pilot program to  
14 test new T-PEP technologies. Through this pilot,  
15 a company called Square is testing an off-the-  
16 shelf system that utilizes iPads in the back seat  
17 and iPhones in the front, to provide the same  
18 services as the existing T-PEP systems. There are  
19 currently 13 vehicles that have this technology  
20 and it has received positive preliminary feedback.  
21 If the final results of this pilot program are  
22 similarly positive, we will allow similar  
23 solutions as part of the T-PEP 2.0 offering.

24 Also this year, the TLC released a  
25 Request for Proposals for a fare payment

1  
2 smartphone application. The goal of the RFP is to  
3 contract with a technology company to create and  
4 release a smartphone app that allows consumers to  
5 use a smartphone to pay a fare in any yellow taxi,  
6 much as they currently do with credit cards. The  
7 goal of this RFP is not to replace current fare  
8 payment options but to expand them. I'm told 19  
9 companies submitted proposals--indicating a very  
10 healthy level of interest in this initiative--and  
11 we are reviewing these proposals currently.

12 In the same way that T-PEP has  
13 changed the yellow taxi industry, technological  
14 improvements have also changed other for-hire  
15 vehicle services, namely, the black car and livery  
16 segments. For years now, black cars and livery  
17 cars have used electronic dispatching technology,  
18 most recently in the form of smartphones, as a  
19 means of scheduling trips and allowing consumers  
20 to make credit card payments. Smartphone  
21 applications offer businesses opportunities to  
22 grow, and, in particular, they provide smaller  
23 bases, who may not have the resources to develop  
24 their own bespoke technology, an off-the-shelf  
25 solution that allows them to manage their

1  
2 affiliated vehicles and to offer passengers in-  
3 vehicle credit card payment options. Last year,  
4 in response to a proliferation of FHV-focused  
5 smartphone apps, the Commission provided industry  
6 guidance to FHV bases and drivers to help them  
7 adopt this new technology, while still ensuring  
8 that they comply with TLC rules and Local Law.

9           Now we face a similar proliferation  
10 of apps that seek to facilitate e-hailing of  
11 yellow taxis, and payment of taxi fares by  
12 smartphone. There are various business models,  
13 but the basic premise is that a user requests a  
14 yellow taxi via smartphone app; a driver of a  
15 vacant, on-duty taxi accepts that e-hail also by  
16 smartphone or other electronic communication  
17 device and picks up the passenger; and the  
18 passenger is able to pay for the ride through the  
19 app. This is a model that has had some traction  
20 in other markets, and app developers who have had  
21 success elsewhere are now seeking to bring their  
22 products to the New York yellow taxi market.

23           New York, of course, is unique.  
24 Unlike Chicago or San Francisco, you don't  
25 generally need a smartphone to hail a taxi here;

1  
2 at least not in the Manhattan Central Business  
3 District, which is where yellow taxis operate for  
4 the most part. All you need is to put your hand  
5 in the air and, as if out of nowhere, a taxi  
6 appears to take you where you want to go; that's  
7 one of the beautiful things about living here.

8 And outside the CBD, there are  
9 numerous black car and livery bases that provide a  
10 similar service, and there are already smartphone  
11 apps to help passengers request one of those cars.  
12 We're spoiled for choice here in New York.

13 That said, these apps can provide  
14 some benefit to passengers in some instances.  
15 They may assist passengers late at night when  
16 there are fewer taxis cruising or may help  
17 passengers who are a few blocks away from a main  
18 thoroughfare to extend the reach of their hail.  
19 They may also serve to reduce driver reluctance to  
20 take trips out of Manhattan if drivers think these  
21 apps can provide them with a greater prospect of  
22 finding a passenger for the return trip. In fact,  
23 a recent survey conducted by the TLC on the  
24 backseat taxi TV screens indicated that almost 70%  
25 of taxi passengers own a smartphone, and 50 to 60%



1  
2 of passengers want the ability to use their  
3 smartphones to find available taxis and to pay for  
4 their taxi rides.

5 At the same time, data suggest that  
6 taxi drivers spend a significant portion of their  
7 shifts cruising for fares, which is an inefficient  
8 use of both time and fuel. Even if these apps  
9 result in only one or two more trips per shift for  
10 a driver, this could have a material positive  
11 impact on driver earnings and could increase the  
12 efficiency of the taxi fleet. As such, the  
13 Commission is of the view that these services, if  
14 provided in a manner that does not result in  
15 distracted driving, if they do not adversely  
16 impact the street hail service which is the core  
17 function of the yellow taxi system, and if they  
18 provide the Commission with the same transparency  
19 into trip data as is currently available through  
20 the T-PEP systems, should be permitted and we will  
21 pursue rulemaking to permit them. They have the  
22 potential to provide a benefit to passengers and  
23 drivers and are in keeping with this City's and  
24 this industry's striving for innovation.

25 At the same time, the new

1  
2 technology also raises some thorny issues. One  
3 question that has been raised is what impact the  
4 ability to e-hail will have on the supply of taxis  
5 for passengers who continue to use the traditional  
6 hand-in-the-air method. If these apps make it  
7 easier for smartphone users to get a taxi at the  
8 expense of those who don't have smartphones, then  
9 something valuable will have been lost. Again,  
10 given the nature of taxi service in New York, we  
11 don't think this is a present concern, but it is  
12 something we will need to remain vigilant against.  
13 Though, where this might be particularly  
14 disruptive--for example, at taxi stands, at  
15 transit hubs, and at airports--we will seek to  
16 prohibit the use of these apps.

17 Another concern with this new  
18 technology is the possible increase in distracted  
19 driving. Any service that requires instant driver  
20 trip acceptance increases the likelihood of driver  
21 distraction. We believe this is amenable to a  
22 technological fix, however, and this is one of the  
23 key issues we will explore during the rulemaking  
24 process. There has also been some concern voiced  
25 by our licensees in the black car and livery

1  
2 segments that the availability of these apps will  
3 impact their businesses. Currently, passengers  
4 who cannot otherwise hail a taxi in Manhattan can  
5 call a base to request a black car or livery car.  
6 Arguably, some of that business may be affected if  
7 we make it easier for these passengers to hail  
8 taxis. That is a consideration, but it cannot be  
9 our overriding consideration. No doubt this was  
10 also a concern when the idea of requiring credit  
11 card readers in taxis was first considered. That  
12 passengers should be able to pay with credit cards  
13 no doubt has reduced some of the business that  
14 would otherwise have gone to black cars or  
15 liveries, but no one would suggest that credit  
16 card readers in taxis was a bad idea, not least of  
17 all the 100 million plus passengers who pay for  
18 taxi trips with credit cards each year. It is not  
19 the rightful function of government to protect one  
20 segment of an industry from competition from  
21 another segment. So long as passengers win and  
22 the industry overall wins, our goal should be to  
23 encourage innovation and forward movement. Other  
24 issues, including passenger perception of refusal  
25 by drivers en route to pick up an e-hail

1  
2 passenger, are real concerns, but they are not  
3 insurmountable.

4           We will seek to mitigate these  
5 concerns in the course of rulemaking which we will  
6 pursue on an expedited basis over the next few  
7 months. We will solicit the input of each of our  
8 regulated industries, passengers, technology  
9 providers, and the Council in that process. And  
10 in the course of these conversations, no doubt  
11 other concerns will come to the surface and we  
12 will address them together and in a constructive  
13 way. I welcome the continued dialogue with each  
14 of you on this topic.

15           This concludes my testimony  
16 regarding taxis and technology. I would like to  
17 thank you again for the opportunity to testify on  
18 this topic and on the subject of the proposed  
19 legislation. And I'm happy now to answer any  
20 questions you may have on either topic.

21           CHAIRPERSON VACCA: Okay. Thank  
22 you. Let me ask some questions. First, in your  
23 testimony on page two you were talking about the  
24 Taxi of Tomorrow and the fact that this will meet  
25 the needs of the hearing impaired community, but

1  
2 there are vehicles that are exempt from Taxi of  
3 Tomorrow so I would submit to you that the  
4 legislation that I propose is needed so that the  
5 community is totally given rights. I wanted to  
6 know your response to that--not all vehicles will  
7 be under the Taxi of Tomorrow.

8 ASHWINI CHHABRA: There are a small  
9 handful of vehicles that are not subject to the  
10 exclusivity of the Taxi of Tomorrow contract and  
11 we can consider that. You're correct that the  
12 hearing loop technology will be required only in  
13 the Taxi of Tomorrow and there will be some hybrid  
14 vehicles or vehicles where owners opt to purchase  
15 other accessible vehicles that would not be the  
16 Nissan NV200.

17 CHAIRPERSON VACCA: I also wanted  
18 to add that I do understand that, and correct me  
19 if I'm wrong, but I think on page six you  
20 indicated that there are 19 companies that have  
21 submitted a response to a Request for Proposal  
22 regarding use of apps. Nineteen?

23 ASHWINI CHHABRA: There were 19  
24 responses to our RFP, which, in particular,  
25 focused on smartphone payment. The premise here

1  
2 was we have hardware, the T-PEP systems, in all of  
3 the taxis and we were seeking an app that would  
4 integrate with those systems so that if today you  
5 can pay with cash or with credit card, this will  
6 provide just another option.

7 CHAIRPERSON VACCA: My question to  
8 you though is that how can we have an RFP with 19  
9 people responding when the Taxi and Limousine  
10 Commission has not promulgated rules on what use  
11 of the apps will entail and what you will allow?  
12 We have people who are responding to an RFP, but  
13 you've not promulgated rules. So can you explain  
14 how that RFP is, indeed, legitimate in light of  
15 the fact that you're going to be promulgating  
16 rules for the use of apps after the people--after  
17 someone is selected for the RFP process?

18 ASHWINI CHHABRA: So the rules that  
19 we're contemplating over the next couple of months  
20 pertain more to the ability to hail the taxi  
21 through your smartphone and potentially pay for  
22 that trip outside of the T-PEP system, if that's  
23 the route that the rulemaking goes down. The RFP  
24 contemplates an app that would integrate with the  
25 T-PEP system, so it did not contemplate hailing

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2 functionality, it simply contemplated the ability  
3 to transmit your credit card information from the  
4 approved app into the T-PEP system so it would not  
5 require the degree of rulemaking that we're  
6 contemplating for apps generally.

7 CHAIRPERSON VACCA: But you also  
8 left your RFP open to additional technology? For-  
9 -

10 ASHWINI CHHABRA: [Interposing] To  
11 additional functions.

12 CHAIRPERSON VACCA: To additional  
13 functions, but you've not defined how you're going  
14 to regulate the additional functions so--

15 ASHWINI CHHABRA: [Interposing] Any  
16 additional functions--sorry, to interrupt--

17 CHAIRPERSON VACCA: [Interposing]  
18 No, go, go.

19 ASHWINI CHHABRA: --any additional  
20 functions that are approved as part of the RFP  
21 selection would require rules to permit them.

22 CHAIRPERSON VACCA: So should this  
23 RFP process be postponed or shouldn't we await  
24 rules so that a new RFP can be issued that's all  
25 inclusive of the regulations you're going to

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adopt?

ASHWINI CHHABRA: We're considering the next steps on the RFP simultaneously with the rulemaking so I think that could be an approach to take.

CHAIRPERSON VACCA: So you are considering scrapping the RFP in light of the rulemaking process that you have deemed is necessary.

ASHWINI CHHABRA: I think it all depends on where the RFP selection comes out. If that requires rulemaking, then we would have to consider the rulemaking and sequentially order them.

CHAIRPERSON VACCA: What is your timetable for your decision-making process on that?

ASHWINI CHHABRA: On the RFP or on the rules?

CHAIRPERSON VACCA: On both, on whether or not the RFP will be viable and when you intend to promulgate rules.

ASHWINI CHHABRA: The timing on those I think would likely be coterminous. We are



1  
2 seeking to promulgate rules, as I mentioned, on an  
3 expedited basis. I would like to have rules out  
4 there for review and comment as early as October,  
5 with an eye towards having a debate on these and  
6 having them go in effect before the end of the  
7 year. And our decision on the RFP and where we go  
8 with that would also be at the same time frame.

9 CHAIRPERSON VACCA: I want to know  
10 from you with the apps that we are--with the apps  
11 that we know are coming, how are you going to make  
12 sure that the MTA surcharge is paid under all  
13 circumstances? And for the clarification of those  
14 in the audience, there is a \$.50 requirement as  
15 per state law, and I wanted to know how you're  
16 going to make sure that the MTA tax and other  
17 charges are being paid.

18 ASHWINI CHHABRA: We'd have to  
19 address that through the rulemaking. That is a  
20 very important concern. Right now, with the T-PEP  
21 system, we have the assurances that that amount is  
22 collected and is paid to the MTA. We would have  
23 to require that any apps that take the place for  
24 payment purposes likewise collect and pay over the  
25 MTA tax in the same way as we do with T-PEP. That

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would be incorporated into the rulemaking.

CHAIRPERSON VACCA: I have spoken before about the overcharging issue and the refusal issue and I know you did touch on refusals in your testimony, but let me ask you something, regarding overcharges, how are you going to make sure that the passengers and the taxi drivers are not having this money taken out of their pockets? How are we going to make sure? Who is going to pay the additional charge that some of the app companies may have to assess? Who's going to pay, how is that going to be arranged?

ASHWINI CHHABRA: I share your concern about pricing to passengers and also the payment of any premiums to drivers, this is all going to have to be addressed in the rulemaking. We would need to provide that apps are not--that apps are collecting any amounts paid to the MTA, that we have a full accounting in the way that we do from T-PEP vendors today. We get a full trip report that indicates the fare, the rate of fare, and any taxes and tolls that were charged on that. Any trips that occur through an app, if they occur outside of the T-PEP context, we would need that

1 full accounting. I want to make clear that when  
2 we look at apps as technological innovation, they  
3 have to be that, they have to be an innovation, we  
4 don't want to take a step backwards. I think we  
5 have with the T-PEP system a gold standard that  
6 other cities are looking to emulate, we don't want  
7 to gut that in any way. And so if apps are going  
8 to be permitted to play some of that  
9 functionality, then they will have to also bear  
10 the reporting requirements, the tax collection  
11 requirements, and so forth that we impose on the  
12 T-PEP system.  
13

14 CHAIRPERSON VACCA: Page six of  
15 your testimony concerned me a little--or not a  
16 little, a little more than a little. You said  
17 here at the top, they may also serve to reduce  
18 driver reluctance to take trips out of Manhattan  
19 if drivers think these apps can provide them with  
20 a greater prospect of finding a passenger for the  
21 return trip. What concerned me is that when you  
22 leave Manhattan and you go into poorer communities  
23 in this city, in the Bronx and other places, many  
24 people don't have this technology equipment.  
25 Won't drivers think that if they go to the Bronx

1  
2 they're going to find people without this  
3 equipment, that they may not get a return ride?  
4 And doesn't this set up a two-tier system for  
5 poorer people who don't have this equipment, who  
6 don't have the extra money to shell out for a taxi  
7 drive? And I wanted you to respond to that.

8 ASHWINI CHHABRA: I share the  
9 concern. The thinking is that anything that may  
10 incentivize a driver to take a trip to the Bronx,  
11 to Brooklyn, to parts outside the Manhattan  
12 Central Business District, can only increase the  
13 likelihood that a taxi is going to be there.  
14 Currently, we know we've seen the trip records,  
15 95% of the trips happen within Lower Manhattan and  
16 the taxis don't generally go outside of Manhattan.  
17 If this changes that and it makes it more likely  
18 that there are taxis outside Manhattan, then it  
19 follows that it also increases the likelihood  
20 somewhat that they could be available for return  
21 trips.

22 I've experienced refusals where I  
23 wanted to leave Manhattan; I have experienced  
24 refusals where if I'm with my daughter and I've  
25 got a stroller, a driver may be reluctant to take

1  
2 me. One of the advantages that an app offers, I  
3 think, is that drivers are accepting the e-hail  
4 and they are agnostic as to who the person is,  
5 where they're going. And I'm hopeful that that  
6 will actually serve to increase the amount of  
7 service that people who otherwise have difficulty  
8 getting service may have.

9 CHAIRPERSON VACCA: You know,  
10 sometimes--and I read your testimony, which I  
11 thought was very good, but I have to tell you--

12 [Crosstalk]

13 CHAIRPERSON VACCA: --excuse me--I  
14 sometimes think that people living in Central  
15 Manhattan Business District, we keep talking about  
16 credit cards. You know, a lot of the people that  
17 I represent don't have credit cards; a lot of  
18 people in the Bronx don't have checks, they don't  
19 have checking accounts, they have cash. I want to  
20 protect those people too, they're entitled to a  
21 cab ride. They don't have enough money to have  
22 all these credit cards. So how are we protecting  
23 the person of limited means who is entitled to a  
24 cab like anyone else?

25 ASHWINI CHHABRA: And the concern

1  
2 there is--I share that concern, and in no instance  
3 would we want to permit the advent of smartphone  
4 technology or even the addition of the credit card  
5 payment option to in any way reduce the ability of  
6 anyone to pay with cash. The survey results that  
7 I cited before indicate that where taxis do  
8 predominate, people do have smartphones in great  
9 numbers, the number that we got from our survey  
10 was 70%. I think there may be a technological fix  
11 there as well because a lot of folks who don't  
12 have smartphones may have standard cell phones and  
13 a lot of these services allow you to request a  
14 taxi by text messaging. So that's something we  
15 would explore as well as wanting to widen the  
16 potential pool of passengers who could take  
17 advantage of these services.

18 CHAIRPERSON VACCA: And go over  
19 with me how we make sure that liveries are not  
20 hurt by apps. How are you going to make sure that  
21 the livery industry--you seem to acknowledge in  
22 your testimony that technology is the way of the  
23 future, we must move ahead, I saw that, I think,  
24 on the last page--

25 ASHWINI CHHABRA: Sure.

1  
2 CHAIRPERSON VACCA: --but doesn't  
3 that--it seems to me that we're hurting a segment  
4 of the industry. Can you explain how that is the  
5 case or not the case or...?

6 ASHWINI CHHABRA: The point I made  
7 about requiring credit card usage in taxis as  
8 well. I think we heard from a lot of folks in the  
9 livery and black car industries that, as a result  
10 of T-PEP being incorporated into taxis, they saw a  
11 decline in their ridership. As a lot of  
12 businesses saw that their employees could pay with  
13 a credit card and have a record of that payment, I  
14 think a lot of businesses shifted over from using  
15 black car services or livery car services to  
16 allowing their employees to use yellow taxis.  
17 That a particular segment may be affected vis-à-  
18 vis another segment, that cannot be our overriding  
19 concern here. That passengers have benefited from  
20 credit cards in taxis, I think is undisputed. Of  
21 the services that T-PEP provides, we consistently  
22 hear that being able to pay with a credit card,  
23 not having to go to an ATM has been the biggest  
24 advantage that passengers have felt from that.  
25 And likewise for drivers not having to drive

1  
2 around with as much cash on hand has helped  
3 contribute to driver security.

4 I can't tell you today that this  
5 won't impact livery business. I can tell you  
6 that, looking at the availability of cabs this  
7 morning on one of these apps, it looked like there  
8 were four yellow taxis available in the whole  
9 city. So currently it does not seem to be an  
10 issue, it does not appear that it would impact the  
11 business of the black car industry or the livery  
12 industry, that is something we would want to keep  
13 tabs on, and if it becomes an issue then we would  
14 seek to address it.

15 Likewise, if, as I mentioned, if it  
16 affects the ability for people who don't have apps  
17 to get a taxi, that's something we would want to  
18 monitor as well. We will monitor refusal  
19 complaints and we will monitor overall taxi usage.  
20 I would expect that some utility will shift from  
21 people who hail taxis in the street to people  
22 hailing them on smartphones, but if the overall  
23 volume of taxi trips does not appear affected, I  
24 think that would be a good sign.

25 CHAIRPERSON VACCA: Well I wanted



1  
2 to go on to questions we have from the members but  
3 I will say this, that I am concerned with the  
4 growth of technology as it is, that people who  
5 don't have this technology will be left behind.  
6 Even in the Central Manhattan Business District,  
7 what happens if you are a senior citizen or you  
8 are disabled person and you do not have access to  
9 the apps or you don't know how to work them.  
10 Somebody with an app will be able to hail a cab  
11 and you'll be standing in the street waiting for a  
12 cab longer than you normally would, and especially  
13 if the cab driver or--especially if there's a  
14 charge that the person cannot afford, will they be  
15 passed by because they did not get the cab through  
16 the app? So this is what concerns me, and I think  
17 it should concern the Taxi and Limousine  
18 Commission because that is yet another possibility  
19 of a two-tier system. Okay?

20 ASHWINI CHHABRA: Thank you.

21 CHAIRPERSON VACCA: All right, we  
22 have questions? Council Member Oliver Koppell.

23 COUNCIL MEMBER KOPPELL: Thank you.

24 CHAIRPERSON VACCA: Oh, I'm sorry,  
25 Council Member. Council Member Cabrera, the co-

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chair first, I'm sorry.

CHAIRPERSON CABRERA: Sure.

CHAIRPERSON VACCA: Then I'll come back to you. I'm sorry, Oliver.

CHAIRPERSON CABRERA: It's all good, it's all good.

Thank you so much. Welcome. I'm just curious, the 70% of--that you just mentioned, those are yellow cab passengers, right?

ASHWINI CHHABRA: Right.

CHAIRPERSON CABRERA: So it will be curious to know for those in the outer boroughs who usually don't get to ride a yellow cab, can't find one, especially in my area, would you happen to know what percentage of those have a smartphone?

ASHWINI CHHABRA: I don't. The services though--so we're talking about smartphone apps that allow people to hail yellow taxis, the notion of a smartphone app requesting a livery car trip, those have been in circulation for a while. And I know for a fact that some of those services you can access through just a text message on a regular flip phone. So you don't have to have the

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smartphone technology, but I hear the concern.

CHAIRPERSON CABRERA: Okay. Before I continue, let me recognize Council Member Weprin from the Technology Committee.

For these app companies, there are 19 of them, I'm just curious, how are they going to make money?

ASHWINI CHHABRA: It's a good question. I think I said it before, I think New York is unique, you don't need an app to get a taxi, so I think the margins are probably not going to be very substantial. That said, I'm not the entrepreneur, and if someone thinks that there is a business model that they can make work, we want to give them that opportunity. We want to at the same time make sure that people are not--that taxi service does not become the domain of people who can afford only these e-hail services, we want to make sure that it doesn't result in--it does not affect the way drivers approach street hail passengers. It should not become the case--as I often hear that, you know, 30 years ago there were radios in taxis and those are the bad old days and let's not go back to that. I couldn't agree more,

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2 I think the technology today provides certain  
3 safeguards that didn't exist back then. So we can  
4 see when a taxi is on duty or off duty and we can  
5 see if that off-duty taxi was sitting around  
6 waiting for an e-hail and was bypassing street  
7 hail passengers. So those sorts of things we have  
8 the capability of doing now.

9 CHAIRPERSON CABRERA: In the review  
10 of the RFPs, did you find a pattern of a different  
11 tier of charging, for example, the yellow cabs not  
12 being charged for the service, and yet outer  
13 boroughs liveries being charged?

14 ASHWINI CHHABRA: So the RFP--and I  
15 should say I'm not on the selection committee so--

16 CHAIRPERSON CABRERA: Right.

17 ASHWINI CHHABRA: --I have next to  
18 no visibility into who applied and what the  
19 responses were and that is the way it should be.  
20 But the RFP in particular did not really--the way  
21 the RFP was structured is it did not request  
22 services for black cars and livery cars versus  
23 yellow taxis, it primarily was a yellow taxi  
24 payment RFP because that is where we have the T-  
25 PEP system.

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CHAIRPERSON CABRERA: Okay.

ASHWINI CHHABRA: What this was meant to do was layer on top of the T-PEP system, so an app could get the fare amount from T-PEP, reflect the payment back to T-PEP so that the driver knows that, yes, the payment was received. So it was a different scope than what a lot of the apps that want to launch now are seeking to do.

CHAIRPERSON CABRERA: My last question 'cause I know we have a lot of members that have questions. You talk about the rulemaking, when can we expect for them to come out?

ASHWINI CHHABRA: October.

CHAIRPERSON CABRERA: October, okay. Thank you so--

ASHWINI CHHABRA: [Interposing] And this is, I mean, to elaborate on, this is a topic we know there's a lot of anxiety around, there are livelihoods at stake, there are established industries who want clarity that their business models will be able to continue, will be able to thrive, and we owe it to our licensees to provide them that, and that's--we're going to do that on

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expedited basis.

CHAIRPERSON CABRERA: Thank you.

CHAIRPERSON VACCA: Thank you, Chair Cabrera. I'd like to mention we've been joined by Council Member Darlene Mealy of the Transportation Committee.

MALE VOICE: David Greenfield.

CHAIRPERSON VACCA: Oh, and David Greenfield, was not--

MALE VOICE: And Jessica.

CHAIRPERSON VACCA: No, Jessica right now.

[Off mic]

CHAIRPERSON VACCA: I did, okay. Two quick questions, the visually impaired technology, how is that being integrated into T-PEP 2?

ASHWINI CHHABRA: So as you know, the current T-PEP contracts run through February of next year, after which we need to provide specifications for whatever the successor systems will be, so we're going to do that in the form of rulemaking as well and set forth in that rulemaking will be exactly those requirements that

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I illustrated in my testimony.

CHAIRPERSON VACCA: And how are you now enforcing your hold on the app usage? You had announced that, based on your need to promulgate rules at the 11th hour, but you did announce there would be a hold on that technology being used, so how are you enforcing that at this point? Have you enforced it?

ASHWINI CHHABRA: Turns out it was the 11th hour, it was--I think where we've had a healthy dialogue with the folks who seek to enter this space and had a healthy back and forth, we've been able to understand what their business model is and convey to the various developers what our rules and regulations are. So I think we've, for the most part, have conveyed that this is our current rule structure and the rules currently don't permit of the e-hailing functionality or the payment functionality. That message doesn't always get through and so there are going to be instances where some developers have ignored that counsel. What we've done is reiterate for them that we believe that, based on a view of the way their models function, that they violate our rules

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2 and we have been assiduously messaging to the  
3 drivers, all 13,237 cabs have for the last ten or  
4 so days been getting two text messages, twice a  
5 day, telling them, informing them that the TLC has  
6 not approved any app and that they expose  
7 themselves to a summons if they accept an e-hail  
8 trip through those apps. As a result, as I  
9 mentioned before, I think I saw four taxis that  
10 were using one of these apps earlier today.

11 So we think the message is getting  
12 out. If that message is still unheeded, in  
13 consultation with the City's Law Department, we'll  
14 contemplate what additional actions we need to  
15 take.

16 CHAIRPERSON VACCA: Council Member  
17 Oliver Koppell.

18 COUNCIL MEMBER KOPPELL: Thank you,  
19 Mr. Chairman. I want to associate myself with  
20 your remarks. First of all, I do think the  
21 legislation with respect to these systems that  
22 assist some of the disabled should be put in even  
23 if the NV200 has that requirement, and I'm going  
24 to refer to that in a minute. But before I do  
25 that I'm puzzled about something. Right now, as I



1  
2 understand it, and correct me if I'm wrong, you  
3 cannot call up to order a yellow cab to come to  
4 your door, is that correct?

5 ASHWINI CHHABRA: You cannot.

6 COUNCIL MEMBER KOPPELL: And why is  
7 that, why is that rule in place?

8 ASHWINI CHHABRA: I think it's a  
9 historical construct. I mean, as I mentioned, 30  
10 years ago when there were radios in cabs, that  
11 system did not work. Now that is not to say that  
12 the ability to dispatch taxis generally could not  
13 work, I think the technology you had then and the  
14 business models that were in place then were ones  
15 that were not working, and so there were rules  
16 passed at the time to curtail the use of radios  
17 and remove radios from taxis.

18 COUNCIL MEMBER KOPPELL: Well  
19 forget about radios, we now have cell phones in--  
20 that a driver could have, and what I don't--isn't  
21 it true that the reason you can't call up and  
22 order a yellow cab to come to the door is that  
23 yellow cabs are supposed to be there to be hailed  
24 on the street and if they were answering telephone  
25 calls, they wouldn't be there to be hailed on the

1 street, isn't that true? Isn't that one of the  
2 reasons we don't allow you to call for a yellow  
3 cab?  
4

5 ASHWINI CHHABRA: I think there may  
6 be various reasons. For example, we don't want  
7 drivers taking calls while they're behind the  
8 wheel. So that's another reason. That doesn't  
9 mean that it could not be allowed and done in a  
10 way that doesn't degrade the service, doesn't  
11 degrade the street hail service, and doesn't do it  
12 in an unsafe manner, and I think that is the goal.  
13 It is not simply to throw open the doors and say,  
14 you can now call taxis and you can now e-hail  
15 taxis without any bounds. We want to make sure  
16 that it doesn't result in a reduction in my  
17 ability to street hail the taxi, nor does it  
18 result in distracted driving. If you look at the  
19 stats that we see on how often taxis are occupied,  
20 taxis spend an awful amount of their time cruising  
21 for a fares, so a driver may in a typical shift, a  
22 12-hour shift, do about 20 trips, that may be less  
23 than half the 12 hours, the rest of the time is  
24 driving around and looking for a fare.

25 COUNCIL MEMBER KOPPELL: I

1  
2 understand that, but if you want to get a car to  
3 take you and pick you up from a particular place--  
4 your office, your home, whatever--you can call for  
5 a black car, right? You're allowed to call on the  
6 phone for a black car.

7 ASHWINI CHHABRA: Right.

8 COUNCIL MEMBER KOPPELL: So now  
9 you'll be able to allow--the app is basically an  
10 enhanced telephone, isn't it? Is there a vast  
11 difference between a smartphone--I have one in my  
12 pocket--and the telephone that's over on the desk  
13 in terms of this functionality or my reaching a  
14 cab, not a big difference, is there?

15 ASHWINI CHHABRA: Me, personally, I  
16 don't necessarily know that I see the value of  
17 doing it through a smartphone. For me, it's just  
18 as easy to go outside now and stick my hand out in  
19 the air, but I don't want to dictate to consumers  
20 that that functionality that you may find useful,  
21 you should not have. I think there could--

22 COUNCIL MEMBER KOPPELL:

23 [Interposing] But there's a reason why we don't  
24 allow you to use the telephone to call a cab and  
25 that's 'cause we want cabs on the street to be

1  
2 available to be hailed, and if you can call them  
3 on your cell phone or on your smartphone, which is  
4 essentially, as I said, in this aspect, no  
5 substantial difference--there are a lot of other  
6 differences between the telephone and my  
7 smartphone--but in terms of calling a cab, in my  
8 opinion, there's no difference. What makes it  
9 somewhat different is now I can call from the  
10 street, whereas, until now I could only call from  
11 my home or office because most places on the  
12 street, there are no phones. So the fact is that  
13 the whole purpose of preventing calling a yellow  
14 cab is going to be frustrated if you can call a  
15 yellow cab from a smartphone. You're now going to  
16 have the cabs responding to calls, which is not  
17 what you had before.

18                   Furthermore, even another negative  
19 is that the driver now has an excuse not to pick  
20 up the person who they see is of a particular race  
21 perhaps or who they believe is not going to the  
22 airport and now they'll have an easy excuse, well  
23 I'm answering an app, I can't pick you up. So I  
24 think that this whole idea of allowing you to call  
25 is frustrating one of the hallmarks of New York,

1  
2 which is just what you said: That most of the  
3 time you can hail a cab, you're not going to be  
4 able to hail a cab without a smartphone anymore,  
5 and you'll also be seriously impacting the black  
6 car industry, which provides the service of  
7 sending cars to offices or other locations.

8           Furthermore, I don't know how  
9 you're going to work it without distracting the  
10 driver. I mean, you're going to put some sort of  
11 a chip in the driver's head? I mean, I don't  
12 understand how you're going to do it. He's going  
13 to have to read a phone or read a text message or  
14 something like that. So I don't think this is  
15 going to work, it's going to destroy in large  
16 measure street hails.

17           But, in addition, is your app  
18 system going to allow the individual calling for  
19 the cab to say where that individual is going?

20           ASHWINI CHHABRA: I don't  
21 contemplate that we would require passengers to  
22 disclose--

23           [Crosstalk]

24           COUNCIL MEMBER KOPPELL:

25 [Interposing] No, not requiring, permit.

1  
2 ASHWINI CHHABRA: I don't  
3 anticipate that we will permit destinations to be  
4 entered into an app because precisely for the  
5 problems that you're fearful of.

6 COUNCIL MEMBER KOPPELL: Well I  
7 would strongly recommend you don't permit it  
8 because if you do permit it, then it'll be pick or  
9 choose for the driver, and if somebody says I want  
10 to go from 34th Street to 42nd Street, they won't  
11 come, but if they say I want to go from 34th  
12 Street to the airport, they will come.

13 ASHWINI CHHABRA: We're on the same  
14 page on that.

15 COUNCIL MEMBER KOPPELL: Okay.  
16 Now, you do say in your statement, you say here,  
17 increasing accessibility for all passengers is a  
18 primary goal of the Taxi and Limousine Commission.  
19 At testimony that I attended of the Commission, it  
20 was pointed out that if this legislature passes  
21 legislation I'm the sponsor of, with 36 of my  
22 colleagues, requiring accessibility of  
23 wheelchairs, you could do it. It was stated  
24 specifically at the hearing. So if it's your--if  
25 it's increasing accessibility is the primary goal,

1  
2 why don't you do it without requiring us to pass  
3 legislation? I'm not saying we shouldn't, but we  
4 haven't yet. Why don't you just do it? You say  
5 you're doing the other thing in large measure from  
6 what the chairman is suggesting, that is hearing  
7 and visual adjustments, you said you don't really  
8 need the legislation 'cause we're doing it anyway.  
9 So you don't really need the legislation requiring  
10 disabled accessibility, wheelchair accessibility,  
11 why don't you do that anyway?

12 ASHWINI CHHABRA: It's a bigger  
13 issue than I think I'm here to discuss today, I  
14 hear the point, so I think I won't address that  
15 issue. I'm not the best person to speak to that,  
16 but--

17 [Crosstalk]

18 COUNCIL MEMBER KOPPELL:  
19 [Interposing] But you do know, do you not, that  
20 the NV200, the model that we're using in New York,  
21 is also the model chosen for London, but with a  
22 modification that would permit side entry of  
23 wheelchairs, you know that, right, in London?

24 ASHWINI CHHABRA: I do know that a  
25 version of the NV200, one that is not ADA

1  
2 compliant, is going to be used in London. London  
3 and New York are also subject to different  
4 regulatory regimes, so the UK is not subject to  
5 ADA.

6 COUNCIL MEMBER KOPPELL: Yeah, well  
7 have you tried to get the ADA modified? You know,  
8 that is legislation, we have a Congress--

9 [Crosstalk]

10 COUNCIL MEMBER KOPPELL: --make  
11 modifications or the NV200 could perhaps be  
12 slightly modified from the London model to make it  
13 ADA compliant. Have you looked into that?

14 ASHWINI CHHABRA: Again, on this  
15 issue, we're--I'm probably not the best person to  
16 speak to it, we do look to the Council's  
17 leadership on this. If you do pass legislation  
18 that would require it, then certainly the TLC  
19 would comply with that.

20 [Crosstalk]

21 COUNCIL MEMBER KOPPELL:  
22 [Interposing] Well, Mr. Chairman, I hope it won't  
23 be too long before we do do that. Thank you.

24 ASHWINI CHHABRA: Okay. I would  
25 like to address the Council Member's earlier point



1  
2 on the distracted driving. I don't think we have  
3 to go as far as a chip in the brain, but maybe  
4 Google glasses, but the--what we currently do with  
5 the T-PEP system actually does solve for this. We  
6 currently have--I mean, usually passengers see the  
7 backseat screen and you see the credit card  
8 readers, there is a screen that the driver sees  
9 through which they enter whether they're going off  
10 duty, what the rate code is, any tolls. We also  
11 periodically will message to the drivers someone  
12 may have lost an iPhone in the backseat or someone  
13 may have left a cello or an art project or there's  
14 a hurricane coming and we need taxis to go to low-  
15 lying parts of the city to assist with the efforts  
16 there. Those messages are not delivered to the  
17 drivers until the vehicle is stationary. So  
18 technology creates the issues and there's often a  
19 technological fix to them as well. I don't think  
20 we have to go as far as the chip in the brain, but  
21 I think we--that is certainly something we'll be  
22 seeking to do through the rulemaking, is address  
23 issues like that.

24                   You earlier raised the concern  
25 about drivers who are on e-hails, are on route to

1  
2 an e-hail, or pretending that they're en route to  
3 an e-hail denying service to people en route.  
4 It's an excellent point. One of the hallmarks,  
5 one of the virtues of this technology is also that  
6 a driver accepting a hail does not know where  
7 you're going, whether you've got luggage, whether  
8 you've got a stroller, what race you may be, and  
9 so it does introduce an element of color  
10 blindness. So it also has the potential, in the  
11 same way that there's a potential downside, there  
12 is certainly the potential upside that passengers  
13 who would otherwise be bypassed today--and I've  
14 had that happen to me--will be able to get a taxi  
15 by using a smartphone app.

16 It's just unclear at this point,  
17 because we don't have the facts. That is  
18 something that I agree with you, we have to be  
19 vigilant against. If we find that the use of apps  
20 is resulting in a system where certain people are  
21 being denied service because of the use of those  
22 apps, we'll have to revisit this issue. This is  
23 not a we're throwing the doors open and come what  
24 may, we're going to let these apps function  
25 without regulation. So I hear the concern and

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we're mindful of that.

COUNCIL MEMBER KOPPELL: Well I would suggest that if there's a reason why you don't let people call up and call a yellow cab, those reasons apply just the same to these apps. And my feeling is that if you want to have a system where you got a lot of cabs roaming around available for a hail, you can't start allowing telephone calls, you just can't. I think it shouldn't be permitted at all. Thank you, Mr. Chairman.

CHAIRPERSON VACCA: Thank you, Council Member Koppell. Just to clarify on the T-PEP 2 and the rules that all the--you had stated that you do not intend to have an RFP for T-PEP 2, you had stated that you can legally promulgate rules on this and I want you to respond. I wanted to know, don't you think that you will need legislation if you intend and if you intend to go that route? Because in the way you describe it to me you'll be doing this outside the RFP process.

ASHWINI CHHABRA: I would have to get the opinion of counsel on that, that's an--I can get an answer to you on that, I don't know

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offhand.

CHAIRPERSON VACCA: I'd like to know, but please get back to me, okay? Council Member Jessica Lappin.

COUNCIL MEMBER LAPPIN: Hello? Are we on or off? Hello? Is this mic working?

MALE VOICE: No.

COUNCIL MEMBER LAPPIN: No, okay. Is this mic work--there we go, yes, it is. So this is very complicated, I have a number of different questions and I'll try to condense them. And I'm somewhat familiar with this technology, I have used it in Charlotte, actually at the Democratic convention, I used it in Chicago over the summer, so I understand how it works and I've hailed taxis with these apps before. I guess my first question is, you mention that this--you envision this as being a somewhat colorblind possibility. Will people have to indicate their final destination through the technology you're contemplating?

ASHWINI CHHABRA: I don't think-- well I think that they should not be required to, I think part of our rulemaking has to address the

1  
2 possibility that drivers may not want to go to  
3 certain destinations so I would want--and my  
4 understanding from the apps that we've spoken to,  
5 that the destination is not something that they  
6 require--

7 [Crosstalk]

8 COUNCIL MEMBER LAPPIN:

9 [Interposing] Okay. I just wanted to be clear  
10 about that--

11 ASHWINI CHHABRA: Yeah.

12 COUNCIL MEMBER LAPPIN: --on the  
13 record because, obviously, a taxi is required to  
14 take you anywhere within the five boroughs that  
15 you would like to go and if they know where you're  
16 going and they decide they don't feel like going  
17 to the Bronx or to Brooklyn or to the airport,  
18 then that does allow them to discriminate in a  
19 variety of different ways. So, one, that's  
20 important.

21 Two, I guess I kind of want to  
22 understand what the upside would be here. And I  
23 say that because we've gone through a lot of  
24 potential problems with this, and I'll start with,  
25 if you take a step back, your statement and the

1  
2 statement of others on this committee that you  
3 don't need an app to get a taxi now. Like, when I  
4 was in Chicago or Charlotte, you kind of do; but  
5 in New York City, in Manhattan in particular,  
6 south of 96th Street, you don't currently need an  
7 app to get a taxi; so we're not fixing a problem,  
8 we're trying to make service better. And I am not  
9 opposed to that, I just want to understand we have  
10 listed concerns about refusal rates, about usage,  
11 about impact on the livery car system, about the  
12 impact on lower income riders, about a change to  
13 what makes this a hallmark of this city system, so  
14 there are a lot of potential problems here.

15 What's the upside? Because I'm not 100% crystal  
16 clear, honestly, other than paying with a phone,  
17 which would be nice, although you can pay by  
18 credit card already. What's the upside? How is  
19 this going to make service better for the rider?

20 ASHWINI CHHABRA: The upside is--I  
21 agree, I find it not so troublesome to go out and  
22 hail a taxi, it may be tougher on rainy days, but  
23 for the most part, the system works. The upside  
24 is that, one, passengers want it. The feedback  
25 that we've gotten has been cited in my testimony

1  
2 that, in response to this survey, 50 to 60% of the  
3 passengers who took the survey said they would  
4 like to be able to use their smartphone to request  
5 a taxi and to pay for a taxi. Not a reason in and  
6 of itself, but certainly carries some weight  
7 because we are a customer-facing business and we  
8 want to respond to customer needs.

9 I think you mentioned that I had  
10 mentioned that this is a colorblind technology. I  
11 think while, for the most part, our drivers are  
12 upstanding, they do not discriminate depending on  
13 what your race may be, whether you've got  
14 suitcases, they don't ask you where you want to go  
15 before you get in the cab, fact of the matter is  
16 it does happen. And in the same way that the app  
17 may be colorblind, you can think of it also as  
18 borough blind. So it doesn't ask you where you're  
19 going and the driver accepts your trip and then  
20 when they get there, they've accepted your hail  
21 and they have to take you. And there isn't this  
22 idea of do you tell the driver where you're going  
23 or do you get in the back seat first. Technology,  
24 in that respect, I think it can--

25 COUNCIL MEMBER LAPPIN:

1 [Interposing] Well though they certainly can still  
2 get there and refuse to take you. I mean, I  
3 suppose. Just because you've prearranged over the  
4 app for them to pick you up, when you get in the  
5 cab and say I'm going to the airport and they  
6 could do what they do now when you open the door  
7 and say I'm getting to the airport and still say  
8 I'm not going to take you--it's illegal, but it  
9 happens to me all the time so--  
10

11 ASHWINI CHHABRA: [Interposing]  
12 It's illegal and this actually, inadvertently  
13 perhaps, gives us an excellent enforcement tool  
14 because today, if I call up and say I was denied  
15 service, it's my word against the driver's and  
16 maybe I don't remember the medallion number but--

17 COUNCIL MEMBER LAPPIN:  
18 [Interposing] Right, that's a good point.

19 ASHWINI CHHABRA: --now I've got a  
20 screenshot with the driver's name, the medallion  
21 number, the time I requested, the time the driver  
22 accepted, and then the fact that the T-PEP records  
23 don't indicate that the driver ever did that trip.  
24 So in a way, we're as enforcing--

25 [Crosstalk]



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COUNCIL MEMBER LAPPIN:

[Interposing] So you're contemplating then, in addition to not providing for the app what your destination is, that you will receive a text message or an e-mail--and these are questions for the vendors can answer too later--you know, medallion number XXXX has been dispatched, it will reach you in seven minutes so that you actually know medallion XXXX was supposed to pick me up and medallion XXXX can't run into Darlene Mealy four blocks from me and say oh, I'm going to pick her up instead because she's here and I'm just going to take her.

ASHWINI CHHABRA: That is the intention and that is what our rulemaking will also seek to clarify and we would incorporate--

[Crosstalk]

COUNCIL MEMBER LAPPIN:

[Interposing] Okay. My last question, 'cause I know I've taken a lot of time, is I want to be clear about the legality of this, is your view that the TLC can simply promulgate a rule that would allow for this technology or is there other further legal problems regarding the

1  
2 prearrangement issue? You can deal with the  
3 prearrangement issue by changing your rules.

4 ASHWINI CHHABRA: I believe so, I  
5 can give you a more detailed answer, but in  
6 consultation with the City's Law Department, we  
7 believe we can accomplish this through rulemaking.

8 COUNCIL MEMBER LAPPIN: Okay.  
9 Thank you, Mr. Chair.

10 CHAIRPERSON VACCA: Thank you.  
11 Council Member Ignizio.

12 COUNCIL MEMBER IGNIZIO: Yes, Thank  
13 you very much. And it's for the exact point that  
14 my colleague just raised, Ms. Lappin, that and I,  
15 quite frankly, don't trust the motives of the TLC.  
16 I think they like to do everything they possibly  
17 can through what they believe is their own  
18 rulemaking authority and, as we've seen, they try  
19 to go around this Council at every turn. One of  
20 the comments, you know, was made was--I'm speaking  
21 in terms of the livery cabs--it is not the  
22 rightful function of government to protect one  
23 segment of an industry from competition from  
24 another segment. That's not true in a regulated  
25 environment, that's true in a free market

1  
2 environment. With you, with the higher  
3 regulations that both have to comply with, it is  
4 your right to ensure that both survive and thrive  
5 in the market.

6           And I think the reason why--and  
7 this is where I question the motives of the TLC--I  
8 don't believe they want a livery industry in New  
9 York City anymore. I think the TLC wants to be  
10 the big base station and have cars travel  
11 throughout the five boroughs and do street hails  
12 and do app hails and basically serve, if you will,  
13 as the main base station for the city. I think  
14 that's the reasoning behind you skirting the law  
15 and going directly to the state to try to put cars  
16 in all five boroughs, and I think that that's the  
17 unstated goal of the TLC, which is to diminish the  
18 livery industry and ultimately do away with it.

19           [Pause]

20           CHAIRPERSON VACCA: Let me say  
21 something to you. I think Councilman Ignizio's  
22 point is relative to your testimony, I want to  
23 come back to his question. How could you say that  
24 you don't regulate when you do regulate? I think  
25 that's his point, there's an inconsistency there.

1  
2 You're saying that these things are going to hurt  
3 the livery industry, so be it. But it doesn't  
4 have to be so be it because you are the agency  
5 that regulates--you're the agency that promulgates  
6 rules so, therefore, it's within your purview to  
7 cushion an industry, whatever that industry is, if  
8 you think it's going to be inappropriately hurt.  
9 So why are we just told that this is a free  
10 enterprise system when, really, it's a regulated  
11 system and you can do something if you think  
12 that's an issue. And from your testimony, I think  
13 you do acknowledge that it may occur.

14 ASHWINI CHHABRA: I'm not sure I  
15 ever said that this would harm the livery  
16 industry, I think no one here can know, and all  
17 tales of--sort of all doomsday scenarios aside,  
18 where this is going to wreck one segment in the  
19 service of another, we just don't know. What I do  
20 know, the facts that I do have at hand is that  
21 this is not having any impact on the black car or  
22 livery car segment today, there are--today, there  
23 are no taxis using this service. After we  
24 promulgate the rules and folks step forward to  
25 provide this service, if they're able to within

1  
2 the bounds of those rules, there may be some  
3 impact on black or livery car business. I just  
4 don't know what the magnitude of that is going to  
5 be. What we anticipate is that the--it's not--  
6 there is not a shortage of trips for yellow taxi  
7 drivers today. If you see over the course of the  
8 day, there is plenty of business during the peak  
9 hours, there may be lulls late at night, maybe in  
10 the middle of the afternoon, there may be  
11 passengers who are not able to get a taxi at three  
12 in the morning or on the far west side of  
13 Manhattan, and it's really those marginal  
14 instances--off hours, parts of the city where  
15 taxis just aren't cruising--where we actually  
16 anticipate this will have an impact. And so those  
17 are additional trips, not necessarily at the  
18 expense of--

19 [Crosstalk]

20 CHAIRPERSON VACCA: [Interposing]

21 But--

22 ASHWINI CHHABRA: --industry.

23 CHAIRPERSON VACCA: --but the  
24 Council Member, I think, is referring to page  
25 seven where you state, it is not the rightful

1  
2 function of government to protect one segment of  
3 an industry from competition from another segment.  
4 So long as the passengers win and the industry  
5 wins overall, our goal should be to encourage  
6 innovation and forward movement.

7 ASHWINI CHHABRA: Right.

8 CHAIRPERSON VACCA: Now when you  
9 say as long as the industry wins, I mean, we have  
10 segments of this industry within the Taxi and  
11 Limousine Commission, there are segments, very  
12 different constituencies so I don't know if that  
13 statement holds. But then your statement is, is  
14 it the rightful function to protect one segment of  
15 an industry from competition, you guys have been  
16 tinkering with this system, at least I'm here  
17 three years, chairman of this Committee, you guys  
18 are always promulgating regulations that deal with  
19 the various segments of the industry, that's your  
20 charter-mandated mission. So I didn't understand  
21 that either and I think the councilman's point is  
22 correct, you are a regulatory agency by nature of  
23 your mandate.

24 ASHWINI CHHABRA: We are a  
25 regulatory agency, I think we--my position would

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2 be that our overriding concern has to be passenger  
3 safety, passenger convenience, and the health of  
4 all of our regulated industries. And with that  
5 mandate, we should not seek to preserve the market  
6 share of any one particular segment that may exist  
7 at any particular--at any given point in time. It  
8 may be that this will adversely impact black car  
9 or livery business, it may be that it does not. I  
10 don't know that you want the regulator stepping in  
11 and saying whatever the market share of the black  
12 car segment is today, we have to preserve that in  
13 perpetuity; whatever the market share of the  
14 yellow taxi segment is today, we have to preserve  
15 that into perpetuity, because what that results in  
16 is a much tighter control on these industries,  
17 which I've never heard from members of the  
18 industry that they want, and I think that would  
19 actually adversely impact the passenger  
20 experience.

21 CHAIRPERSON VACCA: Well I just  
22 want to make clear that I expect the Commission in  
23 whatever you do to take into account the reality  
24 that we have five boroughs in this city, that we  
25 have people of limited means in this city, and

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2 that we have people in this city who are  
3 geographically isolated in communities far flung  
4 from Manhattan, they are entitled to service too.  
5 And the refusal issue, the fact that I ain't going  
6 there, these things concern me, and I'm sure that  
7 they concern you, but I want to make sure that  
8 these people are represented. I don't ever want  
9 to hear I'm not going to Throgs Neck, I'm not  
10 going to south shore of Staten Island, I'm not  
11 going to the Rockaways, this is what we heard for  
12 years. And then, of course, we heard we're not  
13 going to the South Bronx, we're not--this was  
14 heard by many, many people and I don't want to  
15 recant instances that happened where we had  
16 testimony before this Committee. So I want that  
17 kept uppermost in your mind.

18 ASHWINI CHHABRA: I think we are  
19 very much on the same page on that. I think, if  
20 anything, this technology, coupled with  
21 regulations that do not permit apps to request a  
22 destination, will go very far along those lines,  
23 and may actually help the situation.

24 CHAIRPERSON VACCA: Okay. Council  
25 Member David Greenfield.



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[Pause]

FEMALE VOICE: Oh, he left.

CHAIRPERSON VACCA: Oh, he can't be next, he left, I'm sorry. He was next, I want you to know I did the right thing, but he wasn't... Council Member Rodriguez.

COUNCIL MEMBER RODRIGUEZ: Thank you, Chairman. I have a few question, one is, are the livery taxi drivers and the black car allowed to pick up passengers who do a street hail?

ASHWINI CHHABRA: They are not.

COUNCIL MEMBER RODRIGUEZ: Is that a TLC regulation?

ASHWINI CHHABRA: I believe it is both TLC regulation and law.

COUNCIL MEMBER RODRIGUEZ: Okay. Are the yellow taxi drivers allowed to pick up prearranged passengers?

ASHWINI CHHABRA: They are not. That is a part of rulemaking we're--

COUNCIL MEMBER RODRIGUEZ: [Interposing] Okay. They're not, right.

ASHWINI CHHABRA: They are not.

COUNCIL MEMBER RODRIGUEZ: They are

1  
2 not. So in order to make the change, the City  
3 Council has to approve the change.

4 ASHWINI CHHABRA: My understanding  
5 is that it is not a Local Law fix that is needed  
6 there but a TLC rule fix.

7 COUNCIL MEMBER RODRIGUEZ: So in  
8 order for the livery taxi to be allowed to pick up  
9 a street hail, the TLC can make the change without  
10 coming to the City Council.

11 ASHWINI CHHABRA: Well, as you  
12 know, legislation was passed to create borough  
13 taxis and so that legislation does permit and  
14 would create a class of livery taxis that could do  
15 street hails, and so that was done--

16 COUNCIL MEMBER RODRIGUEZ:  
17 [Interposing] But I just call on my Chairman and  
18 the rest of my colleague to look on possibility of  
19 moving on legislation to stop the TLC to move  
20 ahead on this plan. I believe that you don't have  
21 the authority to make a change in the regulation  
22 that has been running the industry for both. The  
23 yellow taxis and the livery taxis and the black  
24 car. I believe that the way of how this system  
25 has been working has been--we've been having a

1  
2 good system. I believe that you trying to do the  
3 same thing which was a change of the outer  
4 borough--of the whole taxi outer borough plan,  
5 something that I had my opinion at the beginning  
6 about the way of how that happen at the end, you  
7 went without a home rule decision [off mic]  
8 council. And I believe that, yes, this make a  
9 change of regulation and I don't feel that the TLC  
10 has a right right now to allow the yellow taxi  
11 industry--to who've I have a lot of respect--but I  
12 believe that they serve particular population.  
13 There's million of tourists that they come here  
14 every year and that's one of the big number of  
15 passenger the yellow taxis provide the service  
16 every year. I believe that coming right now  
17 saying that you have the right to make a change to  
18 allow yellow taxis drivers to do prearrange when  
19 they are not allowed to do it is against what you  
20 were supposed to be doing, I don't think that you  
21 will follow the rules and I call on my Chairman  
22 and my colleague to explore the possibility of  
23 putting legislation to stop the plan.

24 CHAIRPERSON VACCA: Thank you,  
25 Council Member Rodriguez. And his point and my

1  
2 point before was that your regulations over the  
3 course of many years have recognized each  
4 different segment of the taxi industry, you've  
5 promulgated rules and you've recognized each  
6 different segment, and you have regulated each  
7 different segment, and you should not be doing  
8 harm to any segment of that community, those  
9 segments of the community should be working in  
10 tandem serving the people of the city. Yet there  
11 are people throughout the industry who feel lately  
12 that some of the TLC rules and regulations have  
13 been negative towards them.

14 So my point is that when you say  
15 you have hands off, in reality, your regulations  
16 always have an impact on the segments of the  
17 industry that you yourself have recognized as  
18 being in existence under your purview. Council  
19 Member Cabrera.

20 CHAIRPERSON CABRERA: I just need a  
21 point of clarification. You mentioned that the  
22 RFP--I just want to make sure I heard it right--  
23 the RFP for in which the 19 app companies apply,  
24 it was only for the yellow cabs, did I hear that  
25 right or did I...?

1  
2 ASHWINI CHHABRA: The way it was  
3 formulated was with the yellow taxi market in mind  
4 because, again, that is where there are T-PEP  
5 systems in the vehicles. The--I think if we got  
6 responses that worked for the yellow taxi segment  
7 and could be used in, for example, borough taxis  
8 because they too would have this technology  
9 component embedded in the vehicles, that would be  
10 a service that I, for one, would want to explore.  
11 We would want the same capability in the borough  
12 taxis as we do in the yellow taxis. We haven't  
13 come to that bridge yet so we have not had to make  
14 a decision on that.

15 CHAIRPERSON CABRERA: So just help  
16 me understand, this is not a trap question.

17 ASHWINI CHHABRA: No--

18 CHAIRPERSON CABRERA: I just  
19 really--I want to get this straight. The outer  
20 borough liveries, are they going to be able to do  
21 e-hail, and if they're not--are they?

22 ASHWINI CHHABRA: Well just to  
23 clarify for me, what do you mean by when you say  
24 the outer borough liveries, do you mean livery  
25 cars as they exist today?

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CHAIRPERSON CABRERA: Right.

ASHWINI CHHABRA: They already have this.

CHAIRPERSON CABRERA: Okay. They will be--

ASHWINI CHHABRA: They already have this. So some of the companies that are seeking to do this today in the yellow taxi segment, they have been doing this in livery cars and--or at least in black cars, and now, increasingly, livery cars. We put out two industry notices last summer that clarified for app developers and for livery bases and drivers what the rules were, so if you're going to use one of these apps here are all the TLC regulations that you have to still comply with even though you're getting your trip request now through a smartphone as opposed to through a Nextel device. But that technology existed--

CHAIRPERSON CABRERA: [Interposing] And then they can just move--from which groups are you getting the most complaints from?

ASHWINI CHHABRA: On sort of the last year allowing smartphones in the liveries?

CHAIRPERSON CABRERA: Right.

1  
2 ASHWINI CHHABRA: I think there  
3 were some concerns from larger bases who felt that  
4 this was--these were businesses that were not New  
5 York City businesses and were coming in. But the  
6 feedback that we've had in the year since they've  
7 been in circulation is that they found that the  
8 services are, for the most part, complying and  
9 have become bases and are being good corporate  
10 citizens and are abiding by the TLC regulation.  
11 So I think there was an initial nervousness about  
12 new players entering the market; in the interim, I  
13 think having those new players enter the market  
14 has actually been a spur to innovation for our  
15 resident industries, who were, sort of, above and  
16 beyond in terms of their technological advances,  
17 but this has now, sort of, added more competition  
18 and I think it's made them more competitive as  
19 well.

20 CHAIRPERSON CABRERA: And for the  
21 sake of clarity, I guess this is the overarching  
22 question people are asking, since it is  
23 prearranged, why not keep it limited to liveries  
24 instead of yellows?

25 ASHWINI CHHABRA: I think for the

1  
2 reasons I mentioned before: Passengers want this.  
3 So for a lot of the folks who primarily work or  
4 live in Manhattan, the yellow taxi fleet, it's  
5 there; it's, at times, it's underutilized; at  
6 times, there's a cab three blocks away and the  
7 driver doesn't know you're here and you can't get  
8 over there, this simply extends the ability to  
9 hail that taxi.

10 CHAIRPERSON CABRERA: So you will  
11 say that you are moving--so it will be a movement  
12 towards prearranged through the use of technology.

13 ASHWINI CHHABRA: I think that's  
14 probably a precise--

15 CHAIRPERSON CABRERA: [Interposing]  
16 Okay. Thank you very much.

17 CHAIRPERSON VACCA: Let me ask  
18 something, if there are black cars and some livery  
19 companies that now use apps, is that your  
20 testimony?

21 ASHWINI CHHABRA: There are, yeah.

22 CHAIRPERSON VACCA: Aren't they  
23 governed by TLC regulations which you haven't  
24 promulgated yet? How are they having these hand-  
25 held instruments in the car and is there an extra



1  
2 charge? I have the same questions I have  
3 regarding the yellows, but at least there you're  
4 telling me you're promulgating regs, but how are  
5 they doing this with no regulations promulgated?

6 ASHWINI CHHABRA: So on the black  
7 cars side, there's different regulations than  
8 there are for the yellow taxi side. So what I pay  
9 when I get into a yellow taxi is what the meter  
10 says I have to pay--

11 CHAIRPERSON VACCA: Okay.

12 ASHWINI CHHABRA: --and we have to  
13 preserve that for the yellow taxi side--

14 CHAIRPERSON VACCA: Okay.

15 ASHWINI CHHABRA: --when I call the  
16 base, I pay the fare that is quoted to me.

17 CHAIRPERSON VACCA: And with the  
18 liveries they don't have meters.

19 ASHWINI CHHABRA: And with the  
20 liveries they don't have meters, and the black  
21 cars they don't have meters, and so there are  
22 different regulations, regulations nonetheless,  
23 and any--

24 CHAIRPERSON VACCA: [Interposing]

25 All right, so on the charging issue I understand--

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ASHWINI CHHABRA: Yeah.

CHAIRPERSON VACCA: --okay. Tell me about the prohibition against having hand-held devices.

ASHWINI CHHABRA: Our rules are different on the black car side. So on the black car side, smartphones aside, there--a base needs to be able to communicate with its drivers, needs to be able to dispatch trips to those drivers--

CHAIRPERSON VACCA: [Interposing] So they're allowed to have a hand-held device--

ASHWINI CHHABRA: [Interposing] They are allowed to have--

CHAIRPERSON VACCA: --and the livery?

ASHWINI CHHABRA: Same.

CHAIRPERSON VACCA: They're allowed to have hand-held device.

ASHWINI CHHABRA: They are.

CHAIRPERSON VACCA: Okay. I want to mention we're joined by Council Member Eric Ulrich. There being no further questions, we--I'm sorry [off mic] no--I thank you so much for your attendance. Oh, you do, oh, Darlene, I'm sorry.

1  
2 COUNCIL MEMBER MEALY: Yeah, I just  
3 have a state--

4 [Crosstalk]

5 CHAIRPERSON VACCA: --Mealy.

6 COUNCIL MEMBER MEALY: I kind of  
7 concur with my colleague Ignizio, it's like you're  
8 becoming a superpower and something is wrong with  
9 that. And what my colleague Rodriguez just said,  
10 I'm looking forward. If he put in--well we said  
11 we was going to do some legislation with him, that  
12 is a good thing.

13 And one thing I want to ask you,  
14 how many passengers--do you have a polling, how  
15 you did your polling in regard to people saying  
16 that they want these apps?

17 ASHWINI CHHABRA: Yeah, so it's--  
18 maybe it's a little-known fact, but in each of the  
19 cabs where you've got the taxi TV, we have the  
20 capability of running surveys. So we run surveys  
21 around primary day to ascertain whether people  
22 have voted and if they know there's an election on  
23 and so forth; we run surveys regularly to ask  
24 passengers how long they may have waited for their  
25 taxi, whether they would want street hail taxis in

1  
2 the outer boroughs; and some of the questions that  
3 we've also asked pertain to whether they own  
4 smartphones and whether this is a service that  
5 they would value. So over the past year or so  
6 we've run various surveys, and that's where we've  
7 gotten some of those stats from.

8 COUNCIL MEMBER MEALY: Thank you.

9 CHAIRPERSON VACCA: Thank you,  
10 Council Member Darlene Mealy. We thank you for  
11 your testimony.

12 ASHWINI CHHABRA: Thank you.

13 CHAIRPERSON VACCA: We'll call up  
14 our first panel, every speaker is limited to three  
15 minutes as part of their presentation. Jesse  
16 Daus--I'm sorry, Jesse--

17 JESSE DAVIS: Davis.

18 CHAIRPERSON VACCA: Davis, I'm  
19 sorry--

20 [Off mic]

21 CHAIRPERSON VACCA: --CMT, Karen  
22 Gouragey, and Dorrie Rush from Lighthouse  
23 International.

24 [Off mic]

25 SERGEANT-AT-ARMS: One more.

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[Crosstalk]

SERGEANT-AT-ARMS: I'll get it,  
I'll get it. You can sit right here.

KAREN GOURGEY: I like to make an  
impact--

[background noise]

SERGEANT-AT-ARMS: All right, if  
you have copies of your statements, I'll collect  
them.

KAREN GOURGEY: I'll be e-mailing  
mine.

[Off mic]

KAREN GOURGEY: I'll be e-mailing  
mine, I apologize.

[Off mic]

SERGEANT-AT-ARMS: Anyone else  
copies of--

[background noise]

SERGEANT-AT-ARMS: Thank you very  
much.

CHAIRPERSON VACCA: Oh, we're back.

[Off mic]

MALE VOICE: --and use this to get  
a cab without having to call and--

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[Crosstalk]

CHAIRPERSON VACCA: Thank you. Ms. Gourgey, would you like to go first and introduce yourself, please?

KAREN GOURGEY: Thank you, let's see, okay, we're working, all right. Good morning everyone, my name is Dr. Karen Gourgey, I am the Director of the Computer Center for Visually Impaired People at Baruch College, I also represent the Pedestrians for Accessible and Safe Streets, as well as representing the New York City chapter of the American Council of the Blind of New York City, and now I've taken my three minutes saying all of that. I am here in strong support of bill--of Intro 599.

And first I want to start out by expressing huge thanks to Jesse Davis and his colleagues at Creative Mobile Technologies for taking on the challenge and showing terrific results that it, in fact, is possible in a cost effective manner to create a system of accessibility for taxis that will finally allow those of us who don't use vision as our primary motive operating in the world to know, A, how much

1  
2 we're being charged as we take our trip; B, to be  
3 able to use the credit card system independently;  
4 and C, to be able, if we choose, to turn off the  
5 TV. That's one of the most important things to me  
6 in thinking about this. It's been many years  
7 since everybody else has been able to do this and  
8 finally it's--we're very grateful to see that we  
9 will actually have the chance to do this.

10 As systems move forward, I wanted  
11 to make a couple of comments to the TLC, I don't  
12 know if he's still here, but I hope the comments  
13 would reach him. One is that as we go along we  
14 hope that they will still maintain the Braille and  
15 large print numbers that are actually written and  
16 that you get to find immediately when you get in  
17 the taxi. That's a very useful thing for people  
18 who are hearing impaired and blind, as well as  
19 people who have low vision, so we think it's very  
20 important that that be maintained.

21 Secondly, at this point, we know  
22 that one of the TLC rules is that the taxi driver  
23 not be able to touch the cards, the credit cards  
24 of passengers, but as we move forward, we know  
25 implementation is going to take a long time. It's

1  
2 still the case that there are people who are blind  
3 or perhaps visually impaired who might need help,  
4 and so we would suggest that that rule be  
5 rescinded, so that in the cases where help is  
6 needed it can actually be given.

7 Finally, I would like to--is that  
8 my three minutes? Maybe I won't make that point.

9 CHAIRPERSON VACCA: Finish up--

10 [Crosstalk]

11 KAREN GOURGEY: I will just make  
12 the point that we hope that as the apps are being  
13 developed that we heard about this morning and as  
14 the TLC is promulgating its rules for those apps,  
15 that care is taken that accessibility not be only  
16 limited to the payment system in taxis but if the  
17 City is allowing e-hails, that the apps that make  
18 that possible need to be accessible to people who  
19 happen to be blind or visually impaired so that  
20 the idea of accessibility for us becomes a  
21 seamless part of all of the progress that's being  
22 made in technology as we go forward. Thank you.

23 CHAIRPERSON VACCA: Thank you. Mr.  
24 Marks, do you want to speak first and then Mr.  
25 Davis. Identify yourself for the record.



1  
2                   LESTER MARKS: Sure, my name is  
3 Lester Marks, I'm the Director of Government  
4 Affairs at Lighthouse International.

5                   Lighthouse has been around since  
6 105--since 1905 and is dedicated to helping people  
7 of all ages overcome vision loss. I want to thank  
8 the Committee and the chairman for really bringing  
9 this issue to light.

10                  As you know, Intro 599 is something  
11 that we support fully and urge the Committee to  
12 pass at its earliest possible time. Currently,  
13 thanks to the work of the chair and Creative  
14 Mobile Technologies, approximately 10% of the  
15 fleet is accessible to people with visual  
16 impairment. You know, and we work closely, we  
17 tested the software in the CMT taxicabs and we're  
18 grateful for this effort. I think but the reality  
19 remains that 90%, or over 90% of the taxi fleet in  
20 New York City is not accessible to people with  
21 visual impairment, and this is something that I  
22 think you know, just further supports the need for  
23 passage of this legislation and Intro 599.

24                  A couple things I would just add  
25 that I think are important as the Committee moves

1 forward and as TLC moves forward. First thing I  
2 think to keep in mind is the consistency issue.  
3 Regardless of--well with the legislation that's  
4 passed or any rules that are promulgated by the  
5 TLC, I think consistency or uniformity in each cab  
6 is something that has to be part of this. A  
7 person with a visual impairment who goes into a  
8 cab cannot have systems or credit card in a  
9 different place in a different cab. So I think  
10 that uniformity throughout the fleet is a real  
11 important thing.  
12

13 Obviously, the audible commands are  
14 something that's integral to this and letting  
15 somebody with a visual impairment or who is blind  
16 know where they are at a location update  
17 throughout their ride is something that I think is  
18 an important part of this. Letting somebody know  
19 audibly how much the cab fare is, how much the tip  
20 is. These are all things that are crucial to this  
21 program and are things that exist within the CMT  
22 cabs and the rollout that was announced in the  
23 spring of 2012, but I think also need to remain  
24 consistent throughout the entire taxi fleet.

25 And one thing I'll just add also on

1  
2 the--you know, in my testimony, which I won't  
3 read, but I think there's also a need for a  
4 dispatch component. And whatever form that  
5 dispatch component is--whether it's an e-hail  
6 system, whether it's a telephone system, whether  
7 it's a combination of both--I think is an  
8 important part of this because, yes, we can have,  
9 you know, a payment system that is accessible to  
10 visual--to somebody who is visually impaired, but  
11 the reality is it's difficult for any New Yorker  
12 to hail a cab and I think it's more difficult or  
13 even further for somebody with a visual impairment  
14 to stand on the side of a street and put their arm  
15 out, and we take that for granted and somebody who  
16 is sighted takes that for granted. But a dispatch  
17 system could make it easier and it could allow for  
18 further use and maybe, you know, increased usage  
19 of the taxi system in New York City if there is  
20 some sort of dispatch component. So I would  
21 definitely echo the comments of Karen and say that  
22 whatever app is developed has to make sure that  
23 it's accessible to somebody with visual  
24 impairment.

25 So I thank the Committee again, I

1  
2 thank the Chairman for his leadership on this, and  
3 urge you to pass 599.

4 CHAIRPERSON VACCA: Thank you very  
5 much, you raise very good points, I appreciate  
6 that. And the Chair will work with Lighthouse. I  
7 can only thank Lighthouse for their work on this  
8 project from the very beginning, and I especially  
9 also want to thank, before you speak, Mr. Davis, I  
10 want to thank you and Creative Mobile  
11 Technologies. You've been in the vanguard of this  
12 accessibility issue and I thank you so much for  
13 your ability and your willingness to come forth at  
14 a very early point in this whole effort. And I do  
15 also want to single out for his advice and help  
16 Governor Paterson, who may be here at some point  
17 today.

18 And I now want to call upon Jesse  
19 Davis, introduce yourself please, and thank you  
20 for your help again.

21 JESSE DAVIS: Good morning,  
22 Chairman Vacca and members of the Transportation  
23 and Technology Committee. My name's Jesse Davis,  
24 I'm President of Creative Mobile Technologies--

25 CHAIRPERSON VACCA: [Interposing]

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Put your mic on, please? I'm sorry.

JESSE DAVIS: Is it on now? Okay.

Good morning, Chairman Vacca and members of the Transportation and Technology Committees, my name is Jesse Davis, I'm President of Creative Mobile Technologies, a New York-based company which specializes in taxi and for-hire vehicle payment, data, and media solutions and we operate in more than 60 cities throughout the country. And I want to thank you for the opportunity to testify today on Intro 599. It's a commendable piece of legislation that CMT fully supports.

CMT has worked extensively on the development of what we call our VIP MOBILE platform for the visually impaired and low vision passengers--an initiative we undertook with input from Chairman Vacca's office and the Lighthouse International. And in just a few short months and after gathering extensive feedback from advocates, on April 17th, 2012, CMT announced VIP MOBILE alongside former Governor Paterson, Chairman Vacca, Lighthouse International, and representatives from the TLC at a press conference in front of City Hall.

1  
2 Since then, VIP MOBILE has been  
3 installed in nearly 1,600 out of our 6,600 CMT  
4 taxicabs in New York City and VIP MOBILE is  
5 operating in an additional 4,000 taxis in cities  
6 including Boston, Philadelphia, and Chicago.  
7 Basically, wherever our next-generation passenger  
8 information monitors are installed, so is VIP  
9 MOBILE.

10 If it's all right with the Chair,  
11 in anticipation of what I imagine will be  
12 questions from Council Members, I'd like to hold  
13 off on explaining the step-by-step process for the  
14 question and answer period.

15 CHAIRPERSON VACCA: Thank you.

16 JESSE DAVIS: Okay.

17 CHAIRPERSON VACCA: And I do have  
18 some questions.

19 JESSE DAVIS: All right, so just to  
20 finish, so--

21 CHAIRPERSON VACCA: Oh, okay, you  
22 want to continue--

23 JESSE DAVIS: Yeah just to finish--

24 CHAIRPERSON VACCA: --I'm sorry.

25 JESSE DAVIS: --basically, through

1  
2 a voice program and customized media screen, VIP  
3 MOBILE enables blind and visually impaired  
4 passengers to get the same level of autonomy and  
5 customer service as any other passenger. While  
6 eventually we plan to have VIP MOBILE installed in  
7 all 6,600 CMT taxicabs in New York City, it'll be  
8 a substantial challenge to install the VIP MOBILE  
9 program in our first generation units due to the  
10 difference in the technology platforms. However,  
11 we'd like to work with Chairman Vacca on a program  
12 that facilitates as many installations as possible  
13 within a reasonable timeframe. Of course, we  
14 would look to work with Council and advocates to  
15 develop a cost effective solution for people with  
16 hearing impairments, just as we did with VIP  
17 MOBILE.

18 T-PEP has proven to be an  
19 unequivocal success at many levels. It is the  
20 gold standard of taxi technology across this  
21 country. As we look ahead to the next year of T-  
22 PEP, we must also look back to what has made T-PEP  
23 so exceptional, and that is an unwavering  
24 commitment to safety and security of credit card  
25 data, the durability of the hardware, the capacity

1  
2 of the media screens, and in-taxi technology, and  
3 the powerful backend network infrastructure--all  
4 standards that, in the end, only two companies  
5 were ultimately able to meet during the intensive  
6 T-PEP RFP in 2006.

7           Innovations like VIP MOBILE can  
8 only have emerged from companies that invest in T-  
9 PEP and the city. Tech companies whose only  
10 interests are in profit margins and attracting  
11 venture capital must prove to the Council and to  
12 the TLC that they too can meet the strict  
13 standards of T-PEP. As we move forward to T-PEP  
14 2.0, we must continue to race to the top, not the  
15 bottom.

16           Thank you, and I'll be happy to  
17 answer any questions.

18           CHAIRPERSON VACCA: Thank you  
19 again. I want to ask you how many taxis now have  
20 the accessible--

21           JESSE DAVIS: [Interposing] It's  
22 just under 1,600 and it grows every day.

23           CHAIRPERSON VACCA: How does it  
24 work specifically, can you tell us?

25           JESSE DAVIS: Well, and I'll use



1  
2 the flowchart, the basic foundation of the program  
3 is to facilitate the payment process, which is  
4 shown up here on the board. And I'll take  
5 through. In order to go through the program, the  
6 voice prompt is integral to the interaction with  
7 the visually impaired passenger. So when the  
8 meter goes on in a car the first thing it has to  
9 do is announce to the passenger that the car is  
10 enabled. So if somebody is in a taxi today, they  
11 know they're in a car that supports the VIP MOBILE  
12 platform. So we've added dialogue into the  
13 prologue that the TLC put out that informs the  
14 passenger that they're in a car with VIP MOBILE  
15 support. That's step one, is allowing the  
16 passenger to know they're in there.

17 Now to activate and to switch the  
18 programming from the normal T-PEP programming into  
19 a VIP MOBILE platform, there's two ways that can  
20 be activated. The simplest way for any passenger  
21 getting in for the first time is to ask the  
22 driver, and we've added a very quick button on the  
23 driver terminal that the driver could just hit and  
24 it will flip the program into the VIP mode. The  
25 other way, and to give the passenger complete

1  
2 autonomy in control of the situation, is we've  
3 created a VIP MOBILE card, it looks like a credit  
4 card, we've cosponsored it with the Lighthouse and  
5 they've made it available to anyone who calls up  
6 and asks for it for free. And by using the card  
7 when they get into a cab, they just have to swipe  
8 the card into the credit card swipe in the back  
9 and it will activate the VIP MOBILE feature. And  
10 the reason we had to create the activation is just  
11 so the normal riding public doesn't accidentally  
12 trigger it or do it maliciously because once it's  
13 activated, the driver doesn't have the ability to  
14 turn it back off, it's totally up to the passenger  
15 control.

16 So the program is activated, the  
17 first prompt that's offered to the passenger is  
18 the ability to adjust the fare--I mean to adjust  
19 the volume and/or the speed of the voice. We  
20 worked with the focus groups over the few months  
21 to get a volume and a tempo and a voice that would  
22 be considered most acceptable to the community,  
23 but everybody has different preferences and we've  
24 given the ability to adjust the volume and the  
25 tempo of the voice.

1  
2                   Since it's voice commands and  
3 you're interacting with a touch screen, is if you  
4 can see on where a credit card screen that has a  
5 cash and credit button, that allows you to enter a  
6 tip through a keypad. We've had to redefine the  
7 screen basically and originally started out into  
8 just four sections: Top left, top right, bottom  
9 left, bottom right. Very easy for a blind or  
10 visually impaired person to just put their hands  
11 on the left and right side of the screen and just  
12 simple thumb prompts be able to navigate. In the  
13 focus groups, we had to add a fifth button, which  
14 we've called the repeat button because you could  
15 miss a command, you could miss an instruction and  
16 you just want to be confident of what you had  
17 before you take any action.

18                   So the basic layout of the prompt  
19 is the top left and the top right are always  
20 options you can choose to do, whether it's voice,  
21 whether it's increase or decrease, cash or credit,  
22 enter a tip; bottom left is always a cancel, go  
23 back to undo a command; bottom right is always an  
24 accept, go forward. And we added a bottom middle,  
25 and the reason a bottom middle because on our

1  
2 screens we actually have a raised logo so it's  
3 easy for a visually impaired person to know that  
4 they're in the center of the screen, and that's a  
5 replay button. And the replay button has a few  
6 features: One, it will repeat the last command or  
7 instruction that you were on, it will always  
8 announce the car that you're in. One of the  
9 important features we've learned is to know what  
10 medallion cab you're in, so it will always  
11 announce the vehicle number you're in, and it will  
12 always announce the current fare. So during the  
13 fare, while you're driving throughout the city, it  
14 came out to be very important for a passenger to  
15 know how much the meter is, it would give a  
16 security that for a person who frequents a cab  
17 that they're going a reasonable distance, they're  
18 not being taken for a ride. And so by hitting the  
19 replay button it will always announce the cab and  
20 the fare and the fare detail, so it'll break down  
21 the fare, the extras, any tolls that were entered,  
22 so you always know the state where you're at.

23 When the meter goes off, the  
24 payment process starts and then the voice dialogue  
25 will announce that the meter has gotten off so you

1 know you're at your destination, it will again  
2 repeated the detailed fare items giving you a  
3 complete breakdown of what the charges are, and it  
4 will prompt the passenger, which is shown, whether  
5 you want to pay for cash or charge a ride. And if  
6 you select charge a ride, the next part of paying  
7 by credit card is being able to enter a tip. And  
8 originally when we first put it out there, we had  
9 started out as a suggested 15% tip and you can go  
10 up or down, but then it was decided, you know,  
11 through dialogue that if you had a poor cab  
12 experience and wanted to do a smaller tip it would  
13 put a passenger in a position to be lowering a tip  
14 with the driver hearing and putting him impossibly  
15 in uncomfortable situations. So the tip process  
16 starts at zero and allows the passenger to  
17 increase in 5% increments and every time you  
18 increase it will tell you what percentage you're  
19 at and the dollar equivalent.

21 When you're all said and done, it  
22 will tell you, you except your fare, it will  
23 repeat once again the fare plus the tip and the  
24 total, allowing for that final confirmation. And  
25 once the tip is accepted, you swipe your card and

1  
2 it will announce if the credit card authorized or  
3 declined.

4 CHAIRPERSON VACCA: Great. You  
5 really explained it, thank you. I knew it but I  
6 want everybody else to know. Okay. Now, oh, I  
7 welcome Council Member Gale Brewer, who has joined  
8 us.

9 Is this the--

10 [Background noise]

11 CHAIRPERSON VACCA: Do I keep  
12 going?

13 [background noise]

14 CHAIRPERSON VACCA: Finish, okay.  
15 We have a--what do you call this?--video  
16 conference? Right, see? I'm learning all this  
17 technology stuff, what do you think, I'm easy or  
18 something?

19 [background noise]

20 CHAIRPERSON VACCA: Slowly. We  
21 have a video conference from London so we have to  
22 do that, but I don't think it's ready yet, right?

23 [background noise]

24 CHAIRPERSON VACCA: I'm sorry. No,  
25 yes, let me finish with this panel, okay. I have

1  
2 no further questions. You described it well. How  
3 has it been greeted by the visually impaired  
4 community? Have people commented? Have you  
5 received feedback or any concerns about it?

6 LESTER MARKS: Yeah, I think Dorrie  
7 Rush from Lighthouse International could speak to  
8 that and add some further comments.

9 DORRIE RUSH: First I'll ask--

10 CHAIRPERSON VACCA: [Interposing]  
11 Introduce yourself for the record first.

12 DORRIE RUSH: Okay. My name is  
13 Dorrie Rush, I am the Director for Accessible  
14 Technology at Lighthouse International.

15 Just to answer your question first,  
16 we have had feedback and most of it is that people  
17 are having difficulty getting to the CMT cabs  
18 because, obviously, when we're hailing a cab, you  
19 know, the chances of getting one are, I guess, one  
20 in ten, right? So it's wonderful that the  
21 technology is there, we want to use it, but it's  
22 where that we hit the, you know, the button on the  
23 head.

24 CHAIRPERSON VACCA: I thank you for  
25 that, that's why I have my legislation to require

1  
2 it.

3 DORRIE RUSH: Exactly.

4 CHAIRPERSON VACCA: We want it to  
5 be, not the exception, but the rule.

6 DORRIE RUSH: Exactly. Okay. So I  
7 will say a few other things. I am visually  
8 impaired, I am legally blind as a matter of fact,  
9 as a result of a progressive retinal disorder. So  
10 ten years ago--and I've lived in New York for 30  
11 years--ten years ago, I could see the meter, I  
12 could read the numbers, and little by little, over  
13 the last ten years, that got more and more and  
14 more difficult, and today I can't see it. So when  
15 I get in a cab I'm dying to know what the fare is,  
16 I have to ask at the end of the ride for the fare.  
17 Usually, the driver is a little perplexed because  
18 I don't look like I can't see the meter, so I try  
19 to explain.

20 Now in that case, I've had really  
21 always a good experience. But in today's world of  
22 technology, really, there's no reason why this  
23 kind of technology shouldn't be everywhere,  
24 accessible for everyone. We live in a world where  
25 technology is really creating an era of inclusion



1  
2 more and more.

3                   So I live in New York and as a  
4 visually impaired New Yorker I get to use  
5 accessible ATMs, so I get to do my banking  
6 independently, I get to use the wonderful  
7 MetroCard vending machines all on my own, I don't  
8 need help from anybody, fully accessible. I get  
9 to vote, I get to vote for City Council on my own  
10 at every polling place I know that there's an  
11 accessible voting machine. So there's really no  
12 excuse today.

13                   And Jesse is, you know, the gold  
14 standard because for so long we were afraid to ask  
15 for these things because we were always told it  
16 was too expensive, it was too difficult, it  
17 couldn't be done. That's not the case anymore.  
18 Today it's possible. So we look forward to having  
19 it, the technology, that we're very excited about  
20 using in all 13,000 cabs very soon.

21                   And I will agree also with my  
22 colleagues Lester and Karen, the consistency  
23 factor is so important to all people who are  
24 visually impaired, that it's in the same place and  
25 that it operates in the same way across the board.

1  
2 And as I said to my colleague Lester recently  
3 after Jesse informed us that San Francisco was  
4 mandating this technology in all their cabs, how  
5 the hell can San Francisco beat New York?

6 CHAIRPERSON VACCA: I think Gale  
7 says that in reference to something else, but on  
8 another issue they beat New York too. I thank you  
9 very much, all of you, you have done a fantastic  
10 job. Without Lighthouse and CMT, we would not be  
11 where we are. And we are somewhere, we just have  
12 to get further. This was an issue that was not  
13 spoken about until very recently, and nothing was  
14 done about it.

15 And, you know, I'm on this Council  
16 now seven years and I have to tell you, we have  
17 dealt with so many agencies and you know what I  
18 find time and time again? As soon as we introduce  
19 legislation, the agency says, oh, we're  
20 promulgating rules to do it. Well where were they  
21 all the time before we introduced the legislation?  
22 So I don't care how this gets done; I don't care  
23 if it's a rule, if it's a law, but I want to tell  
24 you something, it's going to get done. And I have  
25 the law in because I don't want any cracks, I

1 don't want any stone left unturned. You see,  
2 rules and regulations and policies are made and  
3 they can be changed; legislation lives in  
4 perpetuity. So that's the objective that I have  
5 here, I want legislation to live in perpetuity, to  
6 be codified, as they say, and I'm determined to do  
7 that.

8  
9 But I thank you all so much, you  
10 have been on the cusp and you've been advocating  
11 for something that should have been done long ago.  
12 Thank you.

13 DORRIE RUSH: Thank you.

14 CHAIRPERSON VACCA: Thank you all.

15 Now we're waiting for this London  
16 thing, so why don't we take a--

17 JOHN MASON: [Interposing] I'm  
18 here.

19 CHAIRPERSON VACCA: Oh, you're  
20 here, oh, okay.

21 JOHN MASON: I'm here.

22 [background noise]

23 CHAIRPERSON VACCA: Now what do I  
24 do, just look at him?

25 CHAIRPERSON VACCA: You're the

1  
2 lawyer, you're all looking at me. Oh, there he  
3 is, okay, I see you now, you see me?

4 JOHN MASON: I can see you, yes.

5 CHAIRPERSON VACCA: All right,  
6 good, now--

7 [Crosstalk]

8 CHAIRPERSON VACCA: --I know what  
9 I'm doing, okay. Would you want to--we have a  
10 very, very substantial audience here, so can you  
11 introduce yourself and--

12 JOHN MASON: [off mic].

13 CHAIRPERSON VACCA: --we'll take  
14 your testimony.

15 [Crosstalk]

16 JOHN MASON: Yes, my name is John  
17 Mason, I'm the Director of London Taxi and Private  
18 Hire--

19 [background noise]

20 JOHN MASON: --for [off mic] of  
21 London, so I have responsibility for all the  
22 license in London's famous--

23 CHAIRPERSON VACCA: [Interposing]  
24 Can you wait one second, sir?

25 [Crosstalk]

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CHAIRPERSON VACCA: Wait one second--

JOHN MASON: Sure.

CHAIRPERSON VACCA: --we're going to raise the voice, and we're going to get it on the screen.

JOHN MASON: Okay. Do you want me to start from the top?

CHAIRPERSON VACCA: No, wait one minute. I want him on these--

[background noise]

[Long pause]

CHAIRPERSON VACCA: Okay. If everyone can give their attention, the gentleman is on this screen that I can see but he's not on the screens on this side, so we will proceed with his testimony. All right, would you introduce yourself, sir, for the record and we can start.

JOHN MASON: Okay. Sir, my name is John Mason, and I'm the Direct--can you hear this?

CHAIRPERSON VACCA: Yes, I--

[Crosstalk]

JOHN MASON: --I'm sorry. I'm the Director of London Taxi and Private Hire vehicles.

1  
2 I'm sorry, I'm getting a lot of feedback. Modern  
3 technology.

4 CHAIRPERSON VACCA: No, no, now  
5 you're good, go ahead.

6 JOHN MASON: Okay. Great, thank  
7 you. So I'm responsible for all the licensing of  
8 taxis and private hire vehicles in London, I  
9 report to the mayor, and I'm Transport for London  
10 which created in the year 2000, and we currently  
11 license in the region of 90,000 taxi and private  
12 hire drivers and around about 35,000 vehicles,  
13 which are a mix of London's famous traditional  
14 black cab and private hire vehicles, which are a  
15 big wide range of different vehicles.

16 And so I was asked today just to  
17 tell you about our experience in the taxi booking  
18 applications. We've been involved heavily, we've  
19 introducing a taxi booking and [off mic] in  
20 London. And if you would like, I would just  
21 proceed and give you the information I have.

22 CHAIRPERSON VACCA: Yes, please.

23 JOHN MASON: Well taxis in London,  
24 the famous black cab that is known in--

25 [Pause]

1  
2 JOHN MASON: --to take around  
3 200,000 journeys every year--

4 [Pause]

5 JOHN MASON: --in volume to yellow  
6 taxis in New York. The service in London is  
7 widely recognized as one of the best, I would say  
8 the best because I'm responsible for all of them,  
9 but they're often voted one of the best in London--  
10 -in the world.

11 Taxi drivers in London have to  
12 undergo a very intensive training course, it's  
13 called the Rule of Knowledge and it takes  
14 approximately four years for drivers to pass, and  
15 that means drivers have an unparalleled level of  
16 understanding of London streets, key locations,  
17 and they're often the first point of call for any  
18 visitor to London from passengers wanting to go to  
19 the theater or to a sports event.

20 And all our taxis are regulated,  
21 the vehicles themselves are regulated by something  
22 which is known as vehicle conditions of fitness  
23 which determine the characteristics of London's  
24 black cabs. I'm sure something similar exists  
25 there in New York.

1  
2 In addition to completing this  
3 knowledge examination, every single taxi driver  
4 must undergo very comprehensive background checks.  
5 We have a process which is limited to the police  
6 databases and the security service databases, and  
7 no taxi driver is issued with a license unless  
8 they've undergone those very intensive checks.

9 Our taxis in London are recognized  
10 as a very safe and quick way of making valuable  
11 door-to-door transport services, and 100% of the  
12 taxi [off mic] in London are wheelchair  
13 accessible. Every single taxi that is licensed in  
14 London is required to be fitted with ramps for  
15 disabled for wheelchairs and for restraint and for  
16 straps to make sure that the wheelchair can be  
17 secured for every journey.

18 Also in London, we have a taxi card  
19 scheme which provides subsidized transport to  
20 people who have serious mobility impairments, and  
21 over 1 1/2 million journeys are made every year  
22 using that service.

23 I know that the review that you're  
24 undertaking at the moment is looking at taxi  
25 booking applications in the relevance to your



1  
2 yellow cabs, but I thought it was worth also  
3 touching on our private hire services in London  
4 because I know that there are similar services in  
5 New York. Private hire services in London are  
6 different to taxis: They cannot be hailed on the  
7 streets and they must always be pre-booked, and  
8 they cover a wide range of different types of  
9 vehicles. They include mini cabs, what are  
10 generally known as mini cabs, people carriers,  
11 chauffeur vehicles, executive cars, patient  
12 transport services, and, therefore, there are not  
13 the same level of restrictions on private hire  
14 services in London in terms of the vehicles that  
15 can be used that there are for the taxis.

16 All private hire journeys, as I  
17 said, must be booked and they must be booked for a  
18 licensed operator before the start of the journey.  
19 That means that the customer using the service has  
20 the opportunity to ensure that they agree a fare  
21 in advance and that they have a wide range of  
22 choice and of operators that will provide them  
23 with their particular vehicle needs. Drivers,  
24 therefore, are able to plan journeys in advance  
25 and the drivers licensed for this service do not

1  
2 have to go through an intensive [off mic] training  
3 course, they generally would use sat nav systems  
4 to assist them getting from A to B. However, like  
5 taxis, all the drivers must go through that very  
6 intensive vetting process, background checks, and  
7 medical checks.

8 A lot of the regulation in London  
9 stems from the day of the horse-drawn carriages,  
10 but a lot of it is still relevant today. We're  
11 quite fortunate in London and we as the licensing  
12 authority can actually make our own regulations  
13 and all those we don't need government approval  
14 and ultimately the mayor and the TFL board with  
15 whom the people that can sign off any changes to  
16 the regulations that we have. Private hire  
17 vehicles were only licensed from 1988--1998,  
18 sorry, in London and the licensing of private hire  
19 vehicles follows a regulation that was introduced  
20 in the rest of the United Kingdom that was  
21 introduced in 1976. All the legislation for  
22 private hire vehicles only covers vehicles of  
23 eight seats or less, so any vehicles, for example,  
24 limousines, that are over eight seats do not fall  
25 under our jurisdiction.

1  
2 In terms of the mayoral priorities  
3 that we work to, a key role that I have is  
4 delivering the mayor's priorities for taxis and  
5 private hire vehicles in London and these are  
6 published in a wide range of different documents,  
7 the mayor has to have a specific transport  
8 strategy and he has to have an air quality  
9 strategy. In terms of some of the key priorities  
10 the mayor has, I've picked out three that I think  
11 are particularly relevant. One of the number one  
12 priorities the mayor has at the moment is reducing  
13 harmful emissions and addressing the serious  
14 problem of poor air quality in London and taxis  
15 have a very [off mic] because 25% of the most  
16 harmful emissions are coming from ground transport  
17 [off mic] 25% come from the cabs. And generally  
18 they're older diesel taxis and it's a serious  
19 problem that the mayor is attempting to address.

20 The second priority that we really  
21 focus on is, obviously, maintaining the safety of  
22 the traveling public, absolutely important. And  
23 the third [off mic] that I wanted to focus on,  
24 these are maybe show that we support local  
25 businesses and economic growth in the capitol.



1 TFL and the mayor are of the firm  
2 view that electronic taxi hailing systems has a  
3 major role to play in reducing harmful emissions  
4 by reducing unnecessary taxi idling and taxi  
5 mileage that is generally created if taxis roam  
6 the street looking for people to hail them down.  
7 As is being the case recently, and we also believe  
8 the benefits of taxi hailing certainly outweigh  
9 the negatives, in addition to the potential  
10 emissions benefits, we feel the virtual hailing of  
11 taxis has the potential to significantly reduce  
12 taxi stop starts that we have in London where  
13 drivers are constantly on ranks waiting and moving  
14 forward and turning off their engines and starting  
15 and stopping, and also stopping along many  
16 journeys when passengers need to stop at ATM  
17 machines to get cash out to pay for the fare. We  
18 feel that they certainly improve the quality of  
19 the service and the safety of passengers where the  
20 application, and the applications in London at the  
21 moment generally provide this, where the  
22 application provides the customer with his [off  
23 mic] the application with real-time tracking of  
24 the taxi, but also a picture of the taxi driver  
25

1 and contact details of the taxi driver as well.

2 We also feel that the applications  
3 help reduce congestion, which is a major problem  
4 in London and I'm sure you have similar problems  
5 in New York, by speeding up the entry and exit  
6 into taxis. And so, for example, where people use  
7 the app generally they--many people who use  
8 applications are paying by pre-registered debit  
9 cards or credit cards. And, of course, when the  
10 journey ends, it's a simple case of pressing a  
11 button to confirm what the meter--the amount that  
12 the meter says rather than the driver and the  
13 passenger having this to and for with card  
14 acceptance or cash, receiving the change, and  
15 receipts being written, that kind of thing.

16 We feel it provides increased  
17 transparency for customers, every single record,  
18 every single journey is recorded, and also  
19 provides additional security benefits, we believe,  
20 for the drivers because, not only are the driver's  
21 and information available to the passenger, but,  
22 of course, in the vast majority of the cases,  
23 there is a record and some level of information  
24 regarding passengers as well.  
25

1  
2 And we feel very importantly at the  
3 moment, it provides an opportunity for the taxi  
4 drivers to maximize their own in potentially what  
5 are still very challenging economic times because  
6 it provides them with an additional tool to put  
7 them in place with the passengers quicker in order  
8 that they can do more jobs. And we do feel it  
9 makes a journey some additional enhancements of  
10 the journey.

11 Our position as the regulator is  
12 that we are encouraging competition amongst the  
13 application providers. My own overall approach is  
14 following a relatively straightforward process,  
15 and it's generally in line with the UK  
16 government's aspirations to support businesses and  
17 reduce administrative burden and regulation. We  
18 basically have an open door policy so we do not  
19 have any contracts with any application providers,  
20 we do not have any financial links to any of the  
21 application providers, we do not mandate that  
22 taxis must--taxi drivers or taxis must have or use  
23 these applications. And we are of the view that  
24 the competition within the trade is good and that  
25 customers and taxi drivers are free to choose

1  
2 whichever products they would like to use.

3           We've worked very closely with all  
4 of the taxi application providers that have  
5 approached us, in particular, with Hailo and  
6 GetTaxi who have established themselves firmly in  
7 London. Our [off mic] relationship with both of  
8 these providers has been excellent. Hailo in  
9 particular have been extremely proactive in their  
10 engagement with Transport for London, listening to  
11 our concerns and responding to this. As we have  
12 talked to them from the original days when this  
13 was just a concept through to the implementation  
14 operational [off mic].

15           Our key concern throughout our  
16 process has always been to ensure that only  
17 drivers licensed by us and continuously licensed  
18 by us are permitted to be accepted onto their  
19 application. Those concerns were very quickly  
20 allayed by both GetTaxi and Hailo and we are  
21 satisfied that they have very robust processes to  
22 ensure that only licensed drivers, drivers  
23 licensed by Transport for London are ever accepted  
24 on to their systems and that they take steps to  
25 remove them from their systems, should we have



1                   licensing issues with them.

2                                   In summary, we will continue to  
3                   work with all the application providers. While we  
4                   would say at the moment the market in London is  
5                   probably quite busy for all these applications,  
6                   those applications that have been launched, there  
7                   are applications in development, and there are  
8                   applications due to be launched, our view is that  
9                   we are allowing the market to find its level and,  
10                  ultimately, it will be only those applications  
11                  that provide the highest quality of customer  
12                  service, not just for the passenger but also for  
13                  the driver, that will survive in the long term.

14                                We feel that taxi booking  
15                  applications have improved the service, [off mic]  
16                  the excellent service taxis provide, and are  
17                  maximizing driver earnings and significantly  
18                  contributing to reducing harmful emissions.  
19                  Although we do feel a [off mic] regulator approach  
20                  is appropriate, as I said, our key concern and  
21                  consideration has always been ensuring that only  
22                  responsible taxi application providers are coming  
23                  to the market and that they do follow very robust  
24                  procedures to ensure that they ensure that all  
25

1 drivers on their circuits are licensed by us.

2 I'd like to thank you for your time  
3 and for inviting me to speak. I hope the  
4 information that I provided is of some use. I am,  
5 of course, happy to answer any questions you might  
6 have about our experience in London.

7 CHAIRPERSON VACCA: Thank you,  
8 thank you very much. I wanted to ask you, are  
9 fewer people--are fewer cabs driving around less?  
10 Or are more cabs driving around less, I should  
11 ask. Do you feel this has reduced the driving  
12 that the cabbie often does to get a passenger?

13 JOHN MASON: We certainly don't in  
14 terms of data, and I'd be interested--and most of  
15 the application providers have been willing to  
16 share with us information about the number of jobs  
17 they undertake, but I do think we probably don't  
18 know the real answer to that at the moment, and  
19 it's perhaps anecdotal as opposed to fact-based.  
20 What I do know is, as somebody who uses these  
21 applications myself, it's that they do seem to be  
22 having a real positive impact in reducing mileage,  
23 but I don't think we've had any real evidence.  
24 They seem to be incredibly popular with the  
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drivers and drivers do feel in--

[Pause]

JOHN MASON: --to me, that they are reducing the amount of [off mic] that they're having.

CHAIRPERSON VACCA: How is payment arranged? Do passengers pay more if they use an app? Is the cost given--is the cost passed through the driver? How is the cost element addressed?

JOHN MASON: There are different models, sir, and, again, we don't regulate what that model should look like. So, for example, the Hailo app, there are no credit card processing fees to the passenger, the passenger basically pays what he sees or she sees on the meter plus any tip that they wish to pay. The driver then pays a small commission to Hailo for the job, and from that commission will also pay any credit card fees. So it is quite a radical change from previous systems that we've seen in London where normally there's an additional subsidy or charge to the passenger for paying by a credit card or a debit card. So at the moment, Hailo, for example,

1  
2 their model is no additional charges to the  
3 passenger and the driver absorbs those charges.  
4 There are other applications that have different  
5 models.

6 What I would say is that I was  
7 quite skeptic that drivers would expect having to  
8 pay--take--you know, pay for the credit card  
9 processing charge, for example, whereas, at the  
10 moment--well up until now, that charge has been  
11 passed on to customers. However, it seems to have  
12 been accepted and, therefore, I can only conclude  
13 that the benefits that they must be getting more  
14 work as a result and are happy to absorb that  
15 charge.

16 CHAIRPERSON VACCA: Okay. I'd like  
17 to thank you very much.

18 JOHN MASON: Thank you.

19 CHAIRPERSON VACCA: Thank you, sir,  
20 for your help, thank you so much.

21 JOHN MASON: [Off mic] thank you.

22 CHAIRPERSON VACCA: Okay. We'll  
23 now go on to our panel. Our first panel is from--  
24 we have six people on our first panel and they all  
25 are from Hailo. Orlando Mendez, Ginny Lee, Jay

1  
2 Bregman, Delano Aloï [phonetic], Ms. DiKahn  
3 [phonetic], and Melissa Plaut. Each of you will  
4 have three minutes, and since you're all  
5 testifying to similar matters, if you want to  
6 yield or whatever you can feel free. Okay. Who  
7 would like to go first?

8 JAY BREGMAN: I'll go first.

9 CHAIRPERSON VACCA: Yes, please,  
10 introduce yourself. Turn on the microphone.

11 JAY BREGMAN: So my name is Jay  
12 Bregman, I'm the founder and CEO of Hailo, joined  
13 here by some of my colleagues, some of whom are  
14 New York City taxi drivers.

15 I first want to thank the City  
16 Council for holding these hearings today and for  
17 inviting us to participate. I'm extremely and  
18 particularly excited by the opportunity to build  
19 on Hailo's success in Dublin and London and bring  
20 what I feel is life enhancing technology to the  
21 city in which I was born.

22 New York City is a leader in  
23 facilitating and fostering tech innovation and we  
24 are excited to be involved in making taxi apps a  
25 reality here. In Hailo's case, our focus is

1  
2 firmly on increasing driver efficiency and  
3 enhancing the overall customer experience. Cab  
4 drivers are only as good as their line of site at  
5 any given moment. If they don't see a potential  
6 customer, they lose out on that business and the  
7 customer is stranded.

8 In New York City, yellow taxi  
9 drivers spend nearly 40% of their time cruising  
10 for fares. Hailo solves that problem by improving  
11 the driver's ability to see where fares are at any  
12 given moment. At the same time, we make it easier  
13 for passengers to find taxis when they need them  
14 in real time. We'll give a demo, but I'll give  
15 that in the question-and-answer period. Hailo  
16 doesn't focus on any other type of transportation  
17 service. We were co-founded by cab drivers in  
18 London and wherever we operate around the world,  
19 we only service licensed taxis who make accept  
20 street hails. This is because our strategy is to  
21 give drivers access to an advanced free toolkit  
22 which helps them optimize their shifts apart from  
23 simply giving them additional hails and connecting  
24 them to passengers.

25 Only when we reach a critical mass

1 of drivers who are using this driver-only  
2 community and toolkit do we then invite customers.  
3 But I just want to point out that in New York  
4 City, we will not charge drivers to use the  
5 network or to accept hails, our pricing model is  
6 different and localized, and understanding of the  
7 local regulations and the local differences in  
8 markets--in each market in which we operate in the  
9 world.  
10

11 Over the last few weeks we have  
12 seen various app developers rush to launch their  
13 products only to encounter problems as a result of  
14 hastes and what we feel is inexperience. This is  
15 familiar to us. In London, at least eight other  
16 apps launched into the market before Hailo. Few  
17 remain on the market today. These hiccoughs must  
18 not be allowed to derail the overall effort to  
19 introduce new smartphone technologies into New  
20 York City taxis. Apps have a value that  
21 transcends simple convenience. When executed  
22 correctly, as Hailo has done in London and Dublin,  
23 they can address long-standing challenges which  
24 have plagued New York's taxi drivers and  
25 passengers. In doing so, apps will revolutionize

1  
2 how taxis operate in New York City and  
3 substantially increase the standard of living of  
4 drivers and the riding public alike.

5 From helping those in wheelchairs  
6 access taxis, to ensuring that women working late  
7 at night are able to catch a cab without going  
8 outside, to making the driver experience more  
9 efficient and profitable, apps like the one my  
10 company offers have the potential to fundamentally  
11 change the way New York City's taxis operate. We  
12 will bring to New York City what we see happening  
13 thousands of times a day in London: People hail  
14 from inside their houses, they hail from the bar  
15 or coffee shop and they pay automatically and  
16 conveniently with a tap on the smartphone.

17 The key is execution. I want to  
18 take one minute to explain why I think Hailo will  
19 succeed where others, thus far, have stumbled.  
20 Hailo prides itself on inclusive planning with  
21 regulators and stakeholders when expanding into  
22 new markets, as we heard from John Mason, and we  
23 are committed to working with the City Council,  
24 the TLC, and the City Hall to implement the proper  
25 driver verification safeguards, including the



1  
2 assurance that all passengers are connected with  
3 active, licensed drivers and that our service  
4 integrates smoothly into New York City's  
5 transportation landscape.

6 Many in the tech space have spotted  
7 an opportunity to apply technology to how taxis  
8 are hailed, especially with the widespread  
9 popularity of smartphones across the socioeconomic  
10 spectrum, but spotting this trend is not enough.  
11 Success requires attention to the culture, the  
12 industry, and the regulatory realities of distinct  
13 markets. Hailo has a proven track record of its  
14 success working with local governments and  
15 regulators and we have the industry experience to  
16 execute here in New York City. We have been  
17 planning our launch here since when the business  
18 was founded and since when the business first  
19 started operating in early 2011. Our execution  
20 and our business model is based on arriving smart,  
21 not arriving fast.

22 Unlike some other app developers,  
23 our unique experience in transportation logistics  
24 has proven to be a distinguishing factor from our  
25 competitors. Our company was built by veterans

1  
2 from the tech and transportation spaces, three of  
3 Hailo's founders drove cabs in London, and every  
4 launch city includes a team of experienced drivers  
5 like those sitting up here with me today.

6 Since our November 2011 launch, we  
7 have nearly 30% of London's 23,000 taxi drivers  
8 signed up to the system. A Hailo hail is accepted  
9 in London every 20 seconds, and we deliver to  
10 drivers over half a million dollars a week in new-  
11 found fares.

12 CHAIRPERSON VACCA: [Interposing]  
13 Excuse me, I must ask you to conclude unless  
14 someone else that's with you is going to yield--

15 JAY BREGMAN: Okay. Lasuki  
16 [phonetic].

17 CHAIRPERSON VACCA: --and  
18 relinquish their time.

19 JAY BREGMAN: Yeah--

20 MELISSA PLAUT: Yield.

21 [Crosstalk]

22 CHAIRPERSON VACCA: Oh, she's going  
23 to relinquish her time.

24 JAY BREGMAN: Thank you very much.

25 CHAIRPERSON VACCA: Okay.

1  
2 JAY BREGMAN: So thank you,  
3 Melissa.

4 MELISSA PLAUT: You're welcome.

5 JAY BREGMAN: With Hailo, everybody  
6 wins, we use existing infrastructure to create a  
7 superior customer experience and we make drivers  
8 and the overall market function more efficiently.  
9 We are the largest--not only the largest but also  
10 the highest-rated taxi app in the world with over  
11 2,500 app store reviews with a five-star average.  
12 And Hailo's recently launched Dublin network  
13 became the largest taxi network in Ireland less  
14 than two months after launching and is growing  
15 faster than London at its early stages.

16 Hailo is a win-win for taxi drivers  
17 and passengers, giving an economic shot in the arm  
18 for the industry while also providing riders with  
19 a way to make their experience more convenient.  
20 Hailo is a supplementary service for drivers and  
21 passengers, it does not replace and will not  
22 replace traditional street hails, it merely  
23 creates more options for passengers and drivers to  
24 connect.

25 When executed correctly, this

1  
2 technology creates efficiency and increases  
3 accessibility. Passengers get rides more easily  
4 and reliably, drivers become more profitable and  
5 provide a better standard of service, and it costs  
6 the city nothing. Finding the right mix of  
7 technology for yellow taxis will not threaten  
8 anyone and surely help everyone have a better day,  
9 a better shift, and a better ride. Thank you very  
10 much and I welcome any questions.

11 CHAIRPERSON VACCA: Before I ask  
12 questions, does anyone else wish to testify from  
13 your group?

14 JAY BREGMAN: No, we'll yield our  
15 time to the questions--

16 CHAIRPERSON VACCA: Oh, that's  
17 fine.

18 JAY BREGMAN: --and...

19 CHAIRPERSON VACCA: All right, now,  
20 can you describe for me the conversations you've  
21 had with TLC in regard to this proposal--in regard  
22 to the use of apps?

23 JAY BREGMAN: So we have been  
24 meeting--our strategy as a business is that we  
25 engage with regulators early and often to

1 understand their concerns and to allay them.  
2 We've done this in every city in which we've  
3 operated. With the TLC, it's absolutely no  
4 different. We have been meeting with the Taxi and  
5 Limousine Commission since before we ever launched  
6 to consumers in London, we told them what we were  
7 going to do, and then we actually did it; we've  
8 listened to their concerns, and we built an app  
9 and a network in New York that we feel takes into  
10 account those concerns.  
11

12 [Pause]

13 CHAIRPERSON VACCA: Oh, have you  
14 taken steps--are you aware of existing rules and  
15 regulations in New York City and have you taken  
16 steps to make sure you're in compliance?

17 JAY BREGMAN: Absolutely. So I'm  
18 joined here by our general counsel who can talk to  
19 any specific questions that you might have, but we  
20 have done an extensive search of the relevant  
21 regulations, both administrative and legal, in the  
22 New York City area that govern the use of  
23 technology in taxis and we feel confident that the  
24 service that we're offering does not breach any of  
25 those such regulations.

1  
2 CHAIRPERSON VACCA: Talk to me for  
3 a minute about how your app would be accessible to  
4 people with disabilities.

5 JAY BREGMAN: So we first noticed  
6 in London that we were getting a lot of app store  
7 reviews from customers who said that how big a  
8 change this was to their lives. I'll actually  
9 read one out, but before I'll explain why. You  
10 see, if you're disabled and you're in a  
11 wheelchair, most people don't know this, but  
12 getting a cab is very difficult not only because  
13 you have to go out on the street but also because  
14 the accessible drivers, they might be able to take  
15 wheelchairs but they have the opportunity to not  
16 see you, to refuse you, to just simply drive right  
17 by. Or you have to get a carer to go out on the  
18 street and hail a taxi and it's a very cumbersome  
19 process, even in a city like London, where many of  
20 the--well all of the cabs and most of the drivers  
21 are accessible. So what Hailo does is Hailo  
22 enables this colorblind and also disabled blind  
23 service whereby customers virtually hail the taxi,  
24 the drivers accept it, having no idea of the  
25 particular destination, rating, or anything about

1 the customer. They then come to pick up the  
2 customer and the customer gets in the taxi.

3  
4 We also have a system built in that  
5 we will deploy in New York, whereby the system can  
6 filter so that only accessible taxis are shown to  
7 accessible customers. What this means--and by the  
8 way, and we have made a commitment to the disabled  
9 community in New York City not to charge any  
10 service fees for when that setting is enabled.

11 But what that means is that when the taxi pulls up  
12 there is a record of the taxi pulling up. So the  
13 days of somebody just sticking their hand out and  
14 being refused on the basis of color or on the  
15 basis of, you know, on the basis of, you know,  
16 disability are really over with Hailo because it  
17 is so obvious and transparent that there was a  
18 connection between the two and the TLC has access  
19 to that information.

20 So I'll submit the question in the  
21 app review in my response 'cause I'm conscious of  
22 time.

23 CHAIRPERSON VACCA: Can you  
24 elaborate on the blind, the issue was brought up  
25 regarding the blind and how is this helpful to

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them?

JAY BREGMAN: So we don't have any specific systems in place for the blind, although we are currently exploring how to make this service as accessible for anybody--for everybody, and what we are looking right now from an engineering perspective is using Apple and Google's inbuilt tools inside the operating systems of iOS and Android, which are substantial, and making our app able to integrate with that which provides as good or greater benefits than the systems which have been presented today.

CHAIRPERSON VACCA: Okay. Thank you. Oh, Fernando Cabrera, I'm sorry.

CHAIRPERSON CABRERA: Thank you so much. I'm asking this question 'cause I really don't know the answer to this question. In England, right?

JAY BREGMAN: Yeah.

CHAIRPERSON CABRERA: Do they have, like, different tiers of, let's say, taxis versus liveries? Well how does it function there and how does that translate in terms of the use of apps?

JAY BREGMAN: It's an excellent



1 question. You know, the fact is that London also  
2 has many diverse forms of transportation,  
3 including licensed taxis which can hail off the  
4 street, the equivalent of black car and livery  
5 services, and all Hailo does is provide another  
6 option for passengers and drivers to connect  
7 within the licensed taxi segment. And the key for  
8 us is we operate anywhere where there are taxis  
9 which may hail off the street because that is what  
10 we do, we're an enhanced evolution of the hail.  
11 But actually Melissa has just gotten back from  
12 London and has a driver so she's probably got a  
13 unique perspective on this particular question.

14  
15 MELISSA PLAUT: Hi, Melissa Plaut,  
16 I got my hack license in 2004 and I wrote a book  
17 about those experiences, the years I spent behind  
18 the wheel of a yellow cab, called Hack, with a  
19 very long subtitle that I will not mention.

20 Anyway, I just got back from London  
21 about two weeks ago and had the opportunity to  
22 hail taxis there as well as to use Hailo, and  
23 obviously, as a New York taxi driver and a  
24 lifelong New Yorker, I felt like I was in a  
25 position to recognize the similarities between the

1  
2 two industries. In both industries you step on  
3 the street, you raise your arm, and you get into a  
4 metered yellow--well over there, they're black  
5 taxis.

6 JAY BREGMAN: Although they do  
7 actually wrap some of the taxis in yellow for  
8 advertising purposes--

9 MELISSA PLAUT: [Interposing] That  
10 is true--

11 JAY BREGMAN: --it's not entirely--

12 MELISSA PLAUT: --it's pretty cool.  
13 So it's the equivalent of the yellow taxi, but the  
14 pain points for the drivers are exactly the same.  
15 We spend a lot of time, as they do, driving around  
16 with an empty backseat wasting time, wasting gas,  
17 and just not finding passengers on off-peak hours,  
18 they have the exact same problems as we do. And  
19 so in that regard Hailo really crosses the border  
20 very seamlessly. Sorry, I'm nervous.

21 CHAIRPERSON CABRERA: Thank you.

22 CHAIRPERSON VACCA: Can you take  
23 us, briefly, but can you summarize step-by-step  
24 how this works?

25 JAY BREGMAN: Oh how Hailo--so if

1 we had--can we connect the demo, actually? 'Cause  
2 well we have a demo that we could put up that  
3 probably will be worth 1,000 of my words. Okay.  
4 So what we see right now, this is a demonstration  
5 version of the application, but this is what a  
6 passenger would see. They would first register on  
7 the application, they would register their credit  
8 card, they would then--the system determines via  
9 GPS where they are and shows them the cabs around  
10 them that are available to be hailed and also the  
11 average--the estimate of how long it will take for  
12 that cab to come to them should they press that  
13 big pick me up here button there. Now the two  
14 minutes is instructive because, although the cabs  
15 around us right now are for demonstration  
16 purposes, in London that is actually the average  
17 service time for a customer to request a virtual  
18 hail with Hailo, it is two minutes. It is as  
19 quick as hailing off the street but just more  
20 reliable and transactional and convenient. So I  
21 would press pick me up here, confirm the address,  
22 click hail taxi, this will then optimize the order  
23 out to the most appropriate driver who would  
24 accept on his or her personal smartphone. And so  
25

1 we see here the driver details, we see their  
2 medallion number, we see their name, we see how  
3 long it's going to take for them to arrive to us,  
4 we see their real-time location coming towards us,  
5 we can contact them if we want. By the way, to  
6 set a destination is something that is both  
7 optional and is never displayed to the driver  
8 before they actually have you in the cab. You get  
9 a notification when the taxi has arrived so, for  
10 example, I might go outside, when that happened, I  
11 then get in the taxi, I tell the driver where I'm  
12 going, everything is on the meter just like  
13 normal. The driver drives me to my destination,  
14 and at the end, if I pre-registered my credit card  
15 and preset a tip, I can simply walk out of the  
16 taxi and get an e-mail receipt sent to me by the  
17 time that I hit the sidewalk.

18  
19 So it's really saving a minute or  
20 two per trip. And really I think what's very  
21 important is it's not just about availability. So  
22 a lot of people on the Council today have talked  
23 about why do we need this in New York, there's a  
24 lot of taxis. Well there aren't a lot of taxis, I  
25 mean, I live in New York and I've lived here for

1  
2 six months now and I can tell you, take the amount  
3 of taxis that I have, there are often times where  
4 I can't find one but there's probably one on the  
5 other street. But really it's about convenience  
6 and efficiency. It's about convenience for the  
7 passenger being able to know that there are taxis  
8 around before they go outside; if you're a woman  
9 at night, to be able to know that you don't  
10 actually have to go out on the street and hunt,  
11 and that this is going to be one of those times  
12 that actually you're not going to find a taxi.

13 So that's really what it is that  
14 Hailo does, and that's why over 200,000 Londoners  
15 have registered for the service since we've  
16 launched in November. And we believe that we  
17 would have the same type of a pickup in New York  
18 City, if not greater.

19 CHAIRPERSON CABRERA: I'm curious  
20 to know in England or--I'm sure you know how the  
21 other app companies work, the issue came out today  
22 regarding a taxi driver deciding not to pick up  
23 someone and use an excuse that I'm going to go  
24 pick up someone. What answer would you--

25 [Crosstalk]

1  
2 JAY BREGMAN: Sure, so this is a  
3 problem that we've heard and discussed with many  
4 people in New York City, I can say that, you know,  
5 there are 5,000 virtual hails that happen every  
6 day in London, this is not an issue that occurs  
7 even though the same basic standard of service  
8 supplies. The reason is that when they--for two  
9 reasons, one is because, remember, it's a close in  
10 time encounter. From the time that the Hailo  
11 driver actually accepts the hail to the time that  
12 they're at the pickup location, they're only  
13 blocks away, maybe one or two blocks, so they  
14 never have time to be able to actually pick up  
15 another passenger, and they wouldn't in the first  
16 place. So actually this is, in practice, is not  
17 an issue because the drivers typically turn off  
18 their light and they're unavailable for service so  
19 the people on the street see them as unavailable  
20 for service in the very short period of time that  
21 they're running to pick up the customer.

22 In addition, all of our data is  
23 available on this, including GPS data of the  
24 driver and the passenger, and, you know, and so it  
25 will be very easy to see if someone complained,

1  
2 for example, I saw that particular taxi with that  
3 medallion number that actually refused me to pick  
4 up. Well in the real world, as Ashwini said, you  
5 just have the driver and the passenger; with  
6 Hailo, we have GPS trails, we have timestamps, we  
7 have customer's and driver's phones that give us  
8 more evidence than we've ever had before to combat  
9 refusals.

10 CHAIRPERSON CABRERA: Quick  
11 question, why only yellows?

12 JAY BREGMAN: So the reason why is  
13 because we view our--we view the business that we  
14 provide as having--as working with people who can  
15 hail off the street, with drivers who can legally  
16 hail off the street because our model is we build  
17 these networks where we give drivers tools that  
18 help them have a more sociable and profitable day  
19 even without giving them customers because they  
20 share events about the city--traffic, how big the  
21 line is at JFK, et cetera--and then we give them  
22 only 10 to 30% more business a day. So they're  
23 still doing the mainstay of street hail but  
24 they're just topping up their downtime with Hailo.

25 CHAIRPERSON CABRERA: So, wait,

1  
2 wait a second. So you're saying only the--you're  
3 providing this service to only those who are  
4 allowed to receive the hail. But what about,  
5 let's say, I'm walking in the Bronx and I just,  
6 you know, I'd like to know where the nearest cab  
7 is by. I'm just curious, why wouldn't it work in  
8 other scenarios?

9 JAY BREGMAN: It's theoretically  
10 possible for it to, there are some of the  
11 providers to do it, but our belief is that this is  
12 the best way to create the best networks possible.  
13 If other people want to do this for liveries and  
14 black cars, that's fine, but we're a yellow cab  
15 only service in New York City and we're a licensed  
16 cab service elsewhere because that's the business  
17 model we've adopted, we've been consistent about  
18 it since day one, and we believe that that  
19 provides the best service for passengers, you  
20 know, and customers.

21 And, you know, one of the things  
22 I'm always afraid of when I see services that  
23 provide black cars, for example, and yellow taxi  
24 services in the same app is what often happens is  
25 you open the app thinking you're going to get a



1  
2 cheap yellow cab but then suddenly you see there  
3 are no yellow cabs but you really need one and  
4 then you're upgraded to a black car, which is  
5 going to cost you three times as much. And I have  
6 personal concerns with that sort of a service.

7 CHAIRPERSON CABRERA: Okay. Thank  
8 you so much.

9 JAY BREGMAN: Thank you.

10 CHAIRPERSON VACCA: Thank you so  
11 much. We will now hear from the Jing Wang Herman  
12 from GetTaxi.

13 JING WANG HERMAN: Yes, thank you.  
14 My name is Jing Wang Herman--

15 [Off mic]

16 SERGEANT-AT-ARMS: --the red  
17 button.

18 JING WANG HERMAN: Check?

19 [Off mic]

20 JING WANG HERMAN: Hi everyone, my  
21 name is Jing Wang Herman, I'm the CEO of GetTaxi  
22 USA, and this is Ron Srebo, our VP of Innovation  
23 globally. Thank you for this opportunity.

24 So GetTaxi was founded in 2010 and  
25 we're currently live in London, Moscow, and 13

1 cities in Israel, all of central Israel. And just  
2 for clarification, our friends, all of these  
3 cities where we operate and pretty much every city  
4 globally, taxis take street hail and dispatch,  
5 which is, in New York terms, prearrangements. We  
6 brought a transformation to all of these areas  
7 where we operate, including reducing the average  
8 wait time in Moscow from 45 minutes to 12 minutes;  
9 transforming the entire taxi industry in Israel,  
10 including the culture between how drivers and  
11 passengers engage together; as well as starting to  
12 offer free WiFi in our vehicles in London. Based  
13 on our success in these cities, we believe that we  
14 can help bring about significant positive change  
15 for all consumers, drivers, and the regulator in  
16 New York City.

17  
18 We have four basic products. A  
19 consumer application for ordering or paying for a  
20 taxi or a car. Across all major platforms--  
21 iPhone, Blackberry, Android, Symbian, also HTML5  
22 coming soon. We have a dedicated driver device  
23 that we give to each driver, a web-based  
24 enterprise solution for businesses, and a web-  
25 based control center. We have over 30 million

1 funding, over a hundred employees around the  
2 world, nearly half a million downloads, over 2,500  
3 drivers in our system, and over 400 enterprise  
4 customers, many of them Fortune 500. To many  
5 industries stakeholders, all of these smartphone  
6 apps may look the same, in reality, the  
7 differences in business model and approach make a  
8 big impacts on safety and reliability.

10 I want to highlight just a few of  
11 the things that make a difference. At GetTaxi we  
12 prescreen, meet, and train every new driver and we  
13 provide ongoing educational efforts to ensure our  
14 desired level of service. We give our drivers a  
15 dedicated driver device that's designed with  
16 safety as a number one priority, and we decided  
17 from the get-go not to use a driver app--a  
18 smartphone-based app but a dedicated driver  
19 device. We have 24/7 365 live customer service  
20 everywhere we operate, and we never assume a one-  
21 size-fits-all approach and we always look to  
22 enhance the ecosystem as a whole by collaborating  
23 with all industry stakeholders, including  
24 regulators, in each and every new city--and in  
25 each and every new city we customize our product

1 offering and business and pricing model to the  
2 unique market structure of that city.

3  
4 Our unique vision for New York is  
5 to create the best personal transportation tool  
6 for any passenger that would give people the best  
7 option across all vehicle types no matter who they  
8 are and where they are and how they want to pay.  
9 Our taxi availability index which we post for New  
10 York would recommend a street hail the old-  
11 fashioned way when taxis are plentiful outside,  
12 ordering a car when taxi availability is low--you  
13 know, during shift change, pouring rain--and  
14 digital hailing when we believe that we can have  
15 the passenger and the driver locate each other on  
16 our smart radar by sending the passenger location  
17 to nearby taxis through a beacon without pre-  
18 arrangement. Our solution is designed for the  
19 masses. For New York City taxis, it's always free  
20 for the consumer with no obligatory service charge  
21 above the fare, and the digital hailing solution  
22 we propose for drivers will be free also in New  
23 York City. This solution is designed--

24 CHAIRPERSON VACCA: [Interposing]

25 Let me ask you, is the gentleman with you ceding

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his time?

JING WANG HERMAN: Yes.

[Crosstalk]

CHAIRPERSON VACCA: Because I have to stop you otherwise.

JING WANG HERMAN: Yeah.

CHAIRPERSON VACCA: Okay.

JING WANG HERMAN: Our solution is designed to be democratic and we believe that our product should solve problems without creating new problems, and at all times it's our intention that our products operate within both the spirit and the letter of the law.

We're excited about bringing a taxi revolution to New York City, and we look forward to collaborating with all stakeholders in order to create the best product for New York. Thank you.

CHAIRPERSON VACCA: Thank you. Now, have you had conversations with the TLC and the...?

JING WANG HERMAN: Yes.

CHAIRPERSON VACCA: And tell me about those conversations?

JING WANG HERMAN: So the

1  
2 conversations related to our NYC proposal, I think  
3 it's different from, perhaps, the other  
4 competitors. A, we have not proposed any type of  
5 a offering for yellow taxis that would come close  
6 to what's considered prearrangements and so we  
7 believe that our product is completely within the  
8 current rules. And we would not--for our products  
9 that operate in New York City, we will not propose  
10 or advocate any type of a change.

11 CHAIRPERSON VACCA: Explain to me  
12 how what you propose would not constitute  
13 prearrangement.

14 JING WANG HERMAN: Do you want to  
15 explain it--

16 [background noise]

17 CHAIRPERSON VACCA: Identify  
18 yourself.

19 RON SREBO: Hi, thank you for this  
20 opportunity. My name is Ron Srebo, I'm VP  
21 Innovation for GetTaxi globally. Our solution for  
22 New York City, so Jing said we work in different  
23 markets where prearrangement is usually allowed;  
24 for New York City, it isn't allowed and we  
25 actually feel because of the uniqueness of the

1 city and the taxi market here and the geographic  
2 and how yellow taxis operate, that prearrangement  
3 is actually not a right solution for the city.  
4

5 What we propose, Jing talked about  
6 it a bit, is the taxi availability index which  
7 would, in effect, give--always give users the best  
8 suggestion and best tools to get a car from point  
9 A to point B. So if there are plenty of taxis, if  
10 you're 2 p.m. on Fifth Avenue, you don't need  
11 anything. The best service you can have is  
12 actually to hail a taxi on the street 'cause there  
13 are 50 taxis going through you every second. In  
14 that case, we can't give a better service to the  
15 user so we're going to just tell them, listen,  
16 your best service, your best option is to hail a  
17 taxi on the street. But in cases, let's say,  
18 like, you're in 2 a.m., up in, I don't know--

19 JING WANG HERMAN: [Off mic] area.  
20 Greenwich--

21 [Crosstalk]

22 RON SREBO: Yeah, Upper West Side  
23 or some street--not on a street corner, not on the  
24 main avenues, you're going to have a hard time  
25 find a taxi and the fact is the driver is going to

1  
2 have a hard time finding a fare as well. What we  
3 propose is that we're going to only allow taxis to  
4 see the passenger and the passenger to see the  
5 taxi only when the chances of finding another fare  
6 are very, very low, and we do not provide  
7 prearrangement. We don't force the driver to take  
8 this job, we don't force the passenger to take  
9 that taxi, but we do believe that we do offer that  
10 solution, it will be the best solution for both  
11 the driver and the passenger.

12 JING WANG HERMAN: So just to take-

13 -

14 [Crosstalk]

15 CHAIRPERSON VACCA: But I still  
16 don't get how it's not prearrangement.

17 RON SREBO: It's not prearrangement  
18 because there's no commitment.

19 CHAIRPERSON VACCA: [Interposing]  
20 So if it's 2 o'clock in the morning, I understand,  
21 but are you telling somebody at 2 o'clock in the  
22 afternoon that they cannot use your app because  
23 that would be a prearrangement of a trip?

24 RON SREBO: What we're telling them  
25 is that the best option for them right now is to



1  
2 actually do street hail. So, yeah, we don't feel  
3 that we can provide them with better service at  
4 that point to getting a yellow taxi--

5 [Crosstalk]

6 CHAIRPERSON VACCA: [Interposing]

7 No, but if somebody--yes, I understand you're  
8 telling them--I understand your point, you're  
9 telling people that at 2 o'clock in the afternoon  
10 do a hail because you can get a yellow cab, but  
11 how about if that person says I want to use my  
12 app--

13 JING WANG HERMAN: [Interposing]

14 Yeah, it's always--

15 CHAIRPERSON VACCA: --at two in the  
16 afternoon, it's raining outside, I don't want to  
17 go in the street, I have no umbrella, I'm going to  
18 use my app at two in the afternoon? So how is  
19 that not prearrangement?

20 JING WANG HERMAN: So what we're  
21 saying is that we're making a distinction between  
22 digital dispatch, which is what we offer in  
23 London, Moscow, and Israel, and digital hailing,  
24 and if we cannot decipher what the differences  
25 are, I think digital dispatch has to do with an

1 obligation for the driver to bypass another  
2 passenger that he sees street hailing in order to  
3 pick up the electronic hail or dispatch, we would  
4 call that in this instance, that's perhaps, maybe  
5 it's only two to five minutes away but that might  
6 be 10 or 15 blocks. So the obligation to pass the  
7 street hail and to pick up the digital order, to  
8 us is what constitutes a prearrangements. And in  
9 this case the beauty with technology is that on  
10 our radar on most of these apps, you know, you see  
11 exactly where you are and you will be able to see  
12 taxis around you whether they're available,  
13 whether they're not available. So we can show you  
14 that within this five block radius there are three  
15 taxis passing by that's already, you know, not  
16 available with passengers and there are three  
17 others that are available and when we send out  
18 your beacon as a, let's say, 250 Broadway as a  
19 location, you can actually see on your phone which  
20 ones are coming to you. If you're not downstairs,  
21 should the car wait for you if, you know, you  
22 know, Council Member Cabrera goes downstairs and  
23 you had a hail from your office, should the taxi  
24 wait for you and Council Member Cabrera will have  
25

1  
2 to hail a different taxi?

3                   So culturally if you do pay  
4 attention to the culture of drivers and passengers  
5 everywhere else in the world, because street hail  
6 and dispatch is allowed there is already  
7 established culture of when you order a taxi and,  
8 the same way you order a black car in New York,  
9 the driver would wait for the passenger and the  
10 passenger would wait for the driver. For New  
11 York, that cultural behavior is really reserved  
12 for delivery and the black car industry.

13                   But for the taxi industry, there's  
14 no culture established today for the driver to  
15 wait for the passenger and the passenger for the  
16 driver and vice versa. So what we're saying is  
17 that if you take away the obligation, that's--  
18 there are other small factors, but that's  
19 primarily the difference between what we call a  
20 digital hail and digital dispatch.

21                   CHAIRPERSON VACCA: I do  
22 understand, but let me summarize as somebody who  
23 is not as experienced as you, of course. On your  
24 app, you will be able--on your app, you will be  
25 able to know if there is a yellow taxi within a

1  
2 certain proximity.

3 RON SREBO: Yes.

4 CHAIRPERSON VACCA: So, therefore,  
5 it's not considered prearranged because you are  
6 basically hailing a cab that's nearby anyway by  
7 using your app, you're not prearranging a trip.

8 RON SREBO: Exactly. If the driver  
9 sees a hail closer to him, he is obligated to take  
10 that hail, we're not changing that.

11 CHAIRPERSON VACCA: But if a driver  
12 answers your app he can skip a hailing customer.

13 RON SREBO: No, this is not what we  
14 suggest.

15 CHAIRPERSON VACCA: Well I don't  
16 know what you suggest but I'm thinking out loud--

17 RON SREBO: All right.

18 CHAIRPERSON VACCA: --if I'm a  
19 driver and I have somebody on the app and I've  
20 agreed to respond to that person, and maybe that  
21 person is 12 blocks away, but on that 12-block  
22 stretch in Manhattan I see somebody hailing me,  
23 that driver can't take the hail?

24 RON SREBO: Well he--

25 CHAIRPERSON VACCA: [Interposing]

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So this is a--

JING WANG HERMAN: [Interposing] So what we said was that we do not believe that that driver should pass the street hail empty in order to pick up the electronic order. We believe that on your phone, let's say, I see three free taxis and that my location is sent out to three available taxis, if one of the taxis on the way picks up another street hail, I would be able to know that that taxi was taken. The same way today on a street hail I see a taxi coming, but before it comes to me someone else jumps right in front of me--we have a special term for that in New York, right? Upstreaming. So if someone could upstream me and steal that taxi, that's life, that's life in New York City, right? That's part of the game.

CHAIRPERSON VACCA: Okay.

JING WANG HERMAN: So we believe that the same way in today you can hail a taxi and book a black car, with technology you can choose to converge the two or you can choose to preserve the difference. Again, digital hail a taxi or digitally dispatch a car.

CHAIRPERSON VACCA: Okay. I thank  
you both.

JING WANG HERMAN: Thank you.

CHAIRPERSON VACCA: Thank you.

Next we have a panel Martin Hykel [phonetic]--

[Off mic]

CHAIRPERSON VACCA: --John Rasolino  
[phonetic], Pasqualino Russo, and Peter Mazer.

SERGEANT-AT-ARMS: If your name's  
been called, please sign the slip at the desk.

CHAIRPERSON VACCA: Oh, boy.

[Off mic]

SERGEANT-AT-ARMS: You want some  
water?

MALE VOICE 2: Sure, thanks.

CHAIRPERSON VACCA: Oh, who would  
like to go first? Okay. John?

JOHN MASCIALINO: Councilman, oh,  
is this on? Is this on? Hello? No. All right,  
why is this not working? Hello? Is this one?

[Off mic]

SERGEANT-AT-ARMS: Use one--

[Crosstalk]

JOHN MASCIALINO: The other one's

1 not working? All right. Okay. Is this working?  
2 Yes. Good morning, Councilman Vacca, Cabrera, and  
3 members of the Committee, my name is John  
4 Mascialino, I am from the law firm Greenberg  
5 Traurig and I serve as outside counsel to  
6 VeriFone, Inc. Unfortunately, the staff members  
7 from VeriFone could not be here today who are  
8 working on the technology behind Intro 599 so they  
9 did want me as a courtesy to the Council and  
10 respect for the Council to come on their behalf to  
11 express our support for Intro 599 and its goals.  
12 VeriFone, of course, will make themselves  
13 available for any follow up the Committee or  
14 members of the Council staff have in the future as  
15 we proceed.  
16

17 As you know, VeriFone is one of two  
18 current T-PEP vendors, along with CMT, under  
19 contract with the TLC. As discussed earlier by  
20 the TLC, T-PEP systems include credit and debit  
21 card payment and processing, text messaging  
22 services, trip data collection through GPS, and  
23 data transmission by means of the passenger  
24 information monitor, which also includes  
25 entertainment as well as advertising, and TLC PSAs

1 and other industry information.

2  
3 VeriFone supports the goals of  
4 Intro 599, making the T-PEP systems accessible to  
5 people with disabilities, in particular, the  
6 visually and hearing impaired. VeriFone has  
7 always prided itself on being on the forefront of  
8 technology in the taxi and transportation industry  
9 and will be in this area as well.

10 VeriFone has been researching the  
11 proper way to make the T-PEP system acceptable to  
12 both the visually and hearing impaired and has  
13 already begun to seek input from advocates and  
14 professionals in the visually and hearing impaired  
15 community. VeriFone believes it is crucially  
16 important to get input and assistance from the  
17 advocacy groups in order to make sure that any  
18 solution that is created, tested, and eventually  
19 implemented in the taxi industry meets the actual  
20 needs of people with these visual and hearing  
21 impairments.

22 We also believe, as some people  
23 have testified earlier today, and particularly  
24 from Lighthouse, that there should be a standard  
25 solution among the systems in the industry so that



1 there is uniformity in the workings of a system  
2 from taxi to taxi. VeriFone will continue to work  
3 with the TLC to test the system once a solution is  
4 finalized. VeriFone is excited about the  
5 continued opportunities in the taxi industry and  
6 technology in particular, including T-PEP 2.0 and  
7 beyond, and will ensure that the needs of people  
8 with disabilities are continued to take into  
9 account when developing this improved system.

11 Lastly, we do ask just one thing if  
12 the City Council does decide to pass this  
13 legislation: We ask that there be an effective  
14 date amendment. The industry does need time to  
15 have the technology tested and approved by the TLC  
16 and working conditions. VeriFone would be happy  
17 to meet with Council staff to discuss legislative  
18 further and any--and work with you in cooperation  
19 on any proposed amendments that may come our way.  
20 Thank you very much.

21 CHAIRPERSON VACCA: Sir, introduce  
22 yourself?

23 PETER MAZER: Yeah, good afternoon,  
24 Chairman Vacca, Chairman Cabrera, and members of  
25 the Transportation and Technology Committees, my

1  
2 name is Peter Mazer, I am general counsel to the  
3 Metropolitan Taxicab Board of Trade, a 60-year old  
4 nonprofit trade assess--well three minutes go by  
5 awfully quick.

6 JOHN MASCILINO: I think that was  
7 mine, yeah.

8 [Off mic]

9 PETER MAZER: I'm general counsel  
10 to the Metropolitan Taxicab Board of Trade, a 60-  
11 year old nonprofit trade association that  
12 represents 37 taxi fleets comprised of more than  
13 5,000 yellow and medallion taxicabs. Our garages  
14 provide service to the riding public 24 hours a  
15 day seven days a week, lease taxis to more than  
16 20,000 drivers, and employ more than 1,000 full-  
17 time mechanics, dispatchers, gas attendants,  
18 administrators, and other personnel.

19 Our members have one principal goal  
20 and that is to safely, comfortably, and  
21 effectively transport our passengers from point A  
22 to point B. It has become harder and harder to do  
23 this. Our fleets, whose lease rates are regulated  
24 by the TLC, have been restricted by the TLC from  
25 meeting our rising operating costs, which will

1  
2 likely result in less services for drivers. And  
3 our drivers have had a tougher time getting around  
4 the bike lanes and pedestrian plazas that have  
5 taken away precious space on city streets. And  
6 our passengers have complained about the newer  
7 vehicles, which have become smaller and smaller  
8 and less and less comfortable.

9           From an operational perspective,  
10 the bright spots over the last several years have  
11 mostly revolved around the use of new technology  
12 to enhance the taxi experience. For example,  
13 credit card acceptance devices have increased  
14 passenger volume, increased driver tips, and made  
15 it easier for manage the fleet business in many  
16 ways. There have been administrative burdens of  
17 being merchants with credit card companies and  
18 other issues, but, by and large, technology has  
19 helped the yellow taxi business grow even during  
20 the recession when many industries were failing.  
21 Most of all it has made the experience better for  
22 our passengers.

23           In the case of T-PEP, the city, the  
24 industry, and the public entered into a new phase  
25 of taxi technology together in a very structured

1 way, understanding that the taxi industry is a  
2 complicated one whose prior technological advance  
3 was the meter, and that was nearly 100 years ago.  
4 Today, the taxi industry, now more technologically  
5 advanced, is being met with dozens of app  
6 developers convinced that they have found the  
7 latest method to improve taxi service. Apps may  
8 or may not be a useful tool for the taxi rider;  
9 they may or may not end up violating long-standing  
10 TLC rules meant to protect yellow taxis, liveries,  
11 and black cars. It could all be a lot of talk  
12 that may work in San Francisco or London, but not  
13 in New York; or it may actually be a great new  
14 innovation. And there are so many different types  
15 of apps, maybe some will be good and some will be  
16 bad. Right now we just don't know.

18 We look forward to the TLC's  
19 recently announced process for exploring the  
20 regulatory issues surrounding apps; however, we  
21 would like to caution the TLC and the Council that  
22 the yellow taxi industry and the livery and black  
23 car industries perform vital services to New  
24 Yorkers and visitors and that these industries'  
25 models of operation must be respected and not

1  
2 simply discarded just to accommodate an app, no  
3 matter how popular. There are tens of thousands  
4 of livelihoods that depend on yellow, livery, and  
5 black car industries and they matter to the city  
6 as much as any technological advance.

7 Thank you for your time, and if you  
8 have any questions we'd be happy to answer them.

9 CHAIRPERSON VACCA: Thank you.

10 Sir?

11 PASQUALINO RUSSO: Thank you. Good  
12 afternoon, Chairpersons Vacca and Cabrera, members  
13 of the Committees. I am Pasqualino Russo, I'm  
14 special counsel at Windels Marx Lane & Mittendorf,  
15 LLP. Previously, I had been the chief judge at  
16 the TLC. Professor Matthew W. Daus, Esquire,  
17 former chair and commissioner of the TLC, is a  
18 partner who chairs the transportation practice  
19 groups at Windels Marx. And he also serves as the  
20 president of the International Association of  
21 Transportation Regulars, the IATR, a leading group  
22 of government taxi and limousine regulators from  
23 around the world. I am testifying at today's  
24 oversight hearing on behalf of Professor Daus, who  
25 had intended to present testimony when this

1 hearing was originally scheduled for September  
2 20th but was unable to do so today because of a  
3 prior commitment out of town.  
4

5 For some time, IATR has recognized  
6 the emergence of smartphone applications as one of  
7 the most exciting and innovative changes to the  
8 transportation industry. However, some of these  
9 apps operate in a manner that create serious  
10 concerns for the public and regulators alike. In  
11 response, our firm provided its services on a pro  
12 bono basis to the IATR when it requested that we  
13 examine those concerns in light of the regulatory  
14 landscape in numerous major cities throughout the  
15 United States.

16 As a result of our research,  
17 Professor Daus and the Windels Marx transportation  
18 team have recently published a seminal piece of  
19 research on the status of the operation of these  
20 apps in a report entitled, "Rogue Smartphone  
21 Applications for Taxicabs and Limousine:  
22 Innovation or Unfair Competition, a national  
23 regulatory review of safety, accountability, and  
24 consumer protection legal issues." The report is  
25 available on our website. I provided the

1  
2 Committees with the requisite number of copies of  
3 the report in my prepared testimony as part of my  
4 presentation today.

5           As a result of the research, here  
6 are the two key takeaways from the report. First,  
7 right now it's a wild West out there, as you  
8 stated, Chairman Vacca. With private equity  
9 backed startups and established industry companies  
10 alike scrambling to have the next app to hit it  
11 big and revolutionize for-hire transportation  
12 internationally. Second, all apps are not created  
13 equal, some operate within the rules by  
14 identifying their own license transportation or  
15 affiliates for the consumer and other rogue apps  
16 do not operate on a level playing field by cutting  
17 established dispatch companies out of the picture  
18 to deal directly with drivers. These rogue apps  
19 are under investigation by regulators in the  
20 United States for operating within legal loopholes  
21 and may run afoul of laws designed to protect  
22 consumers and untested taxi meters, illegal  
23 refusals, and which require a licensing to ensure  
24 vehicles for these drivers.

25           What are the key facts? Technology

1 startups have been issuing smartphone applications  
2 which allow for the hailing or arranging a  
3 vehicle, removing the dispatch, or a taxi limo  
4 company for identification where technology  
5 companies interact directly with these drivers,  
6 sometimes without obtaining the proper licensing.  
7 We examined how these apps operate, reviewed the  
8 regulations, and found the following as part of  
9 our review: First, there are real questions about  
10 whether it's a prearrangement or electronic street  
11 hail; second, there are safety concerns; third,  
12 the use of taxi or taxicab in the app name running  
13 afoul of regulations and customer and consumer  
14 reliance; fourth, illegal service refusals; fifth,  
15 whether the fare is a fare; sixth, is it operating  
16 as a taxi meter with not being a taxi.

18 In his capacity as the president of  
19 the IATR and a follow up to the report, a special  
20 committee has been set up by the IATR committee--  
21 IATR to examine these regulations at a--its  
22 national public hearing entitled quote, There's an  
23 App for That" that'll take place on November 17th  
24 at the Washington Conference of the IATR. We will  
25 provide the Committees a briefing paper that you



1 presented today, and any draft legislation of the  
2 Council to the app committee. In turn, we will  
3 provide the City Council with the IATR's final mod  
4 regulations for your consideration and local  
5 implementation.

6  
7 Thus far, the preliminary work of  
8 the IATR committee has gendered the most  
9 discussion about smartphones. In the weeks ahead,  
10 much more needs to be done and will be done.

11 On behalf of Professor Daus, I want  
12 to thank the Chairpersons and the members of the  
13 Committees for the opportunity to present this  
14 testimony. I am certainly available to answer any  
15 questions you may have here today. I thank you  
16 for your attention and time.

17 CHAIRPERSON VACCA: Thank you.  
18 Thank you all. I have no further questions, but I  
19 want you to know Fernando Cabrera and I are  
20 professors too. We are professors.

21 Okay. Next panel, with that said:  
22 Avik Kabassa, Livery Roundtable; Carolyn Castro,  
23 Livery Roundtable; Victor Dizengoff, the Black Car  
24 Assistance Corporation. Mr. Kabassa, would you  
25 please go first? Look, someone stuck here.

1  
2 AVIK KABASSA: Well my speech says  
3 good morning, but I should say good afternoon.

4 CHAIRPERSON CABRERA: Yes.

5 AVIK KABASSA: And thank you very  
6 much for allowing me to speak today, my name is  
7 Avik Kabassa, and I am the CEO of Carmel.

8 My testimony today is to focus on  
9 application companies that break current laws and  
10 are bullying their way into New York City. To set  
11 the record straight, not all the smartphone  
12 application companies are lawbreakers, in fact,  
13 many of them comply with the current TLC rules and  
14 are doing very well. The problem starts when  
15 companies disregard existing law, placing the  
16 legal application at disadvantage and the public  
17 at risk.

18 I don't know how many times I heard  
19 the arguments, we do not want to appear like we  
20 are against technology. To those, I say look  
21 around you. New York City is using many legal  
22 smartphone applications already, and as much as  
23 you can be, and should, be proud of them, it is  
24 your duty to protect the legal application against  
25 the illegal one.

1  
2 New York City is not like any other  
3 city in America, and from what I heard about  
4 London, than any other city in the world.

5 Whereas, in many other cities taxis suffer from  
6 lack of demand, New York City taxi industry is  
7 blessed with a very high demand. Why do you think  
8 a lone medallion sells for over \$800,000? Not  
9 because they're waiting for a smartphone to save  
10 them. Let's take a city like San Francisco. San  
11 Francisco taxis are a dual use taxi that can  
12 perform street hail as well as prearranged, so a  
13 company like Uber or a Hailo can operate over  
14 there. But on the other hand, I have attached a  
15 letter from the San Francisco Commissioner--I  
16 should've probably done a video conference--that  
17 shows that in San Francisco, 32%--there's a 32%  
18 no-show on those dual use taxis, so more than  
19 three times out of ten when you order--prearrange  
20 a taxi, it will not show.

21 Now let's take our [off mic] the  
22 city of help, New York City, let's look at it.  
23 The Commissioner of London mentioned 200,000 trips  
24 a year; we do 200,000 prearranged trips a day,  
25 okay? The for-hire prearranged sector of New York

1  
2 City performs 200,000 prearranged trips a day,  
3 which means 73 million trips per year. Now we  
4 checked the TLC records and we found 700  
5 complaints of no-show per year. Honorable  
6 Committee, this means that our prearranged  
7 performance rank is at 0.001% no-show. Why the  
8 hell should we copy San Francisco, Israel, Moscow,  
9 or London, or any other I don't even know who  
10 tries to teach us what to do?

11 The use of a device, any device, a  
12 radio, a telephone, a cell phone, a pager, or a  
13 smartphone to pair a specific passenger with a  
14 specific yellow taxi is a prearrangement of the  
15 taxi and nothing else. I urge the Committee to  
16 put a stop to all semantic [off mic] we're being  
17 dragged into. I would like to now, with your  
18 permission, four recommendations: The use of  
19 smartphone application to pair a specific vehicle  
20 to a specific passenger is an active  
21 prearrangement and should not be allowed with  
22 yellow taxi. To create accountability, none of  
23 those companies said, oh, we have the record. How  
24 they're being summonsed if they don't provide this  
25 record? What accountability do they hold? To

1  
2 create accountability and allow muscle of  
3 enforcement, a smartpone application must be a  
4 part of a licensed-based and its right to operate  
5 must be attached to the basis compliance with  
6 current law. The only way a smartphone  
7 application can exist without being licensed is if  
8 it's the engine behind the brand and should not  
9 act as the brand itself. And number four, please  
10 don't make us San Francisco.

11 CHAIRPERSON VACCA: Thank you--

12 AVIK KABASSA: If you have any  
13 question, I'm--

14 CHAIRPERSON VACCA: [Interposing]  
15 Well would you want me to go to the next young  
16 lady?

17 AVIK KABASSA: Yes.

18 CHAIRPERSON VACCA: Okay. Would  
19 you introduce yourself, please?

20 CAROLYN CASTRO: Excuse me. Good  
21 afternoon, my name is Carolyn Castro and I'm the  
22 Executive Director of the Livery Roundtable. I'd  
23 like to thank you all for taking a moment to hear  
24 me.

25 The Livery Roundtable is an

1  
2 umbrella organization representing over 200 livery  
3 bases across the city comprised of four collective  
4 livery associations: The New York Fleet Owners  
5 Association, the New York State Federation of Taxi  
6 Drivers, the New York City Independent Livery  
7 Owners Corporation, and United as One. In  
8 addition to our--in addition, our board includes  
9 two of the largest for-hire vehicle livery base  
10 stations in this city--Carmel Car and Limousine  
11 Service to my right, and Dial 7. I stand before  
12 you in representation of my board to express our  
13 concerns with the current flooding of the ground  
14 transportation market with smartphone  
15 applications.

16 We at the Livery Roundtable have  
17 always acknowledged our support to incoming  
18 technology and have expressed this sentiment in  
19 countless meetings with City Council, the TLC,  
20 various media streams, members of our industry,  
21 and anyone else who would listen. We have offered  
22 our assistance to the Taxi and Limousine  
23 Commission with the hopes of working  
24 collaboratively in creating proper practices and  
25 guidelines to welcome technology in a format that

1 both works with our business models respectively.

2 App companies have bullied their  
3 way into the ground transportation market simply  
4 for making profit and are masking their profit  
5 driven desires for public concern. When  
6 approaching the TLC with our concerns, we were met  
7 with lackadaisical attitudes--

8 MALE VOICE: No.

9 CAROLYN CASTRO: --instead relying  
10 on outdated and non-existing rules that allow  
11 smartphone app companies to flood the current  
12 market without inquiry, without insight, without  
13 knowledge of demand, and without respect for the  
14 models as they are currently structured.

15 In order to do this, we ask that  
16 Council please consider the following: Identify  
17 clearer definitions per industry. Smartphone  
18 applications further blur the distinction between  
19 the prearrangement sector of the for-hire vehicles  
20 and the street hail medallion sector. Clear and  
21 concise delineations are needed before the  
22 implementation of the smartphone application can  
23 be instituted. Smartphone application companies  
24 fall into New York City's unique transportation  
25

1  
2 practices, take advantage of the loopholes and  
3 outdated rules, and don't capture the  
4 technological advances we live in. Utilizing this  
5 lack of definition to their advantage, the app  
6 companies are able to use new and catchy phrases  
7 to market to the public. Coined terms such as  
8 digital street hails and electronic hails sound  
9 like fancy new ways of identifying  
10 prearrangements, yet we caution you that they are  
11 still prearrangements. With strong public  
12 relation campaigns in an attempt to bully the TLC  
13 and New York City, the pressure is now placed upon  
14 all of us to do something to adjust to this  
15 quickly-dominating app frenzy.

16           Since the TLC has not been able to  
17 assert its control over New York City's ground  
18 transportation system with respect to the app  
19 bonanza, the Livery Roundtable asks for the  
20 intervention of City Council to provide proper  
21 guidance and creation of legislation that is fair  
22 to small businesses, the riding public, and the  
23 pairing of the two in this technology climate.

24           Consider decreased availability.  
25 Allowing the smartphone--I'll sum up--allowing a



1  
2 smartphone application to prearrange service in  
3 the yellow taxi sector will decrease availability  
4 to street hail yellow taxis in the public area.  
5 It'll create a chaotic transportation market, and  
6 to your point earlier, it will institute a two-  
7 tier system where we may not ensure that  
8 transportation is provided to all public--to  
9 members in the remaining four boroughs, and such  
10 of--and I'm summing up, sorry.

11 I ask Council to consider the  
12 notion that thoughtful regulations should not  
13 clarify but reinforce the separation between  
14 street hails and prearrangement while  
15 incorporating the interest of technology. There  
16 are ways that this can be achieved if we were  
17 simply asked and included in the dialogue. The  
18 use of legal smartphone applications to augment  
19 the availability and reliability of a prearranged  
20 service will result in maintaining the current  
21 street hail supply while increasing the supply of  
22 prearranged vehicle availability. The end result  
23 will be the improvement of the current and praise  
24 New York City transportation system through the  
25 utilization of technology.

1  
2 With this final statement, I  
3 conclude my testimony. I'd like to enter into--  
4 excuse me--I'd like to enter into public record a  
5 memo that we drafted a few weeks ago titled,  
6 Smartphone Application Memorandum; the Wrong  
7 Approach to the Right Solution. Thank you very  
8 much.

9 CHAIRPERSON VACCA: Sir?

10 VICTOR DIZENGOFF: Good afternoon,  
11 Chairman Vacca and members of the Council. My  
12 name is Victor Dizengoff, I'm the Executive  
13 Director of the Black Car Assistance Corporation  
14 and a member of its board of directors. I am  
15 speaking on behalf of the Black Car Assistance  
16 Corporation to aid the Council in promulgating  
17 rules related to the use of electronic devices to  
18 acquire taxi services in New York City.

19 Current New York City law provides  
20 that if an on-duty taxi is empty it must stop and  
21 pick up the person who is standing in the street  
22 and trying to hail a taxi. It is essential to New  
23 York City's for-hire transportation system that  
24 that law stays the same. The reasons why are  
25 quite simple.

1  
2                   When taxi drivers are permitted to  
3 accept passengers on any basis other than the  
4 street hail, the driver has the power to pick and  
5 choose which passengers to accept and the public  
6 has no ability to effectively monitor or control  
7 the driver's decision-making. History has proven  
8 the result of that situation is that there is a  
9 shortage of taxis, particularly during rush hours,  
10 and people with certain racial and socioeconomic  
11 profiles or who want to travel to certain boroughs  
12 have a difficult time hailing a taxi. History has  
13 also established the solution: Clearly, separate  
14 for-hire vehicles that operate based on a street  
15 hail service--based on street hail service from  
16 those that operate based on prearrangements. That  
17 clear division, however, would be destroyed if  
18 taxis are permitted to reject the passenger  
19 standing in a street in favor of some real or  
20 phantom passenger who booked a taxi by electronic  
21 prearrangement. The harm that would be caused by  
22 creating two separate methods to access a taxi  
23 goes even deeper when one recognizes that there is  
24 a segment of the population that does not own a  
25 smartphone or a credit card and those people will

1 not have equal footing to access taxis.

2  
3 New York City has already tried to  
4 allow taxis to operate based on prearrangement.  
5 Back in 1981--and I was there--almost one-third of  
6 New York's 11,787 taxis had two-way radios. E-  
7 hailing is simply the modern version of the two-  
8 way radio. The problems caused by the use of two-  
9 way radios, as well as other issues plaguing the  
10 taxi industry, caused Mayor Koch in 1981 to  
11 appoint a 12-member committee headed by Richard  
12 Smith. In its preliminary issues paper, the Smith  
13 committee explained that whatever tension  
14 inherently exists says from the fact that  
15 prearranged hails divert a fixed supply of taxis  
16 away from street hails, that effect becomes  
17 especially noticeable to a person seeking to hail  
18 a cab who is frustrated by the presence of empty  
19 cabs with lit on-radio call signs either parked in  
20 line or passing on the street. Some members of  
21 radio groups may aggravate the problem by abusing  
22 the use of the radio call light. It is observable  
23 that some cab operators park out of service in  
24 certain locations with or without their radio call  
25 light turned on in order to be free to respond to

1  
2 radio calls, end quote. That was on page seven of  
3 the Smith committee preliminary issues paper,  
4 1981. Can I continue, please? Thank you.

5           The City and the TLC either  
6 considered or tried a variety of options to remedy  
7 the shortage of taxis to pick up street hails  
8 during--due to prearranged calls. In March of  
9 1982, the Smith committee recommended that taxis  
10 should not be permitted to be on radio call during  
11 evening rush hour from 4 to 6:30. And in November  
12 of 1982, the TLC announced that 500 radio cabs  
13 were converted from radio duty to exclusive street  
14 hail. None of these half measures, however,  
15 resolved the problems caused by allowing taxis to  
16 accept fares by prearrangement.

17           And in a resolution dated February  
18 13th, 1985, the TLC mandated that all radios be  
19 removed from taxis by March 15th, 1987. The TLC  
20 explained in the resolution that the mandate was  
21 appropriate, "whereas, the problem of taxicab  
22 unavailability has been severely exacerbated by  
23 the growth of medallion taxicab radio groups in  
24 recent years whose members service radio  
25 customers, thereby, making their taxicab

1  
2 unavailable for street hails; and, whereas, the  
3 services provided by taxi cab radio groups can be  
4 adequately performed by other licensed, non-  
5 medallion vehicles operating for-hire in the  
6 city."

7           As a solution to this substantial  
8 problem since March 15th, 1987, New York City  
9 taxis have accepted passengers only by street  
10 hail. To now allow taxis to accept fares by  
11 prearrangement via a smartphone application would  
12 ignore the lessons of history. The first and most  
13 basic law affecting this issue is Section 19 502  
14 of New York City's administrative code--

15           CHAIRPERSON VACCA: [Interposing]  
16 You're going to have to conclude, sir.

17           VICTOR DIZENGOFF: Okay. All  
18 right, in the code it defines taxis in the  
19 relevant part as a vehicle permitted to accept  
20 hails from passengers in the street.

21           And then the second law prohibits  
22 e-hails in the city. Under Section 19 511 of the  
23 code, any communication system used to dispatch or  
24 convey information to drivers must have a base  
25 station license. And under 19 502 of the code,

1  
2 that base station cannot dispatch any vehicle with  
3 which it is not affiliated.

4 In conclusion, no driver of a  
5 taxicab shall seek to ascertain without  
6 justifiable grounds the destination of a passenger  
7 before such passenger shall be seated in the  
8 vehicle and no driver or taxicab shall refuse  
9 without justifiable grounds to take any passenger  
10 or prospective passenger to any destination. All  
11 of the current smartphone apps used to connect  
12 drivers and passengers allow the driver the option  
13 to accept or reject a job.

14 All right, well at the end I go on  
15 to say--and you have the testimony--that the on-  
16 radio call sign was used and was, you know, made  
17 the situation intolerable and, therefore, the  
18 resolution from Mayor Koch at that time put that  
19 out of existence. What I would ask--

20 CHAIRPERSON VACCA: Okay.

21 VICTOR DIZENGOFF: --what I would  
22 ask--

23 CHAIRPERSON VACCA: Okay.

24 VICTOR DIZENGOFF: --the Chairman  
25 and the Council would be to accept also into

1  
2 testimony the white paper that we submitted  
3 approximately a week or so ago--

4 CHAIRPERSON VACCA: Certainly.

5 VICTOR DIZENGOFF: --and enter it  
6 as part of the record.

7 CHAIRPERSON VACCA: Yes.

8 VICTOR DIZENGOFF: We'd appreciate  
9 that.

10 CHAIRPERSON VACCA: Agree.

11 VICTOR DIZENGOFF: Thank you.

12 CHAIRPERSON VACCA: Thank you.

13 Have any of you noticed problems with the apps to  
14 date? Have there been problems with the apps that  
15 have been used, have there been any issues you're  
16 aware of?

17 AVIK KABASSA: Which kind of apps?

18 CHAIRPERSON VACCA: I don't know,  
19 there's so many of them that I don't know.

20 AVIK KABASSA: Correct.

21 CHAIRPERSON VACCA: Any of them.

22 AVIK KABASSA: Well the legal ones,  
23 no; the illegal ones, I don't even know. I mean,  
24 we're at the mercy of an unlicensed--there's no  
25 enforcement of them so just--I mean, if you take a



1  
2 look at what happened a week ago before the  
3 industry noticed, a company just took iPhones and  
4 gave it to yellow taxis and Carmel so happened to  
5 have an app. Imagine if I gave it to yellow  
6 taxis, how fast would my license be revoked?  
7 Instead, this smartphone company was pleaded by  
8 the Taxi and Limousine Commission to please pull  
9 back on this and they gave them an extension of  
10 one week to use the yellow taxis with the  
11 smartphone application. I would love to have ten  
12 days a year of using the yellow taxis for Carmel,  
13 that would be a nice gesture.

14 So it just doesn't work, I mean.

15 And even the gentleman from Hailo was said we have  
16 all the records, but what if it tells us to take a  
17 hike, I mean, what can we do to him, which license  
18 can we suspend or revoke or anything? So the  
19 legal ones, and there are, are working and we  
20 should not no longer say oh, we are--we stand in  
21 the way of technology. We have technology,  
22 Chairman, New York City is using technology, we  
23 call on you to bona fide it, to make it legal, to  
24 make it licensed, to make it revocable, to make it  
25 fined, and to keep the separation between the

1 street hail and prearrangement.

2  
3 VICTOR DIZENGOFF: Yeah, Chairman  
4 Vacca, I'd just like to expand on what Mr. Kabassa  
5 said, and I think I didn't stress maybe not enough  
6 in my testimony. The Council, the C, and the full  
7 Council should not look to revisit the past, we've  
8 been down that road before and we saw the ills of  
9 it, and the Mayor at that time saw the ills, and  
10 the commission that he put in place saw the ills,  
11 and what has been working in this city for longer  
12 than my lifetime continues to work very well. And  
13 I would ask that the Council take that into  
14 consideration seriously.

15 CHAIRPERSON VACCA: I thank you all  
16 for your testimony, thank you.

17 VICTOR DIZENGOFF: Thank you.

18 CHAIRPERSON VACCA: Our last panel,  
19 promise, Bhairavi Desai, Ms. Desai, Taxi Workers  
20 Alliance; William Lindauer, Taxi Workers Alliance;  
21 Richard Thaler, Omni Media Network; and Edith  
22 Prentiss, Taxis for All.

23 [Off mic]

24 EDITH PRENTISS: I'll give my own  
25 out back.

2 CHAIRPERSON VACCA: You are your  
3 own panel.

4 EDITH PRENTISS: I know.

5 CHAIRPERSON VACCA: You want to go  
6 first, Edith?

7 EDITH PRENTISS: No, it's okay.

8 CHAIRPERSON VACCA: It's all right?

9 EDITH PRENTISS: Thank you.

10 CHAIRPERSON VACCA: All right, Ms.  
11 Desai, would you want to lead off, please?  
12 Identify--

13 BHAIRAVI DESAI: Sure.

14 CHAIRPERSON VACCA: --yourself?

15 BHAIRAVI DESAI: Yes, good  
16 afternoon, Chairman Vacca, my name is Bhairavi  
17 Desai, I'm the Executive Director of the New York  
18 Taxi Workers Alliance. Well to quote, you know,  
19 someone pretty famous, it's déjà vu all over  
20 again, because I remember five years ago when we  
21 had the whole technology debate, what started  
22 eight years ago right after our last fare raise.  
23 Here we are again, when we've just had a raise,  
24 and, again, we're talking about technology, which  
25 really by--you know, there is a lot of talk that

1  
2 this technology is meant to actually put more  
3 money in driver's pockets but we're not sure that  
4 we've seen any evidence of that. And our concern  
5 is that, instead, that the technology will be  
6 snuck in, just like the credit cards were, and  
7 there's no evidence that the credit cards produced  
8 more fares for yellow cabs. And even when they  
9 talked about the tips having gone up, drivers lost  
10 5% on those tips and so, in real numbers, the tip  
11 amounts did not go up for drivers. But you keep  
12 hearing that people within, you know, the  
13 technology role and the industry that have, you  
14 know, want us to swallow this idea that all these  
15 new goods have actually brought more money into  
16 drivers pockets, when in reality with the 5%, for  
17 example, drivers lost between 2 to \$3,000 per year  
18 on the extra fees that they were paying.

19 It's good to hear a number of  
20 companies today who have said that their models do  
21 not call for fees on the drivers. If this is a  
22 serious commitment then it should be regulated, it  
23 should be put into the regulations. And I should  
24 also note that about five years ago we were the  
25 only ones who said that when the T-PEP

1  
2 technologies were coming, that it should be an  
3 open regulated market and not closed with a couple  
4 of, you know, companies with industry contacts  
5 that got those contracts. So I'm glad to hear  
6 that those same companies today are saying if this  
7 new technology market were to develop, it should  
8 in fact be regulated. We've said that for years,  
9 it should be regulated.

10                   And if it is regulated then I think  
11 one of the things that the regulation should call  
12 for very specifically is that no fees will be  
13 passed down to the drivers. We waited eight long  
14 years for this raise and our TLC's data show that  
15 drivers were earning 25% less today than compared  
16 to 2006. We took a bitter beating over all of  
17 these years from gas prices to high leases, lease  
18 overcharges, the 5%, the loss of, you know, space,  
19 the bike lanes, et cetera, et cetera, it caused a,  
20 you know, major economic impact on drivers. We  
21 finally have a raise in place that will bring us  
22 back toward a livable income, which we have not  
23 had close to a decade in this industry. We don't  
24 want to see new technology that is brought in on  
25 our backs to essentially take this raise away.

1  
2                   And so we ask you, Chairman Vacca,  
3 that if there is legislation or regulation which  
4 you weigh in on, that it should take this economic  
5 reality of drivers into consideration.

6                   Just, lastly, if I--for 30 seconds  
7 more, I thought your question to the London  
8 regulator got to the heart of this issue. For  
9 yellow taxi drivers, we have the biggest street  
10 hail market in the entire world, and if this  
11 technology is to make sense, it's to account for  
12 the amount of time we spent cruising empty, but by  
13 what this regulator had said to you in response to  
14 your question, there is no data showing that, in  
15 fact, this technology reduces the amount of time  
16 that yellow cabs spend empty. The data might show  
17 the number of hails that the technology has  
18 produced, but there's no evidence to say that  
19 drivers wouldn't have had those hails in the first  
20 place.

21                   So I think, you know, there's  
22 reason to be cautious here, there needs to be much  
23 more hearings, many more questions, and please do  
24 not put the needs of drivers at the very end of  
25 this debate. Thank you.

2 [Off mic]

3 BHAIRAVI DESAI: Yield to my [off  
4 mic].

5 WILLIAM LINDAUER: She said that  
6 very strongly.

7 [Crosstalk]

8 CHAIRPERSON VACCA: --yourself for  
9 the record.

10 BILL LINDAUER: Oh, I'm Bill  
11 Lindauer, I'm with the New York Taxi Workers  
12 Alliance, and I was a driver for 30 years. To app  
13 or not to app, that is the question Shakespeare  
14 might say if he was alive today. Whether this is  
15 a boondoggle or a bonanza, I don't know. It's  
16 probably a garden of riches for some companies,  
17 and maybe a garden of glitches for anybody who has  
18 this equipment. I don't know.

19 But we have to be leery and we have  
20 to protect drivers' income. I don't think this is  
21 going to be a tremendous boon, I don't know if  
22 it's going to be even legal under the rules,  
23 whether they change the TLC rules or not.

24 Another thing about the audio and  
25 visual equipment mandated by 599, of course, we

1  
2 want to have any aids that will help disabled  
3 people. But let's not put the burden on the  
4 drivers, otherwise we'll be financially disabled.  
5 Thank you.

6 [Off mic]

7 RICHARD THALER: I'm next to last  
8 but not least. Am I operating?

9 WILLIAM LINDAUER: No.

10 [Off mic]

11 RICHARD THALER: Yes?

12 [Off mic]

13 WILLIAM LINDAUER: No, it's not.

14 CHAIRPERSON VACCA: Press the  
15 button again, sir.

16 RICHARD THALER Okay.

17 SERGEANT-AT-ARMS: In the back, in  
18 the back.

19 RICHARD THALER: How's that?

20 SERGEANT-AT-ARMS: No.

21 RICHARD THALER: No?

22 WILLIAM LINDAUER: No.

23 RICHARD THALER: Nope, come in.

24 CHAIRPERSON VACCA: Well send me a  
25 letter.



2 RICHARD THALER: Come in. Switch.

3 EDITH PRENTISS: Do we get a fine  
4 if our technology--

5 [background noise]

6 RICHARD THALER: Hello? Very good.  
7 If the intent--Council Members, just to read my  
8 written comments--if the intent of this bill,  
9 Intro 59--

10 CHAIRPERSON VACCA: [Interposing]  
11 State your name for the record.

12 RICHARD THALER: My name is Richard  
13 Thaler, I'm representing our three companies, Omni  
14 Media Network, a cloud and hosting provider;  
15 Allman [phonetic] Gateway, a payment gateway; and  
16 Allman Mobile, an MVNO, a mobile network operator.

17 If the intent of this bill, Intro  
18 599, is to require all passenger functions of the  
19 Taxi Technology Enhancements program to be  
20 accessible to all passengers, then the stated  
21 requirement item three designed to be installed in  
22 a uniform location within all taxis must enable  
23 the TLC to consider that deploying--that depending  
24 on the wheelchair restraint position in each  
25 accessible vehicle model, the location of the T-

1  
2 PEP hardware for passenger access may need to  
3 change for each accessible vehicle or possibly may  
4 even need to be portable.

5 More generally, though, if the  
6 rules and regulations Section 503 of Title 19  
7 Chapter 5 require the TLC to implement the  
8 provisions of Chapter 5, the core T-PEP function  
9 stated in item 2 of Intro 599 should include  
10 standards of operation for the protection of  
11 passengers and drivers. Item 2 states the four  
12 core functions and, without repeating them, in the  
13 fourth function, data transmission by means of the  
14 passenger information monitor, this is misleading  
15 and incorrect. I suggest substituting the  
16 description interactive passenger information  
17 monitor for data transmission by means and so on  
18 and so forth.

19 In 2004, the TLC simply adopted the  
20 four core functions of the Taxi Technology  
21 Enhancement System created by a certified payment  
22 gateway in partnership with Melrose Credit Union  
23 and First Data; however, the standards of  
24 operation for the core functions were ignored.

25 And there was a remark about the

1 historical record that I'd like to correct. The  
2 way this got started in 2004, in 2004, the Taxi  
3 Technology Enhancement System was nowhere on the  
4 legislative horizon. It was someone in the staff  
5 at the DOT that became aware that the system had  
6 been developed, advised the Mayor of it, the Mayor  
7 invited a demonstration in February of '04, liked  
8 it, mandated it; and it was in March of 2004 that  
9 the TLC adopted it as a mandate. That's how the  
10 whole thing began. The system is completely  
11 developed prior to '04 and it was invited to a  
12 demonstration for the Mayor, and that's how this  
13 whole thing got started.

14  
15 But the standards of operation,  
16 although the core functions were adopted, were  
17 ignored. As a result, drivers have been  
18 overcharged by an estimated \$200 million,  
19 passengers--I don't have much--passengers had been  
20 overcharged due to the systems' operating failures  
21 to prevent fare overcharges, whether intentional  
22 or unintentional, by drivers due to rate four  
23 violations or more recent tow charge violations.  
24 And passengers credit and debit cards have been  
25 exposed to transaction processing security risk,

1  
2 contrary to the remarks made by Chairman Vacca and  
3 others.

4 In fact, a recent disclosure of a  
5 major security breach by a TLC approved T-PEP  
6 merchant acquire processes subcontractor revealed  
7 that the security breach took place in 2011 before  
8 the T-PEP contracts were renewed. In 2012,  
9 MasterCard and Visa delisted the TLC approved T-  
10 PEP merchant acquired subcontractor for security  
11 compliance violations, which still has not been  
12 restored and the security issue has never been  
13 addressed by the Council or the TLC. The rules  
14 for credit and debit card payment are regulated by  
15 the Federal Reserve Board and the Congress as  
16 distinct from the other three core functions of T-  
17 PEP.

18 CHAIRPERSON VACCA: Okay. You have  
19 to conclude.

20 RICHARD THALER: Well I have the  
21 Clint Eastwood chair, they'd be willing to give me  
22 its minutes. Got another minute or two?

23 CHAIRPERSON VACCA: If Clint  
24 Eastwood was here, I'd say yes, but no.

25 RICHARD THALER: But he's not.

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Well I'll tell you--

CHAIRPERSON VACCA: [Interposing]

This is not the Republican convention.

RICHARD THALER: I would like to add though, if you'll allow me to--

CHAIRPERSON VACCA: [Interposing]

You have to wrap up though.

RICHARD THALER: --to Mr. Kabassa's remarks that if we could relate his remarks about prearrangement to the rules. The rules for livery licenses clearly state that a livery driver must only be able to affiliate with one base at a time and all prearrangement must be taking place from that base. If a third party app provider comes in and deals directly with that driver, that is a violation of that affiliation rule. And, while a notice was sent out that if a payment app is used in a medallion cab, the payment amount and the trip record must be recorded in the T-PEP system, but also it said you can't charge the passenger more than the taxi meter fare. That should be extended to livery where if a livery app is used, the fare charged to the livery passenger can't exceed the rate book fare on file with the Taxi

1 Commission. Thank you.

2 CHAIRPERSON VACCA: That is a good  
3 point, thank you. Good point, well taken.

4 RICHARD THALER: You want to give  
5 me another minute for the--

6 [Crosstalk]

7 CHAIRPERSON VACCA: [Interposing]  
8 No, it wasn't that good. Ms. Edith Prentiss,  
9 would you please come up? I thank you, panel.

10 EDITH PRENTISS: I'm not carrying  
11 it all up there--

12 [background noise]

13 EDITH PRENTISS: Okay.

14 [Off mic]

15 EDITH PRENTISS: Thank you.

16 FEMALE VOICE: You're welcome.

17 EDITH PRENTISS: Okay. Want to get  
18 app, want to get app, you guys want to get app  
19 too. Okay. Thank you. Hi, my name is Edith  
20 Prentiss, and I am the chair of the Taxis for All,  
21 president of 504 Dems, vice president of DIA, and  
22 a board member of the Disability Network of New  
23 York City.

24 I think that the Council and the  
25

1  
2 TLC are equally disingenuous in their statements  
3 of accessibility and technical enhancements as it  
4 affects people with disabilities. I was  
5 frantically writing last night and was very  
6 surprised to find that, my God, the push for  
7 accessible taxis goes back to '95 in New York City  
8 when then-Mayor Giuliani wanted to sell 400 new  
9 medallions, and the disability community came  
10 together and asked for a reasonable percentage to  
11 be set aside. Well let's fast forward, we're in  
12 2012, we have 231, maybe 233, out of 13,000 and  
13 change. The livery industry is even worse, with  
14 approximately 23 out of 35,000. So, like, let's  
15 not talk about this. The TLC says just pass us a  
16 law. There was a veto-proof at least once bill  
17 that never made it through the Council.

18 I'd like to say very quickly that  
19 we do support this bill, we support the contention  
20 as Lighthouse spoke and as the loop people  
21 would've spoken if they were here. I'm here  
22 actually to push for two really low-tech tech  
23 advances. One, put lights in the vehicle so the  
24 driver can see he's securing the chair correctly.  
25 My chair is dead--this is not my chair, this is

1  
2 just a rental--my chair was killed over a month  
3 ago by one of Jean Friedman's [phonetic] vehicles  
4 when the guy hooked the hook in the wrong place.

5 Secondly, only the first person to  
6 speak about moving the stupid machine, the point  
7 of service terminal. I went to a crafts fair  
8 recently, every single vendor had wireless on cell  
9 phones, point of service devices [off mic]  
10 machines. Why does the machine have to be  
11 attached to the wall? Behind the driver? Why  
12 can't it be on, like, a telephone cord; why can't  
13 it be wireless? Well, yeah, we do know, it's New  
14 York, they will walk.

15 But, you know, there are all sorts  
16 of low tech technologies. It's really great,  
17 we're talking Hailo, we're talking GetTaxi, all of  
18 these things. First of all, they're not going to  
19 address the need for the wheelchair accessible  
20 vehicle so let's just make it simple, let's keep  
21 it stupid, take the damn thing off the wall so we  
22 can reach it. Thank you.

23 CHAIRPERSON VACCA: Thank you, Ms.  
24 Prentiss, you always make sense, I have to tell  
25 you. Common sense not costing big money, but



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that's what the City is looking for, it's just  
common sense.

EDITH PRENTISS: Yeah, [off mic].

CHAIRPERSON VACCA: That's right,  
we'll give them--

EDITH PRENTISS: Extra cord.

CHAIRPERSON VACCA: --we'll give  
them extra cord.

EDITH PRENTISS: Thank you.

CHAIRPERSON VACCA: There being no  
further speakers, the time is now 1:55, I thank  
you all for your patience. And, of course, I  
thank you for your wonderful participation. This  
hearing is now adjourned.

C E R T I F I C A T E

I, Tammy Wittman, 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.

Signature Tammy Wittman

Date October 3, 2012