

**Intro 23: Increased Elevator Inspection Fees
NYC Council – Finance Committee
Testimony by NYC Department of Buildings
June 29, 2010**

Good afternoon, Chairman Recchia and members of the Finance Committee. I am Vincent Grippo, Chief of Staff of the New York City Department of Buildings. I am joined by Director of Budget and Fiscal Operations Edwin Pemberton and Director of Intergovernmental Affairs Donald Ranshte.

During the two most recent budget cycles we reviewed our revenues and expenses and found areas where the City was not being compensated for services it was providing. Intro 23 is an attempt to close one of these gaps by increasing elevator inspection fees from \$65 to \$100.

In October 2009 new contracts were registered by the Department of Buildings totaling \$5.1 million. The total cost to administer the elevator inspection program is \$6.4 million and the budgeted amount in Fiscal Year 2010 is \$4.4 million (\$3.1 million for the contract costs and \$1.3 million for staffing and OTPS).

In order to offset this \$2 million deficit, the charge for elevator inspections paid by property owners should be raised to \$100 in order to ensure that the City is reimbursed for the increased contract costs. The Office of Management and Budget has approved the proposed increase, which will offset the current costs associated with the new contracts with private elevator companies to provide required inspections mandated by section 28-304.6 of the Administrative Code. This bill reflects the new charges. The last time the fee was raised was in 1987.

I would like to thank you for hearing our testimony in support of this bill. I would be happy to answer any questions you may have. Thank you.

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New York City Taxi and Limousine Commission
Testimony in Support of Proposed Int. No 236-A
New York City Council Finance Committee
June 29, 2010

Good Afternoon Chairman Recchia and members of the Finance Committee. My name is Conan Freud and I am the Deputy Commissioner for Administration and Budget at the Taxi and Limousine Commission. I am joined today by Tweeps Phillips, Director of External Affairs. Thank you for the opportunity to testify today in support of Intro. No.236-A, a local law to amend the administrative code of the City of New York, in relation to fee for inspection of taxicabs by the TLC.

As members of the Finance and Transportation Committees know, we presented a draft bill in April of 2010 to amend the Administrative Code to allow the TLC the ability to charge a re-inspection fee for yellow taxis that fail their first DMV safety and emission inspection at our facility. By law, all yellow taxis must come in for three annual inspections at our DMV certified safety and emissions facility in Woodside Queens. Currently, the TLC charges \$50.00 to conduct a DMV inspection for yellow taxis, as mandated in section 19-504 of the Administrative Code. If a vehicle fails that first inspection, a second DMV inspection is required at no additional charge. If a vehicle fails the second inspection, the driver or the vehicle owner is charged for a third inspection, but all subsequent inspections are performed at no charge, and no additional fees are assessed. With over 60, 000 total inspections a year of just yellow taxis we have seen vehicles come in for more than 3 inspections and as many as 13 re-inspections. In fact, there is a high failure rate of our vehicles upon first inspection – more than 40% for livery vehicles, and almost 42% for yellow taxis. After working extensively with Chairman Vacca, members of the transportation committee and staff, we now have a bill that reflects close collaboration and agreed upon language that amends the Administrative Code to allow the TLC to impose a fee of up to \$50.00 for all DMV inspections and re-inspections for yellow cabs. If this legislation is passed, it would incentivize vehicle owners to maintain their vehicles to a higher standard of service, free up appointments for other vehicles that also need to be

inspected, reduce wait times for scheduling inspections and most importantly ensure that only the safest and best maintained vehicles are on the road.

We are fully in support of this bill and hope that you will pass it. Thank you very much for your time today.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 236A Res. No. _____

in favor in opposition

Date: 6/29/10

Name: Conan Freud (PLEASE PRINT)

Address: _____

I represent: Taxi + Limousine Commission

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 23 Res. No. _____

in favor in opposition

Date: 6/29/10

Name: Vincent Gippo (PLEASE PRINT)

Address: Chief of Staff

I represent: Department of Buildings

Address: 280 Broadway

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THE CITY OF NEW YORK**

Appearance Card

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 in favor in opposition
Date: 6/09/10

(PLEASE PRINT)

Name: Edwin Pemberton
Address: Director of Budget
I represent: Department of Buildings
Address: 280 Broadway

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 23 Res. No. _____
 in favor in opposition
Date: 6/09/10

(PLEASE PRINT)

Name: Donald RANSOME
Address: Director Community Affairs
I represent: Department of Buildings
Address: 280 Broadway

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