

MEMORANDUM IN SUPPORT

TITLE: A LOCAL LAW to amend the administrative code of the city of New York in relation to regulating and licensing pedicabs

SUMMARY OF PROVISIONS:

Section one of the bill adds a new subchapter 9 to chapter 2 of title 20 of the administrative code that would regulate pedicab businesses. Subchapter 9 would add sections 20-248 through 20-264 which are summarized in the the following discussion.

Section 20-248 sets forth legislative findings as to the need for and purpose of the bill and section 20-249 defines the essential terms used in the new subchapter. Section 20-250 provides that pedicab businesses must be licensed by the Department of Consumer Affairs (DCA). This section and section 20-251 detail the requirements pedicab owners must satisfy to obtain pedicab business licenses. Section 20-252 requires that pedicab businesses obtain liability insurance policies.

Section 20-253 requires that pedicabs possess specific equipment features and makes it unlawful to operate pedicabs that do not have those features. Section 20-254 requires that all pedicabs operated in the city be inspected by the DCA and provides for the issuance by DCA of a registration plate or tag indicating that the pedicab passed inspection. Section 20-255 requires that pedicab businesses maintain records relating to the ownership or operation of its pedicabs as determined by rule.

Section 20-256 requires that any person operating a pedicab first obtain a pedicab driver license, and outlines the requirements for such license, which include a valid motor vehicle driver's license. Section 20-257 requires pedicab drivers who have obtained pedicab driver licenses to wear photo identification cards provided by the DCA.

Section 20-258 subjects pedicab drivers to all state and local laws governing bicycles. It also imposes specific prohibitions on the manner in which pedicabs are operated in the City. For example, it prohibits pedicabs from transporting more than two persons and one child younger than three years old and it prohibits the operation of a pedicab that may be peddled by more than one individual at any one time. Section 20-259 requires that the rate or amount charged for the use of a pedicab be displayed on the pedicab.

Section 20-260 establishes the grounds for suspension or revocation of a pedicab business license or a pedicab driver license. Section 20-261 establishes that in a judicial proceeding the failure to display the required registration plate or tag on a pedicab is presumptive evidence that such pedicab has not been inspected or registered with the DCA. It also establishes that a

pedicab driver's failure to display his or her pedicab driver's license is presumptive evidence that he or she is not licensed as required.

Section 20-262 establishes the penalties for violations of the provisions of this subchapter. The penalties include civil and criminal penalties, seizure and forfeiture. The law would make the failure to operate a pedicab business without a pedicab business license or the failure to operate a pedicab without a pedicab driver license a criminal violation. It would authorize seizure of a pedicab for violation of the provision requiring inspection of such pedicab.

Section 20-263 authorizes officers and employees of the department, the police department and any department designated by the DCA Commissioner to enforce the provisions of this subchapter. Section 20-264 authorizes the DCA Commissioner to promulgate rules and forms as necessary to carry out the provisions of this subchapter. It also provides authority for the DCA Commissioner to establish by rule a cap on the number of pedicabs that can be operated in the City and restrictions on the areas in which pedicabs are permitted to operate.

Section two of the bill amends Administrative Code §20-453(b) to clarify that the definition of "general vendor", for purposes of the general vendor laws, does not include the operation of pedicabs. This amendment ensures that a pedicab driver is not also required to obtain a general vendor license in order to operate a pedicab.

Section three of the bill adds a new section 19-171.1 to subchapter 2 of title 19 of the administrative code. Section 19-171.1 would prohibit the operation of devices, known generally as "party bikes", that are constructed to permit more than two people to propel them.

Section four of the bill establishes that its effective date is ninety days after enactment.

REASONS FOR SUPPORT:

Human powered pedicabs for hire first appeared on the City's streets in September 1995 when six American-made tricycle taxis previously licensed in Honolulu and Miami Beach offered rides from pedicabs stands in Lower Manhattan. A decade later, the industry had not only ballooned into a fleet of 300 pedicabs, but expanded the geographic scope of its operations from Lower Manhattan into much of the borough and beyond.

The rapid growth of the industry shows its acceptance as a means for transporting passengers for hire, particularly tourists and those who want short distance trips around the city. Unlike other such industries that transport passengers for hire, the pedicab industry is currently subject to no business regulations that ensure they operate in a manner that safeguards their passengers and the public.

The provisions of this bill are designed to protect the public by plugging this gap. The bill would do so by requiring the licensing of all businesses providing pedicab services, the licensing of pedicab drivers, and the registration of each pedicab to ensure they meet established standards of safety and accountability. The licensing and registration requirements ensure that both the business and the drivers of pedicabs can be held effectively accountable for operating fairly and complying with applicable safety standards and traffic rules. The bill establishes equipment and

size standards pedicabs must satisfy to ensure they can be operated safely. The bill establishes standards pedicab drivers must follow to ensure compliance with applicable traffic laws and regulations and that they follow safe practices when transporting passengers. The bill mandates that the pedicab business obtain sufficient insurance coverage to protect passengers and the public financially for liability for injuries that may occur. The bill also exempts the services properly licensed pedicab drivers provide from being deemed services general vendors provide to avoid imposing duplicative licensing requirements on them. The bill also includes a structure of penalties and enforcement procedures to enable the Department to effectively and efficiently enforce compliance with the standards.

The bill authorizes the Commissioner, in consultation with the Commissioner of Transportation, to bar pedicabs from operating in designated geographic areas or to limit the maximum number of licenses that can be issued.

The provisions of this bill create sufficient flexibility to resolve issues that may develop without imposing on the industry a straightjacket that could thwart and stunt its healthy growth in the city. It establishes a regulatory structure that provides for public safety and creates the foundation for the future growth and development of this vibrant industry, without placing unduly burdensome requirements on it.

Multi-passenger wheeled devices, known as “party bikes”, are often operated on heavily congested streets. Their dimensions are such that they are as wide as a traffic lane, and their unique construction attracts a great deal of attention. Their operation alongside vehicular traffic represents competition for limited space and poses a risk to the safe flow of traffic.

This bill would not allow party bikes to be licensed as pedicabs and would also ban their private use on streets and in other public areas of the City. These provisions are being proposed to prevent the potential dangers to safety posed by these devices, and to ensure the smooth and safe flow of traffic, particularly in heavily congested areas. A complete ban on the operation of party bikes is necessary to protect the safety of both pedestrians and vehicular traffic.

Accordingly, the Mayor urges the earliest possible favorable consideration of this legislation.

Respectfully submitted,

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