







Matthew W. Daus, Esq.

President, International Association of Transportation Regulators http://iatr.global/

Transportation Technology Chair, City University of New York, Transportation Research Center at The City College of New York http://www.utrc2.org/

Partner and Chairman, Windels Marx Transportation Practice Group http://windelsmarx.com

Contact: mdaus@windelsmarx.com
156 West 56th Street | New York, NY 10019
T. 212.237.1106 | F. 212.262.1215

NYC Has A New TLC Commissioner/Chair: Who is David Do & What Will He Do?

David Do has been appointed as the new Chair and Commissioner of the NYC Taxi and Limousine Commission ("TLC"). Do most recently served as Director of the DC Department of For-Hire Vehicles ("DFHV"), and I have gotten to know David well through our work together for the International Association of Transportation Regulators ("IATR"), where I serve as President, and David serves as the Technology and Innovation Committee Chair. So, who is David Do, and what can we expect from him as he takes the wheel at the TLC?

About David Do

Do was the Director of DFHV for the past three years, and, in that time, he has developed a reputation for innovation within the industry and among his regulatory peers. At IATR, Do chairs the IATR Technology and Innovation Committee, which produced the IATR Model Regulations for Digital Vehicle Advertising, and where Do is spearheading a similar project for autonomous vehicles ("AVs").

Under his leadership, DFHV launched DC Neighborhood Connect (previously DC Microtransit) as a low-cost shared ride shuttle service for anyone needing to travel within a zone. Other pilot programs launched under Do's tenure include the Taxi-to-Rail program that connected those in transit deserts to Metro Stations, as well as select grocery stores, libraries, recreation centers, and pools, and the Union Station Fast Pass that rewarded top performing drivers of wheelchair accessible taxis with priority entry to the taxi line at the rail station.

During the pandemic, Do led the transformation of several of DFHV's transportation programs to meet the needs of partners and the riding public. Highlights include re-tooling DFHV's Neighborhood Connect program to provide on-demand late-night transportation for essential workers at DC hospitals and expanding the Taxi-to-Rail program to help residents with essential trips to grocery stores, medical facilities, and pharmacies and give the industry more business. He also helped the DC Department of Health and the Department of Aging and Community Living turn their food programs for older adults into delivery-based operations with the support of the for-hire industry. Do also led the distribution of protective vehicle barriers and PPE to the industry so that drivers could continue to operate safely. He also oversaw the implementation of the #RideSafeDC campaign, a multimedia campaign that educated the public about how to ride safely in a for-hire vehicle to reduce the spread of COVID-19 and keep riders and drivers safe.

In March 2022, DFHV launched a program to fill a shortage in school bus drivers by giving DC taxi drivers an opportunity to get Commercial Driver Licenses (CDLs) to qualify to drive DC

{12049055:1}

_

¹ https://dfhv.dc.gov/release/mayor-bowser-announces-key-appointments-feb2019

SchoolConnect school buses. The DFHV CDL program provides a grant for DC taxi drivers to train with a CDL driving school and obtain their licenses. If the taxi drivers commit to driving for DC SchoolConnect for at least six months, DFHV will pay for their training – worth about \$5,000 – and will provide a signing bonus and other incentives to drive the DC SchoolConnect school buses. This program is helping drivers who were hit hard by the COVID-19 pandemic to gain credentials in a field that is in high demand in DC – and across the country. This was a significant undertaking on a tight timeline, with only months before schools opened, in an area that taxi regulators are typically unfamiliar with. Do handled it well, and rose to the occasion as he always has.

Prior to his work as the Director of DFHV, Do served as Director of the DC Mayor's Office on Asian and Pacific Islander Affairs ("MOAPIA"). A seasoned community advocate and a champion for neighborhood and constituent engagement, Do has experience working with numerous businesses and community-based organizations around the District, including his promotion of capital improvement grants during his previous tenure at the Office of the Deputy Mayor for Planning and Economic Development.

What to Expect from David Do

During Do's confirmation hearing held on Tuesday, May 17, 2022 before the New York City Council Committee on Rules, Privileges, and Elections, he laid out his priorities and provided insight into how he might handle hot button issues, like driver pay and the FHV cap. At the top of Do's list is fully implementing the Medallion Relief Program ("MRP") and the Loan Guaranty Program ("MRP+") for taxi medallion owners – followed by making the fleet more accessible and green. He also wants to diversify the industry to make it more resilient and to prepare for the future of AVs.

Taxi Medallion Debt Crisis

During his confirmation hearing, Do made clear that his first priority at the TLC would be to increase participation by medallion owners and lenders in the MRP and the MRP+. The MRP and MRP+ provide debt relief for eligible medallion owners. Both programs provide financial assistance and free legal representation to help taxi medallion owners negotiate with lenders to reduce loan balances and lower monthly payments. Medallion owners with five or fewer medallions are eligible to apply. According to Do, only 300 out of 3,000 eligible medallion owners have gone through the MRP and MRP+ process. Do said getting more medallion owners and lenders to participate in these programs is crucial to helping medallion owners get themselves out of debt.

FHV License Pause (the FHV Cap)

The question on everyone's mind is whether Do would extend the pause on issuing new FHV licenses that has been in place since August 2018. Do gave his commitment to look at the

cap to see if it needs to be lifted. He testified that vehicle utilization rates, congestion, outer borough service, and driver pay are the most important factors in determining the number of FHV licenses that should be allowed on the street. He understands that small bases are struggling to find vehicles and drivers. While the FHV license pause has had its desired effect of reigning in an oversaturated market, several Black Car and Livery bases are struggling to compete for drivers and vehicles with the High-Volume For-Hire Services ("HVFHSs")—currently, Uber and Lyft. Do said he would consider a pilot program for traditional Black Car and Livery bases to obtain additional licenses to help sustain their businesses. This is one of the recommendations in the Black Car and Livery Task Force report.²

Helping the Industry Emerge from the Pandemic

During his confirmation hearing, Do said that, in almost every city, drivers have been hit disproportionally by the pandemic, and everyone is facing the same issues with economic recovery. To help lead the DC taxi and for-hire industries through and out of the pandemic, Do created an Industry Recovery Blueprint, with short-term and long-term actions to help the industry rebound.³ The Industry Recovery Blueprint included a range of critical new investments and opportunities, including: providing fee relief to help taxi and limo drivers get back on the road; empowering taxi companies to use innovative fare and payment methods; promoting more ways to connect passengers and drivers through e-hailing and digital dispatch; and expanding for-hire business opportunities to diversify how they generate income.

Do would implement many of the same strategies in New York City to help the industry emerge from the pandemic stronger and more resilient. A key component of this would be helping the industry diversify how the owners and drivers may generate income the industry beyond traditional passenger transportation. Do envisions the taxi and for-hire industries branching out to government contract work, package delivery, student transport, and NEMT work to maximize revenue. During his confirmation hearing, Do specifically called on the MTA to expand the Access-A-Ride on-demand program beyond the 1,200 person pilot. The popular program allows a limited number of Access-A-Ride commuters to book \$2.75 taxi cab trips on demand.

The number of vehicles that remain in storage is an issue, according to Do. He wants to better determine the root cause so he can develop a solution to get drivers back to work. According to Do, the TLC needs to look at lowering barriers to reentry, such as licensing fees. In DC, with a \$2 million commitment from the mayor, Do was able to waive all fees associated with putting a vehicle on the road. He stated that he would like to do something similar here.

² https://www1.nyc.gov/assets/tlc/downloads/pdf/black-car-and-livery-task-force-report-2021.pdf

 $[\]underline{https://dfhv.dc.gov/sites/default/files/dc/sites/dc\%20taxi/Final\%20DFHV_IndustryRecoveryBlueprint2021_FINAL\%2012\%2015\%2021.pdf}$

The Future of Yellow Taxi Service: E-Hail & Technology

Do believes that the City has a role to play in assisting industry efforts to innovate and grow through use of technology, including e-hail and soft meters. As the Director of DFHV, Do has fully embraced innovation and technology in the taxi industry. Taxis in DC operate completely on soft meters, and DFHV has a system in place that alerts and routes taxi drivers in real time to identify where demand is high. He wants to promote e-hail in all parts of New York City and help drivers become technologically savvy.

During the confirmation hearing, when asked specifically about Uber's partnership with Curb and Arro to add taxis to the Uber platform, Do stated that increasing the number of trips and diversifying how taxis get trips is incredibly important, and that he would promote more initiatives like this. He also said he would implement the Taxi Medallion Task Force recommendations regarding technology, which include expanding and improving e-hail and overhauling TLC rules regarding Technology System (TPEP) requirements to allow for more streamlined integration of passenger and driver friendly software.⁴

Driver Pay and Protections

The TLC held hearings on May 23 and May 24 to consider raising the metered fares on yellow cabs for the first time since 2012 and to review for-hire vehicle driver pay. Although Do did not attend either TLC hearing, he was asked about driver pay during his confirmation hearing in the prior week. During the confirmation hearing, when asked if he supports a yellow taxi fare hike, Do said that he would go into the hearings open minded, adding that it has been ten years since the last increase, suggesting an increase could be due. As far as the City's minimum payment rules for Uber and Lyft drivers, Do believes New York City is in the forefront of protecting driver pay. He said that it may be premature to look at revising the rates now before rides return to prepandemic levels and noted that driver wages were increased a few months ago. As a result of the recent 5.3% minimum pay rate increase for Uber and Lyft drivers, after expenses, these drivers will now earn a minimum of \$18.13 per hour.

Currently, the TLC offers financial and legal services assistance to drivers and medallion owners, but Do believes the agency could do more to help. Throughout his confirmation hearing, Do repeatedly emphasized his commitment to help drivers financially and otherwise. Part of Do's plan would be to add mental health services to the other support services that the TLC currently offers.

Electric Vehicles (EVs)

⁴ https://council.nyc.gov/data/wp-content/uploads/sites/73/2020/01/Taxi-Medallion-Task-Force-Report-Final.pdf

During his confirmation hearing, Do testified that green fleet growth would be on his agenda and that is among his top priorities. According to Do, taxis and FHVs have a role to play in reducing greenhouse gas emissions and becoming part of the climate solution. Moving forward with EVs in all of the TLC-licensed industries is important to Do. He testified that he supports incentives and working with the industry to coordinate and build charging infrastructure for licensed vehicles in a geographically-planned and affordable way.

Do said that he would examine the TLC's current BEV Taxi Pilot Program to evaluate how to get more taxi owners to convert from internal combustion engines to electric vehicles. There are several pilot participants that are using various Tesla models and the Ford Mach-E. However, the WAV requirement for taxicab service is a hurdle to electrifying the taxi fleet given the complete lack of wheelchair accessible EVs currently available. Do committed during his confirmation hearing to do what he could to support use of wheelchair accessible EV-hybrid vehicles. The TLC is due to make a decision on whether to continue or expand the BEV Taxi Pilot Program, or implement rules, this summer.

Mayor Adams has pledged his commitment to building charging infrastructure and to promote electric vehicles in the City. During the 2021 mayoral campaign, Adams commented during my webinar, "*Transportation Talk with Matt Daus*," that the availability of battery charging stations is currently a barrier for the widespread deployment of EVs in the city and said that, if elected, he would expand charging infrastructure to further incentivize drivers to go electric.⁵ Earlier this year, the NYC Department of Citywide Administrative Services ("DCAS") announced that it is placing an order for 184 all-electric Ford Mustang Mach-E Sport crossover utility vehicles for law enforcement and emergency response use.⁶

Accessibility

Among Do's top priorities is making TLC's fleet more accessible. Do testified that the TLC has a model for the entire country when it comes to accessibility, and that he would seek to find additional funding sources to improve the availability and usage of wheelchair accessible taxis and FHVs – as he has done in DC.

Currently in New York City, there are accessibility mandates in place for taxi and FHV service. FHV bases are required to either dispatch a minimum of 20% of all trips to a WAV (increasing to 25% in July 2022) or work with an approved Accessible Vehicle Dispatcher. On the taxi side, to settle a class-action lawsuit in 2013, the City agreed to require one-half of taxicabs

⁵ https://bpb.opendns.com/b/https/vimeo.com/527463790

⁶ <u>https://www.fleetowner.com/emissions-efficiency/electric-vehicles/article/21212971/new-york-city-makes-largest-ev-purchase-ever</u>

to be wheelchair accessible by 2020.⁷ Although the taxi mandate has not been met, the City is offering financial incentives to increase the number of WAVs, including an extra \$1 per trip for all trips provided in a wheelchair-accessible yellow or green taxi and waived licensing fees for any wheelchair accessible taxicab or for-hire vehicle.⁸ In addition, the FHV license cap does not apply to WAVs.

Do wants to bring more incentives to New York City to encourage more vehicle owners to convert to a WAV. During his tenure at DFHV, expanding access to WAVs was a key priority for Do. DFHV is piloting a deadhead compensation program and a WAV repair fund for the for-hire industry using a federal grant and agency funds. The agency also provides funding to taxi companies to purchase WAV hybrids, and utilize the Union Station Fast Pass program, which gives top-performing WAV drivers a pass to go to the front of the taxi line at DC's Union Station. This may be indicative of what is in the future for New York City.

Autonomous Vehicle (AVs)

The technology surrounding AVs is already here and being deployed around the country and the world, with robust testing and deployment around the U.S. It is clear the industry is moving towards deployment of this technology in the taxi and for-hire vehicle sector. At IATR, Do chairs the IATR Technology and Innovation Committee, which is working on "Best Practices, Guiding Principles, and Model Regulations for Robotaxis: Testing & Implementation of Shared-Connected-Automated-Electric For-Hire Vehicles (S-CAEVs)." The IATR is in the process of developing model regulations and best practices to prepare for the deployment and the mainstream adoption of shared S-CAEVs in taxicab and other for-hire passenger ground transportation services, including ride-sourcing. The goal of these model regulations will be to provide regulators with specific rules, policies, principles, and guidelines based on best and accepted practices that regulators may implement through their jurisdiction's legislative and/or rulemaking process, or to rely upon in order to develop policymaking or administration of government programs and/or public private partnerships. The IATR continues to seek input and feedback from stakeholders and other subject-matter experts to inform and shape the draft model regulations, and endeavors to finalize its report in time for its Memphis, Tennessee conference in September of this year.

During his confirmation hearing, Do said that he would be proactive when it comes to fitting AVs into the transportation ecosystem to prepare the TLC for AV technologies and ensure that AV deployment will benefit residents and drivers. Do believes regulation of AVs in for-hire service should be carefully considered ensuring safety first, along with access and equity, and labor and medallion owner/driver rights. The administration of Mayor Eric Adams supports technology innovation such as AV deployment, but Do cautioned that the companies seeking to do so must

⁷ https://www1.nyc.gov/assets/tlc/downloads/pdf/press_release_12_06_13.pdf; https://www.nytimes.com/2013/12/07/nyregion/wheelchair-settlement-poses-test-for-cab-industry.html

⁸ NYC Code § 19-504(b); 35 RCNY § 58-26.

guard against labor displacement and work towards job creation and job retention, where necessary.

To achieve these goals, Do would form a working group like he did in DC. DFHV is on the District government's interagency AV working group, which will make recommendations about the rules of the AV testing program. DFHV has started the early planning stages for AV for-hire vehicles – exploring what it means for the for-hire industry, considering the appropriate level of regulations for AVs to protect the riding public, and ensuring accessibility and equity in the use of AVs.

TLC is a Tough Job, But Great Things are Expected under David Do's Leadership...

As I have stated since the nomination was announced, I am thrilled that Mayor Eric Adams has appointed my friend and colleague David Do to be the next TLC Chair and Commissioner. I still hold the record as the longest-serving TLC Chair, and I can tell you firsthand it is not an easy job. The many years that I spent leading the TLC involved long nights, early mornings, intense meetings, pressure-packed days, and political/media issues to rival any big government job. Decisions made at the TLC impact many lives, and could even save lives, and the proper regulation of the industry that moves millions of people each day is critical to the NYC economy. I know David very well, and he has the temperament, enthusiasm, ideas, and experience to do an exemplary job at this critical juncture in TLC history. David's exemplary work in the District of Columbia, coupled with his data driven approach to innovation and policymaking, sets the stage for greater things to come in New York City in our post-pandemic world. Congratulations to David Do, and to Mayor Adams, the NYC Council, the TLC and the City of New York for bringing such a dedicated and influential public servant to help us in our time of need.

{12049055:1}

.

⁹ https://dmoi.dc.gov/page/autonomous-vehicles-working-group