

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON CONSUMER AFFAIRS

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July 28, 2009  
Start: 10:31 am  
Recess: 10:44 am

HELD AT: Council Chambers  
City Hall

B E F O R E:  
LEROY G. COMRIE, JR.  
Chairperson

COUNCIL MEMBERS:  
Council Member Charles Barron  
Council Member James F. Gennaro  
Council Member G. Oliver Koppell  
Council Member John C. Liu

## A P P E A R A N C E S [CONTINUED]

Leroy G. Comrie, Jr.  
Chairperson  
Committee on Consumer Affairs

Charles Barron  
Committee on Consumer Affairs  
New York City Council Member

James F. Gennaro  
Committee on Consumer Affairs  
New York City Council Member

Lacey Clarke  
Legislative Counsel  
Committee on Consumer Affairs

Damien Butvick  
Legislative Policy Analyst  
Committee on Consumer Affairs

Alix Pustilnik  
Deputy Director  
Governmental Affairs Division

Robert Newman  
Legislative Director  
Governmental Affairs Division

William Martin  
Committee Clerk  
Committee on Consumer Affairs

Thanks you's to advocates and interested parties

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[START 1001]

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[END 1001]

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MR. EDDIE RENTO CORIASO: This is the Committee on Consumer Affairs. Today's date is July 28, 2009. And it's being recorded by Eddie Rento Coriaso.

CHAIRPERSON COMRIE: Oh okay. Good morning. I am Leroy Comrie. I'm the Chair of the Committee on Consumer Affairs. Today we'll be voting on proposed Introductory Bill 1031-A which would amend the Administrative Code of the City of New York in relation to the licensing of pedicabs. We previously held a hearing on this bill on June 29<sup>th</sup>, 2009 at which time we heard testimony from the Department of Transportation, the pedicab industry, bicycle advocates and other interested parties. As the pedicab industry has developed during the last decade from a novel trend into a full industry, New York City has seen the marked increase in the number of these vehicles operating on the streets.

Recognizing its rapid growth and the need for regulation, the Council in February

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2 2007 passed Intro bill number 331-A, a Local Law  
3 in relation to regulating and licensing pedicabs.  
4 331-A included certain safety standards as well as  
5 licensing scheme, a cap on the number of pedicabs  
6 and other regulatory features.

7 In March 2007 however Mayor  
8 Bloomberg vetoed the bill citing his belief that  
9 the number of pedicabs on the street should be  
10 determined by market forces. Despite his  
11 opposition the Council overrode his veto and the  
12 bill became Local Law 19 of 2007 that April.  
13 After Local Law 19 was enacted the Department of  
14 Consumer Affairs began to announce rules that  
15 would allow for the distribution of pedicab  
16 business licenses and registration plates. The  
17 DCA was then sued by the New York City Pedicab  
18 Owners Association who claim that these rules were  
19 inconsistent with the language and intent of Local  
20 Law 19.

21 The New York State Supreme Court  
22 immediately stayed the implementation of the law.  
23 In January 2008 it ruled that the regulations were  
24 invalid and ordered DCA to revise the regulations  
25 to conform to the intent of the Local Law. This

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2 ruling was upheld on appeal by the First  
3 Department in April 2009. However due to the  
4 First Department's discussion and the amount of  
5 time that has lapsed between Local Law 19's  
6 enactment and the First Department decision, new  
7 action by the Council is required.

8 This Intro creates a new licensing  
9 scheme and timeline for pedicabs and pedicab  
10 businesses. This bill would create a window of  
11 time during which pedicab owners could apply to  
12 DCA for pedicab business licenses and registration  
13 plates. DCA would accept applications from owners  
14 for 60 days beginning on the 40<sup>th</sup> day after  
15 enactment of the law for both pedicab business  
16 licenses and pedicab registration plates. After  
17 the 60 days, no new business licenses or  
18 registration plates would be issued.

19 An applicant would be required to  
20 have a valid pedicab business license in order to  
21 obtain a pedicab registration plate. A pedicab  
22 business license could only be issued to an  
23 applicant that provides DCA with a list of all the  
24 pedicabs he or she owns, leases or controls, and  
25 proof that the applicant has valid liability

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2 insurance for each pedicab listed on the  
3 application.

4 A pedicab business licensee would  
5 have to obtain registration plates for each of the  
6 pedicabs listed on their business licenses  
7 application though this bill would limit to 30 the  
8 number of registration any individual licensee  
9 could hold. DCA would only issue registration  
10 plates to those pedicabs that passed a mandatory  
11 inspection confirming they comply with the safety  
12 features outlined in Section 20-254 of the  
13 Administrative Code, including brakes, headlights  
14 and taillights, seat belts, among other  
15 requirements. Furthermore no pedicab could  
16 operate unless it had been inspected by DCA and  
17 had a valid registration plate.

18 Since the first hearing on this  
19 bill in June, several additional safety measures  
20 have been added to Intro 1031-A including  
21 mandating that business owners provide training  
22 for all pedicab drivers, prohibiting pedicabs from  
23 operating in public plazas and specifying harsh  
24 penalties for those drivers who operate a pedicab  
25 with a suspended or revoked motor license or while

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2 intoxicated.

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A pedicab business owner would be jointly liable for all pedicab driver actions and the Commissioner could suspend or revoke an owner's business license based on a determination that the number and/or type of violations issued to drivers of his or her pedicabs indicate a threat to public safety.

In addition Intro 1031-A mandates that a pedicab business license be suspended for one month of a pedicab owned by such business is found to be operating without proper registration. The business's license would be revoked up to one year if any pedicabs are found to be operating without registration 3 times within 12 months. Once a pedicab business license is revoked or suspended all associated pedicab registration plates would become void.

Finally Intro 1031-A contains a provision that would end the restriction on issuing licenses 18 months after its effective date. Prior to the sunset date the Council would carefully review the operation and effectiveness of the law to determine whether it would be in the

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best interests of City residents to permit the  
licensing restriction to sunset or to extend the  
licensing restriction beyond 18 months.

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Again I'd like to thank everyone  
for attending today's hearing. And I'll ask any  
of my colleagues if they'd like to speak on this  
matter. Council Member Barron?

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COUNCIL MEMBER BARRON: Thank you  
Mr. Chair. My concern about the bill is first of  
all the time period that one has to get a license,  
you know, to say that after 40 days after the  
enactment and then 60 days thereafter, that is the  
time span for them to get the license, is a  
concern of mine. You know, we are--if you're  
going to regulate an industry then I think it  
should have a greater time span to get everything  
in place, to make sure that everything is safe.  
So I'm concerned about that.

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I think it's good that it is sunset  
after 18 months so we get a chance to at least  
check it out and see what's good, what's bad, what  
needs to be revived. But I think that more  
thinking has to go into this. I want to make sure  
that we're not being pushed by the Taxi and



1  
2 Limousine companies to make sure that it is more  
3 difficult for the pedicab industry to exist. But  
4 it should be a regulation for safety purposes and  
5 not for cutting back on competition. So I'm very,  
6 very concerned about it. I'm going to be  
7 supportive of this bill only because it's 18  
8 months and it will be sunset and we'll get a  
9 chance to do it over again to make sure that  
10 anything that goes into practice now be seriously  
11 evaluated to make sure that it's not about cutting  
12 back on competition and it's really about safety.

13           So those are the things that I'm  
14 concerned about. There's several aspects of this  
15 bill that I think we really need to do some more  
16 thinking on. But I think the application of it  
17 for safety reasons might be good for now but  
18 certainly after 18 months I think we need to  
19 revisit a lot of aspects of this bill. Thank you  
20 Mr. Chair.

21           CHAIRPERSON COMRIE: Thank you.

22 Council Member Gennaro?

23           COUNCIL MEMBER GENNARO: Thank you  
24 Mr. Chairman. Thank you for your leadership and I  
25 signed onto the legislation because it does bring,

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2 you know, necessary reforms to an industry that  
3 had, you know, generated safety concerns. And  
4 that was certainly spelled out by the accident  
5 that happened recently on the Williamsburg Bridge.  
6 And certainly over the next 18 months and beyond,  
7 this Council and this Committee should watch this  
8 industry very closely to see if any more  
9 regulation is needed.

10 Certainly I'll be keeping a close  
11 eye on that but I do, you know, support this  
12 legislation. Happy to sign onto it and I thank  
13 you for your leadership Mr. Chairman and for the  
14 hope that it's going to be an ongoing oversight of  
15 this new industry. Thank you Mr. Chairman.

16 CHAIRPERSON COMRIE: Thank you.  
17 All right. I want to thank all of the people that  
18 have had input in bringing the bill to this point.  
19 Lacey Clarke, our Legislative Counsel, Damien  
20 Butvick, our Policy Analyst, Alex Pustilnik and  
21 Rob Newman and all of the advocates on both sides  
22 of this, who brought the bill to this point.

23 I am not 100% satisfied with where  
24 we are either but for actually different reasons  
25 than both my colleagues. I think that there are

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2 things that we still have to deal with. The fact  
3 of the matter is that many of the drivers do bring  
4 their vehicles over from--over bridges because  
5 they store their vehicles in Brooklyn or Queens  
6 because they can't afford the storage fees in  
7 Manhattan. We didn't deal with that.

8 The issue of assisted vehicles is  
9 something that we have to deal with. But I think  
10 we need to move forward because the industry is  
11 actually crying out. The pedicab industry is  
12 crying out for regulation. And with that I think  
13 that is the overall--in fact, and factoring in  
14 that we are going to look at this again in 18  
15 months, I think gives us time to address those  
16 issues.

17 I would ask the industry also to  
18 work on and continue to work with our Council,  
19 continue to also deal with--on the issues in  
20 Albany and hopefully to address a larger issue  
21 that the industry has spoken to me about. But I  
22 think that where we are today is a good start. I  
23 hope that the Administration will pass the bill  
24 this time without putting it through more  
25 difficulties.

2 I hope that the collaboration that  
3 has been developed between the industry and all of  
4 the advocates, they want to deal with this and  
5 make sure that this industry is safe for tourists,  
6 for passengers, for pedestrians alike, are  
7 important to be realized. And that the time to  
8 ensure that all of this will be done in the next  
9 18 months, that there is a vigorous oversight done  
10 by the Department of Consumer Affairs and the  
11 Department of Transportation and the Police  
12 Department so that we can really understand what's  
13 out there after everyone is registered.

14 With that if there are no further  
15 comments; I'll ask the clerk to call the roll.

16 MR. WILLIAM MARTIN: William  
17 Martin, Committee Clerk. Roll call on the  
18 Committee on Consumer Affairs Introduction 1031-A.  
19 Council Member Comrie.

20 CHAIRPERSON COMRIE: I vote aye.

21 MR. MARTIN: Barron.

22 COUNCIL MEMBER BARRON: Aye.

23 MR. MARTIN: Gennaro.

24 COUNCIL MEMBER GENNARO: Yes.

25 MR. MARTIN: Koppell.

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COUNCIL MEMBER KOPPELL: Aye.

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MR. MARTIN: Liu.

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COUNCIL MEMBER LIU: Yes.

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MR. MARTIN: By a vote of 5 in the affirmative, 0 in the negative, no abstentions, the item is adopted. Council Members, please sign the Committee reports. Thank you.

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CHAIRPERSON COMRIE: Again I want to thank everyone that was involved. I want to thank the Civil Service Committee for their patience. But we actually got out of here in less than 45 minutes so that's pretty good. All right. And with that I'll declare the hearing closed and so all my Committee members are here now. Thank you very much for attending the hearing on Consumer Affairs for July 28<sup>th</sup> is effectively closed. Thank you all.

[Gavel banging]

[END 1002]

C E R T I F I C A T E

I, Laura L. Springate 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.

A handwritten signature in cursive script that reads "Laura L. Springate". The signature is written in black ink on a light-colored background.

Signature \_\_\_\_\_ Laura L. Springate \_\_\_\_\_

Date \_\_\_\_\_ August 14, 2009 \_\_\_\_\_