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TLC NEWS | TESTIMONY

TESTIMONY OF NEW YORK CITY TAXI AND LIMOUSINE COMMISSION CITY COUNCIL TRANSPORTATION COMMITTEE OVERSIGHT HEARING, COMMUTER VAN INDUSTRY

Delivered November 21, 2002 Good morning Chairman Liu and members of the Transportation Committee. My name is Matthew Daus and I am the Commissioner/Chair of the New York City Taxi and Limousine Commission (TLC). Thank you for inviting us to testify and for the opportunity to share some information concerning the TLC's role in licensing and regulating the New York City commuter van industry.

Commuter vans are vehicles with a capacity of at least nine (9) but not more than twenty (20) passengers, authorized to transport passengers for-hire within approved geographic areas. A commuter van is legally required to transport passengers by pre-arrangement of service and is not permitted to accept "street hails."

The commuter van industry began as an outgrowth of the alternative transportation opportunities created during the 1980 New York City transit strike. After the buses and subways rolled again, the commuter van industry continued to serve communities with limited public transportation options. To this day, licensed commuter van services complement other forms of public transportation.

The State Department of Transportation regulates commuter van services operating outside New York City. Amendments to the State Law enacted in 1992 transferred jurisdiction over the licensing and regulation of commuter van services operating wholly within New York City, except at the airports, to an agency designated by the City. The City of New York designated its Department of Transportation (DOT) as the agency responsible for the assessment of public need for commuter van service, while the TLC is the designated agency authorized to license commuter van services, vehicles and drivers. The New York City Police Department is the agency with primary enforcement responsibility with respect to the commuter van industry. This includes enforcement against unlicensed commuter van operators, as well as ensuring that licensed commuter van services, drivers and vehicles comply with laws and regulations. The Port Authority of New York and New Jersey regulates airport van services.

There are currently 74 licensed commuter van authorities, which operate 390 vehicles. This industry transports an estimated 11 million passengers per year, which is less than one percent of the passengers transported by public transportation in the City.

The New York City Administrative Code sets forth a very specific regulatory scheme governing commuter van services. Before a commuter van authority can be granted in a new service area, an assessment must be made of the public need, as you will hear in greater detail from DOT Deputy Commissioner Grotell in his testimony today. Following the DOT's recommendation, the TLC will license the service, vehicles and drivers, ensuring that the vehicles have been inspected by the State Department of Transportation and that the drivers meet all of the TLC's requirements for licensure. These requirements include the necessity that licensed commuter van drivers hold a Commercial Driver's license and are in compliance with Article 19-A of the New York State Vehicle and Traffic Law.

State and local law prohibit vehicles from soliciting, accepting or discharging passengers along bus routes or in a bus stop. Vehicles may not operate outside the geographic area set forth in the DOT's recommendation. Records of requests for trips must be maintained by the commuter van operator as evidence of pre-arrangement in the form of a passenger manifest that includes the names of all passengers. Commuter vans with a seating capacity of more than twelve passengers have higher insurance requirements - \$100,000/\$500,000 - than other vehicles for-hire, which must carry 100,000/\$300,000.

Despite a stringent regulatory framework, the commuter van industry continues to serve the city. A 1997 City Planning Commission study concluded that there was a role for the commuter van industry to serve the people of this city, without supplanting existing transportation providers. This study stated that the city could make use of the services of more than 900 commuter vans, and is still referenced as one source for determining community need. However, each request from an initial applicant or existing commuter van authority is considered on a case-by-case basis, with decisions regarding service levels taking into account the needs of the particular community for which the service is being proposed.

Given that no commuter van service is approved unless there is a demonstrated need, the commuter van industry has, despite its relatively small numbers, played an important role in meeting the public transportation needs of New Yorkers. After September 11th, this industry participated at significant levels in the TLC's "Operation Free Transportation," which provided free transportation to rescue and emergency workers, as well as victims' family members, in the crucial weeks following the tragedy. Thereafter, the commuter van industry assisted in transporting more than 116,000 New Yorkers who were otherwise stranded each day by the recent Queens private bus strike. Also, commuter van services regularly transport an estimated 50,000 riders each day who appreciate the convenience of this service.

The TLC's primary role with respect to regulating the commuter van industry is to set licensing standards and to issue licenses to qualified applicants. To that end, we have continued to implement high standards for our licensees even beyond those of the stringent Article 19-A certification, including, among other requirements, a State-certified defensive driving course, criminal background checks, point-based licensed suspensions and revocations, and higher levels of insurance. Again, this is above and beyond the requirements of Article 19-A certification under the New York State Vehicle and Traffic Law. Therefore, commuter van drivers must meet the same State requirements as the drivers of commercial trucks and school buses. With regard to vehicle safety, commuter vans are inspected by the State Department of Transportation twice annually.

The TLC is also concerned about the quality of life in New York City's many communities, and the impact commuter van operators have on traffic congestion, noise and other community concerns. To this end, the TLC works closely with community based organizations to address these issues. Enforcement officers, including NYPD Officers and, at times, TLC inspectors participating in joint operations, conduct enforcement initiatives and issue summonses for such violations as operating without a passenger manifest, operating without a license, and operating along bus routes. Traffic regulations, such as those prohibiting double parking and obstruction of traffic, are also enforced.

It is essential that we work together with the Council to take the time and effort to examine the impact of existing regulations on both the quality of life and upon licensed commuter van services. One particular provision of law, the prohibition against commuter vans operating "along a bus route," is of particular concern to the industry. It is one of the TLC's best recipes for success that we regularly seek the input and feedback of those in a given industry in studying its dynamics, because it is they who have the best and most relevant answers to our questions. After consulting with the members of the TLC's Commuter Van Advisory Board, we learned of their belief that the effect of this prohibition was to increase traffic congestion, noise and community displeasure with the commuter van industry, while diminishing the service commuter vans can provide. In the industry's view, this prohibition inconveniences passengers and adds to traffic congestion as the vans are often forced to clog side streets. While the TLC and DOT have worked closely to site commuter van stands to mitigate some of these issues - of which there are currently 11 (six in Brooklyn, three in Queens, and one each in the Bronx and Manhattan) with others pending - there may be other options to further our shared goals of safe, reliable and convenient transportation for the public. The industry has also expressed the concern that its vehicles are required to operate exclusively via pre-arrangement to ensure operator accountability. In response to this concern, and to ensure accountability, the industry would rather utilize trip sheets, rather than maintain lists of passenger names.

In conclusion, I would like to re-emphasize that licensed commuter van services meet the needs of many New Yorkers in providing safe, reliable and convenient public transportation, at no cost to the taxpayer. This completely unsubsidized industry is willing to work side-by-side with the public and private carriers of the city to form an integral part of a comprehensive transportation system - not to replace other forms of transportation, but to complement them in the interest of meeting the needs of the tens of thousands of New Yorkers who have come to rely upon them every day.

Thank you for the opportunity to share this information with you. I would now be pleased to answer any questions you may have, or to help the Council in any way it sees necessary to further study these important issues.

