

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON TRANSPORTATION

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HELD AT: Council Chambers - City Hall

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Chairperson

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

Meera Joshi
Commissioner in Chair of New York City Taxi and
Limousine Commission

Victor Calise
Commissioner of the Mayor's Office for People
with Disabilities

Ryan Wanttaja
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General Counsel to Metropolitan Taxi Cab Board of
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Executive Director of Committee on Taxi Safety

Arthur Goldstein
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Colin Tooze
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Nicole Benincasa
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A P P E A R A N C E S (CONTINUED)

Diana Dellamere
Lyft

Carolyn Castro
Livery Roundtable

Avik Kabessa
Livery Roundtable and CEO of Carmel

Jose Altamirano
President of Livery Base Owners Association

Derrick Warmington
Rose & Dale Car Service

James Weisman
United Spinal Association

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United Taxi Drivers Association

Michele Keller
Community Board 12 Chairperson

Tiwari Ravinder [sp?]
Uber Driver

Leanne Ribas [sp?]
Uber Driver

Wenzel Rodriguez [sp?]
Uber Driver

CHAIRPERSON RODRIGUEZ: Good morning, and welcome to today's hearing of the City Council Transportation Committee. I am Ydanis Rodriguez, the Chair of this Committee. First, let me recognize my colleagues who are with us today, Council Member Cabrera, Weprin, Miller, and Greenfield. In New York and everywhere in our nation, companies must comply with the rules and regulations that are set forth by the government. Although op-base [sic] services have done a better job of working with government agencies in New York City than almost all the cities in our nation, the compliance is still highly lacking. It must be clear that the rules and regulations set forth by the city for the black and for-hire industry must be the same for the op-base services. Rules like trip records and accessibility requirements make our city better and companies most responsive to clients. In order to operate in New York City, you must comply with TLC [sic] and council regulations as last week's shut down of five Uber bases shows. Today, we come together to not only to hear testimony on four important pieces of legislation, but to send a message loud and clear, that in New York City everyone doing business with the TLC should be held

to the same standard and regulations. Now, regarding to the legislation to be heard here today. Intro 559, which I have introduced, will require livery base stations to have agreement with all the bases in order to dispatch vehicles affiliated with those other bases. First, let me point out that it is widely acknowledged that it has long been the livery industry practice to enter into such agreements with all the bases even though it has never been technically required by TLC rules. It should also be noted that the requirement of such agreements was part of a proposal that TLC heard in October. In fact, at the time, TLC asserted that agreements were needed to help ensure that drivers will be covered for worker's compensations purpose in the event of a crash. The TLC also originally raised the possibility that with our agreements, a collision could raise civil liability issues for the affiliated bases, base of the vehicle involved even if the trip was dispatched by another base, and the affiliated base had no knowledge of the trip. And the TLC further justified requirements agreements by asserting that they were necessary in order to "protect a base ability to know which of its vehicles

are actually available.” At the time, some raised objections related to driver’s choice, arguing that requirement agreement would unfairly limit driver’s ability to choose what bases to accept dispatches from, but again, as the TLC original justification for requiring agreements pointed out, industry as such already provide for driver’s choice by allowing drivers to affiliate and dis-affiliate with bases at will. Ultimately, the TLC removed the base agreements requirement from the final rules that it passed. Today, we will invite the TLC to work with the Council to pass this legislation to instill base agreements. Intro 556 introduced by Council Member Greenfield will prohibit excessive charge of dynamic [sic] prizing in the for-hire industry. We are all very familiar with the stories and complaints about the surge pricing employed by op-base [sic] for-hire vehicle service such as Uber. During surge pricing, rates are raised during period of high demand. They say this is done to incentivize drivers to meet the demand by increasing supply. Of course, what this also means is that customers are paying many times the regular price of a trip when they need service the most. One of the most outrageous examples of

this was when a two mile, 11 minute ride in Brooklyn cost a customer 94 dollars, six times the average rate of 15 dollars. Although, I understand the logic of increasing price during rate of high demand, their practice has been incredibly abusive to customers who might not know what they are getting into when they enter car during surge pricing. The bottom line is that we want to make sure that New Yorkers are not being taken advantage of. The Council is committed to ensuring that the business of our city are good actors. Not only are turning the revenue on the backs of uncertain unsuspecting hardworking New Yorkers. Customers deserve to be informed not only of when surge pricing is occurring, but also what effect it will have on their wallet. We look forward to hearing a vigorous testimony on this bill from many different stake holder and are committed to considering this issue thoughtfully, and with the emphasis as always on the fairness of all involved. Intro 615, which I also introduced, allows TLC to come up with a new design for the trouble light that are required on every taxi and for-hire vehicle. Taxis and for-hire vehicle driver's safety is a top concern of this committee, the Council and the

administration. Violent assault on taxis and livery drivers are still too common in our city. Just this past November, one livery driver was shot and another was stopped in separate robbery incident. The unique sensibility of taxis and livery drivers led the council to pass various legislation on driver safety already. Intro 615 to be considered by the Council today will make a technical change to the administrative code that will go a long way in the Council's continued effort towards maximizing driver safety. For many years, trouble lights have played an important role in driving safety, allowing drivers to silently alert passing police officers and other drivers that they are under attack or are otherwise in danger. Intro 615 will allow TLC to update the design of this trouble light, taking advantage of the available technology to more effectively provide an invaluable lifeline to drivers. Lastly, Intro 47, introduced by Council Member Cabrera, will remove the requirement for base station to provide a certain amount of off-street parking. Today, with individual drivers typically owning their own vehicles and parking their own [sic] when off-duty. The requirement has maintained that base stations must

pay for their right to access nearby driver parking, parking that is often some distance away from the base and never actually used by any of the affiliated vehicles. No matter what changes are made, however, nothing will change our expectation on behalf of all communities in this city, that both bases and drivers be good neighbors at all times and act in a manner that is respectful of the communities around them. The committee looks toward to hearing from the administration alternative [sic] measures to be taken to ensure that the quality of life of communities is not disrupted. I would like to thank everyone for attending today's hearing, in particular, TLC Chair Meera Joshi who has been such a good partner to work with on many different TLC issues over the past year, especially with the Vision Zero. The taxi and for-hire vehicle industry is changing rapidly, and in many different way and we are committed to doing what we can to make sure that safe, reliable and affordable transportation is available to all New Yorkers, and that the industry remains a place where everyone will play by the rules, is treated fairly, and has the opportunity to succeed. I now invite a sponsor of the legislation who are considering--who

we are considering today to deliver opening statements. First, Council Member Greenfield.

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. First, I want to especially thank you for your leadership on this issue and all the issues. I've been very excited under your leadership over the last 12 months of the Transportation Committee. We've done some great work, especially around Vision Zero, and this is a new chapter, and we're very grateful. Thank you for your leadership, Mr. Chairman. I will just say that my legislation, Intro 556 seeks to rectify what is a glaring problem that we have in the city which is that some folks are taking advantage of the livery car industry to allow for effectively unlimited rates when it comes to private cars and taxis. Of course, there's a reason why we regulate taxis in this city, and the reason is not simply about licensing and public safety and insurance, but it's also because it's a unique industry, right? Think about it, if you are flagging a cab and it's raining outside and you're on the way to the airport. Now, you jump into the cab, and if you turn to the cabby and you say, "Cabby, to the airport, please." And the cabby turns to you and says, "Well, what time

is your flight?" And you say, "Well, 45 minutes from now." And he says, "Okay. Well, your flight's in 45 minutes. You're in a rush. I'm going to charge you 500 dollars." Well, you'd probably be pretty outraged. We would all be outraged, and we understand that the industry is an industry that relies on last minute business and therefore we strictly regulate everything from the size of the sticker in the back of the cab to what the cabs could actually charge. Unfortunately, we see this happening through a loophole through a few companies most egregiously Uber, who engages in what could only be termed as price gouging. There's a very famous test. I went to law school for many years, and I practice law, and I'm an attorney licensed in the State of New York, and one of the great legal tests is called the duck test. If it looks like a duck and it quacks like a duck and it swims like a duck, it's probably a duck. If it looks like price gouging, if it sounds like price gouging, if it acts like price gouging, it is probably price gouging. You can use all sorts of fancy names, you can call it surge prices, dynamic pricing, competitive pricing, and I'm sure that the good folks at the 40 billion dollar corporation of

Uber have had teams of people come up with different ways to spin it, but at the end of the day, it is simply price gouging. Now, Uber will turn around and say, "Well, hold on a second. Hold on. We actually need this. It's very important to us, because if we're not able to gouge people, I mean surge price them, then what's going to happen is we're not going to have more cars on the road." So I have a very simple solution to that which is I'm going to allow you to charge more and we're going to cap it at 100 percent of the rate. I don't know about any of you folks either watching on television or working here, I don't get paid anything twice as much simply because I rolled out of bed in the morning. So, I think that's a very fair solution that would still allow more cars on the road while limiting what is, in effect, price gouging. The final point that I want to make is not just about Uber. You know, a lot of the news coverage about this is, and I understand that it's interesting and that it's a compelling piece of legislation. A lot of people like myself, just be clear, we love Uber and we welcome Uber to New York City. We think Uber is great. We just hate price gouging which is part of what Uber is doing.

So, I want to separate those two. I have no problems with Uber. I just have a problem with one of their practices, but the unintended consequence of what we're allowing Uber to do, which is effectively manipulate the system, is that we are hurting what has traditionally been the backbone of New York City's hardworking middle class, and that is the taxi industry that is currently regulated, aka the Yellow Cab industry. These are folks who work hard. Many cases, they are immigrants. They are people who saved up. They finally bought a medallion, and what's happening to these people is that the value of their medallion is going down. Their business is going down. They're making less money, because effectively we have two systems. We have one highly regulated system which is intended to actually help the city of New York, and we have one which is a more loosely regulated system which is the black care livery industry that is being exploited by Uber, and as a result, we now have what is effectively an imbalance, and those folks who are the hardworking folks of quite frankly most of whom are immigrants are in fact being punished. And so, I would ask you folks when you look at this, simply do not look at it

as a Uber price gouging or a bunch of folks who are simply enjoying using an app, which is really great. Look at it as respectively as what it is, which is a 40 billion dollar corporation is quashing the American dream here in New York City, and support Intro 556. Thank you.

CHAIRPERSON RODRIGUEZ: Before calling Council Member Cabrera, I also like to recognize Council Member Rose, Chin and Menchaca. Council Member Cabrera?

COUNCIL MEMBER CABRERA: Thank you so much, Chair Rodrigues, and I want to echo Council Member Greenfield's point of your leadership this year in bringing bills that are really impacting our constituent. Good morning everyone. I am Council Member Fernando Cabrera. I wanted to thank you all for being here today, and I also would like to thank, as I mentioned, Chair Ydanis Rodriguez and members of the Transportation Committee for allowing the opportunity for my bill, Intro 47, to be included among the bills discussed in this hearing. As many of you are aware, by law, the operators of base station must provide our street facilities for the parking's of the vehicle. The off-street parking

requirement has had a negative impact on many livery bases throughout the city. They carry mandate forces spaces to fine and pay for commercial parking that they may or may not ever use. Moreover, while our street parking is required to operate livery base enforcement, the mandate is difficult to implement. While occurring TLC rules allow the Commissioner to grant a waiver to the off-street parking rule, I'm really not aware of any waiver ever given. With the introduction of the taxi mobile application and other technologies, the reality is that many for for-hire vehicle drivers drive from home and do not need parking at base. The reality is that the current practice is antiquated unpractical. Intro 47 aims to remove the off-street parking requirements for base station licensees. This ease on requirement would allow base stations to maximize the use of the latest technological developments in the taxi industry in order to dispatch and distribute vehicles proportionately and in an effective manner based on demographic. Thank you so much, Mr. Chair.

CHAIRPERSON RODRIGUEZ: Before we call administration, even though we always do it at the end, I want to do it at the beginning. I want to

recognize the great team that worked with us with this bill, the committee staff, Kelly Taylor, Gafare Salove [sp?], Junitama Serrano [sp?], Shima Obichering [sp?], also my Chief of Staff, Carmen De La Rosa [sp?], my Legislative Director, Lucas Acosta. Now, I would like to invite our--as the Commissioner Counsel to administer the affirmation to the representative TLC who are here and then invite them to deliver the testimony.

COMMITTEE COUNSEL: Kelly Taylor, Committee Counsel. Will you please raise your right hands? Do you affirm to tell the truth, the whole truth, and nothing but the truth in your testimony before the committee today and to respond honestly to Council Member questions?

: I do.

COMMITTEE COUNSEL: Thank you.

CHAIRPERSON RODRIGUEZ: Commissioner?

: Good morning, and before I get started, I just like to introduce those at the table with me. To my right is Victor Calise, Commissioner of the Mayor's Office for People with Disabilities. To my left is Jo Rausen who is director of Tech Programs at TLC, and right behind me is Ryan Wanttaja

who's an assistant attorney in our general counsel's-
-I'm sorry, Deputy Assistant General Counsel in our
General Counsel's Office. SO, I just wanted to get
those introductions out of the way. So, good
morning. My name is Meera Joshi, Commissioner in
Chair of the New York City Taxi and Limousine
Commission. Chair Rodriguez, members of the
Transportation Committee and Council Members, thank
you for the opportunity to speak on these four pieces
of legislation that effect operations of the
industries licensed by the TLC. I'll start with
Intro Number 47. Intro Number 47 would eliminate a
longstanding requirement that each livery base
provide off-street parking for 50 percent of its
affiliated vehicles. Those who crafted the existing
requirement likely hoped that the dedicated off-
street parking would reduce street congestion around
bases, however, there's no requirement that drivers
use this parking, and we hear anecdotally that many
do not use it because it's more practical for them to
park elsewhere. Some drivers park at their homes
when they're not working or at locations convenient
for their next passenger pick up when they are
between calls. Unfortunately, the requirement does

not achieve its intended purpose, and we support this legislation which eliminates the requirement. We recognize that sometimes neighborhoods have real concerns with drivers who congregate on the street and occupy on-street parking. This is the case even with the existing requirement, which suggests that it has not solved the problem. Car service drivers are allowed to park on the street so long as they follow all posted regulations. However, they are of course not allowed to engage in activities like littering or making noise above legal limits. When we hear about these issues, we find that the most effective means of addressing them is to work with the key actors in the community. We speak with the driver's base to engage management support in correcting driving behavior as required by our rules, and we contact the local police precinct so they can respond if necessary. We apprise the local community board of the complaint and the city's actions to remedy it. WE find that community car service bases that have vested interest in maintaining strong relationships with the neighborhoods they serve and their partnership along with enforcement when necessary is the best way to ensure that drivers are good

neighbors. We will continue this practice and build on it should Intro 47 pass. The next bill I'd like to discuss is Intro Number 556. New York City's for-hire transportation is a complex and dynamic industry. It serves a large, diverse and growing passenger base through channels ranging from calling the local car service to booking an airport pick up online to ordering a car through a tap on a smart phone. Overall, this is a really good thing. New Yorkers have more options for getting where they need to go than they did just a few years ago. With this growth and change comes a need to re-examine the regulations that surround this industry, whereas traditionally, our approach to regulating price in the for-hire industry has been to let market competition among an uncapped number of car service companies drive pricing and customer service levels, something that for many years worked well and provided New Yorkers with a full range of choices. Recent changes such as apps that engage in surge pricing have caused us to give this topic a fresh look. One common justification for surge pricing is that it allows bases to entice drivers to work and serve passengers in order to ensure vehicle

availability when cars are scarce. However, it's hard to think that vehicle scarcity is today's reality. In 2012, there were 38,000 approximately 38,000 for-hire vehicles and approximately 52,000 for-hire drivers. Those numbers have ballooned in two years, and now there are approximately 50,000 for-hire vehicles and approximately 70,000 for-hire drivers, and therefore, one of the fundamental reasons for unfettered surge pricing and insufficient supply of drivers likely no longer exists. I'd also like to add that in addition to the 70,000 drivers and 50,000 vehicle, there's also 20,000 hailable [sic] yellow and green taxis available for passenger's use. I'm also concerned that apps would actually use their technology to perpetuate a false scarcity of vehicles leaving passengers with the impression that aggressive surge prices are justified and that accepting them is the only way home, when they may be the result of artificial inflation. Although, in general, I believe that companies and consumers should be able to agree upon a price and proceed with a transaction so long as both are willing, I believe there is some breaking point. What comes to mind is the example of a young woman in

Baltimore who took a 20 minute Uber ride home late at night on her 26th birthday that cost her 362 dollars. It is situations like these when passengers in vulnerable positions may need some protection from companies taking advantage of their situations. A final concern of mine that I'm sure is nearly universally shared is when passengers receive a bill at the end of a ride that is far more expensive than they expected when they stepped in the car. Most of us have had experiences when we've paid a high price for a service and believe it was well worth the cost, but it is essential that the city help to ensure that consumers have true transparency about the prices they will be willing to pay. For all these reasons, I strongly support regulation around the surge pricing model to protect passengers from egregious pricing. However, I'm not able to specifically support Intro Number 556 for several reasons. One, as drafted, the legislation would penalize the driver for a surcharge price--for a surge price at a level that's higher than permitted. WE have to remember that is the base, not the driver that sets the fare. Therefore, the appropriate responsible party for legislation going forward would be the base. Second,

we also have to remember that developing a standard for how high is too high is a very complex task. Creating an objective standard that will work for the majority of passengers requires a baseline understanding of prices generally and at the point at which people think they are being ripped off. I cannot tell you today that I know what that breaking point, nor do we have much of the underlying information that would help determine it. To create a regulatory framework that is meaningful and truly meets the city's goals of protecting passengers requires a carefully crafted policy. It is well worth our time to do more systematic data collection, serious research and broad community outreach on this issue so we can be confident that we're getting the policy making right. We have to also take a hard look at what specifically we are trying to achieve and any unintended consequences that may result. We would need to think if the cap would be an overall maximum charge permitted by any base licensed by NYC, in NYC, which would be difficult given the diversity of prices charged by luxury versus mass market businesses or whether the cap would be linked to the prices that a specific base typically charges. With

the latter option, as drafted in the legislation, the normal range of prices would have to be recalculated for each base every day and can include the previous day's surge pricing rate, which would mean that the normal range of prices and the subsequent allowable surge pricing rate could increase every day to the point at which the bill would be self-defeating. Also, passengers may not always know when they've been overcharged. True enforcement of a surge pricing cap requires TLC access to fare data so that it can be continuously analyzed to set baseline prices against which surge levels can be measured and continuously reviewed for violations. New TLC rules to increase accountability in the FHV industry call for regular trip record submission to the TLC, but currently the fare is not a field in that required data set. Finally, I think most recognized that within reason, dynamic pricing can be a good thing. It's common in other transportation industries such as trains and airlines and used by other businesses such as restaurants that offer early bird specials to smooth consumer demand between peak and off peak times. I do believe that at certain times when drivers are choosing between working a busy night or

doing something else, the availability of additional income opportunities tips the scales towards working creating more service availability for passengers. Therefore, I recommend that legislation going forward strike a balance between protecting passengers from outrageous pricing and allowing dynamic pricing to provide the benefits of more service availability at times when scarcity could be an issue. We've also begun to work on a set of TLC rule that would require additional price transparencies so that passengers who are making a choice to take a ride regardless of its cost have the information they need at the get go to make an informed decision. For livery passengers who are entitled to a binding fare quote at the beginning of the ride, we're clarifying rules to ensure that any base, including an app-based base is required to provide the passenger with the opportunity to provide a destination and receive a binding fare quote each and every time he or she requests a ride. For passengers ordering black cars through apps which do not have a binding fare quote requirement, we're exploring what requirements we need to put in place to ensure that passengers have a very clear sense of what the cost is going to be

before they book the ride. Of course, we welcome your input as to what tools we would best employ to ensure price transparency. We look forward to working with the Council on all of these issues and appreciate your attention to this important matter. Intro Number 559, requiring agreements between bases wishing to dispatch one another's affiliated vehicles is something the Commission considered last year. After extensive conversations with base owners, FHV drivers and worker compensation experts, along with field testing and a public hearing on the matter, we came to have significant concerns with the agreement requirement and declined to move forward with it. I'd like to share these concerns with you. We originally considered imposing an agreement requirement out of a concern that there might be a gap in worker's compensation coverage for drivers when they were dispatched by a base other than their home base, but after over two months of information gathering, it became clear that an agreement between bases was not a prerequisite for coverage in either the black car or the livery sector. So ensuring worker's compensation coverage was no longer justification for an agreement requirement. Through the process we

also came to have real concern that a base rule would give insufficient deference to the legal status most drivers have as independent contractors, rather than base employees, and that it could limit the driver's earning opportunities. The downside for drivers of not being base employees is the base does not provide them with many common benefits of employment such as healthcare and sick leave. The upside, however, is that drivers have a right to greater flexibility to choose when they work and who they work for?

Requiring base agreements would diminish the upside of the independent contractor status without gaining them any of the benefits of employment. Practically, a driver affiliated with a base that did not have agreements with other bases, either because it did not wish to enter into agreements or because the agreements offered by other bases were deals it could not accept and still remain profitable would lose his or her freedom as an independent contractor to earn additional income by working with other bases, even during times when he or she had made no commitment to fulfill trips to the home base. Additionally, although agreements may at first glance seem like a way to protect smaller bases from having their

driver's time preoccupied by dispatches from other bases, the requirement could actually end up hurting them by making it more difficult for small bases to retain drivers. Some smaller bases do not always have enough business to occupy their affiliated drivers, or even enough market power to enter into an agreement with another base that has terms friendly enough for smaller bases to accept them and remain profitably. Allowing drivers affiliated with a small bases to supplement their income by taking trips from other bases without needing the base owner to come to an agreement could actually help smaller bases retain drivers rather than lose them to larger busier bases. As to Intro Number 559, specifically, imposing the agreement requirement on the livery industry only may create an imbalance that would draw drivers away from the livery industry and to the black car sector where drivers have increased opportunity for work. For these reasons, at this time, we're not supportive of mandating a livery base agreement. Intro Number 615, we're grateful for council support when we proposed updating trouble light requirements. The proposed legislation would remove the outdated trouble life specifications and give TLC and the industry the

freedom to invest in the best possible alert technology to protect drivers in distress. Notably, this is the second driver protection initiative undertaken by this Council within four months. Once enacted, the TLC would be able to explore systems that go far beyond the current blinking light and create trouble light specifications that could be more useful to law enforcement and ultimately keep drivers safe. Thank you for proposing a simple change to the administrative code that could have a positive impact on driver's safety. This concludes my testimony on the proposed legislation. At this time I'd be happy to answer any questions you may have.

CHAIRPERSON RODRIGUEZ: My first question is, when TLC suspended five bases for a--to Uber this last couple of days, how--Uber are operating with six bases, lot car bases?

MEERA JOSHI: Just to clarify, TLC doesn't make the suspension decision, office of Administrative Trials and Hearings does. So, an ALJ8 [sic] Oath found that they were in violation of the directive to comply and suspended five bases. They do have a sixth base that was not subject to that

order and it was not suspended. They're operating today by virtue of a temporary license, which our rules allow us to grant people when they're appealing a decision and its common place that we grant temporary licenses when people have their license suspended, either a medallion owner's license, a base license or a driver's license. With suspensions the appeals process is expedited, and that is in large part with the agency has the general practice of granting the temporary license.

CHAIRPERSON RODRIGUEZ: My question is for Uber is the same, been operating as they could be with one base or the six bases, because all they got to do is to get a driver to be dispatched from the one base that they still are operating, right?

MEERA JOSHI: Yes, their driver--well, they're not really their drivers. The vehicles of-- people who drive vehicles affiliated with their bases can take dispatches from any black car base including the one that remains unsuspended.

CHAIRPERSON RODRIGUEZ: And if Uber, when opened a livery base, it only take for Uber to open one to be able to operate and take driver from any bases as they want to because there's not any

agreement that TLC mandate for Uber to have, and get driver from other bases to provide the services using Uber apps.

MEERA JOSHI: If Uber was to open a livery base, they could not dispatch drivers-- vehicles that are affiliated with the black care bases, they could dispatch vehicles affiliated with other livery bases just as other livery bases could dispatch vehicles affiliated with an Uber livery base.

CHAIRPERSON RODRIGUEZ: I'm talking about livery. If you had--

MEERA JOSHI: [interposing] Yes. So, you're correct, there is no agreement requirement in the livery world today, so there would be no bar to an Uber livery base dispatching other bases' vehicles and vice versa.

CHAIRPERSON RODRIGUEZ: And if Uber in that particular--how many livery we have, like 40,000? How many livery?

MEERA JOSHI: How many livery vehicles?

CHAIRPERSON RODRIGUEZ: Yes.

MEERA JOSHI: Livery vehicles, I don't know off the top. I can get that number, but total black car and livery about 50,000.

CHAIRPERSON RODRIGUEZ: Okay, I think it's like 35 livery I assume there's--

MEERA JOSHI: [interposing] No, I believe it's closer to 20,000 livery and 30,000 black car, but let me get the number for you.

CHAIRPERSON RODRIGUEZ: Okay, but the only thing that livery--the only thing that Uber would need is to open one base?

MEERA JOSHI: We'll get the exact the number for you. I apologize.

CHAIRPERSON RODRIGUEZ: Okay, the only thing without the agreement, and I just want to make the connection with the need to have that agreement. Without any agreement, the only thing that we need to do is to open one base to have the access to those whatever number, let's say it's 20,000 livery drivers we have today in New York City.

MEERA JOSHI: Yes, and that's true for anybody who has a livery base today.

CHAIRPERSON RODRIGUEZ: Yes. But we know that many livery bases, they've been working with agreement number among bases.

MEERA JOSHI: And they're free to continue to work with agreements. There's nothing in our rules that would prohibit that.

CHAIRPERSON RODRIGUEZ: Okay, but you know, for us--and who's responsible? If Uber opened one of the bases and one of the 19,000--let's say that they have 1,000 drivers in one base and they get access to the market, so the additional 20,000, if an accident happened, who is responsible, Uber or the bases, the base from where Uber was able to get the driver?

MEERA JOSHI: Actually, that responsibility lies between with the vehicle owner.

CHAIRPERSON RODRIGUEZ: The bases are not responsible?

MEERA JOSHI: There is--it is--we--you raised it as one of the justifications and during the comment process it became clear that that's not actually the common place liability line. The liability line is with the vehicle owner, and it's

rarely that the base is brought into that liability--
that law suit.

CHAIRPERSON RODRIGUEZ: I mean, I just wanted to let you know that this is very important to me.

MEERA JOSHI: I understand that.

CHAIRPERSON RODRIGUEZ: I believe there is a need to have a livery base agreement, and I hope that we will continue conversation. I believe that everyone should be able to play in the same rules, and I believe that by not having base agreement, the on Uber and leave other one the benefit. And I have very concerns about that.

MEERA JOSHI: Can I ask you a question? I'm just curious why you propose an agreement on one sector, but not the other?

CHAIRPERSON RODRIGUEZ: Well, I'm open to do it overall. I--if we can work it out, if there's solution.

MEERA JOSHI: No, I mean, our position is there shouldn't be an agreement on either, but if it is an agreement on one side, then it seems like you may push drivers to another sector where they get more opportunity.

CHAIRPERSON RODRIGUEZ: I'm open to-- again, like, this causing the need to have an agreement, including everyone. My main concern is about how those bases, as I also have the concern with the black car and yellow car, today they've been playing with different rules than those corporations that they have billions of dollars, and that's my concern. I support, I believe that we have a great city. I believe that this is a city of opportunity for everyone, but I believe that there's a need for us to look carefully on how any--the lack of some agreement will benefit one sector, basically [sic] holding a 10 dollar [sic] law code [sic] agreement only will benefit Uber, because if Uber will open one base, all those 20,000 drivers, then they will be working for Uber. However, I also have question about who is responsible when the accident happens. I tell you, I heard your explanation, but I think that there's more to be discussed about who is responsible. Is Uber--

MEERA JOSHI: [interposing] And we're happy to--

CHAIRPERSON RODRIGUEZ: [interposing] or is the base?

MEERA JOSHI: We're happy to meet with you and share what we learned in the process about liability as well as about dispatch accountability.

CHAIRPERSON RODRIGUEZ: Thank you. Due to the continued drop in the medallion prices, are there any plans in the work to help increase value?

MEERA JOSHI: There's several reforms that we have already engaged in and further reforms coming up, and what they really aimed at is something that you've referenced before, making sure that there's a level playing field and we can maintain choice through a level playing field so passengers have the opportunity to choose through several viable industry sectors. So some of the reforms that we did last year were the FHV accountability rules requiring livery and black cars to provide us trip records, something that we've long required on the yellow and the green side. We also introduced an owner must drive reform package that is published now, the proposed rules that would relax requirements for independent medallion owners, and that's shift requirements as well as the requirements that allow them to pay down to get out of shift requirements after certain number of years. Education reforms

that level the initial requirements for entry as a driver, right now they are extremely lopsided. To become a taxi driver you have to pass taxi school. To become a livery or black car driver you do not have to take any kind of knowledge based test or attend any classes. So we have a proposed rule package that would make education with a focus on wheel chair accessibility training and safety as part of the FHV driver entrance. We're also meeting with stakeholders ongoing about reforms to vehicle operation and ownership in the yellow taxi world, because we do have stringent requirements on those vehicles, and to the extent, our inspection process which is very, very good can take care of seam of those. We probably don't need quite as many regulations on age, for example, of yellow taxis. So, in that way, we're working to make the playing field more level and in consequence of that is that we think that there'll be stabilization within the market and the medallion value.

CHAIRPERSON RODRIGUEZ: Thank you.

Commissioner, by leaving one base open from those six that were suspended, how do you think it will impact? How do you think that--do you believe that Uber

operations will be impacted by their noncompliance with TLC street-breaker [sic] rules?

MEERA JOSHI: In two ways. One, if they ultimately lose the appeal, then we move forward with the action of suspension of the bases and notification to drivers of that consequence which has a chilling effect, but I think more broadly we have passed a rule requiring routine submission to us of electronic trip records, which is applicable to every base including Uber sixth base. We're well on our way to formulating the implementation plan, and in the near future, those directives requiring submission of electronic trip records will be going out to livery and black car bases.

CHAIRPERSON RODRIGUEZ: Alright, and I would like to say that I have introduced a language to put a legislation to increase the fine. I think that that fine of 200 dollars doesn't make sense for those--

MEERA JOSHI: [interposing] for their failure to comply with our directives?

CHAIRPERSON RODRIGUEZ: Yes.

MEERA JOSHI: Well, we would appreciate that.

CHAIRPERSON RODRIGUEZ: And I'm putting legislation right now to increase it to 1,000 dollars, starting 1,000 dollars. Of course, this is conversation that we would like to--

MEERA JOSHI: [interposing] yes, we should, because it does relate to a variety of large range of conduct, so we have to be cognizant of that when coming up with the appropriate fine.

CHAIRPERSON RODRIGUEZ: Thank you. My last question before calling on my colleague for question, is that what measure are in place to help prevent a company from leaving rate books that inaccurately reflect their prices?

MEERA JOSHI: I'm sorry, I missed the first part of your question?

CHAIRPERSON RODRIGUEZ: What measures are in place to help prevent companies from leaving rate books that inaccurately reflect their prices?

MEERA JOSHI: So, is it what measures do we have to ensure that people are pricing within the rate schedule?

CHAIRPERSON RODRIGUEZ: Yes.

MEERA JOSHI: Okay, so that's one, we have a field enforcement that we have started in the last

probably six to eight months. We've really become much more aggressive in our ability to do app base field enforcement. So, for example, on New Year's Eve, we did field testing on what rates were being charged by apps, and then compared them with their rate schedule. But number two, and I think more importantly, trip record information will tell us exactly who's dispatching what and we can compare it immediately to their trip records and tie that back to complaints so that we can prosecute those cases.

CHAIRPERSON RODRIGUEZ: Okay. And let me ask you, before calling my first--Council Member Greenfield that has the first question. Is there room to put other regulating in place so that Uber and Lyft and other companies similar to them have the same--have to follow the same standard regulation as the yellow, black and green car?

MEERA JOSHI: In which regulation in particular?

CHAIRPERSON RODRIGUEZ: Is there any space? Do you see that there's a need to have discussion about other regulation and rules that we can say that today Uber and are not mandated to

follow as the other stockholder of the industry are following right now?

MEERA JOSHI: So, one of our upcoming projects, which we're currently putting together and will shortly be out in the form of proposed rules, by shortly don't expect tomorrow, I mean give us a few weeks, but is a regulatory structure for--what we've done on the E-hail side is set down the standards for what a dispatch app can do in the taxi world, for yellows and greens. We need to mirror that effort in the FHV world, a world where apps have existed since 2009 and have had very few regulation if any. We don't actually license the apps, but a licensing structure which we are permitted to, which 19511 in the add code give us the authority to do, would allow us to get the same kind of standards imposed on dispatch apps in the FHV world that we currently do in the yellow taxi world.

CHAIRPERSON RODRIGUEZ: Thank you, Commissioner. Council Member Greenfield?

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. Thank you, Commissioner, for your testimony. I like your suggestion especially about moving the fine to the base and will certainly adapt

that going forward. My question for you is, I guess just a basic question. Why is there a situation currently that allows Uber to charge pretty much whatever they want?

MEERA JOSHI: So, today's rules are in the FHV world that you can charge what you want basically as long as you put a rate schedule on file with us, and the rate schedule will be what we use to determine if there's been an overcharge. So, you have a base like Uber which puts a rate schedule on file with us, which says approximately their max is 39 miles, 39 dollars per mile, and nine dollars and 50 cents per minute, which allows them to surge up to seven times. Other bases do surge price model with us. So for example, Lyft sets a maximum at six dollars and 43 cents a mile, and a dollar 20 cents per minute, which allows them to surge four times or 200 percent. So that's the barometer that we use to determine over charges, because our rules don't currently, and you know, things evolve as the world evolves, but our rules existed to allow this to be an open market, where people wanted to be luxury service, there would be a luxury rate schedule on file with us, and they'd be provided a luxury

service. The key thing here is that there was a sense of predictability in pricing that consumers had. Surge pricing undercuts that predictability and that's, I think, a lot of the reason we're all here today.

COUNCIL MEMBER GREENFIELD: Okay, so effectively, as long as you are notified in advance, for hire vehicles can charge whatever they want.

MEERA JOSHI: Exactly.

COUNCIL MEMBER GREENFIELD: Okay, would you agree that that model no longer makes sense in 2015?

MEERA JOSHI: I think that's why we're here today, yes. Things have changed and we've seen how that really undercuts the public trust in the system when consumers don't--even if they're aware of a range, that gives them much more confidence in a system than having sort of the sticker shock they get with a seven times surge.

COUNCIL MEMBER GREENFIELD: Okay, so I guess my question is, what has TLC been doing in the last couple of years since we've had Uber and Lyft and others come on the market, what have you been doing to more regulate this industry?

MEERA JOSHI: A key focus of our FHV app licensing package, which is forthcoming will be transparency, because there's several ways to look at what a cap should be. Should it be an objective cap that's applicable to everybody, or should be an individual cap? Part of the problem is people are not making informed choices about whether or not they want to accept a certain price, because they're not immediately aware what that price is. They're informed of a multiplier and have to go through many screens to figure out what an estimate of that would be. They don't always do that, but in New York we think it's important that they have that information up front in dollars and cents. There's lots of other choices. If they think that price is too high, they can reject and go to one of the many other forms of for-hire transportation, some of them that come with price certainty.

COUNCIL MEMBER GREENFIELD: How long have you permitted Uber and Lyft to operate in the city of New York?

MEERA JOSHI: Lyft came in probably this summer, I think July, and Uber has been operating in the city probably since 2013, 2012.

COUNCIL MEMBER GREENFIELD: Okay. So, in the last two and a half to three years, I understand this is something that you're hoping to do, but your agency has not yet actually done anything to regulate this particular issue when it comes to the price gap and price transparency?

MEERA JOSHI: I think there's different focuses with different administrations, and I think one of the focus of this administration and the TLC under this administration is to look to make sure that there's equity in pricing.

COUNCIL MEMBER GREENFIELD: Okay, and I appreciate that, and I thank you for your leadership. I just want to be clear, because it's an important point. It hasn't happened yet.

MEERA JOSHI: Repeat your question?

COUNCIL MEMBER GREENFIELD: It hasn't happened yet. It's going to happen. You're in the middle of studying it.

MEERA JOSHI: In terms of--

COUNCIL MEMBER GREENFIELD: [interposing]
Will happen soon in terms of the trans--

MEERA JOSHI: [interposing] And when you talk about what's happening, it's regulating prices in the FHV industry?

COUNCIL MEMBER GREENFIELD: Yeah.

MEERA JOSHI: Exactly. We're looking at a price transparency requirement.

COUNCIL MEMBER GREENFIELD: Okay, but that would not cap the pricing, it would simply provide more transparency?

MEERA JOSHI: Yes.

COUNCIL MEMBER GREENFIELD: Okay, great. So, I think the point is that we welcome that and we thank you for your leadership on that issue. The challenge is that like any administrative agency, it's difficult to catch up with technology, right? And so it has taken time to get to a point and obviously you want to do it in a deliberative process, but in the meanwhile, the typical yellow cabbies are suffering, and New Yorkers don't have the kind of regulation that they would expect from this industry. So, my only point is that the reason I think it's incumbent for us as the Council to move forward with our legislation is because quite frankly, it hasn't happened yet on your end, and as

you would probably agree, you can't even right now legally cap the pricing unless we give you the authority to do so, is that correct?

MEERA JOSHI: And I think there's another piece. We all need to understand what it is that the market will bear, and we're missing a lot of information on the FHV side. We hope the trip records will be able to help inform the Council's decision.

COUNCIL MEMBER GREENFIELD: Great. So, my only point is that I think we agree with you that we need more regulation in terms of transparency and also price cap. I think that we need to work together, but we need to work together sooner rather than later to try to hit those goals. And so we would like to give you the ability to do that, obviously. We'd like to protect consumers, but I think what's happened is, and obviously to be fair, much of this happened before you came on the scene as Commissioner, so just full disclosure on that particular piece, but I just think to be fair, what's happened is that the market has changed radically. I think that we've seen that many consumers are not protected as you would agree, both from a

transparency point and from a price capping point, aka price gouging point. The price of medallions has declined. The revenue for drivers who drive yellow cabs has declined. So we haven't really caught up with the times. And so, what I'm saying is I very much am looking forward to working with you, but just be fair, we are on a clock on our end, because part of our role as the Council is to try to bridge that gap when there is a gap in terms of the regulation of the city, and so we will take your suggestions, and I assure you that we will meet with anyone on your staff who has any further ideas or suggestions or revisions to our legislation to improve the legislation and to make it better, but we are very intent on passing this legislation as soon as possible so that we can in fact protect the riding public, but also the yellow cab driving public.

MEERA JOSHI: We look forward to the joint cooperation.

COUNCIL MEMBER GREENFIELD: Thank you, Commissioner.

CHAIRPERSON RODRIGUEZ: Commissioner, how many complaints does the TLC get regard to fares and how many are related to Uber and Lyft?

MEERA JOSHI: I don't have the total number, but I do know as far as Uber, we've only gotten a handful of complaints about over charge. One of the reasons for that, I mean, there's probably more in the media than we've actually gotten as complaints, is it may be that many times people complain to the company rather than TLC when they have an issue. And I'll repeat what I've said at the prior Council testimony, I really encourage passengers to come to us when they have a problem with a base or a driver, because we're the ones that hold the power to suspend or revoke a license if there has been wrongdoing. If you go to the dispatch app, they may kick somebody off a platform or give you a refund, but that doesn't change practice.

CHAIRPERSON RODRIGUEZ: And those complaints related to overcharges, can you give us an idea? Is that complaints on hundreds, thousands?

MEERA JOSHI: There are very few. In the last year we've got about four and several of them the complainant dropped off. They no longer wanted to pursue it. That may be that they got a refund from the company and that sort of made them whole

again and they felt okay. One is still open and the investigation's pending.

CHAIRPERSON RODRIGUEZ: Okay, thank you. Council Member Cabrera?

COUNCIL MEMBER CABRERA: Thank you so much, Mr. Chair. First, I want to thank you for your support of Intro 47. I know the base owners are very grateful for your support. I had a question regarding Chair Rodriguez's bill 559. Is there a way to set up the agreement in a way which can overcome your concerns regarding the agreements?

MEERA JOSHI: I don't think so, which is why we chose not to go forward with a rule. We have to be cognizant that drivers are independent contractors, and they're entitled to freedom of choice to pick or accept or reject a job, and that's outlined in, you know, in statute and in our rules, and when agreements in effect restrict their ability to accept or reject a job, I think you're fundamentally in conflict with their legal status as independent contractors.

COUNCIL MEMBER CABRERA: So let me expand it then. Is there another way other than agreements

that could address the intentionality of the bill other than using agreements?

MEERA JOSHI: I mean, I think there's nothing that prohibits bases from working together, and I've even heard, which I think is an extremely good idea, bases forming a consortium where they agree to share driver information so they can pool drivers and they have a greater visibility into the activities of their drivers, and then can make arrangements accordingly. And that is sort of a market response to it, which I think is appropriate.

COUNCIL MEMBER CABRERA: So, would you say that it's inevitable then if we don't have the agreements that the very fear that really we're trying to address here is going to become a reality, or what would be the safeguards?

MEERA JOSHI: I'm not sure. I mean, if you have agreements, people have, drivers have to make a choice to be base A or be with base B, because they're stuck with the stream of dispatches that that one particular base either by itself or through agreement can offer. And so they may leave a small base because they can't fill their time, and I've had bases come and see me and say they'd prefer to give

their drivers flexibly because the driver likes working for them, but on the weekends, they can't fill their time, so they're happy to have them work for other bases. They are able to retain the drivers for the times that they need them, but the driver is also free to supplement, you know, to have additional streams of income on downtimes.

COUNCIL MEMBER CABRERA: I guess what the Chair is trying to do is the loophole. It seems like a loophole.

MEERA JOSHI: It--I'm not so sure it is a loophole, though.

COUNCIL MEMBER CABRERA: Okay.

MEERA JOSHI: I think that's where I disagree with eh Chair, and I'm happy to go over in more detail our concerns, but I guess in the end, I'm not so sure that we--that I agree it's a loophole.

COUNCIL MEMBER CABRERA: So, I'll close with this question. Is there a possibility that the scenario that the Chair has presented could become a way for companies that he just finished mentioning to use it as a vehicle for the end game for their win?

MEERA JOSHI: I mean, the ironic thing is Uber and Lyft, both new dispatch apps, are viewed

[sic] in favor of us--argue that we shouldn't go forward with an agreement rule, and we ultimately didn't go forward with it, but Uber still affiliates more and more vehicles and attracts more and more drivers to its base without an agreement. So they're the sole or the primary provider of jobs. So, I'm not so sure agreement or no agreement is going to change the market dynamics, but it will have an effect on a driver's ability to earn, and I think we have to be cognizant of that.

COUNCIL MEMBER CABRERA: Okay.

Commissioner, I want to accentuate again how grateful, I know I can speak on behalf of the base owner, of your support of Intro 47. It's just common sense and the time is now, and I know it's going to-- it's going--at the end it's going to help our constituents because they're spending a lot of money on things they're not even using, parking that they're not even using. SO, thank you so much.

MEERA JOSHI: You're welcome.

CHAIRPERSON CABRERA: Appreciate it.

CHAIRPERSON RODRIGUEZ: Council Member Miller?

COUNCIL MEMBER MILLER: Thank you, Mr. Chair. Commissioner, first on the Intro 47 and the off-street--[off mic] So, Commissioner, again, for Intro 47 and the off-street parking, how would that differentiate from commercial off-street? Is there a difference that you foresee?

MEERA JOSHI: Well, they--the livery vehicles are not commercial vehicles, so they're entitled to park anywhere regular vehicles park. So, I think it's apples and oranges.

COUNCIL MEMBER MILLER: No, currently.

MEERA JOSHI: Yeah, today, they are entitled to park on regular parking because they're not commercial vehicles.

COUNCIL MEMBER MILLER: So, commercial parking can occur on our street-parking as well so long as they don't surpass the whatever posted limitation is exists, correct?

MEERA JOSHI: Commercial vehicles can park--and I really should defer to Pauly Trottenberg [sp?] who's the expert on this, but my understanding is commercial vehicles can park in zoned commercial vehicle parking, yes, as long as they don't go over the time limit posted.

COUNCIL MEMBER MILLER: Well, generally they can't park on the street for more than three hours at a specific location at a time?

MEERA JOSHI: Those are the signs I'm familiar with, yeah.

COUNCIL MEMBER MILLER: So, but overall, I think the point I'm making is if myself or my neighbor has a commercial vehicle, same vehicle, maybe the same Toyota that the livery has, what would be the difference in them being on the street and the impact on parking in the community as opposed to livery?

MEERA JOSHI: The livery base can park anywhere a reg--you know, you or I as a personal car owner can park. What we do when we get complaints of, you know, sort of hogging up all the parking spots in a certain area is we send our enforcement team out to speak to the base, because the base has an interest in making sure that the neighbors are not disgruntled with their driver's conduct. We also ensure that every base has on field with us rules about good driver conduct, and that they impose those rules on their drivers. We work with the police local precincts too to make sure that there isn't littering

or other public nuisances that go along with drivers congregating around a base. But yes you're right, there are times when parking, available parking may be scarce because there's a base in the location and it's cars are in that parking, and that's with an off-street parking requirement. They just aren't using the off-street parking. So, I think we have to deal with that on a community level with or without this bill.

COUNCIL MEMBER MILLER: So, again, often this comes down to enforcement, right?

MEERA JOSHI: Yes, it does.

COUNCIL MEMBER MILLER: Okay, and then obviously that's a problem, and we won't go into the number of enforcement agents as opposed to the 70,000 vehicles that's on the street, but I do want to talk about 556 for a moment there, and the responsibility of a regulatory agency such as the TLC and providing services ensuring that all communities are equitable in providing, and the services that are being delivered. And you take a community such as southeast Queens and many of the outer borough communities that many of us represent, which are often underserved by public transportation and other

means of transportation. How do you think that Uber addresses this issue? Because it's been my experience that not only does it not address the issue, that it creates other situations that we are particularly impacted by price gouging, and I think that in other ways that this regulation allows for TLC and the others to be complicit with other forms of discrimination whereas yellow cabs refuse to come to certain communities. Price gouging kind of makes that an easy way to happen when you're going to pay five times the amount to have that service. So, isn't it the responsibility of the regulating authority to ensure that equitability throughout the city?

MEERA JOSHI: So, to your first point, how is Uber servicing your community, I don't know until I get their trip records to get visibility into those passenger pick-ups, and that's the fundamental reason why we passed the FHV accountability trip record rule, because we need to have a better understanding of where there are underserved areas.

COUNCIL MEMBER MILLER: Okay. And we did have this conversation a month or two ago and the information didn't exist then, and I would hope that

the next time, not you, but that this hearing is done and that we ask for the information that it is readily available because obviously it's a problem, but we also want to talk about that this is kind of a work in progress I'm getting from the conversation that's going on. And you mentioned about we have not yet really fully understood what the market can bear, and that this services that are being provided is kind of provided on a need basis, which has not been the case in other industries regulated by TLC such as the commuter vans. It's not necessarily on a need basis. Every applicant is considered just because it's an applicant. Where do we draw the line? And again, how do we regulate equitability as it pertains to communities throughout the city?

MEERA JOSHI: So, I think your question, and maybe it's similar to one Council Member Rodriguez asked me earlier, is what are we doing in terms of making sure that there's the barriers to entry for all industry segments are equal. So, we-- or I have a list. Some things we've done last year. Some things, they're in the process. They're pending, and some things are future actions, but they relate to making sure that the standards that we

think are core standards that are in our yellow and green taxi worlds are present in the FHV world, and likewise taking some of the restrictions in the yellow and green world, especially in the yellow world that now may be overbearing and maybe unnecessary because we have a good inspection process, and relaxing some of those so that those owners and operators do not have such a financial burden to get their cars out on the street and in service.

COUNCIL MEMBER MILLER: I can certainly appreciate that, but I would hope that it's--each industry would be taken on a case by case basis, and that we wouldn't unilaterally see just regulations go out the window as has been proposed.

MEERA JOSHI: No, no, it's a complex issue by issue exercise.

COUNCIL MEMBER MILLER: Okay, and my final question is on the safety light, and was I correct in hearing you say that we needed to get rid of--to pass the legislation in order to develop safer and more effective mechanisms of detecting assaults and problems in the livery vehicles?

MEERA JOSHI: Today, the add code has very strict specifications on what a trouble light looks like, and a trouble light is what you put on to alert law enforcement that you're in distress. It's a driver's distress signal. Today, it's limited to a lollipop light. There is probably much better ways to get that signal across to law enforcement, and this amendment would give us the flexibility to allow drivers to take advantage of those.

COUNCIL MEMBER MILLER: I absolutely agree, but my question was, can we not pursue developing it right now in lieu of or in spite of additional legislation?

MEERA JOSHI: Can we explore what alternatives are out there? Yes.

COUNCIL MEMBER MILLER: Correct

MEERA JOSHI: We are in the process of that.

COUNCIL MEMBER MILLER: So, we don't abs--
-like--

MEERA JOSHI: [interposing] But without this amendment, we cannot authorize that TLC license vehicles use this greater technology.

COUNCIL MEMBER MILLER: No, I get that, but we can explore other options?

MEERA JOSHI: Yes.

COUNCIL MEMBER MILLER: Okay, thank you. That was a matter of clarification. Thank you.

CHAIRPERSON RODRIGUEZ: I have two questions before I call in my next colleague. Who regulate the worker's compensation?

MEERA JOSHI: That is state level.

CHAIRPERSON RODRIGUEZ: State.

MEERA JOSHI: The worker's comp--

CHAIRPERSON RODRIGUEZ: So the state mandate every base and they were responsible to pay for the worker's compensation of the driver?

MEERA JOSHI: Bases that are part of a worker's compensation fund than pay into that fund and that fund pays out the worker's compensation plan that's been designed by the state for that industry sector.

CHAIRPERSON RODRIGUEZ: What percentage of the livery are part of the worker's compensation?

MEERA JOSHI: I think the vast majority of livery bases are part of the livery fund.

CHAIRPERSON RODRIGUEZ: Okay, and without the agreement of the base, without a base agreement, who is responsible for the worker's compensation?

MEERA JOSHI: Still the livery fund. The executive law says that livery fund, which only pays out for catastrophic injuries, that's a life threatening injury. It's not regular worker's comp. It pays out only catastrophic. So, you know, thank God it's not a frequent occurrence, but they're paid out by the base under the executive law. Therefore, any dispatch from an independent livery base that's a member of the fund, under the livery fund rules it's from--only for dispatches with the vehicles affiliated base. So the rules are more limiting than the executive law. The executive law allows for a broader range of coverage.

CHAIRPERSON RODRIGUEZ: When the discussion was taking place about the agreement, you originally asserted that agreements were necessary to ensure worker's compensation coverage for all drivers. What has changed?

MEERA JOSHI: Basically, on the black car fund side they researched it and base--and came back to us that they felt they actually had the--they were

responsible for coverage for all dispatches, and likewise, further discussion on the livery side and discussion with worker's comp board revealed that they were also responsible for all dispatches.

CHAIRPERSON RODRIGUEZ: But you will hear from the livery. The livery are the ones who say with our base agreement, we--

MEERA JOSHI: [interposing] Yes, I believe the livery funds position is that there needs to--their rules say they only cover--

CHAIRPERSON RODRIGUEZ: [interposing] But Commissioner, but this is not about position, this is about fact. Without a agreement, if Uber open a livery base and they started using drivers for the rest of the bases, who is responsible for the worker's compensation?

MEERA JOSHI: The fund rules limit coverage in a way that the executive law does not require. So there is always room to change fund rules, and they may be a less--more--less of a procedure than it is to change TLC rules to allow for the fund to provide coverage to the full extend that the executive law provides.

CHAIRPERSON RODRIGUEZ: But as far as today, I know that after a agreement was made at a state level, all bases they pay. I'm talking about the livery. Black cars not involved in this part of this conversation. To me, it's about the livery. The agreement, the bases are the one paying every year for the worker's compensation. Without the agreement, work--drivers will not be protected with the worker's compensation. I mean, they are dispatched by Uber because that's not a agreement between Uber and any of those livery bases.

MEERA JOSHI: Even with an agreement, the livery fund rules themselves only cover dispatch trips. They have a letter from their council saying they would expand that interpretation to agreements between bases, but I get back to that there's always a way to provide coverage if the executive law provides that the livery fund cover every dispatch trip, not just trips from the affiliated base.

CHAIRPERSON RODRIGUEZ: Without those, without base agreements, how are bases supposed to be able to know which other affiliated vehicles are reliable, available at any given time?

MEERA JOSHI: Bases are free to come to any agreement they want to in conversations with drivers, but drivers, and even this is outlined in the livery fund rules, as independent contractors, always have the ability to accept or reject a ride. So, there will never been a perfect solution where a base is able to lock down a driver's availability unless they are their employees.

CHAIRPERSON RODRIGUEZ: But when we know-- what you know and I know is that after Uber and Lyft came on board, many times drivers are providing the services using Uber without the bases necessarily knowing that Uber is using their drivers.

MEERA JOSHI: That's correct.

CHAIRPERSON RODRIGUEZ: Council Member Weprin?

COUNCIL MEMBER WEPRIN: Thank you, Mr. Chair. Commissioner, it's good to see you. I have a question. First, let me ask a question on Intro 47, the off-street parking question. You mentioned in your testimony that anecdotally you heard that a lot of the vehicles are not parking near their base and are at home. Has there been a study done or have you

been able to analyze the different livery services to find out for sure what is happening with those cars?

MEERA JOSHI: No, we have not. Our information primarily comes when members of the community may come to us with a complaint, but we don't have a statistical survey to bear out that impression.

COUNCIL MEMBER WEPRIN: Alright, because it would be nice to do that if you're going to make that conclusion, only because in my community, I mean, they were probably very supportive of that 1996 law to require 50 percent off-street parking. They probably wanted 100 percent off-street parking, and this was a compromise to 50, because parking is always a big issue in our neighborhoods, out in the community, and I just don't know where people are supposed to park. I have a livery service right around the corner of my house, and they have a deal with the gas station where they park in the gas station and go out on calls from there. If they didn't have that gas station, they would be taking up all the community's parking spots. So, that seems like a concern to me, and I would recommend we look into this a little more closely if we're going to

cite, you know, the fact that people are coming from their homes and are individually owned, or now individually owned vehicles instead of fleet vehicles. I also am a little confused about--now, you made the point about how currently you have to often go out where fleets may not be following the rules and are parking too much in the community and that they get--you get community complaints and you have to send inspectors out. And you said that these livery cabs should be, have an interest in being good citizens, because these are their--their community is generally the ones who are using that service. My problem is is that if we're having some problems now when there's a law that says you have to have your vehicles outside, what are we relying on to make, protect those communities if you get rid of the law altogether, and then say you don't even have to the 50 percent, we're just going to let you be on the fact that you want to be good to the community. Doesn't that create an enormous amount of problems where no one will follow the rules then? There won't' be any rules. There are some rules in our base, FHV base chapter, which put an onus on the base for being responsible for the driver's conduct. And

there are rules that one dictate that the base is responsible for the driver's good conduct, but they also go so far as to say the driver can't create unnecessary noise, engage in any nuisance, obey all traffic and parking regulations, can engage in mechanical maintenance or repair on the street, can't double park, can't--or at a fire hydrant, and in these cases the driver is responsible, but the base owner's responsible as well, and that's something that could be use dad should be used as leverage should this bill pass, and I think probably with greater emphasis to ensure that the drivers remain good neighbors.

COUNCIL MEMBER WEPRIN: It just strikes me as it would cause less enfor--I mean, there'll be less regulation and therefore more cars parked on the street, and I know a lot of my Community Boards have already expressed their opposition to this bill, even though I do love this sponsor of the bill, I do have some concerns about it. I'm just curious, have you heard from a lot of Community Boards on this issue?

MEERA JOSHI: I've heard from Community Boards on specific instances and I can gather that there would be Community Board opposition based on

those specific instances, and should the bill pass, we would engage with those Community Boards to make sure that we're providing the necessary back-up to make parking in their neighborhood as plentiful as we can possibly make it from the TLC perspective.

COUNCIL MEMBER WEPRIN: Well, I think this goes in the wrong direction just for that. If that's the goal, to create more parking, this is going to create less parking, obviously, and I think part of the reason the regulation was put in is to try to encourage, you know, not to be in residential communities as much as in manufacturing districts and commercial areas, but be that as it may, I do have some concerns with that bill. I want to ask about the surge pricing bill. Council Member Greenfield talked about it. Those people from Uber should be happy to know he loves you, so don't take offense by those things he said.

COUNCIL MEMBER GREENFIELD: [off mic]

COUNCIL MEMBER WEPRIN: Okay, thank you. That kind of love I don't need, Dave. No, I want to ask about this, because I'm a little confused about what you said, because you made a point. We gave you the wrong mic for a good reason, David, I know. You

mentioned how dynamic pricing could be a good thing. You mentioned how you want to see more transparency, but were you saying that Council Member Greenfield's bill puts a cap at 100 percent? Be that as it may, I mean, are you not for any cap at all? You're looking to have the free market run the system and just have just transparency and disclosure, is that the point?

MEERA JOSHI: No, I think our testimony is that we're supportive of an upper limit for surge pricing, but we have some concerns about how Council Member Greenfield's bill gets to that upper limit and what that upper limit should be?

COUNCIL MEMBER WEPRIN: Do you have a suggestion on what that upper limit should be?

MEERA JOSHI: Quite frankly, we don't know, because we don't have the level of fair information detail that we have in the yellow world. So we don't know at what point people feel that they're being ripped off and what point they don't. If we had more complaint data that would be helpful, but we don't actually have a whole stream of complaints about surge pricing.

COUNCIL MEMBER WEPRIN: I mean, you cited some examples where you had complaints, and you know,

it's funny, I know we want transparency, but actually Uber has been fairly transparent, actually, in their surge pricing. On New Year's Eve they sent out a notification early in the day, tonight, just be aware between these hours we're going to raise your rates a certain amount of money. They don't know what it is because they don't know where you're going and they don't know exactly what the conditions are going to be. But some people made it--so and at that time, from what I understand Uber then will send you telling you how much you have to pay and you have to agree. Now, granted, on New Year's Eve people may not be very conscious to read their iPhone, but my point is the transparency to me doesn't seem to be the issue. The problem may be, and it may not be 100 percent, but it does seem to me there should be some type of regulation on this industry in how much you can go over the amount, because some people just fall into the habit. I'm just so used to--I don't have an app for somebody else. I'll just keep pushing the button, but then you get hit for a higher fee. I mean--

MEERA JOSHI: [interposing] And I think that's ultimately why we do agree with the fact, with legislation that imposes a cap.

COUNCIL MEMBER WEPRIN: And the reason--I generally am a free market person. The problem is in this industry it's one of the most heavily regulated industries out there where people are told exactly how much they can charge and how far they have to go, and it creates a very--you know, you wanted to have equity and fairness, and you and I talked about this a little bit, but, you know, the yellow cabs in the yellow world and the green world as you described them, and the services they have limits on how much they can charge, and yet, we're doing a free market for the ones who have apps. That doesn't seem quite fair to me.

MEERA JOSHI: Well, just to be clear, the livery and the black car, whether they're using an app or not, they both have an open-ended price structure. The only limitation is that they put their rate schedule on file for us. So, Uber may charge, you know, what some can consider excessive rates, but that's--that opportunity is out there for

anybody who holds a black car base license or anybody who holds a livery base license.

COUNCIL MEMBER WEPRIN: Well, you and I, I know I had asked this question, and I think it was misunderstood a little bit and I just was curious, and afterwards you had to explain it. I talked about the idea of surge pricing may not be--may have dynamic pricing as you said. You know, maybe a good thing on occasion. Is there any thought about limiting what it is, but allowing it for other people as well, allowing it for the yellow cabs and the green cabs as well for certain times of day, where-- otherwise, it's very hard for them to compete when someone else is able to charge so much on these range and times, and they have the same issues that the other cabs might have, cars.

MEERA JOSHI: At this moment, we're not considering it. What we do have is a rush hour surcharge, which is sort of the yellow industry's version of a surge, but obviously much more palatable.

COUNCIL MEMBER WEPRIN: Alright, okay. I know the Chair wants to--has other questions, but again, for me it's about trying to just create a

little fairness in the playing field. You know, you have some people working under some rules and other people have no rules, and I think we got to figure out a way to make it fair for all the sides involved without, you know, without killing the market and without hurting people's ability. I'm all for transparency and I think it's great that people are being transparent on how much they're charging, but also other people being limited where they can go and what kind of, you know, accessibility they need and what kind of parking they need and everything else involved. You know, I just want to make sure it's a little fairer. Thank you.

CHAIRPERSON RODRIGUEZ: Thank you.

COUNCIL MEMBER ROSE: Thank you. Could you tell me, Commissioner, how many of these bases, livery base stations are in residential areas?

MEERA JOSHI: I would say primarily-- almost all of them.

COUNCIL MEMBER ROSE: Almost all of them, right? And so, are all of the bases in compliance with this off-street parking regulation?

MEERA JOSHI: All of the bases have to file with us a contract when they get licensed and

upon renewal prove that they have purchased off-street parking to meet the 50 percent requirement.

COUNCIL MEMBER ROSE: And with that, they prove that they have this off-street parking available. Do--are there any requirements that they actually use it?

MEERA JOSHI: As I said earlier in my testimony, we have no rule requiring their drivers to actually utilize it. If we do get a complaint, we'll go to visit a base and we'll go in and inspect to make sure that they have the off-street parking.

COUNCIL MEMBER ROSE: Are there fines leveled for instances where complaints are made and there are--and you go out and visit? Are there fines?

MEERA JOSHI: There is a penalty for not meeting the off-street parking requirement.

COUNCIL MEMBER ROSE: Are they fines? Because I heard you say that you try to impress upon them to be good neighbors, and you know, work with the community.

MEERA JOSHI: There's fines, and I believe it jeopardizes their ability to renew their base license.

COUNCIL MEMBER ROSE: Okay. And so these complaints are actually filed and compiled somewhere?

MEERA JOSHI: We--yes, we keep a track of all the correspondence we get about complaints about parking that relate to a livery base.

COUNCIL MEMBER ROSE: So we would be able to see whether or not there are a lot complaints from--

MEERA JOSHI: [interposing] Yeah, and I can give you the volume.

COUNCIL MEMBER ROSE: Okay.

MEERA JOSHI: I had a feeling this question might come up. We've received--give me one minute and I'll find my number for you. We've received eight complaints in 2014 and we followed up on all of them, and that primarily involved our inspectors going out to make sure the parking was there, to coordinate with PD to make sure that there was going to be local enforcement, and to talk to the Community Board to get a better, like, one on one sense beyond the letter what the actual complaints are. Some of the complaints, and almost all of them have a component of clarification. The community might not understand that the livery vehicles are

actually regular, that people who drive them own them, and they're entitled to park on the street just as any other vehicle owner would be entitled to. Sometimes that clarification is the end of the inquiry, but sometimes there's some additional concerns that we have to address and we do.

COUNCIL MEMBER ROSE: So, are the complaints mostly from Community Boards that you actually receive, and is there the possibility that there are complaints whether they're going directly to the PD and not to TLC?

MEERA JOSHI: There may be, although I would think the PD would refer that complaint to us, but the complaints come from Council Members on behalf of their constituents, Assembly Members, Community Boards, as well as neighborhood groups.

COUNCIL MEMBER ROSE: And what's precipitating Intro 47 is just based on anecdotal information that most of the drivers now drive, park their cars at home and then go wherever so that there's not really a need for this? What's driving the need for a change to this?

MEERA JOSHI: I think we're constantly looking at our rules and our restrictions and

determining those that create a financial burden for a small business, whether or not they're justified and if we determine that they're not justified, then we think the right thing to do is to relax that restriction.

COUNCIL MEMBER ROSE: And so what are the obstacles that have presented to the small businesses or to the bases in terms of this off street parking?

MEERA JOSHI: Purchasing.

COUNCIL MEMBER ROSE: It's been regulated since 19--

MEERA JOSHI: [interposing] 1996.

COUNCIL MEMBER ROSE: 96.

MEERA JOSHI: Purchasing the parking spots. They can range from anything 40 dollars per car to 475 dollars per car. So, that is--it can be a considerable expense for a livery base.

COUNCIL MEMBER ROSE: But this is since 1996 a part of the expense of doing the business is it not?

MEERA JOSHI: Yes.

COUNCIL MEMBER ROSE: There's no business since 1996 that's been allowed to circumvent this?

MEERA JOSHI: The black car bases do not have this requirement, and more vehicles are currently affiliated with black car bases than with livery bases.

COUNCIL MEMBER ROSE: So, but all livery bases--

MEERA JOSHI: [interposing] Yes.

COUNCIL MEMBER ROSE: have to comply with this?

MEERA JOSHI: Yes.

COUNCIL MEMBER ROSE: I just need to say--

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MEERA JOSHI: [interposing] And I'm sorry, just to go back, the penalty is 200 dollars and suspension 'til compliance, as well as no renewal until compliance.

COUNCIL MEMBER ROSE: Is there a reason why black cars don't have to comply with this?

MEERA JOSHI: It's an add code requirement that was put in in 1996. I don't know exactly why the black cars weren't considered amenable to the requirement, but I can speculate that the thought was that black cars might not be so community based and maybe the cars would be located

in different parts of the city at all times, and not sort of congregating around one base station.

COUNCIL MEMBER ROSE: And if that became a complaint, is that something that would be looked into and possibly fined also?

MEERA JOSHI: If we got a complaint about black car drivers congregating around a particular place where one, where they were not legally allowed to, yes, we would address that, but primarily we'd work with PD to address that.

COUNCIL MEMBER ROSE: And I just want to say for the record that in my communities all of my bases are in residential areas, and that without this percentage of off-street parking it is a problem for the residents that live there, and we fought hard. I did as a Community Board member to have this put in place because communities, residential communities were being negatively impacted. So, I am not in favor of this particular intro. Thank you.

COUNCIL MEMBER CHIN: Thank you, Chair. Commissioner, in your testimony you talk about there are new TLC rules to increase accountability to the for-hire industry to call for regular trip submission to TLC, but that submission does not include the

fare. So, are you going to change that to have the fare information also be submitted?

MEERA JOSHI: It's a new endeavor to have FHV bases regularly submit trip data. So, this is the beginning, and I'm sure they'll be tweaks and changes and expansions along the way, but our first priority is to get the regular fundamental trip record information to us. We always have the ability through directive to get the fare of a particular trip from the base and I could see that there might be a future need to have that on an ongoing broad scale basis, but that's sort of something down the road. We first priority is to really routinize getting electronic trip data submitted to us.

COUNCIL MEMBER CHIN: Now, right now you can get data about the taxi fare, right, in terms of looking at how much it would cost to travel from one place to another. You have those datas?

MEERA JOSHI: Yes, we do.

COUNCIL MEMBER CHIN: So, and also for the livery industry, they have to submit to you a rate charge, a rate schedule.

MEERA JOSHI: A rate schedule, yes.

COUNCIL MEMBER CHIN: Right? So that you would be able to compare certain trips, you know, the difference in the cost.

MEERA JOSHI: We'd be able to review the records, determine if they're over charges, yes.

COUNCIL MEMBER CHIN: So, are you doing that now, to compare how different companies are charging? Because what do they use to calculate the fare? I know one company they use zip code.

MEERA JOSHI: So, companies can have some latitude in determining how to calculate the fare. Some use zone. Some use a time and distance measurement, and some may use a zone based on zip code.

COUNCIL MEMBER CHIN: So, based on the information that's already been submitted to you from the livery industry, have you reviewed the data to see what is the price range for different types of trips?

MEERA JOSHI: So, let me backtrack. The rules that were--the rules that allow us to collect the data regularly went into effect on December 31st, so we're really in the early stages of coming up with the formula. We've been meeting with all of the

bases. Some of them are pen and pen--you know, paper and pen bases. We need to help to get them up to speed to send us trip records electronically. Some, you know, bases are much more advanced and they can do this immediately. So we're phasing in the roll outs. So we--meeting with everybody, coming up with the structure for how they'll submit and then requiring submission, but we don't intend to do this slowly, and suspect, I suspect that in the next month or two you'll start seeing the first waves of data coming in.

COUNCIL MEMBER CHIN: So, I guess the goal is that TLC will get this data out to the public or some way to let the public know. Like if you are taking a trip for-hire vehicle, this would cost you x amount of money. You taking a taxi would cost-- because right now, I know that I go and hop stop to, like, figure out how to get some place, they tell me how to get there by what train, and at the end, they tell me how much it would cost approximately if I take a taxi, right?

MEERA JOSHI: That would be--you know, theoretically, that would be possible if we added to our data collection fare, which we haven't at this

point. I'm not ruling it out as a future consideration. It's just not feasible at this moment while we're trying to get the basic trip data stream under control.

COUNCIL MEMBER CHIN: I think what I'm asking for is really for the customers to really have a better sense of what it would cost. I mean, a lot of us know how much a yellow cab ride would cost me. So, you're looking at whether you want to spend more money because you could arrange to have a vehicle, and not everybody has apps. So, you still have to make a call, and if I don't want to spend so much time calling different company to find the rate, and if TLC would have that information on that website, I think it would really help consumer sort of look at, you know, how much they want to pay, how much they think is fair, and then they could really have more information.

MEERA JOSHI: No, I think that's a fair point, but it's about predictability and the more information consumers have about the range they can expect to pay for a particular service, the better they can make a decision about which one to use.

COUNCIL MEMBER CHIN: Yeah, I think that's--going forward, I think that would be really helpful to the average consumer so that we know when what is price gouging and to have a better choice in terms of what we can select. So, hopefully I think we'll hope to see that happen as soon as possible. Thank you.

COUNCIL MEMBER REYNOSO: Thank you, Chair, and thank you Commissioner for being here. I just want to say I have a membership with Uber that I don't use often, but I use occasionally, and I want to say I think the issue here is more about information and not necessarily the surge pricing, because you always have a choice. I feel that the choices that if it is too expensive you don't get in the cab or you don't take the cab and you take an alternative means of transportation like the train, another cab or my preferred means of transportation, a bike. So I just want to say that it's almost like a buyer beware situation. Just want to speak to peak times versus off-peak times. To get to the Dominican Republic in the summer costs 1,200 dollars for a round trip. Off peak times it costs like 250 bucks. They have their market--the market drives their

prices. Supply and demand situation happens there, and knowing several drivers that work both for bases and for Uber, it is just concerning that we would restrict their ability to make money in cases where their services are needed or in high demand. I think that there might be a conversation we can have about how high, but 100 percent, 200 percent I don't think it's fair when Jet Blue can go 1000 percent, but because you're a cab driver here you can't. If you are aware of what you're going to pay, I think it's perfectly fine. You need to be aware. So, if Uber can make it so that as soon as you click to use the app and you choose your destination it tells you how much it would cost or what range it is immediately without having to hit "fare quote", which I want to say is just one more button that you would hit. You would either hit "go" to take your car or you hit "fare quote", either or. It's just one click and it gets you your fare. So, I just want to say that I think we should talk about price transparency over actually restricting or capping. It's the market. It's un-American, Greenfield, to a certain degree.

COUNCIL MEMBER GREENFIELD: No one's ever called me un-American before in my life, so I will respond to that shortly.

COUNCIL MEMBER REYNOSO: The progressive caucus has a position available for you if you want to join. But it's what we're talking about. We got to be careful about the restrictions we're giving. So, I just want to say that I don't support the bill as it's written just yet. I think a cap of some sort might work, but not too low. The drivers need to make their money. This is not an easy job, and I want to give them all the opportunities. When it comes to 559, I want to say that they are independent contractors. We wouldn't restrict an electrician to only working with one building at a time during his off time or in the weekends. He should get the opportunity to go wherever he wants to go. Again, we're restricting the opportunities of these drivers to make as much money as possible. They are independent contractors, and I think we lose that once we put them under contract. So, 559 is of concern to me, and I see that you are also concerned about that bill. Forty-seven, I love. It's the bill that would eliminate the need for 50 percent parking.

Parking is a privilege, it is not a right. So, if it makes it more difficult for people to find parking, again, public transportation and bike is an option. So, I just wanted to ask one question after I made all those statements, and it's 556. Is price transparency not what the real concern is here? That you know that you're going to pay 500 bucks and not get in that cab as opposed to limiting whether or not that cab can charge 500. And if that does happen and people don't get in the cab, they're going to have to change their model or they won't be making any money. Let the market drive it. Let the market choose what happens to it. So, what do you think about the price transparency idea over capping?

MEERA JOSHI: I agree with you that price transparency is fundamental. People need to make informed decisions, but I also agree with the statement you made earlier that we really need to consider a cap, but at what point? You know, there is a point where we do, I think, consumers feel, and you know, here's an example. A lot of people are using apps now to allow their children sometimes to travel, teenagers especially. Now, they may be caught unaware if the teenager accepts a surge that's

just, you know, not--shocks the conscience, but if they know going in that a surge can only be so high, there's a little bit more predictability, a little bit more trust and a little bit more security in that system. So, I do think it begins with price transparency, but there is a need to set an upper limit, and we have work to do on determining what that upper limit is.

COUNCIL MEMBER REYNOSO: In that case, where the child would need to travel, the parent would have the credit card under the account. So, the parent can do all the work from their location, and the child would be picked up in another situation where it's not calling a cab to make all that happen. It could be a little complicated. I wouldn't think that the child would have a credit card to put in an Uber app, so they wouldn't necessarily be able to use it unless it's the parent's credit card information in which they would have their form and would work all the situations out.

MEERA JOSHI: If they put it on the child's phone or teenager or young adult's phone, then they--that person would be able to use the app whether or not the credit card holder knows it.

COUNCIL MEMBER REYNOSO: Okay. So, I just want to say be careful how much we limit. Let's improve the lives of the drivers, and they are the most important people here. Make sure that they have a living. In my community, especially the Dominican community, the taxi market or the driving is very important. So I just want to do everything I can to support them. Thank you.

MEERA JOSHI: Chair Rodriguez, Commissioner Calise has to leave, but if you wouldn't mind giving him a few moments just to talk about some of the issues that we raised that affect his constituents.

VICTOR CALISE: Thank you, Chair. Thank you, Council. I just wanted to say that accessibility is an important thing for this administration, and TLC and my agency has done a lot to make this happen and so has the Council. The 50 percent cabs are coming our way and we're excited about that, and that's going to--when we talk about equity, this is going to bring that. And when we talk about it, it's important to make sure that it's across the board. Now, right now there's 150 trips being held every day with the yellow cabs. That's

great and the numbers are going to continue to rise. Now, we want to make sure that's equal across the board, and we're looking at making it a citywide dispatch, because we feel that's important, because TLC just did an investigation and found that the livery bases aren't doing exactly what they need to do. SO, we're looking at the for-hire vehicles and making sure that they're going to comply with accessibility, and that's only going to help not only the 90,000 wheel chair users that are in New York City, but all the aging population that's going to hit in the next 10 years, because those numbers are going to go up, and that's a large part of all our constituents. So we're excited about that. We're actually going and working with lots of stakeholders in the disabled community, and we're going to continue to do that, and our office is going to be involved, and I want to make sure that it's always on our minds because it effects everyone. So, thank you.

CHAIRPERSON RODRIGUEZ: And before you leave, and Council Member Menchaca asking his question, I also wanted to let you know that I already working on, have introduced a request in

which also I will be asking for anyone that require the trip record to be submitted to the TLC, Taxi Limousine Commission, including the following, and one of those about that's disability [sic], which is the number accessible trips made, the number of trips and the amount of time spent on the surge pricing and the total fee and equation that calculated the fee. So, in our effort to work on this and the request, also we're hoping that we will be able to include a-- that piece related to the number of accessible trips, including in the data that TLC should get from anyone that are mandated to provide those.

VICTOR CALISE: And it's also important to have that all types of vehicles are accessible. So--

CHAIRPERSON RODRIGUEZ: Yeah.

VICTOR CALISE: we're excited about--

CHAIRPERSON RODRIGUEZ: Thank you.

Council Member Menchaca?

COUNCIL MEMBER MENCHACA: Thank you, Chair Rodriguez and really thank you, Commissioner for coming in. All of you have really, I think presented what I am going to say, and I think our colleagues--my colleagues here have kind of given you

the framework on how we want to move forward. As a New Yorker that doesn't drive, I don't have a car. I bike. Uber has been a kind of revelation for me in the last years, a new Council Member getting to places, and so I'm incredibly familiar. We're just kind of going back to forth about how much I use it. And there were some surprises as the technology evolved. And so, one of them was that two dollar fee for getting a green cab, and I thought, "Wow, okay. So I have to start making some different calculations as other New Yorkers about how much do I need this car right now." Clearly a lot of those moments provided that answer was yes, I will pay two dollars. My main point is that there's so much data that we're going to be able to kind of churn through that's going to help inform this, and equity is the piece. How do we get to equity? And data's going to help us understand the world that we're in right now. And I also agree with Council Member Greenfield in saying that these things are happening quickly, and we need to catch up. And it's going to be up to us working in partnership to make that happen, so that we can create that legislative framework for equity on all fronts, not just on the livery cab drivers, which is

an incredible important thing for us, but for all and every single New Yorker. And at the day when we're launching IDNYC, these things become important for every piece that we're doing, and so the Transportation Committee under leadership of Chair Rodriguez is really committed. We're all very committed to that. So, thank you.

CHAIRPERSON RODRIGUEZ: Commissioner, before you leave, I also, I would like to congratulate you on the great work that you do as a Chairman of the TLC, someone that is an ally of many things that we doing. And as I said before, we are so committed to work together with this administration to provide the base transportation to our New Yorkers. I'm going to repeat what I said before, the taxi and the for-hire vehicle industry is changing rapidly and in many different ways, and we are committed to doing what we can to make sure the safe, reliable and most important, affordable transportation is available to all New Yorkers and that the industry remains a place where everyone who plays by the rules is treated fairly and has the opportunity to succeed, and with that, I'm happy, and one thing that we can say that we agree is that

there's going to be conversation, and there's an agreement that the administration and the Council, we will be working together to support regulation surrounding surge pricing. Is that something that we agree, right?

MEERA JOSHI: Yes.

CHAIRPERSON RODRIGUEZ: Thank you. And I think Council Member has the last question.

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. So, you know, I have to say my colleague, Council Member Reynoso, I thank you. Like I said, I've never been called un-American before, but I will do this, I will leave the debate as to who is or is not American to the likes of Fox News. What I will tell you is what it's like to be a New Yorker, and I know that New Yorkers we live and die by the rule that we do not want to be ripped off, and that is a fundamental process of being a New Yorker. I will also tell you that I don't know what Americans do, but here in New York, we have a lot of progressive ideals that we support that some Americans don't such as minimum wage, living wage, prevailing wage, good jobs, union jobs, and protecting jobs and consumers, and quite frankly,

protecting those people who drive the yellow cabs, I think is of paramount important as is protecting consumers. So we are going to agree to disagree on this issue, my dear colleague. I will just ask this question because you raised it. I think it's an important question to ask, which is, according to my colleague's hypothesis we should not have any regulation on pricing of taxis, such as yellow cabs to begin with. Why do we regulate the pricing on yellow taxis, Commissioner?

MEERA JOSHI: Yellow taxis and green taxis give consumers something they can't get in any other industry sector and that's price certainty. So that means every time they get in there's a reliable--there's a meter there they know how much per minute and per mile they're going to take. And I think Council Member Chin raised an excellent point, it allows them to make a really good informed decision about what form of transportation to take. What's more is that price is not something that one yellow cab company comes up with on their own. It is something that's subject to process. It's subject to public comment. It's subject to information on how much money is necessary for a driver to make a decent

income. It's subject to information on how much money it costs to operate, and it's subject to input from passengers on how much they're willing to pay. So, I think we get with the yellow and the green taxi a price certain and a price that's transparent. The process of arriving that price that's transparent. That's a valuable asset. Not one that we should give up. And I've heard in other jurisdictions that are considering different ways to approach dispatch apps that they're even considering letting taxis sometimes work off the meter for dispatch apps. That's something I would really loathe to see happen or see this council encourage happen, because we're losing one of the greatest benefits of being a New Yorker, that's being able to put your hand in the street, hail a taxi and know exactly how much you're going to pay for it.

COUNCIL MEMBER GREENFIELD: So, let me ask you this question, is there a single jurisdiction that you know of in either a major city either in New York or abroad that allows yellow taxis to charge unlimited fares?

MEERA JOSHI: So, I'm going to confer with my colleague here for a moment, because we have

recently heard of one jurisdiction that's considering allowing the taxis to work off the meter, what I referred to before.

COUNCIL MEMBER GREENFIELD: When you say off the meter, that would mean they could charge whatever they want?

MEERA JOSHI: Yes, under their app program, they can charge whatever the app will set as the fee.

COUNCIL MEMBER GREENFIELD: Where is that?

MEERA JOSHI: D.C.

COUNCIL MEMBER GREENFIELD: D.C., but as far as--by the way, talk about an un-American city. As far as you know, most other major cities if not all do in fact have a specific set pricing because of that factor which you mentioned, which is predictability.

MEERA JOSHI: Exactly.

COUNCIL MEMBER GREENFIELD: And wouldn't you also agree that the taxi industry is a little bit more unique than other industries because you need that predictability because it is a last minute purchase, right, as opposed to if you're say taking a

flight. You could book a flight six months in advance, where as a New Yorker we'd like to give you a measure of predictability. So if you need to get to a meeting, you need to choose. You can choose appropriately between should I take the bus which will take me 45 minutes to get there or should I take a taxi, take me 25 minutes to get there. Is that a fair reason why we might want predictable pricing for taxis in New York?

MEERA JOSHI: Yes, it's an immediate choice and garages can't change what that rate will be. So, the customer need to have a reliability that it will be the same rate.

COUNCIL MEMBER GREENFIELD: Thank you. And you answered my next question which was how, what factors do you take into account in terms of reaching the pricing, and you mentioned it's a multitude of factors including making sure that drivers are actually able to pay their bills and have a living wage as well, right?

MEERA JOSHI: And I think that's important. We don't have that visibility, and I don't know. I can only get anecdotal information on what the expenses are for drivers that are using

dispatch apps, and whether those expenses are outweighing what they're taking home from the trips.

COUNCIL MEMBER GREENFIELD: But the current pricing that you have, right, that set pricing also takes into account that the taxi driver should in fact be making a living wage.

MEERA JOSHI: Yes.

COUNCIL MEMBER GREENFIELD: Is that a fair point, right? Because in theory, if we allowed it to be the Wild West, as one of my colleagues is encouraging, then you could see any prices. You could make a sub minimum wage at certain hours and at certain times as well, and we probably wouldn't want that as New Yorkers either, would we?

MEERA JOSHI: I don't want to inflame a feud between the two of you, but--

COUNCIL MEMBER GREENFIELD: [interposing]
Why not? Thank you, Commissioner.

MEERA JOSHI: You're welcome.

COUNCIL MEMBER GREENFIELD: I'll take your silence as the affirmative answer, and we appreciate your leadership.

CHAIRPERSON RODRIGUEZ: Thank you.

COUNCIL MEMBER VACCA: Yes, I thank you to Mr. Chair. I really just have one common sense question. It's kind of wonky question, but I'm concerned about revenue that the city of New York has anticipated in the past and whether or not we're going to get that revenue based on the transformation of this industry which seems to be continuing. We projected that medallions would be selling at a certain price, and those prices are down. Will they go further down? What are the fiscal implications for the city, our number one? Number two, I know we have an agreement to provide green cabs for outer boroughs that are handicap accessible, and I understand that we do not even have a list of people who want to drive those cabs for the disabled, and so I'm thinking of those things, and I wanted your response from a fiscal point of view and from a logistical point of view for the disabled.

MEERA JOSHI: I'm going to answer the first quest--the second question first, because I think they're intertwined. We've made a tremendous and laudable commitment on paper to make our green and yellow taxi fleets accessible, but in reality that means making sure there's appropriate incentives

to get drivers into accessible vehicles, and part of the work that we need to do on equalizing the sectors is making sure that there's enough of a reason for a driver to pick driving an accessible yellow taxi or driving an accessible green taxi, because on the yellow side, that is linked to medallion value. When the medallions--when the taxis are out being used, that's good for medallion value. It's also good for the city because it's providing our wheelchair passengers with the form of transportation that they need. So, we're undertaking looking a few different things that would provide incentives and welcome input for those especially in the disability community and the driving community for their ideas, but our current dispatch program provides a dead head for drivers. That means it covers the cost of going to the location to pick up the passenger. That's something we would want to roll out in a citywide program to ensure the drivers get some kind of added benefit for traveling to the wheelchair passenger. Also, the 30 cent improvement charge that sent-- improvement surcharge that is now on green and yellow taxis, some portion of that goes to every taxi driver who chooses to drive an accessible taxi, be that

green or yellow, and we'd love to look for ways to explore expanding that so that we can further incentivize getting drivers into green and yellow taxis. And that goes back to your first question. When we're able to get drivers in taxis and make sure that it is just as an attractive option as driving in other sectors, which takes some work in terms of leveling the playing fields and making sure incentives are in place. Then people still fundamentally resort to using yellow taxis in Manhattan, and that will only increase and grow as long as our driver pool is there.

COUNCIL MEMBER VACCA: But, just quickly, do you see the price of medallions continuing to go down unless something is done from the TLC perspective?

MEERA JOSHI: I think that there is work that needs to be done, some of which we've undertaken, some of which is pending to stabilize the market and there will be some further fluctuations, but I see the market stabilizing after those reforms are all in place.

COUNCIL MEMBER VACCA: Am I--I know I'm in a hurry. Yellow cabs right now cannot have an app?

MEERA JOSHI: They can. They can use--

COUNCIL MEMBER VACCA: [interposing] They can?

MEERA JOSHI: They can use an e-hail app, and we've proposed permanent e-hail rules, and we know that there is a few market entrance that are, you know, interested in expanding their presence and we think it'll be a tremendous boon to taxi passengers.

COUNCIL MEMBER VACCA: Was I correct in stating that there is no one right now that wants to get a glean handicap accessible cab, that we have no list of drivers or buyers or however the term you would use it? There's no one--I understand there's a list for the green outer borough cabs, but there's-- my understanding is that there's no one seeking to have a handicap accessible green cab.

MEERA JOSHI: We do not have a waiting list for accessible green taxis. Although we are selling them at a slower rate than we did in prior year, because we gave them out for free, and free

always tends to go faster than when you charge money for something, but we are selling them consistently. There's just no waiting list for those accessible green taxis.

COUNCIL MEMBER VACCA: Than you.

CHAIRPERSON RODRIGUEZ: Commissioner, and I would like to ask you for a favor, if you don't mind. After you leave, we will have a panel representing the yellow and the black car reading a testimony. Even though they will present their own individual testimony, and then after then we will have Uber. So if you can stay around at least to hear the document from that panel's composed by the yellow and the black car, I really appreciate it.

MEERA JOSHI: My pleasure.

CHAIRPERSON RODRIGUEZ: Thank you. So, now we will hear a document by panel representing the yellow and the black, Ira Goldstein, Peter Mazer, Palombo and Erica Thurs [sp?] and Arthur Goldstein. If I didn't miss anybody else that--please join them. So, I'd like to invite Becca Vasa [sp?] to join the group there, too. Okay. [off mic] Add additional chair if it's needed. We just want for everyone to be there. Again, what will happen now is that they

will read a document and then after they read the document we will call Uber and Lyft and they will present their, a document representing the different groups that they are here to represent.

IRA GOLDSTEIN: Good afternoon, Chairman Rodriguez and fellow Council Members of the Transportation Committee. My name is Ira Goldstein, and I am the Executive Director of the Black Car Assistance Corp. This testimony is being submitted on behalf of the following organizations, the Black Car Assistance Corp, Committee for Taxi Safety, Global Transportation Network Consultants, League of Mutual Taxi Owners, Lomto Federal Credit Union, Melrose Credit Union, Metropolitan Taxi Cab Board of Trade, and the Taxi Cab Service Association. These groups cumulatively represent over 10,000 medallions, 26,000 taxi cab drivers, thousands of other employees such as dispatchers, mechanics and support staff, and lenders that provide financing of approximately 11,000 medallions. Furthermore, this group before you also represents over 104 for-hire vehicle bases and approximately 9,000 FHV drivers and vehicle owners and approximately 2,000 other workers in all five boroughs of the city. Accompanying me at this

table are representatives from all of the
aforementioned organizations. And of us would be
happy to answer questions that the committee may have
regarding our testimony upon my conclusion. We
support the spirit and intent of Intro 556, which is
meant to prohibit for-hire vehicles from taking
advantage of the riding public by charging grossly
excessive fares at times when their services are
needed the most. However, we believe a few changes
in the language of the intro would better serve the
purpose of the intro and make it a true pro-consumer
protection law. First, the law should include a
penalty on the base as Council Member Greenfield
mentioned, and the vehicle owner addition to the
driver. In all segments of the for-hire vehicle
industry, their drivers should not only be charging
what the dispatch base is instructing him or her to
charge. In fact, in instances when a credit card is
being used, the amount of the fare is controlled by
the base. We believe the calculation of the excess
charge should be based upon a normal fare for the
base rather than at a normal range. The normal fare
can be more easily monitored by reviewing what the
base has actually charged its customers for similar

rides over a specific time period, say two or four weeks. This way, the public will truly know what the normal fare is. We also believe it is critical to give the TLC the necessary tools to enforce an antisurge pricing law. TLC rules currently state that for-hire vehicle bases will be required to submit all trip data with the following data points, address and time of the pickup and drop off, the TLC license number of the vehicle, and the TLC license number of the driver. All FHV bases should be required to submit a breakdown of the total fare including the rate of fare that was used to calculate that fare. The vehicle owner must also be held responsible for the submission of its own trip sheet data to ensure that they affiliate with a responsible base that is compliant with the applicable laws and rules. The TLC already has the authority to suspend licensees who fail to provide required information to the agency. These additional steps will ensure complete transparency and compliance as it is required of other TLC regulated industries as well as a greater level of consumer protection. It has come to our attention that some drivers affiliated with a base that use a surge pricing on a regular basis have

learned how to game the system. Simply put, surge pricing is based on the economic theory of supply and demand. These drivers have the ability to control the supply when they know demand is typically high by simply withdrawing their services from the market. They log out of the system. Once the automated dispatch system of the base recognizes the disparity between the supply and demand, it enables the surge pricing and these drivers then log back into the system once the surge pricing is in effect. At this point, the passenger is locked into a commitment to take the ride. In light of all the issues above we believe that the amount of the surge or premium price for peak demand times should be limited to 20 percent, not 100 percent above the normal fare. Anything above 20 percent is irresponsible and condones price gouging. We acknowledge that there is a place for peak pricing. It exists in the MTA commuter rail lines and Amtrak. In fact, there is a 50 cent night surcharge and a one dollar evening surcharge in taxi cabs, which has been in place for many years and has been successful in encouraging more drivers on the road during these hours. Now, we recognize the Greenfield bill is an earnest attempt

to reign in the robbery that occurs at 200, 300, 400 percent or more. It does not go far enough. Surge pricing that is not limited as we suggest to no more than 20 percent of the base fare constituted and abuse and a predatory practice. We firmly believe that a 20 percent premium set by the base, not a driver, should serve as sufficient incentive to encourage drivers to operate during peak times without taking advantage of the public. As to Intro 559, this group before you offers its complete support to requiring the re-establishment of agreements between livery bases before a second base can dispatch a vehicle affiliated with another base so long as black cars and limousines continue to be exempt from this requirement in accordance with current TLC rules. Requiring livery bases to have agreements between bases to determine when authorized vehicles can be dispatched from another base allows drivers greater freedom to conduct additional work while providing an assurance to the base operator that they will have vehicles and drivers when they have trips to fulfil their customer base. With respect to Intro 615, Assembled [sic] industry representatives before you today are in favor of this

intro which would allow the Taxi and Limousine Commission to consider improved trouble lights in order to improve operator safety. Taxis and liveries are currently equipped with trouble lights that allow drivers to notify the public and the law enforcement if they are under assault or otherwise endangered while operating their vehicle. Currently, the admin code limits the type of light that may be used to the term signal lollipop lights. This legislation would remove that requirement that only lollipop lights be used as trouble lights, enabling the use of other more efficient and effective technologies. Finally, after conversations with Chairman Rodriguez, the group before you today is requesting that the City Council enact measures, whether it be Resolution, legislation request for rule change that they deem appropriate to rectify the situation created by the failure of the Transportation Network Companies such as Uber and Lyft to obtain approval from the New York State Department of Agriculture, the bureau of which measures to use an app which relies upon GPS technology as a legally certified distance and time device. The New York State Department of Agriculture and Bureau of Weights and Measures assures consumer

protection by regulating measurement devices to ensure the customer gets what they paid for, whether its 10 gallons of gas or a half of pound of chicken. Consumer protection must consistently extend to the for-hire vehicle and taxi industry as it does to every other industry in the state of New York. Attached you will find a position paper by a former employee of the New York State Department of Agriculture, William Fishman [sp?]. Bill Fishman is a retired 38 year veteran of the Department of Agriculture Bureau of weights and measures. I got to keep saying that over and over again. It's a big one. And the states that testing and regulation of distance measuring devices such as taxi medias is a proper function of that agency. And it is-- accordingly, the TLC cannot prove a taxi meter, or in this case, some type of distance measuring device unless it has been approved by Bureau of Weights and Measures. To date, no bench or field testing has been done on any of these GPS apps. It is unknown if these devices are accurate for the purposes of measuring a trip. The TLC and the city have gone through great lengths to avoid the fraudulent practices of unscrupulous cab drivers in the past

where drivers had clickers or hot seats, which increased the unit amount on a meter. Taxi meters now undergo beyond reproach testing and monitoring to ensure the riding public is getting what they paid for. Only licensed taxi meter shops may open, repair or install a taxi meter. The meters are tested multiple times a year. Even every twist tie that is used to secure the casing of a meter is numbered, inventoried and audited by the TLC, yet the apps go completely untested. I want to make clear that we are not alleging that these apps are not accurate. What we are saying is that legally the apps must be tested by Weights and Measures for proper usage and accurate functionality to measure time and distance. Please note that this diverse group of organizations before you represents multiple different industries in different segments of those industries. Rarely if ever has a coalition of TLC regulated industries of this size stood before this legislative body in agreement on proposed legislation. We applaud you Chairman Rodriguez, Council Members of the Transportation Committee in sponsoring Council Members for putting forth a legislative package that provides for consumer protection, enhanced driver

safety and industry stability. Thank you for giving us the opportunity to provide this testimony. We are ready to answer any questions you have at this time.

CHAIRPERSON RODRIGUEZ: Thank you. Any Council Member has question. Greenfield?

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. So, you mentioned something that was actually very interesting. I'd like for you to expound on that. You mentioned that drivers have the ability to control supply when they know demand is typically high simply by withdrawing the service from the market, and this actually was a concern of ours. We raised this at the last time that Uber was here and asked them to how explain how surge pricing works. Despite that request we did not get a straight answer, nor did we get a follow-up answer, although I'm anxiously awaiting and I'm told that today we might actually get an answer on that. But manipulating the system is something that is certainly, even Antonio Reynoso would agree with me un-American. So talk to us a little bit about that and how that works based on your knowledge.

IRA GOLDSTEIN: Just originally we only had anecdote stories from drivers that said that they

were doing that where they work, they form their own networks where it'd either work on blogs or an app that's a walkie talkie on our smart phone and they know that there may be typical times when surge pricing would go into effect, say a rainy Thursday or Friday night, and they know which areas of the city because it's not a citywide. They do--they break it up geographically. So they would basically log off the system. They would, you know, communicate to each other, log off the system, wait for the surge pricing to come into effect and then log back into the system when the surge is in place.

COUNCIL MEMBER GREENFIELD: So to be clear, based on your understanding of how this works, and this is actually why I appreciate your testimony, because we'll ask Uber about this when they come up and testify shortly, is that if you are a driver you can log on or off the system at will, right?

IRA GOLDSTEIN: Yes.

COUNCIL MEMBER GREENFIELD: And so effectively you're on the system. Now you see it's raining and you see that there might be a scarcity of cars. You could actually now log off the system, which means that you can actually add to that

scarcity of cars. Plus you could actually text or email your friends and say, "Hey, let's all log off." And now you are artificially jacking up the prices.

IRA GOLDSTEIN: That is correct, and I believe I may be able to even email you one example from a Uber driver blog where a driver talks about doing it.

COUNCIL MEMBER GREENFIELD: Oh, really? You mean, it's actually printed online these kinds of practices.

IRA GOLDSTEIN: At least one instance I see a driver talking about it.

COUNCIL MEMBER GREENFIELD: Wow, that's certainly very disturbing and un-American for sure. And let's talk about the other suggestion which is an interesting suggestion that I hadn't heard before and that is about the regulation of the GPS. So the issue over here that you're articulating is that--and I think it's a fair point, is that we don't know whether or not the systems that are being used is accurate. So as far as you know, right now, there is no independent body actually taking a look at those systems and seeing if those systems in fact are accurate or not. And just to repeat what you said,

you're not implying that they're not accurate, but you know, under fairness there's no reason why that shouldn't apply to these folks as well. Is that your concern?

IRA GOLDSTEIN: Correct. I think in the regulatory circles of the Weights and Measures, they may refer to it as a virtual meter. There is a working committee that's been set up by a national organization, a standard that oversees these issues, and they do have a conference coming up in a week or two. They haven't taken any action yet. It's just merely a standing, you know, it's a--they just set up a committee so far.

COUNCIL MEMBER GREENFIELD: So effectively, and once again, we're not suggesting that this is the case, but we're simply raising a question. There is no way to know at this point because there is no oversight as to whether the GPS system is being manipulated.

IRA GOLDSTEIN: Correct. I think--

COUNCIL MEMBER GREENFIELD: [interposing]
As opposed to when you have a taxi, obviously those meters in fact are regulated and they're stamped and

they're sealed and there is a lot of oversight that goes into that to prevent corruption. Is that fair?

IRA GOLDSTEIN: Correct, and also anyone is aware sometimes you lose--even if you use it for directions, you'll see there's times when it says the GPS goes down for certain amount of times. It does a certain amount of estimating.

COUNCIL MEMBER GREENFIELD: That's a very good point as well.

IRA GOLDSTEIN: You know, so--

COUNCIL MEMBER GREENFIELD: I actually use it for directions all the time and sometimes it gets lost.

IRA GOLDSTEIN: So if you take a look there are times it goes down.

COUNCIL MEMBER GREENFIELD: Very interesting.

IRA GOLDSTEIN: Again, it may be able to--you know, I'm not an expert. I just follow the issue. It may be able to come back, but we do know it needs to be tested.

COUNCIL MEMBER GREENFIELD: Sure. So basically right now we're operating on the honor system pretty much.

IRA GOLDSTEIN: Pretty much so.

COUNCIL MEMBER GREENFIELD: We're trusting. We're trusting Uber both on the fact that there are not drivers who are manipulating the surge pricing and on the fact that their GPS is in fact accurate.

IRA GOLDSTEIN: That's correct.

COUNCIL MEMBER GREENFIELD: Those are very valid points. Let me ask you a question, by the way, as folks who represent livery car owners and yellow tax owners, yellow cabbie owners. I ran the numbers while I was sitting here at the max rate that Uber could charge from my district in Midwood to La Guardia Airport. It came out to 780 dollars. Does that sound like a fair amount of money as folks who have been working in this industry for literally decades representing 10's of thousands of yellow car and black car livery owners? Just speaking frankly, would you have ever have the huspah [sic] to charge 780 dollars for a taxi ride to the airport?

IRA GOLDSTEIN: I think that's a perfect word that's used. Even those that are not Jewish and understand Yiddish know what it is.

COUNCIL MEMBER GREENFIELD: Yes, but we're all Americans. Thank you, sir.

COUNCIL MEMBER REYNOSO: Thank you. Thank you. I just want to speak to a couple of things. I would love to hear from Uber when the time comes on how their algorithm works and if immediately after let's say 15 of the buddies get together and turn on their apps, if that automatically makes the algorithm go back to non-surge pricing. So I would like to hear that from them. So, I just want to--you guys represent the meters, or you represent--a portion of what you represent is the meter cabs, and do you know that yellow cabs don't exist in poor neighborhoods, mainly outside of Manhattan. The need for Uber is that there is a level of discriminating that they can't do. You click on an app. They click you back. They pick you up and you're in. Try to get a yellow cab anywhere near the lower east side to go to Williamsburg. It's almost undoable. So, they have and they fit a niche that doesn't discriminate against people like me in trying to get cabs. So, I just want to say that they do have--there's a value to what they do through the app portion of what they do.

IRA GOLDSTEIN: I don't think there's anyone that would argue that point.

COUNCIL MEMBER REYNOSO: There's--

IRA GOLDSTEIN: [interposing] I don't think there's anyone that would argue that point.

CHAIRPERSON RODRIGUEZ: And as for record, we love and want Uber and Lyft in the city. What we are saying is we need to regulate this industry. So, this is a discussion that is taking place not only in New York City. However we are committed to make New York City, to put New York City in the front line on this discussion, and with the TLC Commission and the Administration we will move on bringing more regulation so that everyone who do business with TLC they should be subject to the same standard and regulations. So, this is not about saying no to a particular part of the industry, it's about regulating and being sure that everyone play by the same rules.

COUNCIL MEMBER REYNOSO: Right, absolutely. And I want to speak to the regulation portion of it, which is your group supports Intro 599 as long as the black car and luxury limousine bases continue to be exempt from this requirement. It kind

of speaks to the need to regulate everyone else but yourselves, and I just think that's there's a level of fairness that we want to have across the board, and for you to, you know, take park in supporting a piece of legislation that you would not--that you're exempt from I think is unfair. And--go ahead.

IRA GOLDSTEIN: If I can address that. It's really quite the contrary. By not having the agreements, that gives the drivers who are independent contractors for opportunities to work wherever they want, whenever they want. So, it was just--we decided that, you know, it was a business model that we could live with which still gave the drivers the most flexibility possible. So, I don't think it's consistent with what you're saying.

COUNCIL MEMBER REYNOSO: But here it specifically states that you support Intro 559, which would make it so that independent contractors have to find--

IRA GOLDSTEIN: [interposing] If that's what that industry wants, then as the black car in the street, we have no problem with that. But I'm telling you it's a different business model.

COUNCIL MEMBER REYNOSO: You have a problem--

IRA GOLDSTEIN: We give--we give the drivers more flexibility. You seem to be arguing with me--

COUNCIL MEMBER REYNOSO: [interposing] I want exactly--

IRA GOLDSTEIN: [interposing] about something that's--

COUNCIL MEMBER REYNOSO: [interposing] what you guys have. I want the most flexibility possible, but you support 559.

IRA GOLDSTEIN: That's in the black car industry.

COUNCIL MEMBER REYNOSO: But you supporting that piece of legislation speaks to the opposite. As long as your guys are exempt you're happy, but you want to impose it on others.

IRA GOLDSTEIN: If that's what the bases want, if that's what they need for their business model, we're in favor of it.

COUNCIL MEMBER REYNOSO: As long as--

IRA GOLDSTEIN: [interposing] We have the most, you know, quite frankly I think we have the most driver friendly, so.

COUNCIL MEMBER REYNOSO: Right, so why not support other driver friendly models for the entire industry?

IRA GOLDSTEIN: That's not--I think that each industry has to decide what's the best business model for themselves.

COUNCIL MEMBER REYNOSO: So, maybe you shouldn't say you support a piece of legislation that doesn't apply to your industry then is what I'm saying. I just think it's unfair for you to make that mistake [sic]. Thank you.

CHAIRPERSON RODRIGUEZ: Well, thank you for your--the testimony. We're going to be limited to just one minute because of the timing of other member of the panel.

COUNCIL MEMBER CABRERA: Thank you so much, Mr. Chair. I'll make it real quick, this one question. How did you come out with the 20 percent rate? I heard the Commissioner mention that she wanted to gather more data, she wanted to get more

info. How did she come up with 20 versus the 100 or if it's 500, five percent?

IRA GOLDSTEIN: Yes, I think when you look at where taxi cabs are allowed to charge on 50 cents or a dollar during certain times, and also if you look at things like Metro North and the Long Island Railroad where they have off-peak and peak pricing, it runs around 20 to 25 plus percent, and that's not in a predatory situation. You know that ahead of time.

COUNCIL MEMBER CABRERA: Thank you so much.

UNIDENTIFIED: Thank you.

CHAIRPERSON RODRIGUEZ: I appreciate your input on this important conversation. I am committed, as I said, to continue working with the administration. There's going to be more conversations happening on regulations. We also would like to sit down, or continue because we also have met with Uber and Lyft before, and we had good conversation before we had the last hearing. So, we just want to continue having the dialogue where we can come out with resolution. Now, my concern is that like the surcharge is too much. Like, one of the members of

the staff, Steven [sic], who lives in Brooklyn. He took one to go to the Dominican Study [sic] Institute to event [sic], and he was not--we didn't have a storm that day. It was like a little raining, and because of that small raining we had that day, he was charged 94 dollars from Brooklyn where he lived to City College 138, and I'm sure--and so this is about that. This is not about saying no to a particular new player in the industry, it's about how can we work together so the working class and middle class also have access to transportation. So, we believe that in the surcharge, that's the piece that we are having, that when we have more concern when it comes to Uber. We believe that we need to work together to regulate. I believe that another member of the panel wanted to say something?

UNIDENTIFIED: Yeah, we have--

PETER MAZER: Yeah, comments concerning Intro 47, which I'm speaking on behalf of the Metropolitan Taxi Cab Board of Trade. Good morning or good afternoon, members of the Transportation Committee and Chairman Rodriguez. I'm Peter Mazer, General Counsel to Metropolitan Taxi Cab Board of Trade. MTBOT concurs with all of the comments made

by Ira Goldstein, the Executive Director of the Black Car Fund concerning the three bills that he addressed. I'd like to make some additional comments with respect to Intro 47, which would delete 19-11 B and C of the Administrative Code to eliminate off-street parking requirements for licensed for-hire vehicle bases. About 20 years ago the City Council passed a comprehensive set of rules dealing with the licensure of for-hire bases. These included requirements for the police and Community Board review of new and relocated bases, traffic and environmental studies as well as part of the base review process, TLC review of the need for additional for-hire transportation services in the community, adequate off-street parking, and council review of all new base license applications. These provisions were adopted in response to local community concerns about the effect that car services bases were having on the quality of life in many of our communities. The law has worked well. More than 500 bases have fully complied with these requirements and are licensed by the TLC. They're usually good neighbors in the community they serve because of these requirements. Rarely if ever does the TLC reject a

new base license application or revoke an existing base because these requirements have not been met. Bases are not alone in having an off-street parking requirement. Section 1930K of the Administrative Code requires licensed taxi cab agents to maintain sufficient off-street parking for the taxi cabs they dispatch, and these taxi cab agents are highly regulated with respect to their hours of operation, the conditions of the vehicles they dispatch, and compliance with all state and local laws. The current application review processes work well. There's no compelling need to change it now. Entities interested in opening new bases or relocating existing ones are fully aware of all the requirements that could be met with common sense business planning. We do not see communities underserved with car service bases. Rather, we see the Council and the TLC have in place a carefully thought out structure to base license review, which has worked well for decades. Existing requirements are not a barrier of entry into the car service system, rather, they are the mechanism by which car service bases have been good neighbors in their communities that provide transportation service

without necessarily disrupting the communities they serve. We see no compelling reason for the elimination of this requirement and urge no action on Intro 47.

TWEEPS PHILLIPS-WOODS: Good afternoon. My name is Tweeps Phillips Woods, and I'm the Executive Director of the Committee for Taxi Safety, and we concur with the statement from the previous testimony, and I think it's a very big deal that we're all sitting here together speaking in one voice. The Committee just wanted to add a few other points. One is that none of these bills address accessibility. I think, you know, just last month the TLC Commissioner stated that nine of 10 times when a wheelchair passenger is looking for a service they cannot get it. So, I think that we really need to work to address this discriminatory practice of not providing 100 percent accessible service throughout the entire for-hire industry, and so I just want to note that. Additionally, on Intro 47, you know, at last count I believe Uber had about 12,000 vehicles. If you eliminate parking requirements, then all these livery and black cars will need to be cruising, which will have an

immediate negative environmental impact. Vehicles cruising will also add to already densely overcrowded streets, potential increase in accidents, increase in traffic in residential neighborhoods, and a loss of already very limited availability of residential parking. So we just wanted to add those two notes to the testimony. Thank you.

ARTHUR GOLDSTEIN: Arthur Goldstein, excuse my voice, representing the Taxi Cab Service Association, and we agree with all the comments Mr. Goldstein made, and on Mr. Mazes comments on Intro 47, the TSA concurs with his comments and including the comment about the environment that was just made a moment ago. Thank you very much.

CHAIRPERSON RODRIGUEZ: Well, thank you, and thank you Commissioner, for staying around during this time. We will take a ten minute break, and then we will come back with Uber, Lyft and the livery round table as the first three panels. Thank you. So we have a 10 minute recess.

[Recess]

CHAIRPERSON RODRIGUEZ: Thank you everyone. We'll resume the hearing. We will hear from Uber, Colin Tooze and Nicole Benincasa.

COLIN TOOZE: Thank you, Mr. Chairman and good afternoon to you and to the other distinguished members of the Council. Thank you very much for the opportunity to speak to you today. My name is Colin Tooze. I'm Director of East Coast Public Policy for Uber Technologies. In that capacity, I oversee public policy matters in over 50 markets along the East Coast and southern region of the United States including New York, and I'm proud to be joined here today by my colleague Nicole Benincasa, Policy Associate for Uber here in New York City. In my brief remarks this afternoon I will be discussing Uber's position on one of the bills on today's agenda, Intro 556 relating to for-hire vehicle pricing. I'd like to take this opportunity to explain what dynamic pricing is and what it isn't. I'll explain how it works and how we communicate it to our customers, and then I'll explain how it benefits your constituents. Uber was founded with the goal of ensuring a reliable ride everywhere and at all times of day. We are committed to ensuring that riders have a safe reliable and hassle free way to move around the city through use of our smart phone application. At busy times with peak demand like

rainy rush hours, New Year's Eve, Halloween, or after a major sporting event. We use surge pricing or dynamic pricing to get more cars on the road and to help ensure that users always have a ride when they need it most. Fares increase incrementally as an automatic response to levels of driver supply and levels of rider demand. The purpose of increasing fares is to incentivize drivers to ensure supply is sufficient during times when they are needed most. We see ourselves as one option among many in a vibrant New York City transportation marketplace. Consumers are notified up front when dynamic pricing is in effect and can choose not to take an Uber trip during that time period, and in fact, many of our customers do make that exact choice. In employing a dynamic pricing model, we are simply consumers with an additional choice in their transportation options as the various transportation product offered through the Uber platform are themselves part of a broader menu of choices to city residents and includes taxis, buses, the subway, rental cars, bike share, and a host of other choices. Because dynamic pricing is not always in effect, we understand the dynamic pricing is in a certain sense a departure from the

normal Uber experience and that a given consumer could use Uber many times before encountering dynamic pricing. For this reason, we take steps to educate our riders to help them understand dynamic pricing and to equip them to respond to specific instances of elevated pricing in a way that makes sense for them at that time. When dynamic pricing is in effect, we take many measures within the smart phone app itself to notify the user before the user is able to request a trip in the first place. When fares have increased, we repeatedly communicate that fact to the user and we require confirmation from the user before he or she is able to submit a trip request, and at times when the fare exceeds two times the normal rate, a multistep confirmation screen appears and requires the user to actually type in the price multiple to accept the higher fare. And you can see examples of what the user sees when dynamic pricing applies on the screen behind me. When dynamic pricing is in effect, riders have multiple opportunities to choose, confirm and accept increased fares, or they have the choice to be notified via text message or an alert on their phone when prices have dropped through our in app surge drop feature. Users can also estimate the

fare before requesting a ride on the first screen of the app by simply entering pick up and drop off locations and hitting fare estimate. If dynamic pricing is in effect, the quoted fare will take the current rates into account so everything is displayed transparently up front. Beyond these innovative and transparent app features, we are also proactive in educating consumers about how they can avoid or mitigate the cost of dynamic pricing. Before especially busy nights like New Year's Eve we send Uber riders all around the world an email explaining in detail how to avoid expensive fares. Such emails and accompanying blog posts on the Uber website give the public and potential riders explanations and visuals of which times of night would be best to ride, and we do it ahead of time. This year we did it on December 30th in anticipation of New Year's Eve. We tell users when we expect fares to be at their highest and when to request a ride for the most affordable experience. And we also suggest trying other local ground transportation options or public transit options if riders are not willing to pay the higher fares with Uber. We also understand the importance of providing options to consumers during

times of high demand in order to fight against drunk driving. As such, we are proud of our longstanding nationwide partnership with Mothers Against Drunk Driving, and this past New Year's Eve, we donate one dollar of each trip's fare to MADD. Part of this proactive consumer education involves other features to mitigate the cost of Uber trips including our fare split option, which is an inept feature that allows users to split the cost of a shared ride with family or friends. I'd like to stress that dynamic pricing is not something unique to Uber. In itself, dynamic pricing is a key element of other consumer goods and services that are offered and sold, and many other industries practice dynamic pricing and adjust their pricing to align with demand. On the screen behind me, you see just a few examples of dynamic pricing models in other industries. You heard testimony earlier today that yellow taxi cab metered fares are subject to surcharges at peak times. Additionally, normal passenger vehicles are required to pay a nine dollar 75 cent toll to cross the George Washington Bridge during nonpeak hours, but \$11.75 during peak hours weekdays and weekends alike. Consumers also see dynamic pricing with Amtrak and other passenger

train services, with hotels during periods of high seasonal demand or before events like conventions or the Super Bowl or the presidential inauguration, and Major League Baseball has officially adopted a dynamic pricing model for their ticket prices. Though many other industries engage in dynamic pricing practices unlike Uber, they typically do not do what we do and go the extra step of actually warning their customers up front about the possibility of elevated prices and educating them about how to avoid them. You would never see a reminder from a florist saying that Valentine's Day is right around the corner, so you should think ahead and ask yourself if you're really comfortable paying twice the normal amount for roses, and if so--or if not, to either buy them before or after the holiday. So, who benefits from dynamic pricing? We believe Uber's dynamic pricing model benefits both consumers and drivers. As Council Member Reynoso observed, Uber is not the only way people can get around the city. Consumers know this and they incorporate it into the decisions they make. Writers know that Uber is always one option among other transportation alternatives, and they can make an informed decision

in real time about whether to use Uber, use another transportation provider, take public transit, wait to be notified until prices change, or simply change their plan entirely. If prices were to be artificially capped within the normal course of business, consumers would be unable to utilize our safe and convenient transportation option because demand would simply overwhelm the available supply during peak times. Dynamic pricing also offers benefits to drivers. The economic opportunity of the Uber platform is unprecedented in the industry and it provides freedom and flexibility for independent contractor drivers. The technology has provided hundreds of thousands of driver partners the opportunity to start and grow their own small businesses, including over 10,000 drivers here in New York. In the four years since Uber launched in New York City, Uber has transformed the earning opportunity of the driver experience. Our dynamic pricing model has increased economic opportunities for lower income New Yorkers and particularly recent immigrants, veterans and women. Dynamic pricing gives drivers the option to respond to opportunities to earn extra income, and because Uber doesn't employ

drivers, every driver has a choice of how he or she spends his or her time. Dynamic pricing helps bring supply in line with demand when necessary by incentivizing more drivers to come onto the platform. So, how does surge work exactly? Well, to better understand why dynamic pricing is a benefit to both drivers and consumers, it may help to learn a bit about the mechanics of this dynamic pricing model. Our goal is to be the most reliable ride on the road, and our automated algorithm looks at the number of drivers with no riders in their vehicles and it compares that number to the number of drivers with riders in their vehicles, and these factors determine when fares should be higher in certain areas. Uber uses real time rider and driver data in a given region obtained via the mobile applications of both riders and drivers alike to adjust to price in that region. So, we use data from the driver apps to estimate the number of drivers that are on the platform or available to accept a trip, and we use data from the rider apps to see which riders in the area have the Uber app open on their phone. Uber's algorithm senses when more riders want rides than drivers are available, and it adjusts the price of a

ride so that additional drivers have an incentive to go make Uber trips. Those additional drivers help lower wait times for riders and get the riders to where they need to go. Once demand has stabilized or supply has increased sufficiently, prices quickly go back to normal. Dynamic pricing varies by location, so while certain areas of the city may have dynamic pricing in effect at any given time, other neighborhoods where demand is not as high at that time remain at normal prices. This means that levels at dynamic pricing also vary from city to city, and we only charge fares that are necessary to ensure that rides are available for consumers when they need them. To that end, we are constantly working to offer the lowest price experience for our customers, so it's important to remember that during times when dynamic pricing is in effect, the surge multiple is being applied to a price that is already as low as possible for their consumers at normal times. It's important to note, I think, that in relative terms we're talking about a small number of trips. Globally, fewer than 10 percent of our trips include dynamic pricing, and in the past six months in New York City, only about 13 percent of our trips had

dynamic pricing in effect, and that's over a time period that includes the busiest times of the year for our company such as New Year's Eve, Halloween and the Thanksgiving day parade. At Uber we take our commitment to the community seriously, and as part of that responsibility we've adopted a national operational policy to help cities and citizens cope with and recover from disasters. Our current practice, which is memorialized in an agreement from July 2014 with Attorney General Schneiderman is to cap our dynamic pricing algorithms during disasters and declared states of emergency. Additionally, for the first 48 hours of disasters and relevant states of emergency, Uber is committed to donate its fees on trips that have dynamic pricing in effect to the American Red Cross. That means for trips with elevated pricing, 20 percent of the total fare, what we would have taken as our fee, is instead donated to the Red Cross's Disaster Relief efforts. It's clear that this dynamic pricing model is simply not equivalent to price gouging in any sense of the term. A company looking to engage in price gouging behavior simply would not behave this way. It would not invest its time and resources into conditioning

people to understand and expect price fluctuations in order to help them limit the times that they've put themselves in situations where they're not comfortable paying a higher fare. And it certainly would not create redundant notification systems to ensure that users are repeatedly notified in advance to ensure that no one is surprised by an elevated price. With our in app notifications or search drop feature and the proactive messaging to writers that I described, we provide next level transparency about our dynamic pricing model all while preserving the reliability that is core to our business and to our commitments to our customers. In closing, because it would limit economic opportunity for drivers and make it more difficult for riders to find rides during times of peak demand, I respectfully request your vote against this proposal. And again, thank you for the opportunity to explain our dynamic pricing model. We're proud to be part of the transportation marketplace here in New York, and we look forward to continuing opportunities to drivers and to ensure reliable rides throughout the city. With that, I thank you for your time, and I look forward to any questions you may have.

CHAIRPERSON RODRIGUEZ: First of all, thank you for accepting the invitation to come here and testify at this hearing. As you know, you heard all of those questions and concerns through myself and other Council Members when we asked the Commissioner about Uber. As I said before, like, we believe in the free market society and we believe that everyone should have the opportunity to do good in life, that anyone who take a risk to invest should be able to have the expectation that they will get a good return. However, our concern right now is also how everyone should be playing by the same rules. We believe that the success of any industry should not be with the price of destroying any other industry, especially when the yellow taxi industry created by hard working men and women decades ago, it took so many hard and so many years for them to bring the industry what it is right now. And with the black car, also they've been providing great services with the green [sic] and the livery. They've also been providing services in area where no one went before. So, now our question, you know, our concern right now is on regulations, and we believe that we may--you made your entry to the city. You are like a

multibillion corporation, you meaning as a corporation as Uber, and we believe that we should be able to work together and have conversation and see what are those regulation that we can agree and also debate those that we disagree. With the surcharge definitely, this is something that we have a different approach. You know, we are not a sport industry. We are not a real estate industry. This is the Taxi Limousine Commission that do regulate surcharge, and we do it with the yellow taxis. When the yellow taxi provide a service during the hours that the TLC allow them to use a surcharge, they are able to do it and they have the right to do it. However, there's a formula, and we believe that formula, any working class or middle class has the ability to pay the fare. However, when you heard those information, those different experiences that we shared, and I know that also you heard by many of your customers about those high price, that's what we hope that we can find a common ground to work together and come out with a formula that should be a win/win situation for everyone. My first question is about how many complaints do you receive in New York City regarding surge pricing?

COLIN TOOZE: I don't have numbers on how many complaints we receive. I'll say that we view complaints and positive statements about drivers as part of an ongoing feedback loop that our technology permits, and because of the transparency built into the app, for example, the fact that a rider knows the name of the driver and receives a detailed receipt with the price breakdown at the end of a trip. Every ride concludes with an opportunity for riders to provide feedback on the trip they've just taken. And so if they are unhappy with any element of the trip be it the route, be it the behavior of the driver, the condition of the vehicle, or the price that they've paid, they have an opportunity in real time to make that known, and we have a team of customer service staff who will respond to that right away. And so, that feedback loop we see as a vital part of the customer experience. All that to say, I don't have hard numbers, though, in response to your question about how many--

CHAIRPERSON RODRIGUEZ: [interposing] How does the customer--what are the mechanism for someone to make those reports?

COLIN TOOZE: Sure. I don't think it's on the screen right here, but we can show you, we can follow up with your office later and show you the screen shots of how it works. When a trip concludes, if the app is still open, the customer sees a closing screen that invites them to rate the trip they've just taken from zero to five stars, or from one to five stars, excuse me. And there's also a comment box that's part of that screen. So, if they rate the ride one star and they say this is not the price that I was expecting to pay or, you know, the driver made a rude comment or something like that, that's immediately made available to Uber staff and then the customer service sort of feedback experience is initiated. There's also an email receipt confirmation provided after the fact, and customers can respond to that email or click links embedded in that email to provide additional feedback if they don't still have the app open.

CHAIRPERSON RODRIGUEZ: What's information related to surge price supposed to be included in the data that Uber was supposed to submit to TLC, and why has Uber elected to not share trip records with the TLC?

COLIN TOOZE: Price related information was not included in the data directive nor in the recent rule making. As far as why we've resisted providing certain data to the TLC, we've communicated to them that we feel the rules are excessively broad and that bulk demands for these records is regulatory overreach, and there's litigation underway along those lines.

CHAIRPERSON RODRIGUEZ: What was the information that--what is information that Uber is mandated to report to the TLC in that data?

NICOLE BENINCASA: Good afternoon, Chairman Rodrigues. Nicole Benincasa. With regard to the specific trip directives, the information that was required to be provided included time stamped trip specific data. With regard to the date and time, pick-up location of each trip for six months' worth of trips for five of the six of Uber's black car bases, also including information about driver licensing information and vehicle licensing information.

CHAIRPERSON RODRIGUEZ: And as I said, as I told the Commissioner, I have introduced another request where I include specific information that

should be report--should be included in that data, and I'm wanting those information is the services to the disability community that's also there beside the trip record also, the prices a passenger has, the prices that have been used during surges prices. So, this is something that I am really committed to continue working, because we believe that we need to get that information and that other [sic] request, I also mandated that TLC make the report available to the Council twice a year. So, we just hope that, you know, want to share with you that we are moving that direction to make that information more transparent and to be more specific of which information. At the end, I just hope that it will help everyone. You should be able. It would be good for the industry because you will be able to be more specific on collecting those data, those information--good for the city and also necessary for us to the Council in order to legislate and continue taking the necessary step to make everyone subject to the same standard and regulation. Have you applied to create--have you filled out any application to create any livery base?

NICOLE BENINCASA: I'm not certain on the whether we applied for a livery base, but we as

recently as the past two weeks, we have purchased a livery base.

CHAIRPERSON RODRIGUEZ: In the last hearing, you said that you didn't have any intention to get into the livery base.

NICOLE BENINCASA: Sure, so this was a response to recently instituted TLC rules as a business decision.

COUNCIL MEMBER CABRERA: Thank you, Mr. Chair. I have a few questions here. I'll rapid fire them. You know, usually competition when you have free market, the whole idea of free market is for prices to go down. Can you explain to me why in this unusual kind of venue do the prices actually go up?

COLIN TOOZE: Sure. Competition and the experience that we've worked to create for our riders and drivers alike actually has reduced--has led to reduced prices for our customers. And so over time, we've done two trip cuts on our Uber X product, which is our low cost product here in New York City since introducing it. And those lower fares mean greater demand. They mean lower pick up times and more trips per hour, and that last component is really crucial. The trips per hour component is what allows increased

earning potential and better economics for drivers. So, for example, the average gross revenue per hour for our Uber X partners in New York City has increased from 24 dollars and 80 cents per hour in 2012 to 26 dollars and 76 cents in 2013, and then 36 dollars and 16 cents per hour in 2014. I think your question was about the effects of competition on price in a dynamic pricing context, and the--I think the key detail here is that the drivers are competing to respond to demand that already exists, and so when in a certain area of the city where demand is unusually high and supply is unusually constrained, the sort of flooding of drivers to that geographic area within the city allows--because demand is being responded to, it serves to relieve pressure on supply and then the prices can be restored to normal.

COUNCIL MEMBER CABRERA: But--

COLIN TOOZE: [interposing] Does that answer your question?

COUNCIL MEMBER CABRERA: Kind of. Yes and no, because if you flood it, you know--how do I explain it? It's kind of a poor analogy. You have baseball cards. Once it started flooding the baseball card market, prices went drastically down.

So now everybody wants their own cards, right, all baseball cards. I would imagine when you flood an area that actually prices will be even less of what people will be accustomed to. So, why, even when it's flooded--if I heard you right, and I don't know if I caught this right. You said that the average price hike is 13 percent, was that correct that I heard?

COLIN TOOZE: No, no, I was describing the--

COUNCIL MEMBER CABRERA: So what is the average price inflation?

COLIN TOOZE: Right. If you would just give me one moment.

COUNCIL MEMBER CABRERA: Sure, sure.

COLIN TOOZE: Council Member, over the past two months, which again, included some periods of peak demand, the average surge price in New York, or the average surge multiplier in New York was 1.85. So, in other words, that's 85 percent greater than the normal price. Those are--that's an average for times during which surge pricing was in effect.

COUNCIL MEMBER CABRERA: Eighty five percent?

COLIN TOOZE: Correct.

COUNCIL MEMBER CABRERA: Okay, so if the average price surge was 85 percent why--

COLIN TOOZE: [interposing] I'm very sorry to interrupt. It was 85 percent greater than the normal price.

COUNCIL MEMBER CABRERA: Okay. So, understood. So, if that is the case, why not go along with Council Member Greenfield? I'm asking not because I have a bias. I'll be honest with you, I'm torn here, okay? Because I'm big on free market. At the same time, I don't like people getting ripped off. So, you know, it's just that tension that I think we all feel in here in the room. If that is the case, why not go along at the average price hike presumably is 85 percent? Why not stick with the 100 or 150 percent? As a cap.

COLIN TOOZE: Right. Notwithstanding what those averages have been and notwithstanding what the normal experience that a user would have with surge pricing, we still believe that to artificially cap, to artificially limit our ability to respond to demand by caps is a constraint on driver opportunity that would be unhelpful to the

drivers and it would also be unhelpful to the riders in the form of increased wait times and times when conceivably no ride would be available at all.

COUNCIL MEMBER CABRERA: You see my smiling, you know why?

COLIN TOOZE: I do.

COUNCIL MEMBER CABRERA: Because if somebody were to tell me I'm going to make a 150 percent more, I don't think that we would see a restraint. I'm just being honest with you. If somebody said you're going to make 150 percent more, I don't think there will be a slowdown. I'm just drawing that out. The other question I had was in terms of poor neighborhoods, right, so as I understand, I have never used Uber. This is why you're dealing with somebody here totally with a blank slate here. So, if the good drivers, I understand, get rewarded, and I like that system where, you know, whatever is rewarded is repeated, but isn't there the possibility or the potential that in the poor neighborhoods we're going to lose some of the good drivers? They're going to the areas, to be honest with you, to be able to afford this price surge or dynamic pricing? I like the name, dynamic

pricing. Wouldn't there be the potentiality for that? Help me out here. Have you done a study regarding that? Has there been a shift?

COLIN TOOZE: We haven't done any such studies. I'll say that surge pricing is calculated during the times when it's in effect. It's calculated in real time, and so it's conceivable that even if someone were looking to make the trip from say far out in one of the outer boroughs into, to use your example, midtown Manhattan during a time of surge pricing, it's entirely possible for that, for a driver who wish to do such a thing. By the time he or she arrived in Midtown Manhattan, the surge multiplier would have expired, and normal prices would have been restored. So, I don't think as I sit here I'm comfortable saying that that's a real risk, but I understand the thrust of your question.

COUNCIL MEMBER CABRERA: I don't think they will go, for example, from the Bronx to go to Brooklyn, but within the Bronx they will go to the areas they certainly could afford it. They will go to Riverdale, Throsnay [sic] Country club. You see what I'm saying? They--it'll be interesting to see, you know, someone to do a study regarding that.

Look, I have to be completely honest with you. I'm going to state very wide open. I hear what Council Member Reynoso, I've spoken to him. I love free market. I love competition. I love people to be able to do what they have to do. I hear what Council Member Greenfield is talking about, fact that people shouldn't be "ripped off" and so hopefully we could find some kind of a happy medium here because at the end of the day it's about our constituents. Thank you so much.

COLIN TOOZE: Thank you, Council Member.

CHAIRPERSON RODRIGUEZ: So you hear--you heard from the administration that we will be working on some regulation. We will be working with them to. Will you be open to work with us to identify those regulation that are needed?

COLIN TOOZE: Most certainly we'd be keen to work with you and the TLC to understand whatever proposals are put forward and to provide our perspective. We are here today because we value and respect the process and we're keen to make our views known within that context, and absolutely you have my commitment that will continue.

CHAIRPERSON RODRIGUEZ: Thank you. I'm going to be putting five minutes back.

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. Although as the sponsor of the legislation, I reserve the right to go beyond five minutes. I just want to start off and have to tell you I'm a little bit disappointed. You know, Colin and Nicole, I was looking forward to this. We've chatted before. We've seen you before at the hearings. Uber, 40 billion dollar corporation. It appears that half the lobbyist for New York City now work for you guys, and the best that you can come up with is you're trying to convince us that surge pricing is dynamic pricing. Is that your final answer? I just want to be sure before we delve into this. That's your final answer? Surge pricing is dynamic pricing. That's our story and we're sticking with it, is that correct?

COLIN TOOZE: I'm not making any ultimatums, Councilman. And--

COUNCIL MEMBER GREENFIELD: [interposing] Well, that was your testimony. So, I'm just trying to understand if I miss something here--

COLIN TOOZE: [interposing] Sure, when I-

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COUNCIL MEMBER GREENFIELD: before I delve into it. So five minutes from now you don't say that I didn't focus on the relevant portion of your testimony. I just want to be sure we're on the same page.

COLIN TOOZE: Thank you. I want to clarify that I see for purposes of this testimony, surge pricing and dynamic pricing to be equivalent descriptors of the same practice. So, I would see surge pricing as a subset of dynamic pricing as it exists in other markets and in other consumer product and services.

COUNCIL MEMBER GREENFIELD: Alright, let's delve into the dynamic pricing model that you've discussed. Here's the problem with comparing surge pricing, aka price gouging to dynamic pricing. As the Commissioner testified before, and I don't know if you were paying attention to her testimony, one of the key pieces of the taxi industry in any city in the world is we want to have predictability. And the reason we want to have predictability is a very simple reason. You get off the plane. You land

in JFK, right? And now you have 15 bags. So it's not really a great option for you to take the bus or the train, and quite frankly, we don't really have great direct bus or train options to begin with at JFK, and so now I'm going to hop into a cab, or I'm going to hop into an Uber, or I'm going to hop into a car that I call in advance. The reason that every single city to date in the world regulates the price of taxis is because they understand that you must do that otherwise people will be taking advantage of, right? Because when I'm sitting there on the curb at JFK with my 15 bags and it is 22 degrees outside, and it is snowing, and you roll up on me and you say, "Hey, Greenfield, where you going?" And I say, "Brooklyn." And you say, "Five hundred bucks." Well, what am I supposed to do? Because I'm stuck there with my 15 bags and 22 degree weather while the snow is falling on me and wearing my shorts and flip flops because I just came from Miami. That is why on a very fundamental basic level you simply cannot compare surge pricing to dynamic pricing. It just doesn't make sense.

COLIN TOOZE: Councilman, you mentioned predictability, and I want to stress that the way we

view this is that predictability in this case means the certainty that there will be a car through Uber when you want one, and that without dynamic pricing models such as the one I described, it's a near certainty that during periods of peak demand, that ride isn't there. And so the predictability is unavailable to you in that scenario.

COUNCIL MEMBER GREENFIELD: Not true, Colin. Let me tell you why. Because you and I actually agree on a fundamental principle in your testimony, and we agree on this core principle, and you actually--I agree with you. You agree with me. TLC agrees as well. Nobody has a problem with charging a little bit more at peak times, nobody. There is not a single Council Member or a taxi owner or even the TLC or even you, obviously, because you refer to it in your own testimony that there is an additional 50 cents to a dollar charge. We have no problem with that. The problem is how much you are charging. And I guess the next obvious question is, what is the maximum that you charge in the United States of America? You know, we're very American today. So what is the maximum that you charge in the US of A on surge pricing? What is the max rate?

COLIN TOOZE: Yeah, I don't have that information for you.

COUNCIL MEMBER GREENFIELD: Okay. Do you know what the max rate is in New York City?

COLIN TOOZE: I don't.

COUNCIL MEMBER GREENFIELD: Well, I can tell you that we heard from the TLC Commissioner, based on the rates that you filed yourself, it's 39 dollars per mile. It's cheaper to take a helicopter than it is to take an Uber at that level. Thirty-nine dollars per mile, which I did the math for my district in Midwood, to get all the way to La Guardia, which is a 40 dollar ride, would cost 780 dollars. How is that possible? How does anyone look at that and compare that to dynamic pricing? And I'll have to add, by the way, yes, I certainly, you know, my people especially my Jewish brethren who go to Florida, we live for the early bird specials. So, far be it for me to take away the early bird special. I assure you it's not something we're trying to legislate it. But never in my life have I walked into a restaurant and waited on line and they said, "Hey, Greenfield, you want falafel today? It's 40 bucks because we got a long line." I'm sorry, that's

ridiculous. The comparison that you're making where you're trying to compare a taxi service, which is really what you are. You're a fancy internet company. You've got the best lobbyist and the best spokespeople and you work in massive margins, and good for you. We encourage that, but you can't compare the fact that my eating in a restaurant is the same as a necessity of which it is to take a taxi at certain times. And I will add one further point, which I actually find even more offensive to your particular testimony, and that is that you claim that you're very upfront about surge pricing, but you're not really that up front, because I recall this summer there was a major campaign in New York City where Uber was saying, "Take Uber. We are cheaper than yellow cabs." Those of you may have read this. It was in the papers. It was on the radio. Uber was making that argument, and really effectively what you're engaging in is what we classically call in the industry as bait and switch. That is what it is referred to. You suck me in when it is cheap, and during the summer I got a good deal on Uber so now I was pleased. Then the next thing I know it's New Year's Eve, I'm drunk out of my head and I got to get

home, and bam, that's when you hit me with the price increase. If that's not price gouging, I don't know what is.

COLIN TOOZE: Councilman, I respectfully invite you to compare the theoretical seven x [sic] surge that you mentioned as outlined in our rate sheet with a 1.85 x average over our busiest period of our busiest year in our history in New York.

COUNCIL MEMBER GREENFIELD: [interposing]
So you should embrace my--

COLIN TOOZE: [interposing] And to also take into--

COUNCIL MEMBER GREENFIELD: bill, Colin. I'm offering 100 percent cap. You should say, "Councilman, thank you so much. You are a wonderful leader of this fine city. You are giving us on averages only .85." I'm offering you a complete 1.0. I'm giving price certainty to New Yorkers. You should send me a little thank you card. You can end your testimony. We'll all be on our way. We'll pass this bill. What's wrong? That's fantastic. So, do we agree that 100 percent is a fair number?

COLIN TOOZE: I may still send you thank you card, Councilman, but I'm not prepared--

COUNCIL MEMBER GREENFIELD: [interposing]
I'm not betting on it.

COLIN TOOZE: I'm not prepared to agree
that artificial caps are right for your constituents.

COUNCIL MEMBER GREENFIELD: It's not
artificial, Colin. You just told me that you studied
it. You researched it, and the average was 0.85
percent, those are your numbers. So you're telling
me that is a fair standard, where on average we're
charging 85 percent more. I'm telling you I want Uber
to be successful. It's the opposite. If I didn't
like you guys, and I wanted to hurt you I would say,
"No surge pricing." I would limit it to zero.
That's not what my bill proposes. In fact, you heard
the livery and taxi owners came in here and they were
limiting it to 20 percent, and in fact, I've actually
had Council Members who comb over math [sic] and
said, "Maybe we could move it to 20 percent." It's
not what I'm saying either. I'm not trying to put
Uber out of business. I think that you provide an
important service and it's one that we value. I'm
trying to regulate you the same way we regulate
everyone so that there is fairness so that we do not
allow you to engage in price gouging in the taxi

industry when no one else could engage in that, and that's really to me the most critical piece. My final point that I'm going to make before I pass it over, and I will reserve questions for round two if so needed, and that is it's not dynamic pricing because you cannot compare the industries. The taxi industry is a wholly regulated industry for a reason which is that we need to have price predictability, because as I explained, whether I am getting into a taxi from my district office in Borough Park going to La Guardia or whether I am taking a taxi from JFK back to my home, I should be able to have an understanding of what that's going to cost me. Under the Uber model, at the last minute you can sock me and you can raise the rates, and quite frankly, that's also why it's not comparable to the airlines, because when you buy a ticket, you can buy it months in advance. You have different opportunities to choose on multiple airlines. You have the opportunity to figure out whether you want to make a stopover or no stopover. You have a whole wide variety. You don't have that in the taxi industry. And the final point that I'm going to make is to so that I allow my colleagues to get in a word as well,

is that you know, Senator Johnson is actually sitting there, and he will tell you that we have driven back and forth to Albany many times back in the day. And I personally use to drive back and forth to Albany as an advocate, and once in a while it would snow so hard that I had no choice. I had to pull over into a local motel, the first motel that I could find, and I would take a room. Never in my life did I walk into a motel and they say, "Hey, Greenfield, bad news. It's snowing outside. The room is now five times more expensive." We'd be outraged then. We're outraged here. It's unacceptable. We're going to end this illegal practice. Thank you very much.

CHAIRPERSON RODRIGUEZ: There's not a second round. We can ask other questions to Lyft who is coming after. Now we have Council Member Reynoso and Council Member Menchaca.

COUNCIL MEMBER REYNOSO: Hello, guys, how are you?

COLIN TOOZE: Very well, thank you.

COUNCIL MEMBER REYNOSO: Very passionate statements by our fellow Council Member, the American Greenfield. I do want to say, 780 dollars, if you're in airport it's illegal to hail a cab, first. So, no

one--you wouldn't be able to do it. You would have to get on that strip to get in a yellow cab, one. Two, you would have to go on your app, ask for a car. It would tell you a 780 dollars, and if you're smart, you would not take it. If a motel tells you that they're going to charge you 500 dollars, you don't go to that motel. You drive a couple more miles and find one that's cheaper. That's the point. You have a choice. You have a choice to make on whether or not you want to take that car. That's the basic principle that we're talking about here. You know, transparency is the biggest thing for me. If you know they're making you put a 2.1--if you're drunk and you can put 8.0, you're going to be able to see the 780 dollars on it. It's an app. If you know how to use the app you're going to be safe is what I am saying. As long as there's transparency on the price, we're going to be okay. There was a person that made a testimony that how long do you refresh-- how fast do you refresh your algorithm so that if all these kids, these 15 guys get together, turn off your app, and then it gets really crazy. You get surge priced, and then they turn it back on. How long

before you refresh it so that you notice that 15 more people just joined the crew or the area?

COLIN TOOZE: Those calculations are being done in real time, and I did hear that contention. I'll simply say I'm highly skeptical that there would be any meaningful business impact in a city of this size by any sort of coordinated attempt to abuse the platform to influence price.

COUNCIL MEMBER REYNOSO: Right. So if it's 12,000 drivers you would need to do a lot of work to get the surge pricing to go up. You would need 1,000 people probably to organize themselves. And then, real time, can you tell me what real time means?

COLIN TOOZE: Sure. It's just that it's a continuous algorithmic assessment of data streams from driver apps and from rider apps. That's what I mean by real time.

COUNCIL MEMBER REYNOSO: It's immediate, right? So it means that as soon as these guys turn it on you know that they're there. You'll--the algorithm will fix itself immediately. They wouldn't be able to take advantage of some scheme the way that we heard before.

COLIN TOOZE: That's my understanding.

COUNCIL MEMBER REYNOSO: Okay. So, I thought that was important for people to hear, that's there's no scheme going on. Price transparency, are you guys thinking of creative ways to do the price thing? Maybe that as soon as you say where you're going that it immediately says this is what you're going to get? Immediately instead of having to hit-- because I hit fare quote or go. I hit one or the other. Don't let me hit fare quote. Just tell me what the quote is. Is that something that you guys would think about?

COLIN TOOZE: I'll say that it's--we're constantly-- business people who, and programmers who produce the images you see here are constantly working to make improvements and to respond to feedback that we get from our riders about the way that they see as most helpful to interact with the app. And so, the diagrams you see here represent several iterations that have--and changes that have been made over the period of Uber's presence in New York City. It's constantly evolving. Without committing to anything specific, I can say that I'm confident that this time next year you would see

additional app features built in in service of transparency and improve user experience.

COUNCIL MEMBER REYNOSO: How many times has the max, the seven times been used by Uber?

NICOLE BENINCASA: We don't have exact numbers, but I would say with full confidence that pricing in New York City hardly ever, if ever, I don't want to say never, but hardly ever gets to that point. Ninety percent of the time trips are charged at their normal rate. That's something that we see across the board globally and also in New York City, that it's an average of 90 percent of trips that are just normally priced.

COUNCIL MEMBER REYNOSO: So, this is the ultimate exception. This is it happened once and now we're making a big scene about it?

NICOLE BENINCASA: Absolutely. I think it's something that, you know, we are aware of, and when it does happen and a rider reaches out and is concerned about that very thing. We do, as Colin mentioned, have a team of support representatives who assist in those very rare instances and we are very reasonable when interacting with riders who experience surge pricing for the first time and may

not have been used to it in the past, because we do understand that it's something that strays very much from the norm.

COLIN TOOZE: Councilman, can I expand on that briefly?

COUNCIL MEMBER REYNOSO: Yeah, absolutely.

COLIN TOOZE: Just as a general matter, Uber's success in New York or anywhere else depends on having drivers be satisfied with the income that they're taking in and the interaction that they have with Uber as a platform, and it depends, likewise, on users being satisfied with their experience, which includes pricing. And so, we have every incentive to make sure that the drivers and riders for whom there's tremendous competition on both sides, and in fact our entrance into this market has spawned numerous competitors, some of which distinguish themselves by an absence of surge pricing, and that's a strategic business choice that they are pursuing. My point is that we have every incentive to not only take care of the rider, of the driver partners who use the platform but also to riders, and that extends to their price related experience.

COUNCIL MEMBER REYNOSO: So now, surge pricing on New Year's Day, did you guys know what it was?

NICOLE BENINCASA: So, Colin and I, off the top of our heads couldn't say. It fluctuated of course of New Year's Eve.

COUNCIL MEMBER REYNOSO: Yeah, New Year's Eve.

NICOLE BENINCASA: And throughout the night. We did, as a company, do an analysis of how surge pricing effected the demand on New Year's and I'm happy to share with you the results of that analysis which we posted publicly on our website, and we--I do think we should emphasize something that Colin mentioned earlier with regard to New Year's Eve. We did everything in our power, especially this year and the, I think, fourth New Year's Eve of the company, of the company's experience to really prepare riders of the high levels of demand that they were going to see. We emailed them the day ahead of time. We posted a blog post on our website. We warned them in a different way than usual in the app, because we understood how important it was to make riders aware and understand what they're getting

themselves into and if they chose to take a trip with Uber it was their choice and their option to do so.

COUNCIL MEMBER REYNOSO: What was the price, the surge price? Do you know the percentage?

NICOLE BENINCASA: So, again, we have an analysis for our global surge pricing. I don't know it off the top of my head, but I'm happy to follow up and share with you. It's in our--it's on our website.

COUNCIL MEMBER REYNOSO: Was it less than seven times?

CHAIRPERSON RODRIGUEZ: I'm sorry, Council Member, I have to leave it there.

COUNCIL MEMBER REYNOSO: I appreciate the time I was given. Thanks brother.

COUNCIL MEMBER MENCHACA: So, thanks again for coming here. I'm a Council Member representing a district in Brooklyn, South Brooklyn, Red Hook, Sunset Park, among other communities, and so one, I was really hoping for more data. For a technology company, I would assume that there'd be a lot more data in front of you. So, let's just put that off and let's move forward about some of the things I'm thinking about. One is what is preventing

you from fully open transparent information that has not happened thus far? What's preventing you from giving up information?

COLIN TOOZE: I'll say one of those factors is the competitive environment we find ourselves in. As I mentioned, a few months ago there--this is a highly competitive industry, and there are, as we're still a young company in particular, there are elements of our business strategy, elements of our strategic choices that could be discerned from an analysis of the type of data that we're commonly asked for. And so we're very careful about that, and that's a--that's top of mind as we make decisions about what data we can share.

COUNCIL MEMBER MENCHACA: That's pretty clear. What else is preventing you? So, this is, you know, your competitors, you don't want your competitors to know how you're doing what you're doing, got it. Anything else? Is that really the only thing that's holding you from sharing information with us and TLC?

COLIN TOOZE: I'd say that's the primary factor.

COUNCIL MEMBER MENCHACA: Okay, I want to explore that, just because I want to get a sense of parameters as we move forward with this piece of legislation and further regulation. Second, you mention you're a young company. How old are you?

COLIN TOOZE: Approximately four years.

COUNCIL MEMBER MENCHACA: Four years, great. And then next is jurisdictions in--or actually you're worldwide. Are there any jurisdictions that offer anything that we're talking about?

COLIN TOOZE: I'm sorry, I don't--

COUNCIL MEMBER MENCHACA: [interposing]
Regulation, are there any other jurisdictions in the world that regulate you the way we're talking about regulating you?

COLIN TOOZE: I'll take that question in two parts. There certainly are jurisdictions, in fact, it's the clear trend in the United States for states to embrace particularly the ride sharing model of our business, which isn't the one we operate in New York City, but it's what is called a P to P or peer to peer ride sharing model whereby people use

personal vehicles as essentially a small business opportunity.

COUNCIL MEMBER MENCHACA: San Francisco has that.

COLIN TOOZE: Correct, they do. And so increasingly cities are recognizing the benefits to their constituents that comes with that model and with other services that we offer through the Uber platform, and they are specifically designing regulatory frame works to accommodate that and to provide safety related and other assurances that meet the needs of the regulators in that place.

COUNCIL MEMBER MENCHACA: So, you're saying there's more advanced regulation right now on peer to peer systems and not really in this current climate of commerce?

COLIN TOOZE: I wouldn't characterize as more advanced. I'll just say that, you know, New York of course is unique in many ways, and for our immediate purposes, one way in which New York is unique is that we are operating in a highly regulated environment already. And so, by dispatching black car and luxury limo drivers through our bases, every driver, every trip is operating under TLC

regulations. And so it's already a highly regulated environment in that respect. That's not the case in many other parts of this county.

COUNCIL MEMBER MENCHACA: Got it. And the only thing I'll point to because I don't have a lot of time and I have two more questions is the other industries that you pointed out really don't fit within that same framework of a highly regulated industry. So we'll leave it for another day, continued conversation. And so the last two pieces of information, I don't know if you have them, but I'm going to be looking for, are in moment of dynamic surge, or dynamic pricing, surge pricing, do the actual net--is there a net increase in number of pickups and drop-offs, and does that change with dynamic pricing? Essentially what I'm saying is, "Hey, guys look, surge pricing is happening. We're actually increasing the number of people getting picked up and dropped off." Is there any net increase?

NICOLE BENINCASA: So we look at the amount of requests that are being made by riders and then we compare that to the amount of rides that are actually matched, which is the entire purpose of

surge pricing, is to ensure that--the differential between the amount of riders who are requesting rides and are actually able to get a ride as the smallest possible. So that is, of course, what we look at.

COUNCIL MEMBER MENCHACA: I'm going to explore that, and I'm going to explore the second piece, which is if we increase the number of cars, how does that effect the pricing dynamic surging? So, we'll come back. There's a lot more conversation that I really want to engage in. So, it's understanding the parameters that we're facing back to our constituents. Thank you.

COLIN TOOZE: Thank you.

CHAIRPERSON RODRIGUEZ: Thank you.

There's not a second round. However, as the sponsor of this bill, I will give one minute. It's a problem. It's always a problem when giving one minute to a lawyer, but please stay to one minute.

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. I will be brief. You know, I think the concern that we have, and to be fair, I do actually want to commend you. I think on New Year's Eve, unlike the usual process that you have, you did actually a pretty good job of letting folks know that

the pricing would go up. My problem is that when it comes to the typical situations of rain, snow, rush hour, or other non-well known holidays, I don't think it's as well-known as you actually believe it to be. My overall concern and I'm posing this as a comment, and if you want you can respond to it, because I obviously only have a moment left to chat about this, and that is that, you know--and I really want to reiterate what my colleague Carlos Menchaca said, which is for a data driven company, you're asking us to rely a lot on you assertions without backing it up with data. So, when we ask you, for example, which I did, what is the max that you can charge on surge pricing, your answer is, "I don't know." When we ask, "Are you certain, are you sure that you cannot collude and you cannot fix the pricing on surge pricing?" You say, "I think so." When we ask for details on how exactly you get to surge pricing, it is very vague. As a government entity that is paid to protect consumers and to try to bring predictability to the market, this all concerns us. SO to the extent, and this is the, literally, the fifth time I've asked this question. To the extent that you can give us more information, more data,

more details, more transparency, we can work with you. And so I will simply leave it at that. I will thank you for your testimony, and I will thank the Chair for his indulgence.

CHAIRPERSON RODRIGUEZ: Thank you. We will be working with regulations. So, I know that other cities in the nation they've been also discussing regulations. So, I just wanted to let you know that as closer we can work together to see how we can incorporate on these discussions most important because we are moving fast on some regulations. I was planning to have my next hearing at the end of this month on all the regulations. I'm holding the hearing so that we can have the time to have conversation with the administration and all the stakeholders for this industry, but we are moving on bringing some regulation. Thank you.

COLIN TOOZE: Thank you, Mr. Chair.

NICOLE BENINCASA: Thank you.

CHAIRPERSON RODRIGUEZ: Now we have from Lyft, Diana Dellamere.

DIANA DELLAMERE: Good morning, Chairman Rodriguez and Council Members. My name is Diana Dellamere. I'm a manager of Public Policy for Lyft.

I'd like to comment only on Intro 556 and since a lot has been said so far, instead of reading my testimony which you now have, I'll just try to quickly make a couple of points that I think I want to be sure that we clarify from our perspectives. So, we also do have a model of pricing that changes to balance supply and demand. WE call it prime time. I think some of the really critical points here to not get lost in the discussion of this is that this is all done auto--one thing is that this is all done automatically. This is to balance out how many cars are available versus how many requests we're getting in a given area. If that areas underserved, then more cars, then prime time is activated only in the area that needs more supply. And then as soon as the supply and demand balance out, the prime time is actively reduced and then eliminated entirely, and prices go back to normal, and that's not a discretionary decision. That's not something that we say we're going to put on prime time right now. It's automatic based on where the requests are and where the cars are. So, I think that's really important to keep in mind. So it's not a matter that we're saying we're going to do this. We're going to make more money during this

time. It really is just based on where the requests are and where the cars are. Another important distinction at least the way that we do charges in prime time for Lyft is that we don't make the extra money that's the multiplier of the base fare. We take a percentage of the base fare, and 80 percent goes to the driver, 20 percent goes to us. The entirety of the prime time multiplier or extra on top of that base fare goes to the drivers. So there's not a strong incentive. Of course we want to supply the requests of our customers, but it's not as if we are making all this extra money on the added fare there. The added fare is simply to get the--give the drivers a benefit to come where they're needed and take advantage of demand when it's there. So, I think that's pretty important. And I think one of the reasons--I know there's been--I was going to talk about other industries, and you know, I would dispute a little bit that none of these industries are highly regulated. I think hotels are pretty highly regulated and so are airlines, but I think the key point when we bring up those examples are that nothing about those increase in prices does anything to increase the supply. So this model is that soon as the supply

increases, the prices drop. Whereas, if you're trying to come to New York City during Fashion Week and get a hotel, no more hotel--the fact is it's going to be probably at least four times the cost of what it would be on your average day, but no more hotel rooms are created for the sake of that, and the prices are not going to drop, because now you have more hotel rooms and now the prices go back down. So, I think that's a very important distinction for us to keep in mind with the reasoning for why Lyft uses this model, at least. You know, one of the other issues that I think has come up a lot is in terms of fairness and us playing by different rules. Again, we are following the same rules as the rest of the black car industry. We run a black car base, a black car service. We don't participate in any of the other sectors of the industry here. Not the--we don't deal with yellow taxis, green taxis, livery. We don't have a livery base. We don't plan to have a livery base. And so, you know, we play and are happy to play by the same rules as the rest of the black car sector, and we've really supported a lot more transparency. We supported the data requirements. We've complied with the data directives, and we want

to work on making this something that the customers know what's happening, the city knows what's happening, but I think we just want to have conversation about it rather than setting something that might be a little bit arbitrary as Commissioner Joshi was talking about that, you know, customers sort of set what price people are willing to deal with, and companies like us will always respond to that. If customers are pushing back, we will always make changes, and we and every other black car company in the city can set whatever fares and file those with the Commission, with the Taxi and Limousine Commission, and you know, we've chosen what we think is a fairly reasonable spread of fares that the maximum is something that almost never happens, but it's there to have that flexibility. But we are willing to discuss it more, discuss other proposals on this, but we--as we do regulation in this new environment, we want to make sure that it's based on really preserving the benefits, but also protecting people. And I think that we can find a way to do that. We just want to have it be more of a conversation, and we want to get more information on both sides. And you know, I think what will be

interesting is that a lot of the other black car bases and companies are beginning to come into the world of apps as well, and some--many of them already have them, and I think this is not going to be entirely unique. I think, you know, when you have high profile companies that are in the news a lot or you have one or two dramatic incidents, that that begins to cloud a little bit of what the reality is, and I think it's important for us to see what the reality is and make sure that, you know, people have a lot of options. And certainly there are times when everybody would choose to take a taxi for their predictability. If you get a flat rate, why would you not take a taxi, of course? And so I think there's always--I think Commissioner Joshi made this point at the last oversight hearing, that there will always be a place for all of the players here, and I think we should have regulations that respond to the unique features of app technology, but keeping in mind that we are part of the black car sector. At this time that's what we were encouraged to be part of, and so that we're not operating under different rules. We just have a different approach, and the other companies can also take those approaches. And

so, you know, we look forward to really working more on this with you and we're happy to participate. I think we just don't want it to be something that's a reaction that may not be the right, you know, the right level or the right formula based on the fact that, you know, we haven't really seen what the customer push back is or what the market tolerance is as Commissioner Joshi said. And we're happy to keep working on that with you.

CHAIRPERSON RODRIGUEZ: Thank you. Have you been requested by the TLC to submit the trip record doc [sic]?

DIANA DELLAMERE: Yes, we received the directive that's been at issue here, and we did comply with that.

CHAIRPERSON RODRIGUEZ: You did comply?

DIANA DELLAMERE: Yes.

CHAIRPERSON RODRIGUEZ: Okay. Have you applied to create any new livery base or purchase any base?

DIANA DELLAMERE: No, and we have no plans to at this point.

CHAIRPERSON RODRIGUEZ: Okay. Council Member Cabrera?

COUNCIL MEMBER CABRERA: Yeah, I wanted to ask you a question in regards to the first question that was put forth. You didn't have any fears of this data that was to be given to TLC? I heard you were mentioned their concerns regarding if I give this data it might affect our business positioning and so forth. You didn't--your company did not feel that threat?

DIANA DELLAMERE: You know, to be completely honest with you, at first, I think our reaction is always to protect data when you're in a highly competitive industry. You're always concerned about how much information you're releasing when you're--it's very competitive. It's a harsh environment. So, I think our first reaction was, oh, we don't want--we're concerned about doing this. Then we really thought about it more and we looked into it and we also acknowledged that all of the taxi trips are recorded through the TPEP [sic] system. The livery trips are recorded through the LPEP [sic] system, and so long as it was consistent with that and for a public safety purpose, then we were comfortable with what was being requested.

CHAIRPERSON RODRIGUEZ: So what I hear you're saying is that after further analysis, which I'm glad you did, your conclusion was that it would not affect your business in any negative way.

DIANA DELLAMERE: We felt that the request was reasonable. What the points of data that were being requested were reasonable. The TLC was willing to talk to us about data security issues and how to protect data from hacking and other breaches and other disclosures, and so we were comfortable that there's a, you know, a real commitment to using it only for the purpose of public safety. If there's an accident you can identify where the trip is coming from, who's involved in the trip, things of that nature.

CHAIRPERSON RODRIGUEZ: Well, I commend you. I commend your company for your level of transparency. Thank you.

DIANA DELLAMERE: Thank you.

CHAIRPERSON RODRIGUEZ: Council Member Greenfield.

COUNCIL MEMBER GREENFIELD: Thank you, Mr. Chairman. Thank you, Diana. You're like a friendlier version of Uber with a pink moustache. I

appreciate that. I'm not going to reiterate the points that we made before. I do just want to clarify a few items. Would you mind giving us the specific stats, how often do you use prime time in New York City? What is the average rate of prime time, and what is the max rate of prime time?

DIANA DELLAMERE: Well, I hate to walk right into this, but I will just say upfront I don't have the exact numbers for New York City on the first two points. On the third point of what's the maximum rate, as Commissioner Joshi said, we file the rates and we can only up to a certain rate. So, it would be four times the rate, but I can get you the other numbers.

COUNCIL MEMBER GREENFIELD: The point--I appreciate that, and as I scolded the Uber folks, I scold you as well, Diana, that if you're looking for more cooperation from a government agency, more transparency does help. And considering that both you and Uber sit on mounds of transparency, I find it very hard to believe that you cannot share more information with us without giving us the competitive edge. Quite frankly, I am disappointed that you don't have more information.

DIANA DELLAMERE: Well, I don't--just to be clear--I understand that and I understand what you're saying. I take your point on that we have data available. I don't--I haven't--I don't mean to suggest here at all that this is something that we would not provide because of competitive edge for the data that you were just requesting. I just need to make sure that I can ask for the proper, exactly what you want to know, and then I can respond to that request.

COUNCIL MEMBER GREENFIELD: Okay. So, we'd like some data on average how often is prime time used. We'd like some data on on average what is the differential on prime time. We'd like to know a breakdown of how often you hit close to four times the max, and also a little bit more of an understanding of how the system works, because I think we are still concerned about the price colluding issue, and we haven't gotten a clear answer. My understanding is that Lyft has less drivers than Uber in New York City, and so one could actually argue that you're more susceptible to the issue of price colluding than Uber is when it comes to that. And so I'm not looking for answer right

now, but my point is to the extent the system of saying we are a technology company, trust us, honestly just doesn't fly when it comes to government regulation. I do want to make a critical point, however, without rehashing the other points that I made, and that is that I think there's a very fundamental misunderstanding based on both your testimony and Uber's testimony what we are trying to do here today. We are not anti-surge pricing. We're not anti-price time. We're anti-price gouging. There's a difference. We're not saying do not have surge pricing. We're not saying do not have prime time. What we're saying is there needs to be a balance, and to allow you to charge whatever you want, that leads to price gouging. And so that is really our concern. So, the fundamental premise of your testimony which is that, you know, we want prime time and prime time is good, and there's all these benefits. We're not disagreeing with you. My legislation could have very easily called and said you cannot charge any additional pricing. We spend long time, a lot of data on our end, whatever was available. We analyzed. We looked at it, and we realized that we do want to encourage more cars on

the streets. We think 100 percent is a fair number, and we think that if you gave us the data we could probably prove it with the data that you gave us. Unfortunately, you haven't given us the data, and therefore, we have no ability to go back and look, but even Uber admitted that on average they're at 0.85 percent. So, when you walk away from this hearing, and I think it's a very important point, because I honestly didn't appreciate the tone of the testimony, you know, or the tone that we're being anti-American or anti-competitive or anti-business. I don't think that's true. I think we're being pro-consumer. And I think the understanding that you and Lyft should have and Uber should have and anyone who's watching this hearing should have is, we're simply protecting the consumer from price gouging, and there is a happy medium. And the final point I'll make just because you hit on this a few times and you tempted me, I'm sorry Diana, is that it is different once again than dynamic pricing for hotels, because for example, when it comes to a hotel, if you book well enough in advance you can get a good rate. It's only when you get closer to a particular event. So you have an opportunity if you plan well, for

example, where you can get a better rate. Plus, there are many options when you have hotels. For example, you don't have to stay in Midtown during Fashion Week. You can stay in Brooklyn and it's cheaper. You can stay in New Jersey and it's cheaper. You can stay in the Bronx and it's cheaper. So it's not a fair comparison, because when it comes to the taxi industry, we as New Yorkers rely on taxis as a basic commodity to get us from point A to point B, and when you change the price at the very last minute, which is what both Uber and Lyft are doing at price levels that are unconscionable, and I want to focus on that second point, that's what we have a problem with. We wish you a lot of luck. We wish Uber a lot of luck. We wish your competitors a lot of luck. We know you're going to do great business in this city with reasonable regulation that will protect our consumers. Thank you.

DIANA DELLAMERE: Thank you.

CHAIRPERSON RODRIGUEZ: Thank you, Diana. We will continue having conversation with you along with Uber and other players to disclose future regulation. Now, let's go the representative from the livery, Avik Kabessa from the Livery Roundtable,

Carolyn Castro, Jose Altamirano, Derrick Warmington, Derrick Miller [sp?], and Darlene Sanchez. We will get three minutes each.

CAROLYN CASTRO: Good afternoon, Council Member Rodriguez and members of the Committee, and Happy New Year to you all. My name is Carolyn Castro and I'm the Executive Director of the Livery Roundtable. The Livery Round Table is an umbrella organization that represents the largest collection of livery associations throughout the five boroughs, excuse me, and serves as a conduit between the industry, the regulating body and the council. This morning I am here to relay to you the industry support for Introductions 47, 559, 556, and 615. Our constituents are overjoyed that the council has taken on the initiative to not only hear the concerns of many base owners by meeting with us, but introduce legislation that will do away with the off-street parking requirement. We have for many years and several administrations met with members of TLC and Council to do away with this rule that no longer reflects the practices of livery bases. Bases no longer operate in a manner that requires drivers to park their vehicles in order to pick up and drop of

documentation, as once was the practice. Therefore, I hope you will all agree that having to pay thousands of dollars to garages so bases can provide proof of parking that is no longer necessary and is a huge unnecessary expense for bases throughout the city. We also thank the Council for identifying the importance for a controlled fare schedule prohibiting excessive surcharging. This will ensure reliability for customers and it follows what has been in practice in our industry's history for over 30 years. Customers come to rely on pricing consistency, which helps our businesses retain repeat customers and builds trust and longstanding relationships for both passengers and drivers. Lastly, we thank the Commission for moving forward with Introduction 559. The bill provides protection to consumers and livery drivers by requiring written agreements between base stations prior to dispatching a non-affiliated vehicle. The bill will enable livery drivers to provide reliable service by ensuring that customers are not left stranded by a confirmed dispatched vehicle. In order to provide service in the dependable fashion that riders have come to expect, livery bases must be able to depend on their

affiliated drivers availability to honor accepted dispatches. The proposed bill's purpose is to protect consumers against drivers accepting a dispatch from a base, and then standing the passenger--stranding the passenger when a more lucrative trip is offered by another base. With the rise of third party smart phone apps, livery bases have had to cope with such behavior on a daily basis. Base agreements will protect the base and the passenger by doing away with lack of reliability. We have shared with the Commission and the Council examples of how third party apps have dispatched trips that are claimed to be on behalf of livery bases when they are not. This places the accountability of bases in serious jeopardy as the livery bases are unaware that their trustworthy names are being fraudulently given to passengers without their knowledge. I'm almost done. I'm sure the Council will agree that this can be potentially dangerous for all involved. The passenger is unaware of who actually is providing them transport. The driver status is compromised with worker's compensation, and the base could be held culpable for actions they're unaware of occurring. As to the issue of worker's

compensation, under the independent livery driver's benefit fund, workers' compensation covers rides from affiliated bases or bases that have an agreement with the vehicle's affiliated base. So, if rides occur from non-affiliated bases with no agreement in place, drivers will not be covered. Base agreements will ensure that livery drivers are covered under the ILDBF. I hope I have shared enough detail as to the importance of the proposed introductions and their need for passage. Passage will ensure the overall safety of both the industry and the riding passenger that utilize services daily. Thank you for allowing me the time to share the livery industry's perspective on these matters. Thank you.

UNIDENTIFIED: Good afternoon, Council Member Rodriguez and the Committee. I did not prepare a testimony. I'm really here today because oppression [sic] on my neighbors [sic]. I want to say that Intro 47, the moving of the street parking is something to help the community. Our bases, many of them came from helping our neighbors. There was one that worked with the prisons [sic], clean our neighbors, and this is underserved areas, what I represent, the Brooklyn area, the Queens area--never

was served before. Today, this is the people that build the industry, that came from the back. Our trip [sic] at this parking, you see the areas of Williamsburg, Greenpoint, Flushing, there's construction everywhere. I personally, I heard the Commissioner say that she don't know about base being closed for parking. I know one, her name was Wats [sic] Mariches [sp?]. It wasn't Brooklyn that was closed, because it was missing two spots in the parking lot. So this is really hurt. We keep on talking about the livery members or the livery drivers, or the liver bases, that's not part of the community. Let me remind you. This is people that own houses, business, they live [sic] at the neighbor. They have parking lots and they care more of the community than any other op [sic]. When you are hearing here that oh, you got the choice to choose between 750 and 50 dollar car and five dollar car, no you don't have a choice. With my daughter sick and I call my community car, and they call the cars and say, "Listen, we need one for 230 Roma across [sic] the street." And a app [sic] was sent to my same driver. I'm going to give you 20 dollar more, 20 dollar or more. What do you think is going

to happen? I'm going to use the same community car and pay more money for that same car. Because my daughter's sick, I need to take her to the hospital. My priority is over. My life, my family is over [sic]. And it's sad to see how we been pushing the Brooklyn people, and I'm an American. I'm a Puerto Rican, Costa Rican born in New York. I see sadly how the low income, the underserving areas have to be pushed to work. We not in New York City where the trains are everywhere. Some areas, trains are nowhere around. So, at the B24 you have to wait 45 minutes to take it. And I'm 85 year old. I cannot bike, sorry. That is for the young kids. Right now I'm 40 something and my knee is damaged. I cannot take a bike. I have epilepsy. I'm a disabled person. I need a taxi. I cannot drive. So, it's incredible that I have to squish [sic] my budget if I'm lucky that my neighborhood car is there. I'm almost finished. And when it comes to the agreement between livery bases, it's been happening for 20 years, and that ensure that the prices don't go up, because when I make a deal with any of these other bases, I would say, listen, my limit for local, for my people is six, seven, eight dollar. If you going

to work with me, you have to honor that price. That's already practiced for years. And not only that, community know each other. They make rules. If you driver do the wrong, you will support. Even in the work compensation, we talk about compensation, work compensation. I can share the cost of work compensation with the base that's in agreement with me. Why we've been for 20 years we cannot put in paper?

AVIK KABESSA: Good afternoon. My name is Avik Kabessa. I'm the CEO or Carmel and a board member of the Livery Roundtable. First, I would to commend you for taking brave and just steps to protect consumers as well as the industry that serves them. I'm in support of all four introductions and would like to address some of them. Intro 559, ever since the TLC has allowed dispatching to drivers of another base without an agreement between the bases there has not been a day where consumers are not being left stranded because drivers get a better offer from another base a minute before the pick-up time and decide to take the higher fare, leaving the original customer stranded. An agreement between bases would coordinate dispatch and prevent such

incidents. Similarly, there's not even a week without consumers calling us about a lost and found. On the ride we have no clue took place and we can't help them. Consumers are astonished when we tell them that we do not know of the ride and we have no agreement with Uber or Lyft. If there was an agreement between the base, the proper customer service could be provided. I also want to address two issues the Commissioner said unfortunately were not correct. First, it should be made very clear, if a livery base dispatches to another base without an agreement between those two bases, that driver is not covered to workers' compensation, and this is for the record. I am the Chairman of the New York State Independent Livery Driver Benefit Fund, and I am telling you that the TLC was notified that they are doing passing law in contradiction to the New York State Regulation. They were so eager in helping the Uber and the Lyft, Uber of the world of that matter, that they went deeper and said yes, we know we violate the state law and regulation, but we are not violating a state law. So, it should be very, very clear, the rule, the regulation, the state regulations in effect and we are--and those drivers

are at risk. Second, I would like to address Intro 556. It is one thing to say supply and demand should dictate prices, but when greed turns it into supply and rip-off, it's time to intervene. Companies like Uber look to control the supply and by doing so to control prices. Some incentive should be offered to drivers working at rush hour or weekends or holidays, but not three, four, five, or even eight times the going rate. It's simply a rip-off of the riding public. I agree with the 100 percent maximum on rate increase, but believe a simpler formula of determining when the overcharge took place should apply. On the issue of off-street parking, both the TLC and the my colleague, the TLC, supported it and my colleagues here support it and would like to thank you, Council Member Cabrera, but the thing people are often confusing, I have 450 spots. Drivers do not use them. They do not want to use them. They don't want to lose the time with the attendants getting them the car to rush and do a ride. This used to be when fleets used to own the cars, or even those that own the car right now, their cars are spurred all over. It's really not applicable. Last, but not least about the--please allow me just a little bit

more time, about the issue of the agreement between bases and the independent contractor status that the Commissioner said. The market plays itself right now on a very simple way. The driver for 50 bucks can elect to work through affiliate. The driver goes to a base. If this base offers agreements with many other bases, that driver will choose to affiliate. If not, just goes--and if a base who doesn't offer agreements sees that they are not getting drivers to affiliate, then they will change the matter [sic] and will have an agreement. And most important thing to note, many livery driver bases will go into an agreement with Uber. I'm stating here right now, including Carmel. The only problem is that Uber will never reciprocate. And Uber wants to control the supply of drivers, and that's how they want to control the prices. So, an agreement between bases will stop customers left stranded, make an increase in reliability, increase customer service, and avoid monopoly. Thank you very much.

JOSE ALTAMIRANO: You'll have to excuse my testimony. It says good morning. It should say good afternoon. Mr. Chairman, members of the Committee and industry colleagues, my name is Jose

Altamirano, President of the Livery Base Owner's Association composed of 125 base owners, approximately 12,000 affiliated vehicles. I want to thank Chairman Ydanis Rodriguez and members of the City Council for allowing me to speak today.

Concerning Intro Number 47, there is no doubt that off-street parking regulations have been an issue for our industry for many, many years. However, removing our street parking regulation at this time would offer little relief. Our concern continues to be the protection of our industry and ensuring that the right choices are made in proposing new or removing old regulations as it affects the entrance of new companies. Considering all the changes happening in the industry, we respectfully ask the committee to hold off any actions until this issue be further analyzed. Just today we heard that Uber has already purchased a livery base. Intro Number 556 sponsored by our very American Council Member Greenfield, we, LBL is generally supportive of measures that protect the passengers in the communities because we are community car services, but the legislation in its current form does have a very negative impact solely on the driver and not on the "bad actors" that the

legislation I think that it truly wants to pursue. So we would, you know, respectfully request that the intended price gouging be a little altered, so it really affects who it should affect.

COUNCIL MEMBER GREENFIELD: Done.

JOSE ALTAMIRANO: Thank you. Intro Number 559, we are in accordance of grandeur [sic]; we agree with this introduction. We agree that bases should be able to dispatch drivers from other bases as long as it includes an agreement. This practice has worked well for over 30 years allowing other drivers to maximize their revenues. Our association has been in contact with Lyft, has been in contact with Uber. I think there is a longstanding negative view that we don't want to work with anyone. I think that's something that's not true, as Avik Kabessa just pointed out. And speaking on Intro 615, obviously driver safety is utmost concern, and LBL is highly concerned with the recent increase of a tax against our drivers, appreciates any measures that could potentially protect or ensure their safety. The safety of our drivers is paramount and they should be allowed the use of other technologies such as LED's or more cost efficient options so that law

enforcement and public enforcement are aware when there's assault. We went to one such event where they showed an LED as opposed to the lollipop, and the difference is huge. We are here today because we're making the wrong choices with regard to the entrance of these new companies. To our long regulated long working industry, let me be clear that we do embrace technology. We do embrace new companies. We embrace competition, but our concern is policy being formed to benefit those new players. And we believe that policy should be formed to benefit the industry, the employees, the customers. We hope that the Commission will continue to listen to stake holders from the livery industry in order to preserve the business and its drivers and allow us to continue providing much needed transportation to the residents in New York City. Thank you very much.

DERRICK WARMINGTON: Mr. Chairman, other members of the Transportation Committee, good afternoon. My name is Derrick Warmington, and I'm President of Rose & Dale Car Service Inc. I'm also a member of the New York City Independent Livery Owners Corporation. This organization represents Caribbean owned bases, primarily in Brooklyn and Queens. I

just want to let you know that I endorse the concerns of the members of the Livery Roundtable and most of their concerns were addressed. So, I'll just fill in with a few of my own. In dealing with 566, as one of its prerequisites for base license renewal and for new base license, TLC requires zone rates schedule mat or rate fare book, whichever is appropriate. This requirement was established to prevent overcharging. TLC penalizes bases and drivers caught overcharging. Therefore, spontaneous haphazardly priced surge pricing does not fit in the TLC guidelines. It is common knowledge, Mr. Chairman, that there are bases that balloon fares at their own convenience. It is said that Uber, for example, charges in some cases seven to eight times the prices for rides that they should have been on a clear night. While bases allow, are allowed to surge their prices with laxity and impunity, community car service do not have this luxury or unabated freedom. In good and bad weather, heavy or light traffic, community car service do not practice surge pricing. Surge pricing will have disastrous economic effect on riders who have grown accustomed to fix fares. Seniors on fixed income who over the years have grown

accustomed to paying fixed fares have developed a relationship with their local bases and drivers. Single, minimum wage workers who must travel to work during inclement weather budget their fares months in advance based on fixed pricing. Sure pricing, especially when it is unregulated, unstructured, will only bring confusion to these struggling riders. If surge prices must be allowed, the TLC and the city should work for-hire base representative to develop a system that is fair to all, a system that is well structured, a system that must create a level playing field and should not lead to economic abuse of riders. May I speak briefly on--

COUNCIL MEMBER GREENFIELD: Yes.

DERRICK WARMINGTON: With regards to 447, not only are bases situated in communities where there's limited or not off-street parking facility, many of them were in existence before the off-street parking rule came into effect. In many cases, bases lease off-street parking facilities, but rarely use them. This is so, Mr. Chairman, because these vehicles are constantly in the road. Furthermore, most of these vehicles are owner driven. These drivers park their vehicles in their home when the

vehicles are not in service. The requirement of off-street parking as a prerequisite for a new base license or base renewal and inflict serious and unnecessary economic hardship on bases. I urge the Transportation committee to recognize the important role livery in just a place as an economic engine in local communities. Each base that closes, rob drivers, base owners, dispatchers and their families of their livelihood. The Independent Livery Owners Corporation gives support in removing off-street parking as a prerequisite for base license. Thank you, Mr. Chairman.

UNIDENTIFIED: Good afternoon, Chair. Good afternoon, gentleman and ladies, councilmen. I'm going to be very brief. Basically, two things came up that kind of bewilder me, the refusal of our new competitors of submitting and agreeing to the same rules we agree to. Should be a clear indication of their intentions, and I'm sure none of us are not smart enough to recognize the fact. On the same data usage for these companies, the interesting part that is at no point did they ever make a consent not to sell our data to a third party. So that's maybe why they're holding onto the data and not want to share

it, making it a higher price to pay for their partners or third parties. Uber uses surge pricing for one simple reason. We all know how well funded they are. The surge pricing they use is to lure the drivers into a way of working that is not true or honest. And the fact that they're not agreeing to the proposed rule is very clear. It's not because they want to make more money, which I don't doubt they do. It is simply if they go on say to the drivers two factors, "You don't have to leave your base. Come and work with us, and while you're working with us, you come to us when there's higher fares." That works, right? If you tell them it's only going to be 100 percent, no driver in the common sense that has been working for a reputable company that has been getting consistent business would even think about leaving them. That's why they want to maintain. I'm sure I'm not the smartest one in the room, but I just felt that I had say that. Thank you.

CHAIRPERSON RODRIGUEZ: Well, thank you. I think that from my end, I know that my colleagues, they have some questions, but from my end you answered some of the questions that I had on ones about the workers' compensator. I had that concern,

and Avik, it's like one's very straight saying that they do have--all bases, they have to fund the workers' compensation. I don't know if you would like to elaborate a little bit more on how they need to make everyone compliant with having the protection of the workers' compensation and how those--in this case, Uber and Lyft. Let's say now that Uber purchases or is, based on what they said, they had make a decision to move ahead and is in the transition to buy a livery bases. So, what it means that now they will be able to get into the livery industry and get any drivers from any bases. So, how will those bases will be affected? Seeing their driver going to be serving Uber without those bases having an agreement with them.

AVIK KABESSA: Absolutely. So, just to make clear on the issue of the workers' comp, Uber--by the way, Uber purchased a base already. It's a fact. So it's not--they're not planning. They already did it. If Uber is going to dispatch to livery drivers from other bases without an agreement, that driver, if that driver runs into an accident, that driver is not covered by the workers' comp as it stands right now. I needed to be very clear. The

Commissioner, I think, played with the, with some semantics, but it needs to be very clear, and the TLC is aware of it from the lawyer of the fund. So, the Council of the Fund sent them a letter explaining to them that without a base agreement, that driver is not covered. So, I would like that to be again on record. The TLC is aware of the fact, that's number one thing. Second thing, for Uber to dispatch to other livery bases, even if there is an agreement, which all of us are willing to enter, they're going to have to provide the binding fare, speaking about as the livery rules for fares are a little bit different than luxury limousine and black car. So, we're going to wait and see how the TLC will enforce the binding fare quotation, but as far as the workers' comp, driver receiving a dial seven [sic] or elegante [sic] or any livery receiving--any livery affiliated drivers receiving a ride from Uber without a base agreement between Uber and this base is at risk. I would like that to be told here. I'm the Chairman of the Fund, and I feel it's my duty to point this thing out.

CHAIRPERSON RODRIGUEZ: Council Member Greenfield?

COUNCIL MEMBER GREENFIELD: Thank you very much, Mr. Chairman. So I just want to clarify a few issues. The first question is for you, is it Akiva [sic]?

AVIK KABESSA: Avik.

COUNCIL MEMBER GREENFIELD: Avik, I'm sorry. Montishma [sic]. So let me ask you a question, Avik. Can you clarify this workers' compensation issue? What is the percentage of drivers that you would estimate, because you obviously don't have the data, are currently driving for Uber and not eligible if they were to get into accident for workers' compensation?

AVIK KABESSA: Well, right now--well, prior to December 31st, according to Uber estimate they were dispatching to about 2,000 livery drivers when the cross class--I don't know if you're aware of it, but right now as of December 31st, a black car cannot dispatch to a livery. So, thank God nothing happened since July to December, and we have no claim of a ride from a black to livery. Being that as of the 31st Uber bases, the six--those five black car and luxury limousine bases can no longer dispatch to a livery. They have now purchased a livery base, and

we are unaware of them operating under that base yet, because as I said, for them to operate, they have to give a binding fare quotation.

COUNCIL MEMBER GREENFIELD: Okay. So the answer is we're not sure. Let me ask you this question. You spoke about reciprocity. I'm not sure what that means. Can you expound on that when you said that Uber wants to work with you, but they want to work with you in one way, and I think specifically you said they're trying to control the supply of drivers. Would you give us a little more information about what it is that you're referring to over there? It seemed like a pretty salient point.

AVIK KABESSA: Well, first of all, Uber doesn't want to work with no one but Uber. So, we said we are willing to work with Uber, meaning we would love to sign an agreement where Uber can dispatch so our drivers in our slow time. Uber is objecting this rule because they will never offer reciprocity, meaning that I will be able to dispatch to their drivers.

COUNCIL MEMBER GREENFIELD: Okay.

AVIK KABESSA: So, and to me, it's a false--it's a pseudo supply and demand because they

are literally controlling, they want to control the supply and by then dictate the price, and it's almost like if I was to give the allegory, they're talking about market, but I will talk about diamond. People are controlling how many diamonds are being mined every year, and that's controlling the price. And in our business, drivers are those diamonds, and that's exactly what they're going to do.

COUNCIL MEMBER GREENFIELD: So, just to be clear, what you're saying is they're controlling the supply because they have agreements with your drivers and now they're pulling those drivers out of your base of operation, and therefore, they are making it more difficult to get a car service, for example, if someone were to call 212-666-6666.

AVIK KABESSA: Well, you know, there's a saying that to know the way ahead, ask the people coming back. So, initially, Uber came to New York and supposedly filled up the dead time of the black car companies. Unsuspectingly, black car bases opened their door, and they enter into an agreement. Well, we know what's happening right now. Twelve thousands of those have migrated from the black car bases to an Uber black car base and the 50 percent of

the remaining are doing Uber work. So, within four years, bravo to Uber, 80 percent of the black cars actually doing Uber work. Now, what I'm saying to you that if they will enter--if they will be able to dispatch to livery drivers without a base agreement, then we have no way, us, the livery industry have no way of honoring our prearranged obligations, because again, I no clue if the driver's going to be--think like three companies, Carmel, Lyft and Uber. If the driver can get a trip from each and every one of them, that driver puts himself as available for each and every one of them. So now three customers are asking for a ride. Only one is going to be happy. Two are going to be left stranded. To make that customer happy, the driver becomes an auctioneer and the customer has to pay a very high price. So--

COUNCIL MEMBER GREENFIELD: [interposing]

In essence, what we're doing is the opposite. What you're suggesting is we're artificially inflating the prices of livery car service in New York City due to Uber and Lyft and the model that allows them to effectively poach your drivers via the one-way system where they can take from you, but you cannot take from them.

AVIK KABESSA: Exactly.

COUNCIL MEMBER GREENFIELD: And what you're pointing out for this very interesting testimony, thank you for that, we wouldn't have been aware but for your testimony, but you're also pointing out is that on the flip side what Uber is doing that by, I think you said, it was some 80 percent of the market that they currently have agreements with. So they will soon reach a point where effectively they are monopolizing the market.

AVIK KABESSA: Well, I think it's important for you to distinguish between the black car to livery. Uber is a black car right now, the six bases, and they came working with the black car only four years ago and have literally taken over that sector. That is not happening yet in the livery, and I'm using strong emphasis in the word "yet" but if we will not protect the livery industry by conditioning an agreement between the bases. Because in this agreement, Council Member, we can also condition no driver solicitation, no theft of services, you know, there's a lot of things that can be done to protect the relationship between two bases, and also no false positive. You can dispatch

to the drivers affiliated with me on Saturday when I'm slow, on Tuesday when I'm slow, over night when I'm slow. Okay? And so we can coordinate to optimize. Just for the record, Carmel has 12 agreements with--agreements with 12 other bases to optimize driver revenue. So, what happened in the black car in four years, short four years, Uber took over this industry. We are asking you to support and to vote for base agreement, to condition a base agreement, A, because it's the only way to protect the consumer against--for reliable service and against price gouging, and the second one for the workers' comp of the driver, and the third one, of course, is the monopoly of Uber over this market.

COUNCIL MEMBER GREENFIELD: And my final question, Avik, is can you tell us do you engage in your own sort of surge pricing, and if you do, what is the minimum and the maximum range?

AVIK KABESSA: We do absolutely engage in dynamic pricing in our case, and your 100 percent is way, way, way, way enough for us. And our drivers are not unhappy. When we were talking to our staff about your proposal, they were all cheering up.

COUNCIL MEMBER GREENFIELD: Thank you very much.

AVIK KABESSA: Thank you.

CHAIRPERSON RODRIGUEZ: Thank you. Thank everyone. Sorry?

UNIDENTIFIED: Just very quickly, the fourth item that of the mentioned with the agreement, constituting the agreement. It is the actual only way to expand a driver's income consistently. The having the agreement will fill in the valleys and the peaks. Without having an agreement, you're not aware of the valleys and the peaks and the driver is only acting as an auctioneer against his own benefit. I'm not undermining the ability of a driver to decide what's good for them, but I'm also--but it's sometimes we would look--and for every ride, look for today and forget about tomorrow. So the driver may pick up the highest rate tomorrow, and forgetting that by leaving out these two customers, he has lost two customers that would feed him in for the next 10 days. That's why there is regulation. That's why there are laws, and that's why there are bases.

CHAIRPERSON RODRIGUEZ: Thank you. And as I invited the other black car, yellow and Uber and

Lyft, you, as you know, you are invited to be part of this conversation that we will continue having around those bills, this bill and other regulation that we would like to disclose in the near future. Thank you. The next panel, Michele Keller, James Weisman, Osman Chowdhury, Leanne Ribas [sp?], Benson Rodriguez [sp?], Romain Tyan [sp?]. Anyone may begin, yes.

JAMES WEISMAN: Good afternoon. My name is James Weisman. I'm Executive Vice President and General Counsel of United Spinal Association. We have been accessible transportation advocates since the 1940's as Easton [sic] Paralyzed Veterans Association. We used to be called Easton Paralyzed Veterans Association, and in that capacity sued MTA years ago to make buses and subways accessible, and recently was successful suing TLC and the city of New York to require accessible taxi services and create the accessible green service as well. That settlement agreement, I gave written testimony. I'll be brief because I see it's late and we have people waiting. That settlement agreement and its implementation is threatened by the Uber operating model. We got a bill passed in Albany three years ago to authorize the sale of 2,000 new medallions,

400 were sold. The settlement agreement contemplates the sale of the other 1,600. This city would raise about 1.6 billion dollars for its own treasury if that happened and there'd be a huge influx of accessible vehicles into the system. Why should you do this? Well, obviously you should require Uber to participate the same way as everybody else, and when I say Uber, I mean all dispatch companies to guarantee rides to people with disabilities. Right now, 600 million dollars a year is being spent on Access-A-Ride, 60 dollars a ride paid by the government, and two dollars and 50 cents paid by the rider. A hundred thousand people a month use lift equip buses. Those are all peak hour trips, almost all peak hour trips, which means they're working, which means they have discretionary income. Two hundred million dollars a year are spent by Medicaid on privately operated Ambulette [sic] services for people in wheelchairs, poor people in wheelchairs. If you look at all that money that's being spent, it's 600 million by Access-A-Ride. That's 60 dollars a trip. Taxi rides cost far less than 60 dollars. So obviously Access-A-Ride could be using taxi services with smart cards to swipe, and they have begun doing

that for frail elderly people in regular taxis. One taxi when there's a critical mass, which could have happened a lot quicker if these medallions get sold. When there's a critical mass of accessible cabs, Access-A-Ride, demand will go down because they'll be an alternative, and Access-A-Ride cost will go down because Access-A-Ride will take advantage of that alternative along with disabled passengers. Medicaid, obviously will take advantage of it. They're constantly--these are medical care dollars. They're supposed to be providing healthcare. It's providing rides. There are no alternatives. We listen to Uber talk about everybody having choices. People with disabilities do not have them. Private transportation for people with disabilities last year, I tried to get a woman from Bay Ridge to Fox News and back to Bay Ridge using an Ambulette. It was 450 dollars. That's the cost. You need a guaranteed pick up and a guaranteed arrival. That's the cost if taxis don't get made accessible. Access-A-Ride is not a guarantee. The TV spot I got this lady on, I had to guarantee she'd be there. That's what we're faced with. We have no choice. We need you to hold their feet to the fire. We need you to make--the

other thing is that 30 cents a ride is being charged to people in green and yellow cabs to pay for accessible services. Uber is getting away without any of that paying any of that fee into the city. So not only they are denying rides in a wholesale way to people with disabilities, they have an accessibility, "Do you need accessible service?" thing on their app, but you just get referred to a vendor. They don't know what happens after that. And the success is not measureable. So, Uber isn't telling. Just like they're not telling you, they're not telling that either. So, what you've got to do is regulate them even more. Require them to provide accessible service the same way the yellows and the greens have to.

Thank you.

OSMAN CHOWDHURY: Good afternoon, everybody. My name's Osman Chowdhury I'm the United Taxi Drivers Association NYC. First of all, I want to thank you for the Chairman to introduce trouble light system, because this is a very important issue for driver safety, because a long time they have this trouble system is very funny and no one looking if it put on. That's very soon, as soon as possible to change the trouble lights. And the second thing I'm

going to talk about deal with Intro 47, the off-street parking. If you don't--if the livery cab not parking [sic]--interested, are not interested [sic] number parking the cars, what the law's going to cover that, because if we don't allow the livery car parking in my neighborhood, but I drive the livery. Just I finished, got out of my shift, like a 12 hour shift, 24 hour shift, I come home to make my son dinner, see my family, I'm parking the car. This is illegal. In this not parking--our understand [sic] car, number plate cars, like regular car cannot come to my neighborhood to park because what the law include [sic] covering. Not only for the yellow cab, but the green car parking that this law cover up, 47. And then I go to Uber. Why, truly Uber is not dependable? Because the yellow cabs not providing business system, the system not cover the newer [sic] cab, the system, the yellow cab. Five o'clock, rush hour time, they don't get the car. They need system change. The system changes only two hours before the car can be delivered, not making this--making money, the high demand. We need much to change the signal [sic]. We also need to change the car. This car, yellow cab [sic] they loss money because the last 20

years I see the medallion going high because the rider should demand other driver, because the car is not available local. The livery--the good condition car like, discouraged, New Yorkers they don't like, the Uber, because yellow cab not providing that kind of system. That's what I needed. And other things, two years, yellow industry driver who drive the Uber, the driver, that one coming from the opposite [sic] to New York. They're driving because you look at driver tire [sic] got a system. You have to work seven days. I work weekly. I work daily basis, but I pay the livery [sic] charge to hide it. That retire. That don't get any flexible. That's what I believe in this yellow industry. Yellow is New York City icon, iconic industry, but is losing. Also, I hear how about making the yellow medallion up, you can see the March, February, March loss of drivers with the yellow job because they're going to Uber, because they can buy car. They're going to be left all our work [sic], five or six hour work and then go back home, then go back again six hours. When you look up to we constantly work. We don't enough make money. That's what happen in this story [sic]. If it don't crumple [sic] the thing. Also, if you go midnight or

3:00 a.m. the morning, East 10th [sic] Avenue, there's no yellow cab cruising because there's seldom people need the cab. They don't see. Uber going to make it busy. That's usually [sic] technology the easy to get the people car that like off the street [sic]. I thought it was not a solution than problem. Thank you very much.

MICHELE KELLER: Good afternoon. To Chair Rodriguez and the other distinguished Council Members. My name is Michelle Keller, and I am a resident of Southeast Queens as well as the sitting Community Board 12 Transportation Committee Chairperson. We serve the following neighborhoods, Jamaica, South Ozone Park, Adislane [sic] Park, and Saint August [sic]. I am here today to respectfully oppose Intro 47. This proposed bill would adversely impact the aforementioned neighborhoods that we serve should this bill pass into law. It could have devastating impact on the quality of life of our residents and business community including communities throughout New York City. Community Board 12 encompasses most of JFK Airport in which our district is used as the major conduit to the airport, causing us to be inundated with an insurmountable

volume of traffic. Along with this traffic, Community Board 12 must endure the mobility of hundreds of livery and now Uber cars that park on our residential streets every day and night. Community Board 12 recognizes that JFK is an economic engine and the gateway to the world at large. However, our communities have had to bear with all negative impact factors associated with its existence. These vehicles idle in front of the homes, business and park, an environmental stressor that is a health hazard to our homeowners and their families, tenants, business owners, and park participants. CB12 has an increased number of cancer victims currently and it has been going over the past two decades as a result of environmental violations occurring within our district. These vehicles take away much needed parking spaces on our residential streets. It is becoming increasingly difficult for homeowners and/or their guests to park on their own streets because of vehicles like the livery trucks, Uber and the like. In addition, these vehicles take up spaces for customers who would like to patronize businesses on a daily basis on our commercial strips. Intro 47 would be the catalyst to creating additional burdens on

residents and businesses where these vehicle were target to take over already limited space. There is absolutely no reason why Community Board 12 residents and businesses should have to sacrifice quality of life for companies like the livery and Uber to succeed. These companies should not be allowed to use residential streets as parking lots. They should continue to be required to handle their own business obligations and that includes providing off-street parking facilities for their own fleet of vehicles. On behalf of my community I strongly urge the sponsors of this legislation to rethink this bill. Think you for allowing me to this opportunity to articulate the concerns of Community Board 12. Oh, and I'll just would say, we did have 25--excuse me? Sorry. We did have 25 members from the community wearing these t-shirts, "Don't take my spot." Unfortunately, time constraints had to, you know, couldn't allow them to stay. Thank you.

COUNCIL MEMBER GREENFIELD: Saw the shirts, they were great.

TIWARI ROVINDER: Good afternoon, Chairman Rodriguez and the Committee members. My name is Tiwari Ravinder [sp?]. I drive for Uber,

Uber partner. Nearly three years ago I was acknowledged by former Mayor, Mr. Bloomberg, as one of the best taxi drivers in New York City. I was so proud that moment that I truly understood my potential, which put me in the perfect position to eventually join Uber Technology as a partner. In 2013, someone suggested if I wanted to make some extra money. I was surprised by what I found. I amazingly I joined Uber, and my life changed after that, and it became so good that I almost forgot what I did before Uber. Uber gives me much more work than the competitors do, even more importantly, my family is happy. My wife is happy. I spend more time with them, and I take home more money every week. I am fully satisfied and something I couldn't say for a long time. Uber has changed the entire transportation system. Customers are happy. Drivers are happy. Everyone is happy. Nearly 99 percent of my clients that have ridden with me say that they love Uber and are fully satisfied. These are three things, important things, I would like to--safety, reliability and dynamic pricing. Through Uber platform safety is almost always guaranteed. My customer knows who to expect, and I know exactly who

I am picking up, and when I answer that call on Uber app, the GPS tracker counts the ride and cashless process is the safest option in transportation. My clients always tell me they feel safer in an Uber car. Uber is reliable. Partners know that if they turn on app, we are making money. And my clients know if they turn Uber app, they can catch a ride within minutes. I remember a client who was in labor and was desperately looking for a taxi. She couldn't get taxi. She put on Uber app and she got Uber car, and I took her to the hospital where she delivered her baby. I know that what I work for is mine.

Every Thursday I am paid for the time I work and no ifs or no buts. Finally, dynamic pricing, otherwise known as surge pricing ensures that drivers are available all over New York, not in West Village, not only Midtown, but in boroughs of Brooklyn, neighborhood of Harlem, and all the way down to financial district. It creates a great incentive for the drivers to be available all the time for the customer when they need it. Chairman Rodriguez, Committee Members, since I started with Uber my life has become much easier. Thank you.

LEANNE RIBAS: Good afternoon. My name is Leanne Ribas [sp?]. I'm a part time with Uber. My other job is the membership consultant. I've been there for eight years, New York Sport Club. I love the fact that Uber is very safe. For me, as a woman, I never did a taxi driver. So for the past four months I've been a taxi driver for Uber. The GPS tracking and the cashless payment made, you know, be safe, the situation dramatically safe for me. With Uber because the customer base is high quality thanks to the rating system. In fact, I'm proud to say that I have not had one bad experience with any of the customers. As someone who moved to this country to pursue the American dream, I have met some of the most wonderful people. Every day when I drive I'm speaking with new people, sharing their story with my story, and my experience has been really nice, really good. The reliability of and hassle free process of requesting Uber makes my job easy. Also surge is one of the most promising parts about being an Uber partner, it's creating incentive for more drivers to serve in the underserved neighborhoods. So we can get people whatever they need to go when whatever they are. Committee Members, Mr. Rodriguez, thank you for

allowing me to speak. Thank you very much for listening.

WENZEL RODRIGUEZ: Good afternoon, Chairman Rodriguez and Committee Members. Thank you for the opportunity to share my story, and I am honored to stand here on behalf of Uber Technologies. My name is Wenzel Rodriguez [sp?] and I have been working with the transportation industry for nearly 25 years, taxi, livery service, black car, livery, limousines, you name it. So believe me when I say at firsthand I understand the benefits of driving an Uber in New York City. I love the overall experience, and Uber has had incredible impact in my life and I'm proud to work with them. I consider myself my own manager, and that's something I appreciate. I make my own hours. I go to work to make money, and the only person that I have to answer to is myself. The bottom line is this, it's me and the customer, the customer and me. The experience is cashless. I know who I'm picking up and exactly where, and that eliminates the stress of potentially dangerous situation. Uber takes care of everyone, the customer, the partner, and I've seen--I've been seeing this since the day I started working with

them. I know that if I contact Uber, they will be there to help me however they can to get me back on the road to make my money and to pick up as many passengers as possible. Additionally, for the people who are against the idea of surge pricing, I used to -ask yourself, if the consumer wants a service and they need it right at that moment, and they're willing to pay, we have to ask ourselves why not. It makes partners like myself more easily available and make sure that if someone needs a ride they can get it immediately. I'm making more money than I even made before in these 25 years. I work any time, as many hours I want, and I know that no competitor in New York is willing to pay me as much I make with Uber with the same stipulations. I know that Uber belongs in the city, as to us who work to make sure that people to get what they want. Thank you for the attention and time.

CHAIRPERSON RODRIGUEZ: Can you please, Mr. Rodriguez and Tiwan [sic] and Ms. William [sic] tell me which base are you obligated with?

WENZEL RODRIGUEZ: With Uber.

TIWARI RAVINDER: I'm affiliated with Uber base.

CHAIRPERSON RODRIGUEZ: Did you discuss this testimony with Uber before sharing that with us?

TIWARI RAVINDER: No, that was the first time--this the first time I come.

CHAIRPERSON RODRIGUEZ: This is your testimony?

TIWARI RAVINDER: Yes, sir.

CHAIRPERSON RODRIGUEZ: This is your testimony?

LEANNE RIBAS: Yes, that's my story.

CHAIRPERSON RODRIGUEZ: And this is your testimony?

WENZEL RODRIGUEZ: Yes, sir.

CHAIRPERSON RODRIGUEZ: How long you been in Uber?

WENZEL RODRIGUEZ: For around a year and a half.

TIWARI RAVINDER: Yeah, same thing. Year and a half with Uber.

LEANNE RIBAS: I've been with Uber four months.

CHAIRPERSON RODRIGUEZ: When was the last time that you have a discussion about this hearing today?

WENZEL RODRIGUEZ: I was here in the last hearing that it was holding about this case, too.

CHAIRPERSON RODRIGUEZ: And you?

TIWARI RAVINDER: Yeah, Uber called me yesterday to be here. So, I just came.

LEANNE RIBAS: Yeah, I got an email yesterday and I agreed to be here today.

CHAIRPERSON RODRIGUEZ: Okay.

LEANNE RIBAS: To ask me--

CHAIRPERSON RODRIGUEZ: [interposing]
Which base were you affiliated before?

LEANNE RIBAS: I'm sorry?

CHAIRPERSON RODRIGUEZ: Which base is--
which base were you affiliated before joining Uber?

TIWARI RAVINDER: I'm with Skyline.

LEANNE RIBAS: Diplomat.

WENZEL RODRIGUEZ: I worked for numerous companies. The last one I was affiliated was was Sunnyside Car Service.

CHAIRPERSON RODRIGUEZ: Okay, do you ever-- because my question is related because I know that I have many friends also who are in Uber driver. I used to be a livery driver too. I know that before the TLC hearing, I saw a number of tests that some

drivers got from Uber, invited them to go, and even sending them the written testimony for them to read in the hearing. So, my question is, if this is like another type of thing on how before the hearing Uber's sending testimony to the drivers for them to come and read it in the hearing?

LEANNE RIBAS: No.

TIWARI RAVINDER: No.

WENZEL RODRIGUEZ: No. They do ask me what do I think about the company, and I explained to them what is my point of view, and they told me to write it out.

TIWARI RAVINDER: Uber only called me yesterday to be here for the hearing, and they says the last time I was with Mr. Bloomberg when he gave me an award and that was the only time.

CHAIRPERSON RODRIGUEZ: When you switched to Uber, were you--did Uber pay you? Like, how much were you paid in order to switch to Uber?

TIWARI RAVINDER: No, nothing.

LEANNE RIBAS: Nothing, I just went and do my application and then I start working for Uber.

WENZEL RODRIGUEZ: When I start a year and a half ago, yeah, this is a bonus for joining Uber.

CHAIRPERSON RODRIGUEZ: How much?

WENZEL RODRIGUEZ: It was 250 dollars.

CHAIRPERSON RODRIGUEZ: Two hundred and fifty dollars. And you said no?

TIWARI RAVINDER: I never got a penny from Uber.

LEANNE RIBAS: I never got any incentive to join.

CHAIRPERSON RODRIGUEZ: Okay. Now, let me switch to Mr. Weisman. How can we work together with you on turning those ideas that you share with us that are very important and we are committed to work to be sure that the disability community also get the services that they deserve?

JAMES WEISMAN: You know, the problem we have is we keep parcing [sic] types of services and not providing choice to people with disabilities. If we said every mode of transportation, if you're bringing something newly into service, something that didn't exist before, a vehicle, a company--right now if you build a new building it has be accessible.

You buy a new bus, it has to be accessible. You build a new train station, but a new train, all of that has to be accessible. And if you don't, the burden is on government with dependency and keeping people home bound. So, or providing them with special transportation at great cost. If the services that are already out there operating had to provide that service, it would save government so much money. There would be a way to incentivize the private businesses to provide the services. That's what we tried to do with the medallion sales. That's what we tried to do with the green, the bill to create the green taxis, but it's being undermined because you can't sell medallions because they're 25- -they're worth 25 percent less than they were a year ago. So, the city's not going to rush them onto the market, even though the city's already budgeted that 1.6 billion in sales, but if it was a more level playing field for every mode, it wouldn't be such a big deal. In other words, Uber would be providing accessible service. Black car service would be providing accessible service, the yellows and the greens, and the liveries. With dispatching, you might not need every vehicle. You might not, but

certainly every mode you would need. Right now, if you call Uber they'd push you off to a different vendor because they don't operate vehicles obviously. So they just refer you to somebody that's supposed to have an accessible vehicle. You either get a ride or you don't, but one thing's certain, you're not getting the same class of service. You're not getting it as rapidly. You may not be getting as nice a vehicle and as new a vehicle. There was a time when, I mean, we had the same Mayor for 12 years who fought accessibility in the taxi system, and then at the end of this administration changed his mind. Commissioner Yaski [sp?], when he was the Counsel Chair of the Transportation Committee and Council Member Garodnick who was here earlier, I met with the two of them and Access-A-Ride's budget that year was 275 million, 600 million. This problem is not going away. People are living forever. They're having mobility impairments and they're making demands on service. If they could just hail a cab they would. So the trick is incentivizing them. The 30 cents a ride clearly did it for the yellows because they stopped fighting. So it's probably even better than break even for them. We could work out a way to do

this and capture the Uber and dispatch app riders as well, and black car services, why not? They should have it in their fleet. They should have that capacity. I was Chair of the Bar Association Committee on People with Disabilities. I had a young woman. We made six o'clock after work. Had a young woman on my committee who works for a huge law firm in Manhattan. She had to resign the committee she just--even though her company would pay the cab fare to get her to my meetings, she couldn't get there. It was an impossibility. That's--this is a person that probably makes more than quite a few of us in the room put together, and she still has no alternative for night time travel. I think it's a time that--the time has come and I think the aging and the population and the aging in place of the population--I know Councilman Greenfield thinks we all go to Florida, but Florida's getting too full. We're going to end up being stuck here without transportation alternatives, unless we bring in every mode of transportation. And like I say, the more sophisticated dispatching gets, the easier it'll be to match accessible vehicles with people with disabilities. So, I think there's a way. TLC, who

worked against us for 12 years, has worked very hard in the last year to help us make taxis accessible and the green cabs accessible. And I'm sure if you got all the players in one room we could work out a solution to this. There's certainly enough money. It's not the issue. Between the Medicaid dollars and the MTA dollars that will be saved by making the private sector accessible, there's certainly enough money to incentivize the private sector. Thank you, Councilman.

CHAIRPERSON RODRIGUEZ: Any of my colleagues has any question? I'm curious for the drivers. How would you feel--I don't know, do you have family that live out of town? You do? So, how would you feel if they had to pay four times, six times as much for to pick up a cab?

LEANNE RIBAS: Is that--sure, yes, if they have the money. Why not?

CHAIRPERSON RODRIGUEZ: You would be okay with that?

LEANNE RIBAS: Yeah, as I am okay to get paid as much I get paid when I'm working on those hours.

COUNCIL MEMBER MENCHACA: What neighborhoods do you normally cover, all three of you? Yeah, all three of you, the drivers?

TIWARI RAVINDER: What you said was the question, sir?

COUNCIL MEMBER MENCHACA: What neighborhoods do you tend to cover?

LEANNE RIBAS: I go everywhere. So I start my ride from my house, which I live in Harlem, pay for parking spot for my car, and I start right there on 147, and whatever it take me. I been going to Connedico [sic]. I've been going to Hoboken, part of New Jersey, very far, all Brooklyn, Queens, everywhere.

COUNCIL MEMBER MENCHACA: Okay, and?

TIWARI RAVINDER: I live in New Jersey, and I travel all the way from Clemson [sic] to city every day. I come here. If customer needs a car, it's raining, and there's no yellow cab, yellow cab they approach didn't want to go to Kennedy, and there's surge pricing in fact, I mean, they get the car. They don't miss their plane, and I drive them.

COUNCIL MEMBER MENCHACA: Okay, and sir?

WENZEL RODRIGUEZ: I go to all five boroughs, wherever--

COUNCIL MEMBER MENCHACA: All five boroughs.

WENZEL RODRIGUEZ: the passenger need to go, I go.

COUNCIL MEMBER MENCHACA: So, just kind of confirm what I was sharing earlier. You have--you bring a tremendous amount of experience out here. You know, you've been doing this for a couple of decades, for at least for two of you, and basically you've been taking out of your neighborhood to drive all over the place where normally for example if I have a base it's in King's Bridge Avenue, you know, the liveries tend to stay around the neighborhood. That's a concern of mine that we are having good drivers being taken away from our neighborhoods. I'm talking about mainly poor neighborhoods or needy neighborhoods, and then the pull, actually, because it's so many drivers out there, right? And what I'm hearing is a lack of drivers, and so we are taking from the areas that normally need it the most, actually, because we're, you know--a disadvantaged community would tend to have less vehicles, less, you

know, private cars, and now they're being really-- what I see here, I mean, it's so predictable here, that we're going to have less access to wonderful drivers like yourself. Then if we wanted, then we're going to have to pay more. Actually, what's going to happen, Council Member Greenfield, I think this could be part of your argument, we're going to have the reverse effect. We're going to be having livery-- we're going to have drivers going to the rich areas and now the lack is going to be in the poor areas, but then to get in the poor areas, now we're going to have to pay more for the same service that we were getting before for the flat rate. Food for thought.

TIWARI RAVINDER: It's not this.

COUNCIL MEMBER MENCHACA: If you could get closer to mic.

TIWARI RAVINDER: Yes, sir.

COUNCIL MEMBER MENCHACA: Thank you, sir.

TIWARI RAVINDER: It's something like if I am in Manhattan. I get a customer going to Brooklyn. So, I take customer to Brooklyn, unload, and my app is on. Let's say there's a demand, I'll pick up. If they want to go to Brooklyn to Brooklyn, take them Brooklyn to Brooklyn, regular price. The

only time the surge pricing is in certain areas in Manhattan. It's never in the boroughs. I've never seen it in the boroughs.

COUNCIL MEMBER MENCHACA: But you bas-- but for example, the young lady who's in Harlem, right, she is literally going to--she's literally outside of Harlem. My estimation is what I heard, and rightly so, this is where the business is taking you and that's where the money--you're going to where the money is, and that's my point. And in some sense, I'm happy for you. Listen, I'm happy. You're making more money. That's great for your family. I'm not even--it's not even really about you, what I'm making my case. I'm making a case that we're creating a dynamic where we're going to end up literally with less capable drivers because they're rated also and they're going to be in a greater demand in the other areas where people literally have money to afford, you know, the higher rates like in Manhattan.

LEANNE RIBAS: Okay, can I just say something? Like Thanksgiving Day, so I was in Harlem, and the first trip took me to Brooklyn. I

stay in Brooklyn for three hours because I was on demand there.

COUNCIL MEMBER MENCHACA: Right.

LEANNE RIBAS: That doesn't mean that I went to Brooklyn and the surge price was in Manhattan, but all the calls that I was in Brooklyn. I was staying in Brooklyn until I, somebody took me back to Manhattan.

COUNCIL MEMBER MENCHACA: But that was not the norm when--and I don't know--I don't know your history if you work in a base. Did you work in a base before?

LEANNE RIBAS: Yeah, briefly.

COUNCIL MEMBER MENCHACA: So, typically in a base you work around the neighborhood. You stay around the neighborhood. That's--this is changing really. It's not going to be business as usual. And again, I'm not attacking. Please don't--I'm not attacking the fact that you actually get to do that. The essence of the bill is to not rip off people. That's really at the heart of it, but at the same time, there is a consequence. There's another consequence taking place here that I want to accentuate again and again, that we are going to take

good drivers from the poorest neighborhood. I wanted to share also, Madam Chair, in the Community Board. I don't know if people really understand this, the people, the vast--as a matter of fact, you're a prime example of what I'm talking about. When they were working the bases, they drive, they go home with their vehicles. So, what the Intro 47 is addressing is the state of affair right now. Before, base owners they owned the whole fleet. Now, we have what we have here right now. They have to go home. I mean, this is the car they use in the private life when they go grocery shopping and so forth. So, I can understand perhaps years ago when we had the base owners owning the fleet. Now, it's private owners. And today, even if we don't do anything with Intro 47, you still have the situation where they can still park in the neighborhoods. You know, they have a right to, you know, to stay in the neighborhood. What this does is that we're literally paying right now. I should not say we. The base owners are paying for parking they're not using, and that actually has an effect on people who use the liveries, because now, you know, there's a cost, and the base owners ultimately don't pay for that. We

pay for that, whoever's using the liveries. Somebody got to pay for it and it's the customer. It's food for thought.

MICHELE KELLER: Well, I appreciate the explanation, and I would like to be on record Community Board 12 is not against anyone in free enterprise and expanding businesses, but we do suffer from a large amount of vehicles. Now, I don't know where they're coming from, if they're part of the livery, but we are noticing throughout our communities a lot of cars staging, which are limited parking spaces. So, we are going to follow this introduction bill and hopefully our council person will also come to our next meeting and give us more information and explanation. I learned a lot more sitting here listening to the different testimonies from these young people. These people here too. You know, I've learned a lot, but we're mostly concerned about, you know, the space availability for the residents, home owners and the residents.

COUNCIL MEMBER MENCHACA: I'm estimating that the price of parking in the airports is so high right now. You know, when I travel it's shocking how much you have to pay to park there, and also, you

know, you go to La Guardia you see--you go to the hotel, you to the Days Inn. The parking, their prices are so high. What people are doing is they're parking there. Maybe they call a taxi and say, "Hey, pick me up from here to there." You know, it's 10 dollars, and then you know, they could park there, especially when you don't have alternate sides of the street, or if it's two days and coincides with so far. So they're taking advantage, and I can see where that's happening, but I can tell you that, and they're a prime example, they're going home and it's part of their neighborhood. And so, they're going back to their neighborhood. So, this--even if Intro 47 were not to pass, that really doesn't solve, I think, the problem that you're talking about. This is a different issue. Thank you so much, Mr. Chair. And thank you so much.

CHAIRPERSON RODRIGUEZ: So, with that, I want to, you know, congratulate especially the drivers if you are doing better in your life, that's the best thing for everyone, especially for your family. As someone that used to drive, to be a livery taxi driver during the time that I was in City College, I know in my own experience that having that

opportunity allowed me to make some money to support myself and my family too. So, and we also welcome any new opportunity for any driver to do better, to bring a little bit more to the family. So, it's all about regulation. It's all about being sure that, you know, that as we move forward opening the door to a new corporation, this case Uber who has a more than 40 billion dollar capital, we just want to be sure that there's local business, especially from the livery, the black car and the yellow that have been here for decades. Also, they have the opportunity to survive, and that any new corporation also are accountable by the same standard and regulation. So, that's the spirit of this conversation, but again, we just want everyone, especially my whole goal is to be sure--my idea is to see many of our people going through the ladder of moving from working class to middle class and also having the opportunity to have other resources that we need to be sure that our son and daughter are next Mayor, are the next President, and I know that you can make a big difference. So, congratulations. And with that, this hearing is adjourned.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date January 22, 2015