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Panel Upholds Decision Invalidating Pedicabs Rules

A state appeals court has affirmed a ruling invalidating regulations that some pedicab owners feared would damage their business. Under Local Law 19 of the Administrative Code, the New York City Department of Consumer Affairs can only issue 325 pedicab licenses at one time, and these can only be issued to existing pedicab owners. However, regulations passed by the agency enabled operators who did not own their vehicles to apply for registration plates, which New York Pedicabs argued would "significantly damage" the existing pedicab industry. Early last year, Manhattan » Page 6

NEWS IN BRIEF

« Continued from page 1
Supreme Court Justice Edward H. Lehner agreed that "to the extent the regulations permit a non-owner to apply for one of the 325 available registration plates and permit an owner to apply for more plates than the number of pedicabs owned, the regulations are in conflict with the enabling statute." In a unanimous, unsigned ruling, the Appellate Division, First Department, held that the Department of Consumer Affairs "exceeded its authority under the enabling legislation by interpreting its regulation (6 RCNY 2-416[b])[2]"

to permit a pedicab owner to apply for more licenses and registration plates than the number of pedicabs actually owned." Justices Peter Tom, Richard T. Andrias, Eugene L. Nardelli, James M. Catterson and Karla Moskowitz sat on the panel. Pedicabs were first introduced to the city in 1995 when tricycle taxis licensed in Honolulu and Miami Beach started offering rides in downtown Manhattan. *Matter of New York City Pedicab Owners' Assn. v. New York City Dept. of Consumer Affairs*, 5099 appears on page 27.

—Noeleen G. Walder